

SUMMARY OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

May 20, 2026

Name of Listed Company: **MS&AD Insurance Group Holdings, Inc.**
 Stock Exchange Listing: Tokyo Stock Exchange and Nagoya Stock Exchange
 Securities Code Number: 8725
 URL: <https://www.ms-ad-hd.com>
 Representative: Shinichiro Funabiki, President & CEO
 Contact: Corporate Communications Dept.
<https://www.ms-ad-hd.com/en/ir/contact.html>
 Scheduled date to hold the ordinary general meeting of shareholders: June 22, 2026
 Scheduled date to file the Securities Report: June 30, 2026
 Scheduled date to commence dividend payments: June 23, 2026
 Explanatory material for business results: Available
 IR Conference (for institutional investors and analysts): To be held

(Note) Amounts of less than one million yen are truncated.

1. Consolidated Financial Highlights for the Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(1) Consolidated business performance (Yen in millions)

	Ordinary income		Ordinary profit		Net income attributable to owners of the parent	
Year ended March 31, 2026	7,653,030	14.9 %	1,120,230	20.6 %	787,339	13.8 %
Year ended March 31, 2025	6,660,813	1.3 %	928,989	123.1 %	691,657	87.3 %

Percent figures represent changes from the corresponding period of the preceding year.

(Note) Comprehensive income For the year ended March 31, 2026: ¥ 1,219,940 million - %
For the year ended March 31, 2025: ¥ (17,284) million (101.1) %

(Yen)

	Net income attributable to owners of the parent per share - Basic	Net income attributable to owners of the parent per share - Diluted	Return on equity	Ordinary profit to total assets	Ordinary profit to ordinary income
Year ended March 31, 2026	528.87	528.80	18.0 %	4.1 %	14.6 %
Year ended March 31, 2025	445.52	445.45	16.3 %	3.5 %	13.9 %

(Reference) Gains (losses) on equity method investments For the year ended March 31, 2026: ¥ 36,805 million
For the year ended March 31, 2025: ¥ 25,138 million

(2) Consolidated financial conditions (Yen in millions)

	Total assets	Net assets	Ratio of net assets less non-controlling interests to total assets	Net assets less non-controlling interests per share (Yen)
March 31, 2026	28,640,815	4,825,140	16.7 %	3,286.85
March 31, 2025	26,241,298	4,052,835	15.2 %	2,647.01

(Reference) Net assets less non-controlling interests As of March 31, 2026: ¥ 4,769,023 million
As of March 31, 2025: ¥ 4,000,351 million

(3) Consolidated cash flows (Yen in millions)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Ending balance of cash and cash equivalents
Year ended March 31, 2026	762,608	(696,997)	(129,233)	2,222,892
Year ended March 31, 2025	660,188	(558,725)	(659,578)	2,239,475

2. Dividends

	Dividends per share (Yen)					Total annual dividends (Yen in millions)	Dividend pay-out ratio (Consolidated)	Dividends on net assets (Consolidated)
	1st quarter	2nd quarter	3rd quarter	4th quarter	Annual total			
Year ended March 31, 2025	-	72.50	-	72.50	145.00	221,331	32.5 %	5.3 %
Year ended March 31, 2026	-	77.50	-	82.50	160.00	235,617	30.3 %	5.4 %
Year ending March 31, 2027 (Forecast)	-	85.00	-	85.00	170.00		58.0 %	

(Note) The 2nd quarter and the 4th quarter dividends per share for the year ended March 31, 2025 consist of ¥50.00 ordinary dividend and ¥22.50 special dividend. The 2nd quarter dividends per share for the year ended March 31, 2026 consists of ¥60.00 ordinary dividend and ¥17.50 special dividend and the 4th quarter dividends per share for the year ended March 31, 2026 consists of ¥65.00 ordinary dividend and ¥17.50 special dividend. The 2nd quarter and the 4th quarter dividends per share for the year ending March 31, 2027 (Forecast) consist of ¥70.00 ordinary dividend and ¥15.00 special dividend.

3. Consolidated Earnings Forecasts for the Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(Yen in millions)

	Net income attributable to owners of parent	Basic earnings per share (Yen)
Year ending March 31, 2027	425,000	- %
		292.91

Percent figure represents changes from the preceding year.

(Note) The Company voluntarily adopts International Financial Reporting Standards (IFRS) for the Consolidated Financial Statements, starting from the Annual Securities Report for the fiscal year ended March 31, 2026. Forecasts of Consolidated Financial Results for the fiscal year ending March 31, 2027 have been prepared in accordance with IFRS. Percentage change from previous fiscal year is not stated as the results for the fiscal year ended March 31, 2026 was under Japanese GAAP.

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 (MSIG Specialty Insurance America, Inc.)

Excluded: 1 (MSIG Insurance Europe AG)

(2) Changes in accounting policies and accounting estimates and restatements

1. Changes in accounting policies due to revisions of accounting standards: None

2. Changes in accounting policies other than above: None

3. Changes in accounting estimates: None

4. Restatements: None

(3) Number of shares of issued stock (common stock)

1. Number of shares of issued stock (including treasury stock)

As of March 31, 2026: 1,492,551,732 shares

As of March 31, 2025: 1,608,398,708 shares

2. Number of shares of treasury stock

As of March 31, 2026: 41,612,213 shares

As of March 31, 2025: 97,131,980 shares

3. Average number of shares of outstanding stock

For the year ended March 31, 2026: 1,488,714,590 shares

For the year ended March 31, 2025: 1,552,438,540 shares

* This report is unaudited.

* Notes to the earnings forecasts and others

Any earnings forecasts in this report have been made based on the information available to MS&AD Insurance Group Holdings, Inc. ("the Company") as of the disclosure date of the report and certain assumptions, and therefore do not guarantee future performance. Actual results may differ substantially from these forecasts depending on various factors. For key assumptions of the earnings forecasts and other relevant information, please refer to "Consolidated Earnings Forecasts for the Year Ending March 31, 2027" on page 4 of the Appendix.

[Appendix]

Contents

	Page
1. Overview of Business Performance and Forecasts	
(1) Overview of Business Performance and Financial Conditions in the Fiscal Year under Review	2
(2) Consolidated Earnings Forecasts for the Year Ending March 31, 2027	4
2. Basic Stance for Adopting Accounting Standards	4
3. Consolidated Financial Statements and Main Notes	
(1) Consolidated Balance Sheets	5
(2) Consolidated Statements of Income and Comprehensive Income	7
(3) Consolidated Statements of Changes in Net Assets	10
(4) Consolidated Statements of Cash Flows	12
(5) Notes to Consolidated Financial Statements	
(Note on Going Concern)	14
(Notes on Segment Information)	14
(Notes on Per Share Information)	19

[Attachment]

Explanatory Material for Business Results for the Year Ended March 31, 2026

1. Overview of Business Performance and Forecasts

(1) Overview of Business Performance and Financial Conditions in the Fiscal Year under Review (Overview of business performance in the fiscal year under review)

Financial and Economic Environment Surrounding the Group

During the reporting fiscal year, the global economy experienced a moderate recovery in many regions, particularly in the United States and Europe, as personal consumption increased in response to changes in price trends. However, heightened geopolitical risks, including those related to the Middle East, and the impact of U.S. policy developments led to ongoing uncertainty regarding the future outlook.

In the Japanese economy, the employment and income environment showed improvement, and despite rising prices, a pickup in consumer spending and capital expenditures was observed. Interest rates were raised in a phased manner. While some areas of weakness remained, the overall economy continued its gradual recovery trend.

In the insurance industry, while a contracting domestic market is anticipated due to the declining birthrate and aging population, the emergence of new risks—such as climate change, the rapid adoption of AI, and the rise in cyber risks—has required the industry to respond to dramatic changes in the business environment. As a result, there is an increasing need for transformation beyond the traditional framework of insurance business practices.

Key Initiatives and Objectives for the Reporting Fiscal Year

<<“Customer-Oriented Business Operations,” “Thorough Compliance,” and “Strengthening Governance “for the Enhancement of Corporate Value”>

In light of the issues related to premium adjustment practices in the field of corporate insurance and the leaking of information between insurance companies at Mitsui Sumitomo Insurance Co., Ltd. (“MSI”) and Aioi Nissay Dowa Insurance Co., Ltd. (“ADI”), the Group has continued to implement measures to prevent recurrence of such incidents. At the same time, it has promoted a review of its business practices and undertook the transformation of its business model, taking into account changes in competition rules due to amendments to the Insurance Business Act and other relevant regulations.

In addition, following approval at the Ordinary General Meeting of Shareholders in June 2025, the Company transitioned to a company with an Audit and Supervisory Committee, thereby strengthening the supervisory function of the Board of Directors and expediting decision-making and business execution. Furthermore, by having a majority of the Board comprised of outside directors, the objectivity of management decisions by the Board of Directors has been enhanced.

As a holding company, the Company will continue to take the lead in promoting initiatives across the entire Group.

<<“Reorganization of the Domestic Non-Life Insurance Business Structure” to Establish an Advantage in the New Competitive Environment>

MSI and ADI reached a final agreement to merge, with the effective date set for April 1, 2027, and entered into a merger contract. In aiming to become “the insurance and financial group most chosen by customers,” the Group will, through this merger, create a new non-life insurance company that enhances the foundation for growth and strengthens governance, thereby improving reliability. Entrusted with the customers’ important futures, and amid increasing uncertainty, the Group is committed to becoming an entity that anticipates change and solves social risks— “taking on risk, leading the world.” Through these efforts, the Group aims to achieve sustainable growth and enhance corporate value.

Furthermore, aiming to promote further development of the insurance industry by fostering a sound competitive environment, MSI has agreed with GINSEN CO., LTD., an insurance agency of the SMBC Group, and Sumitomo Mitsui Financial Group, Inc. to jointly establish an insurance agency business company through joint investment, effective April 1, 2026.

<<“Enhancing the Management Structure of Overseas Business” for Sustainable Profit Generation>

Through the investment in W.R. Berkley Corporation, a leading specialty insurance company in the United States by MSI, the Company has promoted diversification of earnings and pursued collaborative initiatives that leverage advanced underwriting*1 capabilities. To expedite decision-making, it centralized the management of its overseas business division within the organization and decided to establish the International Executive Committee (IEC), a forum where multinational personnel engage in discussions on overseas business strategies and critical issues. These efforts are intended to further enhance the Group’s resource allocation capabilities and foster future growth.

*1 Underwriting

Assessing whether to accept an insurance application and determining the terms and conditions of coverage.

<<“A New Business Portfolio” for Further Growth>

With the aim of further improving capital efficiency, the Company sold its shares in Challenger Limited, an Australian financial group. In addition, by investing in Barings LLC, an asset management company that was a wholly owned subsidiary of the major U.S. life insurer Massachusetts Mutual Life Insurance Company, the Company has promoted initiatives to diversify its business portfolio, enhance capital efficiency, and strengthen its insurance product development capabilities, thereby aiming to further increase the corporate value of the Group

As a result of these efforts, the consolidated results for the current fiscal year are as follows.

Ordinary income was ¥7,653.0 billion, including underwriting income of ¥5,762.5 billion, investment income of ¥1,813.0 billion, and other ordinary income of ¥77.4 billion. The ordinary expenses amounted to ¥6,532.8 billion, including ¥5,231.9 billion in underwriting expenses, ¥370.7 billion in investment expenses, ¥872.5 billion in operating expenses and general and administrative expenses, and other ordinary expenses amounting to ¥57.6 billion.

As a result, ordinary profit for the current fiscal year was ¥1,120.2 billion, reflecting a year-on-year increase of ¥191.2 billion. After adjustments to ordinary profit mainly for extraordinary income and losses and income taxes, net income attributable to parent company shareholders for the current fiscal year was ¥787.3 billion, reflecting a year-on-year increase of ¥95.6 billion.

The results by segment were as follows:

1) Domestic Non-life Insurance Business (Mitsui Sumitomo Insurance Company, Limited)

Ordinary income for the current fiscal year totaled ¥2,492.6 billion, including underwriting income of ¥1,864.6 billion, investment income of ¥621.0 billion, and other ordinary income of ¥6.9 billion. At the same time, ordinary expenses amounted to ¥1,832.3 billion, including ¥1,529.9 billion in underwriting expenses, ¥53.2 billion in investment expenses, ¥236.8 billion in operating expenses and general and administrative expenses, and other ordinary expenses amounting to ¥12.4 billion.

As a result, ordinary profit for the current fiscal year was ¥660.2 billion, reflecting a year-on-year increase of ¥84.2 billion. After adjustments to ordinary profit mainly for extraordinary income and losses and corporate and residence tax, net income for the current fiscal year was ¥459.9 billion, reflecting a year-on-year increase of ¥64 million.

2) Domestic Non-life Insurance Business (Aioi Nissay Dowa Insurance Company, Limited)

Ordinary income for the current fiscal year totaled ¥1,785.8 billion, including underwriting income of ¥1,521.9 billion, investment income of ¥255.2 billion, and other ordinary income of ¥8.6 billion. At the same time, ordinary expenses amounted to ¥1,537.2 billion, including ¥1,284.8 billion in underwriting expenses, ¥50.8 billion in investment expenses, ¥197.5 billion in operating expenses and general and administrative expenses, and other ordinary expenses amounting to ¥4.0 billion.

As a result, ordinary profit for the current fiscal year was ¥248.5 billion, reflecting a year-on-year increase of ¥108.4 billion. After adjustments to ordinary profit mainly for extraordinary income and losses and corporate and residence tax, net income for the current fiscal year was ¥158.0 billion, reflecting a year-on-year increase of ¥49.3 billion.

3) Domestic Non-life Insurance Business (Mitsui Direct General Insurance Co., Ltd.)

Ordinary income was ¥44.3 billion after recording underwriting income of ¥43.9 billion. Ordinary expenses came to ¥46.8 billion resulting from underwriting expenses of ¥34.7 billion and operating expenses and general and administrative expenses of ¥11.9 billion.

As a result, ordinary loss for the current fiscal year was ¥2.4 billion, reflecting a year-on-year increase in loss of ¥0.7 billion. After adjustments to ordinary profit mainly for extraordinary income and losses and corporate and residence tax, net loss for the current fiscal year was ¥1.9 billion, reflecting a year-on-year increase in loss of ¥0.1 billion.

4) Domestic Life Insurance Business (Mitsui Sumitomo Aioi Life Insurance Company, Limited)

Ordinary income for the current fiscal year totaled ¥569.1 billion, including income from premiums and other sources of ¥449.2 billion, investment income of ¥106.8 billion, and other ordinary income of ¥13.0 billion. At the same time, ordinary expenses amounted to ¥645.5 billion, including ¥324.9 billion in claims and other payments, ¥49.7 billion in policy reserves and other provisions, ¥163.9 billion in investment expenses, ¥82.3 billion in operating expenses, and other ordinary expenses amounting to ¥24.6 billion.

As a result, ordinary loss for the current fiscal year was ¥76.3 billion, reflecting a year-on-year decrease of ¥127.0 billion. After adjustments to ordinary profit mainly for extraordinary income and losses and corporate and residence tax, net loss for the current fiscal year was ¥51.9 billion, reflecting a year-on-year decrease of ¥81.5 billion.

5) Domestic Life Insurance Business (Mitsui Sumitomo Primary Life Insurance Company, Limited)

Ordinary income for the current fiscal year totaled ¥2,250.0 billion, including income from premiums and other sources of ¥1,592.3 billion, investment income of ¥653.1 billion, and other ordinary income of ¥4.5 billion. At the same time, ordinary expenses amounted to ¥2,199.9 billion, including ¥1,525.3 billion in claims and other payments, ¥599.8 billion in policy reserves and other provisions, ¥4.2 billion in investment expenses, ¥58.1 billion in operating expenses, and other ordinary expenses amounting to ¥12.3 billion.

As a result, ordinary profit for the current fiscal year was ¥50.1 billion, reflecting a year-on-year increase of ¥6.2 billion. After adjustments to ordinary profit mainly for extraordinary income and losses and corporate and residence tax, net income for the current fiscal year was ¥32.3 billion, reflecting a year-on-year increase of ¥6.5 billion.

6) International Business (Overseas insurance subsidiaries)

In the overseas insurance subsidiaries segment, net premiums written reached ¥1,735.1 billion, reflecting a year-on-year increase of ¥207.8 billion.

Ordinary profit was ¥334.8 billion, reflecting a year-on-year increase of ¥103.5 billion. Net income after taking ownership interests into account (net income by segment) was ¥261.8 billion, reflecting a year-on-year increase of ¥77.4 billion.

(Overview of Financial Conditions in the Fiscal Year under Review)

Total assets as of the end of the current fiscal year totaled ¥28,640.8 billion, a year-on-year increase of ¥2,399.5 billion. Net assets increased by ¥772.3 billion year-on-year to ¥4,825.1 billion.

(Overview of Cash Flow in the Fiscal Year under Review)

With regard to cash flows in the fiscal year under review, the cash flows from operating activities were ¥762.6 billion, increased by ¥102.4 billion year-on-year mainly due to an increase in premium income. The cash flows from investing activities were ¥(696.9) billion, decreased by ¥138.2 billion year-on-year mainly due to an increase of outflow for the purchase of securities despite an increase of inflow from sale and redemption of securities. Also, the cash flows from financial activities were ¥(129.2) billion, increased by ¥530.3 billion year-on-year mainly due to an increase of inflow from the issuance of corporate bonds. As a result, cash and cash equivalents at the end of the fiscal year was ¥2,222.8 billion, decreased by ¥16.5 billion from the end of the previous fiscal year.

For long-term investment funds, including growth investments, the Company primarily utilize funds obtained from operating and investing activities and self-financed from retained earnings. Additionally, the Company procure external funds through the issuance of corporate bonds and long-term borrowing from financial institutions.

With regard to the liquidity of funds, in preparation for the possibility that cash flow may worsen due to cash outflows used for the payment of insurance claims in the event of large-scale natural catastrophes or due to unstable market conditions, the Group ensures appropriate cash flow by maintaining sufficient liquidity and evaluating liquidity with consideration of cash-flow trends, taking into account both assets and liabilities.

(2) Consolidated Earnings Forecast for the Year Ending March 31, 2027

Based on the following assumptions, the Group forecasts net income attributable to owners of the parent of ¥425.0 billion for the fiscal year ending March 31, 2027.

- Insurance income forecast is based on the Company's own forecast, taking into account past trends in results.
- Incurred losses related to new domestic natural catastrophes are expected to be ¥83.0 billion for Mitsui Sumitomo Insurance Co., Ltd. and ¥67.0 billion for Aioi Nissay Dowa Insurance Co., Ltd.
- No significant fluctuations in market interest rates, exchange rates, or stock market prices will take place from the end of March 2026.

The Company's consolidated earnings forecast is based on certain assumptions including the above; however, actual results may differ materially due to various factors. Please note that as the Company voluntarily adopts International Financial Reporting Standards (IFRS) starting from the Annual Securities Report for the fiscal year ended March 31, 2026, the above forecast was prepared in accordance with IFRS.

2. Basic Stance for Adopting Accounting Standards

In order to enhance international comparability of financial information in capital markets, the Group voluntarily adopts International Financial Reporting Standards (IFRS) in replacement of the current Japanese GAAP, to the consolidated financial statements, starting from the Annual Securities Report for the fiscal year ended March 31, 2026.

3. Consolidated Financial Statements and Main Notes

(1) Consolidated Balance Sheets

(Yen in millions)

	March 31, 2025	March 31, 2026
Assets		
Cash, deposits and savings	2,139,796	1,920,411
Call loans	60,000	30,000
Receivables under resale agreements	86,904	241,767
Monetary claims bought	301,320	345,541
Money trusts	2,663,333	2,983,287
Investments in securities	17,760,073	19,769,551
Loans	909,825	795,544
Tangible fixed assets:	456,461	447,859
Land	212,362	203,428
Buildings	184,811	164,950
Lease assets	27,868	42,708
Construction in progress	2,768	1,534
Other tangible fixed assets	28,650	35,237
Intangible fixed assets:	478,027	453,736
Software	155,231	158,215
Goodwill	133,142	126,666
Lease assets	108	63
Other intangible fixed assets	189,545	168,790
Other assets	1,214,362	1,434,247
Assets for pension and retirement benefits	98,934	186,628
Deferred tax assets	64,759	38,598
Customers' liabilities under acceptances and guarantees	18,101	3,733
Bad debt reserve	(10,602)	(10,091)
Total assets	26,241,298	28,640,815
Liabilities		
Policy liabilities:	19,553,344	20,609,647
Outstanding claims	3,301,154	3,620,722
Underwriting reserves	16,252,189	16,988,925
Bonds issued	590,565	998,406
Other liabilities	1,554,326	1,595,787
Liabilities for pension and retirement benefits	139,696	118,780
Reserve for retirement benefits for officers	55	34
Accrued bonuses for employees and operating officers	42,104	54,995
Reserve for stock payments	825	1,677
Reserves under the special laws:	251,732	249,125
Reserve for price fluctuation	251,732	249,125
Deferred tax liabilities	37,711	183,486
Acceptances and guarantees	18,101	3,733
Total liabilities	22,188,463	23,815,675

(Yen in millions)

	March 31, 2025	March 31, 2026
Net assets		
Shareholders' equity:		
Common stock	101,367	101,367
Capital surplus	345,130	203,026
Retained earnings	2,135,307	2,485,352
Treasury stock	(285,533)	(150,623)
Total shareholders' equity	<u>2,296,271</u>	<u>2,639,123</u>
Accumulated other comprehensive income:		
Net unrealized gains (losses) on available-for-sale securities	1,392,499	1,643,559
Net deferred gains (losses) on hedges	(28,389)	(35,927)
Foreign currency translation adjustments	406,348	504,536
Accumulated actuarial gains (losses) on retirement benefits	20,118	90,105
Net unrealized gains (losses) on policy liabilities for overseas consolidated subsidiaries, etc.	(86,497)	(72,374)
Total accumulated other comprehensive income	<u>1,704,079</u>	<u>2,129,900</u>
Stock acquisition rights	266	192
Non-controlling interests	52,217	55,925
Total net assets	<u>4,052,835</u>	<u>4,825,140</u>
Total liabilities and net assets	<u>26,241,298</u>	<u>28,640,815</u>

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

(Yen in millions)

	Year ended March 31, 2025	Year ended March 31, 2026
Ordinary income:	6,660,813	7,653,030
Underwriting income:	5,400,585	5,762,541
Net premiums written	4,674,301	5,004,799
Deposit premiums from policyholders	28,450	26,297
Investment income on deposit premiums from policyholders	36,897	31,936
Life insurance premiums	608,678	657,261
Reversal of underwriting reserves	30,185	-
Other underwriting income	22,071	42,246
Investment income:	1,199,375	1,813,022
Interest and dividends income	495,138	549,193
Investment gains on money trusts	114,410	275,114
Investment gains on trading securities	51,773	79,343
Gains on sales of securities	561,601	615,680
Gains on redemption of securities	4,381	3,187
Investment gains on separate accounts	-	122,441
Other investment income	8,967	199,999
Transfer of investment income on deposit premiums from policyholders	(36,897)	(31,936)
Other ordinary income:	60,852	77,466
Gains on equity method investments	25,138	36,805
Other ordinary income	35,714	40,660
Ordinary expenses:	5,731,823	6,532,800
Underwriting expenses:	4,579,458	5,231,944
Net claims paid	2,489,031	2,430,599
Loss adjustment expenses	242,819	291,913
Commissions and collection expenses	890,794	916,430
Maturity refunds to policyholders	144,779	132,564
Dividends to policyholders	60	64
Life insurance claims	492,361	457,198
Provision for outstanding claims	313,355	280,540
Provision for underwriting reserves	-	718,580
Other underwriting expenses	6,254	4,052
Investment expenses:	257,138	370,700
Investment losses on money trusts	70,839	75,325
Losses on sales of securities	51,881	227,851
Impairment losses on securities	11,033	5,104
Losses on redemption of securities	778	303
Losses on derivative transactions	31,514	37,240
Investment losses on separate accounts	22,082	-
Other investment expenses	69,009	24,875
Operating expenses and general and administrative expenses	846,012	872,531
Other ordinary expenses:	49,213	57,624
Interest expense	11,783	15,539
Provision for bad debts	482	1,299
Losses on bad debts	891	420
Other ordinary expenses	36,054	40,365
Ordinary profit	<u>928,989</u>	<u>1,120,230</u>

(Yen in millions)

	Year ended March 31, 2025	Year ended March 31, 2026
Extraordinary income:	13,805	31,421
Gains on sales of fixed assets	10,697	2,419
Gain on sale of shares of subsidiaries and associates	-	26,395
Gains on change in equity	3,108	-
Reversal of reserves under the special laws:	-	2,606
Reversal of reserve for price fluctuation	-	2,606
Extraordinary losses:	35,412	99,408
Losses on sales of fixed assets	8,054	4,665
Impairment losses on fixed assets	7,496	33,703
Provision for reserves under the special laws:	19,860	-
Provision for reserve for price fluctuation	19,860	-
Other extraordinary losses	-	61,040
Income before income taxes	907,382	1,052,242
Income taxes - current	214,886	231,828
Income taxes - deferred	(4,162)	28,548
Total income taxes	210,724	260,377
Net income	696,658	791,864
Net income attributable to non-controlling interests	5,001	4,525
Net income attributable to owners of the parent	691,657	787,339

(Consolidated Statements of Comprehensive Income)

(Yen in millions)

	Year ended March 31, 2025	Year ended March 31, 2026
Net income	696,658	791,864
Other comprehensive income:		
Net unrealized gains (losses) on available-for-sale securities	(902,832)	277,999
Net deferred gains (losses) on hedges	19,159	(2,525)
Foreign currency translation adjustments	174,400	52,189
Accumulated actuarial gains (losses) on retirement benefits	(12,375)	70,029
Net unrealized gains (losses) on policy liabilities for overseas consolidated subsidiaries, etc.	1,084	(3,080)
Share of other comprehensive income of equity method investments	6,618	33,463
Total other comprehensive income	<u>(713,943)</u>	<u>428,075</u>
Total comprehensive income	<u>(17,284)</u>	<u>1,219,940</u>
Allocation:		
Comprehensive income attributable to owners of the parent	(27,590)	1,213,159
Comprehensive income attributable to non-controlling interests	10,305	6,781

(3) Consolidated Statements of Changes in Net Assets

For the year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Yen in millions)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Beginning balance	101,076	344,785	1,634,444	(36,841)	2,043,464
Changes for the year:					
Issuance of new shares	291	291			582
Dividends paid			(190,795)		(190,795)
Net income attributable to owners of the parent			691,657		691,657
Repurchase of treasury stock				(250,876)	(250,876)
Disposal of treasury stock		105		2,184	2,290
Changes in equity resulting from increase in capital of consolidated subsidiaries		(13)			(13)
Changes in equity resulting from transactions with non-controlling shareholders		(38)			(38)
Net changes of items other than shareholders' equity					
Total changes for the year	291	345	500,862	(248,691)	252,806
Ending balance	101,367	345,130	2,135,307	(285,533)	2,296,271

	Accumulated other comprehensive income						Stock acquisition rights	Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Foreign currency translation adjustments	Accumulated actuarial gains (losses) on retirement benefits	Net unrealized gains (losses) on policy liabilities for overseas consolidated subsidiaries, etc.	Total accumulated other comprehensive income			
Beginning balance	2,237,147	(48,402)	222,849	32,551	(20,818)	2,423,327	391	46,378	4,513,562
Changes for the year:									
Issuance of new shares									582
Dividends paid									(190,795)
Net income attributable to owners of the parent									691,657
Repurchase of treasury stock									(250,876)
Disposal of treasury stock									2,290
Changes in equity resulting from increase in capital of consolidated subsidiaries									(13)
Changes in equity resulting from transactions with non-controlling shareholders									(38)
Net changes of items other than shareholders' equity	(844,648)	20,013	183,498	(12,432)	(65,679)	(719,247)	(125)	5,839	(713,534)
Total changes for the year	(844,648)	20,013	183,498	(12,432)	(65,679)	(719,247)	(125)	5,839	(460,727)
Ending balance	1,392,499	(28,389)	406,348	20,118	(86,497)	1,704,079	266	52,217	4,052,835

For the year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Yen in millions)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Beginning balance	101,367	345,130	2,135,307	(285,533)	2,296,271
Changes for the year:					
Dividends paid			(225,191)		(225,191)
Net income attributable to owners of the parent			787,339		787,339
Repurchase of treasury stock				(221,499)	(221,499)
Disposal of treasury stock		(295)		2,692	2,396
Cancellation of treasury stock		(141,615)	(212,102)	353,717	-
Changes in equity resulting from transactions with non-controlling shareholders		(192)			(192)
Net changes of items other than shareholders' equity					
Total changes for the year	-	(142,103)	350,045	134,910	342,852
Ending balance	101,367	203,026	2,485,352	(150,623)	2,639,123

	Accumulated other comprehensive income						Stock acquisition rights	Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Foreign currency translation adjustments	Accumulated actuarial gains (losses) on retirement benefits	Net unrealized gains (losses) on policy liabilities for overseas consolidated subsidiaries, etc.	Total accumulated other comprehensive income			
Beginning balance	1,392,499	(28,389)	406,348	20,118	(86,497)	1,704,079	266	52,217	4,052,835
Changes for the year:									
Dividends paid									(225,191)
Net income attributable to owners of the parent									787,339
Repurchase of treasury stock									(221,499)
Disposal of treasury stock									2,396
Cancellation of treasury stock									-
Changes in equity resulting from transactions with non-controlling shareholders									(192)
Net changes of items other than shareholders' equity	251,060	(7,537)	98,188	69,987	14,122	425,820	(73)	3,707	429,453
Total changes for the year	251,060	(7,537)	98,188	69,987	14,122	425,820	(73)	3,707	772,305
Ending balance	1,643,559	(35,927)	504,536	90,105	(72,374)	2,129,900	192	55,925	4,825,140

(4) Consolidated Statements of Cash Flows

	(Yen in millions)	
	Year ended March 31, 2025	Year ended March 31, 2026
Cash flows from operating activities:		
Income before income taxes	907,382	1,052,242
Depreciation	105,214	100,272
Impairment losses on fixed assets	7,496	33,703
Amortization of goodwill	16,703	15,446
Increase (decrease) in outstanding claims	304,249	218,293
Increase (decrease) in underwriting reserves	(78,201)	708,769
Increase (decrease) in bad debt reserve	294	(814)
Increase (decrease) in reserve for retirement benefits for officers	(33)	(20)
Increase (decrease) in accrued bonuses for employees and operating officers	6,271	10,803
Increase (decrease) in reserve for stock payments	(1,193)	851
Decrease (increase) in assets for pension and retirement benefits	(8,409)	(7,934)
Increase (decrease) in liabilities for pension and retirement benefits	(2,455)	(4,875)
Increase (decrease) in reserve for price fluctuation	19,860	(2,606)
Interest and dividends income	(495,138)	(549,193)
Losses (gains) on money trusts	(43,570)	(199,788)
Losses (gains) on investments in securities	(554,063)	(464,017)
Losses (gains) on sales of shares of subsidiaries and associates	-	(26,395)
Losses (gains) on derivative transactions	31,514	37,240
Investment losses (gains) on separate accounts	22,082	(122,441)
Interest expense	11,783	15,539
Foreign exchange losses (gains)	35,670	(188,584)
Losses (gains) on disposal of tangible fixed assets	(8,408)	303
Losses (gains) on equity method investments	(25,138)	(36,805)
Losses (gains) on change in equity	(3,108)	-
Decrease (increase) in other assets	(25,356)	(191,463)
Increase (decrease) in other liabilities	(3,211)	(62,841)
Others, net	25,482	26,652
Subtotal	245,720	362,335
Interest and dividends received	573,299	597,982
Interest paid	(10,975)	(13,870)
Income taxes refunded (paid)	(147,856)	(183,839)
Net cash provided by (used in) operating activities (a)	660,188	762,608

(Yen in millions)

	Year ended March 31, 2025	Year ended March 31, 2026
Cash flows from investing activities:		
Net decrease (increase) in deposits and savings	(11,134)	38,491
Purchase of monetary claims bought	(1,661)	(14,979)
Proceeds from sales and redemption of monetary claims bought	8,780	6,272
Purchase of money trusts	(685,796)	(640,579)
Proceeds from sales of money trusts	487,807	511,371
Purchase of securities	(5,193,240)	(9,665,010)
Proceeds from sales and redemption of securities	5,086,043	9,051,172
Proceeds from sale of shares of subsidiaries and associates	-	79,851
Investments in loans	(220,695)	(219,178)
Collection of loans	271,324	350,039
Net increase (decrease) in cash collateral under securities lending transactions	(151,150)	11,256
Others, net	(76,141)	(118,879)
Subtotal (b)	<u>(485,864)</u>	<u>(610,173)</u>
(a + b)	<u>174,324</u>	<u>152,122</u>
Acquisition of tangible fixed assets	(25,199)	(32,180)
Proceeds from sales of tangible fixed assets	16,463	5,391
Acquisition of intangible fixed assets	(63,093)	(58,706)
Others, net	(1,031)	(1,328)
Net cash provided by (used in) investing activities	<u>(558,725)</u>	<u>(696,997)</u>
Cash flows from financing activities:		
Proceeds from borrowings	1,248	30,000
Repayments of borrowings	(1,248)	(30,000)
Issuance of bonds	-	456,066
Redemption of bonds	(125,000)	(50,000)
Net increase (decrease) in payables under repurchase agreements	(692)	(1,057)
Net increase (decrease) in cash collateral under securities lending transactions	(80,146)	(75,191)
Repurchase of treasury stock	(250,876)	(221,499)
Dividends paid to shareholders	(190,510)	(224,862)
Dividends paid to non-controlling interests	(4,327)	(3,048)
Purchase of shares of subsidiaries not resulting in changes in scope of consolidation	(180)	(248)
Others, net	(7,843)	(9,392)
Net cash provided by (used in) financing activities	<u>(659,578)</u>	<u>(129,233)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>63,425</u>	<u>44,385</u>
Net increase (decrease) in cash and cash equivalents	<u>(494,690)</u>	<u>(19,236)</u>
Beginning balance of cash and cash equivalents	2,733,760	2,239,475
Increase in cash and cash equivalents due to inclusion in consolidation	405	-
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	-	544
Increase in cash and cash equivalents resulting from absorption via corporate separation	-	2,109
Ending balance of cash and cash equivalents	<u>2,239,475</u>	<u>2,222,892</u>

(5) Notes to Consolidated Financial Statements

(Note on Going Concern)

Not applicable.

(Notes on Segment Information)

1 Overview of reportable segments

The reportable segments are the units of MS&AD group (“the Group”) for which separate financial information is available and that are evaluated regularly by the board of directors in deciding allocation of resources and assessing their performance.

The Group's business domains comprise domestic non-life insurance business, domestic life insurance business, international business, financial services business and digital/risk-related services business. Mitsui Sumitomo Insurance Co., Ltd. (“MSI”), Aioi Nissay Dowa Insurance Co., Ltd. (“ADI”) and Mitsui Direct General Insurance Co., Ltd. (“Mitsui Direct General”) primarily operate domestic non-life insurance business, and Mitsui Sumitomo Aioi Life Insurance Co., Ltd. (“MSI Aioi Life”) and Mitsui Sumitomo Primary Life Insurance Co., Ltd. (“MSI Primary Life”) primarily operate domestic life insurance business. The Company and domestic non-life insurance subsidiaries engage in international business, and overseas affiliated companies also develop insurance business in various foreign countries.

Segment information is presented based on the Group's business domains where the domestic life and non-life insurance businesses are further identified by each insurance company, resulting in six reportable segments that comprise the five domestic insurance companies and the international business (overseas insurance subsidiaries).

Each non-life insurance company underwrites fire and allied insurance, marine insurance, personal accident insurance, voluntary automobile insurance, compulsory automobile liability insurance and other non-life insurance products. Each life insurance company underwrites individual insurance, individual annuity insurance, group insurance and other life insurance products.

2 Methods of calculating revenues, net income or loss, assets, liabilities and other items by reportable segment

The accounting methods for reportable segments are substantially the same as those mentioned in “Significant Accounting Policies” of the Securities Report filed on June 20, 2025. Net income by segment is the amount based on net income of each company (after taking ownership interests into consideration).

Intersegment revenues and transfers are calculated based on prices used in transactions between the Company and independent third parties.

3 Information on revenues, net income or loss, assets, liabilities and other items by reportable segment

For the year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Yen in millions)

	Domestic non-life insurance business			Domestic life insurance business	
	MSI	ADI	Mitsui Direct General	MSI Aioi Life	MSI Primary Life
Revenues: (Note 1)					
Revenues from transactions with external customers	1,625,622	1,342,531	37,541	463,248	1,177,070
Intersegment revenues or transfers	53,626	87,832	(146)	-	-
Total	1,679,248	1,430,364	37,395	463,248	1,177,070
Net income (loss) by segment	459,900	108,747	(1,774)	29,607	25,707
Assets by segment	6,822,620	3,706,643	57,699	5,187,244	7,479,488
Other items:					
Depreciation	36,408	24,932	1,777	8,711	4,211
Amortization of goodwill	-	-	-	-	-
Interest and dividends income	170,438	89,654	219	71,566	118,417
Interest expense	4,645	485	-	1,093	127
Impairment losses on securities	16,102	4,154	-	-	-
Gains (losses) on equity method investments	-	-	-	-	-
Extraordinary income:	7,293	2,711	-	0	-
Gains on sales of fixed assets	7,293	2,711	-	0	-
Extraordinary losses:	8,360	9,369	594	1,791	11,872
Losses on sales of fixed assets	872	6,778	378	27	-
Impairment losses on fixed assets	3,175	687	208	-	-
Provision for reserve for price fluctuation	4,312	1,903	7	1,763	11,872
Income taxes	115,059	24,699	(587)	10,171	6,328
Equity method investments	113,658	1,532	-	-	-
Increase in tangible fixed assets and intangible fixed assets	32,268	28,396	1,848	5,172	4,181

(Yen in millions)

	International business	Others (Note 2)	Total	Adjustments (Notes 3,4 and 5)	Amount on the consolidated financial statements (Note 6)
	Overseas insurance subsidiaries				
Revenues: (Note 1)					
Revenues from transactions with external customers	1,681,224	8,441	6,335,680	(1,052,700)	5,282,979
Intersegment revenues or transfers	(139,466)	5,578	7,424	(7,424)	-
Total	1,541,758	14,019	6,343,105	(1,060,125)	5,282,979
Net income (loss) by segment	184,417	12,172	818,776	(127,119)	691,657
Assets by segment	5,333,847	248,694	28,836,238	(2,594,939)	26,241,298
Other items:					
Depreciation	14,235	125	90,400	14,813	105,214
Amortization of goodwill	-	-	-	16,703	16,703
Interest and dividends income	76,213	15,254	541,764	(46,626)	495,138
Interest expense	4,850	7	11,209	574	11,783
Impairment losses on securities	-	-	20,256	(9,222)	11,033
Gains (losses) on equity method investments	30,444	1,746	32,191	(7,053)	25,138
Extraordinary income:	1,130	-	11,135	2,669	13,805
Gains on sales of fixed assets	1,130	-	11,135	(438)	10,697
Extraordinary losses:	1,310	69	33,369	2,042	35,412
Losses on sales of fixed assets	22	0	8,081	(26)	8,054
Impairment losses on fixed assets	1,225	68	5,365	2,131	7,496
Provision for reserve for price fluctuation	-	-	19,860	-	19,860
Income taxes	41,305	4,893	201,870	8,854	210,724
Equity method investments	128,577	-	243,768	84,761	328,529
Increase in tangible fixed assets and intangible fixed assets	16,418	161	88,448	105	88,553

(Notes)

- 1 “Revenues” represents net premiums written for non-life insurance business, premium income for life insurance business, ordinary income for other business, and the sum total of net premiums written and life insurance premiums for “Amount on the consolidated financial statements”.
- 2 “Others”, which is business segments not included in reportable segments and other revenue generating business activities, represents domestic non-life insurance business operated by domestic insurance companies other than reportable segment, financial services business and digital/risk-related services business operated by group companies other than domestic insurance companies and business investments by the Company into companies other than group companies.
- 3 “Adjustments” in “Revenues from transactions with external customers” represent the difference between “Life insurance premiums” in the Consolidated Statement of Income and premium income for life insurance business, ¥(1,046,143) million and the adjustments for ordinary income for other business, ¥(6,556) million.
- 4 “Adjustments” in “Net income (loss) by segment” includes elimination of intersegment transactions of ¥(44,015) million, companywide expenses not allocated to respective reportable segments of ¥(15,643) million, adjustments to impairment losses on equities of insurance subsidiaries recognized by MSI of ¥8,949 million, adjustments to profit and loss due to 2025 California wildfires which occurred during the period between the fiscal year end of overseas insurance subsidiaries and that of the Company of ¥(17,409) million, and adjustments to profit and loss due to application of the purchase method to domestic insurance subsidiaries and amortization of goodwill of ¥(59,000) million. Most of the companywide expenses are expenses associated with the Company's administrative departments that do not belong to any reportable segments.
- 5 “Adjustments” in “Assets by segment” includes elimination of intersegment transactions of ¥(1,795,756) million, transfers due to offsetting reinsurance recoverables included in assets of overseas insurance subsidiaries and policy liabilities on the consolidated financial statements of ¥(1,029,466) million, companywide assets not allocated to respective reportable segments of ¥62,726 million, adjustments to assets due to application of the purchase method to domestic insurance subsidiaries and unamortized balance of goodwill not allocated to respective reportable segments of ¥167,557 million. The companywide assets are the Company's assets that do not belong to any reportable segments.
- 6 “Net income (loss) by segment” is reconciled with net income attributable to owners of the parent on the consolidated financial statements.

For the year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Yen in millions)

	Domestic non-life insurance business			Domestic life insurance business	
	MSI	ADI	Mitsui Direct General	MSI Aioi Life	MSI Primary Life
Revenues: (Note 1)					
Revenues from transactions with external customers	1,699,990	1,379,774	44,078	447,737	1,293,276
Intersegment revenues or transfers	54,440	91,419	(140)	-	-
Total	1,754,431	1,471,193	43,937	447,737	1,293,276
Net income (loss) by segment	459,965	158,069	(1,957)	(51,978)	32,305
Assets by segment	7,413,596	3,984,129	71,409	5,156,421	8,139,010
Other items:					
Depreciation	31,711	23,679	1,654	8,621	4,325
Amortization of goodwill	-	-	-	-	-
Interest and dividends income	210,817	99,395	354	74,904	137,268
Interest expense	7,303	680	-	2,565	333
Gains (losses) on equity method investments	-	-	-	-	-
Extraordinary income:	835	1,049	-	14,213	-
Reversal of reserve for price fluctuation	-	-	-	14,213	-
Extraordinary losses:	56,509	42,016	141	20	4,712
Impairment losses on fixed assets	27,547	2,605	-	-	-
Provision for reserve for price fluctuation	5,097	1,785	9	-	4,712
Other extraordinary losses	23,053	34,201	-	-	-
Income taxes	144,631	49,526	(677)	(20,377)	13,094
Equity method investments	113,658	1,532	-	-	-
Increase in tangible fixed assets and intangible fixed assets	27,875	31,989	2,181	5,177	3,332

(Yen in millions)

	International business	Others (Note 2)	Total	Adjustments (Notes 3,4 and 5)	Amount on the consolidated financial statements (Note 6)
	Overseas insurance subsidiaries				
Revenues: (Note 1)					
Revenues from transactions with external customers	1,922,848	21,022	6,808,728	(1,146,666)	5,662,061
Intersegment revenues or transfers	(143,298)	4,285	6,707	(6,707)	-
Total	1,779,549	25,308	6,815,435	(1,153,373)	5,662,061
Net income (loss) by segment	261,865	11,016	869,284	(81,945)	787,339
Assets by segment	6,263,523	308,535	31,336,626	(2,695,810)	28,640,815
Other items:					
Depreciation	15,729	81	85,803	14,469	100,272
Amortization of goodwill	-	-	-	15,446	15,446
Interest and dividends income	79,946	15,688	618,376	(69,183)	549,193
Interest expense	4,388	42	15,314	224	15,539
Gains (losses) on equity method investments	39,862	2,470	42,333	(5,528)	36,805
Extraordinary income:	783	-	16,881	14,539	31,421
Reversal of reserve for price fluctuation	-	-	14,213	(11,606)	2,606
Extraordinary losses:	10,379	67	113,847	(14,438)	99,408
Impairment losses on fixed assets	4,207	67	34,427	(724)	33,703
Provision for reserve for price fluctuation	-	-	11,606	(11,606)	-
Other extraordinary losses	5,768	-	63,023	(1,983)	61,040
Income taxes	58,513	5,039	249,750	10,626	260,377
Equity method investments	90,694	-	205,884	98,239	304,124
Increase in tangible fixed assets and intangible fixed assets	19,028	340	89,926	10	89,937

(Notes)

- 1 “Revenues” represents net premiums written for non-life insurance business, premium income for life insurance business, ordinary income for other business, and the sum total of net premiums written and life insurance premiums for “Amount on the consolidated financial statements”.
- 2 “Others”, which is business segments not included in reportable segments and other revenue generating business activities, represents domestic non-life insurance business operated by domestic insurance companies other than reportable segment, financial services business and digital/risk-related services business operated by group companies other than domestic insurance companies and business investments by the Company into companies other than group companies.
- 3 “Adjustments” in “Revenues from transactions with external customers” represent the difference between “Life insurance premiums” in the Consolidated Statement of Income and premium income for life insurance business, ¥(1,128,154) million and the adjustments for ordinary income for other business, ¥(18,511) million.
- 4 “Adjustments” in “Net income (loss) by segment” includes elimination of intersegment transactions of ¥(67,578) million, companywide expenses not allocated to respective reportable segments of ¥(20,528) million, gains on sales of shares of subsidiaries and associates recognized by the Company, amounting to ¥26,395 million, reversal of adjustments to profit and loss due to 2025 California wildfires which occurred during the period between the fiscal year end of overseas insurance subsidiaries and that of the Company of ¥17,409 million, adjustments to provision of reserves for losses on liquidation of subsidiaries recognized by ADI, amounting to ¥8,764 million, and adjustments to profit and loss due to application of the purchase method to domestic insurance subsidiaries and amortization of goodwill of ¥(46,407) million. Most of the companywide expenses are expenses associated with the Company's administrative departments that do not belong to any reportable segments.
- 5 “Adjustments” in “Assets by segment” includes elimination of intersegment transactions of ¥(1,868,103) million, transfers due to offsetting reinsurance recoverables included in assets of overseas insurance subsidiaries and policy liabilities on the consolidated financial statements of ¥(1,200,323) million, companywide assets not allocated to respective reportable segments of ¥87,261 million, adjustments to assets due to application of the purchase method to domestic insurance subsidiaries and unamortized balance of goodwill not allocated to respective reportable segments of ¥285,355 million. The companywide assets are the Company's assets that do not belong to any reportable segments.
- 6 “Net income (loss) by segment” is reconciled with net income attributable to owners of the parent on the consolidated financial statements.

(Notes on Per Share Information)

(Yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Net assets less non-controlling interests per share	2,647.01	3,286.85
Net income attributable to owners of the parent per share - Basic	445.52	528.87
Net income attributable to owners of the parent per share - Diluted	445.45	528.80

(Notes)

1 The bases for calculation of “Net income attributable to owners of the parent per share - Basic” and “Net income attributable to owners of the parent per share - Diluted” are as follows.

	Year ended March 31, 2025	Year ended March 31, 2026
Net income attributable to owners of the parent per share - Basic		
Net income attributable to owners of the parent (Yen in millions)	691,657	787,339
Net income attributable to owners of the parent not attributable to common shareholders (Yen in millions)	-	-
Net income attributable to owners of the parent attributable to common stock (Yen in millions)	691,657	787,339
Average number of shares of outstanding stock (in thousands of shares)	1,552,438	1,488,714
Net income attributable to owners of the parent per share - Diluted		
Adjustment to net income attributable to owners of the parent (Yen in millions)	-	-
Increased number of shares of common stock (in thousands of shares)	254	178
Stock acquisition rights (in thousands of shares)	254	178
Outline of dilutive shares which were not included in the calculation of “Net income attributable to owners of the parent per share - Diluted” because they are antidilutive for the each period	-	-

2 The bases for calculation of net assets less non-controlling interests per share are as follows.

	March 31, 2025	March 31, 2026
Total net assets (Yen in millions)	4,052,835	4,825,140
Amounts deducted from net assets: (Yen in millions)	52,483	56,117
Stock acquisition rights (Yen in millions)	266	192
Non-controlling interests (Yen in millions)	52,217	55,925
Net assets attributable to common stock (Yen in millions)	4,000,351	4,769,023
Number of shares of outstanding stock to calculate net assets less non-controlling interests per share (in thousands of shares)	1,511,266	1,450,939

3 In calculating the amounts of “Net income attributable to owners of the parent per share – Basic” and “Net income attributable to owners of the parent per share – Diluted”, the Company's shares held by trusts established under the share compensation plan are included in Treasury stock deducted in the calculation of “Average number of shares of outstanding stock”.

The average number of such Treasury stock deducted for the year ended March 31, 2025 is 4,114 thousand, and that for the year ended March 31, 2026 is 3,451 thousand.

In calculating “Net assets less non-controlling interests per share”, such Treasury stocks are included in Treasury stock deducted from the number of shares of outstanding stock. The number of such Treasury stock deducted for the year ended March 31, 2025 is 3,601 thousand, and that for the year ended March 31, 2026 is 3,481 thousand.