



INTEGRATED REPORT 2026

Data Book

Overview and Organization of the Insurance Holding Company

Corporate Profile

Trade name	Dai-ichi Life Holdings, Inc.
Date of Establishment	September 15, 1902
Head Office	13-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo 100-8411, Japan
Phone number	81-(0)3-3216-1222
Official website	https://www.daiichilife-group.com/en/
Main Business	The purpose of the Company shall be to engage in the following businesses: (1) Business administration of life insurance companies, non-life insurance companies, and other companies operating as the Company's subsidiaries pursuant to the provisions of the Insurance Business Act; (2) Business activities incidental to the business listed in the preceding item; and (3) In addition to the business listed in the preceding two items, business activities that are permitted to be performed by an insurance holding company under the Insurance Business Act.
Capital stock	344.7 billion yen
Number of employees	702 persons

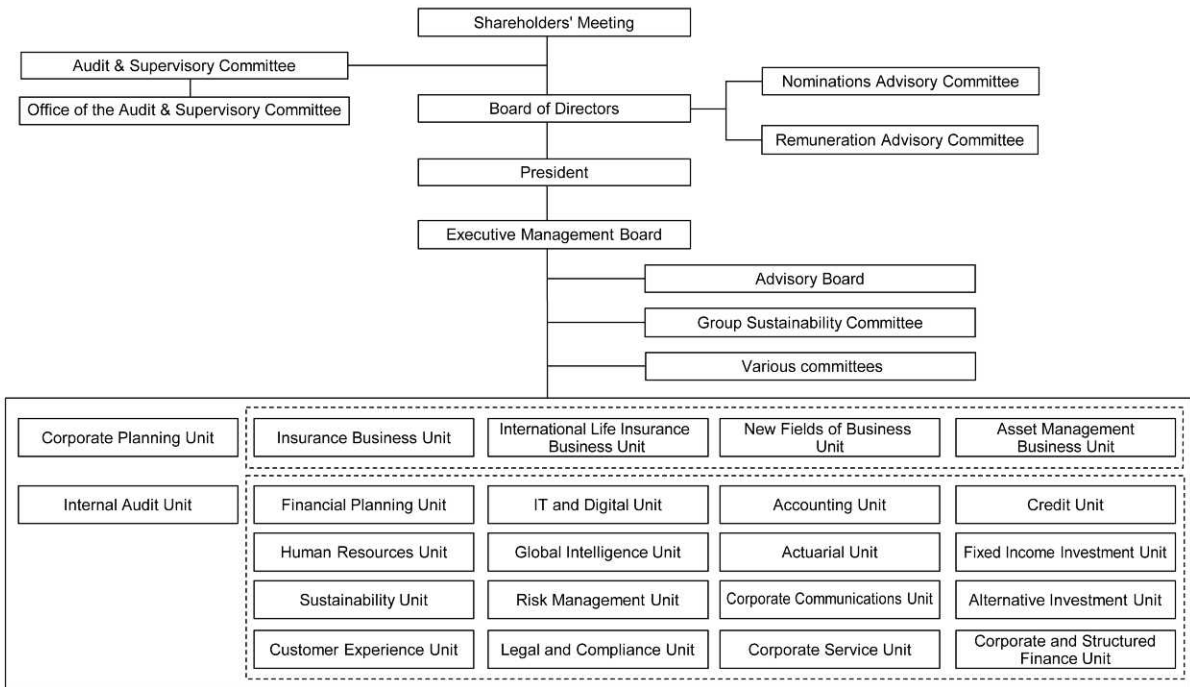
(Notes) Effective April 1, 2026, Dai-ichi Life Holdings, Inc. changed its corporate name to Daiichi Life Group, Inc.

Management Organization

Organization Chart

Daiichi Life Group
(As of April 1, 2026)

Office	1
Units	22



Capital Stock and Number of Shares

1. Capital stock

Date	Increase in capital	Capital stock after increase	Details
April 1, 2010	210,200 million yen	210,200 million yen	Reconciliation of net assets associated with the change in corporate structure to a public company from a mutual company
April 2, 2012	7 million yen	210,207 million yen	Exercise of stock options
April 1, 2013	8 million yen	210,215 million yen	Exercise of stock options
June 21, 2013	9 million yen	210,224 million yen	Exercise of stock options
June 25, 2014	37 million yen	210,262 million yen	Exercise of stock options
July 23, 2014	124,178 million yen	334,440 million yen	Issuance of new shares by way of public offering
August 19, 2014	8,663 million yen	343,104 million yen	Third-party allotment associated with the secondary offering through over-allotment
April 1, 2015	42 million yen	343,146 million yen	Exercise of stock options
July 24, 2018	180 million yen	343,326 million yen	Third-party allotment associated with the stock remuneration scheme using restricted stocks
July 19, 2019	190 million yen	343,517 million yen	Third-party allotment associated with the stock remuneration scheme using restricted stocks
July 21, 2020	214 million yen	343,732 million yen	Third-party allotment associated with the stock remuneration scheme using restricted stocks
July 20, 2021	194 million yen	343,926 million yen	Third-party allotment associated with the stock remuneration scheme using restricted stocks
December 2, 2022	147 million yen	344,074 million yen	Third-party allotment associated with the stock remuneration scheme using restricted stocks
March 4, 2024	130 million yen	344,205 million yen	Third-party allotment associated with the stock remuneration scheme using restricted stocks
July 19, 2024	143 million yen	344,349 million yen	Third-party allotment associated with the stock remuneration scheme using restricted stocks
March 4, 2025	4 million yen	344,353 million yen	Third-party allotment associated with the stock remuneration scheme using restricted stocks
July 11, 2025	194 million yen	344,547 million yen	Third-party allotment associated with the stock remuneration scheme using restricted stocks
November 17, 2025	150 million yen	344,698 million yen	Third-party allotment associated with the performance-linked share-based remuneration scheme
March 4, 2026	4 million yen	344,702 million yen	Third-party allotment associated with the stock remuneration scheme using restricted stocks

2. Number of shares and shareholders

(As of March 31, 2026)

Number of shares authorized to be issued	7,000,000 thousand shares
Number of issued shares	3,621,895 thousand shares
Number of shareholders	761,723 persons

(Notes) 1. Numbers of shares less than one thousand are truncated.

3. Type of issued shares

(As of March 31, 2026)

Type	Number of issued shares	Details
Common stock	3,621,895 thousand shares	—

(Notes) 1. Numbers of shares less than one thousand are truncated.

4. Major Shareholders (Top 10)

(As of March 31, 2026)

Name of shareholders	Ownership in the Company	
	Shares held	Percentage
	shares	%
The Master Trust Bank of Japan, Ltd. (Trust Account)	568,782,300	15.71
Custody Bank of Japan, Ltd. (Trust Account)	212,193,200	5.86
SMP PARTNERS (CAYMAN) LIMITED	98,000,000	2.70
STATE STREET BANK AND TRUST COMPANY 505001	72,777,598	2.01
Shinsei Trust & Banking Co., Ltd. ECM MF Trust Account 8299002	69,800,000	1.92
CGML PB CLIENT ACCOUNT/COLLATERAL	52,077,000	1.43
JP MORGAN CHASE BANK 385781	51,147,408	1.41
Dai-ichi Life Group Employee Shareholding Association	49,732,876	1.37
JPMorgan Securities Japan Co., Ltd.	49,162,372	1.35
ECM MF	46,146,800	1.27
Total	1,269,819,554	35.08

(Notes) 1 Percentage figures of ownership are calculated after deducting the number of treasury stock from the number of issued shares, and figures less than the second decimal place are truncated.

2 Dai-ichi Life Group Employee Shareholding Association has changed its name to Daiichi Life Group Employee Shareholding Association following the change in the Company's trade name to Daiichi Life Group, Inc., which became effective on April 1, 2026.

5. Directors, Executive Officers and Expert Executive Officers

(1) Directors

(As of June 23, 2026)

Name	Position and responsibility	Significant concurrent positions
Seiji Inagaki	Director, Chair of the Board	Director, Chair of the Board, Daiichi Life Insurance Co., Ltd. Outside Audit & Supervisory Board Member, TOKYU CORPORATION
Tetsuya Kikuta	Representative Director, President Group Chief Executive Officer	Director, Daiichi Life Insurance Co., Ltd.
Hitoshi Yamaguchi	Representative Director, Senior Managing Executive Officer Group Chief Human Resources Officer	
Takako Kitahori	Director, Managing Executive Officer Group Chief Customer Experience Officer (Japan)	
Toshiaki Sumino	Director	Representative Director, President, Daiichi Life Insurance Co., Ltd.
Kiyoto Matsuda	Director	Chairman, Topaz Capital, Inc. Chair of the Board, Benefit One Inc.
Yasushi Shingai	Outside Director	Representative Director, Igalphan Corporation Representative Director, Shingai Management Institute Co., Ltd. Outside Director, Panasonic Holdings Corporation
Bruce Miller	Outside Director	Outside Director, INPEX CORPORATION
Ichiro Ishii	Outside Director	Representative Director, troisH Co., Ltd. Outside Director, NS Solutions Corporation
Etsuko Shakespeare	Outside Director	Representative member, EG Globe Partners LLC Outside Director, and ST HD Co., Ltd.
Takahiro Shibagaki	Director (Audit & Supervisory Committee Member (Full-Time))	Outside Auditor, SHIZUOKA GAS CO., LTD.
Kenji Yamakoshi	Director (Audit & Supervisory Committee Member (Full-Time))	
Satoshi Nagase	Outside Director (Audit & Supervisory Committee Member)	
Ayako Makino	Outside Director (Audit & Supervisory Committee Member)	Director of Makino Certified Public Accounting Office Outside Audit & Supervisory Board Member, Tokyo Electron Ltd.
Junko Ogushi	Outside Director (Audit & Supervisory Committee Member)	Partner, Kaname Partners Outside Director, Hibiya Engineering, Ltd. Outside Director, MITSUBISHI MOTORS CORPORATION

(2)Executive Officers and Expert Executive Officers

(As of June 23, 2026)

Position and responsibility	Name
Senior Managing Executive Officer, Group Chief Information Officer & Group Chief Digital Officer	Stephen Barnham
Senior Managing Executive Officer	Hiroyuki Kanou
Senior Managing Executive Officer	Brett Clark
Managing Executive Officer	Kazuyuki Shigemoto
Managing Executive Officer, Business Head, Asset Management	Takashi Iida
Managing Executive Officer, Group Chief Risk Officer	Hideyuki Ohashi
Managing Executive Officer	Satoshi Takemoto
Managing Executive Officer, Business Head, New Fields of Business	Kentaro Ogata
Managing Executive Officer, Business Head, Insurance (Japan)	Hironori Takahashi
Managing Executive Officer	Atsuko Yasuda
Managing Executive Officer	Makoto Hishida
Managing Executive Officer, Group Chief Financial Officer	Taisuke Nishimura
Managing Executive Officer	Yotaro Numata
Managing Executive Officer, Business Head, International Life Insurance	Akifumi Kai
Managing Executive Officer, Group Chief Compliance Officer	Webster Coates
Managing Executive Officer, Group Chief Communications Officer	Kyoko Wada
Managing Executive Officer	Kazuyuki Hanyu
Executive Officer	Ken Niimura
Executive Officer	Isamu Ando
Executive Officer	Katsushi Makiuchi
Executive Officer	Masakatsu Mizukami
Executive Officer, Group Chief Data and AI Officer	Figen Ulgen
Executive Officer, Group Chief Brand and Culture Officer	Kaori Sakamoto
Executive Officer, Group Chief Sustainability Officer	Yukiko Sakai
Executive Officer, Group Chief Internal Audit Officer	Hiroko Ishii
Executive Officer	Ryosuke Kondo
Expert Executive Officer, Group Chief Information Security Officer	Fred Stute
Expert Executive Officer, Group Chief Accounting Officer	Hirota Noji
Expert Executive Officer	Masashi Kataoka

6. Status of Accounting Audit

(1) Independent Auditor

KPMG AZSA LLC

(2) Details of audit fees, etc.

① Details of Remuneration to Auditing Certified Public Accountants, etc.

Classification	The fiscal year ended March 31, 2025		The fiscal year ended March 31, 2026	
	Fees based on audit certification services (Unit: million yen)	Fees for non-audit services (Unit: million yen)	Fees based on audit certification services (Unit: million yen)	Fees for non-audit services (Unit: million yen)
Submitting company	137	93	370	20
Consolidated subsidiary	295	37	500	30
Total	433	130	871	51

(The fiscal year ended March 31, 2025)

The Company's non-audit services include "Advisory services related to accounting standards", etc.

Non-audit services provided by consolidated subsidiaries include "Assurance services for systems related to corporate pension fund commissioned services", etc.

(The fiscal year ended March 31, 2026)

The Company's non-audit services include "Advisory services related to new regulations", etc.

Non-audit services provided by consolidated subsidiaries include "Assurance services for systems related to corporate pension fund commissioned services", etc.

② Fees to the same network (KPMG member firms) as the CPAs (excluding ①)

Classification	The fiscal year ended March 31, 2025		The fiscal year ended March 31, 2026	
	Fees based on audit certification services (Unit: million yen)	Fees for non-audit services (Unit: million yen)	Fees based on audit certification services (Unit: million yen)	Fees for non-audit services (Unit: million yen)
Submitting company	-	3	-	14
Consolidated Subsidiary	1,942	131	2,180	152
Total	1,942	135	2,180	166

(The fiscal year ended March 31, 2025)

The Company's non-audit services include "Actuarial advisory services".

Non-audit services provided by consolidated subsidiaries include "Actuarial advisory services", etc.

(The fiscal year ended March 31, 2026)

The Company's non-audit services include "Sustainability disclosures advisory services".

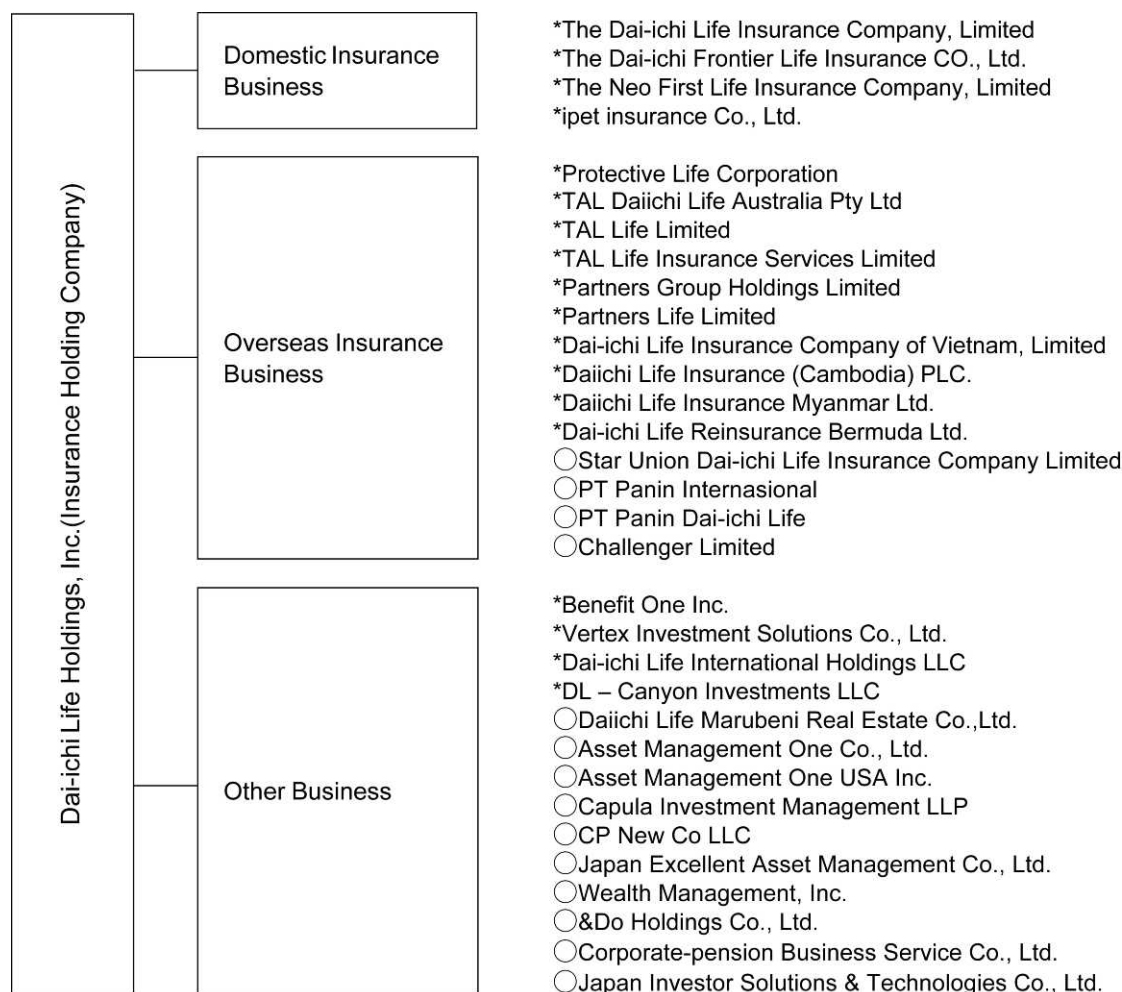
Non-audit services provided by consolidated subsidiaries include "Actuarial advisory services", etc.

Overview of the Insurance Holding Company and its Subsidiaries and Affiliated Companies

Main Businesses and Organization

Main businesses operated by the Company and its 198 subsidiaries and 255 affiliated companies, and the positioning of the group companies with respect to each of these businesses, are described as follows.

<Diagram of the Company and its Subsidiaries and Affiliated Companies>



- (Notes)
1. Company names of principal subsidiaries and affiliated companies are shown.
 2. Company names with "*" are consolidated subsidiaries and "O" are affiliated companies under the equity method as of March 31, 2026.
 3. Effective April 1, 2026, Dai-ichi Life Holdings, Inc. changed its corporate name to Daiichi Life Group, Inc.; The Dai-ichi Life Insurance Company, Limited changed its corporate name to Daiichi Life Insurance Co., Ltd.; The Dai-ichi Frontier Life Insurance Co., Ltd. changed its corporate name to Daiichi Frontier Life Insurance Co., Ltd.; The Neo First Life Insurance Company, Limited changed its corporate name to Daiichi Neo Life Insurance Co., Ltd.; ipet Insurance Co., Ltd. changed its corporate name to Daiichi ipet Insurance Co., Ltd.; Dai-ichi Life Reinsurance Bermuda Ltd. changed its corporate name to Daiichi Life Reinsurance Bermuda Ltd.; and Dai-ichi Life International Holdings LLC changed its corporate name to Daiichi Life International Holdings LLC.

List of Group Companies

Company Name	Date of Establishment	Location	Capital	Principal Business (Note 1)	Percentage of voting rights of subsidiaries, etc. held by the Company (%)	Percentage of voting rights of subsidiaries, etc. held by Group companies (%) (Note 2)
(Consolidated Subsidiary)						
The Dai-ichi Life Insurance Company, Limited	April 1, 2016	Chiyoda-ku, Tokyo	60.0 billion JPY	Domestic insurance business	100.0%	0.0%
The Dai-ichi Frontier Life Insurance Co., Ltd.	December 1, 2006	Minato-ku, Tokyo	50.0 billion JPY	Domestic insurance business	100.0%	0.0%
The Neo First Life Insurance Company, Limited	April 23, 1999	Shinagawa-ku, Tokyo	47.5 billion JPY	Domestic insurance business	100.0%	0.0%
ipet Insurance Co., Ltd.	May 11, 2004	Koto-ku, Tokyo	4.6 billion JPY	Domestic insurance business	100.0%	0.0%
Protective Life Corporation	July 24, 1907	Birmingham, U.S.A.	10 USD	Overseas insurance business	0.0%	100.0%
TAL Daiichi Life Australia Pty Ltd	March 25, 2011	Sydney, Australia	3,055 million AUD	Overseas insurance business	0.0%	100.0%
TAL Life Limited	October 11, 1990	Sydney, Australia	654 million AUD	Overseas insurance business	0.0%	100.0%
TAL Life Insurance Services Limited	August 4, 1986	Sydney, Australia	856 million AUD	Overseas insurance business	0.0%	100.0%
Partners Group Holdings Limited	August 23, 2010	Auckland, New Zealand	546 million NZD	Overseas insurance business	0.0%	100.0%
Partners Life Limited	August 23, 2010	Auckland, New Zealand	569 million NZD	Overseas insurance business	0.0%	100.0%
Dai-ichi Life Insurance Company of Vietnam, Limited	January 18, 2007	Ho Chi Minh City, Vietnam	9,797.5 billion VND	Overseas insurance business	100.0%	0.0%
Daiichi Life Insurance (Cambodia) PLC.	March 14, 2018	Phnom Penh, Cambodia	81 million USD	Overseas insurance business	0.0%	100.0%
Daiichi Life Insurance Myanmar Ltd.	May 17, 2019	Yangon, Myanmar	79 million USD	Overseas insurance business	100.0%	0.0%
Dai-ichi Life Reinsurance Bermuda Ltd.	September 25, 2020	Hamilton, Bermuda	481 million USD	Overseas insurance business	100.0%	0.0%
Dai-ichi Life International Holdings LLC	June 22, 2020	Chiyoda-ku, Tokyo	5 million JPY	Other business	100.0%	0.0%
Vertex Investment Solutions Co., Ltd.	August 1, 2022	Chiyoda-ku, Tokyo	1.5 billion JPY	Other business	100.0%	0.0%
Benefit One Inc.	March 15, 1996	Shinjuku-ku, Tokyo	1.5 billion JPY	Other business	100.0%	0.0%
DL – Canyon Investments LLC	May 10, 2024	Wilmington, U.S.A.	271 million USD	Other business	100.0%	0.0%

Company Name	Date of Establishment	Location	Capital	Principal Business (Note 1)	Percentage of voting rights of subsidiaries, etc. held by the Company (%)	Percentage of voting rights of subsidiaries, etc. held by Group companies (%) (Note 2)
(Affiliated Company Under the Equity Method)						
Star Union Dai-ichi Life Insurance Company Limited	September 25, 2007	Navi Mumbai, India	3,572 million INR	Overseas insurance business	0.0%	47.4%
PT Panin Internasional	July 24, 1998	Jakarta, Indonesia	1,022.5 billion IDR	Overseas insurance business	0.0%	36.8%
PT Panin Dai-ichi Life	July 19, 1974	Jakarta, Indonesia	1,067.3 billion IDR	Overseas insurance business	5.0%	95.0%
Challenger Limited	1985	Sydney, Australia	2,552 million AUD	Overseas insurance business	0.0%	19.9%
Daiichi Life Marubeni Real Estate Co., Ltd.	July 1, 2025	Minato-ku, Tokyo	500 million JPY	Other business	50.0%	0.0%
Corporate-pension Business Service Co., Ltd.	October 1, 2001	Osaka-shi, Osaka	100 million JPY	Other business	0.0%	50.0%
Asset Management One Co., Ltd.	July 1, 1985	Chiyoda-ku, Tokyo	2.0 billion JPY	Other business	49.0%	0.0%
Japan Excellent Asset Management Co., Ltd.	April 14, 2005	Minato-ku, Tokyo	450 million JPY	Other business	36.0%	0.0%
Wealth Management, Inc.	December 6, 1999	Minato-ku, Tokyo	2.3 billion JPY	Other business	28.4%	0.0%
Japan Investor Solutions & Technologies Co., Ltd.	August 11, 1999	Yokohama-shi, Kanagawa	25.8 billion JPY	Other business	0.0%	18.6%
&Do Holdings Co., Ltd.	January 5, 2009	Kyoto-shi, Kyoto	3.4 billion JPY	Other business	15.6%	0.0%
Asset Management One USA Inc.	June 3, 1994	New York City, U.S.A.	4 million USD	Other business	49.0%	0.0%
CP New Co LLC	February 6, 2024	Dover, U.S.A.	319 million USD	Other business	0.0%	19.9%
Capula Management Limited	June 29, 2005	Cayman Islands	2 million USD	Other business	15.0%	0.0%
Capula Investment Management LLP	May 24, 2005	London, United Kingdom	10 million GBP	Other business	15.0%	0.0%

(Notes) 1. "Principal Business" is categorized with the three reportable segments of the Company.

2. "Percentage of voting rights of subsidiaries, etc. held by Group companies" represent percentages including those of indirect voting rights, which in turn include the percentages of "voting rights held by any persons who are found to exercise their voting rights in the same manner as the intent of the subject person due to their close ties with the subject person in terms of contribution, personnel affairs, funds, technology, transactions, etc. and those held by any persons who have given their consent to exercising their voting rights in the same manner as the intent of the subject person."

3. Effective April 1, 2026, The Dai-ichi Life Insurance Company, Limited changed its corporate name to Daiichi Life Insurance Co., Ltd.; The Dai-ichi Frontier Life Insurance Co., Ltd. changed its corporate name to Daiichi Frontier Life Insurance Co., Ltd.; The Neo First Life Insurance Company, Limited changed its corporate name to Daiichi Neo Life Insurance Co., Ltd.; ipet Insurance Co., Ltd. changed its corporate name to Daiichi ipet Insurance Co., Ltd.; Dai-ichi Life Reinsurance Bermuda Ltd. changed its corporate name to Daiichi Life Reinsurance Bermuda Ltd.; and Dai-ichi Life International Holdings LLC changed its corporate name to Daiichi Life International Holdings LLC.

Main Businesses of the Insurance Holding Company and its Subsidiaries and Affiliated Companies

Key Management Indicators

	Fiscal Year Ended March 31,				
	2022	2023	2024	2025	2026
Ordinary revenues (million yen)	8,209,708	9,508,766	11,028,166	9,876,615	11,308,275
Ordinary profit (million yen)	590,897	387,500	539,006	755,728	753,688
Net income attributable to shareholders of parent company (million yen)	409,353	173,735	320,765	458,407	436,597
Comprehensive income (million yen)	(130,395)	(1,344,017)	1,425,209	(75,635)	817,590

	As of March 31,				
	2022	2023	2024	2025	2026
Total net assets (million yen)	4,210,341	2,661,764	3,979,117	3,639,369	4,254,212
Total assets (million yen)	65,896,142	61,653,699	67,392,450	69,404,123	74,159,096
Solvency Ratio (%)	902.6	704.1	692.6	643.4	-

(Note) 1 Certain consolidated overseas subsidiaries have applied Accounting Standards “Insurance Contracts” (AASB No. 17) (NZ IFRS No. 17) issued by the Australian Accounting Standards Board and the New Zealand Accounting Standards Board. Accordingly, figures for Fiscal Year Ended March 31, 2023 are restated. In addition, total net assets and total assets as of March 31, 2022 and 2023 are also restated.

2 Certain overseas consolidated subsidiaries have applied Accounting Standards Codification (ASC) Topic 944, “Financial Services - Insurance Contracts” issued by the Financial Accounting Standards Board (FASB) beginning with Fiscal Year Ended March 31, 2026. Accordingly, figures for Fiscal Year Ended March 31, 2025 are restated. In addition, total net assets and total assets as of March 31, 2024 are also restated.

3 “Solvency Ratio” refers to the Consolidated Solvency Margin Ratio through Fiscal Year 2024 and the Economic Value-Based Solvency Ratio (ESR) from Fiscal Year 2025. The Fiscal Year 2025 figure will be disclosed in a supplementary edition scheduled for publication in October 2026.

Outline of business

Ordinary revenues for the fiscal year ended March 31, 2026 increased by 14.5% compared with the previous fiscal year to ¥11,308.2 billion, consisting of ¥6,944.0 billion in premium and other income (2.1% increase), ¥3,735.3 billion in investment income (47.7% increase), and ¥628.8 billion in other ordinary revenues (14.6% increase).

Meanwhile, ordinary expenses for the fiscal year ended March 31, 2026 increased by 15.7% compared with the previous fiscal year to ¥10,554.5 billion, consisting of ¥6,447.1 billion in benefits and claims (2.0% decrease), ¥1,814.9 billion in provision for policy reserves and others (430.8% increase), ¥867.0 billion in investment expenses (3.0% increase), ¥1,048.2 billion in operating expenses (6.1% increase), and ¥377.2 billion in other ordinary expenses (2.7% increase).

As a result, ordinary profit for the fiscal year ended March 31, 2026 decreased by 0.3% compared with the previous fiscal year to ¥753.6 billion. After accounting for extraordinary gains and losses, provision for reserve for policyholder dividends, and income taxes, net income attributable to owners of the parent decreased by 4.8% compared with the previous fiscal year to ¥436.5 billion.

Segment results were as follows:

(1) Domestic Insurance Business

Ordinary revenues in the domestic insurance business increased by ¥585.8 billion compared with the previous consolidated fiscal year, amounting to ¥8,669.6 billion (7.2% increase). This increase was mainly due to higher gains on sales of securities associated with the sale of domestic equities at The Dai-ichi Life Insurance Company, Limited, reflecting favorable financial market conditions, as well as an increase in foreign exchange gains at The Dai-ichi Frontier Life Insurance Co., Ltd. resulting from the depreciation of the yen compared with the previous fiscal year.

Segment profit increased by ¥91.7 billion compared with the previous consolidated fiscal year, reaching ¥676.2 billion (15.7% increase). This increase was mainly attributable to higher gains on sales of securities at The Dai-ichi Life Insurance Company, Limited as described above.

(Note 1) Effective April 1, 2026, The Dai-ichi Life Insurance Company, Limited changed its corporate name to Daiichi Life Insurance Co., Ltd., and The Dai-ichi Frontier Life Insurance Co., Ltd. changed its corporate name to Daiichi Frontier Life Insurance Co., Ltd.

(2) Overseas Insurance Business

Ordinary revenues in the overseas insurance business decreased by ¥113.0 billion compared with the previous consolidated fiscal year, amounting to ¥3,559.3 billion (3.1% decrease). This decrease was mainly due to Dai-ichi Life Reinsurance Bermuda Ltd., where a decline in U.S. interest rates compared with the previous fiscal year increased insurance liabilities, resulting in a reversal from a release of policy reserves to a provision for policy reserves.

Segment profit decreased by ¥107.1 billion compared with the previous consolidated fiscal year, reaching ¥112.6 billion (48.7% decrease). This decrease was mainly due to lower premium and other income at Protective Life Corporation resulting from a decrease in reinsurance income associated with expanded sales of certain insurance products.

(Note 2) Effective April 1, 2026, Dai-ichi Life Reinsurance Bermuda Ltd. changed its corporate name to Daiichi Life Reinsurance Bermuda Ltd.

(3) Other Business

Ordinary revenues in the other business increased by ¥140.9 billion compared with the previous consolidated fiscal year, amounting to ¥471.4 billion (42.7% increase). This increase was mainly due to higher dividend income received from group companies, including The Dai-ichi Life Insurance Company, Limited.

Segment profit increased by ¥119.2 billion compared with the previous consolidated fiscal year, reaching ¥340.2 billion (53.9% increase).

This increase was mainly attributable to the increase in dividend income from group companies compared with the previous consolidated fiscal year.

Consolidated Balance Sheet

	(Unit: million yen)		(Unit: million US dollars)
	As of March 31,		
	2025	2026	2026
(ASSETS)			
Cash and deposits	1,889,228	1,974,671	12,350
Call loans	566,500	591,000	3,696
Monetary claims bought	207,197	186,044	1,163
Money held in trust	899,485	1,384,128	8,657
Securities	53,033,910	55,576,274	347,612
Loans	5,130,891	4,997,117	31,255
Tangible fixed assets	1,273,200	1,239,280	7,751
Land	881,367	836,165	5,229
Buildings	342,470	362,617	2,268
Leased assets	8,432	6,919	43
Construction in progress	8,496	1,011	6
Other tangible fixed assets	32,432	32,566	203
Intangible fixed assets	1,044,116	963,435	6,025
Software	143,253	139,206	870
Goodwill	328,427	302,276	1,890
Leased assets	3	1	0
Other intangible fixed assets	572,431	521,950	3,264
Reinsurance receivables	2,048,027	2,062,981	12,903
Other assets	3,195,461	5,075,928	31,748
Deferred tax assets	125,713	125,244	783
Customers' liabilities for acceptances and guarantees	11,192	4	0
Reserve for possible loan losses	(20,374)	(16,563)	(103)
Reserve for possible investment losses	(427)	(450)	(2)
Total assets	69,404,123	74,159,096	463,842
(LIABILITIES)			
Policy reserves and others	59,246,559	61,255,107	383,131
Reserves for outstanding claims	1,426,541	1,624,508	10,160
Policy reserves	57,387,967	59,192,742	370,232
Reserve for policyholder dividends	432,050	437,856	2,738
Reinsurance payable	301,779	1,514,606	9,473
Short-term bonds payable	41,874	7,822	48
Bonds payable	1,153,124	1,337,337	8,364
Other liabilities	4,340,668	5,109,011	31,955
Payables under repurchase agreements	1,699,129	1,831,637	11,456
Other liabilities	2,641,538	3,277,374	20,498
Net defined benefit liabilities	157,929	19,352	121
Reserve for retirement benefits of directors, executive officers and corporate auditors	613	556	3
Reserve for possible reimbursement of prescribed claims	1,300	1,600	10
Reserves under the special laws	342,194	357,500	2,236
Reserve for price fluctuations	342,194	357,500	2,236
Deferred tax liabilities	97,710	233,435	1,460
Deferred tax liabilities for land revaluation	69,806	68,547	428
Acceptances and guarantees	11,192	4	0
Total liabilities	65,764,753	69,904,883	437,233

Consolidated Balance Sheet (Continued)

	(Unit: million yen)		(Unit: million US dollars)
	As of March 31,		
	2025	2026	2026
(NET ASSETS)			
Capital stock	344,353	344,702	2,156
Capital surplus	330,686	331,035	2,070
Retained earnings	1,376,222	1,611,421	10,078
Treasury stock	(9,938)	(16,949)	(106)
Total shareholders' equity	2,041,323	2,270,210	14,199
Net unrealized gains (losses) on securities, net of tax	959,318	1,372,692	8,585
Deferred hedge gains (losses)	(124,157)	(205,617)	(1,286)
Reserve for land revaluation	48,984	54,143	338
Foreign currency translation adjustments	378,906	387,289	2,422
Accumulated remeasurements of defined benefit plans	126,449	199,082	1,245
Net unrealized gains (losses) on total policy reserves and other reserves of foreign subsidiaries, net of tax	208,286	176,203	1,102
Total accumulated other comprehensive income	1,597,788	1,983,792	12,408
Stock acquisition rights	257	210	1
Total net assets	3,639,369	4,254,212	26,608
Total liabilities and net assets	69,404,123	74,159,096	463,842

Consolidated Statement of Earnings

	(Unit: million yen)		(Unit: million US dollars)
	Year ended March 31,		
	2025	2026	2026
ORDINARY REVENUES	9,876,615	11,308,275	70,729
Premium and other income	6,799,366	6,944,066	43,432
Investment income	2,528,416	3,735,313	23,363
Interest and dividends	1,585,938	1,670,711	10,449
Gains on money held in trust	—	78,727	492
Gains on investments in trading securities	331,097	680,562	4,256
Gains on sale of securities	570,776	780,465	4,881
Gains on redemption of securities	23,236	26,323	164
Foreign exchange gains	—	364,124	2,277
Reversal of reserve for possible loan losses	4,778	3,728	23
Other investment income	12,588	4,875	30
Gains on investments in separate accounts	—	125,795	786
Other ordinary revenues	548,833	628,895	3,933
ORDINARY EXPENSES	9,120,887	10,554,587	66,015
Benefits and claims	6,581,327	6,447,114	40,324
Claims	1,998,461	1,808,520	11,311
Annuities	1,063,768	1,037,349	6,488
Benefits	728,415	777,298	4,861
Surrender values	1,637,819	1,289,905	8,067
Other refunds	1,152,863	1,534,039	9,594
Provision for policy reserves and others	341,899	1,814,937	11,351
Provision for policy reserves	333,462	1,806,266	11,297
Provision for interest on policyholder dividends	8,437	8,670	54
Investment expenses	842,153	867,008	5,422
Interest expenses	49,312	62,247	389
Losses on money held in trust	1,284	—	—
Losses on sale of securities	457,799	574,123	3,590
Losses on valuation of securities	22,313	7,993	49
Losses on redemption of securities	10,502	29,422	184
Derivative transaction losses	77,703	95,101	594
Foreign exchange losses	126,738	—	—
Provision for reserve for possible investment losses	292	24	0
Write-down of loans	6,562	3,065	19
Depreciation of real estate for rent and others	14,257	14,826	92
Other investment expenses	71,716	80,202	501
Losses on investments in separate accounts	3,668	—	—
Operating expenses	988,092	1,048,234	6,556
Other ordinary expenses	367,414	377,293	2,359
Ordinary profit	755,728	753,688	4,714
EXTRAORDINARY GAINS	19,020	22,507	140
Gains on disposal of fixed assets	18,881	13,570	84
Gains on changes in equity	—	8,748	54
Other extraordinary gains	139	188	1
EXTRAORDINARY LOSSES	75,793	42,546	266
Losses on disposal of fixed assets	25,927	17,110	107
Impairment losses on fixed assets	2,243	10,058	62
Provision for reserve for price fluctuations	17,802	15,305	95
Second career special support expenses	28,883	—	—
Other extraordinary losses	936	71	0
Provision for reserve for policyholder dividends	100,000	107,500	672
Income before income taxes	598,955	626,149	3,916
Corporate income taxes-current	124,754	181,547	1,135
Corporate income taxes-deferred	15,793	8,003	50
Total of corporate income taxes	140,548	189,551	1,185
Net Income	458,407	436,597	2,730
Net income attributable to shareholders of parent company	458,407	436,597	2,730

Consolidated Statement of Comprehensive Income

	(Unit: million yen)		(Unit: million US dollars)
	Year ended March 31,		
	2025	2026	2026
Net income	458,407	436,597	2,730
Other comprehensive income			
Net unrealized gains (losses) on securities, net of tax	(716,189)	427,660	2,674
Deferred hedge gains (losses)	(24,636)	(76,414)	(477)
Reserve for land revaluation	(2,249)	40	0
Foreign currency translation adjustments	128,323	10,917	68
Remeasurements of defined benefit plans, net of tax	9,030	72,539	453
Net unrealized gains (losses) on total policy reserves and other reserves of foreign subsidiaries, net of tax	61,673	(31,631)	(197)
Share of other comprehensive income of subsidiaries and affiliates accounted for under the equity method	10,005	(22,118)	(138)
Total other comprehensive income	(534,042)	380,992	2,382
Comprehensive income	(75,635)	817,590	5,113
(Details)			
Attributable to shareholders of parent company	(75,635)	817,590	5,113

Consolidated Statement of Changes in Net Assets

Year ended March 31, 2025

(Unit: million yen)

	Shareholders' equity				Total shareholders' equity
	Capital stock	Capital surplus	Retained earnings	Treasury stock	
Balance at the beginning of the year	344,205	330,538	1,214,608	(17,258)	1,872,093
Cumulative effect of changes in accounting policies			(2,100)		(2,100)
Balance at the beginning of the year after reflecting the effect of changes in accounting policies	344,205	330,538	1,212,507	(17,258)	1,869,992
Changes for the year					
Issuance of new shares	148	148			296
Dividends			(162,939)		(162,939)
Net income attributable to shareholders of parent company			458,407		458,407
Purchase of treasury stock				(101,849)	(101,849)
Disposal of treasury stock		(152)		278	125
Cancellation of treasury stock		(108,890)		108,890	—
Change in scope of equity method					—
Transfer from retained earnings to capital surplus		109,043	(109,043)		—
Transfer from reserve for land revaluation			(23,010)		(23,010)
Others			300		300
Net changes of items other than shareholders' equity					
Total changes for the year	148	148	163,714	7,319	171,330
Balance at the end of the year	344,353	330,686	1,376,222	(9,938)	2,041,323

(Unit: million yen)

	Accumulated other comprehensive income				Accumulated remeasurements of defined benefit plans
	Net unrealized gains (losses) on securities, net of tax	Deferred hedge gains (losses)	Reserve for land revaluation	Foreign currency translation adjustments	
Balance at the beginning of the year	1,733,897	(101,756)	28,223	247,433	117,420
Cumulative effect of changes in accounting policies	(63,010)				
Balance at the beginning of the year after reflecting the effect of changes in accounting policies	1,670,886	(101,756)	28,223	247,433	117,420
Changes for the year					
Issuance of new shares					
Dividends					
Net income attributable to shareholders of parent company					
Purchase of treasury stock					
Disposal of treasury stock					
Cancellation of treasury stock					
Change in scope of equity method					
Transfer from retained earnings to capital surplus					
Transfer from reserve for land revaluation					
Others					
Net changes of items other than shareholders' equity	(711,568)	(22,400)	20,760	131,472	9,029
Total changes for the year	(711,568)	(22,400)	20,760	131,472	9,029
Balance at the end of the year	959,318	(124,157)	48,984	378,906	126,449

(Unit: million yen)

	Accumulated other comprehensive income			
	Net unrealized gains (losses) on total policy reserves and other reserves of foreign subsidiaries, net of tax	Total accumulated other comprehensive income	Stock acquisition rights	Total net assets
Balance at the beginning of the year	(15,457)	2,009,761	302	3,882,157
Cumulative effect of changes in accounting policies	162,070	99,060		96,959
Balance at the beginning of the year after reflecting the effect of changes in accounting policies	146,613	2,108,821	302	3,979,117
Changes for the year				
Issuance of new shares				296
Dividends				(162,939)
Net income attributable to shareholders of parent company				458,407
Purchase of treasury stock				(101,849)
Disposal of treasury stock				125
Cancellation of treasury stock				—
Change in scope of equity method				—
Transfer from retained earnings to capital surplus				—
Transfer from reserve for land revaluation				(23,010)
Others				300
Net changes of items other than shareholders' equity	61,673	(511,032)	(45)	(511,077)
Total changes for the year	61,673	(511,032)	(45)	(339,747)
Balance at the end of the year	208,286	1,597,788	257	3,639,369

Consolidated Statement of Changes in Net Assets (Continued)

Year ended March 31, 2026

(Unit: million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the year	344,353	330,686	1,376,222	(9,938)	2,041,323
Cumulative effect of changes in accounting policies					—
Balance at the beginning of the year after reflecting the effect of changes in accounting policies	344,353	330,686	1,376,222	(9,938)	2,041,323
Changes for the year					
Issuance of new shares	349	349			698
Dividends			(157,336)		(157,336)
Net income attributable to shareholders of parent company			436,597		436,597
Purchase of treasury stock				(107,597)	(107,597)
Disposal of treasury stock		(77)		1,860	1,783
Cancellation of treasury stock		(98,725)		98,725	—
Change in scope of equity method			59,723		59,723
Transfer from retained earnings to capital surplus		98,802	(98,802)		—
Transfer from reserve for land revaluation			(5,010)		(5,010)
Others			28		28
Net changes of items other than shareholders' equity					
Total changes for the year	349	349	235,199	(7,011)	228,886
Balance at the end of the year	344,702	331,035	1,611,421	(16,949)	2,270,210

(Unit: million yen)

	Accumulated other comprehensive income				
	Net unrealized gains (losses) on securities, net of tax	Deferred hedge gains (losses)	Reserve for land revaluation	Foreign currency translation adjustments	Accumulated remeasurements of defined benefit plans
Balance at the beginning of the year	959,318	(124,157)	48,984	378,906	126,449
Cumulative effect of changes in accounting policies					
Balance at the beginning of the year after reflecting the effect of changes in accounting policies	959,318	(124,157)	48,984	378,906	126,449
Changes for the year					
Issuance of new shares					
Dividends					
Net income attributable to shareholders of parent company					
Purchase of treasury stock					
Disposal of treasury stock					
Cancellation of treasury stock					
Change in scope of equity method					
Transfer from retained earnings to capital surplus					
Transfer from reserve for land revaluation					
Others					
Net changes of items other than shareholders' equity	413,373	(81,460)	5,158	8,382	72,632
Total changes for the year	413,373	(81,460)	5,158	8,382	72,632
Balance at the end of the year	1,372,692	(205,617)	54,143	387,289	199,082

(Unit: million yen)

	Accumulated other comprehensive income			
	Net unrealized gains (losses) on total policy reserves and other reserves of foreign subsidiaries, net of tax	Total accumulated other comprehensive income	Stock acquisition rights	Total net assets
Balance at the beginning of the year	208,286	1,597,788	257	3,639,369
Cumulative effect of changes in accounting policies		—		—
Balance at the beginning of the year after reflecting the effect of changes in accounting policies	208,286	1,597,788	257	3,639,369
Changes for the year				
Issuance of new shares				698
Dividends				(157,336)
Net income attributable to shareholders of parent company				436,597
Purchase of treasury stock				(107,597)
Disposal of treasury stock				1,783
Cancellation of treasury stock				—
Change in scope of equity method				59,723
Transfer from retained earnings to capital surplus				—
Transfer from reserve for land revaluation				(5,010)
Others				28
Net changes of items other than shareholders' equity	(32,082)	386,003	(47)	385,956
Total changes for the year	(32,082)	386,003	(47)	614,843
Balance at the end of the year	176,203	1,983,792	210	4,254,212

Consolidated Statement of Changes in Net Assets (Continued)

Year ended March 31, 2026

(Unit: million US dollars)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the year	2,153	2,068	8,607	(62)	12,767
Cumulative effect of changes in accounting policies					—
Balance at the beginning of the year after reflecting the effect of changes in accounting policies	2,153	2,068	8,607	(62)	12,767
Changes for the year					
Issuance of new shares	2	2			4
Dividends			(984)		(984)
Net income attributable to shareholders of parent company			2,730		2,730
Purchase of treasury stock				(672)	(672)
Disposal of treasury stock		(0)		11	11
Cancellation of treasury stock		(617)		617	—
Change in scope of equity method			373		373
Transfer from retained earnings to capital surplus		617	(617)		—
Transfer from reserve for land revaluation			(31)		(31)
Others			0		0
Net changes of items other than shareholders' equity					
Total changes for the year	2	2	1,471	(43)	1,431
Balance at the end of the year	2,156	2,070	10,078	(106)	14,199

(Unit: million US dollars)

	Accumulated other comprehensive income				
	Net unrealized gains (losses) on securities, net of tax	Deferred hedge gains (losses)	Reserve for land revaluation	Foreign currency translation adjustments	Accumulated remeasurements of defined benefit plans
Balance at the beginning of the year	6,000	(776)	306	2,369	790
Cumulative effect of changes in accounting policies					
Balance at the beginning of the year after reflecting the effect of changes in accounting policies	6,000	(776)	306	2,369	790
Changes for the year					
Issuance of new shares					
Dividends					
Net income attributable to shareholders of parent company					
Purchase of treasury stock					
Disposal of treasury stock					
Cancellation of treasury stock					
Change in scope of equity method					
Transfer from retained earnings to capital surplus					
Transfer from reserve for land revaluation					
Others					
Net changes of items other than shareholders' equity	2,585	(509)	32	52	454
Total changes for the year	2,585	(509)	32	52	454
Balance at the end of the year	8,585	(1,286)	338	2,422	1,245

(Unit: million US dollars)

	Accumulated other comprehensive income			
	Net unrealized gains (losses) on total policy reserves and other reserves of foreign subsidiaries, net of tax	Total accumulated other comprehensive income	Stock acquisition rights	Total net assets
Balance at the beginning of the year	1,302	9,993	1	22,763
Cumulative effect of changes in accounting policies	—	—		—
Balance at the beginning of the year after reflecting the effect of changes in accounting policies	1,302	9,993	1	22,763
Changes for the year				
Issuance of new shares				4
Dividends				(984)
Net income attributable to shareholders of parent company				2,730
Purchase of treasury stock				(672)
Disposal of treasury stock				11
Cancellation of treasury stock				—
Change in scope of equity method				373
Transfer from retained earnings to capital surplus				—
Transfer from reserve for land revaluation				(31)
Others				0
Net changes of items other than shareholders' equity	(200)	2,414	(0)	2,414
Total changes for the year	(200)	2,414	(0)	3,845
Balance at the end of the year	1,102	12,408	1	26,608

Consolidated Statement of Cash Flows

	(Unit: million yen)		(Unit: million US dollars)
	Year ended March 31,		
	2025	2026	2026
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income taxes	598,955	626,149	3,916
Depreciation of real estate for rent and others	14,257	14,826	92
Depreciation	101,534	98,095	613
Impairment losses on fixed assets	2,243	10,058	62
Amortization of goodwill	25,230	32,665	204
Increase (decrease) in reserves for outstanding claims	(9,310)	33,049	206
Increase (decrease) in policy reserves	372,955	1,958,999	12,252
Provision for interest on policyholder dividends	8,437	8,670	54
Provision for (reversal of) reserve for policyholder dividends	100,000	107,500	672
Increase (decrease) in reserve for possible loan losses	(4,715)	(3,632)	(22)
Increase (decrease) in reserve for possible investment losses	(21)	23	0
Write-down of loans	6,562	3,065	19
Increase (decrease) in net defined benefit liabilities	(41,678)	(37,179)	(232)
Increase (decrease) in reserve for retirement benefits of directors, executive officers and corporate auditors	(60)	(56)	(0)
Increase (decrease) in reserve for possible reimbursement of prescribed claims	300	300	1
Increase (decrease) in reserve for price fluctuations	17,802	15,305	95
Interest and dividends	(1,585,938)	(1,670,711)	(10,449)
Securities related losses (gains)	(430,826)	(1,001,607)	(6,264)
Interest expenses	49,312	62,247	389
Foreign exchange losses (gains)	126,738	(364,124)	(2,277)
Losses (gains) on disposal of fixed assets	1,100	1,652	10
Equity in losses (income) of affiliates	(3,526)	(23,055)	(144)
Losses (gains) on sale of stocks of subsidiaries and affiliated companies	—	(145)	(0)
Decrease (increase) in reinsurance receivable	5,253	(32,360)	(202)
Decrease (increase) in other assets unrelated to investing and financing activities	(111,816)	(1,687,768)	(10,556)
Increase (decrease) in reinsurance payable	(192,710)	1,202,401	7,520
Increase (decrease) in other liabilities unrelated to investing and financing activities	(186,955)	119,068	744
Others, net	218,212	(123,738)	(773)
Subtotal	(918,663)	(650,298)	(4,067)
Interest and dividends received	1,812,356	2,016,842	12,614
Interest paid	(49,724)	(58,230)	(364)
Policyholder dividends paid	(99,028)	(110,364)	(690)
Others, net	(50,563)	(274,135)	(1,714)
Corporate income taxes (paid) refunded	(101,796)	(131,654)	(823)
Net cash flows provided by (used in) operating activities	592,578	792,158	4,954

Consolidated Statement of Cash Flows (Continued)

	(Unit: million yen)		(Unit: million US dollars)
	Year ended March 31,		
	2025	2026	2026
CASH FLOWS FROM INVESTING ACTIVITIES			
Net decrease (increase) in cash and deposits	(19,328)	(116,348)	(727)
Purchases of monetary claims bought	(20,465)	(24,731)	(154)
Proceeds from sale and redemption of monetary claims bought	33,458	35,647	222
Purchases of money held in trust	(263,790)	(464,952)	(2,908)
Proceeds from decrease in money held in trust	251,365	58,516	365
Purchases of securities	(13,549,721)	(18,529,564)	(115,896)
Proceeds from sale and redemption of securities	12,807,996	17,814,152	111,422
Origination of loans	(1,265,718)	(1,018,068)	(6,367)
Proceeds from collection of loans	1,050,850	1,162,295	7,269
Net increase (decrease) in short-term investing	286,211	217,780	1,362
Others, net	—	132	0
Total of net cash provided by (used in) investment transactions	(689,142)	(865,141)	(5,411)
Total of net cash provided by (used in) operating activities and investment transactions	(96,563)	(72,983)	(456)
Acquisition of tangible fixed assets	(60,115)	(77,168)	(482)
Proceeds from sale of tangible fixed assets	47,011	57,424	359
Acquisition of intangible fixed assets	(44,347)	(42,618)	(266)
Proceeds from sale of intangible fixed assets	—	24	0
Acquisitions of stock of subsidiaries resulting in change in scope of consolidation	(233,785)	—	—
Proceeds from acquisitions of stock of subsidiaries resulting in change in scope of consolidation	—	1,245	7
Payments for fulfillment of assets retirement obligations	(81)	—	—
Acquisitions of stock of subsidiaries	—	(21)	(0)
Net cash flows provided by (used in) investing activities	(980,460)	(926,255)	(5,793)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	—	218,500	1,366
Repayment of borrowings	(1,720)	(213,385)	(1,334)
Proceeds from issuing bonds	316,230	185,921	1,162
Redemption of bonds	(111,718)	—	—
Repayment of financial lease obligations	(11,141)	(2,548)	(15)
Net increase (decrease) in short-term financing	(813)	(51,140)	(319)
Purchase of treasury stock	(101,849)	(107,597)	(672)
Cash dividends paid	(162,356)	(156,780)	(980)
Acquisitions of stock of subsidiaries that do not result in change in scope of consolidation	(200)	(199)	(1)
Others, net	0	0	0
Net cash flows provided by (used in) financing activities	(73,570)	(127,230)	(795)
Effect of exchange rate changes on cash and cash equivalents	2,610	35,387	221
Net increase (decrease) in cash and cash equivalents	(458,841)	(225,940)	(1,413)
Cash and cash equivalents at the beginning of the year	2,772,370	2,313,529	14,470
Cash and cash equivalents at the end of the year	2,313,529	2,087,588	13,057

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026

I . BASIS FOR PRESENTATION

The accompanying consolidated financial statements have been prepared from the accounts maintained by Dai-ichi Life Holdings, Inc. (the "Company") and its consolidated subsidiaries in accordance with the provisions set forth in the Financial Instruments and Exchange Act, and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP") which are different in certain respects from the application and disclosure requirements of International Financial Reporting Standards.

Certain items presented in the consolidated financial statements are reclassified for the convenience of readers outside Japan. The notes to the consolidated financial statements include information which is not required under Japanese GAAP but is presented herein as additional information.

The amounts indicated in millions of yen are rounded down by truncating the figures below one million. Totals may not add up exactly because of such truncation. Amounts in U.S. dollars are included solely for the convenience of readers outside Japan. The rate of ¥159.88=US\$1.00, the foreign exchange rate on March 31, 2026, has been used for translation of the truncated figures in Japanese yen. The inclusion of such amounts is not intended to imply that Japanese yen has been or could be readily converted, realized or settled into U.S. dollars at that rate or any other rate.

Dai-ichi Life Holdings, Inc. changed its trade name to Daiichi Life Group, Inc. on April 1, 2026.

II . PRINCIPLES OF CONSOLIDATION

1. Scope of Consolidation

(1) The number of consolidated subsidiaries as of March 31, 2026: 111

The consolidated financial statements include the accounts of the Company and its consolidated subsidiaries (collectively, "the Group"), including The Dai-ichi Life Insurance Company, Limited ("DL"), The Dai-ichi Frontier Life Insurance Co., Ltd. ("DFLI"), The Neo First Life Insurance Company, Limited ("Neo First Life"), ipet Insurance Co., Ltd. ("ipet"), Benefit One Inc. ("Benefit One"), Dai-ichi Life Insurance Company of Vietnam, Limited ("DLVN"), TAL Daiichi Life Australia Pty Ltd ("TDLA"), Protective Life Corporation ("Protective Life"), Daiichi Life Insurance (Cambodia) PLC., Daiichi Life Insurance Myanmar Ltd., Dai-ichi Life Reinsurance Bermuda Ltd. ("DLRe"), Partners Group Holdings Limited ("PNZ"), DL - Canyon Investments LLC ("DCI"), Dai-ichi Life International Holdings LLC ("DLIHD") and Vertex Investment Solutions Co., Ltd. ("VTX").

Effective the fiscal year ended March 31, 2026, one affiliated company of DLVN was included in the scope of consolidation as it had become a subsidiary of the Company.

Effective the fiscal year ended March 31, 2026, five affiliated companies of TDLA were included in the scope of consolidation as they had become subsidiaries of the Company and after that, four affiliated companies of TDLA were excluded from the scope of consolidation.

Effective the fiscal year ended March 31, 2026, 29 affiliated companies of Protective Life were included in the scope of consolidation as they had become subsidiaries of the Company.

TAL Daiichi Life Australia Pty Ltd changed its trade name from TAL Dai-ichi Life Australia Pty Ltd on August 27, 2025.

Daiichi Life Insurance (Cambodia) PLC. changed its trade name from Dai-ichi Life Insurance (Cambodia) PLC. on December 9, 2025.

Daiichi Life Insurance Myanmar Ltd. changed its trade name from Dai-ichi Life Insurance Myanmar Ltd. on February 4, 2026.

The Dai-ichi Life Insurance Company, Limited changed its trade name to Daiichi Life Insurance Co., Ltd. on April 1, 2026.

The Dai-ichi Frontier Life Insurance Co., Ltd. changed its trade name to Daiichi Frontier Life Insurance Co., Ltd. on April 1, 2026.

The Neo First Life Insurance Company, Limited changed its trade name to Daiichi Neo Life Insurance Co., Ltd. on April 1, 2026.

ipet Insurance Co., Ltd. changed its trade name to Daiichi ipet Insurance Co., Ltd. on April 1, 2026.

Dai-ichi Life Reinsurance Bermuda Ltd. changed its trade name to Daiichi Life Reinsurance Bermuda Ltd. on April 1, 2026.

Dai-ichi Life International Holdings LLC changed its trade name to Daiichi Life International Holdings LLC on April 1, 2026.

Effective the fiscal year ended March 31, 2026, seven affiliated companies of Protective Life were excluded from the scope of consolidation.

Effective the fiscal year ended March 31, 2026, four affiliated companies of TDLA were excluded from the scope of consolidation.

Effective the fiscal year ended March 31, 2026, two affiliated companies of PNZ were excluded from the scope of consolidation.

(2) The number of non-consolidated subsidiaries as of March 31, 2026: 87

The main subsidiaries that are not consolidated for the purposes of financial reporting are The Dai-ichi Life Techno Cross Co., Ltd., Topaz Capital, Inc., and First U Anonymous Association.

The Dai-ichi Life Techno Cross Co., Ltd. changed its trade name to Daiichi Life Techno Cross Co., Ltd. on April 1, 2026.

The eighty-seven non-consolidated subsidiaries as of March 31, 2026 had, individually and in the aggregate, a minimal impact on the consolidated financial statements in terms of total assets, sales, net income (loss) (amount corresponding to equity interest), retained earnings (amount corresponding to equity interest), cash flows, and others.

2. Application of the Equity Method

The number of non-consolidated subsidiaries under the equity method as of March 31, 2026 was 0.

The number of affiliated companies under the equity method as of March 31, 2026 was 244. The affiliated companies included Asset Management One Co., Ltd., Asset Management One USA Inc., Corporate-pension Business Service Co., Ltd., Japan Excellent Asset Management Co., Ltd., Japan Investor Solutions & Technologies Co., Ltd., &Do Holdings Co., Ltd., Daiichi Life Marubeni Real Estate Co., Ltd., Wealth Management, Inc., Star Union Dai-ichi Life Insurance Company Limited, PT Panin Internasional, CP New Co LLC, Capula Investment Management LLP and Capula Management Limited.

Effective the fiscal year ended March 31, 2026, one affiliated company of Asset Management One Co., Ltd. was included in the scope of the equity method as it had become an affiliated company of the Company.

Effective the fiscal year ended March 31, 2026, &Do Holdings Co., Ltd. was included in the scope of the equity method as it had become an affiliated company of the Company.

Effective the fiscal year ended March 31, 2026, nine companies, which are Daiichi Life Marubeni Real Estate Co., Ltd. and its eight affiliated companies, were included in the scope of the equity method as they had become affiliated companies of the Company.

Effective the fiscal year ended March 31, 2026, 16 companies, which are Wealth Management, Inc. and its 15 affiliated companies, were included in the scope of the equity method as they had become affiliated companies of the Company.

Effective the fiscal year ended March 31, 2026, one affiliated company of PT Panin Internasional was included in the scope of the equity method as it had become an affiliated company of the Company.

Effective the fiscal year ended March 31, 2026, 13 affiliated companies of CP New Co LLC were included in the scope of the equity method as they had become affiliated companies of the Company.

Effective the fiscal year ended March 31, 2026, Capula Investment Management LLP was included in the scope of the equity method as it had become an affiliated company of the Company.

Effective the fiscal year ended March 31, 2026, ten companies, which are Capula Management Limited and its nine affiliated companies, were included in the scope of the equity method as they had become affiliated companies of the Company.

Effective the fiscal year ended March 31, 2026, 79 affiliated companies of TDLA were included in the scope of the equity method as they had become affiliated companies of the Company.

Effective the fiscal year ended March 31, 2026, OCEAN LIFE INSURANCE PUBLIC COMPANY LIMITED was excluded from the scope of the equity method.

Effective the fiscal year ended March 31, 2026, two affiliated companies of Asset Management One Co., Ltd. were excluded from the scope of the equity method.

The non-consolidated subsidiaries (The Dai-ichi Life Techno Cross Co., Ltd., Topaz Capital, Inc. and First U Anonymous Association and others), as well as affiliated companies (Mizuho-DL Financial Technology Co., Ltd., Nakano Asset Management Co. Ltd., and others) were not accounted for under the equity method. These companies had, individually and in the aggregate, a minimal impact on the consolidated financial statements, in terms of the net income (loss) (amount corresponding to equity interest), retained earnings (amount corresponding to equity interest) and others.

The Dai-ichi Life Techno Cross Co., Ltd. changed its trade name to Daiichi Life Techno Cross Co., Ltd. on April 1, 2026.

3. Year-end Dates of Consolidated Subsidiaries

Among the consolidated subsidiaries, the closing dates of consolidated overseas subsidiaries are December 31 or March 31. In preparing the consolidated financial statements, the financial statements as of these dates are used, and necessary adjustments are made when significant transactions take place between these dates and the account closing date of the consolidated financial statements.

4. Summary of Significant Accounting Policies

(1) Valuation Methods of Securities

Securities held by the Company and its consolidated subsidiaries including cash and deposits and monetary claims bought which are equivalent to marketable securities, and marketable securities managed as trust assets in money held in trust, are carried as explained below:

The amortization of premiums and accretion of discounts is calculated by the straight-line method.

a) Trading Securities

Trading securities are carried at fair value with cost determined by the moving average method.

b) Held-to-maturity Bonds

Held-to-maturity bonds are stated at amortized cost determined by the moving average method.

c) Policy-reserve-matching Bonds (in accordance with the Industry Audit Committee Report No.21 "Temporary Treatment of Accounting and Auditing Concerning Policy-reserve-matching Bonds in the Insurance Industry" issued by the Japanese Institute of Certified Public Accountants (JICPA))

Policy-reserve-matching bonds are stated at amortized cost determined by the moving average method.

d) Stocks of Non-consolidated Subsidiaries and Affiliated Companies Not Accounted for under the Equity Method

Stocks of non-consolidated subsidiaries and affiliated companies not accounted for under the equity method are stated at cost determined by the moving average method.

e) Available-for-sale Securities

i) Available-for-sale Securities other than Stocks with no Market Price, etc.

Available-for-sale securities other than stocks with no market price, etc., are valued at fair value at the end of the fiscal year, with cost determined by the moving average method.

ii) Stocks with no Market Price, etc.

Stocks with no market price, etc., are valued at cost determined by the moving average method.

Net unrealized gains or losses on these available-for-sale securities are presented as a separate component of net assets and not in the consolidated statement of earnings.

Securities held by certain consolidated overseas subsidiaries are stated at cost determined by the first-in first-out method.

(2) Valuation Method of Derivative Transactions

Derivative transactions are reported at fair value.

(3) Depreciation of Depreciable Assets

a) Depreciation of Tangible Fixed Assets Excluding Leased Assets

Depreciation of tangible fixed assets excluding leased assets of the Company and its domestic consolidated subsidiaries is calculated by the declining balance method (the depreciation of buildings (other than facilities attached to buildings and structures that were acquired on or before March 31, 2016) is calculated by the straight-line method).

Estimated useful lives of major assets are as follows:

Buildings	two to sixty years
Other tangible fixed assets	two to twenty years

Other tangible fixed assets that were acquired for ¥100,000 or more but less than ¥200,000 are depreciated at equal amounts over three years.

With respect to tangible fixed assets that were acquired on or before March 31, 2007 and that were fully depreciated to their original depreciable limit, effective the fiscal year ended March 31, 2008, the remaining values are depreciated at equal amounts over five years from the following fiscal year of the year in which they reached the original depreciable limit.

Depreciation of tangible fixed assets owned by consolidated overseas subsidiaries is primarily calculated by the straight-line method.

b) Amortization of Intangible Fixed Assets Excluding Leased Assets

The Company and its consolidated subsidiaries use the straight-line method for amortization of intangible fixed assets excluding leased assets.

Intangible fixed assets acquired through the acquisition, etc. of consolidated subsidiaries are amortized over a period during which their effect is estimated to persist, in proportion to the manner in which their effect is realized.

Software for internal use is amortized by the straight-line method based on the estimated useful lives of two to sixteen years.

c) Depreciation of Leased Assets

Depreciation of leased assets with regard to finance leases whose ownership does not transfer to the lessees is computed under the straight-line method assuming zero salvage value and using the lease period as the useful life.

(4) Accounting policies for significant reserves and allowances

a) Reserve for Possible Loan Losses

The reserve for possible loan losses of consolidated subsidiaries that operate a life insurance business in Japan is calculated based on the internal rules for self-assessment, write-offs, and reserves on assets.

For loans to and claims on obligors that have already experienced bankruptcy, reorganization, or other formal legal failure (hereafter, "bankrupt obligors") and loans to and claims on obligors that have suffered substantial business failure (hereafter, "substantially bankrupt obligors"), the reserve is calculated by deducting the estimated recoverable amount of the collateral or guarantees from the book value of the loans and claims after the direct write-off described below.

For loans to and claims on obligors that have not yet suffered business failure but are considered highly likely to fail (hereafter, "obligors at risk of bankruptcy"), the reserve is calculated, taking into account a) the recoverable amount covered by the collateral or guarantees and b) an overall assessment of the obligor's ability to repay.

For other loans and claims, the reserve is calculated by multiplying the actual rate or other appropriate rate of losses during a certain period in the past by the amount of the loans and claims.

For all loans and claims, the relevant departments in each subsidiary performs an asset quality assessment based on the internal rules for self-assessment, and an independent audit department audits the result of the assessment. The above reserves are established based on the result of this assessment.

For loans and claims to bankrupt obligors and substantially bankrupt obligors, the unrecoverable amount is calculated by deducting the amount deemed recoverable from collateral and guarantees from the amount of the loans and claims and is directly written off from the amount of the loans and claims. The amounts written off during the fiscal years ended March 31, 2025 and 2026 were ¥1 million and ¥1 million (US\$0 million), respectively.

For certain consolidated overseas subsidiaries, reserve for lifetime expected credit losses is recognized for relevant claims on day one of the asset's acquisition.

b) Reserve for Possible Investment Losses

In order to provide for future investment losses, a reserve for possible investment losses is established for stocks with no market price, etc., and ownership stakes in partnerships, etc. It is calculated based on the internal rules for self-assessment, write-offs, and reserves on assets.

c) Reserve for Retirement Benefits of Directors, Executive Officers and Corporate Auditors

For the reserve for retirement benefits of directors, executive officers and corporate auditors, an estimated amount for future payment in accordance with the internal policies of certain consolidated subsidiaries is provided.

d) Reserve for Possible Reimbursement of Prescribed Claims

To prepare for the reimbursement of claims for which prescription periods had expired, an estimated amount for reserve for possible reimbursement of prescribed claims based on past reimbursement experience is provided.

(5) Net Defined Benefit Liabilities

For the net defined benefit liabilities, the amount is provided by deducting the pension assets from the projected benefit obligations based on the estimated amounts as of March 31, 2026. The accounting treatment for retirement benefits is as follows.

a) Allocation of Estimated Retirement Benefits

In calculating the projected benefit obligations, the benefit formula basis is adopted to allocate estimated retirement benefits for the fiscal year ended March 31, 2026.

b) Amortization of Actuarial Differences and Past Service Cost

Past service cost is amortized under the straight-line method through a certain period (seven years) within the employees' average remaining service period as of the time of its occurrence.

Actuarial differences are amortized under the straight-line method through a certain period (seven years) within the employees' average remaining service period, starting from the following year. Certain consolidated overseas subsidiaries apply the corridor approach.

The Company and certain consolidated subsidiaries applied the simplified method in calculating projected benefit obligations.

(6) Reserve for Price Fluctuations

A reserve for price fluctuations is calculated based on the book value of stocks and other securities at the end of the year in accordance with the provisions of Article 115 of the Insurance Business Act.

(7) Translation of Assets and Liabilities Denominated in Foreign Currencies into Yen

The Company and its domestic consolidated subsidiaries translate foreign currency-denominated assets and liabilities (excluding stocks of its non-consolidated subsidiaries and affiliated companies which are not accounted for under the equity method) into yen at the prevailing exchange rates at the end of the year. Stocks of non-consolidated subsidiaries and affiliated companies which are not accounted for under the equity method are translated into yen at the exchange rates on the dates of acquisition. Assets, liabilities, revenues, and expenses of the Company's consolidated overseas subsidiaries are translated into yen at the exchange rates at the end of their fiscal year.

Translation adjustments associated with the consolidated overseas subsidiaries are included in foreign currency translation adjustments in the net assets section of the consolidated balance sheet.

For certain consolidated subsidiaries of the Company, changes in fair value of bonds, etc., included in foreign currency-denominated available-for-sale securities related to foreign currency-denominated insurance contracts are divided into two: changes in fair value due to changes in market prices in their original currencies are accounted for as "net unrealized gains (losses) on securities", and the remaining changes are reported in "foreign exchange gains (losses)", etc.

(8) Hedge Accounting

a) Methods for Hedge Accounting

As for the Company and its certain domestic consolidated subsidiaries, hedging transactions are accounted for in accordance with the "Accounting Standards for Financial Instruments" (ASBJ Statement No. 10). Primarily, i) special hedge accounting and the deferral hedge method for interest-rate swaps are used for cash flow hedges of certain loans, certain government and corporate bonds, certain loans payable and certain bonds payable; ii) the currency allotment method and the deferral hedge method using foreign currency swaps, foreign currency forward contracts and foreign currency-denominated monetary claims are used for cash flow hedges against exchange rate fluctuations in certain foreign currency-denominated bonds, certain loans, loans payable and bonds payable and certain foreign currency-denominated forecasted transaction and term deposits and; iii) the fair value hedge method using currency options and foreign currency forward contracts is used for hedges against exchange rate fluctuations in the value of certain foreign currency-denominated bonds; iv) the deferral hedge method for over-the-counter options on bonds is used for hedges against interest-rate fluctuations in certain foreign currency-denominated bonds; v) the fair value hedge method using total return swaps is used for hedges against price fluctuations in the value of certain foreign stocks; vi) the deferral hedge method and fair value hedge method using equity options and equity forward contracts are used for hedges against price fluctuations in the value of certain domestic stocks and foreign currency-denominated forecasted transactions, and vii) the

deferral hedge method using interest-rate swaps is used for hedges against interest-rate fluctuations in certain insurance liabilities, under the "Accounting and Auditing Treatment of Application of Accounting Standard for Financial Instruments to Insurance Operators" (Industry-specific Committee Practical Guidelines No. 26 issued by JICPA).

b) Hedging Instruments and Hedged Items

Hedging instruments	Hedged items
Interest rate swaps	Loans, government and corporate bonds, loans payable, bonds payable, insurance liabilities
Foreign currency swaps	Foreign currency-denominated bonds, foreign currency-denominated loans, foreign currency-denominated loans payable, foreign currency-denominated bonds payable, foreign currency-denominated forecast transactions
Foreign currency forward contracts	Foreign currency-denominated bonds, foreign currency-denominated term deposits, foreign currency-denominated forecast transactions
Foreign currency-denominated monetary claims	Foreign currency-denominated forecast transactions
Currency options	Foreign currency-denominated bonds
Bond over-the-counter options	Foreign currency-denominated bonds
Total return swaps	Foreign stocks
Equity options	Domestic stocks, foreign currency-denominated forecast transactions
Equity forward contracts	Domestic stocks

c) Hedging Policies

The Company and its certain domestic consolidated subsidiaries conduct hedging transactions with regard to certain market risk, foreign currency risk and interest rate risk of underlying assets to be hedged, in accordance with the internal investment policy and procedure guidelines.

d) Assessment of Hedge Effectiveness

Hedge effectiveness is assessed primarily by a comparison of fluctuations in cash flows or fair value of hedged items to those of hedging instruments.

(9) Amortization of Goodwill

Goodwill is amortized over an effective period up to 20 years under the straight-line method. The entire amount is expensed as incurred if the amount is immaterial.

(10) Scope of Cash and Cash-Equivalents

Cash and cash equivalents in the consolidated statement of cash flows consist of cash on hand, demand deposits and short-term investments with a maturity of three months or less from the date of acquisition, which are readily convertible into cash and have an insignificant risk of changes in value.

(11) Calculation of National and Local Consumption Tax

The Company and its domestic consolidated subsidiaries account for national and local consumption tax mainly by the tax-exclusion method. Deferred consumption tax included in non-recoverable consumption tax on certain assets is capitalized as other assets and amortized equally over five years in accordance with the Enforcement Ordinance of the Corporation Tax Act, and such taxes other than deferred consumption tax are recognized as an expense when incurred.

(12) Policy Reserves

Policy reserves of consolidated subsidiaries that operate a life insurance business in Japan are established in accordance with the methods stated in the statement of calculation procedures for policy reserves (Article 4, Paragraph 2, Item 4 of the Insurance Business Act) pursuant to Article 116, Paragraph 1 of the Insurance Business Act, for insurance contracts under which the insurer's liability has started as of the end of the fiscal year, in preparation for the performance of future obligations under the insurance contracts.

Of policy reserves, insurance premium reserves are calculated by the following methods.

- Reserves for policies subject to the standard policy reserve rules are calculated based on the methods stipulated by the Commissioner of Financial Services Agency (Notification of the Minister of Finance No. 48, 1996).
- Reserves for other policies are established based on the net level premium method.

If, through an estimation of future income based on most recent actual figures, the policy reserves set aside are found likely

to be insufficient to cover the performance of future obligations, additional policy reserves need to be set aside in accordance with Article 69, Paragraph 5 of the Ordinance for Enforcement of the Insurance Business Act. Policy reserves include additional policy reserves for certain whole life insurance policies in accordance with Article 69, Paragraph 5 of the Ordinance for Enforcement of the Insurance Business Act.

Contingency reserves included in policy reserves are set aside in accordance with Article 69, Paragraph 1, Item 3 of the Ordinance for Enforcement of the Insurance Business Act to cover risks that may accrue in the future in order to ensure the performance of future obligations under insurance contracts.

Policy reserves of consolidated subsidiaries that operate a life insurance business in the U.S., which include Market Risk Benefits, are calculated in accordance with US GAAP by reflecting the time value of money in estimated future cash flows based on actuarial assumptions determined as of the end of the fiscal year, including interest rates, mortality rates, lapse rates, withdrawal rates, etc.

Policy reserves of consolidated subsidiaries that operate a life insurance business in Australia and New Zealand are set aside in accordance with IFRS, in the total amounts of the amount calculated by estimated future cash flows based on actuarial assumptions determined as of the end of the fiscal year, including interest rates, mortality rates, persistency rates, expense rates, etc., reflecting the time value of money, financial risks and uncertainties of cash flows arising from insurance contracts, and the amount of unearned profits expected to arise from insurance contracts as of the end of the fiscal year. For certain insurance contracts that meet certain conditions, such as having an insurance term of one year or less, the amounts of premiums corresponding to the unexpired period as of the end of the fiscal year are reserved, without estimating future cash flows.

Policy reserves of other overseas subsidiaries are calculated based on each country's accounting standard.

(13) Reserves for Outstanding Claims

With respect to a certain reserve for incurred but not reported cases for individual insurance policies (referring to claims for which the occurrence of the insured events has not been reported but certain consolidated subsidiaries that operate a life insurance business in Japan find that insured events have already occurred; hereinafter the same) provided by such consolidated subsidiaries, the special scope of payment of hospitalization benefits with respect to those diagnosed as COVID-19 and were under the care of a doctor and the like at an accommodation facility or at home ("deemed hospitalization") was terminated on or after May 8, 2023. As a result of this change, an appropriate amount of reserves cannot be obtained with the calculation method set forth in the main rules in Article 1, Paragraph 1 of the Notification of the Minister of Finance No.234, 1998 ("IBNR Notification"). The Group therefore records the amount that was calculated using the following method, pursuant to provisions in the proviso of Article 1, Paragraph 1 of IBNR Notification.

(Overview of the calculation method)

The Group first deducts an amount pertaining to deemed hospitalization of policy holders from a required amount of reserves for incurred but not reported cases and the amount of claim payments for all the fiscal years, as set forth in the main rules in Article 1, Paragraph 1 of IBNR Notification, and then calculates in the same manner as in the main rules in Article 1, Paragraph 1 of IBNR Notification.

(14) Premium and Other Income and Benefits and Claims for Consolidated Subsidiaries That Operate a Life Insurance Business in Japan

a) Premium and other income (excluding reinsurance income)

Premium and other income (excluding reinsurance income) is recorded for insurance contracts for which insurance premium has been received and the insurer's liability under the insurance contracts has commenced by the relevant amounts received.

Of premium and other income (excluding reinsurance income), the portion corresponding to the period that has yet to pass as of the end of the fiscal year is set aside as policy reserves in accordance with Article 69, Paragraph 1, Item 2 of the Ordinance for Enforcement of the Insurance Business Act.

b) Reinsurance Income

Reinsurance income is recorded as amounts equivalent to the portion reinsured under reinsurance contracts out of the amounts paid as claims, etc. under direct insurance contracts at the time when those claims, etc. are paid.

For certain transactions of modified coinsurance that do not involve cash settlements, amounts received under the reinsurance contracts as part of amounts equivalent to acquisition costs related to direct insurance contracts are recorded as reinsurance income while the same amounts are recorded as unamortized ceded premium commissions in reinsurance receivable and are amortized over the period of the reinsurance contracts.

c) Benefits and Claims (excluding ceding reinsurance commissions)

Benefits and claims (excluding ceding reinsurance commissions) are recorded for contracts for which amounts calculated under policy conditions have been paid in the occurrence of insured events under the policy conditions by the relevant amounts paid.

In accordance with Article 117 of the Insurance Business Act, reserves for outstanding claims are set aside for claims, etc. for which the Company has a payment due but has not paid, or for which the occurrence of the insured events have not been reported but the Company finds that insured events have already occurred, as of the end of the fiscal year.

d) Ceding reinsurance commissions

Ceding reinsurance commissions are recorded in agreed amounts in accordance with reinsurance contracts at the time either when insurance premiums under direct insurance contracts are received, or when the reinsurance contracts are

entered into.

Part of policy reserves and reserves for outstanding claims corresponding to insurance contracts which have been reinsured is not set aside in accordance with Article 71, Paragraph 1 and Article 73, Paragraph 3 of the Ordinance for Enforcement of the Insurance Business Act.

Premium and other income and benefits and claims of consolidated overseas life insurance companies are aggregated and presented as premium and other income and benefits and claims, with necessary adjustments for the purpose of consolidation for items recorded in accordance with the accounting standards of each country.

Premium and other income and benefits and claims include amounts of certain consolidated overseas life insurance companies that have applied the accounting standard "Insurance Contracts" (AASB No. 17) (NZ IFRS No.17) issued by the Australian Accounting Standards Board and the New Zealand Accounting Standards Board, as shown in the table below.

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Premium and other income			
Income related to direct insurance contracts	627,751	746,414	4,668
Income related to reinsurance contracts	129,091	183,974	1,150
Benefits and claims			
Expenses related to direct insurance contracts	449,783	611,354	3,823
Expenses related to reinsurance contracts	155,822	154,557	966

(15) Significant Accounting Estimates

a) Evaluation of goodwill and goodwill related to equity-method affiliates

i) Amounts recognized on the consolidated financial statements in the fiscal year ended March 31, 2026

Goodwill presented on the consolidated balance sheet as of March 31, 2025 and 2026 comprises goodwill of ¥ 91,154 and ¥86,450 million (US\$540 million) arising from the acquisition of Protective Life and the acquisition business of Protective Life's, goodwill of ¥21,858 and ¥21,292 million (US\$133 million) arising from the acquisition of TDLA, goodwill of ¥16,635 and ¥16,850 million (US\$105 million) arising from the acquisition of PNZ, goodwill of ¥13,231 and ¥12,193 million (US\$76 million) arising from the acquisition of ipet, and goodwill of ¥185,548 and ¥165,488 million (US\$1,035 million) arising from the acquisition of Benefit One.

"Securities" presented on the consolidated balance sheet as of March 31, 2025 and 2026 include goodwill related to equity-method affiliates (recognized mainly in relation to investments in Daiichi Life Marubeni Real Estate Co., Ltd.) of ¥50,852 and ¥139,458 million (US\$872 million).

ii) Information on the contents of significant accounting estimates related to identified items

Goodwill arising from acquisitions of Protective Life and TDLA is recorded on the consolidated financial statements of these consolidated subsidiaries and is subject to judgment on recording impairment losses on goodwill to be examined by each subsidiary in accordance with the local accounting standards of each subsidiary.

Protective Life periodically assesses whether or not to record an impairment loss on goodwill.

First, Protective Life evaluates qualitative factors, which is an examination on whether or not there is any impairment indicator to consider whether or not there is a 50 percent or greater probability that book value exceeds fair value of each reporting unit that has goodwill. In accordance with the accounting standards, Protective Life has omitted the test for an impairment indicator and proceeded to the quantitative impairment test described below for all or a part of reporting units. Whether or not there is any impairment indicator is comprehensively examined in consideration of the presence of deterioration in economic and market environments surrounding Protective Life and its reporting units, the presence of factors that have a negative impact on future profits or cash flows, the presence of deterioration in overall business performance, and other events specific to Protective Life and its reporting units.

Next, if it is concluded that there is an impairment indicator of goodwill or it is selected not to conduct the test for impairment indicator, a comparison of the book value of the reporting units that include goodwill to its fair value (the quantitative impairment test) is performed. The key assumptions used in the calculation of fair value (e.g., business income and expense projections and discount rates) are subject to the uncertainty of estimation. If there is any impairment indicator that is attributable to the deterioration of circumstances or the occurrence of events, or if the key assumptions used in the comparison of book value to fair value (the quantitative impairment test) change, impairment losses on goodwill may be recorded in the following fiscal year.

TDLA determines whether or not to record an impairment loss on goodwill by comparing book value with recoverable amount in each cash generating unit to which goodwill is allocated (the quantitative impairment test). Recoverable amount is calculated based on embedded values, etc. For calculating the embedded values, underlying actuarial assumptions are used such as discount rates, mortality, morbidity, discontinuances, withdrawal rates, and others. If recoverable amount reduces due to the update of underlying actuarial assumptions, impairment losses on goodwill may be recorded in the following fiscal year.

The Company judges whether or not to record an impairment loss on goodwill in accordance with the accounting standards in Japan, considering the results of the judgments made by each subsidiary.

Goodwill arising from acquisitions of PNZ, ipet and Benefit One and goodwill related to equity-method affiliates (recognized mainly in relation to investments in Daiichi Life Marubeni Real Estate Co., Ltd.) are recorded on the consolidated financial statements of the Company and are subject to judgment on recording impairment losses on goodwill to be examined by the Company in accordance with the accounting standards in Japan.

First, the Company examines whether or not there is any impairment indicator in an asset group that includes goodwill. Whether or not there is any impairment indicator is comprehensively examined in consideration of the presence of deterioration in economic and market environments surrounding PNZ, ipet, Benefit One and equity-method affiliates (including Daiichi Life Marubeni Real Estate Co., Ltd.), the presence of factors that have a negative impact on future profits or cash flows, the presence of deterioration in overall business performance, the presence of a significant drop in substantive value in the asset group that includes goodwill, and other events specific to each asset group.

Next, if it is concluded that there is an impairment indicator of goodwill, the Company estimates future cash flows expected to be generated from the asset group that includes goodwill, and compares the total of cash flows with the book value. If the amount of future cash flows is less than the book value, the Company records an impairment loss. Then, the Company calculates a recoverable amount of the asset group that includes goodwill, for which an impairment loss is recorded, to recognize the difference between the book value and the recoverable amount as an impairment loss. The key assumptions used in the calculation of the recoverable amount (e.g., business income and expense projections, discount rates and actuarial assumptions) are subject to the uncertainty of estimation.

If there is any impairment indicator that is attributable to the deterioration of circumstances or the occurrence of events, impairment losses on goodwill may be recorded in the following fiscal year.

The Company has determined that there is no sign of impairment of goodwill, and therefore no impairment losses on goodwill and share of loss of entities accounted for using equity method are recorded in the fiscal year ended March 31, 2026.

ipet Insurance Co., Ltd. changed its trade name to Daiichi ipet Insurance Co., Ltd. on April 1, 2026.

b) Evaluation of intangible fixed assets and intangible fixed assets related to equity-method affiliates

i) Amounts recognized on the consolidated financial statements in the fiscal year ended March 31, 2026

"Other intangible fixed assets" presented in the Company's consolidated balance sheet as of March 31, 2026 include assets regarding the present value of in-force insurance contracts, namely Value of Business Acquired ("VOBA") or Value In-force ("VIF"), which represent the present value of future profits expected to be earned from future cash flows arising from in-force insurance contracts.

The balance of VOBA as of March 31, 2025 and 2026 of ¥314,319 and ¥88,996 million (US\$556 million) is derived from the acquisition of Protective Life and the acquisition business of Protective Life, the balance of VIF as of March 31, 2025 and 2026 of ¥30,501 and ¥30,896 million (US\$193 million) is derived from the acquisition of PNZ through DLHID an intermediary holding company of the Company, the balance of VIF of ¥19,138 and ¥16,669 million (US\$104 million) is derived from the acquisition of ipet by the Company, and the balance of customer-related intangible assets in the amount of March 31, 2025 and consist 2026 of ¥103,937 million and ¥99,466 million (US\$622 million) is derived from the acquisition of Benefit One by the Company, respectively.

"Securities" presented on the consolidated balance sheet as of March 31, 2025 and 2026 include VOBA and VIF or customer-related intangible assets ("customer-related intangible assets and other assets" ; recognized mainly in relation to investments in Daiichi Life Marubeni Real Estate Co., Ltd.) related to equity-method affiliates of ¥1,496 and ¥37,355 million (US\$233 million).

Dai-ichi Life International Holdings LLC changed its trade name to Daiichi Life International Holdings LLC on April 1, 2026.

ii) Information on the contents of significant accounting estimates related to identified items

The value of in-force insurance contracts arising from acquisitions is calculated as the present value of future profits to be earned from future cash flows arising from in-force insurance contracts and investment type insurance contracts at the acquisition date, and is recorded on the consolidated financial statements of these consolidated subsidiaries while the value of in-force insurance contracts is amortized over a period during which its effect is estimated, in proportion to the manner in which its effect is realized. In addition, the customer-related intangible assets arising from acquisitions is calculated as the present value of future profit to be earned from cash flows expected to be generated from the continuing relationship with existing customers at the acquisition date, and is recorded on the consolidated financial statements of these consolidated subsidiaries while the customer-related intangible assets are amortized over a period during which their benefits are expected to last in a manner that reflects the pattern in which they are realized.

The VOBA of Protective Life will result in impairment losses if the estimated present value of future profits, based on actuarial assumptions, determined as of March 31, 2026, including interest rates, mortality rates, lapse and withdrawal rates, is lower than the carrying amount of the VOBA. No impairment losses on the VOBA are recorded in the fiscal year ended March 31, 2026.

The Company periodically assesses the VIF arising from the acquisitions of PNZ and ipet, customer-related intangible assets arising from the acquisitions of Benefit One, and customer-related intangible assets and other assets arising from the acquisitions of equity-method affiliates (including Daiichi Life Marubeni Real Estate Co., Ltd.) as to whether there is any impairment indicator at the same time as goodwill impairment test is performed. If there is any impairment indicator that is attributable to the deterioration of circumstances or the occurrence of events, impairment losses may be recorded in the following fiscal year. For the fiscal year ended March 31, 2026, the Company determined that there was no indication that the VIF and customer-related intangible assets are impaired, as with the result of the goodwill impairment test. No impairment losses and share of loss of entities accounted for using the equity method are recorded in the fiscal year ended March 31, 2026.

(16) Policy Acquisition Costs

For domestic consolidated subsidiaries, the costs of acquiring and renewing policies, which include agent commissions and certain other costs directly related to the acquisition of policies, are expensed when incurred as the Insurance Business

Act in Japan does not permit insurance companies to defer and amortize these costs.

(17) Changes in Accounting Policies

From the end of the fiscal year ended March 31, 2026, certain consolidated overseas subsidiaries have applied the accounting standard (ASC) "Financial Services - Insurance" (Topic 944) (ACCOUNTING STANDARDS UPDATE (ASU) 2018-12 issued on August 15, 2018, ASU 2019-09 issued on November 15, 2019, ASU 2020-11 issued on November 5, 2020 and ASU 2022-05 issued on December 15, 2022) issued by the Financial Accounting Standards Board (FASB).

Through this application, the accounting treatment of the liability for future policy benefits, the measurement of Market Risk Benefits at fair value, and the amortization methods of deferred acquisition costs of insurance contracts have been updated.

This change in accounting policy has been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been retroactively restated.

As a result, income before income taxes for the previous fiscal year increased by ¥36,655 million (US\$229 million) compared to that before the retrospective application. In addition, policy reserves and others for the previous fiscal year decreased by ¥319,646 million (US\$1,999 million) and other assets for the previous fiscal year decreased by ¥80,428 million (US\$503 million). Furthermore, as a result of the cumulative impact reflected in net assets at the beginning balance of the previous fiscal year, the beginning balance of retained earnings decreased by ¥2,100 million (US\$13 million), and the beginning balance of accumulated other comprehensive income increased by ¥99,060 million (US\$619 million).

The impact on the figures in per-share information is stated in the relevant section.

(18) Accounting Standard and Guidance Not Yet Adopted

Accounting standard and guidance for leases

- "Accounting Standards for Leases" (ASBJ Statement No. 34, September 13, 2024)
 - "Guidelines for Accounting Standards for Leases" (ASBJ Guidance No. 33, September 13, 2024)
- Amendments to other related ASCBs, ASCB Guidance, Practical Reports and Transfer Guidelines

a) Outline

Similar to international accounting standards, this stipulates the treatment of recording assets and liabilities for all leases of lessees

b) Scheduled date for application

This is scheduled to be applied from the beginning of the fiscal year starting on April 1, 2027.

c) Impact of applying the standard and guidance

The impact of applying the standard and guidance is currently under assessment.

(Additional information)

Incentive Programs for Employees

The Company conducts transactions by granting its stocks to its employees using a trust scheme ("the Stock Granting Trust (J-ESOP)") to incentivize its employees to improve stock prices and financial results. Since May 16, 2024, the Company has adopted the Stock Granting Trust (J-ESOP) for senior management (employees in managerial and supervisory positions) ("J-ESOP (Granted While in Service)") and discontinued granting new points for the existing Stock Granting Trust (J-ESOP) adopted in 2011 in which its stock is vested at the time of retirement ("J-ESOP (Granted upon Retirement)"), after final vesting of points in fiscal year 2023.

a) Overview of the transactions

The Stock Granting Trust (J-ESOP) is a program to grant stocks of the Company to the employees who fulfill requirements under the Stock Granting Regulations of the Company and its group companies. The Company vests points to each employee based on her/his contribution, and under the J-ESOP (Granted While in Service), a right to receive stock is obtained immediately after points are vested and shares of the Company corresponding to the vested points are granted. Under J-ESOP (Granted upon Retirement), stocks of the Company corresponding to the vested points are granted at the time of retirement. However, following the adoption of J-ESOP (Granted While in Service), granting new points for the J-ESOP (Granted upon Retirement) was discontinued after final vesting of points in fiscal year 2023.

Such stocks, including stocks to be granted in the future, are purchased by money held in the J-ESOP trust, managed separately from the financial records of the Company.

b) Stocks of the Company remaining in the trust

Stocks of the Company remaining in the trust were recorded at the book value of the stocks of the Company (excluding the amount of incidental costs) within the trust as the treasury stock in net assets. Book value and the number of treasury stocks as of March 31, 2025 and 2026 are ¥7,517 and ¥13,377 million (US\$83 million), 16,903 and 18,079 thousand shares, respectively.

The Company conducted a 1:4 share split of common stock on April 1, 2025. This share split is taken into account in the above number of stocks, assuming that it was conducted at the beginning of the previous fiscal year.

c) Book value of borrowings recorded due to application of the gross method

Not applicable.

III. NOTES TO THE CONSOLIDATED BALANCE SHEET

1. Assets Pledged as Collateral / Secured Liabilities

The amounts of securities and deposits pledged as collateral were as follows:

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Securities	2,459,802	3,895,332	24,364
Cash and Deposits	12,180	8,346	52
Total	2,471,982	3,903,679	24,416

The amounts of secured liabilities were as follows:

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Payables under repurchase agreements	1,699,129	1,831,637	11,456
Cash collateral for securities lending transactions	224,044	521,593	3,262
Other	—	493,638	3,087
Total	1,923,173	2,846,869	17,806

The amount of "Securities" sold under repurchase agreements and for securities lending transactions with cash collateral as of March 31, 2025 and 2026 were ¥2,105,728 million and ¥2,883,441 million (US\$18,035 million), respectively.

2. Securities Lending

Securities lent under lending agreements are included in the consolidated balance sheet. The total balance of securities lent as of March 31, 2025 and 2026 were ¥2,975,409 million and ¥3,439,537 million (US\$21,513 million), respectively.

3. Risk Management Policy of Policy-Reserve-Matching-Bonds

Certain domestic consolidated subsidiaries categorize their insurance products into sub-groups by the attributes of each product and, in order to manage risks properly, formulate their policies on investments and resource allocation based on the balance of the sub-groups. Moreover, they periodically check that the duration gap between policy-reserve-matching bonds and policy reserves stays within a certain range.

The sub-groups of insurance products of DL are:

Years ended March 31, 2025 and 2026

- i) individual life insurance and annuities (with the exception of certain types),
- ii) non-participating single premium whole life insurance (without duty of medical disclosure),
- iii) financial insurance and annuities,
- iv) group annuities (defined contribution corporate pension insurance; defined contribution corporate pension insurance II and certain corporate pension insurances of which the type can be changed to defined contribution corporate pension insurance II), and
- v) group annuities 2 (defined benefit corporate pension insurance (with the exception of certain types), employees' pension fund insurance II, new corporate pension insurance II)

The sub-groups of insurance products of DFLI are:

Years ended March 31, 2025 and 2026

- i) individual life insurance and annuities (yen-denominated), and
- ii) individual life insurance and annuities (U.S. dollar-denominated), with the exception of certain types and contracts.

4. Stocks of Subsidiaries and Affiliated Companies

The amounts of stocks of and capital in non-consolidated subsidiaries and affiliated companies of the Company held were as follows:

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Stocks	153,779	354,124	2,214
(of which, investments in a jointly controlled entity)	(-)	(19,742)	(123)
Capital	362,515	387,461	2,423
Total	516,294	741,586	4,638

5. Risk-managed claims

The amounts of claims against bankrupt and quasi-bankrupt obligors, claims with collection risk, claims that are overdue for three months or more, and claims with repayment relaxation, which were included in claims, were as follows:

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Claims against bankrupt and quasi-bankrupt obligors (*1)	86	55	0
Claims with collection risk (*2)	2,611	7,283	45
Claims that are overdue for three months or more (*3)	2,940	3,330	20
Claims with repayment relief (*4)	3,310	—	—
Total	8,948	10,670	66

(*1) Claims against bankrupt and quasi-bankrupt obligors are claims to borrowers who are subject to bankruptcy, corporate reorganization or rehabilitation or other similar proceedings and other borrowers in serious financial difficulties.

(*2) Claims with collection risk are claims to obligors (other than bankrupt and quasi-bankrupt obligors) with deteriorated financial condition and results of operations from which it is unlikely that the principal and interest on the claims will be recovered.

(*3) Claims that are overdue for three months or more are loans for which payment of principal or interest is delayed for three months or more from the day following the contracted payment date. This category excludes claims against bankrupt and quasi-bankrupt obligors and claims with collection risk.

(*4) Claims with repayment relief are loans for which certain concessions favorable to the debtor, such as interest rate reduction and exemption, interest payment deferment, principal repayment deferment, debt waiver, etc., for the purpose of rebuilding or supporting the debtor. This category excludes claims against bankrupt and quasi-bankrupt obligors, claims with collection risk and claims that are overdue for three months or more.

As a result of the direct write-off of claims, the decrease in claims against bankrupt and quasi-bankrupt obligors as of March 31, 2025 and 2026 were ¥1 million and ¥1 million (US\$0 million), respectively.

6. Commitment Line

As of March 31, 2025 and 2026, there were unused commitment line agreements under which the Company and its consolidated subsidiaries were the lenders of ¥181,037 million and ¥144,908 million (US\$906 million), respectively.

7. Accumulated Depreciation of Tangible Fixed Assets

The amounts of accumulated depreciation of tangible fixed assets as of March 31, 2025 and 2026 were ¥613,099 million and ¥595,248 million (US\$3,723 million), respectively.

8. Assets and Liabilities Held in Separate Accounts

The total amounts of assets held in separate accounts defined in Article 118, Paragraph 1 of the Insurance Business Act as of March 31, 2025 and 2026 were ¥1,875,728 million and ¥1,779,121 million (US\$11,127million), respectively. Separate account liabilities were the same amount as the separate account assets.

9. Changes in Reserve for Policyholder Dividends

Changes in reserve for policyholder dividends were as follows:

	Year ended March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Balance at the beginning of the year	422,642	432,050	2,702
Dividends paid during the year	99,028	110,364	690
Interest accrual during the year	8,437	8,670	54
Provision for reserve for policyholder dividends	100,000	107,500	672
Balance at the end of the year	432,050	437,856	2,738

10. Revaluation of Land

Based on the "Act on Revaluation of Land" (Act No. 34, March 31, 1998), land for business use was revalued. The difference between the fair value and book value resulting from the revaluation, net of related deferred taxes, is recorded as a reserve for land revaluation as a separate component of net assets and the related deferred tax liability is recorded as deferred tax liabilities for land revaluation.

- Date of revaluation: March 31, 2001
- Method stipulated in Article 3, Paragraph 3 of the Act on Revaluation of Land:

The fair value was determined based on the appraisal value publicly announced for tax assessment purposes with certain reasonable adjustments in accordance with Article 2-1 and 2-4 of the Order for Enforcement of the Act on Revaluation of Land (Publicly Issue Cabinet Order No. 119, March 31, 1998).

11. Bonds Payable

As of March 31, 2025 and 2026, bonds payable included foreign-currency-denominated subordinated bonds of ¥982,675 million and ¥981,714 million (US\$6,140 million), respectively, whose repayment is subordinated to other obligations.

Details of bonds payable were as follows:

Issuer	Description	Issuance date	Balance as of April 1, 2025	Balance as of March 31, 2026	Interest rate (%)	Collateral	Maturity date
(Unit: million yen)							
The Company	From 1st to 4th series perpetual subordinated bond	From March 19, 2019 to December 23, 2021	310,000	310,000	From 0.90 to 1.22	None	Perpetual
DL	Foreign currency (US dollar) denominated perpetual subordinated bonds	From July 20, 2016 to Jan 16, 2025	576,780 [US\$4,500 mil]	576,780 [US\$4,500 mil]	From 4.00 to 6.20	None	Perpetual
Protective Life	Foreign currency (US dollar) denominated bonds	From October 6, 2009 to November 24, 2025	162,989 [US\$1,030 mil]	346,861 [US\$2,215 mil]	From 3.40 to 8.45	None	From September 30, 2028 to October 15, 2039
	Foreign currency (US dollar) commercial papers	From December 11, 2024 to December 22, 2025	41,874 [US\$264 mil]	7,822 [US\$49 mil]	From 3.90 to 4.70	None	From January 2, 2025 to January 7, 2026
(*1)	Foreign currency (US dollar) denominated subordinated bonds	From August 10, 2017 to May 1, 2018	95,895 [US\$606 mil]	94,934 [US\$606 mil]	From 3.55 to 5.35	None	From May 1, 2038 to August 10, 2052
PNZ	Foreign currency (Australian dollar) denominated bonds	December 23, 2021	7,460 [Au\$80 mil]	8,761 [Au\$80 mil]	7.22	None	December 23, 2026
Total	—	—	1,194,999	1,345,160	—	—	—

- Note: 1. The above (*1) represents the total of bonds issued by the following consolidated overseas subsidiaries: Protective Life and Protective Life Insurance company.
2. Figures in [] are the amounts denominated in foreign currency.
3. Foreign currency (US dollar) commercial papers of ¥7,822 million (US\$48 million) and Foreign currency (Australian dollar) denominated bonds of ¥8,761 million (US\$54 million) are due in one year or less.
4. The following table shows the maturities of long-term subordinated bonds for the 5 years subsequent to March 31, 2026.

	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years
(Unit: million yen)					
Bonds payable	16,609	—	62,624	—	62,624
	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years
(Unit: million US dollars)					
Bonds payable	103	—	391	—	391

12. Subordinated Debt and Other Liabilities

As of March 31, 2025 and 2026, other liabilities included subordinated debt of ¥245,000 million and ¥282,500 million (US\$ 1,766 million), respectively, whose repayment is subordinated to other obligations.

Details of borrowings and lease obligations were as follows:

Category	Balance as of April 1, 2025	Balance as of March 31, 2026	Average interest rate (%)	Maturity	Balance as of April 1, 2025	Balance as of March 31, 2026
(Unit: million yen)			(Unit: million US dollars)			
Short-term borrowings	66	—	—	—	0	—
Current portions of long-term borrowings	39,793	313,624	1.2	—	266	1,961
Current portions of lease obligations	1,728	1,913	—	—	11	11
Long-term borrowings (excluding current portion)	834,375	577,796	2.0	May 2027~ perpetual	5,580	3,613
Lease obligations (excluding current portion)	15,593	16,486	—	January 2027 ~ February 2037	104	103
Other interest-bearing liabilities						
Payables under repurchase agreements (current portion)	1,699,129	1,831,637	0.7	—	11,363	11,456
Total	2,590,686	2,741,457	—	—	17,326	17,146

- Note: 1. Those borrowings, lease obligations and payables under repurchase agreements above are included in the "other liabilities" on the consolidated balance sheet.
2. The average interest rate represents the weighted-average rate applicable to the balance as of March 31, 2026. As for lease obligations, the average interest rate is not presented above because interests of certain lease obligations are included in the total amount of lease payments.
3. The following table shows the maturities of long-term borrowings (excluding the current portion or those without maturities) and lease obligations (excluding the current portion) for the 5 years subsequent to March 31, 2026:

	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years
(Unit: million yen)				
Long-term borrowings	20,194	136,150	17,452	1,000
Lease obligations	1,870	1,887	2,008	2,114
	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years
(Unit: million US dollars)				
Long-term borrowings	126	851	109	6
Lease obligations	11	11	12	13

13. Securities Borrowing

Securities borrowed under borrowing agreements and securities received as collateral of reinsurance transactions can be sold or pledged as collateral. As of March 31, 2025 and 2026, the market value of the securities which were not sold or pledged as collateral was ¥134,190 million and ¥132,197 million (US\$826 million), respectively. None of the securities were pledged as collateral as of March 31, 2025 and 2026, respectively.

14. Organizational Change Surplus

As of March 31, 2025 and 2026, the amounts of organizational change surplus stipulated in Article 91 of the Insurance Business Act were ¥117,776 million and ¥117,776 million (US\$736 million), respectively.

IV. NOTES TO THE CONSOLIDATED STATEMENT OF EARNINGS

1. Operating Expenses

Details of operating expenses for the fiscal years ended March 31, 2025 and 2026 were as follows:

	Year ended March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Sales activity expenses	331,115	351,875	2,200
Sales management expenses	107,903	91,941	575
General management expenses	549,072	604,417	3,780

Note: As described in “Changes in Accounting Policies”, the Company has applied the change in accounting policies retrospectively in the current consolidated fiscal year, and the consolidated financial statements for the prior fiscal year have been restated accordingly.

2. Gains on Disposal of Fixed Assets

Details of gains on disposal of fixed assets for the fiscal years ended March 31, 2025 and 2026 were as follows:

	Year ended March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Land	16,621	13,407	83
Buildings	1,959	156	0
Leased assets	—	0	0
Other tangible fixed assets	300	5	0
Other assets	—	0	0
Total	18,881	13,570	84

3. Losses on Disposal of Fixed Assets

Details of losses on disposal of fixed assets for the fiscal years ended March 31, 2025 and 2026 were as follows:

	Year ended March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Land	4,519	4,981	31
Buildings	13,958	10,065	62
Leased assets	1,334	5	0
Other tangible fixed assets	170	169	1
Software	507	591	3
Other intangible fixed assets	108	1,036	6
Other assets	5,328	259	1
Total	25,927	17,110	107

4. Impairment Losses on Assets

Details of impairment losses on assets of the consolidated subsidiaries that operate a life insurance business for the fiscal years ended March 31, 2025 and 2026 were as follows:

a) Method of Grouping Assets

Real estate and other assets used for domestic insurance business purposes are recognized as one asset group for each consolidated company. Each property for rent and property not in use, which is not used for domestic insurance business purposes, is deemed to be an independent asset group.

Long-term prepaid expenses in the overseas insurance business (expenses arising from exclusive bancassurance agreements with banks) aggregated by each payee bank are deemed to be an independent asset group.

b) Background for Recognition of Impairment Losses

As a result of significant declines in profitability or market value of some asset groups, the consolidated subsidiaries write-off the book value of these assets to the recoverable value and reported such write-off as impairment losses in extraordinary losses.

c) Breakdown of Impairment Losses

Impairment losses by asset group for the fiscal year ended March 31, 2025 were as follows:

Asset Group	Place	Number of properties	Impairment Losses		
			Land	Buildings	Total
(Unit: million yen)					
Domestic insurance business Real estate not in use	Asahikawa city, Hokkaido Prefecture and others	25	1,455	788	2,243

Impairment losses by asset group for the fiscal year ended March 31, 2026 were as follows:

Asset Group	Place	Number of properties	Impairment Losses							
			(Unit: million yen)				(Unit: million US dollars)			
			Land	Buildings	Other assets (long-term prepaid expenses)	Total	Land	Buildings	Other assets (long-term prepaid expenses)	Total
Domestic insurance business Real estate for rent	Toyama city, Toyama Prefecture	1	252	285	-	538	1	1	-	3
Domestic insurance business Real estate not in use	Chuo-ku, Tokyo Prefecture and others	16	861	364	-	1,225	5	2	-	7
Overseas insurance business	Vietnam	1	-	-	8,243	8,243	-	-	51	51

d) Calculation of Recoverable Value

Value in use or net sale value is used as the recoverable value of real estate for rent, net sale value is used for real estate not in use, and value in use is used for long-term prepaid expenses.

The discount rates used to discount future cash flows were 1.85% and 1.81% for the fiscal years ended March 31, 2025 and 2026, respectively, for the value in use of real estate for rent, and 10.00% for the value in use of long-term prepaid expenses.

Estimated disposal value, appraisal value based on real estate appraisal standards, or appraisal value based on publicly assessed land value for tax purposes is used as the net sale value.

5. Second Career Special Support Expense

Second career special support expenses included special support allowance and re-employment support expenses for employees who retire using Second Career Special Support Framework implemented at DL during the fiscal year ended March 31, 2025.

6. Income Taxes for Global Minimum Tax

Income taxes for global minimum tax included in corporate income taxes-current for the fiscal year ended March 31, 2025 are ¥2,816 million (US\$ 18 million).

V. NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

The amount reclassified and tax effect amounts related to other comprehensive income were as follows:

	Year ended March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Net unrealized gains (losses) on securities, net of tax			
Amount incurred during the year	(544,837)	1,217,044	7,612
Amount reclassified	(399,118)	(633,327)	(3,961)
Before tax adjustment	(943,955)	583,717	3,650
Tax effect	227,765	(156,056)	(976)
Net unrealized gains (losses) on securities, net of tax	(716,189)	427,660	2,674
Deferred hedge gains (losses)			
Amount incurred during the year	(42,413)	(125,104)	(782)
Amount reclassified	7,486	19,960	124
Amount adjusted for asset acquisition cost	(1,147)	(2,047)	(12)
Before tax adjustment	(36,075)	(107,191)	(670)
Tax effect	11,438	30,777	192
Deferred hedge gains (losses)	(24,636)	(76,414)	(477)
Reserve for land revaluation			
Amount incurred during the year	—	—	—
Amount reclassified	—	—	—
Before tax adjustment	—	—	—
Tax effect	(2,249)	40	0
Reserve for land revaluation	(2,249)	40	0
Foreign currency translation adjustments			
Amount incurred during the year	128,323	10,917	68
Amount reclassified	—	—	—
Before tax adjustment	128,323	10,917	68
Tax effect	—	—	—
Foreign currency translation adjustments	128,323	10,917	68
Remeasurements of defined benefit plans, net of tax			
Amount incurred during the year	39,822	130,756	817
Amount reclassified	(25,729)	(28,768)	(179)
Before tax adjustment	14,093	101,988	637
Tax effect	(5,063)	(29,448)	(184)
Remeasurements of defined benefit plans, net of tax	9,030	72,539	453
Net unrealized gains (losses) on total policy reserves and other reserves of foreign subsidiaries, net of tax			
Amount incurred during the year	81,962	(39,768)	(248)
Amount reclassified	—	—	—
Before tax adjustment	81,962	(39,768)	(248)
Tax effect	(20,289)	8,136	50
Net unrealized gains (losses) on total policy reserves and other reserves of foreign subsidiaries, net of tax	61,673	(31,631)	(197)
Share of other comprehensive income of subsidiaries and affiliates accounted for under the equity method			
Amount incurred during the year	10,688	(18,494)	(115)
Amount reclassified	(682)	(3,623)	(22)
Share of other comprehensive income of subsidiaries and affiliates accounted for under the equity method	10,005	(22,118)	(138)
Total other comprehensive income	(534,042)	380,992	2,382

Note: As described in "Changes in Accounting Policies", the Company has applied the change in accounting policies retrospectively in the current consolidated fiscal year, and the consolidated financial statements for the prior fiscal year have been restated accordingly.

VI. NOTES TO THE CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

1. For the Year Ended March 31, 2025

(1) Type and Number of Shares Outstanding

	Year ended March 31, 2025			
	At the beginning of the year	Increase during the year	Decrease during the year	At the end of the year
	(Unit: thousands of shares)			
Common stock ⁽¹⁾⁽²⁾⁽³⁾	952,672	73	27,645	925,099
Treasury stock ⁽¹⁾⁽⁴⁾⁽⁵⁾	7,500	25,102	27,762	4,840

(*1) Treasury stock at the beginning and the end of the fiscal year ended March 31, 2025, includes 3,807 thousand shares and 4,225 thousand shares held by the trust fund through the J-ESOP, respectively.

(*2) The increase of 73 thousand shares of outstanding common stock was due to the issuance of new shares under stock remuneration scheme.

(*3) The decrease of 27,645 thousand shares of outstanding common stock was due to the cancellation of treasury stock.

(*4) The increase of 25,102 thousand shares of treasury stock was due to the purchase of treasury stock of 24,627 thousand shares, the acquisition of a trust account for J-ESOP of 473 thousand shares, and the acquisition of restricted stock without consideration and the purchase of shares less than one unit of 1 thousand shares.

(*5) The decrease of 27,762 thousand shares of treasury stock represents the sum of (1) 61 thousand shares due to the exercise of stock acquisition rights (stock options), (2) 54 thousand shares granted to eligible employees at retirement by the J-ESOP, and (3) 27,645 thousand shares due to the cancellation of treasury stock.

(*6) The Company conducted a 1:4 share split of common stock on April 1, 2025. However, matters described in this note are based on the number of shares before the share split.

(2) Stock acquisition rights

Issuer	Details	Balance as of March 31, 2025 (Unit: million yen)
The Company	Stock acquisition rights in the form of stock options	257

(3) Dividends on Common Stock

a) Dividends paid during the fiscal year ended March 31, 2025

Date of resolution	June 24, 2024 (at the Annual General Meeting of Shareholders)
Type of shares	Common stock
Total dividends(*)	¥106,804 million
Dividends per share	¥113
Record date	March 31, 2024
Effective date	June 25, 2024
Dividend resource	Retained earnings
Date of resolution	November 14, 2024 (at the Board of Directors meeting)
Type of shares	Common stock
Total dividends(*)	¥56,135 million
Dividends per share	¥61
Record date	September 30, 2024
Effective date	December 5, 2024
Dividend resource	Retained earnings

(*) Total dividends did not respectively include ¥430 million and ¥257 million of dividends to the J-ESOP trust, as the Company recognized the shares held by the trust as treasury shares.

b) Dividends, the record date of which was March 31, 2025, to be paid out in the year ending March 31, 2026

Date of resolution	June 23, 2025 (at the Annual General Meeting of Shareholders)
Type of shares	Common stock
Total dividends(*1)	¥69,939 million
Dividends per share	¥76
Record date	March 31, 2025
Effective date	June 24, 2025
Dividend resource	Retained earnings

(*1) Total dividends did not include ¥321 million of dividends to the J-ESOP trust, as the Company recognized the shares held by the trust as treasury shares.

(*2) The Company conducted a 1:4 share split of common stock on April 1, 2025. However, as the record date is March 31, 2025, the amount is based on the number of shares before the share split.

2. For the Year Ended March 31, 2026

(1) Type and Number of Shares Outstanding

	Year ended March 31, 2026			
	At the beginning of the year	Increase during the year	Decrease during the year	At the end of the year
	(Unit: thousands of shares)			
Common stock ^(*)	925,099	2,775,948	79,152	3,621,895
Treasury stock ^(*)	4,840	99,280	83,176	20,944

(*) The Company conducted a 1:4 share split of common stock on April 1, 2025.

(*) Treasury stock at the beginning and the end of the fiscal year ended March 31, 2026, includes 4,225 thousand shares and 18,079 thousand shares held by the trust fund through the J-ESOP, respectively.

(*) The increase of 2,775,948 thousand shares of outstanding common stock was due to the issuance of new shares under a stock remuneration scheme of 649 thousand shares and the share split resulting in additional 2,775,298 thousand shares.

(*) The decrease of 79,152 thousand shares of outstanding common stock was due to the cancellation of treasury stock.

(*) The increase of 99,280 thousand shares of treasury stock was due to the purchase of treasury stock of 79,682 thousand shares, the acquisition of a trust account for J-ESOP of 5,074 thousand shares, the acquisition of restricted stock without consideration and the purchase of shares less than one unit of 2 thousand shares, and the share split resulting in additional 14,521 thousand shares.

(*) The decrease of 83,176 thousand shares of treasury stock represents the sum of (1) 126 thousand shares due to the exercise of stock acquisition rights (stock options), (2) 3,897 thousand shares granted to eligible employees at retirement by the J-ESOP, and (3) 79,152 thousand shares due to the cancellation of treasury stock.

(2) Stock acquisition rights

Issuer	Details	Balance as of March 31, 2026 (Unit: million yen)
The Company	Stock acquisition rights in the form of stock options	210 (US\$ 1 million)

(3) Dividends on Common Stock

a) Dividends paid during the fiscal year ended March 31, 2026

Date of resolution	June 23, 2025 (at the Annual General Meeting of Shareholders)
Type of shares	Common stock
Total dividends ^(*)	¥69,939 million (US\$437 million)
Dividends per share ^(*)	¥76 (US\$0.47)
Record date	March 31, 2025
Effective date	June 24, 2025
Dividend resource	Retained earnings
Date of resolution	November 14, 2025 (at the Board of Directors meeting)
Type of shares	Common stock
Total dividends ^(*)	¥87,396 million (US\$546 million)
Dividends per share	¥24 (US\$0.15)
Record date	September 30, 2025
Effective date	December 4, 2025
Dividend resource	Retained earnings

(*) Total dividends did not respectively include ¥321 million (US\$2 million) and ¥314 million (US\$1 million) of dividends to the J-ESOP trust, as the Company recognized the shares held by the trust as treasury shares.

(*) The Company conducted a 1:4 share split of common stock on April 1, 2025. However, as the record date is March 31, 2025, the above dividends per share by resolution at the Annual General Meeting of Shareholders held on June 23, 2025 are based on the number of shares before the share split

b) Dividends, the record date of which was March 31, 2026, to be paid out in the year ending March 31, 2027

Date of resolution	June 22, 2026 (at the Annual General Meeting of Shareholders)
Type of shares	Common stock
Total dividends ^(*)	¥109,829 million (US\$686 million)
Dividends per share	¥30.5 (US\$0.19)
Record date	March 31, 2026
Effective date	June 23, 2026
Dividend resource	Retained earnings

(*) Total dividends did not include ¥551 million (US\$3 million) of dividends to the J-ESOP trust, as the Company recognized the shares held by the trust as treasury shares.

VII. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

1. Reconciliations of Cash and Cash Equivalents to Consolidated Balance Sheet Accounts

Details of reconciliations of cash and cash equivalents to consolidated balance sheet accounts were as follows:

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Cash and deposits	1,889,228	1,974,671	12,350
Call loans	566,500	591,000	3,696
Securities	53,033,910	55,576,274	347,612
Term deposits exceeding three months and others	(142,199)	(478,215)	(2,991)
Securities other than cash equivalents	(53,033,910)	(55,576,142)	(347,611)
Cash and cash equivalents	2,313,529	2,087,588	13,057

2. Breakdown of Increased Assets and Liabilities of the newly consolidated company as a result of stock acquisition

Breakdown of assets and liabilities at the time of the consolidation of Benefit One Inc. and ShelterPoint Group, Inc. due to the acquisition of shares, and the relationship between the acquisition cost of shares, etc. and the expenditure for the acquisition (net amount) is as follows:

With respect to the business combination, provisional accounting applied in the previous fiscal year was finalized in the fiscal year ended March 31, 2026. The change was reflected in the consolidated financial statements for the previous fiscal year ended March 31, 2025.

(1) Benefit One Inc.

	The fiscal year ended March 31, 2025	
	(Unit: million yen)	(Unit: million US dollars)
Assets	182,870	1,143
Cash and deposits	48,233	301
Goodwill	200,592	1,254
Liabilities	(93,862)	(587)
Other liabilities	(61,741)	(386)
Acquisition costs of subsidiary shares	289,600	1,811
Equity method carrying amount prior to acquisition of control	(126,467)	(791)
Cash and cash equivalents of subsidiary	(48,233)	(301)
Difference: Expenditures for acquisition of shares of subsidiary	114,899	718

(2) ShelterPoint Group, Inc.

	The fiscal year ended March 31, 2025	
	(Unit: million yen)	(Unit: million US dollars)
Assets	135,220	845
Cash and deposits	3,840	24
Goodwill	36,375	227
Liabilities	(50,128)	(313)
Policy reserves and others	(33,093)	(206)
Acquisition costs of subsidiary shares	121,467	759
Cash and cash equivalents of subsidiary	(3,840)	(24)
Difference: Expenditures for acquisition of shares of subsidiary	117,627	735

VIII. LEASE TRANSACTIONS

1. Finance Leases (As Lessee)

For the fiscal years ended March 31, 2025 and 2026, information regarding finance leases (as lessee) is omitted due to the immateriality on the consolidated financial statements.

2. Operating Leases

Future minimum lease payments under non-cancellable operating leases as of March 31, 2025 and 2026 were as follows:

(As Lessee)

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Due within one year	3,346	3,568	22
Due after one year	24,248	22,512	140
Total	27,594	26,080	163

(As Lessor)

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Due within one year	889	629	3
Due after one year	11,920	11,631	72
Total	12,810	12,261	76

IX. FINANCIAL INSTRUMENTS AND OTHERS

1. Financial Instruments

(1) Policies in Utilizing Financial Instruments

The Group mainly operates in life insurance business and, in an effort to manage investment assets in a manner appropriate to liabilities, which arise from the insurance policies underwritten, engages in asset liability management, or ALM, which considers the long-term balance between assets and liabilities to ensure stable returns. With this strategy, the Group holds fixed income investments, including bonds and loans, as the core of its asset portfolio. While placing its financial soundness first, the Group also holds stocks and foreign securities within its tolerable risk to enhance its profitability and facilitate diversification of investment risks.

The Group uses derivatives primarily to hedge market risks associated with its existing asset portfolio.

With respect to financing, the Group has raised capital directly from the capital markets by issuing subordinated bonds as well as indirectly from banks in order to strengthen its capital base. To avoid impact from interest-rate fluctuations, the Group utilizes derivative transactions in hedging some of such financial liabilities and adopts hedge accounting.

(2) Financial Instruments Used and Their Risks

Securities included in financial assets of the Group, mainly stocks and bonds, are exposed to market fluctuation risk, credit risk and interest-rate risk and some of the securities denominated in foreign currency are exposed to foreign currency risk. Also, loans are exposed to credit risk arising from the defaults of obligors.

The Group might be exposed to liquidity risk in certain circumstances in which it cannot make timely payments of principal, interest or other amounts due to unpredictable cash outflows or is forced to raise capital with interest rates substantially higher than usual. Also, some of its loans payable and bonds payable which are floating interest rate based and denominated in foreign currency are exposed to interest-rate risk and foreign currency risk.

The Group utilizes a) interest rate swaps to hedge interest rate risk associated with certain loans receivable and payable, b) equity forward contracts to hedge market fluctuation risks associated with certain domestic stocks, and c) foreign currency forward contracts, currency options and foreign currency swaps to hedge foreign currency risks associated with certain foreign currency-denominated bonds, foreign currency-denominated short-term deposits and foreign currency-denominated debts, etc. and adopts hedge accounting.

In addition, certain consolidated subsidiaries utilize a) interest rate swaps to hedge interest rate risk associated with certain insurance liabilities, under the "Accounting and Auditing Treatment of Application of Accounting Standard for Financial Instruments to Insurance Operators" (Industry-specific Committee Practical Guidelines No. 26 issued by JICPA), and b) foreign currency swaps to hedge foreign currency risks associated with funding agreements and adopt hedge accounting.

In applying the hedge accounting, in order to fulfill requirements stipulated in accounting standards such as the "Accounting Standards for Financial Instruments" (ASBJ Statement No. 10 issued on March 10, 2008), the Group has established investment policy and procedure guidelines and clarified the transactions to be hedged, the risk of underlying assets to be hedged and derivative instruments to be used, and conducted pre- and post-effectiveness tests of the transactions.

(3) Risk Management

The Group manages risk in accordance with a basic policy for risk management, rules for management procedures, etc. defined by the board of directors, etc.

a) Market risk management

Under the internal investment policy and market risk management policy, DL manages market risk by conducting mid- to long-term asset allocation in a manner appropriate to its liabilities. Therefore, it categorizes its portfolio into sub-groups, based on their investment purpose, and manages them taking into account each of their risk characteristics.

i) Interest rate risk

DL keeps track of interest rates and durations of its assets and liabilities, monitors its internal analyses on duration gap and interest rate sensitivity, and periodically reports its findings to the board of directors, etc.

ii) Currency risk

DL keeps track of currency composition of its financial assets and liabilities, conducts sensitivity analyses, and periodically reports its findings to the board of directors, etc.

iii) Fluctuation in market values

DL defines risk management policies and management procedures for each component of its overall portfolio, including securities, based on the risk characteristics of the categories, and sets and manages upper limits of each asset balance and asset allocation weight.

Such management conditions are periodically reported by its risk management sections to the board of directors, etc.

iv) Derivative transactions

For derivative transactions, DL has established internal check systems by segregating (i) the executing department, (ii) the department which engages in assessment of hedge effectiveness, and (iii) the back-office. Additionally, in order to limit speculative use of derivatives, it has put restrictions on utilization purpose, such as hedging, and establishes position limits for each asset class.

The consolidated subsidiaries other than DL have established appropriate risk management systems in accordance with the Group's basic policy for risk management, etc.

DFLI utilizes derivatives in order to hedge foreign currency risks associated with bonds and maintain financial soundness. The risk management section is in charge of managing overall risks including risks associated with the guaranteed minimum maturity benefits, and periodically reports the status of such management to the board of directors, etc.

b) Credit Risk Management

In accordance with the internal investment policy and credit risk management procedure guidelines, DL has established a credit management system related to loans, such as preliminary reviews on individual transactions, credit limit setting, credit information management, internal credit rating, attachment of guarantees and collateral, and follow-ups on problem loans. For corporate bond investment, the credit section sets investment caps on individual issuers taking into account internal credit ratings and other factors. Excessive risk-taking is restricted since front offices make investment within those caps. Policies and frameworks for large-lot borrowers have been formulated in order to prevent credit concentration by monitoring compliance, etc. That credit management has been conducted by the credit and risk management sections, and has been periodically reported to its board of directors, etc. Additionally, the internal audit section has also checked credit management status.

Credit risk of security issuers and counterparty risk with respect to derivative transactions are managed by the credit section, which sets upper limits for each counterparty and periodically monitors credit information, and by the risk management section, which periodically monitors current exposures.

The consolidated subsidiaries other than DL have established appropriate risk management systems in accordance with the Group's basic policy for risk management, etc.

(4) Supplementary Explanation for Fair Value of Financial Instruments

As the calculation of those values adopts certain assumptions, those values may vary in cases where different assumptions are applied. Also, for the contract value regarding derivative transactions described in "XII. DERIVATIVE TRANSACTIONS", the "Notional amount/contract value" itself does not indicate market risk related to derivative transactions.

2. Fair Values of Financial Instruments

The carrying amount on the consolidated balance sheet, fair value and differences between carrying amount and fair value as of March 31, 2025 and 2026 were as follows.

As of March 31, 2025			
	Carrying amount	Fair value	Unrealized gains (losses)
(Unit: million yen)			
(1) Call loans	566,500	566,545	45
(2) Monetary claims bought	207,197	207,197	-
(3) Money held in trust	899,485	899,485	-
(4) Securities(※2) (※3)			
a. Trading securities	8,504,026	8,504,026	-
b. Held-to-maturity bonds	181,275	171,422	(9,852)
c. Policy-reserve-matching bonds	20,708,240	18,353,254	(2,354,985)
d. Stocks of subsidiaries and affiliated companies	1,879	1,879	-
e. Available-for-sale securities	22,219,258	22,219,258	-
(5) Loans	5,130,891		
Reserves for possible loan losses (※4)	(17,955)		
	5,112,935	4,802,170	(310,764)
Total assets	58,400,799	55,725,241	(2,675,557)
(1) Bonds payable	1,153,124	1,111,813	(41,310)
(2) Payables under repurchase agreements	1,699,129	1,699,280	150
(3) Long-term borrowings	874,235	866,494	(7,740)
Total liabilities	3,726,489	3,677,588	(48,900)
Derivative transactions (※5)			
a. Hedge accounting not applied	[13,158]	[13,158]	-
b. Hedge accounting applied	[166,000]	[163,895]	2,105
Total derivative transactions	[179,158]	[177,053]	2,105

(※1) Cash and deposits, and short-term bonds payable are omitted since they are mainly due within a short period of time or have no maturity, and their fair value is close to the carrying amount.

(※2) Net asset value of certain mutual funds is regarded as the fair value in accordance with generally accepted accounting standards, and included in the table above.

(※3) The carrying amount of stocks and other securities without market prices and ownership stakes in partnerships, etc. on the consolidated balance sheet are as follows. They are not included in the fair value of (4) Securities.

As of March 31, 2025

Carrying amount	
(Unit: million yen)	
Stocks and other securities without market prices ^{(※1)(※3)}	251,310
Ownership stakes in partnerships, etc. ^{(※2)(※3)}	1,167,919

(※1) Stocks and other securities without market prices include unlisted stocks, etc., and are not subject to disclosure of fair value in accordance with Paragraph 5 of the "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No. 19 revised on September 13, 2024).

(※2) Ownership stakes in partnerships, etc. mainly include stakes in anonymous associations and investment partnerships. They are not subject to disclosure of fair value in accordance with Item 24-16 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31 revised on June 17, 2021).

(※3) Impairment loss of ¥19,015 million was recognized in the fiscal year ended March 31, 2025.

(※4) Excluding general reserves for possible loan losses and specific reserves for possible loan losses related to loans.

(※5) Credits/debts from derivative transactions are presented on a net basis. Figures in [] are net debts.

Notes: As described in "Changes in Accounting Policies", the Company has applied the change in accounting policies retrospectively in the current consolidated fiscal year, and the consolidated financial statements for the prior fiscal year have been restated accordingly.

As of March 31, 2026						
	Carrying amount	Fair value	Unrealized gains (losses)	Carrying amount	Fair value	Unrealized gains (losses)
(Unit: million yen)				(Unit: million US dollars)		
(1) Monetary claims bought	186,044	186,044	-	1,163	1,163	-
(2) Money held in trust	1,384,128	1,384,128	-	8,657	8,657	-
(3) Securities(※2) (※3)						
a. Trading securities	9,727,044	9,727,044	-	60,839	60,839	-
b. Held-to-maturity bonds	181,368	167,454	(13,913)	1,134	1,047	(87)
c. Policy-reserve-matching bonds	20,406,869	16,301,237	(4,105,632)	127,638	101,959	(25,679)
d. Stocks of subsidiaries and affiliated companies	133,864	135,825	1,960	837	849	12
e. Available-for-sale securities	23,435,289	23,435,289	-	146,580	146,580	-
(4) Loans	4,997,117			31,255		
Reserves for possible loan losses (※4)	(14,146)			(88)		
	4,982,971	4,627,921	(355,050)	31,166	28,946	(2,220)
Total assets	60,437,580	55,964,945	(4,472,634)	378,018	350,043	(27,974)

(1) Bonds payable	1,337,337	1,308,611	(28,725)	8,364	8,184	(179)
(2) Payables under repurchase agreements	1,831,637	1,831,778	141	11,456	11,457	0
(3) Long-term borrowings	891,420	881,763	(9,657)	5,575	5,515	(60)
Total liabilities	4,060,395	4,022,152	(38,242)	25,396	25,157	(239)

Derivative transactions (※5)

a. Hedge accounting not applied	[3,973]	[3,973]	—	[24]	[24]	-
b. Hedge accounting applied	[203,850]	[202,472]	1,378	[1,275]	[1,266]	8
Total derivative transactions	[207,824]	[206,446]	1,378	[1,299]	[1,291]	8

(※1) Cash and deposits, call loans, and short-term bonds payable are omitted since they are mainly due within a short period of time or have no maturity, and their fair value is close to the carrying amount.

(※2) Net asset value of certain mutual funds is regarded as the fair value in accordance with generally accepted accounting standards, and included in the table above.

(※3) The carrying amount of stocks and other securities without market prices and ownership stakes in partnerships, etc. on the consolidated balance sheet are as follows. They are not included in the fair value of (3) Securities.

As of March 31, 2026

	Carrying amount	
	(Unit: million yen)	(Unit: million US dollars)
Stocks and other securities without market prices ^(*) (*)	314,427	1,966
Ownership stakes in partnerships, etc. ^(*) (*)	1,377,410	8,615

(*) Stocks and other securities without market prices include unlisted stocks, etc., and are not subject to disclosure of fair value in accordance with Paragraph 5 of the "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No. 19 revised on September 13, 2024).

(*) Ownership stakes in partnerships, etc. mainly include stakes in anonymous associations and investment partnerships. They are not subject to disclosure of fair value in accordance with Item 24-16 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31 revised on June 17, 2021).

(*) Impairment loss of ¥2,000 million (US\$12 million) was recognized in the fiscal year ended March 31, 2026.

(※4) Excluding general reserves for possible loan losses and specific reserves for possible loan losses related to loans.

(※5) Credits/debts from derivative transactions are presented on a net basis. Figures in [] are net debts.

Note 1: Scheduled redemptions of monetary claims and securities with maturities

As of March 31, 2025

	Due in 1 year or less	Due after 1 year through 5 years	Due after 5 years through 10 years	Due after 10 years
	(Unit: million yen)			
Cash and deposits	1,884,639	2,969	1,075	553
Call loans	566,500	-	-	-
Monetary claims bought	2,941	59,466	27,323	125,408
Securities:				
Held-to-maturity bonds (bonds)	4,400	106,800	29,100	33,800
Held-to-maturity bonds (foreign securities)	100	7,562	-	-
Policy-reserve-matching bonds (bonds)	169,769	1,127,475	2,346,637	14,605,747
Policy-reserve-matching bonds (foreign securities)	159,577	1,095,117	411,949	1,369,574
Available-for-sale securities with maturities (bonds)	198,839	1,034,433	514,718	752,097
Available-for-sale securities with maturities (foreign securities)	608,747	2,272,001	3,753,253	8,742,759
Available-for-sale securities with maturities (other securities)	1,686	553,025	295,037	84,158
Loans ^(*)	670,887	1,986,455	1,031,361	888,173

(*) Loans for which interest or principal payments cannot be forecasted, such as credit to bankrupt obligors, substantially bankrupt obligors and obligors at risk of bankruptcy, amounted to ¥86 million were not included. Also, ¥552,910 million of loans without maturities were not included.

As of March 31, 2026

	Due in 1 year or less	Due after 1 year through 5 years	Due after 5 years through 10 years	Due after 10 years
	(Unit: million yen)			
Cash and deposits	1,959,730	13,348	360	1,252
Call loans	591,000	-	-	-
Monetary claims bought	4,129	47,407	23,279	127,770
Securities:				
Held-to-maturity bonds (bonds)	60,700	54,700	26,013	32,900
Held-to-maturity bonds (foreign securities)	500	7,020	-	-
Policy-reserve-matching bonds (bonds)	177,845	1,588,978	2,392,932	14,366,265
Policy-reserve-matching bonds (foreign securities)	148,399	1,031,442	335,570	1,482,259
Available-for-sale securities with maturities (bonds)	221,891	914,850	442,579	758,678
Available-for-sale securities with maturities (foreign securities)	338,335	2,538,051	3,501,062	8,912,497
Available-for-sale securities with maturities (other securities)	10,374	954,282	450,210	68,773
Loans ^(*)	752,771	1,967,342	936,009	842,121

As of March 31, 2026				
	Due in 1 year or less	Due after 1 year through 5 years	Due after 5 years through 10 years	Due after 10 years
(Unit: million US dollars)				
Cash and deposits	12,257	83	2	7
Call loans	3,696	-	-	-
Monetary claims bought	25	296	145	799
Securities:				
Held-to-maturity bonds (bonds)	379	342	162	205
Held-to-maturity bonds (foreign securities)	3	43	-	-
Policy-reserve-matching bonds (bonds)	1,112	9,938	14,967	89,856
Policy-reserve-matching bonds (foreign securities)	928	6,451	2,098	9,271
Available-for-sale securities with maturities (bonds)	1,387	5,722	2,768	4,745
Available-for-sale securities with maturities (foreign securities)	2,116	15,874	21,898	55,744
Available-for-sale securities with maturities (other securities)	64	5,968	2,815	430
Loans ^(*)	4,708	12,305	5,854	5,267

(*) Loans for which interest or principal payments cannot be forecasted, such as credit to bankrupt obligors, substantially bankrupt obligors and obligors at risk of bankruptcy, amounted to ¥86 million (US\$0 million) were not included. Also, ¥499,397 million (US\$3,123 million) of loans without maturities were not included.

Note 2: Scheduled maturities of bonds, long term borrowings, and other interest-bearing liabilities

As of March 31, 2025						
	Due in 1 year or less	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
(Unit: million yen)						
Bonds payable ^(*)	41,917	7,504	-	63,272	-	188,347
Payables under repurchase agreements	1,699,129	-	-	-	-	-
Long term borrowings ^(*)	39,860	345,908	17,444	103,552	1,000	121,500

(*) ¥886,780 million of bonds payable without maturities were not included.

(*) ¥245,000 million of long term borrowings without maturities were not included.

As of March 31, 2026						
	Due in 1 year or less	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
(Unit: million yen)						
Bonds payable ^(*)	16,609	-	62,624	-	62,624	311,666
Payables under repurchase agreements	1,831,637	-	-	-	-	-
Long term borrowings ^(*)	313,624	20,194	136,150	17,452	1,000	339,000

As of March 31, 2026						
	Due in 1 year or less	Due after 1 year through 2 years	Due after 2 years through 3 years	Due after 3 years through 4 years	Due after 4 years through 5 years	Due after 5 years
(Unit: million US dollars)						
Bonds payable ^(*)	103	-	391	-	391	1,949
Payables under repurchase agreements	11,456	-	-	-	-	-
Long term borrowings ^(*)	1,961	126	851	109	6	2,120

(*) ¥886,780 million (US\$5,546 million) of bonds payable without maturities were not included.

(*) ¥64,000 million (US\$400 million) of long term borrowings without maturities were not included.

3: Matters Concerning Fair Value of Financial Instruments and Breakdown by Input Level

The fair values of financial instruments are classified into the following three levels based on the observability and significance of the inputs used to measure fair value:

Level 1: Fair value determined based on the observable inputs, such as quoted prices in active markets for identical assets or liabilities

Level 2: Fair value determined based on observable inputs other than Level 1 inputs

Level 3: Fair value determined based on significant unobservable inputs

If multiple inputs with a significant impact are used for the fair value measurement of a financial instrument, the financial instrument is classified into the lowest priority level of fair value measurement in which each input belongs.

a) Financial assets and liabilities measured at fair value on the consolidated balance sheet

As of March 31, 2025	Fair value			
	Level 1	Level 2	Level 3	Total
	(Unit: million yen)			
Monetary claims bought	-	-	207,197	207,197
Money held in trust	395,033	504,452	-	899,485
Securities(*)				
Trading securities	3,996,220	4,421,901	85,905	8,504,026
Available-for-sale securities				
Government bonds	947,447	-	-	947,447
Local government bonds	-	33,159	-	33,159
Corporate bonds	-	1,790,624	5,241	1,795,865
Domestic stocks	3,281,627	23	-	3,281,651
Foreign bonds	333,588	13,083,251	612,073	14,028,913
Other foreign securities	564,718	389,370	63,231	1,017,320
Other securities	5,266	956,355	40,470	1,002,092
Derivative transactions				
Currency-related	484	61,252	-	61,736
Interest-related	-	14,543	-	14,543
Stock-related	19,643	138,419	-	158,062
Bond-related	1,912	146	-	2,059
Others	-	915	51,188	52,103
Total assets	9,545,942	21,394,415	1,065,308	32,005,666
Corporate bonds	-	7,460	-	7,460
Payables under repurchase agreements	-	62,492	-	62,492
Long-term borrowings	-	77,791	-	77,791
Derivative transactions				
Currency-related	-	131,953	-	131,953
Interest-related	-	71,873	-	71,873
Stock-related	1,169	97,697	-	98,867
Bond-related	2,520	15,153	-	17,674
Others	-	-	147,295	147,295
Total liabilities	3,690	464,422	147,295	615,408

(*) Certain Mutual funds whose net asset value are regarded as the fair value in accordance with Item 24-3 and 9 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31, revised on June 17, 2021) are not included in the table above. The amount of such mutual funds on the consolidated balance sheet is ¥112,808 million. Reconciliation between the beginning and ending balance and breakdown of restriction on cancellation as of March 31, 2025 have been omitted as the amount of such mutual funds is immaterial.

Notes: As described in "Changes in Accounting Policies", the Company has applied the change in accounting policies retrospectively in the current consolidated fiscal year, and the consolidated financial statements for the prior fiscal year have been restated accordingly.

As of March 31, 2026	Fair value			
	Level 1	Level 2	Level 3	Total
	(Unit: million yen)			
Monetary claims bought	-	9,817	176,227	186,044
Money held in trust	337,663	1,046,464	-	1,384,128
Securities(*)				
Trading securities	4,429,383	4,968,765	328,895	9,727,044
Available-for-sale securities				
Government bonds	796,705	-	-	796,705
Local government bonds	-	19,752	-	19,752
Corporate bonds	-	1,788,139	2,817	1,790,957
Domestic stocks	3,399,139	23	-	3,399,162
Foreign bonds	318,689	13,156,313	776,922	14,251,924
Other foreign securities	1,020,650	370,599	61,337	1,452,588
Other securities	10,236	1,439,009	45,134	1,494,379
Derivative transactions				
Currency-related	41	100,639	-	100,680
Interest-related	-	20,986	-	20,986
Stock-related	33,893	161,204	-	195,097
Bond-related	626	4,197	-	4,824
Others	-	724	44,164	44,889
Total assets	10,347,029	23,086,637	1,435,499	34,869,166
Corporate bonds	-	8,761	-	8,761
Payables under repurchase agreements	-	103,999	-	103,999
Long-term borrowings	-	90,796	-	90,796
Derivative transactions				
Currency-related	178	249,105	-	249,283
Interest-related	-	33,292	-	33,292
Stock-related	3,507	113,946	-	117,453
Bond-related	4,261	3,136	-	7,398
Others	-	25	166,847	166,873

Total liabilities	7,947	603,066	166,847	777,861
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As of March 31, 2026	Fair value			
	Level 1	Level 2	Level 3	Total
	(Unit: million US dollars)			
Monetary claims bought	-	61	1,102	1,163
Money held in trust	2,111	6,545	-	8,657
Securities(*)				
Trading securities	27,704	31,078	2,057	60,839
Available-for-sale securities				
Government bonds	4,983	-	-	4,983
Local government bonds	-	123	-	123
Corporate bonds	-	11,184	17	11,201
Domestic stocks	21,260	0	-	21,260
Foreign bonds	1,993	82,288	4,859	89,141
Other foreign securities	6,383	2,317	383	9,085
Other securities	64	9,000	282	9,346
Derivative transactions				
Currency-related	0	629	-	629
Interest-related	-	131	-	131
Stock-related	211	1,008	-	1,220
Bond-related	3	26	-	30
Others	-	4	276	280
Total assets	64,717	144,399	8,978	218,095
Corporate bonds	-	54	-	54
Payables under repurchase agreements	-	650	-	650
Long-term borrowings	-	567	-	567
Derivative transactions				
Currency-related	1	1,558	-	1,559
Interest-related	-	208	-	208
Stock-related	21	712	-	734
Bond-related	26	19	-	46
Others	-	0	1,043	1,043
Total liabilities	49	3,771	1,043	4,865

(*) Certain Mutual funds whose net asset value are regarded as the fair value in accordance with Item 24-3 and 9 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31, revised on June 17, 2021) are not included in the table above. The amount of such mutual funds on the consolidated balance sheet is ¥229,818 million (US\$1,437 million). Reconciliation between the beginning and ending balance and breakdown of restriction on cancellation as of March 31, 2026 have been omitted as the amount of such mutual funds is immaterial.

b) Financial assets and liabilities not measured at fair value on the consolidated balance sheet

As of March 31, 2025	Fair value			
	Level 1	Level 2	Level 3	Total
	(Unit: million yen)			
Call loans	-	566,545	-	566,545
Securities				
Held-to-maturity bonds				
Government bonds	34,507	-	-	34,507
Corporate bonds	-	129,323	-	129,323
Foreign bonds	-	4,138	3,453	7,591
Policy-reserve-matching bonds				
Government bonds	14,261,292	-	-	14,261,292
Local government bonds	-	101,109	-	101,109
Corporate bonds	-	1,230,175	-	1,230,175
Foreign bonds	356,213	2,404,463	-	2,760,677
Stocks of subsidiaries and affiliated companies	-	682	1,197	1,879
Loans	-	-	4,802,170	4,802,170
Total assets	14,652,013	4,436,438	4,806,821	23,895,273
Bonds payable	-	1,091,030	13,323	1,104,353
Payables under repurchase agreements	-	1,636,788	-	1,636,788
Long-term borrowings	-	6,273	782,428	788,702
Total liabilities	-	2,734,092	795,752	3,529,844

As of March 31, 2026	Fair value			
	Level 1	Level 2	Level 3	Total
	(Unit: million yen)			
Securities				
Held-to-maturity bonds				
Government bonds	33,715	-	-	33,715
Corporate bonds	-	125,971	-	125,971

Foreign bonds	-	4,354	3,412	7,767
Policy-reserve-matching bonds				
Government bonds	12,340,973	-	-	12,340,973
Local government bonds	-	99,933	-	99,933
Corporate bonds	-	1,176,887	-	1,176,887
Foreign bonds	385,629	2,297,813	-	2,683,443
Stocks of subsidiaries and affiliated companies	134,156	624	1,044	135,825
Loans	-	-	4,627,921	4,627,921
Derivative transactions				
Interest-related	-	1,378	-	1,378
Total assets	12,894,474	3,706,964	4,632,378	21,233,817
Bonds payable	-	1,285,808	14,041	1,299,850
Payables under repurchase agreements	-	1,727,778	-	1,727,778
Long-term borrowings	-	5,189	785,777	790,966
Total liabilities	-	3,018,775	799,819	3,818,594

As of March 31, 2026	Fair value			
	Level 1	Level 2	Level 3	Total
(Unit: million US dollars)				
Securities				
Held-to-maturity bonds				
Government bonds	210	-	-	210
Corporate bonds	-	787	-	787
Foreign bonds	-	27	21	48
Policy-reserve-matching bonds				
Government bonds	77,188	-	-	77,188
Local government bonds	-	625	-	625
Corporate bonds	-	7,361	-	7,361
Foreign bonds	2,411	14,372	-	16,784
Stocks of subsidiaries and affiliated companies	839	3	6	849
Loans	-	-	28,946	28,946
Derivative transactions				
Interest-related	-	8	-	8
Total assets	80,650	23,185	28,974	132,810
Bonds payable	-	8,042	87	8,130
Payables under repurchase agreements	-	10,806	-	10,806
Long-term borrowings	-	32	4,914	4,947
Total liabilities	-	18,881	5,002	23,884

Note 1: Description of the evaluation methods and inputs used to measure fair value

Assets

Call loans

The fair value of call loans is calculated by discounting future cash flows at a discount rate using an interest rate based on the remaining maturity and is classified into Level 2.

Call loans with short repayment terms are deemed to have a fair value close to book value. Therefore, their book value is deemed as the fair value, and their fair value is classified into Level 2.

Monetary claims bought

The fair value of monetary claims bought is measured mainly using the price obtained by outside contractors and counterparty financial institutions. The fair value of monetary claims bought is classified into Level 2 since observable inputs are used in the calculation, and Level 3 when significant unobservable inputs are used.

Money held in trust

The fair value of money held in trust is classified into Level 1 in cases where unadjusted quoted market prices in active markets can be used. If the market is not active, the fair value of money held in trust is classified into Level 2, irrespective of whether disclosed quoted market prices are used.

The fair value of money held in trust for which quoted market prices are not used as fair value is measured using prices obtained from outside contractors and counterparty financial institutions, and classified into either Level 1 or Level 2, based on the level of the primary components of trust assets.

Securities

The fair value of securities for which unadjusted quoted market prices in active markets are available is classified into Level 1. These include stocks and government bonds, among others. If the market is not active, the fair value of securities is classified into Level 2, irrespective of whether disclosed quoted market prices are used.

The fair value of bonds for which quoted market prices are not used as fair value is measured mainly using prices obtained from outside contractors and counterparty financial institutions. The present value of these prices is calculated by discounting future cash flows at a discount rate (i.e., a risk-free interest rate that takes into account credit spread). The fair

value of bonds is classified into Level 2 if observable inputs are used in the calculation, and Level 3 if significant unobservable inputs are used.

The fair value of mutual funds without market prices is based on net asset value unless there is no significant restriction on cancellation. The fair value is classified into either Level 2 or Level 3, mainly based on constituents held in trust.

The fair value of asset-backed securities of certain foreign consolidated subsidiaries is based on the price obtained from outside contractors. The fair value of such asset-backed securities is classified into Level 2 if observable inputs are used in the calculation, and Level 3 if significant unobservable inputs are used.

Notes regarding securities by purpose of holding are described in "X. Securities" below.

Loans

The fair value of loans is calculated by discounting future cash flows at a discount rate (i.e., an interest rate corresponding to internal credit ratings and remaining periods which is assumed to be applied to new loans to the borrower and an interest rate assumed to be applied to new loans that take into account market risk and liquidity risk). The fair value of loans is classified into Level 3.

Additionally, for risk-monitored loans, reserve for possible loan losses is calculated based on the present value of estimated future cash flows or the amount deemed recoverable from collateral and guarantees and the fair value is close to the carrying amount on the consolidated balance sheet minus reserve for possible loan losses at the end of the fiscal year. Therefore, that amount (the carrying amount on the consolidated balance sheet minus reserve for possible loan losses) is recorded as fair value for risk-monitored loans and classified into Level 3.

Also, loans without a due date because of their characteristics that their exposure is limited to the amount of their collaterals, are deemed to have fair value close to book value, taking into account estimated repayment period and interest rates. Therefore, their book value is recorded as the fair value and classified into Level 3.

Liabilities

Bonds payable

The fair value of bonds payable for which quoted market prices can be used is based on the quoted market prices. For bonds payable for which quoted market prices are not available, the fair value is calculated by discounting future cash flows at a discount rate based on market yields for similar instruments. When quoted market prices and observable inputs are used in the calculation, the fair value of bonds payable is classified into Level 2. Otherwise, the fair value of bonds payable is classified into Level 3.

Payables under repurchase agreements

The fair value of payables under repurchase agreements is calculated by discounting future cash flows at a discount rate using an interest rate based on the remaining maturity and is classified into Level 2.

Payables under repurchase agreements with short repayment terms are deemed to have a fair value close to book value. Therefore, their book value is recorded as the fair value, and their fair value is classified into Level 2.

Long-term borrowings

The fair value of long-term borrowings is calculated by discounting the total amount of principal and interest, using interest rates corresponding to the internal credit rating and remaining periods which are assumed to be applied to new borrowings. The fair value of long-term borrowings is classified into Level 2 when observable inputs are used in the calculation, and Level 3 when significant unobservable inputs are used. Also, certain long-term borrowings are deemed to have fair value close to book value, taking into account interest rates and other factors. Therefore, their book value is recorded as the fair value, and their fair value is classified into Level 3.

Derivative Transactions

The fair value of listed derivative transactions for which unadjusted quoted market prices in active markets are available is classified into Level 1. These mainly include stock-related transactions and bond-related transactions. If the market is not active, the fair value of listed derivative transactions is classified into Level 2, irrespective of whether disclosed quoted market prices are used.

The fair value of over-the-counter derivative transactions is mainly based on the prices calculated using discounted present values obtained from outside contractors and counterparty financial institutions and option valuation models, etc. The inputs used in the valuation method for calculating the price of over-the-counter derivative transactions are mainly interest rate, foreign exchange rate, and volatility. Since no significant unobservable inputs are used or their effects are not significant, the fair value of over-the-counter derivative transactions is classified into Level 2.

The fair value of embedded derivatives at certain foreign consolidated subsidiaries is calculated using actuarial cash flow models. The main inputs used in those valuation methods are mortality, lapse, and withdrawal rates of insurance contracts. Since significant unobservable inputs are used, the fair value of such embedded derivatives is classified into Level 3.

Note 2: Quantitative information about financial assets and liabilities measured and stated on the consolidated balance sheet at fair value and classified into Level 3

a) Quantitative Information on Significant Unobservable Inputs

As of March 31, 2025	Valuation method	Significant unobservable input	Range
Securities			
Trading Securities	Discounted cash flow	Discount rate Paydown rate	(0.47)% - 7.00% 5.90% - 20.23%

Available-for-sale securities			
Foreign bonds	Discount cash flow	Discount rate Paydown rate	(0.47)% - 7.00% 5.90% - 20.23%
Derivative transactions			
Other (Embedded derivatives)	Actuarial cash flow model	Mortality Lapse Withdrawal rate	Disclosed mortality that takes into account assumptions Lapse based on the policy period, etc. Withdrawal rates that take into account assumptions for the minimum amount of withdrawals, etc.
As of March 31, 2026	Valuation method	Significant unobservable input	Range
Securities			
Trading Securities	Discounted cash flow	Discount rate Paydown rate	(0.47)% - 3.60% 6.50% - 18.94%
Available-for-sale securities			
Foreign bonds	Discount cash flow	Discount rate Paydown rate	(0.47)% - 7.25% 6.50% - 18.94%
Derivative transactions			
Other (Embedded derivatives)	Actuarial cash flow model	Mortality Lapse Withdrawal rate	Disclosed mortality that takes into account assumptions Lapse based on the policy period, etc. Withdrawal rates that take into account assumptions for the minimum amount of withdrawals, etc.

b) Reconciliation between the beginning and ending balance, and net unrealized gains (losses) recognized in the earnings of the current fiscal year

As of March 31, 2025	Balance at the beginning of the year (*5)	Gains (losses) recorded in consolidated statement of earnings (*1)	Amount recorded in other comprehensive income (*2)	Variable amount (net amount) by purchase, sale, issue and settlement	Transfer to Level 3(*3)	Transfer from Level 3(*4)	Balance at the end of the year	Gains (losses) on valuation of financial assets and liabilities held at the consolidated balance sheet date out of amounts recognized in consolidated statement of earnings(*1)
(Unit: million yen)								
Monetary claims bought	226,450	(1,688)	(4,577)	(12,987)	-	-	207,197	(1,661)
Securities								
Trading securities	84,102	861	5,574	(4,633)	-	-	85,905	885
Available-for-sale securities								
Corporate bonds	8,909	(902)	(526)	(2,238)	-	-	5,241	937
Foreign bonds	479,252	(4,243)	36,320	86,439	25,056	(10,753)	612,073	12,069
Other foreign securities	51,608	(54)	(1,994)	13,671	-	-	63,231	-
Other securities	34,892	-	578	4,999	-	-	40,470	-
Derivative transactions								
Other (Embedded derivatives)	(83,432)	(3,056)	(9,617)	-	-	-	(96,107)	(3,056)

(*1) Gain/Loss recorded as investment income and investment expenses in consolidated statement of earnings.

(*2) Gain/Loss recorded in net unrealized gains (losses) on securities, net of tax and foreign currency translation adjustments of Other comprehensive income in consolidated statement of comprehensive income.

(*3) Transfer from Level 2 to Level 3 due to the change in the observability of inputs as a result of the change in the fair value measurement method. The transfer was recognized

at the end of fiscal year ended March 31, 2025.

(*4) Transfer from Level 3 to Level 2 due to the availability of observable inputs. The transfer was recognized at the end of fiscal year ended March 31, 2025.

(*5) As described in "Changes in Accounting Policies", the Company has applied the change in accounting policies retrospectively in the current consolidated fiscal year, and the consolidated financial statements for the prior fiscal year have been restated accordingly.

As of March 31, 2026	Balance at the beginning of the year	Gains (losses) or other comprehensive income in the current fiscal year		Variable amount (net amount) by purchase, sale, issue and settlement	Transfer to Level 3(*3)	Transfer from Level 3(*4)	Balance at the end of the year	Gains (losses) on valuation of financial assets and liabilities held at the consolidated balance sheet date out of amounts recognized in consolidated statement of earnings(*1)
		Gains (losses) recorded in consolidated statement of earnings (*1)	Amount recorded in other comprehensive income (*2)					
(Unit: million yen)								
Monetary claims bought	207,197	(2,435)	(7,029)	(21,504)	-	-	176,227	(1,906)
Securities								
Trading securities	85,905	845	1,994	240,667	-	(517)	328,895	1,420
Available-for-sale securities								
Corporate bonds	5,241	(119)	645	(2,950)	-	-	2,817	818
Foreign bonds	612,073	7,362	9,707	135,417	21,756	(9,395)	776,922	18,512
Other foreign securities	63,231	51	2,150	(4,095)	-	-	61,337	537
Other securities	40,470	-	859	3,803	-	-	45,134	-
Derivative transactions								
Other (Embedded derivatives)	(96,107)	(27,560)	984	-	-	-	(122,683)	(27,560)

As of March 31, 2026	Balance at the beginning of the year	Gains (losses) or other comprehensive income in the current fiscal year		Variable amount (net amount) by purchase, sale, issue and settlement	Transfer to Level 3(*3)	Transfer from Level 3(*4)	Balance at the end of the year	Gains (losses) on valuation of financial assets and liabilities held at the consolidated balance sheet date out of amounts recognized in consolidated statement of earnings(*1)
		Gains (losses) recorded in consolidated statement of earnings (*1)	Amount recorded in other comprehensive income (*2)					
(Unit: million US dollars)								
Monetary claims bought	1,295	(15)	(43)	(134)	-	-	1,102	(11)
Securities								
Trading securities	537	5	12	1,505	-	(3)	2,057	8
Available-for-sale securities								
Corporate bonds	32	(0)	4	(18)	-	-	17	5
Foreign bonds	3,828	46	60	846	136	(58)	4,859	115
Other foreign securities	395	0	13	(25)	-	-	383	3
Other securities	253	-	5	23	-	-	282	-
Derivative transactions								

Other (Embedded derivatives)	(601)	(172)	6	-	-	-	(767)	(172)
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(*1) Gain/Loss recorded as investment income and investment expenses in consolidated statement of earnings.

(*2) Gain/Loss recorded in net unrealized gains (losses) on securities, net of tax and foreign currency translation adjustments of Other comprehensive income in consolidated statement of comprehensive income.

(*3) Transfer from Level 2 to Level 3 due to the change in the observability of inputs as a result of the change in the fair value measurement method. The transfer was recognized at the end of fiscal year ended March 31, 2026.

(*4) Transfer from Level 3 to Level 2 due to the availability of observable inputs. The transfer was recognized at the end of fiscal year ended March 31, 2026.

c) Description of the fair value valuation process

The Group has established policies and procedures for measuring the fair value and classifying the fair value level in the accounting department. In accordance with these policies and procedures, the investment management service department selects the fair value valuation model, and then measures the fair value and classifies the fair value by level. For such fair value, the appropriateness of the valuation methods and inputs used in the measurement of the fair value and the appropriateness of the classification of the level of fair value are verified. In addition, when using the quoted market prices obtained from a third party as fair value, the validity is verified by appropriate methods such as confirmation of the valuation method and inputs used and comparison with the fair value of similar financial instruments.

d) Explanation of the sensitivity of the fair value to changes in significant unobservable input Securities

Discount rate

The discount rate is an adjustment rate to the base market interest rate and consists primarily of a liquidity premium, which adjusts the discount rate by reflecting the uncertainty of cash flows and the liquidity of financial instruments, and a risk premium, which adjusts the discount rate by reflecting the issuer's credit risk and the overall market risk associated with similar financial instruments. In general, a significant increase (decrease) in the discount rate results in a significant decrease (increase) in the fair value.

Paydown rate

The paydown rate is the expected annual rate of principal repayment. In general, a significant increase (decrease) in the paydown rate is accompanied by a decrease (increase) in the projected weighted average life of the financial instrument, resulting in a significant increase (decrease) in the fair value.

Other (Embedded derivatives)

Mortality

The mortality is the percentage of deaths in a certain group of people in a certain period of time. In general, a significant increase (decrease) in the mortality results in a significant decrease (increase) in the fair value of the liability and affects the fair value of the embedded derivatives.

Lapse

The lapse is the percentage of people in a certain group who have surrendered insurance policies or whose insurance policies have lapsed in a certain period of time. In general, a significant increase (decrease) in the lapse results in a significant decrease (increase) in the fair value of the liability and affects the fair value of the embedded derivatives.

Withdrawal rate

The withdrawal rate is the percentage of policy reserves that are withdrawn in a certain period of time. In general, a significant increase (decrease) in the withdrawal rate results in a significant increase (decrease) in the fair value of the liability and affects the fair value of the embedded derivatives.

X. SECURITIES

1. Trading Securities

	Year ended March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Gains (losses) on valuation of trading securities	(51,156)	242,725	1,518

2. Held-to-maturity Bonds

	As of March 31, 2025		
	Carrying amount	Fair value	Unrealized gains (losses)
	(Unit: million yen)		
Held-to-maturity securities with unrealized gains:			
(1) Bonds	—	—	—
a. Government bonds	—	—	—
b. Local government bonds	—	—	—
c. Corporate bonds	—	—	—
(2) Foreign securities	—	—	—
a. Foreign bonds	—	—	—
Subtotal	—	—	—
Held-to-maturity securities with unrealized losses:			
(1) Bonds	173,620	163,831	(9,789)
a. Government bonds	35,975	34,507	(1,467)
b. Local government bonds	—	—	—
c. Corporate bonds	137,645	129,323	(8,322)
(2) Foreign securities	7,654	7,591	(62)
a. Foreign bonds	7,654	7,591	(62)
Subtotal	181,275	171,422	(9,852)
Total	181,275	171,422	(9,852)

	As of March 31, 2026					
	Carrying amount	Fair value	Unrealized gains (losses)	Carrying amount	Fair value	Unrealized gains (losses)
	(Unit: million yen)			(Unit: million US dollars)		
Held-to-maturity securities with unrealized gains:						
(1) Bonds	—	—	—	—	—	—
a. Government bonds	—	—	—	—	—	—
b. Local government bonds	—	—	—	—	—	—
c. Corporate bonds	—	—	—	—	—	—
(2) Foreign securities	313	313	—	1	1	—
a. Foreign bonds	313	313	—	1	1	—
Subtotal	313	313	—	1	1	—
Held-to-maturity securities with unrealized losses:						
(1) Bonds	173,542	159,687	(13,854)	1,085	998	(86)
a. Government bonds	36,063	33,715	(2,348)	225	210	(14)
b. Local government bonds	—	—	—	—	—	—
c. Corporate bonds	137,478	125,971	(11,506)	859	787	(71)
(2) Foreign securities	7,512	7,454	(58)	46	46	(0)
a. Foreign bonds	7,512	7,454	(58)	46	46	(0)
Subtotal	181,055	167,141	(13,913)	1,132	1,045	(87)
Total	181,368	167,454	(13,913)	1,134	1,047	(87)

3. Policy-reserve-matching Bonds

As of March 31, 2025			
	Carrying amount	Fair value	Unrealized gains (losses)
(Unit: million yen)			
Policy-reserve-matching bonds with unrealized gains:			
(1) Bonds	4,866,364	5,104,575	238,211
a. Government bonds	4,749,422	4,984,204	234,782
b. Local government bonds	15,432	16,156	724
c. Corporate bonds	101,508	104,213	2,704
(2) Foreign securities	257,147	262,316	5,169
a. Foreign bonds	257,147	262,316	5,169
Subtotal	5,123,511	5,366,892	243,380
Policy-reserve-matching bonds with unrealized losses:			
(1) Bonds	12,854,601	10,488,000	(2,366,600)
a. Government bonds	11,489,836	9,277,087	(2,212,748)
b. Local government bonds	101,899	84,952	(16,947)
c. Corporate bonds	1,262,865	1,125,961	(136,904)
(2) Foreign securities	2,730,127	2,498,360	(231,766)
a. Foreign bonds	2,730,127	2,498,360	(231,766)
Subtotal	15,584,728	12,986,361	(2,598,366)
Total	20,708,240	18,353,254	(2,354,985)

As of March 31, 2026						
	Carrying amount	Fair value	Unrealized gains (losses)	Carrying amount	Fair value	Unrealized gains (losses)
	(Unit: million yen)			(Unit: million US dollars)		
Policy-reserve-matching bonds with unrealized gains:						
(1) Bonds	2,012,216	2,042,013	29,796	12,585	12,772	186
a. Government bonds	1,938,372	1,967,067	28,694	12,123	12,303	179
b. Local government bonds	12,497	12,703	205	78	79	1
c. Corporate bonds	61,346	62,243	896	383	389	5
(2) Foreign securities	254,652	258,958	4,305	1,592	1,619	26
a. Foreign bonds	254,652	258,958	4,305	1,592	1,619	26
Subtotal	2,266,869	2,300,972	34,102	14,178	14,391	213
Policy-reserve-matching bonds with unrealized losses:						
(1) Bonds	15,472,313	11,575,780	(3,896,533)	96,774	72,402	(24,371)
a. Government bonds	14,047,337	10,373,906	(3,673,431)	87,861	64,885	(22,976)
b. Local government bonds	117,333	87,230	(30,103)	733	545	(188)
c. Corporate bonds	1,307,643	1,114,644	(192,998)	8,178	6,971	(1,207)
(2) Foreign securities	2,667,686	2,424,485	(243,201)	16,685	15,164	(1,521)
a. Foreign bonds	2,667,686	2,424,485	(243,201)	16,685	15,164	(1,521)
Subtotal	18,140,000	14,000,265	(4,139,734)	113,460	87,567	(25,892)
Total	20,406,869	16,301,237	(4,105,632)	127,638	101,959	(25,679)

4. Available-for-sale Securities

As of March 31, 2025			
	Carrying amount	Acquisition cost	Unrealized gains (losses)
(Unit: million yen)			
Available-for-sale securities with unrealized gains:			
(1) Bonds	1,176,755	1,112,852	63,903
a. Government bonds	596,151	576,133	20,017
b. Local government bonds	14,154	13,987	166
c. Corporate bonds	566,450	522,731	43,718
(2) Domestic stocks	3,192,659	935,270	2,257,388
(3) Foreign securities	4,290,386	3,889,056	401,330
a. Foreign bonds	3,684,311	3,434,304	250,007
b. Other foreign securities	606,075	454,752	151,323
(4) Other securities	862,115	798,190	63,925
Subtotal	9,521,918	6,735,369	2,786,548
Available-for-sale securities with unrealized losses:			
(1) Bonds	1,599,716	1,677,833	(78,116)
a. Government bonds	351,295	391,214	(39,918)
b. Local government bonds	19,005	19,320	(315)
c. Corporate bonds	1,229,415	1,267,298	(37,883)
(2) Domestic stocks	88,991	104,524	(15,533)
(3) Foreign securities	10,868,655	12,325,671	(1,457,015)
a. Foreign bonds	10,407,330	11,833,403	(1,426,073)
b. Other foreign securities	461,325	492,267	(30,942)
(4) Other securities	440,026	454,427	(14,401)
Subtotal	12,997,389	14,562,456	(1,565,066)
Total	22,519,307	21,297,826	1,221,481

Note: Other securities include (1) certificates of deposit and (2) trust beneficiary rights, which were recorded as cash and deposits and monetary claims bought on the consolidated balance sheet, respectively. The aggregate acquisition cost and carrying amount of such certificates of deposit were ¥92,861 million and ¥92,851 million, respectively, as of March 31, 2025. The aggregate acquisition cost and carrying amount of trust beneficiary rights were ¥213,585 million and ¥207,197 million, respectively, as of March 31, 2025.

As of March 31, 2026

	Carrying amount	Acquisition cost	Unrealized gains (losses)	Carrying amount	Acquisition cost	Unrealized gains (losses)
	(Unit: million yen)			(Unit: million US dollars)		
Available-for-sale securities with unrealized gains:						
(1) Bonds	803,890	742,668	61,221	5,028	4,645	382
a. Government bonds	324,964	321,337	3,627	2,032	2,009	22
b. Local government bonds	5,190	4,790	399	32	29	2
c. Corporate bonds	473,735	416,540	57,195	2,963	2,605	357
(2) Domestic stocks	3,351,932	851,196	2,500,736	20,965	5,323	15,641
(3) Foreign securities	6,634,160	6,016,766	617,394	41,494	37,633	3,861
a. Foreign bonds	5,721,761	5,325,620	396,141	35,787	33,310	2,477
b. Other foreign securities	912,398	691,145	221,253	5,706	4,322	1,383
(4) Other securities	1,219,972	1,079,799	140,172	7,630	6,753	876
Subtotal	12,009,956	8,690,431	3,319,525	75,118	54,355	20,762
Available-for-sale securities with unrealized losses:						
(1) Bonds	1,803,524	1,976,228	(172,704)	11,280	12,360	(1,080)
a. Government bonds	471,740	578,392	(106,652)	2,950	3,617	(667)
b. Local government bonds	14,562	15,476	(914)	91	96	(5)
c. Corporate bonds	1,317,221	1,382,359	(65,138)	8,238	8,646	(407)
(2) Domestic stocks	47,230	53,652	(6,422)	295	335	(40)
(3) Foreign securities	9,300,171	10,410,441	(1,110,270)	58,169	65,114	(6,944)
a. Foreign bonds	8,614,176	9,702,590	(1,088,413)	53,879	60,686	(6,807)
b. Other foreign securities	685,994	707,851	(21,856)	4,290	4,427	(136)
(4) Other securities	614,154	640,993	(26,839)	3,841	4,009	(167)
Subtotal	11,765,079	13,081,316	(1,316,236)	73,586	81,819	(8,232)
Total	23,775,036	21,771,747	2,003,288	148,705	136,175	12,529

Note: Other securities include (1) certificates of deposit and (2) trust beneficiary rights, which were recorded as cash and deposits and monetary claims bought on the consolidated balance sheet, respectively. The aggregate acquisition cost and carrying amount of such certificates of deposit were ¥153,722 million (US\$961 million) and ¥153,702 million (US\$961 million), respectively, as of March 31, 2026. The aggregate acquisition cost and carrying amount of trust beneficiary rights were ¥200,744 million (US\$1,255 million) and ¥186,044 million (US\$1,163 million), respectively, as of March 31, 2026.

5. Held-to-maturity Bonds Sold

The Company and its consolidated subsidiaries sold no held-to-maturity bonds during the fiscal years ended March 31, 2025 and 2026.

6. Policy-reserve-matching Bonds Sold

Policy-reserve-matching bonds sold during the fiscal years ended March 31, 2025 and 2026 were as follows:

Year ended March 31, 2025			
	Amounts sold	Realized gains	Realized losses
(Unit: million yen)			
(1) Bonds	818,893	11,020	242,394
a. Government bonds	720,348	11,001	207,400
b. Local government bonds	3,767	—	1,882
c. Corporate bonds	94,777	19	33,111
(2) Foreign securities	360,545	636	40,702
a. Foreign bonds	360,545	636	40,702
b. Other foreign securities	—	—	—
Total	1,179,439	11,657	283,096

Year ended March 31, 2026						
	Amounts sold	Realized gains	Realized losses	Amounts sold	Realized gains	Realized losses
(Unit: million yen)			(Unit: million US dollars)			
(1) Bonds	1,054,014	5,517	395,238	6,592	34	2,472
a. Government bonds	1,014,587	5,402	376,084	6,345	33	2,352
b. Local government bonds	1,481	—	1,194	9	—	7
c. Corporate bonds	37,945	114	17,959	237	0	112
(2) Foreign securities	238,907	2,953	11,929	1,494	18	74
a. Foreign bonds	238,907	2,953	11,929	1,494	18	74
b. Other foreign securities	—	—	—	—	—	—
Total	1,292,922	8,470	407,167	8,086	52	2,546

7. Available-for-sale Securities Sold

Available-for-sale securities sold during the fiscal years ended March 31, 2025 and 2026 were as follows:

Year ended March 31, 2025			
	Amounts sold	Realized gains	Realized losses
(Unit: million yen)			
(1) Bonds	240,350	223	10,096
a. Government bonds	30,346	—	5,054
b. Local government bonds	7,111	—	2
c. Corporate bonds	202,892	223	5,039
(2) Domestic stocks	639,059	418,638	5,734
(3) Foreign securities	2,783,031	139,343	149,596
a. Foreign bonds	2,252,503	37,739	127,461
b. Other foreign securities	530,528	101,603	22,134
(4) Other securities	253,807	913	9,275
Total	3,916,248	559,119	174,702

Year ended March 31, 2026						
	Amounts sold	Realized gains	Realized losses	Amounts sold	Realized gains	Realized losses
(Unit: million yen)			(Unit: million US dollars)			
(1) Bonds	349,837	2,803	6,540	2,188	17	40
a. Government bonds	81,173	1,536	904	507	9	5
b. Local government bonds	20,568	155	79	128	0	0
c. Corporate bonds	248,095	1,111	5,556	1,551	6	34
(2) Domestic stocks	1,075,920	679,959	26,502	6,729	4,252	165
(3) Foreign securities	2,972,515	87,178	118,034	18,592	545	738
a. Foreign bonds	2,780,693	36,860	107,364	17,392	230	671
b. Other foreign securities	191,821	50,318	10,669	1,199	314	66
(4) Other securities	187,869	2,053	15,878	1,175	12	99
Total	4,586,142	771,995	166,955	28,684	4,828	1,044

8. Securities Written Down

The Company and its consolidated subsidiaries write down the balance of certain available-for-sale securities with fair values (1) when the fair value of such securities declines by 50%, or more, of its purchase cost or (2) when the fair value of such securities without a certain level of creditworthiness declines by 30% or more, but less than 50%, of its purchase cost unless it is deemed that there is a possibility that the fair value of the security could recover to equal or exceed the purchase cost. The aggregate amounts written down from the balance of available-for-sale securities with fair value for the fiscal years ended March 31, 2025 and 2026 were ¥3,298 million and ¥5,993 million (US\$37 million), respectively.

XI. MONEY HELD IN TRUST

1. Money Held in Trust for Trading

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Carrying amount on the consolidated balance sheet	676,261	805,388	5,037
Gains (losses) on valuation of money held in trust	(5,407)	30,342	189

2. Other Money Held in Trust (other than Money Held in Trust for Trading, Held-to-Maturity, and Policy-Reserve-Matching)

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Carrying amount on the consolidated balance sheet	223,223	578,739	3,619
Acquisition cost	221,618	575,281	3,598
Unrealized gains(losses)	1,605	3,457	21
Other Money Held in Trust with unrealized gains	1,605	3,457	21
Other Money Held in Trust with unrealized losses	—	—	—

XII. DERIVATIVE TRANSACTIONS

1. Derivative Transactions (Hedge Accounting Not Applied)

(1) Currency-related transactions

As of March 31, 2025				
	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value	Valuation gains (losses)
(Unit: million yen)				
Exchange-traded transactions:				
Currency futures:				
Sold	27,058	—	484	484
British pound / U.S. dollar	14,022	—	215	215
Euro / U.S. dollar	8,600	—	116	116
Yen / U.S. dollar	4,436	—	152	152
Over-the-counter transactions:				
Foreign currency forward contracts:				
Sold	1,267,421	—	6,299	6,299
U.S. dollar	619,691	—	7,380	7,380
Australian dollar	253,091	—	4,172	4,172
Euro	216,826	—	(4,685)	(4,685)
British pound	111,366	—	(1,962)	(1,962)
Canadian dollar	61,748	—	1,389	1,389
Others	4,696	—	3	3
Bought	160,349	—	36	36
U.S. dollar	56,547	—	(48)	(48)
Euro	38,817	—	69	69
British pound	29,044	—	312	312
Australian dollar	28,873	—	(301)	(301)
Canadian dollar	2,654	—	17	17
Others	4,411	—	(13)	(13)
Currency swaps:				
Receipts foreign currency, Payments yen	273,473	273,473	33,869	33,869
Australian dollar	247,773	247,773	25,375	25,375
U.S. dollar	25,700	25,700	8,494	8,494
Receipts yen, Payments foreign currency	127,882	124,877	(2,564)	(2,564)
U.S. dollar	127,882	124,877	(2,564)	(2,564)
Receipts foreign currency, Payments foreign currency	224,961	224,961	(11,317)	(11,317)
Australian dollar / U.S. dollar	203,308	203,308	(11,170)	(11,170)
Australian dollar / Euro	21,653	21,653	(146)	(146)
Currency options:				
Sold:				
Call	10,892	—		
[7]		—	0	7
Australian dollar	9,397	—		
[1]		—	0	1
U.S. dollar	1,495	—		
[5]		—	—	5
Bought				
Call	38,433	—		
[128]		—	2	(125)
Australian dollar	24,432	—		
[87]		—	0	(86)
U.S. dollar	13,561	—		
[38]		—	2	(36)
Mexican Peso	439	—		
[2]		—	0	(2)

Put	11,345	—		
	[29]	—	0	(29)
Euro	11,345	—		
	[29]	—	0	(29)
Total	—	—	—	26,659

Note: 1. Figures in [] are amounts of option premiums which are included in the consolidated balance sheet.

2. Fair value for futures, forward contracts and swaps, and differences between the option premiums paid/received and fair value of the option for option transactions, are shown in "Valuation gains (losses)".

As of March 31, 2026

	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value	Valuation gains (losses)	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value	Valuation gains (losses)
	(Unit: million yen)				(Unit: million US dollars)			
Exchange-traded transactions:								
Currency futures:								
Sold	34,216		(137)	(137)	214		(0)	(0)
British pound / U.S. dollar	15,669		(119)	(119)	98		(0)	(0)
Euro / U.S. dollar	12,690		(58)	(58)	79		(0)	(0)
Yen / U.S. dollar	5,856		41	41	36		0	0
Over-the-counter transactions:								
Foreign currency forward contracts:								
Sold	1,626,441		(13,231)	(13,231)	10,172		(82)	(82)
U.S. dollar	823,371		(11,527)	(11,527)	5,149		(72)	(72)
Euro	402,372		1,972	1,972	2,516		12	12
Australian dollar	204,927		(4,615)	(4,615)	1,281		(28)	(28)
British pound	96,418		662	662	603		4	4
Canadian dollar	87,221		280	280	545		1	1
Others	12,130		(3)	(3)	75		(0)	(0)
Bought	294,895		(1,340)	(1,340)	1,844		(8)	(8)
U.S. dollar	102,201		173	173	639		1	1
Euro	100,949		(501)	(501)	631		(3)	(3)
Canadian dollar	36,898		(670)	(670)	230		(4)	(4)
Australian dollar	25,926		(115)	(115)	162		(0)	(0)
British pound	18,491		(228)	(228)	115		(1)	(1)
Others	10,427		0	0	65		0	0
Currency swaps:								
Receipts foreign currency, Payments yen	313,649	308,649	80,493	80,493	1,961	1,930	503	503
Australian dollar	285,664	280,664	68,851	68,851	1,786	1,755	430	430
U.S. dollar	27,984	27,984	11,641	11,641	175	175	72	72
Receipts yen, Payments foreign currency	316,540	316,540	(33,159)	(33,159)	1,979	1,979	(207)	(207)
U.S. dollar	316,540	316,540	(33,159)	(33,159)	1,979	1,979	(207)	(207)
Receipts foreign currency, Payments foreign currency	371,866	363,858	333	333	2,325	2,275	2	2
Australian dollar / U.S. dollar	334,863	326,856	80	80	2,094	2,044	0	0
Australian dollar / Euro	37,002	37,002	252	252	231	231	1	1
Total	—	—	—	32,958	—	—	—	206

Note: 1. Figures in [] are amounts of option premiums which are included in the consolidated balance sheet.
2. Fair value is shown in "Valuation gains (losses)".

(2) Interest-related transactions

As of March 31, 2025				
	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value	Valuation gains (losses)
(Unit: million yen)				
Over-the-counter transactions:				
Yen interest rate swaps:				
Receipts fixed, Payments floating	153,191	153,191	(1,561)	(1,561)
Receipts floating, Payments fixed	53,799	43,999	4	4
Total return swaps:				
Foreign interest rate index linked	236,428	236,428	(79)	(79)
Yen interest rate swaptions:				
Bought:				
Receipts fixed, Payments floating	9,490 [118]	— —	0	(117)
Receipts floating, Payments fixed	1,151,072	1,010,000		
	[20,604]	[18,626]	13,103	(7,501)
Interest rate options				
Bought:				
Put	15,818 [381]	15,818 [381]	175	(205)
Total	—	—	—	(9,461)

Note: 1. Figures in [] are amounts of option premiums which are included in the consolidated balance sheet.

2. Fair value for swaps, and differences between the option premiums paid/received and fair value of the option for option transactions, are shown in "Valuation gains (losses)".

As of March 31, 2026								
	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value	Valuation gains (losses)	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value	Valuation gains (losses)
	(Unit: million yen)				(Unit: million US dollars)			
Over-the-counter transactions:								
Yen interest rate swaps:								
Receipts fixed, Payments floating	327,032	327,032	(2,330)	(2,330)	2,045	2,045	(14)	(14)
Receipts floating, Payments fixed	20,070	20,070	23	23	125	125	0	0
Yen interest rate swaptions:								
Sold								
Receipts fixed, Payments floating	594,928	—			3,721			
	[416]	—	259	156	[2]	—	1	0
Receipts floating, Payments fixed	120,000	120,000			750	750		
	[156]	[156]	355	(199)	[0]	[0]	2	(1)
Bought:								
Receipts fixed, Payments floating	375,744	—			2,350	—		
	[806]	—	229	(576)	[5]	—	1	(3)
Receipts floating, Payments fixed	315,000	250,000			1,970	1,563		
	[5,491]	[4,295]	12,489	6,998	[34]	[26]	78	43
Interest rate options								
Bought:								
Put	15,656	15,656			97	97		
	[377]	[377]	184	(192)	[2]	[2]	1	(1)
Total	—	—	—	3,880	—	—	—	24

Note: 1. Figures in [] are amounts of option premiums which are included in the consolidated balance sheet.

2. Fair value for swaps, and differences between the option premiums paid/received and fair value of the option for option transactions, are shown in "Valuation gains (losses)".

(3) Stock-related transactions

As of March 31, 2025				
	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value	Valuation gains (losses)
(Unit: million yen)				
Exchange-traded transactions:				
Yen stock index futures:				
Sold	28,743	—	920	920
Bought	9,523	—	(73)	(73)
Foreign currency-denominated stock index futures:				
Sold	2,791	—	71	71
Bought	59,997	—	(1,005)	(1,005)
Yen stock index options:				
Bought:				
Put	390,357	—		
	[13,831]	—	16,860	3,029
Foreign currency-denominated stock index options:				
Sold:				
Call	819,525	—		
	[45,587]	—	73,038	(27,450)
Put	21,030	—		
	[406]	—	145	261
Bought:				
Call	783,638	—		
	[65,671]	—	98,910	33,238
Put	53,197	14,856		
	[2,853]	[925]	1,899	(953)
Over-the-counter transactions:				
Foreign currency-denominated stock index options:				
Sold:				
Call	253,701	—		
	[16,039]	—	23,051	(7,012)
Put	13,241	—		
	[305]	—	166	138
Bought:				
Call	305,634	36,549		
	[22,746]	[1,650]	28,905	6,158
Put	223,530	123,059		
	[17,620]	[10,896]	9,086	(8,533)
Total return swaps:				
Foreign currency-denominated stock index linked	113,294	155	965	965
Multi Asset index futures				
Bought	45,301	—	(951)	(951)
Multi Asset index option				
Bought				
Call	4,345	—		
	[23]	—	7	(15)
Total	—	—	—	(1,212)

Note: 1. Figures in [] are amounts of option premiums which are included in the consolidated balance sheet.

2. Fair value for futures and swaps, and differences between the option premiums paid/received and fair value of the option for option transactions, are shown in "Valuation gains (losses)".

As of March 31, 2026

	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value	Valuation gains (losses)	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value	Valuation gains (losses)
	(Unit: million yen)				(Unit: million US dollars)			
Exchange-traded transactions:								
Yen stock index futures:								
Sold	11,197	—	(84)	(84)	70	—	(0)	(0)
Bought	5,200	—	(84)	(84)	32	—	(0)	(0)
Foreign currency-denominated stock index futures:								
Sold	143,371	—	(2,168)	(2,168)	896	—	(13)	(13)
Bought	47,308	—	(178)	(178)	295	—	(1)	(1)
Yen stock index options:								
Sold								
Call	20,650	—			129	—		
	[260]	—	5	254	[1]	—	0	1
Put	18,375	—			114	—		
	[442]	—	778	(336)	[2]	—	4	(2)
Bought:								
Call	19,950	—			124	—		
	[497]	—	20	(477)	[3]	—	0	(2)
Put	439,812	—			2,750	—		
	[24,533]	—	28,895	4,361	[153]	—	180	27
Foreign currency-denominated stock index options:								
Sold:								
Call	840,884	—			5,259	—		
	[48,757]	—	87,656	(38,898)	[304]	—	548	(243)
Put	12,135	—			75	—		
	[383]	—	166	217	[2]	—	1	1
Bought:								
Call	810,139	—			5,067	—		
	[67,244]	—	112,142	44,897	[420]	—	701	280
Put	78,596	27,329			491	170		
	[5,809]	[2,493]	4,692	(1,117)	[36]	[15]	29	(6)
Over-the-counter transactions:								
Foreign currency-denominated stock index options:								
Sold:								
Call	228,350	197			1,428	1		
	[12,058]	[8]	25,215	(13,156)	[75]	[0]	157	(82)
Put	23,098	—			144	—		
	[668]	—	196	471	[4]	—	1	2
Bought:								
Call	271,716	20,072			1,699	125		
	[19,167]	[924]	34,695	15,528	[119]	[5]	217	97
Put	272,606	140,061			1,705	876		
	[21,459]	[12,576]	11,507	(9,952)	[134]	[78]	71	(62)
Total return swaps:								
Foreign currency-denominated stock index linked	128,738	13,046	307	307	805	81	1	1
Multi Asset index futures								
Bought	33,345	—	1,788	1,788	208	—	11	11
Multi Asset index option								
Bought								
Call	30,059	—			188	—	42	
	[162]	—	127	(34)	[1]	—	0	(0)
Total	—	—	—	1,339	—	—	—	8

Note: 1. Figures in [] are amounts of option premiums which are included in the consolidated balance sheet.

2. Fair value for futures and swaps, and differences between the option premiums paid/received and fair value of the option for option transactions, are shown in "Valuation

gains (losses)".

(4) Bond-related transactions

As of March 31, 2025				
	(A) Notional amount/ contract value	Over 1 year included in(A)	Fair value	Valuation gains (losses)
(Unit: million yen)				
Exchange-traded transactions:				
Yen bond futures:				
Bought	107,816	—	273	273
Foreign currency-denominated bond futures:				
Sold	340,302	—	3,841	3,841
Bought	796,075	—	(8,463)	(8,463)
Over-the-counter transactions:				
Foreign currency-denominated bond forward contracts:				
Bought	242,796	—	(11,275)	(11,275)
Yen bond OTC options:				
Sold:				
Call	81,787	—		
	[128]	—	105	23
Put	486	—		
	[1]	—	0	0
Bought:				
Call	486	—		
	[0]	—	1	0
Put	81,787	—		
	[163]	—	112	(50)
Total	—	—	—	(15,650)

Note: 1. Figures in [] are amounts of option premiums which are included in the consolidated balance sheet.

2. Fair value for futures and forward contracts, and differences between the option premiums paid/received and fair value of the option, are shown in "Valuation gains (losses)".

As of March 31, 2026

	(A) Notional amount/ contract value	Over 1 year included in(A)	Fair value	Valuation gains (losses)	Notional amount/ contract value	Over 1 year included in(A)	Fair value	Valuation gains (losses)
	(Unit: million yen)				(Unit: million US dollars)			
Exchange-traded transactions:								
Yen bond futures:								
Bought	90,287	—	(1,024)	(1,024)	564	—	(6)	(6)
Foreign currency-denominated bond futures:								
Sold	129,065	—	4,115	4,115	807	—	25	25
Bought	255,932	—	(8,405)	(8,405)	1,600	—	(52)	(52)
Over-the-counter transactions:								
Foreign currency-denominated bond forward contracts:								
Bought	256,156	—	2,199	2,199	1,602	—	13	13
Yen bond OTC options:								
Sold:								
Call	85,027	—			531	—		
	[220]	—	9	210	[1]	—	0	1
Bought:								
Put	85,027	—			531	—		
	[248]	—	491	243	[1]	—	3	1
Total return swaps:								
Foreign currency-denominated bond index linked	66,381	66,381	58	58	415	415	0	0
Total	—	—	—	(2,602)	—	—	—	(16)

Note: 1. Figures in [] are amounts of option premiums which are included in the consolidated balance sheet.

2. Fair value for futures, forward contracts and swaps, and differences between the option premiums paid/received and fair value of the option, are shown in "Valuation gains (losses)".

(5) Others

As of March 31, 2025				
	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value	Valuation gains (losses)
(Unit: million yen)				
Over-the-counter transactions:				
Credit default swaps:				
Sold protection	106,783	36,083	915	915
Others:				
Embedded derivatives	1,487,266	1,487,266	(96,107)	(96,107)
Total	—	—	—	(95,191)

Note: 1. Embedded derivatives include index-linked portions and certain other components of fixed indexed annuity products that are classified as embedded derivatives by certain overseas subsidiaries under local accounting standards.
2. Fair value is shown in "Valuation gains (losses)".
3. As described in "Changes in Accounting Policies", the Company has applied the change in accounting policies retrospectively in the current consolidated fiscal year, and the consolidated financial statements for the prior fiscal year have been restated accordingly.

As of March 31, 2026								
	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value	Valuation gains (losses)	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value	Valuation gains (losses)
(Unit: million yen)					(Unit: million US dollars)			
Over-the-counter transactions:								
Credit default swaps:								
Sold protection	98,974	42,974	698	698	619	268	4	4
Others:								
Embedded derivatives	2,640,779	2,640,779	(122,683)	(122,683)	16,517	16,517	(767)	(767)
Total	—	—	—	(121,984)	—	—	—	(762)

Note: 1. Embedded derivatives include index-linked portions and certain other components of fixed indexed annuity products that are classified as embedded derivatives by certain overseas subsidiaries under local accounting standards.
2. Fair value is shown in "Valuation gains (losses)".

2. Derivative Transactions (Hedge Accounting Applied)

(1) Currency-related transactions

	As of March 31, 2025		
	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value

(Unit: million yen)

Deferral hedge:

Currency swaps to hedge foreign currency-denominated bonds:

Receipts yen, Payments foreign currency	871,775	811,577	(97,838)
U.S. dollar	661,004	607,083	(70,246)
Euro	168,673	162,396	(23,073)
British pound	26,579	26,579	(4,516)
Canadian dollar	13,099	13,099	(23)
Australian dollar	2,418	2,418	22

Currency swaps to hedge foreign currency-denominated bonds and risks associated with funding agreements:

Receipts foreign currency, Payments foreign currency	153,563	153,563	(3,631)
British pound/U.S. dollar	117,552	117,552	529
Norway krone/U.S. dollar	18,535	18,535	(4,798)
U.S. dollar/Euro	17,476	17,476	637

Fair value hedge:

Foreign currency forward contracts to hedge foreign currency-denominated bonds:

Sold	779,716	—	3,916
U.S. dollar	456,787	—	5,370
Euro	173,680	—	(1,914)
Australian dollar	69,440	—	536
Canadian dollar	30,946	—	684
British pound	11,354	—	(420)
Others	37,506	—	(339)
Bought	11,890	—	525
Norway krone	11,864	—	525
Euro	13	—	0
U.S. dollar	13	—	(0)

Foreign currency forward contracts, etc., allocated to and/or combined with corresponding hedged items:

Foreign currency forward contracts to hedge foreign currency-denominated term deposits:

Sold	10,009	—
U.S. dollar	10,009	—

Currency swaps to hedge foreign currency-denominated bonds payable and loans:

Receipts foreign currency, Payments yen	576,780	576,780
Foreign currency-denominated bonds payable:		
U.S. dollar	576,780	576,780
Receipts yen, Payments foreign currency	10,260	10,260
Foreign currency-denominated loans:		
U.S. dollar	10,260	10,260

As of March 31, 2026

	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value
	(Unit: million yen)			(Unit: million US dollars)		
Deferral hedge:						
Currency swaps to hedge foreign currency-denominated bonds:						
Receipts yen, Payments foreign currency	931,311	853,229	(170,318)	5,825	5,336	(1,065)
U.S. dollar	707,913	640,520	(116,368)	4,427	4,006	(727)
Euro	182,012	171,323	(44,788)	1,138	1,071	(280)
British pound	25,867	25,867	(7,557)	161	161	(47)
Canadian dollar	13,099	13,099	(1,265)	81	81	(7)
Australian dollar	2,418	2,418	(338)	15	15	(2)
Currency swaps to hedge foreign currency-denominated bonds and risks associated with funding agreements:						
Receipts foreign currency, Payments foreign currency	241,368	241,368	4,503	1,509	1,509	28
British pound/U.S. dollar	201,272	201,272	9,192	1,258	1,258	57
U.S. dollar/Euro	21,750	21,750	(1,377)	136	136	(8)
Norway krone/U.S. dollar	18,345	18,345	(3,311)	114	114	(20)
Fair value hedge:						
Foreign currency forward contracts to hedge foreign currency-denominated bonds:						
Sold	736,802	—	(15,840)	4,608	—	(99)
U.S. dollar	417,439	—	(16,248)	2,610	—	(101)
Euro	171,749	—	468	1,074	—	2
Australian dollar	60,935	—	(426)	381	—	(2)
Canadian dollar	24,314	—	(131)	152	—	(0)
British pound	11,891	—	115	74	—	0
Others	50,471	—	381	315	—	2
Bought	7,844	—	94	49	—	0
U.S. dollar	5,969	—	88	37	—	0
Euro	1,234	—	6	7	—	0
Canadian dollar	577	—	0	3	—	0
Australian dollar	46	—	(0)	0	—	(0)
British pound	14	—	(0)	0	—	(0)
Foreign currency forward contracts, etc., allocated to and/or combined with corresponding hedged items:						
Foreign currency forward contracts to hedge foreign currency-denominated term deposits:						
Sold	10,009	—		62	—	
U.S. dollar	10,009	—		62	—	
Currency swaps to hedge foreign currency-denominated bonds payable and loans:						
Receipts foreign currency, Payments yen	576,780	316,230		3,607	1,977	
Foreign currency-denominated bonds payable:						
U.S. dollar	576,780	316,230		3,607	1,977	
Receipts yen, Payments foreign currency	10,260	10,260		64	64	
Foreign currency-denominated loans:						
U.S. dollar	10,260	10,260		64	64	

(2) Interest-related transactions

As of March 31, 2025			
	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value
(Unit: million yen)			
Deferral hedge:			
Yen interest rate swaps to hedge loans and insurance liabilities:			
Receipts fixed, Payments floating	710,600	710,600	(69,203)
Yen interest rate swaps to hedge loans and risks associated with funding agreements:			
Receipts floating, Payments fixed	257,042	189,816	(125)
Special hedge accounting:			
Yen interest rate swaps to hedge loans:			
Receipts fixed, Payments floating	2,300	—	4
Yen interest rate swaps to hedge loans payable:			
Receipts floating, Payments fixed	245,000	64,000	2,100

As of March 31, 2026						
	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value
(Unit: million yen)				(Unit: million US dollars)		
Deferral hedge:						
Yen interest rate swaps to hedge loans and insurance liabilities:						
Receipts fixed, Payments floating	213,730	213,130	(29,776)	1,336	1,333	(186)
Yen interest rate swaps to hedge loans, loans payable, and risks associated with funding agreements:						
Receipts floating, Payments fixed	312,436	218,500	6,431	1,954	1,366	40
Special hedge accounting:						
Yen interest rate swaps to hedge loans payable:						
Receipts floating, Payments fixed	64,000	64,000	1,378	400	400	8

(3) Interest and currency-related transactions

As of March 31, 2025			
	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value
(Unit: million yen)			
Deferral hedge:			
Interest rate and Currency swaps to hedge bonds payable:			
Receipts floating, Payments fixed	7,216	7,216	355

As of March 31, 2026						
	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value	(A) Notional amount/ contract value	Over 1 year included in (A)	Fair value
(Unit: million yen)				(Unit: million US dollars)		
Deferral hedge:						
Interest rate and Currency swaps to hedge bonds payable:						
Receipts floating, Payments fixed	7,746	—	1,055	48	—	6

XIII. EMPLOYEES' RETIREMENT BENEFITS

1. Overview of Employees' Retirement Benefit Plan of the Group

As a defined benefit plan for its sales representatives, DL has established and maintained a benefit plan consisting of retirement lump sum grants and company administered pension. For its administrative personnel, DL has established and maintained a benefit plan consisting of defined benefit corporate pension and retirement lump sum grants as a defined benefit plan and defined contribution pension as a defined contribution plan.

Certain consolidated overseas subsidiaries have maintained their defined benefit plans and defined contribution plans.

The Company and certain domestic consolidated subsidiaries have established and maintained a retirement lump sum grant plan as a defined benefit plan and calculate net defined benefit liabilities and retirement benefit expenses using the simplified method. Furthermore, certain domestic consolidated subsidiaries that had adopted a cash-balance-plan-type defined benefit corporate pension transitioned to an optional defined contribution corporate pension plan in July 2025. With respect to the defined benefit corporate pension plan, certain domestic consolidated subsidiaries participate in corporate pension fund plans administered by multiple employers. As the amount of pension assets corresponding to their contributions cannot be reasonably calculated, they are accounted for in the same manner as the defined contribution plans.

2. Defined Benefit Plans

(1) Reconciliations of beginning and ending balances of projected benefit obligations

	Year ended March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Beginning balance of the projected benefit obligations	628,261	595,622	3,725
Service cost	21,833	19,340	120
Interest cost	10,817	10,335	64
Accruals of actuarial (gains) and losses	(23,640)	(74,837)	(468)
Payment of retirement benefits	(48,663)	(41,913)	(262)
Accruals of past service cost	—	(591)	(3)
Others	7,012	581	3
Ending balance of the projected benefit obligation	595,622	508,536	3,180

Note: Retirement benefit expenses for consolidated subsidiaries adopting the simplified method are included in "Service cost".

(2) Reconciliations of beginning and ending balances of pension assets

	Year ended March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Beginning balance of pension assets	416,088	437,692	2,737
Estimated return on assets	5,184	5,093	31
Accruals of actuarial (gains) and losses	16,166	55,548	347
Contributions from the employer	5,017	5,511	34
Payment of retirement benefits	(10,010)	(14,124)	(88)
Others	5,245	(538)	(3)
Ending balance of pension assets	437,692	489,183	3,059

(3) Reconciliations of year-end balance of projected benefit obligations and pension assets, and net defined benefit liabilities and assets that have been recorded in the consolidated balance sheet

	Year ended March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Projected benefit obligation for funded pensions	333,648	287,300	1,796
Pension assets	(437,692)	(489,183)	(3,059)
	(104,043)	(201,882)	(1,262)
Projected benefit obligation for unfunded pensions	261,973	221,235	1,383
Net of assets and liabilities recorded in the consolidated balance sheet	157,929	19,352	121
Net defined benefit liabilities	157,929	19,352	121
Net defined benefit assets	—	—	—
Net of assets and liabilities recorded in the consolidated balance sheet	157,929	19,352	121

(4) Amount of the components of retirement benefit expenses

	Year ended March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Service cost	21,833	19,340	120
Interest cost	10,817	10,335	64
Expected return on assets	(5,184)	(5,093)	(31)
Expense of actuarial (gains) and losses	(25,812)	(28,890)	(180)
Amortization of past service cost	177	179	1
Others	54	43	0
Retirement benefit expenses for defined benefit plans	1,886	(4,085)	(25)

Note: Retirement benefit expenses for the Company and certain domestic consolidated subsidiaries adopting the simplified method are included in "Service cost".

(5) Remeasurements of defined benefit plans

Breakdown of items recorded in remeasurements of defined benefit plans (before applicable tax effects) was as follows:

	Year ended March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Past service cost	175	769	4
Actuarial gains (losses)	13,918	101,218	633
Total	14,093	101,988	637

(6) Accumulated remeasurements of defined benefit plans

Breakdown of items recorded in accumulated remeasurements of defined benefit plans (before applicable tax effects) was as follows:

	Year ended March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Unrecognized past service cost	667	(102)	(0)
Unrecognized actuarial gains (losses)	(177,818)	(279,033)	(1,745)
Total	(177,151)	(279,135)	(1,745)

(7) Pension assets

a) The main components of the pension assets

Ratios of the major assets to the total pension assets were as follows:

	Year ended March 31,	
	2025	2026
Stocks	57%	56%
Bonds	25%	25%
Assets under joint management	11%	7%
Life insurance general account	4%	7%
Others	3%	5%
Total	100%	100%

Note: The proportion of retirement benefit trust that has been set for the unfunded retirement benefit plans to total pension assets as of March 31, 2025 and 2026 were 58% and 62%, respectively.

b) The method of setting the expected long-term rate of return on pension assets

To determine the expected long-term rate of return on pension assets, the consolidated subsidiaries have taken into account the allocation of pension assets at present and in future, and long-term rate of return on a variety of assets that make up the pension assets at present and in future.

(8) Calculation basis of actuarial gains and losses

Major assumptions used in the actuarial calculation as of the fiscal year-end were as follows:

	Year ended March 31,	
	2025	2026
Discount rate	1.42 to 5.64%	3.01 to 5.43%
Expected long-term rate of return		
Defined benefit corporate pension	1.40 to 6.75%	1.40 to 6.75%
Employee pension trust	0.00%	0.00%

3. Defined Contribution Plans

Required amounts of contribution to defined contribution plans of consolidated subsidiaries for the fiscal years ended March 31, 2025 and 2026 were ¥4,065 million and ¥4,078 million (US\$25 million), respectively.

4. Plans Administered by Multiple Employers

Required amount of contribution to corporate pension fund plans, which are accounted for in the same manner as the defined contribution plans, for the fiscal years ended March 31, 2025 and 2026 were ¥58 million and ¥58 million (US\$0 million), respectively.

(1) Funding status for the entire plan

	Year ended March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Amount of pension assets	111,073	130,690	817
Total of actuarial liability for pension financing calculation and amount of minimum policy reserve	107,875	126,598	791
Difference	3,197	4,091	25

(2) Percentage of contributions by the Group to the entire plan

Fiscal year ended March 31, 2025: 0.23% (From April 1, 2024 to March 31, 2025)

Fiscal year ended June 30, 2025: 0.22% (From July 1, 2024 to June 30, 2025)

(3) Supplementary Explanation

The main factors for the difference in (1) above are special reserve for pension financing calculation of ¥3,242 million (US\$20 million) and a surplus of ¥849 million (US\$5 million) for the fiscal year ended March 31, 2026.

The percentage in (2) above does not match the actual percentage borne by the Group.

The above data was prepared based on the latest information available as of the date of preparation of the consolidated financial statements.

XIV. STOCK OPTIONS

1. Details of the Stock Options Granted

(1) Details of the stock options

	The Dai-ichi Life Insurance Company, Limited 2nd Series of Stock Acquisition Rights	The Dai-ichi Life Insurance Company, Limited 3rd Series of Stock Acquisition Rights	The Dai-ichi Life Insurance Company, Limited 4th Series of Stock Acquisition Rights
Granted persons	11 directors (except outside directors) and 16 executive officers of the Company	11 directors (except outside directors) and 17 executive officers of the Company	11 directors (except outside directors) and 17 executive officers of the Company
Class and total number (*1)	1,274,800 shares of common stock	734,800 shares of common stock	716,000 shares of common stock
Grant date	August 16, 2012	August 16, 2013	August 18, 2014
Vesting conditions	The acquisition rights are vested on the above grant date.	The acquisition rights are vested on the above grant date.	The acquisition rights are vested on the above grant date.
Service period covered	N/A	N/A	N/A
Exercise period (*2)	From August 17, 2012 to August 16, 2042	From August 17, 2013 to August 16, 2043	From August 19, 2014 to August 18, 2044

	The Dai-ichi Life Insurance Company, Limited 5th Series of Stock Acquisition Rights	Dai-ichi Life Holdings, Inc. 1st Series of Stock Acquisition Rights	Dai-ichi Life Holdings, Inc. 2nd Series of Stock Acquisition Rights
Granted persons	11 directors (except outside directors) and 18 executive officers of the Company	10 directors (except directors serving as Audit & Supervisory Committee members and outside directors) and 15 executive officers of the Company, and 38 directors, etc. of the Company's subsidiaries	6 directors (except directors serving as Audit & Supervisory Committee members and outside directors) and 15 executive officers of the Company, and 37 directors, etc. of the Company's subsidiaries
Class and total number (*1)	442,400 shares of common stock	1,078,400 shares of common stock	863,200 shares of common stock
Grant date	August 17, 2015	October 18, 2016	August 24, 2017
Vesting conditions	The acquisition rights are vested on the above grant date.	The acquisition rights are vested on the above grant date.	The acquisition rights are vested on the above grant date.
Service period covered	N/A	N/A	N/A
Exercise period (*2)	From August 18, 2015 to August 17, 2045	From October 19, 2016 to October 18, 2046	From August 25, 2017 to August 24, 2047

(*1) It has been described in terms of the number of shares. The Company conducted a 1:100 share split of common stock on October 1, 2013 and a 1:4 share split of common stock on April 1, 2025. Accordingly, it is translated into the number of shares that take into account the share split.

(*2) A granted person can exercise stock acquisition rights only within 10 days from the day on which she/he loses status as any of a director (except director serving as Audit & Supervisory Committee member) or an executive officer of the Company, DL, DFLI and Neo First Life. For stock options granted before the shift to a holding company structure, the terms and conditions for the exercise period have been changed due to the shift to a holding company structure effective on October 1, 2016.

(*3) The Dai-ichi Life Insurance Company, Limited changed its trade name to Daiichi Life Insurance Co., Ltd. on April 1, 2026.

(*4) Dai-ichi Life Holdings, Inc. changed its trade name to Daiichi Life Group, Inc. on April 1, 2026.

(*5) The Neo First Life Insurance Company, Limited changed its trade name to Daiichi Neo Life Insurance Co., Ltd. on April 1, 2026.

(2) Figures relating to the stock options

The following table covers stock options which existed during the fiscal year ended March 31, 2026 and the total number of stock options is translated to the number of shares of common stock.

a) Number of the stock options (shares)

	The Dai-ichi Life Insurance Company, Limited		
	2nd Series of Stock Acquisition Rights	3rd Series of Stock Acquisition Rights	4th Series of Stock Acquisition Rights
Before vesting			
Outstanding at the end of prior fiscal year	—	—	—
Granted	—	—	—
Forfeited	—	—	—
Vested	—	—	—
Outstanding at the end of the fiscal year	—	—	—
After vesting			
Outstanding at the end of prior fiscal year	35,200	41,600	54,800
Vested	—	—	—
Exercised	—	20,800	20,000
Forfeited	—	—	—
Outstanding at the end of the fiscal year	35,200	20,800	34,800

	The Dai-ichi Life Insurance Company, Limited	Dai-ichi Life Holdings, Inc.	Dai-ichi Life Holdings, Inc.
	5th Series of Stock Acquisition Rights	1st Series of Stock Acquisition Rights	2nd Series of Stock Acquisition Rights
Before vesting			
Outstanding at the end of prior fiscal year	—	—	—
Granted	—	—	—
Forfeited	—	—	—
Vested	—	—	—
Outstanding at the end of the fiscal year	—	—	—
After vesting			
Outstanding at the end of prior fiscal year	47,200	177,200	227,600
Vested	—	—	—
Exercised	11,200	38,000	36,400
Forfeited	—	—	—
Outstanding at the end of the fiscal year	36,000	139,200	191,200

Note: The Company conducted a 1:100 share split of common stock on October 1, 2013 and a 1:4 share split of common stock on April 1, 2025. Accordingly, it is translated into the number of shares that take into account the share split.

b) Price information

	The Dai-ichi Life Insurance Company, Limited		
	2nd Series of Stock Acquisition Rights	3rd Series of Stock Acquisition Rights	4th Series of Stock Acquisition Rights
Exercise price	¥1 per stock option	¥1 per stock option	¥1 per stock option
Average stock price at the time of exercise	—	—	—
Fair value at the grant date	¥191 (US\$1)	¥325 (US\$2)	¥341 (US\$2)

	The Dai-ichi Life Insurance Company, Limited	Dai-ichi Life Holdings, Inc.	
	5th Series of Stock Acquisition Rights	1st Series of Stock Acquisition Rights	2nd Series of Stock Acquisition Rights
Exercise price	¥1 per stock option	¥1 per stock option	¥1 per stock option
Average stock price at the time of exercise	¥840 (US\$5)	¥840 (US\$5)	¥840 (US\$5)
Fair value at the grant date	¥579 (US\$3)	¥336 (US\$2)	¥392 (US\$2)

Note: The Company conducted a 1:100 share split of common stock on October 1, 2013 and a 1:4 share split of common stock on April 1, 2025. Accordingly, the above tables show average stock prices at the time of exercise and fair value that take into account the share split.

2. Method to Estimate the Number of Stock Options Vested

Only the actual number of forfeited stock options is considered, because it is difficult to rationally estimate the number of stock options to be forfeited in the future.

XV. DEFERRED TAX ACCOUNTING

1. Major Components of Deferred Tax Assets and Liabilities

		As of March 31,		
		2025	2026	2026
		(Unit: million yen)		(Unit: million US dollars)
Deferred tax assets:				
Policy reserves and others		477,466	472,870	2,957
Net unrealized gains (losses) on securities	Note:3	284,532	224,763	1,405
Tax losses carried forward		161,815	161,302	1,008
Reserve for price fluctuations		98,628	103,214	645
Deferred hedge gains (losses)		50,885	83,333	521
Others		157,356	127,785	799
Subtotal of deferred tax assets		1,230,685	1,173,269	7,338
Valuation allowance on tax losses carried forward	Note:3	(24,041)	(25,741)	(161)
Valuation allowance on total deductible temporary differences		(41,341)	(62,938)	(393)
Subtotal of valuation allowances	Note:2	(65,383)	(88,680)	(554)
Total		1,165,302	1,084,588	6,783
Deferred tax liabilities:				
Net unrealized gains (losses) on securities		(735,730)	(867,449)	(5,425)
Other intangible fixed assets		(153,839)	(115,956)	(725)
Policy reserves and others		(125,197)	(98,782)	(617)
Others		(122,533)	(110,591)	(691)
Total		(1,137,299)	(1,192,780)	(7,460)
Net deferred tax assets (liabilities)		28,002	(108,191)	(676)

Note: 1. As described in "Changes in Accounting Policies", the Company has applied the change in accounting policies retrospectively in the current consolidated fiscal year, and the consolidated financial statements for the prior fiscal year have been restated accordingly.

2. Valuation allowances increased by ¥23,297 million (US\$145 million).

This increase is mainly due to an increase in temporary differences related to retirement benefits, for which the timing of reversal is difficult to estimate.

3. Tax loss carried forward and the deferred tax assets by carry forward period as follows:

As of March 31, 2025

	(Unit: million yen)						
	Within 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 4 years	Over 4 to 5 years	Over 5 years	Total
Tax losses carried forward (*1)	841	4,009	1,216	99	4,833	150,815	161,815
Valuation allowance	(832)	(3,998)	(1,182)	(58)	(4,762)	(13,207)	(24,041)
Deferred tax assets	8	10	33	41	71	137,608	(*2)137,774

(*1) Tax loss carried forward is calculated by multiplying statutory effective tax rate.

(*2) Deferred tax assets of ¥161,815 million are recorded for tax losses carried forward of ¥137,774 million (calculated using the statutory effective tax rate). They are deemed to be recoverable as it is expected that there will be taxable income in the future.

As of March 31, 2026

	(Unit: million yen)						
	Within 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 4 years	Over 4 to 5 years	Over 5 years	Total
Tax losses carried forward (*1)	4,028	1,170	751	4,782	10,685	139,883	161,302
Valuation allowance	(4,021)	(1,163)	(735)	(4,745)	(9,400)	(5,674)	(25,741)
Deferred tax assets	6	6	16	36	1,285	134,208	(*2)135,560

	(Unit: million US dollars)						
	Within 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 4 years	Over 4 to 5 years	Over 5 years	Total
Tax losses carried forward (*1)	25	7	4	29	66	874	1,008
Valuation allowance	(25)	(7)	(4)	(29)	(58)	(35)	(161)
Deferred tax assets	0	0	0	0	8	839	(*2)847

(*1) Tax loss carried forward is calculated by multiplying statutory effective tax rate.

(*2) Deferred tax assets of ¥161,302 million (US\$1,008 million) are recorded for tax losses carried forward of ¥135,560 million (US\$847 million) (calculated using the statutory effective tax rate). They are deemed to be recoverable as it is expected that there will be taxable income in the future.

2. The Principal Reasons for the Difference between the Statutory Effective Tax Rate and Actual Effective Tax Rate after Considering Deferred Taxes

	As of March 31,	
	2025	2026
Statutory effective tax rate	30.62%	—
(Adjustments)		
Difference in tax rate of subsidiaries	(5.67%)	—
Impact of changes in corporate tax rates	(3.32%)	—
Permanent differences such as specified foreign subsidiary consolidation taxation	1.53%	—
Others	0.31%	—
Actual effective tax rate after considering deferred taxes	23.47%	—

Note: 1. As described in "Changes in Accounting Policies", the Company has applied the change in accounting policies retrospectively in the current consolidated fiscal year, and the consolidated financial statements for the prior fiscal year have been restated accordingly.

2. The note of the fiscal year ended March 31, 2026 is omitted because the difference between the statutory effective tax rate and actual effective tax rate after considering deferred taxes were 5% or less than the statutory effective tax rate as of the end of the current fiscal year.

3. Accounting for Corporate Tax and Local Corporate Tax or Deferred Tax Accounting Relating to These Taxes

The Company and domestic consolidated subsidiaries have adopted the Group Tax Sharing System, in which the Company is the tax sharing parent company. The Company has applied the accounting treatment of corporate tax and local corporate tax, as well as applied the accounting and disclosure treatment of deferred tax accounting, in accordance with Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System (ASBJ PITF No. 42 issued on August 12, 2021).

XVI. BUSINESS COMBINATION, ETC.

Business Combination as a Result of Acquisition

Benefit One

With respect to the business combination with Benefit One on May 23, 2024, provisional accounting applied in the previous fiscal year was finalized in the fiscal year ended March 31, 2026. There was no change in the initial allocation of acquisition costs as a result of this finalization.

ShelterPoint Group, Inc.

With respect to the business combination by Protective Life, the Company's consolidated subsidiary, with ShelterPoint Group, Inc. on November 1, 2024, a tentative accounting treatment was applied in the previous fiscal year, and was finalized in the fiscal year ended March 31, 2026.

With the finalization of this tentative accounting treatment, the initial allocation of acquisition costs was significantly revised. As a result, the tentative goodwill amount of US\$214 million increased by US\$16 million to US\$229 million.

Formation of a Jointly Controlled Entity

(1) Overview of the Transaction

a) Type and Description of the Businesses Involved

Business Type & Description	the Company	Marubeni
Asset Management	Dai-ichi Life Realty Asset Management Co., Ltd.	Marubeni REIT Advisors Co., Ltd. Marubeni Asset Management Co., Ltd.
Real Estate Development & Ownership/Leasing	Sohgo Housing Co., Ltd.	Marubeni Real Estate Development Co., Ltd. Marubeni's Domestic Development & Ownership/Leasing business
Property Management	The Dai-ichi Building Co., Ltd.	Marubeni Real Estate Management Co., Ltd.

b) Date of Business Consolidation

July 1, 2025

c) Legal Structure of the Business Consolidation

Business Consolidation has been implemented under the following legal structure.

(i) Prior to the business consolidation date, Marubeni established a new company ("New Marubeni Real Estate Development Co., Ltd.") as a wholly owned subsidiary of Marubeni Real Estate Development Co., Ltd. ("Former Marubeni Real Estate Development Co., Ltd.").

(ii) The Former Marubeni Real Estate Development Co., Ltd. was renamed Daiichi Life Marubeni Real Estate Co., Ltd. on July 1, 2025. Through the Absorption-Type Company Split having Marubeni as the splitting company and Daiichi Life Marubeni Real Estate Co., Ltd. as the succeeding company, Marubeni's Domestic Development & Ownership/Leasing business and all shares of subsidiaries subject to Business Consolidation, (Marubeni REIT Advisors Co., Ltd., Marubeni Asset Management Co., Ltd., and Marubeni Real Estate Management Co., Ltd.) were transferred to Daiichi Life Marubeni Real Estate Co., Ltd.

(iii) After the Absorption-Type Company Split, with Daiichi Life Marubeni Real Estate Co., Ltd. as the parent company resulting from a partial share exchange and Dai-ichi Life Realty Asset Management Co., Ltd., Sohgo Housing Co., Ltd., and The Dai-ichi Building Co., Ltd. as the subsidiary companies resulting from a partial share exchange, Daiichi Life Marubeni Real Estate Co., Ltd. conducted a share transfer. The Company transferred all shares of the three subsidiaries to Daiichi Life Marubeni Real Estate Co., Ltd. and acquired the shares of Daiichi Life Marubeni Real Estate Co., Ltd. as consideration for the transfer.

(iv) Following the share acquisition, through the Absorption-Type Company Split having Daiichi Life Marubeni Real Estate Co., Ltd. as the splitting company and New Marubeni Real Estate Development Co., Ltd. as the succeeding company, Daiichi Life Marubeni Real Estate Co., Ltd. transferred its Real Estate Development & Ownership/Leasing business (including the business of Former Marubeni Real Estate Development Co., Ltd. and the Domestic Development & Ownership/Leasing business that was transferred to Daiichi Life Marubeni Real Estate Co., Ltd. from Marubeni through the Absorption-Type Company Split) to New Marubeni Real Estate Development Co., Ltd..

d) Name of the Established Company after Business Consolidation

Daiichi Life Marubeni Real Estate Co., Ltd.

e) Other Transaction Details

The Company plans to evolve into an "insurance-related service provider" by expanding beyond life insurance into Retirement, Savings and Asset Management business and non-insurance businesses. As part of this initiative, the Company has partnered with Marubeni to leverage both companies' domestic real estate platforms to create new value, achieve scale advantages, complement business domains, and promote talent exchange. This aims to accelerate growth in domestic real estate centered on asset management and enhance our corporate and social value.

f) Reason for Judging the Business Consolidation as the Formation of a Jointly Controlled Entity

The Shareholders agreement was signed between the Company and Marubeni to establish Daiichi Life Marubeni Real Estate Co., Ltd. as a jointly controlled entity. No other facts indicating control exist. Therefore, the Company judges that this business consolidation is the formation of a jointly controlled entity.

(2) Overview of Accounting Treatment to Be Applied

In accordance with the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, issued on January 16, 2019) and the "Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, issued on September 13, 2024), this transaction was treated as the formation of a jointly

controlled entity. As a result of this business consolidation, Daiichi Life Marubeni Real Estate Co., Ltd. qualifies as a jointly controlled entity, and therefore, the Company applied an accounting treatment in accordance with the equity method of accounting.

XVII. ASSET RETIREMENT OBLIGATIONS

1. Overview of Asset Retirement Obligations

The note is omitted because the balance of the asset retirement obligations as of the beginning and that as of the end of the current fiscal year were 1% or less than the total balance of the liabilities and the net assets as of the beginning and that as of the end of the current fiscal year, respectively.

XVIII. REAL ESTATE FOR RENT

A certain domestic consolidated subsidiary owns a number of commercial buildings, including land, for rent in various locations including Tokyo. Net rental income from such real estate for rent for the fiscal year ended March 31, 2025 and 2026 were ¥25,881 million and ¥26,033 million (US\$162 million), respectively. The rental income was included in investment income and the rental expense was included in investment expenses. Gains on sale of rental real estate as extraordinary gains for the fiscal year ended March 31, 2025 and 2026 were ¥8,819 million and ¥1,923 million (US\$12 million), respectively. Impairment losses on rental real estate as extraordinary losses for the fiscal year ended March 31, 2025 and 2026 were ¥2,243 million and ¥1,514 million (US\$9 million), respectively.

The carrying amount, net change during the year and the market value of such rental real estate were as follows:

	Year ended March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Carrying amount:			
Beginning balance	924,722	954,461	5,969
Net change during year	29,738	(25,915)	(162)
Ending balance	954,461	928,546	5,807
Market value	1,365,464	1,360,484	8,509

Note: 1. The carrying amount of rental real estate on the consolidated balance sheet was acquisition costs net of accumulated depreciation and impairments.
2. Net change in carrying amount included cost of acquisition of the real estate of ¥92,348 million and ¥49,014 million (US\$306 million), sale of the real estate of ¥45,940 million and ¥14,756 million (US\$92 million), depreciation expense of ¥14,183 million and ¥61,449 million (US\$384 million), impairment loss of ¥2,243 million and ¥1,514 million (US\$9 million), for the fiscal year ended March 31, 2025 and 2026, respectively.
3. Certain domestic consolidated subsidiary calculate the market value of the majority of the rental real estate based on real estate appraisal standards by an independent appraiser, and others based on internal but reasonable estimates.

XIX. SEGMENT INFORMATION AND OTHERS

1. Segment Information

(1) Overview of reportable segments

The reportable segments of the Company are components of the Company about which separate financial information is available. The segments are subject to periodic review to enable the Company's Board of Directors to decide on allocation of business resources and evaluate business performance.

The Company is a holding company which manages life insurance companies in Japan and elsewhere as well as other subsidiaries and affiliated companies. These companies are subject to regulations of the Insurance Business Act.

The Company's operations are therefore segmented based on the operations of its subsidiaries and affiliated companies and the Company's three reportable segments are the Domestic Insurance Business, the Overseas Insurance Business, and Other Business.

The Domestic Insurance Business consists of subsidiaries that engage in the insurance business in Japan. The Overseas Insurance Business consists of subsidiaries and affiliated companies that engage in the insurance business overseas. The Company, subsidiaries and affiliated companies that do not operate either the Domestic Insurance Business or the Overseas Insurance Business are segmented as Other Business and mainly consist of business administration of the group companies and non-insurance businesses (asset management business and new fields of business).

(2) Method of calculating ordinary revenues, income or loss, assets and liabilities and others by reportable segment

The method of accounting for the reportable segments is the same as that described in "Principles of Consolidation".

Figures for reportable segment profit are based on ordinary profit.

Intersegment revenue is based on market prices.

(3) Information on ordinary revenues, income or loss, assets and liabilities, and others by reportable segment

Note: As described in "Changes in Accounting Policies", the Company has applied the change in accounting policies retrospectively in the current consolidated fiscal year, and the consolidated financial statements for the prior fiscal year have been restated accordingly.

For the fiscal year ended March 31, 2025:

	Reportable Segment				Adjustments (Note 2)	Amount on consolidated financial statements (Note 3)
	Domestic Insurance Business	Overseas Insurance Business	Other Business	Total		
	(Unit: million yen)					
Ordinary revenues (Note 1)	7,708,824	3,624,653	43,217	11,376,695	(1,500,079)	9,876,615
Intersegment transfers	375,004	47,760	287,291	710,056	(710,056)	—
Total	8,083,828	3,672,413	330,508	12,086,751	(2,210,135)	9,876,615
Segment income (loss)	584,547	219,764	221,000	1,025,312	(269,583)	755,728
Segment assets	44,373,610	24,736,340	4,090,987	73,200,938	(3,796,815)	69,404,123
Segment liabilities	41,621,890	23,648,588	1,370,698	66,641,177	(876,423)	65,764,753
Other relevant information						
Depreciation of real estate for rent and others	14,247	9	—	14,257	—	14,257
Depreciation	54,278	43,278	3,977	101,534	—	101,534
Amortization of goodwill	1,069	9,116	15,044	25,230	—	25,230
Interest and dividend income	972,962	616,590	275,940	1,865,493	(279,555)	1,585,938
Interest expenses	13,456	32,971	10,193	56,621	(7,308)	49,312
Equity in income (loss) of affiliates	—	3,081	445	3,526	—	3,526
Extraordinary gains	18,580	439	—	19,020	—	19,020
Extraordinary losses	74,855	77	860	75,793	—	75,793
(Impairment losses)	(2,243)	(—)	(—)	(2,243)	(—)	(2,243)
Taxes	92,235	42,007	6,305	140,548	—	140,548
Investments in affiliated companies accounted for under the equity method	—	75,981	85,427	161,408	—	161,408
Increase in tangible fixed assets and intangible fixed assets	148,846	21,433	956	171,236	—	171,236

Note: 1. Ordinary revenues, instead of sales, are presented here.

2. Adjusted amounts were as follows.

a) Adjustment for ordinary revenues of ¥(1,500,079) million was mainly related to ordinary revenues including other ordinary revenues of ¥1,469,082 million and ordinary expenses including losses on investments in trading securities of ¥8,611 million reconciled to provision for policy reserves and gains on investments in trading securities in the Consolidated Statement of Earnings.

b) Adjustment for segment income (loss) of ¥(269,583) million was mainly related to elimination of dividend income from subsidiaries and affiliated companies.

c) Adjustment for segment assets of ¥(3,796,815) million was mainly related to elimination of stocks of subsidiaries and affiliated companies.

d) Adjustment for segment liabilities of ¥(876,423) million was mainly related to elimination of intersegment receivables and payables.

- e) Adjustment for others was mainly related to elimination of intersegment transactions.
- 3. Segment income(loss) is reconciled with Ordinary profit booked in the Consolidated Statement of Earnings.

For the fiscal year ended March 31, 2026:

	Reportable Segment				Adjustments (Note 2)	Amount on consolidated financial statements (Note 3)
	Domestic Insurance Business	Overseas Insurance Business	Other Business	Total		
	(Unit: million yen)					
Ordinary revenues (Note 1)	8,155,625	3,523,786	79,050	11,758,462	(450,187)	11,308,275
Intersegment transfers	514,005	35,578	392,427	942,011	(942,011)	—
Total	8,669,631	3,559,364	471,478	12,700,474	(1,392,198)	11,308,275
Segment income (loss)	676,269	112,629	340,204	1,129,103	(375,415)	753,688
Segment assets	45,559,593	28,033,406	4,478,272	78,071,272	(3,912,175)	74,159,096
Segment liabilities	42,438,108	26,847,438	1,601,056	70,886,603	(981,720)	69,904,883
Other relevant information						
Depreciation of real estate for rent and others	14,817	9	—	14,826	—	14,826
Depreciation	55,002	37,797	5,295	98,095	—	98,095
Amortization of goodwill	1,037	11,568	20,059	32,665	—	32,665
Interest and dividend income	1,026,992	646,435	387,122	2,060,549	(389,838)	1,670,711
Interest expenses	26,488	28,567	20,192	75,248	(13,000)	62,247
Equity in income (loss) of affiliates	—	11,144	11,911	23,055	—	23,055
Extraordinary gains	13,701	48	8,893	22,643	(136)	22,507
Extraordinary losses	33,126	9,452	69	42,649	(102)	42,546
(Impairment losses)	(1,764)	(8,243)	(50)	(10,058)	(—)	(10,058)
Taxes	156,208	28,868	4,484	189,561	(9)	189,551
Investments in affiliated companies accounted for under the equity method	—	154,315	226,967	381,282	—	381,282
Increase in tangible fixed assets and intangible fixed assets	162,365	4,098	1,534	167,998	—	167,998

	Reportable Segment				Adjustments (Note 2)	Amount on consolidated financial statements (Note 3)
	Domestic Insurance Business	Overseas Insurance Business	Other Business	Total		
	(Unit: million US dollars)					
Ordinary revenues (Note 1)	51,010	22,040	494	73,545	(2,815)	70,729
Intersegment transfers	3,214	222	2,454	5,891	(5,891)	—
Total	54,225	22,262	2,948	79,437	(8,707)	70,729
Segment income (loss)	4,229	704	2,127	7,062	(2,348)	4,714
Segment assets	284,961	175,340	28,010	488,311	(24,469)	463,842
Segment liabilities	265,437	167,922	10,014	443,373	(6,140)	437,233
Other relevant information						
Depreciation of real estate for rent and others	92	0	—	92	—	92
Depreciation	344	236	33	613	—	613
Amortization of goodwill	6	72	125	204	—	204
Interest and dividend income	6,423	4,043	2,421	12,888	(2,438)	10,449
Interest expenses	165	178	126	470	(81)	389
Equity in income (loss) of affiliates	—	69	74	144	—	144
Extraordinary gains	85	0	55	141	(0)	140
Extraordinary losses	207	59	0	266	(0)	266
(Impairment losses)	(11)	(51)	(0)	(62)	(—)	(62)
Taxes	977	180	28	1,185	(0)	1,185
Investments in affiliated companies	—	965	1,419	2,384	—	2,384
Increase in tangible fixed assets and intangible fixed assets	1,015	25	9	1,050	—	1,050

Note: 1. Ordinary revenues, instead of sales, are presented here.

2. Adjusted amounts were as follows.

- Adjustment for ordinary revenues of ¥(450,187) million (US\$(2,815) million) was mainly related to ordinary revenues including other ordinary revenues of ¥432,924 million (US\$2,707 million) and ordinary expenses including other ordinary expenses of ¥12,968 million (US\$81 million) reconciled to provision for policy reserves and other ordinary revenues in the Consolidated Statement of Earnings.
 - Adjustment for segment income (loss) of ¥(375,415) million (US\$(2,348) million) was mainly related to elimination of dividend income from subsidiaries and affiliated companies.
 - Adjustment for segment assets of ¥(3,912,175) million (US\$(24,469) million) was mainly related to elimination of stocks of subsidiaries and affiliated companies.
 - Adjustment for segment liabilities of ¥(981,720) million (US\$(6,140) million) was mainly related to elimination of intersegment receivables and payables.
 - Adjustment for others was mainly related to elimination of intersegment transactions.
3. Segment income (loss) is reconciled with Ordinary profit booked in the Consolidated Statement of Earnings.

2. Other Related Information

For the fiscal year ended March 31, 2025:

(1) Product (Service) Segment Information

	Year ended March 31, 2025
	(Unit: million yen)
Premium and other income	
Domestic Insurance Business	4,954,281
Overseas Insurance Business	1,845,084
Other Business	—
Total	6,799,366

(2) Geographic Segment Information

a) Ordinary Revenues

	Year ended March 31, 2025
	(Unit: million yen)
Ordinary revenues	
Japan	5,782,981
United States of America	2,208,267
Other Areas	1,885,366
Total	9,876,615

Note: 1. Ordinary revenues, instead of sales, are presented here.

2. Based on the location of customers, ordinary revenues are classified by country or region.

b) Tangible fixed assets

The geographic segment information has been omitted as more than 90% of the Group's tangible fixed assets derive from its business unit in Japan.

(3) Major Customer Information

The major customer information has been omitted as no single customer accounts for 10% or more of the Group's ordinary revenues.

For the fiscal year ended March 31, 2026

(1) Product (Service) Segment Information

	Year ended March 31, 2026	
	(Unit: million yen)	(Unit: million US dollars)
Premium and other income		
Domestic Insurance Business	5,108,737	31,953
Overseas Insurance Business	1,835,328	11,479
Other Business	—	—
Total	6,944,066	43,432

(2) Geographic Segment Information

a) Ordinary Revenues

	Year ended March 31, 2026	
	(Unit: million yen)	(Unit: million US dollars)
Ordinary revenues		
Japan	7,501,192	46,917
United States of America	2,111,276	13,205
Other Areas	1,695,807	10,606
Total	11,308,275	70,729

Note: 1. Ordinary revenues, instead of sales, are presented here.

2. Based on the location of customers, ordinary revenues are classified by country or region.

b) Tangible fixed assets

The geographic segment information has been omitted as more than 90% of the Group's tangible fixed assets derive from its business unit in Japan.

(3) Major Customer Information

The major customer information has been omitted as no single customer accounts for 10% or more of the Group's ordinary revenues.

3. Impairment Losses on Fixed Assets by Reporting Segment

For the fiscal years ended March 31, 2025 and 2026

The information on impairment losses on fixed assets by reporting segment has been omitted as it is explained in the segment information section.

4. Amortization of Goodwill and Unamortized Amount of Goodwill by Reporting Segment

For the fiscal year ended March 31, 2025:

Year ended March 31, 2025		
(Unit: million yen)		
	Amortization of goodwill	Unamortized amount of goodwill
Domestic Insurance Business	1,069	13,231
Overseas Insurance Business	9,116	129,648
Other Business	15,044	185,548
Total	25,230	328,427

For the fiscal year ended March 31, 2026:

Year ended March 31, 2026				
(Unit: million yen)			(Unit: million US dollars)	
	Amortization of goodwill	Unamortized amount of goodwill	Amortization of goodwill	Unamortized amount of goodwill
Domestic Insurance Business	1,037	12,193	6	76
Overseas Insurance Business	11,568	124,593	72	779
Other Business	20,059	165,488	125	1,035
Total	32,665	302,276	204	1,890

5. Gain on Negative Goodwill by Reporting Segment

For the fiscal years ended March 31, 2025 and 2026

Not applicable

6. Related Party Transactions

For the fiscal years ended March 31, 2025 and 2026

There are no significant transactions to be disclosed.

XX. PER SHARE INFORMATION

	As of / Year ended March 31,		
	2025	2026	2026
	(Unit: yen)		(Unit: US dollars)
Net assets per share	988.61	1,181.36	7.38
Net income per share	123.72	119.83	0.74
Diluted net income per share	123.70	119.82	0.74

Note: 1. The Company conducted a 1:4 share split on April 1, 2025. Net assets per share, net income per share and diluted net income per share are calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

Note: 2. Underlying basis for the calculation of the net income per share and the diluted net income per share was as follows:

	Year ended March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Net income per share			
Net income attributable to shareholders of parent company	458,407	436,597	2,730
Net income attributable to other than shareholders of common stock	—	—	—
Net income attributable to common shareholders of the parent company	458,407	436,597	2,730
Average number of common stock outstanding	3,705,314 thousand shares	3,643,385 thousand shares	3,643,385 thousand shares
Diluted net income per share			
Adjustments to net income	—	—	—
Increase in the number of common stock	583 thousand shares	456 thousand shares	456 thousand shares
[Increase in the number of common stock attributable to stock acquisition rights]	[583 thousand shares]	[456 thousand shares]	[456 thousand shares]
Outline of the dilutive shares which are not counted in the basis of calculation of diluted net income per share because they do not have dilutive effect			

Note: 3. Underlying basis for the calculation of the net assets per share was as follows:

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Net assets	3,639,369	4,254,212	26,608
Adjustments	(257)	(210)	(1)
Stock acquisition rights	(257)	(210)	(1)
Non-controlling interests	(—)	(—)	(—)
Net assets attributable to common stock	3,639,112	4,254,002	26,607
Number of outstanding common stock	3,681,036 thousand shares	3,600,951 thousand shares	3,600,951 thousand shares

Note: 4. For the calculation of net income per share, the treasury stock which includes shares held by "the Stock Granting Trust (J-ESOP)" was excluded from the average number of common shares outstanding. The average number of treasury stocks during the year ended March 31, 2025 and 2026 was 16,760 thousand shares and 14,135 thousand shares, respectively. For the calculation of net assets per share, the treasury stock which includes shares held by the J-ESOP was excluded from the total number of issued and outstanding shares. The number of treasury stocks as of March 31, 2025 and 2026 was 16,903 thousand shares and 18,079 thousand shares, respectively.

Note: 5. Effective the fiscal year ended March 31 2026, the change in accounting policy has been applied retrospectively as presented in "Changes in Accounting Policies" and the new accounting policy was reflected in the consolidated financial statements for the previous fiscal year ended March 31, 2025. As a result, compared with the figures before the retrospective application, the net assets per share for the fiscal year ended March 31, 2025 increased by ¥46.09. The net income per share and the diluted net income per share for the fiscal year ended March 31, 2025 increased by ¥7.77 respectively.

XXI. SUBSEQUENT EVENTS

1. Upon satisfaction of all conditions precedent, Protective Life, a consolidated subsidiary of the Company, completed the acquisition of Portfolio Holding, Inc. ("Portfolio") on January 1, 2026 (U.S. time). As a result, Portfolio became a subsidiary of the Company.

(1) Overview of the business combination

a) Name and business of the acquired company

Company name: Portfolio Holding, Inc.

Business: Non-life insurance business

b) Purpose of the business combination

Portfolio was founded in 1990 and is a leading provider of reinsurance management services and finance and insurance products throughout the U.S. Portfolio features a fee-based business model centered around dealer-participating reinsurance programs, offering a stable revenue base and a sales network that is highly complementary to Protective Life's Asset Protection Division product offerings. Through this acquisition, the Company expects to accelerate the growth of Protective Life's Asset Protection Division by increasing the proportion of fee-based income, while also expanding Protective Life's business scale, enhancing profitability, and strengthening its customer base.

c) Date of business combination

January 1, 2026

d) Ratio of voting rights acquired

100%

e) Main reason for determining the acquiring company

Protective Life was determined to be the controlling company as it owns 100% of voting rights in Portfolio.

(2) Acquisition costs of the acquiring company and type of consideration

Consideration for the acquisition	Cash	Approx. US\$1.0 billion
Acquisition costs		Approx. US\$1.0 billion

* Consideration for the acquisition may change based on an agreement.

(3) Impact on the consolidated financial results

The acquisition has no impact on the consolidated financial results of the current fiscal year. The impact on the consolidated results for subsequent fiscal years is currently under review.

2. Protective Life, a consolidated subsidiary of the Company, decided to acquire Obsidian Insurance Holdings, Inc ("Obsidian") which operates a non-life insurance business in the United States, and entered into a share purchase agreement on April 28, 2026 (U.S. time).

(1) Purpose of the acquisition

Founded in 2020, Obsidian operates as a hybrid fronting carrier, supporting property and casualty insurance programs that serve specialized risks, many of which are generally not served by the commercial insurance market. Through the provision of specialized insurance programs and disciplined underwriting management, Obsidian has established a focused and well-managed platform since its founding. This acquisition will add a complementary line of business to Protective Life's product suite, and it is expected to contribute to business diversification and earnings stabilization.

(2) Overview of the acquired company

- a) Company name: Obsidian Insurance Holdings, Inc.
- b) Business: Non-life insurance business
- c) Fee and Premium Revenue, etc. (FY2025 results): US\$1.0 billion

(3) Acquisition price

The acquisition price is undisclosed due to an agreement between the parties.

The acquisition price is determined based on a comprehensive consideration of valuations by a third-party valuation agent and other factors.

(4) Completion of the acquisition

The transaction is subject to the receipt of regulatory approvals and satisfaction of customary closing conditions and is expected to close during the fourth quarter of 2026 or the first quarter of 2027.

It has no impact on the consolidated financial results of the current fiscal year. The impact on the consolidated financial results for subsequent fiscal years is currently under review.

3. On September 3, 2026, Partners Group Holdings Limited, a consolidated subsidiary of the Company, entered into a share purchase agreement to acquire all shares of Fidelity Life Assurance Company Limited ("Fidelity Life"), a life insurance company operating in New Zealand.

(1) Purpose of the acquisition

Fidelity Life mainly distributes protection-type products through the IFA (Independent Financial Advisor)* channel. In addition, Fidelity Life has strengths in suburban and regional IFAs and the group insurance channel, which represent customer segments and distribution channels different from those of PNZ. Through the acquisition, PNZ aims to expand its distribution channels and customer base, improve the competitiveness of its life insurance business in New Zealand and achieve sustainable growth. The Company also believes that the acquisition will contribute to the expansion of the earnings base of its overseas insurance business and improved capital efficiency.

* IFA (Independent Financial Advisor) refers to an independent contractor who provides proposals and sells insurance and other products from a position independent of any specific insurance company.

(2) Overview of the acquired company

- a) Company name: Fidelity Life Assurance Company Limited
- b) Business description: Life insurance business
- c) Total assets (as of June 30, 2025): NZ\$ 758 million

(3) Acquisition cost

Acquisition price: NZ\$ 630 million (approximately ¥ 59.6 billion)

(*) Converted at an exchange rate of NZ\$ 1 = ¥ 94.65 (as of August 31, 2026)

The acquisition price may be subject to adjustment in accordance with the terms of the share purchase agreement. Advisory fees and other related acquisition costs, as well as the total acquisition cost, are not disclosed due to an agreement between the parties.

(4) Completion of the acquisition

The transaction is subject to the receipt of regulatory approvals and satisfaction of customary closing conditions and is expected to close between March and July 2027.

It has no impact on the consolidated financial results of the current fiscal year. The impact on the consolidated financial results for subsequent fiscal years is currently under review.

4. At the meeting of the Board of Directors held on May 30, 2025, the Company had decided to enter into a long-term strategic partnership with M&G plc ("M&G"), which has strengths in the life insurance and asset management businesses, and to acquire 15% or more of the issued shares of M&G (the "Investment"). Subsequently, the Investment was completed, and following the appointment of a board member from the Company to the board of M&G on September 3, 2026, M&G became an equity-method affiliate of the Company's group on the same date.

XXII. (Unaudited) SEMIANNUAL INFORMATION

	Six months ended September 30, 2025	Year ended March 31, 2026
Ordinary revenues (million yen)	5,119,595	11,308,275
Income before income taxes (million yen)	294,945	626,149
Net income attributable to shareholders of parent company (million yen)	209,602	436,597
Net income attributable to shareholders of parent company per share (yen)	57.24	119.83

	Six months ended September 30, 2025	Year ended March 31, 2026
Ordinary revenues (million US dollars)	32,021	70,729
Income before income taxes (million US dollars)	1,844	3,916
Net income attributable to shareholders of parent company (million US dollars)	1,310	2,730
Net income attributable to shareholders of parent company per share (US dollars)	0.35	0.74

Note: The figures for the interim consolidated accounting period are presented based on the amounts prior to retrospective adjustments resulting from the accounting policy changes described in "Changes in Accounting Policies."

Independent Auditor's Report

To the Board of Directors of Daiichi Life Group, Inc.:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Daiichi Life Group, Inc. (formerly, Dai-ichi Life Holdings, Inc.) ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2026, the consolidated statement of earnings, the consolidated statement of comprehensive income, the consolidated statement of changes in net assets and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2026, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements of public interest entities in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Appropriateness of the judgment on the recognition of an impairment loss on goodwill	
The key audit matter	How the matter was addressed in our audit
In the consolidated balance sheet of the Group, goodwill of ¥302,276 million is presented for the current fiscal year. As described in Note II. "PRINCIPLES OF CONSOLIDATION" under 4. "Summary of Significant Accounting Policies": (15) "Significant Accounting Estimates", a) "Evaluation of goodwill and goodwill related to equity-method affiliates" to the consolidated financial statements, included therein are goodwill of ¥165,488 million arising from the acquisition of Benefit One Inc. (hereinafter "Benefit One"),	We primarily performed the following procedures to assess the appropriateness of management's judgment regarding the recognition of an impairment loss on goodwill: (1) Judgment made at consolidated subsidiaries on the recognition of an impairment loss on goodwill We performed the audit procedures set out below, among others, by involving the component auditors of the respective

Appropriateness of the judgment on the recognition of an impairment loss on goodwill	
The key audit matter	How the matter was addressed in our audit
goodwill of ¥86,450 million arising from the acquisition of Protective Life Corporation (hereinafter “Protective Life”) and its acquisition business, goodwill of ¥21,292 million arising from the acquisition of TAL Daiichi Life Australia Pty. Ltd. (hereinafter “TDLA”), goodwill of ¥16,850 million arising from the acquisition of Partners Group Holdings Limited (hereinafter “PNZ”) and goodwill of ¥12,193 million arising from the acquisition of Daiichi ipet Insurance Co., Ltd. (hereinafter “ipet”). As also described in Note II. “PRINCIPLES OF CONSOLIDATION” under 4. “Summary of Significant Accounting Policies”: (15) “Significant Accounting Estimates”, a) “Evaluation of goodwill and goodwill related to equity-method affiliates” to the consolidated financial statements, goodwill arising from acquisitions of Protective Life and TDLA is recorded on the consolidated financial statements of the respective consolidated subsidiaries, and is assessed as to whether an impairment loss should be recognized at each consolidated subsidiary in accordance with the accounting standards of the country in which each consolidated subsidiary resides. Then, the Company evaluates whether an impairment loss should be recognized on goodwill in the Group’s consolidated financial statements in accordance with the accounting standards in Japan, considering the results of the assessment made at each consolidated subsidiary. In addition, goodwill arising from acquisitions of PNZ, ipet and Benefit One is recorded on the consolidated financial statements of the Group and is assessed as to whether an impairment loss should be recognized in accordance with the accounting standards in Japan. If the acquisitions do not generate benefits as expected and there is a significant deterioration in enterprise value, the recognition of an impairment loss may be required. (1) Judgment made at consolidated subsidiaries on the recognition of an impairment loss on goodwill (i) Goodwill arising from the acquisition of Protective Life and its acquisition business	subsidiaries, including the direction and supervision of the component auditors and the review of their work: (i) Goodwill arising from the acquisition of Protective Life and its acquisition business We assessed the design and operating effectiveness of the controls implemented by Protective Life over its process to determine whether an impairment loss should be recognized on goodwill, with a special focus on controls over the preparation of documentation supporting the determination of whether an impairment loss should be recognized on goodwill and those over approval of the conclusion. The substantive audit procedures set out below, among others, were performed to assess the appropriateness of Protective Life’s determination of whether an impairment loss should be recognized on goodwill. • inquiry of management and relevant personnel; • inspection of relevant internal documents; and • assessment of the reliability of historical financial information used in the determination. (ii) Goodwill arising from the acquisition of TDLA We assessed the design and operating effectiveness of the controls implemented by TDLA over the quantitative impairment test, with a special focus on controls over the preparation of documentation supporting the impairment test and those over approval of the conclusion. The substantive audit procedures set out below, among others, were performed to evaluate the recoverable amount used in the quantitative impairment test. • evaluation of the relevance of the valuation models used and assessment of

Appropriateness of the judgment on the recognition of an impairment loss on goodwill	
The key audit matter	How the matter was addressed in our audit
Protective Life assesses, on a regular basis, whether an impairment loss should be recognized on goodwill. Protective Life first assesses qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit to which goodwill has been allocated is less than its carrying amount including goodwill (qualitative assessment for impairment indicators). In accordance with the U.S. generally accepted accounting principles (US GAAP), Protective Life has an unconditional option to bypass the qualitative assessment for any reporting unit and proceed directly to performing a quantitative impairment test described in the following paragraph. Impairment indicators are evaluated in a comprehensive manner, considering whether there has been: deterioration in the economic environment and market conditions surrounding Protective Life and each reporting unit; factors that may have an adverse impact on future profits or cash flows; deterioration in overall business performance; and other events or issues specific to Protective Life and each reporting unit. In particular, the projected business performance of Protective Life and each reporting unit, which provides the basis for concluding whether there is any impairment indicator, is susceptible to economic conditions and trends. Accordingly, the projections of future business performance involve significant judgment by management. If it is concluded that there is an impairment indicator of goodwill, or Protective Life elects to bypass the qualitative assessment for impairment indicators, Protective Life then compares the fair value of the reporting unit to which the goodwill has been allocated, with its carrying amount including goodwill (quantitative impairment test). Key assumptions used to calculate the fair value, such as projected cash flows and discount rates, involve significant estimation uncertainty, and the fair value calculations	the appropriateness of changes made from the previous year to the current year; and - evaluation of the appropriateness of actuarial assumptions used in the calculation, such as discount rates, incidence rates and lapse rates, with the assistance of actuarial specialists employed by the component auditor of TDLA. (2) Judgment made by the Company on the recognition of an impairment loss on goodwill We assessed the design and operating effectiveness of the Company's controls over the process to determine whether an impairment loss should be recognized on goodwill. In this assessment, we focused on controls over the preparation of documentation supporting the determination of whether an impairment loss should be recognized on goodwill and those over approval of the conclusion. In addition, we primarily performed the substantive procedures set out below to assess the appropriateness of the Company's determination of whether an impairment loss should be recognized on goodwill. - inquiry of management and relevant personnel; - inspection of relevant internal documents and assessment of the appropriateness of management's judgment regarding the recognition of an impairment loss on goodwill in the impairment assessment documents; and - assessment of the reliability of historical financial information used in the determination.

Appropriateness of the judgment on the recognition of an impairment loss on goodwill	
The key audit matter	How the matter was addressed in our audit
require a high level of expertise in actuarial valuation and business valuation. (ii) Goodwill arising from the acquisition of TDLA TDLA performs, on a regular basis, a comparison of the carrying amount of a cash generating unit to which goodwill has been allocated with its recoverable amount (quantitative impairment test) to assess whether an impairment loss should be recognized on goodwill. The recoverable amount is calculated based on the embedded value, among others. The actuarial assumptions used to calculate the embedded value, such as discount rates, incidence rates, lapse rates, involve significant estimation uncertainty, and the actuarial calculations require a high level of expertise in actuarial valuation. (2) Judgment made by the Company on the recognition of an impairment loss on goodwill The Company evaluates, on a regular basis, whether there is any impairment indicator of goodwill, by considering if: the cash flows generated from the asset group that includes goodwill have been negative for consecutive periods; the recoverable amount of the asset group that includes goodwill has significantly decreased; or the business environments surrounding the asset group that includes goodwill have significantly deteriorated. This impairment assessment by the Company also involves significant management judgment. If it is determined that there is an impairment indicator, the Company estimates the total future cash flows generated from the asset group that includes goodwill and compares them with the carrying amount in the consolidated financial statements to determine whether an impairment loss should be recognized on goodwill. As a result of the comparison, if it is determined that an impairment loss should be recognized, the carrying amount of the asset group shall be	

Appropriateness of the judgment on the recognition of an impairment loss on goodwill	
The key audit matter	How the matter was addressed in our audit
reduced to its recoverable amount calculated by the respective consolidated subsidiaries or the Company, and this reduction shall be recorded as an impairment loss. Key assumptions used to calculate the recoverable amount such as projected cash flows, discount rates, and actuarial assumptions, involve significant estimation uncertainty, and the actuarial calculations require a high level of expertise in actuarial valuation. We, therefore, determined that our assessment of the appropriateness of the judgment on the recognition of an impairment loss on goodwill was one of the most significant matters in our audit of the consolidated financial statements for the current fiscal year, and accordingly, a key audit matter.	

Appropriateness of the valuation of intangible fixed assets derived primarily from acquisitions	
The key audit matter	How the matter was addressed in our audit
In the consolidated balance sheet of the Group, other intangible fixed assets of ¥521,950 million are presented for the current fiscal year. As described in Note II. “PRINCIPLES OF CONSOLIDATION” under 4. “Summary of Significant Accounting Policies”: (15) “Significant Accounting Estimates”, b) “Evaluation of intangible fixed assets and intangible fixed assets related to equity-method affiliates” to the consolidated financial statements, other intangible fixed assets include assets representing the value of acquired in-force insurance contracts, namely Value of Business Acquired (hereinafter “VOBA”) or Value In-force (hereinafter “VIF”), and assets representing the value of cash flows generated from the continued relationship with existing customers, namely customer-related intangible assets. A customer-related intangible asset in the amount of ¥99,466 million was derived from the acquisition of Benefit One. A VOBA in the amount of ¥88,996 million was derived from the acquisition of Protective Life and its acquisition business. A VIF in the amount of ¥30,896 million was derived from the acquisition of PNZ through	We primarily performed the following procedures to assess the appropriateness of the valuation of intangible fixed assets derived primarily from the acquisitions: (1) Judgment made by Protective Life on the recognition of an impairment loss on the VOBA We performed the audit procedures set out below, among others, by involving the component auditor of Protective Life, including the direction and supervision of the component auditor and the review of its work. We assessed the design and operating effectiveness of relevant controls implemented by Protective Life over the judgment on the recognition of an impairment loss on the VOBA. We focused on controls over the preparation of documentation supporting the determination of whether an impairment loss on the VOBA should be recognized and those over approval of the conclusion. The substantive audit procedures set out below, among others, were performed to assess the

Appropriateness of the valuation of intangible fixed assets derived primarily from acquisitions	
The key audit matter	How the matter was addressed in our audit
Daiichi Life International Holdings, LLC (hereinafter “DLIHD”), an intermediary holding company of the Company, and a VIF in the amount of ¥16,669 million was derived from the acquisition of ipet. As also described in Note II. “PRINCIPLES OF CONSOLIDATION” under 4. “Summary of Significant Accounting Policies”: (15) “Significant Accounting Estimates”, b) “Evaluation of intangible fixed assets and intangible fixed assets related to equity-method affiliates” to the consolidated financial statements, the value of in-force insurance contracts arising from acquisitions is determined based on an actuarial calculation of the present value of future profits to be earned from cash flows from acquired in-force insurance contracts and investment-type insurance contracts at the acquisition date. A VOBA derived from the acquisition of Protective Life and its acquisition business is recorded on the consolidated financial statements of Protective Life. A VIF derived from the acquisition of PNZ and ipet is recorded on the consolidated financial statements of the Company. The customer-related intangible asset derived from the acquisition of Benefit One was calculated as the present value of future profits to be earned from cash flows which are expected to be generated from the continuing relationships with existing customers at the acquisition date and is recorded on the consolidated financial statements of the Company. In addition, as described in Note II. “PRINCIPLES OF CONSOLIDATION” under 4. “Summary of Significant Accounting Policies”: (3) “Depreciation of Depreciable Assets”, b) “Amortization of Intangible Fixed Assets Excluding Leased Assets” to the consolidated financial statements, the value of acquired in-force insurance contracts and the customer-related intangible assets are amortized over a period during which their benefits are expected to occur in a manner that reflects the pattern in which they are realized. Any deviations in assumptions from the initial estimates may result in the recognition of an impairment loss on the in-force insurance	appropriateness of the judgment as to whether an impairment loss on the VOBA should be recognized, with the assistance of actuarial specialists employed by the component auditor. • evaluation of the appropriateness of actuarial assumptions used to estimate future cash flows, such as lapse rates and withdrawal rates; and • inspection of relevant internal documents and evaluation of the appropriateness of management’s judgment regarding the recognition of an impairment loss on VOBA in the impairment assessment documents. (2) Judgment made by the Company on the recognition of an impairment loss on the VIF and the customer-related intangible assets We assessed whether there were impairment indicators for the VIF arising from the acquisitions of PNZ and ipet as well as the customer-related intangible assets arising from the acquisition of Benefit One, concurrently with the assessment of whether an impairment loss should be recognized on goodwill. More specifically, we performed the control assessment and substantive procedures listed under (2) in the audit response section of the Key Audit Matter, “Appropriateness of the judgment on the recognition of an impairment loss on goodwill.”

Appropriateness of the valuation of intangible fixed assets derived primarily from acquisitions

The key audit matter	How the matter was addressed in our audit
contracts and the customer-related intangible assets. (1) Judgment made by Protective Life on the recognition of an impairment loss on the VOBA VOBA recorded on the consolidated financial statements of Protective Life is assessed in accordance with US GAAP. As described in Note II. “PRINCIPLES OF CONSOLIDATION” under 4. “Summary of Significant Accounting Policies”: (17) “Change in Accounting Policies” to the consolidated financial statements, Protective Life has applied the accounting standard (ASC) “Financial Services - Insurance” (Topic 944) (ACCOUNTING STANDARDS UPDATE (ASU) 2018-12 issued on August 15, 2018, ASU 2019-09 issued on November 15, 2019, ASU 2020-11 issued on November 5, 2020 and ASU 2022-05 issued on December 15, 2022) (hereinafter “ASU2018-12”) issued by the Financial Accounting Standards Board (FASB) from the end of the fiscal year ended March 31, 2026. Under ASU 2018-12, with respect to the VOBA, the present value of future profits is estimated based on actuarial assumptions (such as interest rates, mortality, lapse rates and withdrawal rates) as of the end of the current fiscal year, and if that amount is less than the carrying amount of the VOBA, an impairment equal to the amount of the loss is recognized. The estimates of future cash flows require significant judgment and a high level of actuarial expertise regarding actuarial assumptions. (2) Judgment made by the Company on the recognition of an impairment loss on the VIF and the customer-related intangible assets The Company evaluates, on a regular basis, the VIF arising from the acquisitions of PNZ and ipet as well as the customer-related intangible assets arising from the acquisition of Benefit One concurrently with the determination of	

Appropriateness of the valuation of intangible fixed assets derived primarily from acquisitions

The key audit matter	How the matter was addressed in our audit
whether an impairment loss should be recognized on goodwill. As described in the Key Audit Matter, “Appropriateness of the judgment on the recognition of an impairment loss on goodwill,” determining whether there are impairment indicators in the evaluation of goodwill involves significant management judgment. We, therefore, determined that our assessment of the appropriateness of the valuation of intangible fixed assets derived primarily from acquisitions was one of the most significant matters in our audit of the consolidated financial statements for the current fiscal year, and accordingly, a key audit matter.	

Appropriateness of the valuation of policy reserves	
The key audit matter	How the matter was addressed in our audit
In the consolidated balance sheet of the Group, policy reserves of ¥59,192,742 million are presented for the current fiscal year, which accounts for approximately 80% of total liabilities and net assets. Of this amount, policy reserves for the individual insurance block and the individual annuity block recorded by The Daiichi Life Insurance Company, Limited (hereinafter “DL”) and The Daiichi Frontier Life Insurance Co., Ltd (hereinafter “DFLI”), policy reserves recorded by Protective Life and insurance contract liabilities (policy reserves) recorded by TDLA are of quantitative significance. Policy reserves, which account for a majority of total liabilities of insurance companies, are provided for the future fulfillment of obligations under insurance contracts and are actuarially calculated using specific methods and assumptions based on the requirements of regulations and accounting standards in the country where the entities underwriting the insurance contracts are located. As described in Note II. “PRINCIPLES OF CONSOLIDATION” under 4. “Summary of Significant Accounting Policies”: (12) “Policy Reserves” to the consolidated financial statements, policy reserves of consolidated domestic subsidiaries that operate a life insurance business are provided as a reserve pursuant to Article 116 of the Insurance Business Act for an amount calculated using a certain methodology. In addition, the testing is required to validate the sufficiency of policy reserves. Policy reserves of consolidated foreign life insurance subsidiaries are calculated based on the accounting standards of each country, including US GAAP and International Financial Reporting Standards (IFRS). (1) Policy reserves recognized by DL and DFLI Policy reserves of DL and DFLI are provided for in compliance with the statements of calculation methodology approved by the Financial Services Agency in Japan. More specifically, policy reserves are calculated based on the future cash flows estimated using	We primarily performed the following procedures to assess the appropriateness of the valuation of policy reserves: (1) Policy reserves recognized by DL and DFLI We assessed the design and operating effectiveness of the controls implemented by DL and DFLI over policy reserves for the individual insurance block and the individual annuity block. In this assessment, we focused on controls to ensure that all relevant data in the contract master files were reflected completely in the calculation of policy reserves and that the approved actuarial assumptions were properly used in the calculation of policy reserves. We primarily performed the following substantive procedures to evaluate the sufficiency of policy reserves of each consolidated subsidiary: • analysis of the overall consistency between changes in the balances of policy reserves for the individual insurance block and the individual annuity block and the factors contributing to the changes in policy reserves, such as premium income, benefit and claim payments, operating expenses and the results of profit source analysis, among others, using a recurrence formula; and • reconciliation of the balance of additional policy reserves recognized by DL to the amount on the document output from the relevant system, and comparison of the current-year provision for additional policy reserves with the planned provision. We also primarily performed the substantive procedures set out below to assess the appropriateness of the judgment made at each consolidated subsidiary in performing the testing to validate the sufficiency of policy reserves (i.e., an analysis of future income and expenses, and a stress test for third sector products), with the assistance of actuarial

Appropriateness of the valuation of policy reserves

The key audit matter	How the matter was addressed in our audit
the assumptions, such as mortality, interest rates and operating expense ratios, stipulated in the statements of calculation methodology. If recent actual results deviate significantly from the estimates and there is deemed to be a risk that the future obligations may not be fulfilled, an additional policy reserve must be provided for in accordance with Article 69, Paragraph 5 of the Ordinance for Enforcement of the Insurance Business Act. The policy reserves recorded by DL include additional policy reserves for certain whole life insurance contracts in accordance with the Ordinance. Assessing the sufficiency of policy reserves is of quantitative importance. The contents and results of the testing to validate the sufficiency of policy reserves (i.e., an analysis of future income and expenses, and a stress test for third sector products) are described in the opinion and supplementary reports of the appointed actuary, and the testing requires significant judgment in estimating future cash flows as well as a high level of expertise in actuarial valuation. (2) Policy reserves recognized by Protective Life As described in Note II. “PRINCIPLES OF CONSOLIDATION” under 4. “Summary of Significant Accounting Policies”: (17) “Change in Accounting Policies” to the consolidated financial statements, Protective Life has applied ASU2018-12 from the end of the fiscal year ended March 31, 2026. As described in Note II. “PRINCIPLES OF CONSOLIDATION” under 4. “Summary of Significant Accounting Policies”: (12) “Policy Reserves” to the consolidated financial statements, under ASU2018-12, policy reserves are calculated by reflecting the time value of money in estimated future cash flows based on actuarial assumptions determined as of the end of the current fiscal year, including interest rates, mortality, lapse rates and withdrawal rates. In particular, with respect to certain benefits identified as market risk	specialists within our firm. • assessment of whether the testing to validate the sufficiency of policy reserves was performed in compliance with the relevant laws and regulations, the “Standard of Practice for Appointed Actuaries of Life Insurance Companies” (the Institute of Actuaries of Japan) and the internal company rules, and comparison of the calculation results with those in the prior year; • inspection of the contents and results described in the opinion and supplementary reports of the appointed actuary, including the assessment of whether an additional policy reserve was necessary, and inquiry of the appointed actuary; and • comparison of the interest rate scenarios used in the analysis of future income and expenses described in the opinion and supplementary reports of the appointed actuary with the information such as recent interest rate information we obtained from independent sources. (2) Policy reserves recognized by Protective Life We performed the audit procedures set out below, among others, by involving the component auditor of Protective Life, including the direction and supervision of the component auditor and the review of its work. We assessed the design and operating effectiveness of the controls implemented by Protective Life over the calculation of policy reserves. In this assessment, we focused on controls over the determination of the actuarial assumptions and to ensure that the approved actuarial assumptions were properly used in the calculation of policy reserves. We also primarily performed the substantive procedures set out below to assess the appropriateness of the valuation of policy reserves with the assistance of actuarial

Appropriateness of the valuation of policy reserves	
The key audit matter	How the matter was addressed in our audit
benefits that provide guarantees against market risk, the actuarial assumptions used in estimating the related future cash flows require significant management judgment and a high level of actuarial expertise. (3) Policy reserves recognized by TDLA Policy reserves of TDLA are calculated, in accordance with IFRS, with the total amount comprising the amount calculated as the estimates of future cash flows based on actuarial assumptions as of the end of the current fiscal year, such as interest rates, mortality rates, lapse rates and expense ratios, reflecting the time value of money, financial risk and uncertainties of cash flows arising from insurance contracts, and the amount of unearned profits expected to arise from insurance contracts as of the end of the current fiscal year. The actuarial assumptions used for the estimates of future cash flows need to reflect the most recent experience and the characteristics of policyholders within each group of insurance contracts. The estimates of future cash flows require significant judgment and a high level of expertise in actuarial valuation. We, therefore, determined that our assessment of the appropriateness of the valuation of policy reserves was one of the most significant matters in our audit of the consolidated financial statements for the current fiscal year, and accordingly, a key audit matter.	specialists within the component auditor's firm. • evaluation of the appropriateness of the actuarial models used including assessment of the appropriateness of changes resulting from the adoption of ASU2018-12; and • evaluation of the appropriateness of the actuarial assumptions, such as lapse rates and withdrawal rates. (3) Policy reserves recognized by TDLA We performed the audit procedures set out below, among others, by involving the component auditor of TDLA, including the direction and supervision of the component auditor and the review of its work. We assessed the design and operating effectiveness of the controls implemented by TDLA over the calculation of policy reserves. In this assessment, we focused on controls over the determination of the actuarial assumptions and to ensure that the approved actuarial assumptions were properly used in the calculation of policy reserves. We also primarily performed the substantive procedures set out below to assess the appropriateness of the valuation of policy reserves with the assistance of actuarial specialists within the component auditor's firm. • evaluation of the relevance of the actuarial models used and assessment of the appropriateness of changes made from the previous year to the current year; and • evaluation of the appropriateness of the actuarial assumptions, such as discount rates, incidence rates, lapse rates and expense ratios.

Appropriateness of the judgment regarding the recoverability of deferred tax assets	
The key audit matter	How the matter was addressed in our audit
In the consolidated balance sheet of the Group, deferred tax assets of ¥125,244 million, which were the amount considered recoverable after being offset by applicable deferred tax liabilities, and deferred tax liabilities of ¥233,435 million are presented for the current fiscal year. As described in Note XV “DEFERRED TAX ACCOUNTING” under 1. “Major Components of Deferred Tax Assets and Liabilities” to the consolidated financial statements, the amount of gross deferred tax assets considered recoverable amounted to ¥1,084,588 million. As described in Note XV “DEFERRED TAX ACCOUNTING” under 4. “Accounting for corporate tax and local corporate tax or deferred tax accounting relating to these taxes” to the consolidated financial statements, ¥726,044 million of the total gross deferred tax assets was recognized by the Company and certain of its domestic consolidated subsidiaries (hereinafter the “Tax Sharing Group”), which have elected to apply the Group Tax Sharing System, and was of quantitative significance. Major components of gross deferred tax assets included policy reserves and others, reserve for price fluctuations, and deferred hedge losses. The recoverability of deferred tax assets related to corporate tax and local corporate tax recorded by the Tax Sharing Group is determined primarily based on the estimated taxable income of the Tax Sharing Group that reflects future profitability of the Tax Sharing Group as a whole, and such determination is dependent upon the appropriateness of the company classification, the sufficiency of future taxable income and assumptions used in the scheduling of years in which deductible temporary differences are expected to reverse, assessed for the Tax Sharing Group as a whole, as stipulated in the “Implementation Guidance on Recoverability of Deferred Tax Assets” (Implementation Guidance No. 26 issued by the Accounting Standards Board of Japan). This recoverability assessment requires significant management judgment and estimates. We, therefore, determined that our assessment of the appropriateness of the judgment regarding the recoverability of deferred tax assets was one of the	We primarily performed the following procedures to assess the appropriateness of the judgment regarding the recoverability of deferred tax assets recorded by the Tax Sharing Group: (1) Internal control testing We assessed the design and operating effectiveness of relevant controls implemented by the Company and DL. In this assessment, we focused on controls over the preparation of documentation supporting the recoverability of deferred tax assets and those over approval of the conclusion. (2) Judgment made by the Company on the recoverability of deferred tax assets We primarily performed the substantive procedures set out below. In performing these procedures, particular attention was given to the effect, if any, of changes in the market conditions including interest rates on the company classification, estimated future taxable income and the scheduling of the Tax Sharing Group as a whole: • evaluation of the appropriateness of the company classification of the Tax Sharing Group determined in accordance with the Implementation Guidance No. 26, especially as to whether significant changes in business environment were expected in the near term; • confirmation that the business plan of the Tax Sharing Group, which was the basis for estimating future taxable income used in determining the recoverability of deferred tax assets, was approved by the board of directors; • evaluation of the appropriateness of key assumptions used to prepare the business plan, by inspecting relevant internal documents, comparing with available external data and inquiring of management and relevant personnel; • evaluation of the reasonableness and feasibility of future taxable income of the

Appropriateness of the judgment regarding the recoverability of deferred tax assets	
The key audit matter	How the matter was addressed in our audit
most significant matters in our audit of the consolidated financial statements for the current fiscal year, and accordingly, a key audit matter.	Tax Sharing Group by comparing future taxable income estimated in the prior year with actual taxable income in the current fiscal year; and • evaluation of the appropriateness of key assumptions used in the scheduling of years in which deductible temporary differences were expected to reverse, by inspecting relevant internal documents, reconciling amounts between the relevant documents and inquiring of management and relevant personnel.

Other Information

The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements, the financial statements, and our auditor's reports thereon. Management is responsible for the preparation and presentation of the other information. The Audit & Supervisory Committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit & Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

The Audit & Supervisory Committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit & Supervisory Committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit & Supervisory Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit & Supervisory Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Fee-related Information

Fees paid or payable to our firm and to other firms within the same network as our firm for audit and non-audit services provided to the Company and its subsidiaries are described in “6. Status of Accounting Audit ” included in “Overview and Organization of the Insurance Holding Company ” of the Annual Report.

Convenience Translation

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2026 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note I to the consolidated financial statements.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Isao Kamizuka
Designated Engagement Partner
Certified Public Accountant

Hatsumi Fujiwara
Designated Engagement Partner
Certified Public Accountant

Yuta Kasuga
Designated Engagement Partner
Certified Public Accountant

KPMG AZSA LLC
Tokyo Office, Japan
September 30, 2026

Balance Sheet of The Dai-ichi Life Insurance Company, Limited

	(Unit: million yen)		(Unit: million US dollars)
	As of March 31,		
	2025	2026	2026
(ASSETS)			
Cash and deposits	243,072	341,585	2,136
Cash	0	-	-
Bank deposits	243,072	341,585	2,136
Call loans	530,300	426,800	2,669
Monetary claims bought	191,855	174,138	1,089
Money held in trust	8,530	3,341	20
Securities	28,729,468	28,912,500	180,838
Government bonds	16,526,517	15,707,005	98,242
Local government bonds	121,949	125,674	786
Corporate bonds	1,851,961	1,893,270	11,841
Stocks	3,497,888	3,633,646	22,727
Foreign securities	5,288,264	5,686,474	35,567
Other securities	1,442,887	1,866,428	11,673
Loans	3,423,016	3,273,572	20,475
Policy loans	218,084	196,183	1,227
Ordinary loans	3,204,932	3,077,388	19,248
Tangible fixed assets	1,219,553	1,186,836	7,423
Land	876,430	831,272	5,199
Buildings	320,937	342,132	2,139
Leased assets	8,105	6,454	40
Construction in progress	8,482	803	5
Other tangible fixed assets	5,597	6,172	38
Intangible fixed assets	119,718	118,146	738
Software	94,574	92,456	578
Other intangible fixed assets	25,144	25,689	160
Reinsurance receivable	47,288	41,676	260
Other assets	616,055	708,917	4,434
Accounts receivable	58,744	86,062	538
Prepaid expenses	19,650	19,592	122
Accrued revenue	122,411	117,877	737
Deposits	28,036	27,790	173
Margin money for futures trading	171,483	163,264	1,021
Derivatives	52,610	50,913	318
Collateral for financial products	8,475	33,830	211
Suspense payment	3,274	4,164	26
Other assets	151,368	205,423	1,284
Customers' liabilities for acceptances and guarantees	11,192	4	0
Reserve for possible loan losses	(2,844)	(1,761)	(11)
Reserve for possible investment losses	(427)	(450)	(2)
Total assets	35,136,780	35,185,307	220,073

Balance Sheet of The Dai-ichi Life Insurance Company, Limited (Continued)

	(Unit: million yen)		(Unit: million US dollars)
	As of March 31,		
	2025	2026	2026
(LIABILITIES)			
Policy reserves and others	28,891,029	28,454,942	177,976
Reserves for outstanding claims	181,307	172,338	1,077
Policy reserves	28,277,671	27,844,746	174,160
Reserve for policyholder dividends	432,050	437,856	2,738
Reinsurance payable	478	985	6
Bonds payable	576,780	576,780	3,607
Other liabilities	2,568,012	2,673,172	16,719
Payables under repurchase agreements	1,618,921	1,727,637	10,805
Long-term debt and other borrowings	390,600	209,600	1,310
Corporate income tax payable	23,963	79,964	500
Accounts payable	83,965	157,927	987
Accrued expenses	91,778	61,450	384
Unearned revenue	1,008	963	6
Deposits received	61,348	47,566	297
Guarantee deposits received	48,360	47,823	299
Derivatives	182,632	241,597	1,511
Collateral for financial instruments	46,892	86,860	543
Lease liabilities	763	408	2
Asset retirement obligations	1,982	2,428	15
Suspense receipts	1,794	1,737	10
Other liabilities	14,003	7,208	45
Reserve for employees' retirement benefits	325,173	284,646	1,780
Reserve for retirement benefits of directors, executive officers and corporate auditors	601	547	3
Reserve for possible reimbursement of prescribed claims	1,300	1,600	10
Reserve for price fluctuations	288,453	300,453	1,879
Deferred tax liabilities	57,112	166,211	1,039
Deferred tax liabilities for land revaluation	69,806	68,547	428
Acceptances and guarantees	11,192	4	0
Total liabilities	32,789,940	32,527,891	203,451
(NET ASSETS)			
Capital stock	60,000	60,000	375
Capital surplus	198,560	183,203	1,145
Legal capital surplus	60,000	60,000	375
Other capital surplus	138,560	123,203	770
Retained earnings	322,655	408,447	2,554
Other retained earnings	322,655	408,447	2,554
Reserve for reduction entry of real estates	12,153	11,774	73
Reserve for specified business investment	174	174	1
Retained earnings brought forward	310,327	396,498	2,479
Total shareholders' equity	581,215	651,650	4,075
Net unrealized gains (losses) on securities, net of tax	1,842,611	2,157,146	13,492
Deferred hedge gains (losses)	(125,972)	(205,417)	(1,284)
Reserve for land revaluation	48,984	54,036	337
Total of valuation and translation adjustments	1,765,623	2,005,764	12,545
Total net assets	2,346,839	2,657,415	16,621
Total liabilities and net assets	35,136,780	35,185,307	220,073

Statement of Earnings of The Dai-ichi Life Insurance Company, Limited

	(Unit: million yen)		(Unit: million US dollars)
	Year ended March 31,		
	2025	2026	2026
Ordinary revenues	4,414,950	4,699,157	29,391
Premium and other income	2,138,358	2,288,434	14,313
Premium income	2,092,881	2,239,945	14,010
Reinsurance income	45,477	48,488	303
Investment income	1,351,945	1,732,100	10,833
Interest and dividends	770,273	811,710	5,076
Interest on bank deposits	679	1,224	7
Interest and dividends on securities	619,641	655,767	4,101
Interest on loans	68,072	74,130	463
Rental income	68,214	68,750	430
Other interest and dividends	13,666	11,837	74
Gains on money held in trust	-	70	0
Gains on sale of securities	551,883	754,013	4,716
Gains on redemption of securities	23,216	25,971	162
Foreign exchange gains	-	28,470	178
Reversal of reserve for possible loan losses	1,075	1,048	6
Other investment income	1,842	1,514	9
Gains on investments in separate accounts	3,653	109,300	683
Other ordinary revenues	924,646	678,623	4,244
Fund receipt for annuity rider of group insurance	356	303	1
Claim deposit reception	135,596	163,348	1,021
Reversal of reserves for outstanding claims	10,170	8,969	56
Transfer from policy reserves	697,203	432,924	2,707
Reversal of reserve for employees' retirement benefits	44,802	40,571	253
Other ordinary revenues	36,517	32,506	203
Ordinary expenses	3,876,325	4,046,333	25,308
Benefits and claims	2,663,072	2,690,573	16,828
Claims	653,289	630,807	3,945
Annuities	642,819	705,705	4,413
Benefits	493,058	514,990	3,221
Surrender values	655,978	608,067	3,803
Other refunds	90,869	138,240	864
Ceding reinsurance premium	127,056	92,762	580
Provision for policy reserves and others	8,437	8,670	54
Provision for interest on policyholder dividends	8,437	8,670	54
Investment expenses	551,958	676,653	4,232
Interest expenses	13,332	25,620	160
Losses on money held in trust	325	-	-
Losses on sale of securities	375,278	488,475	3,055
Losses on valuation of securities	4,770	3,362	21
Losses on redemption of securities	10,458	29,244	182
Derivative transaction losses	14,687	40,016	250
Foreign exchange losses	54,183	-	-
Provision for reserve for possible investment losses	292	24	0
Write-down of loans	38	42	0
Depreciation of real estate for rent and others	14,247	14,817	92
Other investment expenses	64,342	75,050	469
Operating expenses	409,421	414,485	2,592
Other ordinary expenses	243,436	255,950	1,600
Claim deposit payments	153,183	166,746	1,042
National and local taxes	31,476	33,205	207
Depreciation	42,250	42,408	265
Other ordinary expenses	16,525	13,589	84
Ordinary profit	538,624	652,824	4,083

Statement of Earnings of The Dai-ichi Life Insurance Company, Limited (Continued)

	(Unit: million yen)		(Unit: million US dollars)
	Year ended March 31,		
	2025	2026	2026
Extraordinary gains	18,580	13,701	85
Gains on disposal of fixed assets	18,580	13,701	85
Extraordinary losses	68,932	29,741	186
Losses on disposal of fixed assets	25,751	15,932	99
Impairment losses on fixed assets	2,243	1,764	11
Provision for reserve for price fluctuations	12,000	12,000	75
Second career special support expenses	28,883	-	-
Other extraordinary losses	54	43	0
Provision for reserve for policyholder dividends	100,000	107,500	672
Income before income taxes	388,272	529,284	3,310
Corporate income taxes-current	72,433	138,742	867
Corporate income taxes-deferred	10,376	12,686	79
Total of corporate income taxes	82,810	151,428	947
Net income	305,462	377,855	2,363

Statement of Cash Flows of The Dai-ichi Life Insurance Company, Limited

	(Unit: million)	
	(Unit: million yen)	US dollars)
	Year ended March 31,	
	2026	2026
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income taxes	529,284	3,310
Depreciation of real estate for rent and others	14,817	92
Depreciation	42,408	265
Impairment losses on fixed assets	1,764	11
Increase (decrease) in reserves for outstanding claims	(8,969)	(56)
Increase (decrease) in policy reserves	(432,924)	(2,707)
Provision for interest on policyholder dividends	8,670	54
Provision for (reversal of) reserve for policyholder dividends	107,500	672
Increase (decrease) in reserve for possible loan losses	(1,082)	(6)
Increase (decrease) in reserve for possible investment losses	23	0
Write-down of loans	42	0
Increase (decrease) in reserve for employees' retirement benefits	(40,527)	(253)
Increase (decrease) in reserve for retirement benefits of directors, executive officers and corporate auditors	(53)	(0)
Increase (decrease) in reserve for possible reimbursement of prescribed claims	300	1
Increase (decrease) in reserve for price fluctuations	12,000	75
Interest and dividends	(811,710)	(5,076)
Securities related losses (gains)	(368,202)	(2,302)
Interest expenses	25,620	160
Foreign exchange losses (gains)	(28,470)	(178)
Losses (gains) on disposal of fixed assets	1,439	9
Decrease (increase) in reinsurance receivable	5,773	36
Decrease (increase) in other assets unrelated to investing and financing activities	(64,995)	(406)
Increase (decrease) in reinsurance payable	518	3
Increase (decrease) in other liabilities unrelated to investing and financing activities	(5,787)	(36)
Others, net	112,624	704
Subtotal	(899,938)	(5,628)
Interest and dividends received	781,054	4,885
Interest paid	(26,112)	(163)
Policyholder dividends paid	(110,364)	(690)
Others, net	(204,999)	(1,282)
Corporate income taxes (paid) refunded	(82,729)	(517)
Net cash flows provided by (used in) operating activities	(543,090)	(3,396)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of monetary claims bought	(24,731)	(154)
Proceeds from sale and redemption of monetary claims bought	32,588	203
Proceeds from decrease in money held in trust	5,252	32
Purchases of securities	(4,315,935)	(26,994)
Proceeds from sale and redemption of securities	5,049,962	31,585
Origination of loans	(741,050)	(4,635)
Proceeds from collection of loans	927,174	5,799
Net increase (decrease) in short-term investing	(111,283)	(696)
Total of net cash provided by (used in) investment transactions	821,977	5,141
Total of net cash provided by (used in) operating activities and investment transactions	278,886	1,744
Acquisition of tangible fixed assets	(74,143)	(463)
Proceeds from sale of tangible fixed assets	65,467	409
Acquisition of intangible fixed assets	(29,160)	(182)
Net cash flows provided by (used in) investing activities	784,141	4,904
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(181,000)	(1,132)
Repayment of financial lease obligations	(385)	(2)
Cash dividends paid	(287,052)	(1,795)
Net cash flows provided by (used in) financing activities	(468,437)	(2,929)
Effect of exchange rate changes on cash and cash equivalents	2,400	15
Net increase (decrease) in cash and cash equivalents	(224,987)	(1,407)
Cash and cash equivalents at the beginning of the year	723,372	4,524
Cash and cash equivalents at the end of the year	498,385	3,117

Statement of Changes in Net Assets of The Dai-ichi Life Insurance Company, Limited

Year ended March 31, 2025

	(Unit: million yen)			
	Shareholders' equity			
	Capital stock	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at the beginning of the year	60,000	60,000	188,560	248,560
Changes for the year				
Dividends			(49,999)	(49,999)
Net income				
Transfer to reserve for reduction entry of real estates				
Transfer from reserve for reduction entry of real estates				
Transfer from reserve for specified business investment				
Transfer from reserve for land revaluation				
Net changes of items other than shareholders' equity				
Total changes for the year	-	-	(49,999)	(49,999)
Balance at the end of the year	60,000	60,000	138,560	198,560

	(Unit: million yen)				
	Shareholders' equity				
	Retained earnings				Total shareholders' equity
	Other retained earnings			Total retained earnings	
	Reserve for reduction entry of real estates	Reserve for specified business investment	Retained earnings brought forward		
Balance at the beginning of the year	10,858	299	232,926	244,085	552,645
Changes for the year					
Dividends			(203,881)	(203,881)	(253,881)
Net income			305,462	305,462	305,462
Transfer to reserve for reduction entry of real estates	2,848		(2,848)	-	-
Transfer from reserve for reduction entry of real estates	(1,553)		1,553	-	-
Transfer from reserve for specified business investment		(124)	124	-	-
Transfer from reserve for land revaluation			(23,010)	(23,010)	(23,010)
Net changes of items other than shareholders' equity					
Total changes for the year	1,294	(124)	77,400	78,570	28,570
Balance at the end of the year	12,153	174	310,327	322,655	581,215

	(Unit: million yen)			
	Valuation and translation adjustments			
	Net unrealized gains (losses) on securities, net of tax	Deferred hedge gains (losses)	Reserve for land revaluation	Total of valuation and translation adjustments
Balance at the beginning of the year	2,420,163	(103,039)	28,223	2,345,347
Changes for the year				
Dividends				(253,881)
Net income				305,462
Transfer to reserve for reduction entry of real estates				-
Transfer from reserve for reduction entry of real estates				-
Transfer from reserve for specified business investment				-
Transfer from reserve for land revaluation				(23,010)
Net changes of items other than shareholders' equity	(577,551)	(22,932)	20,760	(579,723)
Total changes for the year	(577,551)	(22,932)	20,760	(579,723)
Balance at the end of the year	1,842,611	(125,972)	48,984	1,765,623

Year ended March 31, 2026

(Unit: million yen)

	Shareholders' equity			
	Capital stock	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at the beginning of the year	60,000	60,000	138,560	198,560
Changes for the year				
Dividends			(15,357)	(15,357)
Net income				
Transfer to reserve for reduction entry of real estates				
Transfer from reserve for reduction entry of real estates				
Transfer from reserve for land revaluation				
Net changes of items other than shareholders' equity				
Total changes for the year	-	-	(15,357)	(15,357)
Balance at the end of the year	60,000	60,000	123,203	183,203

(Unit: million yen)

	Shareholders' equity				
	Retained earnings				Total shareholders' equity
	Other retained earnings			Total retained earnings	
	Reserve for reduction entry of real estates	Reserve for specified business investment	Retained earnings brought forward		
Balance at the beginning of the year	12,153	174	310,327	322,655	581,215
Changes for the year					
Dividends			(287,052)	(287,052)	(302,409)
Net income			377,855	377,855	377,855
Transfer to reserve for reduction entry of real estates	788		(788)	-	-
Transfer from reserve for reduction entry of real estates	(1,167)		1,167	-	-
Transfer from reserve for land revaluation			(5,010)	(5,010)	(5,010)
Net changes of items other than shareholders' equity					
Total changes for the year	(379)	-	86,171	85,792	70,434
Balance at the end of the year	11,774	174	396,498	408,447	651,650

(Unit: million yen)

	Valuation and translation adjustments				Total net assets
	Net unrealized gains (losses) on securities, net of tax	Deferred hedge gains (losses)	Reserve for land revaluation	Total of valuation and translation adjustments	
Balance at the beginning of the year	1,842,611	(125,972)	48,984	1,765,623	2,346,839
Changes for the year					
Dividends					(302,409)
Net income					377,855
Transfer to reserve for reduction entry of real estates					-
Transfer from reserve for reduction entry of real estates					-
Transfer from reserve for land revaluation					(5,010)
Net changes of items other than shareholders' equity	314,534	(79,444)	5,051	240,141	240,141
Total changes for the year	314,534	(79,444)	5,051	240,141	310,576
Balance at the end of the year	2,157,146	(205,417)	54,036	2,005,764	2,657,415

Statement of Changes in Net Assets of The Dai-ichi Life Insurance Company, Limited (Continued)

Year ended March 31, 2026

(Unit: million
US dollars)

	Shareholders' equity		
	Capital stock	Capital surplus	
		Legal capital surplus	Other capital surplus
Balance at the beginning of the year	375	375	866
Changes for the year			
Dividends			(96)
Net income			(96)
Transfer to reserve for reduction entry of real estate			
Transfer from reserve for reduction entry of real estates			
Transfer from reserve for land revaluation			
Net changes of items other than shareholders' equity			
Total changes for the year	-	-	(96)
Balance at the end of the year	375	375	770

(Unit: million
US dollars)

	Shareholders' equity				US dollars)
	Retained earnings				
	Other retained earnings			Total retained earning	Total shareholders' equity
	Reserve for reduction entry of real estates	Reserve for specified business investment	Retained earnings brought forward		
Balance at the beginning of the year	76	1	1,940	2,018	3,635
Changes for the year					
Dividends			(1,795)	(1,795)	(1,891)
Net income			2,363	2,363	2,363
Transfer to reserve for reduction entry of real estate	4		(4)	-	-
Transfer from reserve for reduction entry of real estates	(7)		7	-	-
Transfer from reserve for land revaluation			(31)	(31)	(31)
Net changes of items other than shareholders' equity					
Total changes for the year	(2)	-	538	536	440
Balance at the end of the year	73	1	2,479	2,554	4,075

(Unit: million
US dollars)

	Valuation and translation adjustments			
	Net unrealized gains (losses) on securities, net of tax	Deferred hedge gains (losses)	Reserve for land revaluation	Total of valuation and translation adjustments
Balance at the beginning of the year	11,524	(787)	306	11,043
Changes for the year				
Dividends				(1,891)
Net income				2,363
Transfer to reserve for reduction entry of real estate				-
Transfer from reserve for reduction entry of real estates				-
Transfer from reserve for land revaluation				(31)
Net changes of items other than shareholders' equity	1,967	(496)	31	1,502
Total changes for the year	1,967	(496)	31	1,502
Balance at the end of the year	13,492	(1,284)	337	12,545

NOTES TO THE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED MARCH 31, 2026

I . BASIS FOR PRESENTATION

The accompanying financial statements have been prepared from the accounts maintained by The Dai-ichi Life Insurance Company, Limited (the "Company") in accordance with the provisions set forth in the Insurance Business Act and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP") which are different in certain respects from the application and disclosure requirements of International Financial Reporting Standards.

Certain items presented in the financial statements are reclassified for the convenience of readers outside Japan. The notes to the financial statements include information which is not required under Japanese GAAP but is presented herein as additional information.

The amounts indicated in millions of yen are rounded down by truncating the figures below one million. Totals may not add up exactly because of such truncation. Amounts in U.S. dollars are included solely for the convenience of readers outside Japan. The rate of ¥159.88=US\$1.00, the foreign exchange rate on March 31, 2026, has been used for translation of the truncated figures in Japanese yen. The inclusion of such amounts is not intended to imply that Japanese yen has been or could be readily converted, realized or settled into U.S. dollars at that rate or any other rate.

II . NOTES TO THE BALANCE SHEET

1. Valuation Methods of Securities

Securities held by the Company including cash and deposits and monetary claims bought which are equivalent to marketable securities, and marketable securities managed as trust assets in money held in trust, are carried as explained below:

The amortization of premiums and accretion of discounts is calculated by the straight-line method.

(1) Trading Securities

Trading securities are carried at fair value with cost determined by the moving average method.

(2) Held-to-maturity Bonds

Held-to-maturity bonds are stated at amortized cost determined by the moving average method.

(3) Policy-reserve-matching Bonds (in accordance with the Industry Audit Committee Report No. 21

“Temporary Treatment of Accounting and Auditing Concerning Policy-reserve-matching Bonds in the Insurance Industry” issued by the Japanese Institute of Certified Public Accountants (JICPA))

Policy-reserve-matching bonds are stated at amortized cost determined by the moving average method.

(4) Stocks of Subsidiaries and Affiliated Companies

Stocks of subsidiaries and affiliated companies are stated at cost determined by the moving average method.

(5) Available-for-sale Securities

a) Available-for-sale securities other than stocks and other securities without market prices

Available-for-sale securities other than stocks and other securities without market prices are valued at fair value at the end of the fiscal year, with cost determined by the moving average method.

b) Stocks and other securities without market prices

Stocks and other securities without market prices are valued at cost determined by the moving average method.

Net unrealized gains or losses on these available-for-sale securities are presented as a separate component of net assets and not in the statement of earnings.

2. Risk Management Policy of Policy-reserve-matching Bonds

The Company categorizes its insurance products into sub-groups by the attributes of each product and, in order to manage risks properly, formulates its policies on investments and resource allocation based on the balance of the sub-groups. Moreover, the Company periodically checks that the duration gap between policy-reserve-matching bonds and policy reserves stays within a certain range.

The sub-groups of insurance products are:

- a) individual life insurance and annuities (the exception of certain types),
- b) non-participating single premium whole life insurance (without duty of medical disclosure),
- c) financial insurance and annuities,
- d) group annuities (defined contribution corporate pension insurance; defined contribution corporate pension insurance II and certain corporate pension insurances of which the type can be changed to defined contribution corporate pension insurance II), and
- e) group annuities 2 (defined benefit corporate pension insurance (the exception of certain types), employees' pension fund insurance II, new corporate pension insurance II)

3. Valuation Method of Derivative Transactions

Derivative transactions are reported at fair value.

4. Revaluation of Land

Based on the "Act on Revaluation of Land" (Act No.34, March 31, 1998), land for business use was revalued. The difference between the fair value and book value resulting from the revaluation, net of related deferred taxes, is recorded as a reserve for land revaluation as a separate component of net assets and the related deferred tax liability is recorded as deferred tax liabilities for land revaluation.

(1) Date of revaluation: March 31, 2001

(2) Method stipulated in Article 3, Paragraph 3 of the Act on Revaluation of Land;

The fair value was determined based on the appraisal value publicly announced for tax assessment purposes with certain reasonable adjustments in accordance with Articles 2-1 and 2-4 of the Order for Enforcement of the Act on Revaluation of Land (Publicly Issue Cabinet Order No.119, March 31, 1998).

5. Depreciation of Depreciable Assets

(1) Depreciation of Tangible Fixed Assets Excluding Leased Assets

Depreciation of tangible fixed assets excluding leased assets is calculated by the declining balance method (the depreciation of buildings (other than facilities attached to buildings and structures that were acquired on or before March 31, 2016) is calculated by the straight-line method).

Estimated useful lives of major assets are as follows:

Buildings	two to sixty years
Other tangible fixed assets	two to twenty years

Other tangible fixed assets that were acquired for ¥100,000 or more but less than ¥200,000 are depreciated at equal amounts over three years.

With respect to tangible fixed assets that were acquired on or before March 31, 2007 and that were fully depreciated to their original depreciable limit, effective the fiscal year ended March 31, 2008, the remaining values are depreciated at equal amounts over five years from the following fiscal year of the year in which they reached the original depreciable limit.

(2) Amortization of Intangible Fixed Assets Excluding Leased Assets

The Company uses the straight-line method for amortization of intangible fixed assets excluding leased assets. Software for internal use is amortized by the straight-line method based on the estimated useful lives of five years.

(3) Depreciation of Leased Assets

Depreciation for leased assets with regard to finance leases whose ownership does not transfer to the lessees is computed under the straight-line method assuming zero salvage value and using the lease period as the useful life.

(4) Accumulated Depreciation of Tangible Fixed Assets

The amount of accumulated depreciation of tangible fixed assets as of March 31, 2025 and 2026 were ¥578,556 million and ¥556,751 million (US\$3,482 million), respectively.

6. Translation of Assets and Liabilities Denominated in Foreign Currencies into Yen

The Company translates foreign currency-denominated assets and liabilities (excluding stocks of its subsidiaries and affiliated companies) into yen at the prevailing exchange rates at the end of the year. Stocks of subsidiaries and affiliated companies are translated into yen at the exchange rates on the dates of acquisition.

7. Reserve for Possible Loan Losses

The reserve for possible loan losses is calculated based on the internal rules for self-assessment, write-offs, and reserves on assets.

For loans to and claims on obligors that have already experienced bankruptcy, reorganization, or other formal legal failure (hereafter, “bankrupt obligors”) and loans to and claims on obligors that have suffered substantial business failure (hereafter, “substantially bankrupt obligors”), the reserve is calculated by deducting the estimated recoverable amount of the collateral or guarantees from the book value of the loans and claims after the direct write-off described below.

For loans to and claims on obligors that have not yet suffered business failure but are considered highly likely to fail, the reserve is calculated taking into account (1) the recoverable amount covered by the collateral or guarantees and (2) an overall assessment of the obligor’s ability to repay.

For other loans and claims, the reserve is calculated by multiplying the actual rate or other appropriate rate of losses from bad debts during a certain period in the past by the amount of the loans and claims.

For all loans and claims, the relevant department in the Company performs an asset quality assessment based on the internal rules for self-assessment, and an independent audit department audits the result of the assessment. The above reserves are established based on the result of this assessment.

For loans and claims to bankrupt and substantially bankrupt obligors, the unrecoverable amount is calculated by deducting the amount deemed recoverable from collateral and guarantees from the amount of the loans and claims and is directly written off from the amount of the loans and claims. The amount written off during the fiscal year ended March 31, 2025 and 2026 were ¥1 million and ¥1 million (US\$0 million), respectively.

8. Reserve for Employees' Retirement Benefits

For the reserve for employees’ retirement benefits, the amount is provided based on the projected benefit obligations and pension assets as of March 31, 2026.

Accounting treatment of retirement benefit obligations and retirement benefit expenses are as follows.

(1) Allocation of Estimated Retirement Benefits

In calculating the projected benefit obligations, the benefit formula basis is adopted to allocate estimated retirement benefit for the fiscal year ended March 31, 2026.

(2) Amortization of Actuarial Differences and Past Service Cost

Past service cost is amortized under the straight-line method over a certain period (seven years) within the employees’ average remaining service period as of the time of its occurrence.

Actuarial differences are amortized under the straight-line method over a certain period (seven years) within the employees’ average remaining service period, starting from the following year.

9. Reserve for Possible Investment Losses

In order to provide for future investment losses, a reserve for possible investment losses is established for stocks without market prices and ownership stakes in partnerships, etc. It is calculated based on the internal rules for self-assessment, write-offs, and reserves on assets.

10. Reserve for Retirement Benefits of Directors, Executive Officers and Corporate Auditors

For the reserve for retirement benefits of directors, executive officers and corporate auditors, an estimated amount for future payment in accordance with the internal policies is provided.

11. Reserve for Possible Reimbursement of Prescribed Claims

To prepare for the reimbursement of claims for which prescription periods had expired, an estimated amount for reserve for possible reimbursement of prescribed claims based on past reimbursement experience is provided.

12. Reserve for Price Fluctuations

A reserve for price fluctuations is calculated based on the book value of stocks and other securities at the end of the year in accordance with the provisions of Article 115 of the Insurance Business Act.

13. Hedge Accounting

(1) Methods for Hedge Accounting

Hedging transactions are accounted for in accordance with the “Accounting Standards for Financial Instruments” (Accounting Standards Board of Japan (ASBJ) Statement No. 10 issued on March 10, 2008). Primarily, i) special hedge accounting and the deferral hedge method for interest rate swaps are used for cash flow hedges of certain loans, certain government and corporate bonds, certain loans payable and bonds payable; ii) the currency allotment method and the deferral hedge method using foreign currency swaps and foreign currency forward contracts are used for cash flow hedges against exchange rate fluctuations in certain foreign currency-denominated bonds, certain foreign currency-denominated loans, foreign currency-denominated loans payable and bonds payable, certain foreign currency-denominated forecasted transaction and term deposits; iii) the fair value hedge method using currency options and foreign currency forward contracts is used for hedges against exchange rate fluctuations in the value of certain foreign currency denominated bonds; iv) the deferral hedge method for bond over-the-counter options is used for hedges against interest-rate fluctuations in certain foreign currency-denominated bonds; v) the deferral hedge method and fair value hedge method using equity options and equity forward contracts are used for hedges against price fluctuations in the value of certain domestic stocks and certain foreign currency-denominated forecasted transaction, and vi) the deferral hedge method using interest rate swaps is used for hedges against interest rate fluctuations in certain insurance liabilities, under the “Accounting and Auditing Treatment of Application of Accounting Standard for Financial Instruments to Insurance Operators” (Industry-specific Committee Practical Guidelines No. 26 issued by JICPA).

(2) Hedging Instruments and Hedged Items

Hedging instruments	Hedged items
Interest rate swaps	Loans, government and corporate bonds, loans payable, bonds payable, insurance liabilities
Foreign currency swaps	Foreign currency-denominated bonds, foreign currency-denominated loans, foreign currency-denominated loans payable, foreign currency-denominated bonds payable, foreign currency-denominated forecasted transaction
Foreign currency forward contracts	Foreign currency-denominated bonds, foreign currency-denominated term deposits, foreign currency-denominated forecasted transaction
Currency options	Foreign currency-denominated bonds
Bond over-the-counter options	Foreign currency-denominated bonds
Equity options	Domestic stocks, foreign currency-denominated forecasted transaction
Equity forward contracts	Domestic stocks

(3) Hedging Policies

The Company conducts hedging transactions with regard to certain market risk, foreign currency risk and interest-rate risk of underlying assets to be hedged, in accordance with the internal investment policy and procedure guidelines.

(4) Assessment of Hedge Effectiveness

Hedge effectiveness is assessed primarily by a comparison of fluctuations in cash flows or fair value of hedged items to those of the hedging instruments.

14. Calculation of National and Local Consumption Tax

The Company accounts for national and local consumption tax by the tax-exclusion method. Deferred consumption tax included in non-recoverable consumption tax on certain assets is capitalized as a prepaid expense and amortized equally over five years in accordance with the Order for Enforcement of the Corporation Tax Act, and such taxes other than deferred consumption tax are recognized as an expense when incurred.

15. Policy Reserves

Policy reserves are established in accordance with the methods stated in the statement of calculation procedures for policy reserves (Article 4, Paragraph 2, Item 4 of the Insurance Business Act) pursuant to Article 116, Paragraph 1 of the Insurance Business Act, for insurance contracts under which the insurer's liability has started as of the end of the fiscal year, in preparation for the performance of future obligations under the insurance contracts.

Of policy reserves, insurance premium reserves are calculated by the following methods:

- Reserves for policies subject to the standard policy reserve rules are calculated based on the methods stipulated by the Commissioner of Financial Services Agency (Notification of the Minister of Finance No. 48, 1996).
- Reserves for other policies are established based on the net level premium method.

If, through an estimation of future income based on most recent actual figures, the policy reserves set aside are found likely to be insufficient to cover the performance of future obligations, additional policy reserves need to be set aside in accordance with Article 69, Paragraph 5 of the Ordinance for Enforcement of the Insurance Business Act. Policy reserves include additional policy reserves for certain whole life insurance policies in accordance with Article 69, Paragraph 5 of the Ordinance for Enforcement of the Insurance Business Act.

Contingency reserves included in policy reserves are set aside in accordance with Article 69, Paragraph 1, Item 3 of the Ordinance for Enforcement of the Insurance Business Act to cover risks that may accrue in the future in order to ensure the performance of future obligations under insurance contracts.

16. Reserves for Outstanding Claims

With respect to reserves for incurred but not reported cases for individual insurance policies (referring to claims for which the occurrence of the insured events has not been reported but the Company finds that insured events have already occurred; hereinafter the same) provided by the Company that operates a life insurance business in Japan, the payment of hospitalization benefits with respect to those diagnosed as COVID-19 and were under the care of a doctor and the like at an accommodation facility or at home (“deemed hospitalization”) was terminated on May 8, 2023. As a result of this change, an appropriate amount of reserves cannot be obtained with the calculation method set forth in the main rules in Article 1, Paragraph 1 of the Notification of the Minister of Finance No.234, 1998 (“IBNR Notification”). The Company therefore records the amount that was calculated using the following method, pursuant to provisions in the proviso of Article 1, Paragraph 1 of IBNR Notification.

(Overview of the calculation method)

The Company first deducts an amount pertaining to deemed hospitalization of all policy holders from a required amount of reserves for incurred but not reported cases and the amount of claim payments for all the fiscal years, as set forth in the main rules in Article 1, Paragraph 1 of IBNR Notification, and then calculates in the same manner as in the main rules in Article 1, Paragraph 1 of IBNR Notification.

17. Accounting Standard and Guidance Not Yet Adopted

Accounting standard and guidance for leases

- "Accounting Standards for Leases" (ASBJ Statement No. 34, September 13, 2024)
- "Guidelines for Accounting Standards for Leases" (ASBJ Guidance No. 33, September 13, 2024)

Amendments to other related ASBJ Statements , ASBJ Implementation Guidance, Practical Reports and Transfer Guidelines

a) Outline

Similar to international accounting standards, this stipulates the treatment of recording assets and liabilities for all leases of lessees

b) Scheduled date for application

This is scheduled to be applied from the beginning of the fiscal year starting on April 1, 2027.

c) Impact of applying the standard and guidance

The impact of applying the standard and guidance is currently under assessment.

18. Financial Instruments

(1) Financial Instruments

a) Policies in Utilizing Financial Instruments

In an effort to manage investment assets in a manner appropriate to liabilities, which arise from the insurance policies underwritten, the company engages in asset liability management, or ALM, which considers the long-term balance between assets and liabilities to ensure stable returns. With this strategy, the Company holds fixed income investments, including bonds and loans, as the core of its asset portfolio. While placing its financial soundness first, the Company also holds stocks and foreign securities within its tolerable risk to enhance its profitability and facilitate diversification of investment risks.

The Company uses derivatives primarily to hedge market risks associated with its existing asset portfolio, taking into account the exposure of underlying assets.

With respect to financing, the Company has raised capital directly from the capital markets by issuing subordinated bonds as well as indirectly from banks in order to strengthen its capital base. To avoid impact from interest-rate fluctuations, the Company utilizes derivative transactions in hedging some of such financial liabilities and adopts hedge accounting.

b) Financial Instruments Used and Their Risks

Securities included in financial assets of the Company, mainly stocks and bonds, are categorized by its investment objectives such as held-to-maturity securities, policy-reserve-matching securities and available-for-sale securities. Those securities are exposed to market fluctuation risk, credit risk and interest rate risk and some of the securities denominated in foreign currency are exposed to foreign currency risk. Also, loans are exposed to credit risk arising from the defaults of obligors.

The Company might be exposed to liquidity risk in certain circumstances in which it cannot make timely payments of principal, interest or other amounts due to unpredictable cash outflows or is forced to raise capital with interest rates substantially higher than usual. Also, some of its loans payable and bonds payable which are floating interest rate based and denominated in foreign currency are exposed to interest rate risk and foreign currency risk.

The Company utilizes i) interest rate swaps to hedge interest rate risk associated with certain loans receivable and payable, ii) equity forward contracts to hedge market fluctuation risks associated with certain domestic stocks, and iii) foreign currency forward contracts, currency options and foreign currency swaps to hedge foreign currency risks associated with certain foreign currency -denominated bonds, foreign currency-denominated short-term deposits and foreign currency-denominated debts, etc. and adopt hedge accounting.

In addition, the company utilizes iv) interest rate swaps to hedge interest rate risk associated with certain insurance liabilities, under the “Accounting and Auditing Treatment of Application of Accounting Standard for Financial Instruments to Insurance Operators” (Industry -specific Committee Practical Guideline No. 26 issued by JICPA).

In applying the hedge accounting, in order to fulfill requirements stipulated in the “Accounting standards for financial instruments” (ASBJ Statement No. 10 issued on March 10, 2008), the Company has established investment policy and procedure guidelines and clarified the transactions to be hedged, the risk of underlying assets to be hedged and derivative instruments to be used, and conducted pre - and post-effectiveness tests of the transactions.

c) Risk Management

The risk management system of the Company is as follows:

i) Market Risk Management

Under the internal investment policy and market risk management policy, the Company manages market risk by conducting mid- to long-term asset allocation in a manner appropriate to its liabilities. Therefore, it categorizes its portfolio into sub-groups, based on their investment purpose, and manages them taking into account each of their risk characteristics.

(a) Interest rate risk

The Company keeps track of interest rates and durations of its assets and liabilities, monitors its internal analyses on duration gap and interest rate sensitivity, and periodically reports its findings to the board of directors, etc.

(b) Currency risk

The Company keeps track of currency composition of its financial assets and liabilities, conducts sensitivity analyses, and periodically reports its findings to the board of directors, etc.

(c) Fluctuation in market values

The Company defines risk management policies and management procedures for each component of its overall portfolio, including securities, based on the risk characteristics of the categories, and sets and manages upper limits of each asset balance and asset allocation weight.

Such management conditions are periodically reported by its risk management sections to the board of directors, etc.

(d) Derivative transactions

For derivative transactions, the Company has established internal check system by segregating i) executing department, ii) the department which engages in assessment of hedge effectiveness, and iii) the back-office. Additionally, in order to limit speculative use of derivatives, the Company has put restrictions on utilization purpose, such as hedging, and establishes position limits for each asset class.

ii) Credit Risk Management

In accordance with the internal investment policy and credit risk management procedure guidelines, the Company has established a credit management system related to loans, such as preliminary reviews on individual transactions, credit limit setting, credit information management, internal credit rating, attachment of guarantees and collateral, and follow-ups on problem loans. For corporate bond investment, the credit section sets investment caps on individual issuers taking into account internal credit ratings and other factors. Excessive risk-taking is restricted since front offices make investment within those caps. Policies and framework for large-lot borrowers have been formulated in order to prevent credit concentration by monitoring compliance, etc. That credit management has been conducted by the credit and risk management sections, and has been periodically reported to the board of directors, etc. Additionally, the internal audit section has also checked credit management status.

Credit risk of security issuers and counterparty risk with respect to derivative transactions are managed by the credit section, which sets upper limits for each counterparty and financial instrument and periodically monitors credit information, and by the risk management section, which periodically monitors current exposures.

d) Supplementary Explanation for Fair Value of Financial Instruments

As the calculation of those values adopts certain assumptions, those values may vary in case different assumptions are applied.

(2) Fair Value of Financial Instruments

The carrying amount on the balance sheet, fair value and differences between carrying amount and fair value as of March 31, 2025 and 2026 were as follows.

As of March 31, 2025	Carrying amount	Fair value	Gains (Losses)
		(Unit: million yen)	
(1) Call loans	530,300	530,345	45
(2) Monetary claims bought	191,855	191,855	-
(3) Money held in trust	8,530	8,530	-
(4) Securities(※2) (※3)			
a. Trading securities	1,094,430	1,094,430	-
b. Policy-reserve-matching bonds	16,145,478	14,104,424	(2,041,053)
c. Available-for-sale securities	10,252,022	10,252,022	-
(5) Loans	3,423,016		
Reserve for possible loan losses (※4)	(2,165)		
	3,420,851	3,266,958	(153,893)
Total assets	31,643,468	29,448,567	(2,194,901)
(1) Bonds payable	576,780	574,309	(2,470)
(2) Payables under repurchase agreements	1,618,921	1,619,072	150
(3) Long-term borrowings	390,600	384,161	(6,438)
Total liabilities	2,586,301	2,577,542	(8,758)
Derivative transactions (※5)			
a. Hedge accounting not applied	32,577	32,577	-
b. Hedge accounting applied	[162,598]	[160,493]	2,105
Total derivative transactions	[130,021]	[127,916]	2,105

(※1) Cash and deposits are not included since they are mainly due within a short period of time or have no maturity, and their fair value is close to the carrying amounts.

(※2) Net asset value of certain mutual funds is regarded as the fair value in accordance with generally accepted accounting standard, and included in the table above.

(※3) The carrying amount of stocks and other securities without market prices and ownership stakes in partnerships, etc. on the balance sheet are as follows. They are not included in the fair value of (4) Securities.

As of March 31, 2025	Carrying amount
	(Unit: million yen)
1. Stocks without market prices (*a)(*c)	71,005
2. Ownership stakes in partnerships, etc. (*b)(*c)	1,166,530
Total	1,237,536

(*a) Stocks and other securities without market prices include unlisted stocks, etc. and are not subject to disclosure of fair value in accordance with Paragraph 5 of "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No.19 revised on September 13, 2024).

(*b) Ownership stakes in partnership, etc. mainly include stakes in anonymous associations and investment partnerships. They are not subject to disclosure of fair value in accordance with Item 24-16 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31 revised on June 17, 2021).

(*c) Impairment loss of ¥1,736 million was recognized in the fiscal year ended March 31, 2025.

(※4) Excluding general reserves for possible loan losses and specific reserves for possible loan losses related to loans.

(※5) Credits/debts from derivative transactions are presented on a net basis. Figures in [] are net debts.

As of March 31, 2026	Carrying amount	Fair value	Gains (Losses)	Carrying amount	Fair value	Gains (Losses)
	(Unit: million yen)			(Unit: million US dollars)		
(1) Call loans	426,800	426,800	-	2,669	2,669	-
(2) Monetary claims bought	174,138	174,138	-	1,089	1,089	-
(3) Money held in trust	3,341	3,341	-	20	20	-
(4) Securities(※2) (※3)						
a. Trading securities	1,088,381	1,088,381	-	6,807	6,807	-
b. Policy-reserve-matching bonds	15,489,435	11,778,783	(3,710,652)	96,881	73,672	(23,208)
c. Available-for-sale securities	10,917,549	10,917,549	-	68,285	68,285	-
(5) Loans	3,273,572	-	-	20,475	-	-
Reserve for possible loan losses (※4)	(1,183)	-	-	(7)	-	-
	3,272,388	2,998,277	(274,111)	20,467	18,753	(1,714)
Total assets	31,372,034	27,387,270	(3,984,763)	196,222	171,298	(24,923)
(1) Bonds payable	576,780	578,714	1,934	3,607	3,619	12
(2) Payables under repurchase agreements	1,727,637	1,727,778	141	10,805	10,806	0
(3) Long-term borrowings	209,600	199,088	(10,511)	1,310	1,245	(65)
Total liabilities	2,514,017	2,505,581	(8,435)	15,724	15,671	(52)
Derivative transactions (※5)						
a. Hedge accounting not applied	25,157	25,157	-	157	157	-
b. Hedge accounting applied	[215,841]	[214,462]	1,378	[1,350]	[1,341]	8
Total derivative transactions	[190,684]	[189,305]	1,378	[1,192]	[1,184]	8

(※1) Cash and deposits are not included since they are mainly due within a short period of time or have no maturity, and their fair value is close to the carrying amounts.

(※2) Net asset value of certain mutual funds is regarded as the fair value in accordance with generally accepted accounting standard, and included in the table above.

(※3) The carrying amount of stocks and other securities without market prices and ownership stakes in partnerships, etc. on the balance sheet are as follows. They are not included in the fair value of (4) Securities.

As of March 31, 2026	Carrying amount
	(Unit: million yen) (Unit: million US dollars)
1.Stocks without market prices ^(*) (*)	54,254 339
2.Ownership stakes in partnerships, etc. ^(b) (*)	1,362,879 8,524
Total	1,417,134 8,863

(*) Stocks and other securities without market prices include unlisted stocks, etc. and are not subject to disclosure of fair value in accordance with Paragraph 5 of "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No.19 revised on September 13, 2024).

(b) Ownership stakes in partnership, etc. mainly include stakes in anonymous associations and investment partnerships. They are not subject to disclosure of fair value in accordance with Item 24-16 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31 revised on June 17, 2021).

(*) Impairment loss of ¥1,302 million (US\$8 million) was recognized in the fiscal year ended March 31, 2026.

(※4) Excluding general reserves for possible loan losses and specific reserves for possible loan losses related to loans.

(※5) Credits/debts from derivative transactions are presented on a net basis. Figures in [] are net debts.

(3) Matters concerning Fair Value of Financial Instruments and breakdown by input level

The fair values of financial instruments are classified into the following three levels based on the observability and significance of the inputs used to measure fair value:

Level 1: Fair value determined based on the observable inputs, such as quoted prices in active markets for identical assets or liabilities

Level 2: Fair value determined based on observable inputs other than Level 1 inputs

Level 3: Fair value determined based on significant unobservable inputs

If multiple inputs with a significant impact are used for the fair value measurement of a financial instrument, the financial instrument is classified into the lowest priority level of fair value measurement in which each input belongs.

a) Financial assets and liabilities measured at fair value on the balance sheet

As of March 31, 2025	Fair value			
	Level 1	Level 2	Level 3	Total
	(Unit: million yen)			
Monetary claims bought	-	-	191,855	191,855
Money held in trust	5,723	2,806	-	8,530
Securities(*)				
Trading securities	636,047	422,105	36,278	1,094,430
Available-for-sale securities				
Government bonds	907,729	-	-	907,729
Local government bonds	-	19,947	-	19,947
Corporate bonds	-	1,313,597	5,241	1,318,838
Domestic stocks	3,276,226	23	-	3,276,249
Foreign bonds	217,393	2,737,746	123,924	3,079,064
Other foreign securities	314,558	389,370	48,329	752,258
Other securities	5,266	754,488	40,470	800,225

Derivative transactions				
Currency-related	-	19,130	-	19,130
Interest-related	-	13,020	-	13,020
Stock-related	17,870	352	-	18,223
Bond-related	1,433	146	-	1,579
Others	-	656	-	656
Total assets	5,382,248	5,673,392	446,099	11,501,740
Derivative transactions				
Currency-related	-	110,092	-	110,092
Interest-related	-	69,207	-	69,207
Stock-related	252	1,295	-	1,547
Bond-related	1,640	143	-	1,783
Total liabilities	1,892	180,739	-	182,632

(*1) Certain mutual funds whose net asset value are regarded as the fair value in accordance with Item 24-3 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31 revised on June 17, 2021) are not included in the table above. The amount of such mutual funds on the balance sheet is ¥97,708 million. Reconciliation between the beginning and ending balance and breakdown of restriction on cancellation as of the fiscal year ended March 31, 2025 have been omitted as the amount of such mutual funds is immaterial.

As of March 31, 2026	Fair value			
	Level 1	Level 2	Level 3	Total
	(Unit: million yen)			
Monetary claims bought	-	9,817	164,321	174,138
Money held in trust	-	3,341	-	3,341
Securities(*1)				
Trading securities	624,246	429,596	34,538	1,088,381
Available-for-sale securities				
Government bonds	729,778	-	-	729,778
Local government bonds	-	8,533	-	8,533
Corporate bonds	-	1,366,116	2,817	1,368,933
Domestic stocks	3,377,689	23	-	3,377,713
Foreign bonds	217,470	2,934,486	144,284	3,296,241
Other foreign securities	367,360	370,599	53,802	791,762
Other securities	10,236	1,148,603	45,134	1,203,973
Derivative transactions				
Currency-related	-	5,615	-	5,615
Interest-related	-	12,512	-	12,512
Stock-related	28,918	2,509	-	31,427
Bond-related	362	492	-	854
Others	-	502	-	502
Total assets	5,356,061	6,292,750	444,899	12,093,711
Derivative transactions				
Currency-related	-	203,597	-	203,597
Interest-related	-	30,131	-	30,131
Stock-related	3,409	643	-	4,052
Bond-related	3,743	47	-	3,790
Others	-	25	-	25
Total liabilities	7,152	234,445	-	241,597

As of March 31, 2026	Fair value			
	Level 1	Level 2	Level 3	Total
	(Unit: million US dollars)			
Monetary claims bought	-	61	1,027	1,089
Money held in trust	-	20	-	20
Securities(*1)				
Trading securities	3,904	2,686	216	6,807
Available-for-sale securities				
Government bonds	4,564	-	-	4,564
Local government bonds	-	53	-	53
Corporate bonds	-	8,544	17	8,562
Domestic stocks	21,126	0	-	21,126
Foreign bonds	1,360	18,354	902	20,616
Other foreign securities	2,297	2,317	336	4,952
Other securities	64	7,184	282	7,530
Derivative transactions				
Currency-related	-	35	-	35
Interest-related	-	78	-	78
Stock-related	180	15	-	196
Bond-related	2	3	-	5
Others	-	3	-	3
Total assets	33,500	39,359	2,782	75,642

Derivative transactions

Currency-related	-	1,273	-	1,273
Interest-related	-	188	-	188
Stock-related	21	4	-	25
Bond-related	23	0	-	23
Others	-	0	-	0
Total liabilities	44	1,466	-	1,511

(*1) Certain mutual funds whose net asset value are regarded as the fair value in accordance with Item 24-3 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31 revised on June 17, 2021) are not included in the table above. The amount of such mutual funds on the balance sheet is ¥140,611 million (US\$879 million). Reconciliation between the beginning and ending balance and breakdown of restriction on cancellation as of the fiscal year ended March 31, 2026 have been omitted as the amount of such mutual funds is immaterial.

b) Financial assets and liabilities not measured at fair value on the balance sheet

As of March 31, 2025	Fair value			
	Level 1	Level 2	Level 3	Total
	(Unit: million yen)			
Call loans	-	530,345	-	530,345
Securities				
Policy-reserve-matching bonds				
Government bonds	13,580,047	-	-	13,580,047
Local government bonds	-	86,963	-	86,963
Corporate bonds	-	394,422	-	394,422
Foreign bonds	-	42,990	-	42,990
Loans	-	-	3,266,958	3,266,958
Derivative transactions				
Interest-related transactions	-	-	-	-
Total assets	13,580,047	1,054,722	3,266,958	17,901,728
Bonds payable	-	574,309	-	574,309
Payables under repurchase agreements	-	1,619,072	-	1,619,072
Long-term borrowings	-	-	384,161	384,161
Total liabilities	-	2,193,381	384,161	2,577,542

As of March 31, 2026	Fair value			
	Level 1	Level 2	Level 3	Total
	(Unit: million yen)			
Call loans	-	426,800	-	426,800
Securities				
Policy-reserve-matching bonds				
Government bonds	11,326,147	-	-	11,326,147
Local government bonds	-	89,019	-	89,019
Corporate bonds	-	353,224	-	353,224
Foreign bonds	-	10,391	-	10,391
Loans	-	-	2,998,277	2,998,277
Derivative transactions				
Interest-related transactions	-	1,378	-	1,378
Total assets	11,326,147	880,814	2,998,277	15,205,238
Bonds payable	-	578,714	-	578,714
Payables under repurchase agreements	-	1,727,778	-	1,727,778
Long-term borrowings	-	-	199,088	199,088
Total liabilities	-	2,306,492	199,088	2,505,581

As of March 31, 2026	Fair value			
	Level 1	Level 2	Level 3	Total
	(Unit: million US dollars)			
Call loans	-	2,669	-	2,669
Securities				
Policy-reserve-matching bonds				
Government bonds	70,841	-	-	70,841
Local government bonds	-	556	-	556
Corporate bonds	-	2,209	-	2,209
Foreign bonds	-	64	-	64
Loans	-	-	18,753	18,753
Derivative transactions				
Interest-related transactions	-	8	-	8
Total assets	70,841	5,509	18,753	95,104
Bonds payable	-	3,619	-	3,619
Payables under repurchase agreements	-	10,806	-	10,806
Long-term borrowings	-	-	1,245	1,245
Total liabilities	-	14,426	1,245	15,671

(Note 1) Description of the evaluation methods and inputs used to measure fair value

Assets

(a) Call loans

The fair value of call loans is calculated by discounting future cash flows at a discount rate using an interest rate based on the remaining maturity and is classified into Level 2. Call loans with short repayment terms are deemed to have fair value close to book value. Therefore, their book value is recorded as the fair value, and their fair value is classified into Level 2.

(b) Monetary claims bought

The fair value of monetary claims bought is measured mainly using the price obtained by outside contractors and counterparty financial institutions. The inputs used to determine the obtained prices are classified into Level 2 if observable inputs are used in the calculation, and Level 3 if significant unobservable inputs are used.

(c) Money held in trust

The fair value of money held in trust is based on the price presented by counterparty financial institutions. Money held in trust is classified into either Level 1 or Level 2, mainly based on constituents held in trust.

(d) Securities

The fair value of securities for which unadjusted quoted market prices in active markets are available is classified into Level 1. These include stocks and government bonds, among others. If the market is not active, the fair value of securities is classified into Level 2, irrespective of whether disclosed quoted market prices are used.

The fair value of bonds for which quoted market prices are not used as fair values is measured mainly using prices obtained from outside contractors and counterparty financial institutions. The present values of these prices is calculated by discounting future cash flows at a discount rate (i.e., a risk-free interest rate that takes into account credit spread). The fair value of bonds is classified into Level 2 if observable inputs are used in the calculation, and Level 3 if significant unobservable inputs are used.

The fair value of mutual funds without market price is based on net asset value unless there is no significant restriction on cancellation. The fair value is classified into either Level 2 or Level 3, mainly based on constituents held in trust.

(e) Loans

The fair value of loans is calculated by discounting future cash flows of the subject loan, using interest rates corresponding to the internal credit rating and remaining periods which are assumed to be applied to new loans to the subject borrower. Loans are classified into Level 3.

Additionally, for risk-monitored loans, reserve for possible loan losses is calculated based on the present value of estimated future cash flows or the amount deemed recoverable from collateral and guarantees and the fair value is close to the carrying amount on the balance sheet minus reserve for possible loan losses at the end of the fiscal year. Therefore, that amount (the carrying amount on the balance sheet minus reserve for possible loan losses) is recorded as fair value for risk-monitored loans and classified into Level 3.

Also, loans without a due date because of their characteristics that their exposure is limited to the amount of their collaterals, are deemed to have fair value close to book value, taking into account estimated repayment period and interest rates. Therefore, their book value is recorded as the fair value and classified into Level 3.

Liabilities

(a) Bonds payable

The fair value of bonds payable for which quoted market prices can be used is based on the quoted market prices. Bonds payable are classified into Level 2.

(b) Payables under repurchase agreements

The fair value of payables under repurchase agreements is calculated by discounting future cash flows at a discount rate using an interest rate based on the remaining maturity and is classified into Level 2. Payables under repurchase agreements with short repayment terms are deemed to have fair value close to book value. Therefore, their book value is recorded as the fair value, and their fair value is classified into Level 2.

(c) Long-term borrowings

The fair value of long-term borrowings is calculated by discounting future cash flows, using interest rates corresponding to the internal credit rating and remaining periods which are assumed to be applied to new borrowings. Long-term borrowings are classified into Level 3.

Derivative Transactions

The fair value of listed derivative transactions for which unadjusted quoted market prices in active markets are available is classified into Level 1. These mainly include stock-related transactions and bond-related transactions. If the market is not active, the fair value of listed derivative transactions is classified into Level 2, irrespective of whether disclosed quoted market prices are used.

The fair value of over-the-counter derivative transactions is mainly based on the prices calculated using discounted present values obtained from outside contractors and counterparty financial institutions and option valuation models, etc. The inputs used in the valuation method for calculating the price over-the-counter derivative transactions are mainly interest rate, foreign exchange rate, and volatility. Since no significant unobservable inputs are used or their effects are not significant, the fair value of over-the-counter derivative transactions is classified into Level 2.

(Note 2) Quantitative information about financial assets and liabilities measured and stated on the balance sheet at fair value and classified into Level 3

a) Reconciliation between the beginning and ending balance, and net unrealized gains (losses) recognized in the earnings of the current fiscal year

As of March 31, 2025	Beginning balance	Gains/losses recorded in statement of earnings or Net unrealized gains or losses on available-for-sale securities	Variable amount (net amount) by purchase, sale, issue and settlement	Transfer to Level 3	Ending balance	Gains/losses on valuation of financial assets and liabilities held at the balance sheet date out of amounts recognized in the statement of earnings
(Unit: million yen)						
Monetary claims bought	206,210	(1,688)	(4,305)	(8,360)	-	191,855
Securities						
Trading securities	37,042	788	-	(1,552)	-	36,278
Available-for-sale securities						
Corporate bonds	8,909	(902)	(526)	(2,238)	-	5,241
Foreign bonds	144,512	(4,324)	136	(16,399)	-	123,924
Other foreign securities	39,702	-	(3,367)	11,993	-	48,329
Other securities	34,892	-	578	4,999	-	40,470

(*1) Gain/Loss recorded as investment income and investment expenses in the statement of earnings.

As of March 31, 2026	Beginning balance	Gains/losses recorded in statement of earnings or Net unrealized gains or losses on available-for-sale securities		Variable amount (net amount) by purchase, sale, issue and settlement	Transfer to Level 3(*2)	Ending balance	Gains/losses on valuation of financial assets and liabilities held at the balance sheet date out of amounts recognized in the statement of earnings
		Gains/losses recorded in statement of earnings (*1)	Net unrealized gains or losses on available-for-sale securities				
(Unit: million yen)							
Monetary claims bought	191,855	(2,435)	(6,651)	(18,445)	-	164,321	(1,906)
Securities							
Trading securities	36,278	450	-	(2,190)	-	34,538	1,017
Available-for-sale securities							
Corporate bonds	5,241	(119)	645	(2,950)	-	2,817	818
Foreign bonds	123,924	6,324	1,429	10,271	2,334	144,284	18,243
Other foreign securities	48,329	-	2,302	3,170	-	53,802	-
Other securities	40,470	-	859	3,803	-	45,134	-

As of March 31, 2026	Beginning balance	Gains/losses recorded in statement of earnings or Net unrealized gains or losses on available-for-sale securities		Variable amount (net amount) by purchase, sale, issue and settlement	Transfer to Level 3(*2)	Ending balance	Gains/losses on valuation of financial assets and liabilities held at the balance sheet date out of amounts recognized in the statement of earnings
		Gains/losses recorded in statement of earnings (*1)	Net unrealized gains or losses on available-for-sale securities				
(Unit: million US dollars)							
Monetary claims bought	1,199	(15)	(41)	(115)	-	1,027	(11)
Securities							
Trading securities	226	2	-	(13)	-	216	6
Available-for-sale securities							
Corporate bonds	32	(0)	4	(18)	-	17	5
Foreign bonds	775	39	8	64	14	902	114
Other foreign securities	302	-	14	19	-	336	-
Other securities	253	-	5	23	-	282	-

(*1) Gain/Loss recorded as investment income and investment expenses in the statement of earnings.

(*2) The transfer from Level 2 fair value to Level 3 fair value is due to the change in the observability of input as a result of the change in the fair value measurement method as of March 31, 2026.

b) Description of the fair value valuation process

The Company has established policies and procedures for measuring the fair value and classifying the fair value level in the accounting department. In accordance with these policies and procedures, the investment management service department selects the fair value valuation model, and then measures the fair value and classifies the fair value by level. For such fair value, the appropriateness of the valuation method and inputs used in the measurement of the fair value and the appropriateness of the classification of the level of fair value are verified. In addition, when using the quoted market prices obtained from a third party as fair value, the validity is verified by appropriate methods such as confirmation of the valuation method and inputs used and comparison with the fair value of similar financial instruments.

19. Real Estate for Rent

The Company owns a number of commercial buildings, including land, for rent in various locations, including Tokyo. Net rental income from such real estate for rent for the fiscal year ended March 31, 2025 and 2026 were ¥25,881 million and ¥26,033 million(US\$162 million), respectively. The rental income was included in investment income and the rental expense was included in investment expenses. Gains on sale as extraordinary gains for the fiscal year ended March 31, 2025 and 2026 were ¥8,819 million and ¥1,923 million(US\$12 million), respectively. Impairment losses on rental real estate as extraordinary losses for the fiscal year ended March 31, 2025 and 2026 were ¥2,243 million and ¥1,514 million(US\$9 million), respectively.

The carrying amount, net change during the year and the fair value of such rental real estate were as follows:

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Carrying amount:			
Beginning balance	924,722	954,461	5,969
Net change during year	29,738	(25,915)	(162)
Ending balance	954,461	928,546	5,807
Fair value	1,365,464	1,360,484	8,509

(*1) The carrying amount of rental real estate on the balance sheet was acquisition costs net of accumulated depreciation and impairments.

(*2) Net change in the carrying amount included cost of acquisition of the real estate of ¥92,348 million, sale of the real estate of ¥45,940 million, depreciation expense of ¥14,183 million, and impairment loss of ¥2,243 million, during the fiscal year ended March 31, 2025.

Net change in the carrying amount included cost of acquisition of the real estate of ¥49,014 million (US\$306million), sale of the real estate of ¥61,449 million (US\$384 million), depreciation expense of ¥14,756 million(US\$92 million), and impairment loss of ¥1,514 million (US\$9 million), during the fiscal year ended March 31, 2026.

(*3) The Company calculates the fair value of the majority of the rental real estate based on real estate appraisal standards and assessment by an independent appraiser, and others based on internal but reasonable estimates.

20. Securities Lending

Securities lent under lending agreements are included in the balance sheet. The total balance of securities lent as of March 31, 2025 and 2026 were ¥2,478,838 million and ¥2,605,793 million (US\$16,298 million), respectively.

21. Risk-managed claims

The amounts of claims against bankrupt and quasi-bankrupt obligors, claims with collection risk, claims that are overdue for three months or more, and claims with repayment relaxation, which were included in claims, were as follows:

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Claims against bankrupt and quasi-bankrupt obligors (*1)	86	55	0
Claims with collection risk (*2)	2,611	7,283	45
Claims that are overdue for three months or more (*3)	—	—	—
Claims with repayment relief (*4)	—	—	—
Total	2,697	7,339	45

(*1) Claims against bankrupt and quasi-bankrupt obligors are loans to borrowers who are subject to bankruptcy, corporate reorganization or rehabilitation or other similar proceedings and other borrowers in serious financial difficulties.

(*2) Claims with collection risk are loans to obligors (other than bankrupt and quasi-bankrupt obligors) with deteriorated financial condition and results of operations from which it is unlikely that the principal and interest on the loans will be recovered.

(*3) Claims that are overdue for three months or more are loans for which payment of principal or interest is delayed for three months or more from the day following the contracted payment date. This category excludes claims against bankrupt and quasi-bankrupt obligors and claims with collection risk.

(*4) Claims with repayment relaxation are loans for which certain concessions favorable to the debtor, such as interest rate reduction and exemption, interest payment deferment, principal repayment deferment, debt waiver, etc., for the purpose of rebuilding or supporting the debtor. This category excludes claims against bankrupt and quasi-bankrupt obligors, claims with collection risk and claims that are overdue for three months or more.

As a result of the direct write-off of claims described in Note 7, the decreases in claims against bankrupt and quasi-bankrupt obligors as of March 31, 2025 and 2026 were ¥1 million and ¥1 million(US\$0 million), respectively.

22. Assets and Liabilities Held in Separate Accounts

The total amount of assets held in separate accounts defined in Article 118, Paragraph 1 of the Insurance Business Act as of March 31, 2025 and 2026 were ¥1,643,638 million and ¥1,642,897 million(US\$10,275 million), respectively. Separate account liabilities were the same amount as the separate account assets.

23. Receivables from and Payables to Subsidiaries and Affiliated Companies

The total amounts of receivables from and payables to subsidiaries and affiliated companies as of March 31, 2025 were ¥542,307 million and ¥147,899 million, respectively.

The total amounts of receivables from and payables to subsidiaries and affiliated companies as of March 31, 2026 were ¥530,812 million(US\$3,320 million) and ¥161,733 million(US\$1,011 million), respectively.

24. Deferred Tax Accounting

(1) Major components of deferred tax assets and liabilities were as follows:

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Deferred tax assets:			
Policy reserves and others	437,542	430,093	2,690
Reserve for employees' retirement benefits	118,300	107,005	669
Reserve for price fluctuations	83,142	86,710	542
Deferred hedge losses	50,885	83,333	521
Employee pension trust	13,870	21,175	132
Others	28,140	29,007	181
Subtotal	731,881	757,325	4,736
Valuation allowances	(25,433)	(32,811)	(205)
Total	706,448	724,514	4,531
Deferred tax liabilities:			
Net unrealized gains on securities, net of tax	(735,170)	(865,027)	(5,410)
Reserve for tax basis adjustments of real estate	(11,822)	(10,802)	(67)
Accrued dividends receivables	(9,895)	(9,784)	(61)
Others	(6,672)	(5,111)	(31)
Total	(763,560)	(890,725)	(5,571)
Net deferred tax liabilities	(57,112)	(166,211)	(1,039)

(2) The principal reasons for the difference between the statutory effective tax rate and actual effective tax rate after considering deferred taxes were as follows:

	As of March 31,	
	2025	2026
Statutory effective tax rate	27.93%	27.93%
(Adjustment)		
Impact of corporate tax rate changes	(4.74%)	—
Change in valuation allowance	(1.91%)	1.35%
Others	0.05%	(0.67%)
Actual effective tax rate after considering deferred taxes	21.33%	28.61%

(3) Accounting for corporate and local income taxes and deferred tax accounting related to these taxes

The Company has adopted the group tax sharing system, in which Dai-ichi Life Holdings, Inc. is the tax sharing parent company. The Company has applied the accounting and disclosure treatment of corporate tax, local corporate tax and their deferred tax accounting in accordance with Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System (ASBJ PITF No. 42 issued on August 12, 2021).

(Note 1) Effective April 1, 2026, Dai-ichi Life Holdings, Inc. changed its trade name to Daiichi Life Group, Inc.

25. Contingent Liabilities

Commitment to guarantee for debt obligations of a separate company was as follows:

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Dai-ichi Life Holdings, Inc.	250,002	250,002	1,563

26. Changes in Reserve for Policyholder Dividends

Changes in reserve for policyholder dividends were as follows:

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Balance at the beginning of the fiscal year	422,642	432,050	2,702
Dividends paid during the fiscal year	(99,028)	(110,364)	(690)
Interest accrual during the fiscal year	8,437	8,670	54
Provision for reserve for policyholder dividends	100,000	107,500	672
Balance at the end of the fiscal year	432,050	437,856	2,738

27. Stocks of Subsidiaries and Affiliated Companies

The amount of stocks of subsidiaries and affiliated companies of the Company held as of March 31, 2025 and 2026 were ¥333,279 million and ¥342,124 million(US\$2,139 million), respectively.

28. Organization Change Surplus

As of March 31, 2025 and 2026, the amount of organizational change surplus stipulated in Article 91 of the Insurance Business Act were ¥117,776 million and ¥117,776 million(US\$736 million), respectively.

29. Assets Pledged as Collateral / Secured Liabilities

The amounts of securities and cash and deposits pledged as collateral were as follows:

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Securities	2,094,782	2,637,580	16,497
Cash and Deposits	86	87	0
Total	2,094,869	2,637,668	16,497

The amount of secured liabilities were as follows:

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
Payables under repurchase agreements	1,618,921	1,727,637	10,805

The amounts of "Securities" sold under repurchase agreements as of March 31, 2025 and 2026 were ¥1,785,558 million and ¥2,238,867 million (US\$14,003 million), respectively.

30. Policy Reserves for Ceded Reinsurance

The amounts of reserves for outstanding claims for reinsured parts defined in Article 71, Paragraph 1 of the Ordinance for Enforcement of the Insurance Business Act, which is referred to in Article 73, Paragraph 3 of the Ordinance (hereinafter "reserves for outstanding claims reinsured"), as of March 31, 2025 and 2026 were ¥1 million and zero, respectively. Amounts of policy reserves provided for reinsured parts defined in Article 71, Paragraph 1 of the Ordinance (hereinafter "policy reserves reinsured"), as of March 31, 2025 and 2026 were ¥1,203,844 million and ¥1,283,180 million (US\$8,025 million), respectively.

31. Net Assets per Share

The amount of net assets per share of the Company as of March 31, 2025 and 2026 were ¥ 391,139,932.60 and ¥442,902,617.03 (US\$2,770,219), respectively.

32. Securities Borrowing

As of March 31, 2025 and 2026, the market value of the securities borrowed under borrowing agreements which can be sold or pledged as collateral but were not sold or pledged as collateral were ¥59,200 million and ¥65,346 million (US\$408 million), respectively.

33. Employees' Retirement Benefits

(1) Overview of Employees' Retirement Benefit Plan

As a defined benefit plan for its sales representatives, the Company has established and maintained a benefit plan consisting of retirement lump sum grants and company administered pension.

For its administrative personnel, the Company has established and maintained a benefit plan consisting of defined benefit corporate pension and retirement lump sum grants as a defined benefit plan and defined contribution pension as a defined contribution plan.

(2) Defined Benefit Plans

a) Reconciliations of beginning and ending balances of projected benefit obligations

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
a. Beginning balance of the projected benefit obligations	575,733	535,253	3,347
b. Service cost	18,626	16,024	100
c. Interest cost	8,163	7,589	47
d. Accruals of actuarial (gains) and losses	(21,581)	(75,768)	(473)
e. Payment of retirement benefits	(44,790)	(36,794)	(230)
f. Others	(897)	(641)	(4)
g. Ending balance of the projected benefit obligation (a + b + c + d + e + f)	535,253	445,662	2,787

b) Reconciliations of beginning and ending balances of pension assets

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
a. Beginning balance of pension assets	370,583	385,120	2,408
b. Estimated return on assets	1,876	1,842	11
c. Accruals of actuarial (gains) and losses	14,523	52,011	325
d. Contribution from the employer	5,017	4,834	30
e. Payment of retirement benefits	(6,881)	(9,021)	(56)
f. Ending balance of pension assets (a + b + c + d + e)	385,120	434,787	2,719

c) Reconciliations of year-end balance of projected benefit obligations and pension assets, and reserve for employees' retirement benefits that have been recorded in the balance sheet

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
a. Project benefit obligation for funded pensions	281,076	232,905	1,456
b. Pension assets	(385,120)	(434,787)	(2,719)
c. Subtotal (a + b)	(104,043)	(201,882)	(1,262)
d. Project benefit obligation for unfunded pensions	254,176	212,757	1,330
e. Unrecognized actuarial differences	175,708	274,261	1,715
f. Unrecognized past service cost	(667)	(489)	(3)
g. Reserve for employees' retirement benefits (c + d + e + f)	325,173	284,646	1,780

d) Amount of the components of retirement benefit expenses

	As of March 31,		
	2025	2026	2026
	(Unit: million yen)		(Unit: million US dollars)
a. Service Cost	18,626	16,024	100
b. Interest Cost	8,163	7,589	47
c. Expected return on assets	(1,876)	(1,842)	(11)
d. Amortization of unrecognized actuarial differences	(25,960)	(28,977)	(181)
e. Amortization of unrecognized past service cost	177	179	1
f. Others	54	43	0
g. Retirement benefit expenses for defined benefit plans(a+b+c+d+e+f)	(815)	(6,982)	(43)

e) The main components of the pension assets

Ratios of the major assets to the total pension assets were as follows:

	As of March 31,	
	2025	2026
Stocks	57%	56%
Bonds	24%	25%
Asset under joint management	13%	8%
Life insurance general accounts	5%	8%
Others	1%	3%
Total	100%	100%

Note: The proportion of retirement benefit trust that has been set for the unfunded retirement benefit plans to total pension assets as of March 31, 2025 and 2026 were 66% and 69%, respectively.

f) The method for setting the expected long -term rate of return on pension assets

To determine the expected long -term rate of return on pension assets, the Company has taken into account the allocation of pension assets at present and in future, and long -term rate of return on a variety of assets that make up the pension assets at present and in future.

g) Calculation basis of actuarial gains and losses

Major assumptions of basis of actuarial calculation as of March 31, 2025 and 2026 were as follows:

	As of March 31,	
	2025	2026
Discount rate	1.42%	3.01%
Expected long-term rate of return		
Defined benefit corporate pension	1.40%	1.40%
Employee pension trust	0.00%	0.00%

(3) Defined Contribution Plans

Required amount of contribution to defined contribution plans for the fiscal year ended March 31, 2025 and 2026 were ¥1,740 million and ¥1,739 million(US\$10 million), respectively.

34. Commitment Line

As of March 31, 2025 and 2026, there were unused commitment line agreements under which the Company was the lenders, of ¥31,543 million and ¥21,902 million(US\$136 million), respectively.

35. Subordinated Debt

As of March 31, 2025 and 2026, long-term debt and other borrowings included subordinated debt of ¥390,600 million and ¥209,600 million(US\$1,310 million), respectively, whose repayment is subordinated to other obligations.

36. Bonds Payable

As of March 31, 2025 and 2026, bonds payable included foreign currency-denominated subordinated bonds of ¥576,780 million and ¥576,780 million(US\$3,607 million), respectively, whose repayment is subordinated to other obligations.

III. NOTES TO THE STATEMENT OF EARNINGS

1. **Accounting Policies for Premium and Other Income and Benefits and Claims**

(1) Premium and other income (excluding reinsurance income)

Premium and other income (excluding reinsurance income) is recorded for insurance contracts for which insurance premium has been received and the insurer's liability under the insurance contracts has commenced by the relevant amounts received.

Of premium and other income (excluding reinsurance income), the portion corresponding to the period that has yet to pass as of the end of the fiscal year is set aside as policy reserves in accordance with Article 69, Paragraph 1, Item 2 of the Ordinance for Enforcement of the Insurance Business Act.

(2) Reinsurance income

Reinsurance income is recorded as amounts equivalent to the portion reinsured under reinsurance contracts out of the amounts paid as claims, etc. under direct insurance contracts at the time when those claims, etc. are paid.

(3) Benefits and claims (excluding ceding reinsurance commissions)

Benefits and claims (excluding ceding reinsurance commissions) are recorded for contracts for which amounts calculated under policy conditions have been paid in the occurrence of insured events under the policy conditions by the relevant amounts paid.

In accordance with Article 117 of the Insurance Business Act, reserves for outstanding claims are set aside for claims, etc. for which the Company has a payment due but has not paid, or for which the occurrence of the insured events have not been reported but the Company finds that insured events have already occurred, as of the end of the fiscal year.

(4) Ceding reinsurance commissions

Ceding reinsurance commissions are recorded in agreed amounts in accordance with reinsurance contracts at the time either when insurance premiums under direct insurance contracts are received, or when the reinsurance contracts are entered into.

Part of policy reserves and reserves for outstanding claims corresponding to insurance contracts which have been reinsured is not set aside in accordance with Article 71, Paragraph 1 and Article 73, Paragraph 3 of the Ordinance for Enforcement of the Insurance Business Act.

2. **Revenues and Expenses from Transactions with Subsidiaries and Affiliated Companies**

The total amounts of revenues and expenses from transactions with subsidiaries and affiliated companies for the fiscal year ended March 31, 2025 were ¥16,434 million and ¥20,521 million, respectively.

The total amounts of revenues and expenses from transactions with subsidiaries and affiliated companies for the fiscal year ended March 31, 2026 were ¥23,905 million (US\$149 million) and ¥19,773 million (US\$123 million), respectively.

3. **Gains/Losses on Sale of Securities, Losses on Valuation of Securities**

Details of gains and losses on sale of securities, and losses on valuation of securities for the fiscal year ended March 31, 2025 were as follows:

Gains on sale of securities included gains on sale of domestic bonds, domestic stocks, and foreign securities of ¥11,202 million, ¥419,552 million and ¥121,128 million, respectively.

Losses on sale of securities included losses on sales of domestic bonds, domestic stocks and foreign securities of ¥246,001 million, ¥14,345 million and ¥114,930 million, respectively.

Losses on valuation of securities included losses on valuation of domestic stocks, foreign securities and other securities of ¥2,074 million, ¥1,022 million and ¥1,673 million, respectively.

Details of gains and losses on sale of securities, and losses on valuation of securities for the fiscal year ended March 31, 2026 were as follows:

Gains on sale of securities included gains on sale of domestic bonds, domestic stocks, foreign securities and other securities of ¥8,085 million (US\$50 million), ¥681,649 million (US\$4,263 million), ¥63,926 million (US\$399 million) and ¥350 million (US\$2 million), respectively.

Losses on sale of securities included losses on sales of domestic bonds, domestic stocks, foreign securities and other securities of ¥395,587 million (US\$2,474 million), ¥41,452 million (US\$259 million) and ¥50,597 million (US\$316 million) and ¥838 million (US\$5 million), respectively.

Losses on valuation of securities included losses on valuation of domestic stocks, foreign securities and other securities of ¥1,206 million (US\$7 million), ¥152 million (US\$0 million) and ¥2,002 million (US\$12 million), respectively.

4. **Policy Reserves for Ceded Reinsurance**

In calculating the reversal for reserves for outstanding claims, a provision for reserves for outstanding claims reinsured of ¥1 million was added. In calculating the reversal for policy reserves, a provision for reserves for policy reserves reinsured of ¥129,969 million was added, during the fiscal year ended March 31, 2025.

In calculating the reversal for reserves for outstanding claims, a reversal for reserves for outstanding claims reinsured of ¥1 million (US\$0 million) was deducted. In calculating the reversal of policy reserves, a provision for reserves for policy reserves reinsured of ¥79,336 million (US\$496 million) was added, during the fiscal year ended March 31, 2026.

5. **Gains/Losses on Money Held in Trust**

Losses on money held in trust included losses on valuation of securities of ¥1,079 million for the fiscal year ended March 31, 2025, and gains on money held in trust included gains on valuation of securities of ¥18 million (US\$0 million) for the fiscal year ended March 31, 2026.

6. **Derivative Transaction Gains/Losses**

Derivative transaction losses included gains on valuation of ¥26,737 million for the fiscal year ended March 31, 2025, and losses on valuation of ¥403 million (US\$2 million) for the fiscal year ended March 31, 2026.

7. **Net Income per Share**

Net income per share for the fiscal year ended March 31, 2025 and 2026 were ¥50,910,366.88 and ¥62,975,944.27 (US\$393,895), respectively. Diluted net income per share for the same period is not presented because there were no existing diluted shares.

8. **Impairment Losses on Fixed Assets**

Details of impairment losses on fixed assets for the fiscal year ended March 31, 2025 and 2026 were as follows:

(1) Method of Grouping Assets

Real estate and other assets used for insurance business purposes are recognized as one asset group. Each property for rent and property not in use, which is not used for insurance business purposes, is deemed to be an independent asset group.

(2) Background for Recognition of Impairment Losses

As a result of significant declines in profitability or market value of some asset groups, the Company wrote down the book value of these assets to the recoverable value, and reported such write-off as impairment losses in extraordinary losses.

(3) Breakdown of Impairment Losses

Impairment losses by asset group for the fiscal year ended March 31, 2025 were as follows:

Asset Group	Place	Number	Impairment Losses		
			Land	Buildings	Total
(Unit: million yen)					
Real estate for rent	Asahikawa city,Hokkaido and others	25	1,455	788	2,243
Total		25	1,455	788	2,243

Impairment losses by asset group for the fiscal year ended March 31, 2026 were as follows:

Asset Group	Place	Number	Impairment Losses					
			Land	Buildings	Total	Land	Buildings	Total
			(Unit: million yen)			(Unit: million US dollars)		
Real estate for rent	Toyama city,Toyama prefecture	1	252	285	538	1	1	3
Real estate not in use	Chuo-ku Tokyo and others	16	861	364	1,225	5	2	7
Total		17	1,114	650	1,764	6	4	11

(4) Calculation of Recoverable Value

Value in use or net sale value is used as the recoverable value of real estate for rent, and net sale value is used as the recoverable value of real estate not in use. Discount rates of 1.85% and 1.81% for the fiscal year ended March 31, 2025 and 2026, respectively, were applied for discounting future cash flows in the calculation of value in use. Estimated disposal value, appraisal value based on real estate appraisal standards, or appraisal value based on publicly assessed land value for tax purposes was used as the net sale value.

9. Transactions with Related Parties

Matters with regard to related party transactions for the fiscal year ended March 31, 2025 were as follows:

Category	Name of company	Owned percentage	Relationship	Description of transaction	Transaction amount (million yen)	Items	Balance at the end of the fiscal year (million yen)
Parent company	Dai-ichi Life Holdings, Inc.	Direct 100%	Lending of funds; Interlocking Directors, etc.	Lending of funds (※)	396,230		
				Collection of funds	177,267	Ordinary loans	530,762
				Receiving interest (※)	4,149	Accrued revenue	2,484

(※) Determined in consideration of market interest rates.

Matters with regard to related party transactions for the fiscal year ended March 31, 2026 were as follows:

Category	Name of company	Owned percentage	Relationship	Description of transaction	Transaction amount	
					(Unit: million yen)	(Unit: million US dollars)
Parent company	Dai-ichi Life Holdings, Inc.	Direct 100%	Lending of funds; Interlocking Directors, etc.	Lending of funds (※)	-	-
				Collection of funds	7,267	45
				Receiving interest (※)	11,426	71

Items	Balance at the end of the fiscal year	
	(Unit: million yen)	(Unit: million US dollars)
Ordinary loans	523,495	3,274
Accrued revenue	2,828	17

(※) Determined in consideration of market interest rates.

IV. NOTES TO THE STATEMENT OF CASH FLOWS

1. Scope of Cash and Cash Equivalents

Cash and cash equivalents in the statement of cash flows consist of cash on hand, demand deposits and short-term investments with a maturity of three months or less from the date of acquisition, which are readily convertible into cash and have an insignificant risk of changes in value.

2. Comparative information

Comparative information for the statement of cash flows is not presented because a statement of cash flows for the fiscal year ended March 31, 2025 was not prepared in accordance with the provisions set forth in the Insurance Business Act and its related accounting regulations.

V. NOTES TO THE STATEMENT OF CHANGES IN NET ASSETS

1. For the Year Ended March 31, 2025

(1) Type and Number of Shares Outstanding

(Unit: thousands of shares)

	At the beginning of the fiscal year	Increase during the fiscal year	Decrease during the fiscal year	At the end of the fiscal year
Common Stock	6	-	-	6

(2) Dividends on Common Stock

a) Dividends paid

i) Cash Dividends

Date of resolution June 19, 2024 (at the Annual General Meeting of Shareholders)

Type of shares Common stock

Total dividends ¥203,881 million

Dividends per share ¥33,980,300

Record date March 31, 2024

Effective date June 20, 2024

Dividend resource Retained earnings

Date of resolution November 13, 2024 (at the Board Meeting)

Type of shares Common stock

Total dividends ¥49,999 million

Dividends per share ¥8,333,300

Record date September 30, 2024

Effective date December 2, 2024

Dividend resource Capital surplus

b) Dividends, the record date of which was March 31, 2025, to be paid out after March 31, 2025

i) Cash Dividends

Date of resolution June 18, 2025 (at the Annual General Meeting of Shareholders)

Type of shares Common stock

Total dividends ¥237,052 million

Dividends per share ¥39,508,800

Record date March 31, 2025

Effective date June 19, 2025

Dividend resource Retained earnings

ii) Dividends in Kind

Date of resolution June 18, 2025 (at the Annual General Meeting of Shareholders)

Type of shares Common stock

Type of the dividend
property Securities

Book value of the
dividend property ¥15,357 million

Dividends per share ¥2,559,553

Record date March 31, 2025

Effective date June 26, 2025

Dividend resource Capital surplus

2. For the Year Ended March 31, 2026

(1) Type and Number of Shares Outstanding

(Unit: thousands of shares)

	At the beginning of the fiscal year	Increase during the fiscal year	Decrease during the fiscal year	At the end of the fiscal year
Common Stock	6	-	-	6

(2) Dividends on Common Stock

a) Dividends paid

i) Cash Dividends

Date of resolution	June 18, 2025 (at the Annual General Meeting of Shareholders)
Type of shares	Common stock
Total dividends	¥237,052 million (US\$1,482 million)
Dividends per share	¥39,508,800 (US\$247,115)
Record date	March 31, 2025
Effective date	June 19, 2025
Dividend resource	Retained earnings

Date of resolution	November 13, 2025 (at the Board Meeting)
Type of shares	Common stock
Total dividends	¥49,999 million (US\$312 million)
Dividends per share	¥8,333,300 (US\$52,122)
Record date	September 30, 2025
Effective date	December 1, 2025
Dividend resource	Retained earnings

ii) Dividends in Kind

Date of resolution	June 18, 2025 (at the Annual General Meeting of Shareholders)
Type of shares	Common stock
Type of the dividend property	Securities
Book value of the dividend property	¥15,357 million (US\$96 million)
Dividends per share	¥2,559,553 (US\$16,009)
Record date	March 31, 2025
Effective date	June 26, 2025
Dividend resource	Capital surplus

b) Dividends, the record date of which was March 31, 2026, to be paid out after March 31, 2026

Date of resolution	June 17, 2026 (at the Annual General Meeting of Shareholders)
Type of shares	Common stock
Total dividends	¥327,855 million (US\$2,050 million)
Dividends per share	¥54,642,600 (US\$341,772)
Record date	March 31, 2026
Effective date	June 18, 2026
Dividend resource	Retained earnings

Independent Auditor's Report

To the Board of Directors of Daiichi Life Insurance Co., Ltd.:

Opinion

We have audited the accompanying financial statements of Daiichi Life Insurance Co., Ltd. ("the Company"), which comprise the balance sheet as at March 31, 2026, the statement of earnings, the statement of cash flows and the statement of changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2026, and its financial performance and its cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements in Japan (including those that are relevant to our audit of the financial statements of public interest entities), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the information included in the disclosure documents that contain or accompany the audited financial statements, but does not include the financial statements and our auditor's report thereon.

We do not perform any work on the other information as we determine such information does not exist.

Responsibilities of Management and Audit and Supervisory Board Members and the Audit and Supervisory Board for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit and Supervisory Board Members and the Audit and Supervisory Board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in

accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit and Supervisory Board Members and the Audit and Supervisory Board regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Convenience Translation

The U.S. dollar amounts in the accompanying financial statements with respect to the year ended March 31, 2026 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note I to the financial statements.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Isao Kamizuka
Designated Engagement Partner
Certified Public Accountant

Hatsumi Fujiwara
Designated Engagement Partner
Certified Public Accountant

Yuta Kasuga
Designated Engagement Partner
Certified Public Accountant

KPMG AZSA LLC
Tokyo Office, Japan
September 28, 2026

Solvency Margin Ratio

This information is not presented due to the application of transitional provisions under the relevant laws and regulations associated with the introduction of economic value-based solvency regulations. It is scheduled to be disclosed in a supplementary edition to be published in October 2026.