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## Financial Results for the Fiscal Year Ended March 31, 2026

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Daiichi Life Insurance Co., Ltd. (the "Company"; President: Toshiaki Sumino) announces its financial results for the fiscal year ended March 31, 2026.

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Attached: Supplementary Materials for the Fiscal Year Ended March 31, 2026.

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Please note that this is an unofficial translation of the original disclosure in Japanese.

# 1. Business Highlights

## (1) Annualized Net Premium

### Policies in Force

(billions of yen)

	As of March 31, 2025		As of March 31, 2026	
		% of March 31, 2024 total		% of March 31, 2025 total
Individual insurance	1,371.1	97.3	1,339.8	97.7
Individual annuities	573.8	106.1	622.1	108.4
Total	1,944.9	99.8	1,962.0	100.9
Medical and survival benefits	691.3	100.1	688.4	99.6

### New Policies

(billions of yen)

	As of March 31, 2025		As of March 31, 2026	
		% of March 31, 2024 total		% of March 31, 2025 total
Individual insurance	50.4	135.9	55.2	109.6
Individual annuities	45.5	222.6	60.3	132.5
Total	95.9	166.7	115.6	120.5
Medical and survival benefits	39.3	146.6	43.1	109.5

Note: 1. Annualized net premiums are calculated by using multipliers for various premium payment terms to the premium per payment. In single premium contracts, the amount is calculated by dividing the premium by the duration of the policy.

2. Annualized net premiums for medical and survival benefits include (a) premiums related to medical benefits such as hospitalization and surgery benefits, (b) premiums related to survival benefits such as specific illness and nursing benefits, and (c) premiums related to premium waiver benefits, in which disability cause is excluded but causes such as specific illness and nursing care are included.

3. "New policies" include net increase by conversion.

## (2) Sum Insured of Policies in Force and New Policies

### Policies in Force

	As of March 31, 2025			
	Number of policies		Amount	
	(thousands)	% of March 31, 2024 total	(billions of yen)	% of March 31, 2024 total
Individual insurance	22,634	100.9	66,728.8	96.0
Individual annuities	2,268	106.9	11,361.7	107.9
Individual insurance and annuities	24,902	101.4	78,090.5	97.6
Group insurance	-	-	47,358.0	97.8
Group annuities	-	-	5,899.1	95.6

	As of March 31, 2026			
	Number of policies		Amount	
	(thousands)	% of March 31, 2025 total	(billions of yen)	% of March 31, 2025 total
Individual insurance	22,899	101.2	64,067.8	96.0
Individual annuities	2,431	107.2	12,309.6	108.3
Individual insurance and annuities	25,330	101.7	76,377.4	97.8
Group insurance	-	-	46,897.3	99.0
Group annuities	-	-	5,814.7	98.6

Note: 1. Policy amount in force of individual annuities is equal to (a) the funds to be held at the time annuity payments are to commence for an annuity for which payment has not yet commenced, and (b) the amount of policy reserve for an annuity for which payments have commenced.

2. Policy amount in force of group annuities is equal to the amount of outstanding corresponding policy reserve.

3. In terms of the number of policies, each life insurance product in a policy is counted as one for policies packaged by multiple life insurance products issued since April 2018.

### New Policies

	Year ended March 31, 2025					
	Number of policies		Amount			
	(thousands)	% of March 31, 2024 total	(billions of yen)	New Business	Net increase by conversion	% of March 31, 2024 total
Individual insurance	2,268	110.8	1,948.6	1,694.7	253.9	117.6
Individual annuities	260	174.4	1,365.1	1,450.8	(85.7)	247.8
Individual insurance and annuities	2,528	115.1	3,313.7	3,145.5	168.2	150.1
Group insurance	-	-	89.7	89.7	-	33.0
Group annuities	-	-	0.0	0.0	-	522.7

	Year ended March 31, 2026					
	Number of policies		Amount			
	(thousands)	% of March 31, 2025 total	(billions of yen)	New Business	Net increase by conversion	% of March 31, 2025 total
Individual insurance	2,578	113.7	1,851.2	1,683.5	167.7	95.0
Individual annuities	275	106.0	1,530.1	1,581.5	(51.4)	112.1
Individual insurance and annuities	2,854	112.9	3,381.3	3,265.0	116.3	102.0
Group insurance	-	-	219.0	219.0	-	244.2
Group annuities	-	-	0.3	0.3	-	1,285.6

Note: 1. Number of new policies is the sum of new business and policies after conversion.

2. Amount of new policies for individual annuities, both new business and net increase by conversion, is equal to the funds to be held at the time annuity payments are to commence.

3. Amount of new policies for group annuities is equal to the initial premium payment.

4. In terms of the number of policies, each life insurance product in a policy is counted as one for policies packaged by multiple life insurance products issued since April 2018.

## **2. Investment of General Account Assets in Fiscal 2025**

### (1) Investment Status of Assets in Fiscal 2025

#### ① Operational environment

In fiscal 2025, the Japanese economy remained on a moderate recovery path. Although steady wage increases amid structural labor shortages supported personal consumption, growth in real wages lagged behind due to persistent inflationary pressures.

Overseas, the impact of the U.S. tariff policies on individual countries' economies remained limited. Against a backdrop of easing inflation, the U.S. economy continued to lead global growth, supported by a resilient employment and income environment.

Amid these economic conditions, the operational environment was as follows.

#### <Domestic interest rates>

The yield on 10-year Japanese government bonds (JGBs) rose to the 2.3% range, reflecting expectations of policy rate hikes by the Bank of Japan (BOJ) as well as speculation regarding expansionary fiscal policies under the new administration.

Yield on ten-year government bonds:	April 1, 2025	1.485%
	March 31, 2026	2.355%

#### <Domestic stocks>

The Nikkei 225 Stock Average experienced periods of decline due to uncertainty surrounding the impact of U.S. tariff policies on global economies. However, supported by strong corporate earnings, expanding demand related to generative AI, and growing expectations for the new administration's proactive fiscal policies, the index climbed to record-high levels.

Nikkei 225 Stock Average:	April 1, 2025	¥35,617
	March 31, 2026	¥51,063
TOPIX:	April 1, 2025	2,658
	March 31, 2026	3,497

#### <Currency>

With respect to the JPY/USD rate, the yen weakened against the U.S. dollar amid heightened volatility. Although the interest rate differential between Japan and the U.S. narrowed due to gradual policy rate cuts by the Federal Reserve Bank and policy rate hikes by the BOJ, Japan's persistently low real interest rates remained a source of depreciation pressure on the yen.

Regarding the JPY/EUR rate, the yen depreciated against the euro amid heightened volatility. Although inflation moderated amid stabilizing energy and food prices and the European Central Bank implemented policy rate cuts, relatively low domestic real interest rates in Japan remained a source of depreciation pressure on the yen.

JPY /USD:	April 1, 2025	¥149.52
	March 31, 2026	¥159.88
JPY/EUR:	April 1, 2025	¥162.08
	March 31, 2026	¥183.41

## ② Investment Performance Overview

### <Assets>

Regarding asset management in fiscal 2025, the Company kept to an investment strategy focused mainly on investing in fixed income assets, such as public and corporate bonds, based on our risk-taking policy and medium- to long-term asset management policy. In particular, to ensure financial soundness against fluctuations in financial markets and improve capital efficiency, we sold stocks and implemented replacements of policy-reserve-matching bonds, mainly focusing on ultra-long-term government bonds, to reduce market risks such as interest rate risk and stock-related risk. With regard to risk-weighted assets such as foreign securities, the Company flexibly and rapidly allocated funds while keeping an eye on market trends. Furthermore, we promoted investments in infrastructure, alternative assets and real assets aimed at improving the profitability of our portfolio and diversifying our investments.

Assets	Operational status
Bonds and debentures	<p><b>Decrease</b></p> <p>To reduce interest rate risk, we implemented replacement transactions and partial sales of policy - reserve - matching bonds, mainly ultra - long - term JGBs, resulting in a decrease in the balance. Regarding credit risk assets such as corporate bonds and securitized products, the balance declined due to strengthened credit selection based on risk - commensurate credit spreads and enhanced issue diversification.</p>
Loans receivable	<p><b>Decrease</b></p> <p>We decreased our balance, although selective new loans were executed. New loans were implemented to earn excess returns commensurate with credit risk and fair spread compared with the corporate bond market.</p>
Domestic stocks	<p><b>Increase</b></p> <p>We increased our balance due to higher stock prices, although we continued to sell equities to promote a reduction in equity risk. At the same time, we invested in sectors and companies for which medium- to long-term growth is expected based on our due diligence.</p>
Foreign bonds and debentures	<p><b>Decrease</b></p> <p>We decreased our balance by selling assets based on market trends related to interest rates and foreign exchange rates both in Japan and overseas. We also improved our investment efficiency by diversifying bond types and currencies to control risk.</p>
Foreign Stocks	<p><b>Increase</b></p> <p>We increased our balance as a result of flexible allocation while keeping an eye on market trends. In addition, we strengthened diversification by utilizing both in-house management and external asset management companies, diversifying managers, investment styles, and regions.</p>
Real estate	<p><b>Decrease</b></p> <p>We decreased our balance overall, although we promoted selective investments in new properties and diversification of property uses. We also worked to improve the profitability and soundness of our portfolio by diversifying the usage of properties, investing in new properties including residential, commercial, and logistics properties, and by replacing properties based on occupancy status, regional characteristics, and construction age.</p>

(NOTE)Changes in each asset are based on the balance sheet value.

#### <Net investment income>

Investment income increased by JPY 274.5 billion from the previous fiscal year to JPY 1,622.7 billion, primarily due to an increase in interest and dividend income and gains on sales of securities. Investment expenses increased by JPY 124.6 billion from the previous fiscal year to JPY 676.6 billion, mainly reflecting an increase in losses on sales of securities.

As a result, net investment income in the general account increased by JPY 149.8 billion from the previous year to JPY 946.1 billion.

#### ③ Investment Outlook in Fiscal 2026

In fiscal 2026, the Japanese economy is expected to recover moderately. While prolonged higher crude oil prices caused by heightened tensions in the Middle East remain a risk factor, exports are expected to pick up against a backdrop of economic stabilization driven by cumulative interest rate cuts and tax reduction effects in the U.S. In addition, amid a recovery in corporate earnings and capital investment, real wages in Japan are expected to remain in positive territory, supported by wage increases and moderating inflation, resulting in personal consumption underpinning the economy and leading to a moderate recovery. As for overseas economies, they are expected to remain resilient, led by the U.S., where tax reduction policies are anticipated to underpin personal consumption and capital investment. However, it is necessary to pay attention to the increasing volatility of financial markets due to political events, geopolitical risks, and other factors in various countries.

#### <Domestic interest rates>

Domestic interest rates are expected to continue an upward trend amid expectations of policy rate hikes by the BOJ. However, it is also necessary to pay attention to the possibility of increased volatility due to changes in market expectations regarding the pace of policy rate hikes, as well as fluctuations in foreign exchange markets and rising inflation.

#### <Domestic stocks>

Domestic stocks may experience soft patches in the near term due to uncertainty surrounding the impact of prolonged higher crude oil prices caused by heightened tensions in the Middle East on corporate earnings. However, during the latter half of the fiscal year, domestic stocks are expected to trend firm, supported by easing uncertainty, solid corporate earnings, and fiscal policies under the current administration that support the economy.

#### < Currency>

The JPY/USD rate is expected to be influenced by monetary policy trends and economic outlooks in Japan and the U.S. While gradual policy rate hikes by the BOJ are expected to be a factor supporting yen appreciation, uncertainty surrounding U.S. monetary policy and downward pressure on the current account due to higher crude oil prices are also expected; therefore, the JPY/USD exchange rate is expected to remain relatively stable overall.

Similarly, the JPY/EUR rate is expected to be influenced by monetary policy trends in Japan and Europe, and it is necessary to pay attention to the possibility of increased volatility due to changes in Europe's political situation.

④ Investment Policy for Fiscal 2026

The Company will continue to invest in portfolios centered on fixed income assets such as public and corporate bonds based on our risk-taking policy and medium- to long-term investment policy. In addition, the Company will continue risk reduction efforts to ensure financial soundness against financial market fluctuations and improve capital efficiency. The Company will also actively invest in selective credit investments, investments in the infrastructure sector, alternative assets and real assets to ensure profitability and strengthen the diversification of portfolio.

Assets	Investment policy
Bonds and debentures	<p><b>Remain flat</b></p> <p>Stable management as a core asset for ALM will be maintained. Our policy is to reduce interest rate risk via cash flow matching through the redemption, reinvestment, and replacement of policy-reserve-matching bonds. We will also actively engage in infrastructure-related and other investments from the perspective of improving investment efficiency within fixed income assets.</p>
Loans receivable	<p><b>Increase</b></p> <p>Although we will continue to selectively respond to capital needs in growth areas, including structured finance, the balance is expected to increase as a result of ongoing new lending, despite redemptions and other factors. In addition, our policy is to engage in new lending by setting appropriate lending rates, while taking into account the analyses of borrowers' credit risks and credit spread trends in the corporate bond market.</p>
Domestic stocks	<p><b>Decrease</b></p> <p>Our policy is to decrease the balance through selling, aimed at reducing market risk associated with stockholdings. However, we also intend to flexibly control the amount depending on the level of stock prices, while at the same time implementing reallocation to industries and brands and venture investments based on growth potential and other factors.</p>
Foreign bonds and debentures	<p><b>Open foreign bonds: decrease,</b> <b>currency-hedged foreign bonds: remain flat</b></p> <p>The Company's policy is to reduce the balance of open foreign bonds based on our risk tolerance and exchange rate trends. We will also maintain the amount of currency-hedged foreign bonds in consideration of the difference between domestic and foreign interest rate.</p>
Foreign Stocks	<p><b>Increase</b></p> <p>While flexibly controlling the overall amount of foreign stocks based on risk tolerance and stock price trends, our policy is to accumulate alternative assets with the aim of securing profitability and diversifying the risk of our portfolio. We will also work to improve and stabilize the profitability of our portfolio while diversifying investment styles and geographically diversifying.</p>
Real estate	<p><b>Increase</b></p> <p>Our policy is to increase the amount due to new acquisitions of properties and others. In order to improve the profitability and soundness of our portfolio, we will strive to diversify the usage of properties by investing in new properties such as residence, data centers, and logistics, as well as to replace properties based on occupancy status, regional characteristics, construction age, and other factors.</p>

## (2) Investment Income (General account)

(millions of yen)

	Year ended March 31, 2025		Year ended March 31, 2026	
	Amount	%	Amount	%
Interest and dividends	770,273	57.1	811,710	50.0
Interest from bank deposits	679	0.1	1,224	0.1
Interest and dividends from securities	619,641	46.0	655,767	40.4
Interest from loans	68,072	5.0	74,130	4.6
Rental income	68,214	5.1	68,750	4.2
Other interest and dividends	13,666	1.0	11,837	0.7
Gains on trading account securities	-	-	-	-
Gains on money held in trust	-	-	70	0.0
Gains on investments in trading securities	-	-	-	-
Gains on sale of securities	551,883	40.9	754,013	46.5
Gains on sale of domestic bonds	11,202	0.8	8,085	0.5
Gains on sale of domestic stocks	419,552	31.1	681,649	42.0
Gains on sale of foreign securities	121,128	9.0	63,926	3.9
Others	-	-	350	0.0
Gains on redemption of securities	23,216	1.7	25,971	1.6
Derivative transaction gains	-	-	-	-
Foreign exchange gains	-	-	28,470	1.8
Reversal of reserve for possible loan losses	1,075	0.1	1,048	0.1
Reversal of reserve for possible investment losses	-	-	-	-
Other investment income	1,842	0.1	1,514	0.1
<b>Total</b>	<b>1,348,291</b>	<b>100.0</b>	<b>1,622,799</b>	<b>100.0</b>

## (3) Investment Expense (General account)

(millions of yen)

	Year ended March 31, 2025		Year ended March 31, 2026	
	Amount	%	Amount	%
Interest expenses	13,332	2.4	25,620	3.8
Losses on trading account securities	-	-	-	-
Losses on money held in trust	325	0.1	-	-
Losses on investments in trading securities	-	-	-	-
Losses on sale of securities	375,278	68.0	488,475	72.2
Losses on sale of domestic bonds	246,001	44.6	395,587	58.5
Losses on sale of domestic stocks	14,345	2.6	41,452	6.1
Losses on sale of foreign securities	114,930	20.8	50,597	7.5
Others	-	-	838	0.1
Losses on valuation of securities	4,770	0.9	3,362	0.5
Losses on valuation of domestic bonds	-	-	-	-
Losses on valuation of domestic stocks	2,074	0.4	1,206	0.2
Losses on valuation of foreign securities	1,022	0.2	152	0.0
Others	1,673	0.3	2,002	0.3
Losses on redemption of securities	10,458	1.9	29,244	4.3
Derivative transaction losses	14,687	2.7	40,016	5.9
Foreign exchange losses	54,183	9.8	-	-
Provision for reserve for possible loan losses	-	-	-	-
Provision for reserve for possible investment losses	292	0.1	24	0.0
Write-down of loans	38	0.0	42	0.0
Depreciation of real estate for rent and others	14,247	2.6	14,817	2.2
Other investment expenses	64,342	11.7	75,050	11.1
<b>Total</b>	<b>551,958</b>	<b>100.0</b>	<b>676,653</b>	<b>100.0</b>

## (4) Asset Composition

(millions of yen)

	As of March 31, 2025		As of March 31, 2026	
	Carrying amount	%	Carrying amount	%
Cash, deposits, and call loans	750,740	2.2	751,295	2.2
Securities repurchased under resale agreements	-	-	-	-
Deposit paid for securities borrowing transactions	-	-	-	-
Monetary claims bought	191,855	0.6	174,138	0.5
Trading account securities	-	-	-	-
Money held in trust	8,530	0.0	3,341	0.0
Securities	27,635,037	81.6	27,824,118	82.0
Domestic bonds	18,348,894	54.2	17,586,281	51.9
Domestic stocks	3,323,680	9.8	3,423,322	10.1
Foreign securities	4,751,704	14.0	5,158,212	15.2
Foreign bonds	3,184,892	9.4	3,390,655	10.0
Foreign stocks and other securities	1,566,811	4.6	1,767,556	5.2
Other securities	1,210,758	3.6	1,656,303	4.9
Loans	3,423,016	10.1	3,273,572	9.7
Policy loans	218,084	0.6	196,183	0.6
Ordinary loans	3,204,932	9.5	3,077,388	9.1
Real estate	1,205,850	3.6	1,174,208	3.5
Real estate for rent	930,027	2.7	904,432	2.7
Deferred tax assets	-	-	-	-
Others	640,420	1.9	717,544	2.1
Reserve for possible loan losses	(2,844)	(0.0)	(1,761)	(0.0)
Total	33,852,607	100.0	33,916,459	100.0
Foreign currency-denominated assets	4,342,373	12.8	4,586,237	13.5

Note: "Real estate" represents total amount of land, buildings and construction in progress.

(5) Other Information on Investments

A. Rates of return

(%)

	Year ended March 31, 2025	Year ended March 31, 2026
Cash, deposits, and call loans	0.12	0.93
Securities repurchased under resale agreements	-	-
Deposit paid for securities borrowing transactions	-	-
Monetary claims bought	1.43	0.43
Trading account securities	-	-
Money held in trust	(4.18)	2.99
Securities	2.93	3.47
Domestic bonds	0.26	(0.35)
Domestic stocks	42.31	72.61
Foreign securities	3.40	3.44
Foreign bonds	(0.01)	1.50
Foreign stocks and other securities	11.49	7.60
Loans	1.58	1.85
Ordinary loans	1.38	1.71
Real estate	2.89	2.76
Total	2.53	3.01
Foreign investments	3.10	3.42

Note: 1. Rates of return above are calculated by dividing the net investment income included in ordinary profit by the average daily balance on a book value basis.

2. "Foreign investments" include yen-denominated assets.

B. Average daily balance

(billions of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Cash, deposits, and call loans	817.0	614.2
Securities repurchased under resale agreements	-	-
Deposit paid for securities borrowing transactions	-	-
Monetary claims bought	205.3	192.6
Trading account securities	-	-
Money held in trust	7.7	2.3
Securities	24,895.9	24,857.8
Domestic bonds	18,092.4	18,129.7
Domestic stocks	1,152.8	1,010.9
Foreign securities	4,438.7	4,344.2
Foreign bonds	3,122.6	2,961.3
Foreign stocks and other securities	1,316.0	1,382.8
Loans	3,177.8	3,317.5
Ordinary loans	2,950.7	3,109.5
Real estate	895.4	942.2
Total	31,527.9	31,430.1
Foreign investments	5,360.3	5,313.5

Note: "Foreign investments" include yen-denominated assets.

### C. Valuation gains and losses on trading securities

(millions of yen)

	As of March 31, 2025		As of March 31, 2026	
	Carrying amount on the balance sheet	Valuation gains (losses) included in the statement of earnings	Carrying amount on the balance sheet	Valuation gains (losses) included in the statement of earnings
Trading securities	8,530	(1,079)	3,341	563
Trading account securities	-	-	-	-
Money held in trust	8,530	(1,079)	3,341	563

### D. Fair value information on securities (except for trading securities)

(millions of yen)

	Book value	Fair value	Gains (losses)		
			Gains	Losses	
As of March 31, 2025					
Held-to-maturity bonds	-	-	-	-	-
Domestic bonds	-	-	-	-	-
Foreign bonds	-	-	-	-	-
Policy-reserve-matching bonds	16,145,478	14,104,424	(2,041,053)	237,357	2,278,411
Domestic bonds	16,102,378	14,061,434	(2,040,944)	237,357	2,278,301
Foreign bonds	43,100	42,990	(109)	-	109
Stocks of subsidiaries and affiliates	-	-	-	-	-
Available-for-sale securities	8,049,461	10,534,867	2,485,406	2,678,950	193,543
Domestic bonds	2,250,755	2,246,516	(4,239)	59,020	63,259
Domestic stocks	1,036,061	3,276,249	2,240,187	2,255,711	15,523
Foreign securities	3,730,852	3,929,031	198,179	301,647	103,468
Foreign bonds	3,074,349	3,141,792	67,443	150,524	83,081
Foreign stocks and other securities	656,502	787,238	130,735	151,122	20,387
Other securities	743,336	800,225	56,889	61,723	4,834
Monetary claims bought	197,454	191,855	(5,599)	848	6,448
Certificates of deposit	91,000	90,990	(9)	-	9
Total	24,194,939	24,639,292	444,352	2,916,308	2,471,955
Domestic bonds	18,353,134	16,307,950	(2,045,183)	296,377	2,341,561
Domestic stocks	1,036,061	3,276,249	2,240,187	2,255,711	15,523
Foreign securities	3,773,952	3,972,021	198,069	301,647	103,578
Foreign bonds	3,117,449	3,184,782	67,333	150,524	83,191
Foreign stocks and other securities	656,502	787,238	130,735	151,122	20,387
Other securities	743,336	800,225	56,889	61,723	4,834
Monetary claims bought	197,454	191,855	(5,599)	848	6,448
Certificates of deposit	91,000	90,990	(9)	-	9
As of March 31, 2026					
Held-to-maturity bonds	-	-	-	-	-
Domestic bonds	-	-	-	-	-
Foreign bonds	-	-	-	-	-
Policy-reserve-matching bonds	15,489,435	11,778,783	(3,710,652)	29,387	3,740,039
Domestic bonds	15,479,035	11,768,391	(3,710,643)	29,387	3,740,031
Foreign bonds	10,400	10,391	(8)	-	8
Stocks of subsidiaries and affiliates	-	-	-	-	-
Available-for-sale securities	8,360,535	11,232,667	2,872,131	3,125,530	253,398
Domestic bonds	2,198,934	2,107,245	(91,688)	55,065	146,753
Domestic stocks	886,315	3,377,713	2,491,397	2,497,787	6,389
Foreign securities	3,875,115	4,228,616	353,500	433,497	79,996
Foreign bonds	3,232,082	3,380,255	148,173	217,304	69,130
Foreign stocks and other securities	643,033	848,360	205,327	216,192	10,865
Other securities	1,071,497	1,203,973	132,475	138,334	5,858
Monetary claims bought	187,673	174,138	(13,534)	846	14,380
Certificates of deposit	141,000	140,979	(20)	-	20
Total	23,849,971	23,011,450	(838,520)	3,154,917	3,993,437
Domestic bonds	17,677,969	13,875,637	(3,802,331)	84,452	3,886,784
Domestic stocks	886,315	3,377,713	2,491,397	2,497,787	6,389
Foreign securities	3,885,515	4,239,008	353,492	433,497	80,004
Foreign bonds	3,242,482	3,390,647	148,165	217,304	69,139
Foreign stocks and other securities	643,033	848,360	205,327	216,192	10,865
Other securities	1,071,497	1,203,973	132,475	138,334	5,858
Monetary claims bought	187,673	174,138	(13,534)	846	14,380
Certificates of deposit	141,000	140,979	(20)	-	20

Note:

- The table above includes assets which are considered appropriate to handle as securities as defined in the Financial Instruments and Exchange Act.
- Stocks and partnerships that do not have market value are excluded from this table.

\* Carrying amounts of securities without quoted market prices are as follows:

(millions of yen)

	As of March 31, 2025	As of March 31, 2026
Stocks of subsidiaries and affiliated companies	333,279	342,124
Available-for-sale securities	799,733	915,034
Domestic stocks	36,471	35,225
Foreign stocks	10,441	6,382
Others	752,820	873,426
Total	1,133,013	1,257,158

Note: 1. The table above includes assets which are considered appropriate to handle as securities as defined in the Financial Instruments and Exchange Act.  
2. The amounts of foreign exchange valuation gains (losses) on foreign securities without quoted market prices and which are listed in the table above are as follows: gain of 100,585 million yen as of March 31, 2025 and gain of 152,057 million yen as of March 31, 2026.

#### E. Fair Value Information on Money Held in Trust

(millions of yen)

	Carrying amount on the balance sheet	Fair value	Gains (losses)	Gains (losses)	
				Gains	Losses
As of March 31, 2025	8,530	8,530	8	1,796	1,788
As of March 31, 2026	3,341	3,341	1,476	1,478	2

Note: 1. Fair value in the table above is based on the valuation conducted by the fiduciary on a reasonable basis.  
2. "Gains (losses)" include gains (losses) from derivative transactions within the trusts.

- The ending balance was zero for held-to-maturity bonds, policy-reserve-matching bonds and other money held in trust as of March 31, 2025 and March 31, 2026.

### 3. Unaudited Balance Sheet

(millions of yen)

	As of March 31, 2025	As of March 31, 2026		As of March 31, 2025	As of March 31, 2026
(ASSETS)			(LIABILITIES)		
Cash and deposits	243,072	341,585	Policy reserves and others	28,891,029	28,454,942
Cash	0	-	Reserves for outstanding claims	181,307	172,338
Bank deposits	243,072	341,585	Policy reserves	28,277,671	27,844,746
Call loans	530,300	426,800	Reserve for policyholder dividends	432,050	437,856
Monetary claims bought	191,855	174,138	Reinsurance payable	478	985
Money held in trust	8,530	3,341	Bonds payable	576,780	576,780
Securities	28,729,468	28,912,500	Other liabilities	2,568,012	2,673,172
Government bonds	16,526,517	15,707,005	Payables under repurchase agreements	1,618,921	1,727,637
Local government bonds	121,949	125,674	Long-term debt and other borrowings	390,600	209,600
Corporate bonds	1,851,961	1,893,270	Corporate income tax payable	23,963	79,964
Stocks	3,497,888	3,633,646	Accounts payable	83,965	157,927
Foreign securities	5,288,264	5,686,474	Accrued expenses	91,778	61,450
Other securities	1,442,887	1,866,428	Unearned revenue	1,008	963
Loans	3,423,016	3,273,572	Deposits received	61,348	47,566
Policy loans	218,084	196,183	Guarantee deposits received	48,360	47,823
Ordinary loans	3,204,932	3,077,388	Derivatives	182,632	241,597
Tangible fixed assets	1,219,553	1,186,836	Collateral for financial instruments	46,892	86,860
Land	876,430	831,272	Lease liabilities	763	408
Buildings	320,937	342,132	Asset retirement obligations	1,982	2,428
Leased assets	8,105	6,454	Suspense receipt	1,794	1,737
Construction in progress	8,482	803	Other liabilities	14,003	7,208
Other tangible fixed assets	5,597	6,172	Reserve for employees' retirement benefits	325,173	284,646
Intangible fixed assets	119,718	118,146	Reserve for retirement benefits of directors, executive officers and corporate auditors	601	547
Software	94,574	92,456	Reserve for possible reimbursement of prescribed claims	1,300	1,600
Other intangible fixed assets	25,144	25,689	Reserve for price fluctuations	288,453	300,453
Reinsurance receivable	47,288	41,676	Deferred tax liabilities	57,112	166,211
Other assets	616,055	708,917	Deferred tax liabilities for land revaluation	69,806	68,547
Accounts receivable	58,744	86,062	Acceptances and guarantees	11,192	4
Prepaid expenses	19,650	19,592	<b>Total liabilities</b>	<b>32,789,940</b>	<b>32,527,891</b>
Accrued revenue	122,411	117,877	(NET ASSETS)		
Deposits	28,036	27,790	Capital stock	60,000	60,000
Margin money for futures trading	171,483	163,264	Capital surplus	198,560	183,203
Derivatives	52,610	50,913	Legal capital surplus	60,000	60,000
Collateral for financial products	8,475	33,830	Other capital surplus	138,560	123,203
Suspense payment	3,274	4,164	Retained earnings	322,655	408,447
Other assets	151,368	205,423	Other retained earnings	322,655	408,447
Customers' liabilities for acceptances and guarantees	11,192	4	Reserve for tax basis adjustments of real estate	12,153	11,774
Reserve for possible loan losses	(2,844)	(1,761)	Reserve for specified business investment	174	174
Reserve for possible investment losses	(427)	(450)	Retained earnings brought forward	310,327	396,498
			Total shareholders' equity	581,215	651,650
			Net unrealized gains (losses) on securities, net of tax	1,842,611	2,157,146
			Deferred hedge gains (losses)	(125,972)	(205,417)
			Reserve for land revaluation	48,984	54,036
			Total of valuation and translation adjustments	1,765,623	2,005,764
			<b>Total net assets</b>	<b>2,346,839</b>	<b>2,657,415</b>
<b>Total assets</b>	<b>35,136,780</b>	<b>35,185,307</b>	<b>Total liabilities and net assets</b>	<b>35,136,780</b>	<b>35,185,307</b>

#### 4. Unaudited Statement of Earnings

(millions of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
<b>ORDINARY REVENUES</b>	<b>4,414,950</b>	<b>4,699,157</b>
Premium and other income	2,138,358	2,288,434
Premium income	2,092,881	2,239,945
Reinsurance income	45,477	48,488
Investment income	1,351,945	1,732,100
Interest and dividends	770,273	811,710
Interest from bank deposits	679	1,224
Interest and dividends from securities	619,641	655,767
Interest from loans	68,072	74,130
Rental income	68,214	68,750
Other interest and dividends	13,666	11,837
Gains on money held in trust	-	70
Gains on sale of securities	551,883	754,013
Gains on redemption of securities	23,216	25,971
Foreign exchange gains	-	28,470
Reversal of reserve for possible loan losses	1,075	1,048
Other investment income	1,842	1,514
Gains on investments in separate accounts	3,653	109,300
Other ordinary revenues	924,646	678,623
Fund receipt for annuity rider of group insurance	356	303
Fund receipt for claim deposit payment	135,596	163,348
Reversal of reserves for outstanding claims	10,170	8,969
Transfer from policy reserves	697,203	432,924
Reversal of reserve for employees' retirement benefits	44,802	40,571
Other ordinary revenues	36,517	32,506
<b>ORDINARY EXPENSES</b>	<b>3,876,325</b>	<b>4,046,333</b>
Benefits and claims	2,663,072	2,690,573
Claims	653,289	630,807
Annuities	642,819	705,705
Benefits	493,058	514,990
Surrender values	655,978	608,067
Other refunds	90,869	138,240
Ceding reinsurance commissions	127,056	92,762
Provision for policy reserves and others	8,437	8,670
Provision for interest on policyholder dividends	8,437	8,670
Investment expenses	551,958	676,653
Interest expenses	13,332	25,620
Losses on money held in trust	325	-
Losses on sale of securities	375,278	488,475
Losses on valuation of securities	4,770	3,362
Losses on redemption of securities	10,458	29,244
Derivative transaction losses	14,687	40,016
Foreign exchange losses	54,183	-
Provision for reserve for possible investment losses	292	24
Write-down of loans	38	42
Depreciation of real estate for rent and others	14,247	14,817
Other investment expenses	64,342	75,050
Operating expenses	409,421	414,485
Other ordinary expenses	243,436	255,950
Claim deposit payments	153,183	166,746
National and local taxes	31,476	33,205
Depreciation	42,250	42,408
Other ordinary expenses	16,525	13,589
<b>ORDINARY PROFIT</b>	<b>538,624</b>	<b>652,824</b>
<b>EXTRAORDINARY GAINS</b>	<b>18,580</b>	<b>13,701</b>
Gains on disposal of fixed assets	18,580	13,701
<b>EXTRAORDINARY LOSSES</b>	<b>68,932</b>	<b>29,741</b>
Losses on disposal of fixed assets	25,751	15,932
Impairment losses on fixed assets	2,243	1,764
Provision for reserve for price fluctuations	12,000	12,000
Second career special support expenses	28,883	-
Other extraordinary losses	54	43
<b>Provision for reserve for policyholder dividends</b>	<b>100,000</b>	<b>107,500</b>
<b>Income before income taxes</b>	<b>388,272</b>	<b>529,284</b>
<b>Corporate income taxes-current</b>	<b>72,433</b>	<b>138,742</b>
<b>Corporate income taxes-deferred</b>	<b>10,376</b>	<b>12,686</b>
<b>Total of corporate income taxes</b>	<b>82,810</b>	<b>151,428</b>
<b>Net income</b>	<b>305,462</b>	<b>377,855</b>

## 5. Unaudited Statement of Changes in Net Assets

Year ended March 31, 2025

(millions of yen)

	Shareholders' equity						
	Capital stock	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings		
					Reserve for tax basis adjustments of real estate	Reserve for specified business investment	Retained earnings brought forward
Balance at the beginning of the year	60,000	60,000	188,560	248,560	10,858	299	232,926
Changes for the year							
Dividends			(49,999)	(49,999)			(203,881)
Net income							305,462
Transfer to reserve for tax basis adjustments of real estate					2,848		(2,848)
Transfer from reserve for tax basis adjustments of real estate					(1,553)		1,553
Transfer from reserve for specified business investment						(124)	124
Transfer from reserve for land revaluation							(23,010)
Net changes of items other than shareholders' equity							
Total changes for the year	-	-	(49,999)	(49,999)	1,294	(124)	77,400
Balance at the end of the year	60,000	60,000	138,560	198,560	12,153	174	310,327

(millions of yen)

	Shareholders' equity		Valuation and translation adjustments				Total net assets
	Retained earnings	Total shareholders' equity	Net unrealized gains (losses) on securities, net of tax	Deferred hedge gains (losses)	Reserve for land revaluation	Total of valuation and translation adjustments	
	Total retained earnings						
Balance at the beginning of the year	244,085	552,645	2,420,163	(103,039)	28,223	2,345,347	2,897,993
Changes for the year							
Dividends	(203,881)	(253,881)					(253,881)
Net income	305,462	305,462					305,462
Transfer to reserve for tax basis adjustments of real estate	-	-					-
Transfer from reserve for tax basis adjustments of real estate	-	-					-
Transfer from reserve for specified business investment	-	-					-
Transfer from reserve for land revaluation	(23,010)	(23,010)					(23,010)
Net changes of items other than shareholders' equity			(577,551)	(22,932)	20,760	(579,723)	(579,723)
Total changes for the year	78,570	28,570	(577,551)	(22,932)	20,760	(579,723)	(551,153)
Balance at the end of the year	322,655	581,215	1,842,611	(125,972)	48,984	1,765,623	2,346,839

Year ended March 31, 2026

(millions of yen)

	Shareholders' equity						
	Capital stock	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings		
					Reserve for tax basis adjustments of real estate	Reserve for specified business investment	Retained earnings brought forward
Balance at the beginning of the year	60,000	60,000	138,560	198,560	12,153	174	310,327
Changes for the year							
Dividends			(15,357)	(15,357)			(287,052)
Net income							377,855
Transfer to reserve for tax basis adjustments of real estate					788		(788)
Transfer from reserve for tax basis adjustments of real estate					(1,167)		1,167
Transfer from reserve for land revaluation							(5,010)
Net changes of items other than shareholders' equity							
Total changes for the year	-	-	(15,357)	(15,357)	(379)	-	86,171
Balance at the end of the year	60,000	60,000	123,203	183,203	11,774	174	396,498

(millions of yen)

	Shareholders' equity		Valuation and translation adjustments				Total net assets
	Retained earnings	Total shareholders' equity	Net unrealized gains (losses) on securities, net of tax	Deferred hedge gains (losses)	Reserve for land revaluation	Total of valuation and translation adjustments	
	Total retained earnings						
Balance at the beginning of the year	322,655	581,215	1,842,611	(125,972)	48,984	1,765,623	2,346,839
Changes for the year							
Dividends	(287,052)	(302,409)					(302,409)
Net income	377,855	377,855					377,855
Transfer to reserve for tax basis adjustments of real estate	-	-					-
Transfer from reserve for tax basis adjustments of real estate	-	-					-
Transfer from reserve for land revaluation	(5,010)	(5,010)					(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	85,792	70,434	314,534	(79,444)	5,051	240,141	310,576
Balance at the end of the year	408,447	651,650	2,157,146	(205,417)	54,036	2,005,764	2,657,415

## **I. NOTES TO THE UNAUDITED BALANCE SHEET AS OF MARCH 31, 2026**

### **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 of the Company 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, 2026 was ¥556,751million.

## **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, 2026 was ¥1 million.

#### **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 Classified Committee Practical Guideline No. 26 issued by the 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 of the Company 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:

- a) 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).
- b) 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 some 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 have not been reported but the Company finds that insured events have already occurred; hereinafter the same) provided by the company that operate 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. Unapplied Accounting Standards**

Matters related to accounting standards, etc. that have not yet been applied are as follows.

- "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

(1) Overview

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

(2) Planned application date

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

(3) Impact of application of the said accounting standards, etc.

The impact of application of the said accounting standards, etc. is currently being evaluated.

## **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 and supplement its investment objectives to the extent necessary, 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, 2026 were as follows.

As of March 31, 2026	Carrying amount	Fair value	Gains (Losses)
			(Unit: million yen)
(1) Call loans	426,800	426,800	
(2) Monetary claims bought	174,138	174,138	-
(3) Money held in trust	3,341	3,341	-
(4) Securities (*2)(*3)			
a. Trading securities	1,088,381	1,088,381	-
b. Policy -reserve-matching bonds	15,489,435	11,778,783	(3,710,652)
c. Available-for-sale securities	10,917,549	10,917,549	-
(5) Loans	3,273,572	-	
Reserve for possible loan losses (*4)	(1,183)	-	
	3,272,388	2,998,277	(274,111)
<b>Total assets</b>	<b>31,372,034</b>	<b>27,387,270</b>	<b>(3,984,763)</b>
(1) Bonds payable	576,780	578,714	1,934
(2) Payable under repurchase agreements	1,727,637	1,727,778	141
(3) Long-term borrowings	209,600	199,088	(10,511)
<b>Total liabilities</b>	<b>2,514,017</b>	<b>2,505,581</b>	<b>(8,435)</b>
Derivative transactions (*5)			
a. Hedge accounting not applied	25,157	25,157	-
b. Hedge accounting applied	[215,841]	[214,462]	1,378
<b>Total derivative transactions</b>	<b>[190,684]</b>	<b>[189,305]</b>	<b>1,378</b>

(\*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)
1. Stocks with no market price, etc. (*a)(*c) .....	54,254
2. Ownership stakes in partnerships, etc. (*b)(*c).....	1,362,879
Total	1,417,134

(\*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 ¥1,302 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, 2026	Level 1	Level 2	Level 3	Total (Unit: million yen)
Monetary claims bought	-	9,817	164,321	174,138
Money held in trust(*1)	-	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
<b>Total assets</b>	<b>5,356,061</b>	<b>6,292,750</b>	<b>444,899</b>	<b>12,093,711</b>
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
<b>Total liabilities</b>	<b>7,152</b>	<b>234,445</b>	<b>-</b>	<b>241,597</b>

(\*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. 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, 2026	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	-	1,378	-	1,378
<b>Total assets</b>	<b>11,326,147</b>	<b>880,814</b>	<b>2,998,277</b>	<b>15,205,238</b>
Bonds payable	-	578,714	-	578,714
Payable under repurchase agreements	-	1,727,778	-	1,727,778
Long-term borrowings	-	-	199,088	199,088
<b>Total liabilities</b>	<b>-</b>	<b>2,306,492</b>	<b>199,088</b>	<b>2,505,581</b>

(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 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.

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.

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.

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.

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

##### 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.

##### 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.

##### 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, 2026	Beginning balance	Gains /losses net unrealized gains or losses on available-for-sale securities				Transfer to Level 3 Market Value (*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
		Gain/Loss recorded in statement of earnings (*1)	Net unrealized gains or losses on available-for-sale securities	Variable amount (net amount) by purchase, sale, issue and settlement				
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	-	

(\*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 price 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, 2026 was ¥26,033 million. 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, 2026 was ¥1,923 million. Impairment losses on rental real estate as extraordinary losses for the fiscal year ended March 31, 2026 was ¥1,514 million.

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

Carrying amount	(Unit: million yen)
Beginning balance	954,461
Net change for the year	(25,915)
Ending balance	928,546
Fair value	1,360,484

(\*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 ¥49,014 million, sale of the real estate of ¥61,449 million, depreciation expense of ¥14,756 million, and impairment loss of ¥1,514 million.

(\*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, 2026 was ¥2,605,793 million.

## 21. Risk-managed claims

As of March 31, 2026, 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:

	(Unit: million yen)
Claims against bankrupt and quasi-bankrupt obligors (*1).....	55
Claims with collection risk (*2).....	7,283
Claims that are overdue for three months or more (*3).....	-
Claims with repayment relaxation (*4).....	-
<hr/> Total .....	<hr/> 7,339

(\*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 in against bankrupt and quasi-bankrupt obligors was ¥1 million.

## 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 was ¥1,642,897 million. 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, 2026 were ¥530,812 million and ¥161,733 million, respectively.

## 24. Deferred Tax Accounting

(1) Major components of deferred tax assets and liabilities as of March 31, 2026

	(Unit: million yen)
Deferred tax assets:	
Policy reserves and others .....	430,093
Reserve for employees' retirement benefits .....	107,005
Reserve for price fluctuations .....	86,710
Deferred hedge losses .....	83,333
Employee pension trust .....	21,175
Others .....	29,007
<hr/> Subtotal .....	<hr/> 757,325
Valuation allowances .....	(32,811)
<hr/> Total .....	<hr/> 724,514
Deferred tax liabilities:	
Net unrealized gains on securities, net of tax .....	(865,027)
Reserve for tax basis adjustments of real estate .....	(10,802)
Accrued dividend receivables .....	(9,784)
Others .....	(5,111)
<hr/> Total .....	<hr/> (890,725)
<hr/> Net deferred tax liabilities .....	<hr/> (166,211)

(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, 2026.

Statutory effective tax rate .....	27.93%
(Adjustment)	
Change in valuation allowance .....	1.35%
others .....	(0.67%)
Effective tax rate after application of tax effect accounting .....	28.61%

(3) Calculation of 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 deferred tax accounting in accordance with Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System (ASBJ PITF No. 42, 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

Guarantee for debt obligations of a separate company were as follows:

	(Unit: million yen)
Dai-ichi Life Holdings, Inc. ....	250,002

## 26. Changes in Reserve for Policyholder Dividends

Changes in reserve for policyholder dividends were as follows:

	(Unit: million yen)
Balance at the beginning of the fiscal year.....	432,050
Dividends paid during the fiscal year.....	(110,364)
Interest accrual during the fiscal year.....	8,670
Provision for reserve for policy holder dividends.....	107,500
Balance at the end of the fiscal year.....	437,856

## 27. Stock of Subsidiaries and Affiliated Companies

The amount of stocks of subsidiaries and affiliated companies of the Company held as of March 31, 2026 was ¥342,124 million.

## 28. Organizational Change Surplus

As of March 31, 2026, the amount of organizational change surplus stipulated in Article 91 of the Insurance Business Act was ¥117,776 million.

## 29. Assets Pledged as Collateral / Secured Liabilities

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

	(Unit: million yen)
Securities .....	2,637,580
Cash and deposits .....	87
Assets pledged as collateral .....	2,637,668

The amounts of secured liabilities were as follows:

	(Unit: million yen)
Payables under repurchase agreements .....	1,727,637

The amounts of “Securities” sold under repurchase agreements as of March 31, 2026 was ¥2,238,867.

## 30. Reinsurance

The amount 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” ), was zero. The amount of policy reserves provided for reinsured parts defined in Article 71, Paragraph 1 of the Ordinance (hereinafter “policy reserves reinsured” ) was ¥1,283,180 million.

### 31. Net Assets per Share

The amount of net assets per share of the Company as of March 31, 2026 was ¥442,902,617.03.

### 32. Securities Borrowing

As of March 31, 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 was ¥65,346 million.

### 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

(Unit: million yen)

a.	Beginning balance of the projected benefit obligations	535,253
b.	Service cost	16,024
c.	Interest cost	7,589
d.	Accruals of actuarial (gains) and losses	(75,768)
e.	Payment of retirement benefits	(36,794)
f.	Others	(641)
g.	Ending balance of the projected benefit obligation (a + b + c + d + e + f)	445,662

##### b) Reconciliations of beginning and ending balances of pension assets

(Unit: million yen)

a.	Beginning balance of pension assets	385,120
b.	Estimated return on assets	1,842
c.	Accruals of actuarial (gains) and losses	52,011
d.	Contribution from the employer	4,834
e.	Payment of retirement benefits	(9,021)
f.	Ending balance of pension assets (a + b + c + d + e)	434,787

##### 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

(Unit: million yen)

a.	Project benefit obligation for funded pensions	232,905
b.	Pension assets	(434,787)
c.	Subtotal (a+b)	(201,882)
d.	Project benefit obligation for unfunded pensions	212,757
e.	Unrecognized actuarial differences	274,261
f.	Unrecognized Past Service Cost	(489)
g.	Reserve for employees' retirement benefits(c + d + e + f)	284,646

##### d) Amount of the components of retirement benefit expenses

(Unit: million yen)

a.	Service Cost	16,024
b.	Interest Cost	7,589
c.	Expected return on assets	(1,842)
d.	Amortization of unrecognized actuarial differences	(28,977)
e.	Amortization of unrecognized Past Service cost	179
f.	Others	43
g.	Retirement benefit expenses for defined benefit plans(a+b+c+d+e+f)	(6,982)

e) The main components of the pension assets

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

Stocks .....	56%
Bonds .....	25%
Asset under joint management .....	8%
Life insurance general accounts .....	8%
Others .....	3%
Total .....	100%

The proportion of retirement benefit trust that has been set for the unfunded retirement benefit plans to total pension assets as of March 31, 2026 was 69%.

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, 2026 were as follows:

Discount rate .....	3.01%
Expected long-term rate of return	
Defined benefit corporate pension .....	1.40%
Employee pension trust .....	0.00%

(3) Defined Contribution Plans

Required amount of contribution to defined contribution plans for the fiscal year ended March 31, 2026 was ¥1,739 million.

**34. Commitment Line**

As of March 31, 2026, there were unused commitment line agreements under which the Company was the lender of ¥21,902 million.

**35. Subordinated Debt**

As of March 31, 2026, long-term debt and other borrowings included subordinated debt of ¥209,600 million, whose repayment is subordinated to other obligations.

**36. Bonds Payable**

As of March 31, 2026, bonds payable included foreign currency-denominated subordinated bonds of ¥576,780 million; whose repayment is subordinated to other obligations.

## **II. NOTES TO THE UNAUDITED STATEMENT OF EARNINGS FOR THE FISCAL YEAR ENDED MARCH 31, 2026**

### **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 were ¥23,905 million and ¥19,773 million, respectively.

### **3. Gains/Losses on Sale of Securities, Losses on Valuation of Securities**

Gains on sale of securities included gains on sale of domestic bonds, domestic stocks, foreign securities and other securities of ¥8,085 million, ¥681,649 million, ¥63,926 million and ¥350 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, ¥41,452 million, ¥50,597 million and ¥838 million, respectively.

Losses on valuation of securities included losses on valuation of domestic stocks, foreign securities and other securities of ¥1,206 million, ¥152 million and ¥2,002 million, respectively.

### **4. Reinsurance**

In calculating the reversal for reserves for outstanding claims, a reversal for reserves for outstanding claims reinsured of ¥1 million was deducted. In calculating the reversal of policy reserves, a provision for reserves for policy reserves reinsured of ¥79,336 million was added.

### **5. Gains/Losses on Money Held in Trust**

Gains on money held in trust included gains on valuation of securities of ¥18 million.

### **6. Derivative Transaction Gains/Losses**

Derivative transaction losses included losses on valuation of ¥403 million.

## 7. Net Income per Share

Net income per share for the fiscal year ended March 31, 2026 was ¥62,975,944.27. 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, 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, 2026 were as follows:

Asset Group	Place	Number	Impairment Losses		Total
			Land	Buildings	
Real estate for rent	Toyama city, Toyama prefecture	1	252	285	538
Real estate not in use	Chuo-ku, Tokyo and others	16	861	364	1,225
Total		17	1,114	650	1,764

(Unit: million yen)

### (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. A discount rate of 1.81 % for the fiscal year ended March 31, 2026 was 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 are 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.	Owned direct 100%	Lending of funds; Interlocking Directors, etc.	Lending of funds (※)	-	Ordinary loans	523,495
				Collection of funds	7,267		
				Receiving interest (※)	11,426	Accrued revenue	2,828

(※) Determined in consideration of market interest rates.

### III. NOTES TO THE UNAUDITED STATEMENT OF CHANGES IN NET ASSETS FOR THE FISCAL 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 stocks	6	-	-	6

#### 2. Dividends on Common Stock

##### (1) Dividends paid

##### a) 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

Date of resolution	November 13, 2025 (at the Board Meeting)
Type of shares	Common stock
Total dividends	¥49,999 million
Dividends per share	¥8,333,300
Record date	September 30, 2025
Effective date	December 1, 2025
Dividend resource	Retained earnings

##### b) 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) Dividends, the record date of which was March 31, 2026, to be paid out after March 31, 2027

Date of resolution	June 17, 2026 (at the Annual General Meeting of Shareholders)
Type of shares	Common stock
Total dividends	¥327,855 million
Dividends per share	¥54,642,600
Record date	March 31, 2026
Effective date	June 18, 2026
Dividend resource	Retained earnings

## 6. Breakdown of Ordinary Profit (Fundamental Profit)

(millions of yen)

	Year ended As of March 31, 2025	Year ended As of March 31, 2026
Fundamental revenues	3,749,150	3,909,264
Premium and other income	2,138,358	2,288,434
Investment income	800,119	949,530
[Interest and dividends]	770,273	811,710
Other ordinary revenues	810,672	667,316
Other fundamental revenues (a)	-	3,983
Fundamental expenses	3,388,871	3,536,536
Benefits and claims	2,537,952	2,650,174
Provision for policy reserves and others	8,437	8,670
Investment expenses	102,381	144,732
Operating expenses	409,421	414,485
Other ordinary expenses	243,436	255,950
Other fundamental expenses (b)	87,242	62,522
Fundamental profit	<b>A</b> 360,279	372,728
Capital gains	639,125	845,077
Gains on money held in trust	-	70
Gains on investments in trading securities	-	-
Gains on sale of securities	551,883	754,013
Derivative transaction gains	-	-
Foreign exchange gains	-	28,470
Others (c)	87,242	62,522
Capital losses	449,246	535,837
Losses on money held in trust	325	-
Losses on investments in trading securities	-	-
Losses on sale of securities	375,278	488,475
Losses on valuation of securities	4,770	3,362
Derivative transaction losses	14,687	40,016
Foreign exchange losses	54,183	-
Others (d)	-	3,983
Net capital gains (losses)	<b>B</b> 189,879	309,239
Fundamental profit plus net capital gains (losses)	<b>A + B</b> 550,158	681,968
Other one-time gains	163,506	52,319
Reinsurance income	-	-
Reversal of contingency reserve	15,000	5,000
Reversal of specific reserve for possible loan losses	(57)	15
Others <sup>(Note 1)</sup>	148,564	47,303
Other one-time losses	175,040	81,462
Ceding reinsurance commissions	-	-
Provision for contingency reserve	-	-
Provision for specific reserve for possible loan losses	-	-
Provision for specific reserve for loans to refinancing countries	-	-
Write-down of loans	38	42
Others <sup>(Note 2)</sup>	175,002	81,420
Other one-time profits (losses)	<b>C</b> (11,534)	(29,143)
Ordinary profit	<b>A + B + C</b> 538,624	652,824

(Reference) Breakdown of other fundamental revenues, etc.

(millions of yen)

	Year ended As of March 31, 2025	Year ended As of March 31, 2026
Other fundamental revenues (a)	-	3,983
The effect of provision for (reversal of) policy reserve associated with market value adjustments of fixed life insurance	-	-
The effect of change in the exchange rates related to foreign currency denominated insurance contracts	-	3,983
Hedging costs related to foreign exchange	-	-
Gain (loss) on mutual funds cancelation	-	-
Foreign currency fluctuation part of gain (loss) on securities redemption	-	-
Other fundamental expenses (b)	87,242	62,522
The effect of provision for (reversal of) policy reserve associated with market value adjustments of fixed life insurance	-	-
The effect of change in the exchange rates related to foreign currency denominated insurance contracts	1,624	-
Hedging costs related to foreign exchange	40,793	24,337
Gain (loss) on mutual funds cancelation	32,066	32,650
Foreign currency fluctuation part of gain (loss) on securities redemption	12,757	5,534
Adjustment of reinsurance premiums for ceded reinsurance of whole life insurance after payment expiration (ceded in prior years)	-	-
The impact on fundamental profit <b>(a) - (b)</b>	(87,242)	(58,539)
Other capital gains (c)	87,242	62,522
The effect of provision for (reversal of) policy reserve associated with market value adjustments of fixed life insurance	-	-
The effect of change in the exchange rates related to foreign currency denominated insurance contracts	1,624	-
Hedging costs related to foreign exchange	40,793	24,337
Gain (loss) on mutual funds cancelation	32,066	32,650
Foreign currency fluctuation part of gain (loss) on securities redemption	12,757	5,534
Other capital losses (d)	-	3,983
The effect of provision for (reversal of) policy reserve associated with market value adjustments of fixed life insurance	-	-
The effect of change in the exchange rates related to foreign currency denominated insurance contracts	-	3,983
Hedging costs related to foreign exchange	-	-
Gain (loss) on mutual funds cancelation	-	-
Foreign currency fluctuation part of gain (loss) on securities redemption	-	-
The impact on net capital gains (losses) <b>(c) - (d)</b>	87,242	58,539

Note 1. "Others" in "Other one-time gains" represents the amount of reversal of policy reserve for ceded reinsurance of paid-up whole life insurance (For the fiscal year ended March 31, 2025:148,564 million yen, For the fiscal year ended March 31, 2026:47,303 million yen).

Note 2. "Others" in "Other one-time losses" represents the amount of provision for reserve for possible investment losses (For the fiscal year ended March 31, 2025:292 million yen, For the fiscal year ended March 31, 2026:24 million yen), the amount of the additional policy reserves provided (For the fiscal year ended March 31, 2025:49,589 million yen, For the fiscal year ended March 31, 2026:40,996 million yen) in accordance with Article 69, Paragraph 5 of the Enforcement Regulations of the Insurance Business Act and the reinsurance commissions for ceded reinsurance of paid-up whole life insurance (For the fiscal year ended March 31, 2025:125,119 million yen, For the fiscal year ended March 31, 2026:40,399 million yen).

## 7. Disclosed Claims Based on Insurance Business Act

(millions of yen)

	As of March 31, 2025	As of March 31, 2026
Claims against bankrupt and quasi-bankrupt obligors	86	55
Claims with collection risk	2,611	7,283
Claims that are overdue for 3 months or more	-	-
Claims with repayment relaxation	-	-
Subtotal	2,697	7,339
[Percentage]	[ 0.05%]	[ 0.12%]
Claims against normal obligors	5,946,590	5,904,777
Total	5,949,287	5,912,116

- Note:
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. (Excludes the claims listed in Note 1)
  3. Loans 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. (Excludes the claims listed in Note 1 and 2)
  4. Claims with repayment relaxation are arrangements that are advantageous 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 (Excluding items mentioned in Note from 1 to 3 above).
  5. Claims against normal obligors are all other loans. (Excluding items mentioned in Note from 1 to 4 above)

## 8. Status of Separate Account for the Fiscal Year Ended March 31, 2026

### (1) Separate Account Assets by Product

(millions of yen)

	As of March 31, 2025	As of March 31, 2026
Individual variable insurance	65,501	71,870
Individual variable annuities	34,110	38,502
Group annuities	1,544,026	1,532,524
Separate account total	1,643,638	1,642,897

### (2) Individual Variable Insurance (Separate Account)

#### A. Policies in force

(millions of yen except number of policies)

	As of March 31, 2025		As of March 31, 2026	
	Number of policies	Amount	Number of policies	Amount
Individual variable insurance (term life)	-	-	-	-
Individual variable insurance (whole life)	35,655	219,579	34,619	214,087
Total	35,655	219,579	34,619	214,087

Note: Sum insured of policies in force includes term life riders attached on individual variable insurance.

#### B. Breakdown of separate account assets for individual variable insurance

(millions of yen)

	As of March 31, 2025		As of March 31, 2026	
	Amount	%	Amount	%
Cash, deposits, and call loans	115	0.2	327	0.5
Securities	61,653	94.1	66,740	92.9
Domestic bonds	15,857	24.2	16,785	23.4
Domestic stocks	20,615	31.5	23,718	33.0
Foreign securities	25,179	38.4	26,236	36.5
Foreign bonds	7,718	11.8	7,543	10.5
Foreign stocks and other securities	17,461	26.7	18,692	26.0
Other securities	-	-	-	-
Loans	-	-	-	-
Others	3,732	5.7	4,802	6.7
Reserve for possible loan losses	-	-	-	-
Total	65,501	100.0	71,870	100.0

C. Investment gains and losses of separate account for individual variable insurance

(millions of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Interest and dividends	1,147	1,275
Gains on sale of securities	5,912	8,974
Gains on redemption of securities	-	-
Gains on valuation of securities	13,591	18,028
Foreign exchange gains	126	144
Derivative transaction gains	10	12
Other investment income	3	0
Losses on sale of securities	1,299	1,804
Losses on redemption of securities	2	-
Losses on valuation of securities	19,605	15,234
Foreign exchange losses	158	131
Derivative transaction losses	14	17
Other investment expenses	0	0
Net investment income	(289)	11,247

D. Fair value information on securities in separate account for individual variable insurance

\* Valuation gains (losses) of trading securities

(millions of yen)

	As of March 31, 2025		As of March 31, 2026	
	Carrying amount on the balance sheet	Valuation gains (losses) included in the statement of earnings	Carrying amount on the balance sheet	Valuation gains (losses) included in the statement of earnings
Trading securities	61,653	(6,013)	66,740	2,794

\* Fair value information on money held in trust

The Company had no balance as of March 31, 2025 or March 31, 2026

### (3) Individual Variable Annuities (Separate Account)

#### A. Sum insured of policies in force

(millions of yen except number of policies)

	As of March 31, 2025		As of March 31, 2026	
	Number of policies	Amount	Number of policies	Amount
Individual variable annuities	2,466	12,408	1,630	12,658

Note: Sum insured of policies in force includes that of annuities for which payments have commenced.

#### B. Breakdown of separate account assets for individual variable annuities

(millions of yen)

	As of March 31, 2025		As of March 31, 2026	
	Amount	%	Amount	%
Cash, deposits, and call loans	212	0.6	284	0.7
Securities	31,331	91.9	35,723	92.8
Domestic bonds	9,440	27.7	10,923	28.4
Domestic stocks	9,202	27.0	10,694	27.8
Foreign securities	5,278	15.5	6,013	15.6
Foreign bonds	2,177	6.4	2,679	7.0
Foreign stocks and other securities	3,100	9.1	3,334	8.7
Other securities	7,409	21.7	8,090	21.0
Loans	-	-	-	-
Others	2,566	7.5	2,494	6.5
Reserve for possible loan losses	-	-	-	-
Total	34,110	100.0	38,502	100.0

C. Investment gains and losses of separate account for individual variable annuities

(millions of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Interest and dividends	1,518	1,496
Gains on sales of securities	1,474	2,633
Gains on redemption of securities	-	-
Gains on valuation of securities	8,190	11,241
Foreign exchange gains	27	33
Derivative transaction gains	2	3
Other investment income	2	0
Losses on sales of securities	390	620
Losses on redemption of securities	0	-
Losses on valuation of securities	11,551	9,070
Foreign exchange losses	35	30
Derivative transaction losses	3	5
Other investment expenses	0	0
Net investment income	(766)	5,681

D. Fair value information on securities in separate account for individual variable annuities

\* Valuation gains (losses) of trading securities

(millions of yen)

	As of March 31, 2025		As of March 31, 2026	
	Carrying amount on the balance sheet	Valuation gains (losses) included in the statement of earnings	Carrying amount on the balance sheet	Valuation gains (losses) included in the statement of earnings
Trading securities	31,331	(3,361)	35,723	2,170

\* Fair value information on money held in trust

The Company had no balance as of March 31, 2025 or March 31, 2026.

## **9. Consolidated Financial Summary**

The Company has not prepared consolidated financial statements for the current fiscal year, as its subsidiaries and affiliates are small in scale and deemed immaterial to the Group's overall financial position, operating results, and cash flows.