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Offering Circular

Nippon Life Insurance Company

(a Japanese mutual company)

Offering of €550,000,000 4.804 per cent Step-up Callable Subordinated Bonds due 2056

Offer Price: 100 per cent

The €550,000,000 4.804 per cent Step-up Callable Subordinated Bonds due 2056 (the "Bonds") of Nippon Life Insurance Company ("Nippon Life") will be issued in the denomination of €100,000 and integral multiples of €1,000 in excess thereof.

The Bonds will constitute irrevocable, direct and unsecured obligations of Nippon Life which are conditional and subordinated. Upon the occurrence of a Subordination Event (as defined in the Conditions (which term itself is defined in "Terms and Conditions of the Bonds")), and so long as it continues, the obligations of Nippon Life pursuant to the Bonds will be subordinated in right of payment to all Senior Indebtedness (as defined in the Conditions) of Nippon Life. See "Terms and Conditions of the Bonds—2. Status and Subordination".

The Bonds will bear interest at a fixed rate of 4.804 per cent per annum, payable annually in arrear on each Interest Payment Date (as defined below) commencing September 1, 2027 until September 1, 2036 (the "First Call Date"). "Interest Payment Date" means September 1 in each year. The rate of interest of the Bonds will be reset on the First Call Date, and on every Interest Payment Date which falls five, or a multiple of five, years thereafter (the First Call Date and each such Interest Payment Date, being a "Reset Date") until all Bonds are fully redeemed. The Bonds will bear interest from and including each Reset Date to but excluding the next following Reset Date or the date on which the Bonds are finally redeemed, whichever is earlier (each a "Reset Interest Period"), at the rate per annum equal to the "Reset Interest Rate", which is the sum of the applicable Benchmark Rate (as defined in the Conditions) and 2.530 per cent per annum. Such interest will be payable annually in arrear on each Interest Payment Date relating to the applicable Reset Interest Period, commencing on September 1, 2037. See "Terms and Conditions of the Bonds—3. Interest". Payments of interest on the Bonds may be deferred at the option of Nippon Life or upon the occurrence of certain events, as described in "Terms and Conditions of the Bonds—4. Deferral of Payments".

The Bonds will mature on September 1, 2056, subject to certain conditions. The Bonds will be subject to redemption in whole but not in part, (i) at the option and sole discretion of Nippon Life on the First Call Date and on any Reset Date falling thereafter, at their principal amount or (ii) in the event of certain changes in Japanese tax laws or upon the occurrence of a Regulatory Event (as defined in the Conditions), a Tax Deductibility Event (as defined in the Conditions) or a Rating Agency Event (as defined in the Conditions), at any time at their principal amount together with interest accrued to but excluding the date fixed for redemption and all Arrears of Interest (as defined in the Conditions), in each case subject to compliance with applicable regulatory requirements, including the prior confirmation of the Financial Services Agency of Japan (the "FSA") (where required), as described in "Terms and Conditions of the Bonds—5. Redemption and Purchase".

Payment of principal of and interest on the Bonds may be accelerated (subject to subordination) only in the case of a Subordination Event, which would only occur in the event of liquidation, bankruptcy, reorganization, rehabilitation or other equivalent proceedings of Nippon Life. There is no right of acceleration of the payment of the principal of the Bonds upon a default in the payment of principal or interest on the Bonds, upon the non-performance of any covenant by Nippon Life in relation to the Bonds or upon the happening of any other event in relation to the Bonds other than a Subordination Event.

It is expected that the Bonds will be assigned security ratings of A2 by Moody's Japan K.K. ("Moody's") and A- by S&P Global Ratings Japan Inc. ("S&P"). Security ratings are not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

See "Risk Factors" beginning on page 18 for a discussion of certain factors to be considered in connection with an investment in the Bonds.

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the "SGX-ST") for the listing of and quotation for the Bonds on the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, or opinions expressed or reports contained in this Offering Circular. Approval in-principle from the SGX-ST, admission of the Bonds to the Official List of the SGX-ST and the quotation of the Bonds on the SGX-ST are not to be taken as an indication of the merits of Nippon Life, its subsidiaries, its associated companies or the Bonds.

This Offering Circular does not constitute an offer of, or solicitation of an offer to buy or subscribe for the Bonds in any jurisdiction in which such offer or solicitation is unlawful. In particular, the Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S ("Regulation S") under the Securities Act). In addition, the Bonds have not been, and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the "FIEA") and may not be sold within Japan. For a summary of certain restrictions on the sale and transfer of the Bonds and distribution of this Offering Circular, see "Subscription and Sale".

Upon issue, the Bonds will be represented by a global certificate (the "Global Certificate") in registered form, which will be deposited with, and registered in the name of a nominee for, a common depositary for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking S.A. ("Clearstream, Luxembourg") on or about September 1, 2026 for the accounts of their respective accountholders.

Joint Bookrunners and Joint Lead Managers

J.P. Morgan **BNP PARIBAS** **Citigroup**

Barclays **HSBC**

Co-managers

BofA Securities **Morgan Stanley** **Crédit Agricole CIB** **Goldman Sachs International**

Daiwa Capital Markets **Mizuho** **Nomura** **SMBC NIKKO**

The date of this Offering Circular is August 24, 2026.

Nippon Life accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge and belief of Nippon Life (which has taken all reasonable care to ensure that such is the case), the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

Nippon Life, having made all reasonable enquiries, confirms that this Offering Circular contains all information with respect to Nippon Life, its consolidated and nonconsolidated subsidiaries and the Bonds which is material in the context of the issue and offering of the Bonds, the statements contained in it are in every material particular true and accurate and not misleading, the opinions and intentions expressed in this Offering Circular are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions, there are no other facts the omission of which would, in the context of the issue and offering of the Bonds, make any statement in this Offering Circular misleading and all reasonable enquiries have been made by Nippon Life to ascertain such facts and to verify the accuracy of all such information and statements.

This Offering Circular does not constitute an offer of, or solicitation of an offer to buy or subscribe for the Bonds in any jurisdiction in which such offer or solicitation is unlawful. The distribution of this Offering Circular and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by Nippon Life and the Managers (as defined in "Subscription and Sale") to inform themselves about and to observe any such restrictions. For a description of certain further restrictions on offers and sales of the Bonds and the distribution of this Offering Circular, see "Subscription and Sale".

No person is authorized in connection with the issue, offering, subscription or sale of the Bonds to give any information or to make any representation not contained in this Offering Circular and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of Nippon Life or the Managers. The delivery of this Offering Circular at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

To the fullest extent permitted by law, none of the Managers, the Trustee (as defined in the Conditions) or the Agents (as defined in the Conditions) or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them accepts any responsibility whatsoever for the contents of this Offering Circular or for any other statement made or purported to be made by Nippon Life or the Nippon Life Group (as defined below), or in relation to the offering. Accordingly, each Manager, the Trustee and each Agent and each of their respective affiliates, directors, employees, agents, representatives, officers and advisers and each person who controls any of them disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Offering Circular or any such statement.

No action is being taken to permit a public offering of the Bonds or the distribution of this Offering Circular in any jurisdiction where action would be required for such purposes. There are restrictions on the offer and sale of the Bonds and the circulation of documents relating thereto in certain jurisdictions, including the United States, Japan, the European Economic Area, the United Kingdom, Hong Kong and Singapore and to persons connected therewith. See "Subscription and Sale".

Each prospective investor who places an order for the Bonds consents to the disclosure by the Managers to Nippon Life of the prospective investor's identity, the details of such order and the actual amount of Bonds subscribed, if any.

UK MiFIR product governance / Professional investors and ECPs only target market: For the purposes of Regulation (EU) No 600/2014 as it forms part of domestic law ("UK MiFIR") (i) the target market for the Bonds is eligible counterparties, as defined in the FCA Handbook Conduct

of Business Sourcebook, and professional clients, as defined in UK MiFIR and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any distributor should take into consideration such target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Bonds and determining appropriate distribution channels.

PRIIPs Regulation / Prohibition of sales to EEA retail investors: The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

CCI Regulation / Prohibition of sales to UK retail investors: The Bonds are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom. For these purposes, a retail investor means a person who is not a professional client as defined in point (8) of article 2(1) of Regulation (EU) No 600/2014 as it forms part of United Kingdom domestic law. Consequently, no disclosure document required by the FCA Product Disclosure Sourcebook ("DISC") for offering, selling or distributing the Bonds or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

The Bonds are only being offered and sold in offshore transactions to non-U.S. persons outside the United States in reliance on Regulation S.

The Bonds have not been and will not be registered under the FIEA and are subject to the Act on Special Measures Concerning Taxation of Japan (Act No. 26 of 1957, as amended) (the "Act on Special Taxation Measures"). The Bonds may not be offered or sold in Japan or to, or for the benefit of, any person resident in Japan, or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, a person resident in Japan, for Japanese securities law purposes (including any corporation or other entity organized under the laws of Japan) except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and governmental guidelines of Japan. In addition, as part of the initial distribution by the Managers, the Bonds are not at any time to be directly or indirectly offered or sold to, or for the benefit of, any person other than a Gross Recipient. A "Gross Recipient" for this purpose is (i) a beneficial owner that is, for Japanese tax purposes, neither an individual resident of Japan or a Japanese corporation, nor an individual non-resident of Japan or a non-Japanese corporation that, in either case, is a person having a special relationship with Nippon Life as described in Article 6, Paragraph (4) of the Act on Special Taxation Measures (a "Specially-Related Person of Nippon Life"), (ii) a Japanese financial institution, designated in Article 3-2-2, Paragraph (29) of the Cabinet Order for Enforcement of the Act on Special Measures Concerning Taxation of Japan (Cabinet Order No. 43 of 1957, as amended) (the "Cabinet Order") that will hold the Bonds for its own proprietary account (each, a "Designated Financial Institution") or (iii) any other excluded category of persons, corporations or other entities under the Act on Special Taxation Measures.

BY SUBSCRIBING FOR THE BONDS, AN INVESTOR WILL BE DEEMED TO HAVE REPRESENTED THAT IT IS A GROSS RECIPIENT.

Interest payments on the Bonds will be subject to Japanese withholding tax unless it is established that the Bonds are held by or for the account of a beneficial owner that is (i) for Japanese tax purposes, neither an individual resident of Japan or a Japanese corporation, nor an individual non-resident of Japan or a non-Japanese corporation that, in either case, is a Specially-Related Person of Nippon Life, or (ii) a Designated Financial Institution which has complied with the Japanese tax exemption requirements under Article 6, Paragraph (11) of the Act on Special Taxation Measures or (iii) a public corporation, a financial institution, a financial instruments business operator or certain other entity which has complied with the requirement for tax exemption under Article 3-3, Paragraph (6) of the Act on Special Taxation Measures receiving interest through its payment handling agent in Japan as provided in that Paragraph.

Interest payments on the Bonds to an individual resident of Japan, to a Japanese corporation not described in the preceding paragraph, or to an individual non-resident of Japan or a non-Japanese corporation that in either case is a Specially-Related Person of Nippon Life will be subject to deduction in respect of Japanese income tax.

IN CONNECTION WITH THIS ISSUE, J.P. MORGAN SECURITIES PLC (THE "STABILISING MANAGER") (OR PERSONS ACTING ON BEHALF OF THE STABILISING MANAGER) MAY, SUBJECT TO ALL APPLICABLE LAWS AND REGULATIONS, OVER-ALLOT OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE PRICE OF THE BONDS AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION MAY NOT OCCUR. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE BONDS IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE BONDS OR 60 DAYS AFTER THE ALLOTMENT OF THE BONDS.

FORWARD-LOOKING STATEMENTS

This Offering Circular includes "forward-looking statements". All statements other than statements of historical facts included in this Offering Circular, including, without limitation, those regarding Nippon Life's financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Nippon Life, or the economy or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding Nippon Life's present and future business strategies and the environment in which Nippon Life will operate in the future. Among the important factors that could cause Nippon Life's actual results, performance or achievements to differ materially from those in the forward-looking statements include, but are not limited to, those discussed under the section titled "Risk Factors". These forward-looking statements speak only as of the date of this Offering Circular. Nippon Life expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in Nippon Life's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Company Financial Information

The financial year end of Nippon Life is March 31. Nippon Life's financial statements are prepared in accordance with the Insurance Business Act of Japan (Act No. 105 of 1995, as amended) (the "Insurance Business Act") and related rules and regulations applicable to the mutual life insurance industry (the "Insurance Business Accounting Principles") and accounting principles generally accepted in Japan ("Japanese GAAP"), which differ in certain respects from accounting principles generally accepted in certain other countries. Potential investors should consult their own professional advisers for an understanding of the difference between the combination of Insurance Business Accounting Principles and Japanese GAAP and International Financial Reporting Standards, or generally accepted accounting principles in other jurisdictions and an understanding of how those differences might affect the financial information contained in this Offering Circular.

In accordance with applicable Japanese legal requirements, for each fiscal year, Nippon Life prepares audited consolidated and nonconsolidated annual financial statements and consolidated and nonconsolidated interim financial statements, all in accordance with the Insurance Business Accounting Principles and Japanese GAAP.

The following financial statements are contained in this Offering Circular: (i) the audited annual consolidated balance sheets as of March 31, 2024, 2025 and 2026 and the related audited annual consolidated statements of income, comprehensive income, cash flows, and changes in net assets for each of the years ended March 31, 2024, 2025 and 2026 and the notes thereto, (ii) the audited annual nonconsolidated balance sheets as of March 31, 2024, 2025 and 2026 and the related audited annual nonconsolidated statements of income, changes in net assets and proposed appropriations of surplus for each of the years ended March 31, 2024, 2025 and 2026 and the notes thereto, (iii) the unaudited interim consolidated balance sheet as of June 30, 2026, and the related unaudited interim consolidated statements of income and comprehensive income for each of the three months ended June 30, 2025 and 2026 and the notes thereto, and (iv) the unaudited interim nonconsolidated balance sheet as of June 30, 2026, and the related unaudited interim nonconsolidated statements of income for each of the three months ended June 30, 2025 and 2026 and the notes thereto.

Certain of our consolidated subsidiaries and equity-method affiliates located outside of Japan apply Australian Accounting Standards Board ("AASB") Standard No. 17, Insurance Contracts ("AASB 17"). Insurance revenue recognized under AASB 17 is reclassified and presented within "Premium and Other Insurance Income" in accordance with applicable Japanese regulatory requirements.

In addition, certain insurance service expenses and related items recognized under AASB 17 by certain of our consolidated subsidiaries and equity-method affiliates located outside of Japan had previously been presented within "Other Insurance Benefits and Claims Paid," which is included in "Benefits and Claims Paid." As such amounts have become more significant, to more appropriately reflect their relationship revenues from asset management business commencing with the three months ended June 30, 2026, such amounts have been reclassified and presented, , within "Reinsurance Premiums" and "Other Insurance Benefits and Claims Paid," each included in "Benefits and Claims Paid," "Policy Reserves Provided" and "Other Reserves Provided," each included in "Provision for Policy Reserves and Other Reserves," and "Reversal of Outstanding Claims Reserves," included in "Other Ordinary Income."

Consistent with the reclassification described above, in the consolidated balance sheet as of March 31, 2026 included in the unaudited interim consolidated financial statements as of and for the three months ended June 30, 2026, a portion of the "Policy Reserves" previously presented within "Insurance Contract Reserves" has been reclassified to "Outstanding Claims Reserves," which is also included within "Insurance Contract Reserves."

As a result, the consolidated financial information as of March 31, 2026 and for the three months ended June 30, 2025 presented in the consolidated unaudited interim financial statements as of and for the three months ended June 30, 2026 included elsewhere in this offering circular and the consolidated financial information for the three months ended June 30, 2025 under the heading "Selected Financial Information" and "Recent Business" have been retrospectively adjusted.

On the other hand, the consolidated financial information for the years ended March 31, 2024, 2025 and 2026 presented in the consolidated audited financial statements as of and for the years ended March 31, 2024, 2025 and 2026 included elsewhere in this offering circular and under the heading "Selected Financial Information" and "Recent Business" has not been retrospectively adjusted.

See Note 2 to our consolidated statement of income for the three months ended June 30, 2026. Separately, certain expenses relating to asset management activities had previously been presented within operating expenses and other ordinary expenses. Effective for the three months ended June 30, 2026, we reclassified such expenses to investment expenses in order to more appropriately reflect their relationship with revenues generated from the asset management business, which are included in investment income.

As a result, the consolidated and nonconsolidated financial information for the three months ended June 30, 2025 presented in the consolidated and nonconsolidated unaudited interim financial statements as of and for the three months ended June 30, 2026 included elsewhere in this offering circular and the consolidated and nonconsolidated financial information for the three months ended June 30, 2025 under the heading "Selected Financial Information" and "Recent Business" have been retrospectively adjusted.

On the other hand, the consolidated and nonconsolidated financial information for the years ended March 31, 2024, 2025 and 2026 presented in the consolidated and nonconsolidated audited financial statements as of and for the years ended March 31, 2024, 2025 and 2026 included elsewhere in this offering circular and under the heading "Selected Financial Information" and "Recent Business" has not been retrospectively adjusted.

See Note 1 to our consolidated and nonconsolidated statements of income for the three months ended June 30, 2026.

Except as otherwise specified, the discussion and analysis of the financial condition and results of operations and all financial information set forth in the section titled "Recent Business" are provided on a consolidated basis. Except as otherwise specified, financial information other than the abovementioned section is presented on a nonconsolidated basis. In addition, where specified, certain financial information is presented on a combined basis, representing the sum of figures for Nippon Life, Taiju Life, Nippon Wealth Life and Hanasaku Life. In addition, certain financial and operating data, including but not limited to core operating profit and interest and dividends income, are presented on a group basis, representing the sum of applicable figures for Nippon Life, Taiju Life, Nippon Wealth Life, Hanasaku Life and Nissay Plus SSI Company Inc., as well as Nippon Life's overseas life insurance subsidiaries and related companies and Nippon Life's domestic and global asset management business (in each case based on Nippon Life's ownership ratio). Such figures are adjusted for inter-company sales, and figures for overseas entities are also adjusted for foreign exchange.

Starting in the fiscal year ended March 31, 2025, the Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022, the "revised 2022 accounting standard"), and the Company has therefore revised the accounting classifications of income taxes on income earned in the fiscal year ended March 31, 2025, which are levied on items such as valuation differences arising from the revaluation of assets and liabilities. In terms of applying the revised 2022 accounting standard, the Company followed the transitional measures specified by the proviso in Paragraph 20-3 of the standard, and the new accounting policy specified by the standard was applied from April 1, 2024.

Certain of our overseas equity method affiliates adopted IFRS 9 "Financial Instruments" and IFRS 17 "Insurance Contracts" from the first quarter of the fiscal year ended March 31, 2026. This change in accounting policy has resulted in modifications to the classification and measurement methods of financial instruments. Furthermore, insurance contract reserves are measured to reflect the time value of money, the financial risk associated with cash flows arising from insurance contracts, and the impact of uncertainty in cash flows arising from insurance contracts. Additionally, a new item, "Valuation difference on insurance contract reserves related to overseas subsidiaries," has been established within accumulated other comprehensive income. This change in accounting policy has been applied retrospectively, and our consolidated financial statements for the fiscal year ended March 31, 2025 have been restated accordingly.

In this Offering Circular, "we", "us", "Nippon Life" and words of similar import refers to Nippon Life Insurance Company itself, or to Nippon Life Insurance Company and its consolidated subsidiaries or, as the context may require, Nippon Life on a nonconsolidated basis. References to "the Company" are to Nippon Life on a nonconsolidated basis.

References in this Offering Circular to the "Nippon Life Group" refer to Nippon Life Insurance Company together with its consolidated subsidiaries and affiliates taken as a whole.

References to "Taiju Life" are to Taiju Life Insurance Company Limited, references to "Nippon Wealth Life" are to Nippon Wealth Life Insurance Company Limited and references to "Hanasaku Life" are to Hanasaku Life Insurance Co., Ltd. Nippon Life is also referred to as "Nissay", which derives from the common abbreviation of the Company's name in Japanese.

Unless otherwise specified or the context requires, references in this Offering Circular to "U.S.$", "dollars" and "U.S. dollars" are to United States dollars, all references to "Euro" and "€" are to the euro, all references to "£" are to pounds sterling, all references to "A$" are to Australian dollars and all references to "yen" and "¥" are to Japanese yen.

In this Offering Circular, where information is presented in trillions, billions or millions of yen, amounts of less than one hundred billion, one hundred million or one hundred thousand yen, respectively, have been truncated unless otherwise specified. All percentages have been rounded to the nearest per cent, one-tenth of one per cent or one-hundredth of one per cent, as the case may be. In some cases, figures and percentages presented in tables in this Offering Circular may not total due to such truncating or rounding.

Our investments are divided into our general account and separate accounts. Payments to customers for products providing a fixed benefit are made from investments in our general account. We bear the risk that investments in the general account will not yield sufficient returns to cover benefits paid for products for which premiums are calculated based on a fixed assumed yield. In contrast, products for which customers bear the investment risk are paid from funds managed in our separate accounts. Such products include individual variable insurance, individual variable annuities and group annuities with separate account policy riders. Some of the information presented in this Offering Circular reflects our general account on a stand-alone basis and excludes separate account assets and liabilities. Such information is specifically identified in this Offering Circular as general account information. Where no such identification is made, the information provided herein includes both general account and separate account assets and liabilities. Of our ¥87,454.6 billion of nonconsolidated total assets as of June 30, 2026, ¥86,305.7 billion, or 98.7%, represented general account assets. The balance consisted of separate account assets in the amount of ¥1,148.8 billion.

As of June 30, 2026, our nonconsolidated total assets and total net assets represented 72.1% and 93.4% of our consolidated total assets and total net assets, respectively. For the year ended March 31, 2026, our nonconsolidated ordinary profit and net surplus represented 147.9% and 93.5% of our consolidated ordinary profit and net surplus attributable to the parent company, respectively.

Statistical and Industry Information Based on Third Party Publications

In this Offering Circular, Nippon Life makes references to certain statistical and industry data based on information from certain governmental or third party sources or publications. Nippon Life has not verified the accuracy of statistical or industry data contained in this Offering Circular that were taken or derived from such governmental or third party sources or publications. It should be noted in particular that results of surveys are not necessarily exact reflections of the state of the relevant market.

Japan Post Insurance Co., Ltd. ("Japan Post Insurance") and cooperative insurers are not included in any of the life insurance industry data appearing in this Offering Circular, unless otherwise stated herein.

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SUMMARY INFORMATION

The following summary does not purport to be complete and is qualified in its entirety by, and is subject to, the more detailed information and financial statements and the notes thereto contained elsewhere in this Offering Circular. For a discussion of certain factors that should be considered by prospective investors in connection with an investment in the Bonds, see "Risk Factors".

Nippon Life Insurance Company

We are the largest private life insurance company in Japan, and one of the largest in the world, in terms of both total and net assets and premium income. We operate primarily in Japan and offer a wide range of products, including life insurance, annuities and other insurance products, to over 12.0 million insured persons and approximately 0.28 million corporate customers in Japan on a nonconsolidated basis as of March 31, 2026. As of March 31, 2026, we and Taiju Life had 54,611 total sales representatives.

Our core business is life insurance for individuals in Japan's retail market. Our innovative *Mirai no Katachi* product lineup allows customers to combine a wide variety of coverage into personally tailored insurance portfolios. We also sell individual annuity, group insurance and group annuity products. On a consolidated basis, our business includes asset management, investment trust management and information technology products and services. Also, we have been expanding our global operations in an effort to secure revenue sources outside of the Japanese market and to capture the growth of global markets.

According to the Allianz Global Insurance Report 2025, Japan is the fourth largest life insurance market in the world by premium volume. It is also a highly concentrated and mature market, with the top five private life insurance companies accounting for 58.8% of the market share by premium income, excluding Japan Post Insurance, for the year ended March 31, 2026, according to public disclosures. We hold the largest market share in Japan with 20.6% by premium income (on a combined basis) among private life insurance companies for the year ended March 31, 2026 and aim to strengthen our position as Japan's leading private life insurance company. While our core business is the sale of individual insurance products through our sales representative channel, we are also working to diversify our product portfolio and sales channels. For example, for the year ended March 31, 2026, individual insurance, group annuities, individual annuities, group insurance and others made up 67%, 13%, 16%, 4% and 1%, respectively, of our revenues from insurance and reinsurance, and our sales representatives, bancassurance and agency channels accounted for 41%, 45% and 13%, respectively, of our annualized premiums from new policies of individual insurance, in each case, on a combined basis.

On a consolidated basis, our total assets as of March 31, 2026 and June 30, 2026 amounted to ¥118,862.7 billion and ¥121,279.8 billion, respectively, and our revenues from insurance and reinsurance amounted to ¥9,437.3 billion and ¥2,692.6 billion, respectively, for the year ended March 31, 2026 and the three months ended June 30, 2026. As of March 31, 2026, we had an unaudited preliminary regulatory consolidated economic value-based solvency ratio ("ESR") of 195% (approximately 1.95 times the minimum regulatory requirement) and a preliminary regulatory nonconsolidated ESR of 204% (approximately 2.04 times the minimum regulatory requirement), and our consolidated capital, which is a sum of foundation funds, reserves and other items and subordinated debt, was ¥7.0 trillion. We currently have financial strength and/or long-term credit ratings of A+ (stable outlook) from S&P, Aa3 (stable outlook) from Moody's, AA+ (stable outlook) from R&I and AA+ (stable outlook) from JCR.[1]

[1] Our standalone credit profile (SACP) by S&P improved to aa from a+ in March 2024, while the issuer rating by S&P remained the same at A+ due to the sovereign ceiling. Our preliminary standalone outcome by Moody's maintained Aa3 before score adjustment and A1 under the sovereign ceiling.

THE BONDS

Issuer	Nippon Life Insurance Company
Securities Offered	€550,000,000 aggregate principal amount of 4.804 per cent Step-up Callable Subordinated Bonds due 2056.
Issue Price	100 per cent
Form and Denomination	The Bonds are issued in registered form in the denomination of €100,000 and integral multiples of €1,000 in excess thereof.
Status and Subordination of the Bonds	The obligations of Nippon Life in respect of the Bonds constitute irrevocable, direct and unsecured obligations of Nippon Life which are conditional and subordinated. Claims in respect of the Bonds shall at all times rank *pari passu* and without any preference among themselves and *pari passu* with all Liquidation Parity Indebtedness (as defined in the Conditions) and in priority to (i) claims of holders of interest in the foundation funds (*kikin*) of Nippon Life or, upon the occurrence of a Demutualization Event (as defined in the Conditions), claims of holders of common stock and preferred stock (including the most senior preferred stock) of Nippon Life, and (ii) claims of any other instruments of Nippon Life that are expressly designated as being junior to the Bonds as to priority of liquidation payment ("Junior Indebtedness"). See Condition 2.
Interest	*Prior to the First Call Date*: From and including September 1, 2026 to but excluding the First Call Date, the Bonds bear interest at a fixed rate of 4.804 per cent per annum, payable annually in arrear on each Interest Payment Date commencing September 1, 2027 until the First Call Date. *On and after the First Call Date*: The rate of interest payable in respect of the Bonds will be reset on each Reset Date until all Bonds are fully redeemed. The Bonds will bear interest in each Reset Interest Period at the Reset Interest Rate. Such interest is payable annually in arrear on each Interest Payment Date relating to the applicable Reset Interest Period, commencing on September 1, 2037. The Reset Interest Rate in respect of each Reset Interest Period shall be determined by the Calculation Agent on the relevant Reset Determination Date (as defined in the Conditions) in respect of such Reset Interest Period. See Condition 3(b). Payments of interest on the Bonds may be deferred at the option of Nippon Life or mandatorily upon the occurrence of certain events, as described below.
Interest Deferral	*Optional Deferral*: Nippon Life may, at its sole discretion, elect to defer all (and no less than all) of the interest accrued on the Bonds on any Interest Payment

	Date (subject to certain requirements) by giving notice of such election to the Bondholders, the Trustee and the Agents no later than three Business Days (as defined in the Conditions) prior to the relevant Interest Record Date (as defined in the Conditions). See Condition 4(a). *Mandatory Deferral*: In the event that (i) a Capital Deficiency Event (as defined in the Conditions) has occurred and is continuing, or (ii) any payment in relation to any Liquidation Parity Indebtedness has been deferred and continues to be in deferral, in either case, as of the date that is five Business Days prior to (and including) an Interest Record Date, then Nippon Life shall be required to defer all (and no less than all) of the accrued interest on the Interest Payment Date. Nippon Life will provide notice of a mandatory deferral of interest to the Bondholders, the Trustee and the Agents no later than three Business Days prior to the relevant Interest Record Date. See Condition 4(b).
Payment Stoppage	If Nippon Life has given notice to defer payment of interest but the relevant interest has not become payable, or if any other payment in relation to the Bonds has been deferred and continues to be in deferral, Nippon Life shall not, and it shall cause its Subsidiaries (as defined in the Conditions) not to, make any payment of principal of, or interest or premium (if any) on, or repay, purchase or redeem any Liquidation Parity Indebtedness or any of its Junior Indebtedness (other than foundation fund obligations). See Condition 4(c).
Arrears of Interest	Any interest that is deferred shall, so long as it remains unpaid, constitute Arrears of Interest. See Condition 4. Arrears of Interest on the Bonds shall accrue on a cumulative basis and remain payable for so long as they remain unpaid. Interest on Arrears of Interest deferred at Nippon Life's option shall compound annually at 4.804 per cent per annum to but excluding the First Call Date, and at the applicable Reset Interest Rate for each Reset Interest Period thereafter. Arrears of Interest mandatorily deferred shall bear no interest. Arrears of Interest on the Bonds may at the option of Nippon Life be paid in whole or in part at any time upon giving not less than 10 nor more than 15 Business Days' prior notice to such effect (which notice shall specify the amount of such Arrears of Interest to be paid), provided that such payments (i) shall be subject to any applicable regulatory requirements or approvals, (ii) shall be conditional upon a Capital Deficiency Event not having occurred and continuing to occur as of the time of such notice and (iii) shall be conditional upon a deferral of any payment in relation to Liquidation Parity Indebtedness not having occurred and continuing to be in deferral as of the time of such notice. Where no Subordination Event has occurred and is continuing and Arrears of Interest on the Bonds are paid in part, each such payment shall be applied in or towards satisfaction of the full amount of the Arrears of Interest on the Bonds in respect of the earliest Interest Period or Interest Periods in respect of which Arrears of Interest on the Bonds have not been paid in full.

	Arrears of Interest shall become due and payable in full on whichever is the earlier of (i) the date set for any redemption of the Bonds and (ii) the occurrence of any Subordination Event (but subject to subordination as set forth under Condition 2(b)). See Condition 4(d).
Compulsory Interest Payments	The compulsory interest payments described below shall be applicable only after the occurrence of a Demutualization Event. All interest accrued (including any arrears of interest and interest thereon) as of any Compulsory Interest Payment Date (as defined below) shall become due and payable in full on such Compulsory Interest Payment Date, subject to compliance with applicable regulatory requirements, including prior confirmation of the FSA (if then required). An Interest Payment Date shall constitute a "Compulsory Interest Payment Date" if a Compulsory Interest Payment Event shall have occurred in the period of six months prior to such Interest Payment Date. A Compulsory Interest Payment Event shall mean (i) a dividend on any common stock or preferred stock, or any payment of interest (including any arrears of interest) or its equivalent on any other Liquidation Parity Indebtedness or any Junior Indebtedness, of Nippon Life was declared, paid or distributed, except where such payment was compulsory under the terms of the relevant Liquidation Parity Indebtedness or Junior Indebtedness or except for *pro rata* payments of accrued interest and arrears of interest of the relevant Liquidation Parity Indebtedness as described under Condition 4(d), or (ii) Nippon Life or any subsidiary of Nippon Life has repaid, redeemed, purchased or otherwise acquired all or part of any common stock, preferred stock, any Liquidation Parity Indebtedness or any Junior Indebtedness of Nippon Life, except for a Permitted Purchase (as defined in the Conditions); provided, however, that no Compulsory Interest Payment Date shall be deemed to occur if any Capital Deficiency Event has occurred or continued to occur during the period commencing immediately following the relevant event in (i) or (ii) above and ending on the relevant Interest Payment Date. See Condition 4(e).
Scheduled Maturity Date	September 1, 2056, subject to certain conditions.
Redemption	The Bonds are subject to final redemption, optional redemption, redemption for taxation reasons and optional special event redemption as described below. *Final redemption*: Unless previously redeemed or purchased and cancelled, subject to compliance with applicable regulatory requirements, including prior confirmation of the FSA (if then required), each Bond will be finally redeemed on September 1, 2056 (the "Scheduled Maturity Date") at 100% of the principal amount of the Bonds then outstanding together with accrued interest (including any Arrears of Interest) and any Additional Amounts (as defined in the Conditions) thereon, provided that such redemption may be permitted only if (i) Nippon Life's Solvency

Margin Ratio (or such other measure of capital adequacy then used by the applicable regulatory requirements) after giving effect to the redemption is expected to remain at an adequate level within the meaning of the Insurance Business Act (including any successor legislation) and any applicable regulations, public notices or guidelines thereunder then in force; or (ii) Nippon Life procures Qualifying Financing (as defined in the Conditions) in an amount not less than the amount of the redemption.

In the event that the Bonds are not redeemed on the Scheduled Maturity Date as a result of a failure to satisfy the conditions in the proviso in the preceding paragraph, interest will continue to accrue and be paid on each Interest Payment Date until the first Interest Payment Date after the Scheduled Maturity Date on which such conditions are fulfilled, which will be the "Final Redemption Date" when the Bonds will be finally redeemed.

As of the date of this offering circular, the measure of capital adequacy currently employed by the applicable regulatory requirements in Japan is Economic Solvency Ratio, *being the economic value-based solvency ratio which measures the solvency of an insurance company based on the economic value of its assets and liabilities and has been formally implemented in Japan with effect from March 31, 2026*.

Optional redemption:

The Bonds may be redeemed at Nippon Life's option and its sole discretion in whole, but not in part, subject to compliance with applicable regulatory requirements, including prior confirmation of the FSA (if then required), on the First Call Date or any Reset Date, upon giving not less than 30 nor more than 60 days' notice of redemption (which notice shall be irrevocable) to the Trustee and the Agents in writing and to the Bondholders in accordance with Condition 13, at 100% of the principal amount of the Bonds, together with interest accrued (including any Arrears of Interest) to the date fixed for redemption and any Additional Amounts thereon, provided that such early redemption may be permitted only if (i) Nippon Life's Solvency Margin Ratio (or such other measure of capital adequacy then used by the applicable regulatory requirements) after giving effect to the redemption is expected to remain at an adequate level within the meaning of the Insurance Business Act (including any successor legislation) and any applicable regulations, public notices or guidelines thereunder then in force, or (ii) Nippon Life procures Qualifying Financing (as defined in the Conditions) in an amount not less than the amount of the redemption.

Redemption for Taxation Reasons:

The Bonds may be redeemed at any time at Nippon Life's option and its sole discretion in whole, but not in part, subject to compliance with applicable regulatory requirements, including prior confirmation of the FSA (if then required), and upon giving not less than 30 nor more than 60 days' notice of redemption to the Trustee and the Agents in writing and to the Bondholders in accordance with Condition 13 (which notice shall be irrevocable), at 100% of the principal amount of the Bonds,

together with interest accrued (including any Arrears of Interest) to the redemption date and any Additional Amounts thereon, if:

- Nippon Life has been or will be obligated to pay Additional Amounts (an "Additional Amounts Event") as a result of any change in, or amendment to, the laws or regulations of Japan (or, in the case of a successor person not organized under the laws of Japan, such other jurisdiction of the successor person) or any political subdivision or any authority thereof or therein having power to tax, or any change in application, or change or the stating of an official interpretation of such laws or regulations, which change or amendment becomes effective (or, in the case of the stating of an official interpretation, is announced) on or after the date of the issuance of the Bonds (or, in the case of a successor person not organized under the laws of Japan, on or after the date of succession); and
- such obligation cannot be avoided by Nippon Life through the taking of reasonable measures available to Nippon Life,

provided that such early redemption may be permitted only if (i) Nippon Life's Solvency Margin Ratio (or such other measure of capital adequacy then used by the applicable regulatory requirements) after giving effect to the redemption is expected to remain at an adequate level within the meaning of the Insurance Business Act (including any successor legislation) and any applicable regulations, public notices or guidelines thereunder then in force, or (ii) Nippon Life procures Qualifying Financing in an amount not less than the amount of the redemption, and further provided that in the case of redemption prior to 1 September 2031 as a consequence of an Additional Amounts Event occurring and continuing prior to 1 September 2031, such early redemption may only be made if (i) Nippon Life's Solvency Margin Ratio (or such other measure of capital adequacy then used by the applicable regulatory requirements) after giving effect to the redemption is expected to remain at an adequate level within the meaning of the Insurance Business Act (including any successor legislation) and any applicable regulations, public notices or guidelines thereunder then in force, and (ii) Nippon Life procures Qualifying Financing in an amount not less than the amount of the redemption prior to the redemption thereof.

Optional Special Event Redemption:

The Bonds may be redeemed at any time at Nippon Life's option and its sole discretion in whole, but not in part, if a Special Event (as defined below) has occurred and is continuing, subject to compliance with applicable regulatory requirements, including prior confirmation of the FSA (if then required), and upon giving not less than 30 nor more than 60 days' notice of redemption to the Trustee and the Agents in writing and to the Bondholders in accordance with Condition 13 (which notice shall be irrevocable), at a redemption price equal to 100% of the principal amount of the Bonds, together with interest accrued (including Arrears of Interest) to the redemption date, and any Additional Amounts thereon.

"Special Event" means any one of the following events:

(a) a "Regulatory Event", which means the occurrence of a more than insubstantial risk (including, without limitation, as a result of any amendment or change to the Insurance Business Act or related regulations, public notices or guidelines thereunder, that is publicly announced after the date of issuance of the Bonds) that the Bonds will be excluded in full or in part from "Tier 2 capital instruments" under the Insurance Business Act and related regulations or a similar class of capital under any similar applicable regulatory requirement in the future relating to the determination of Nippon Life's Solvency Margin Ratio, or

(b) a "Tax Deductibility Event", which means the occurrence of a more than insubstantial increase in the risk that interest payable by Nippon Life on the Bonds is not or will not be deductible by Nippon Life, in whole or in part, for Japanese (or, in the case of a successor person not organized under the laws of Japan, such other jurisdiction of the successor person) tax purposes, as a result of (i) any change (including any officially announced proposed changes) in, or amendment to, the laws or regulations (or rulings promulgated thereunder) of Japan (or, in the case of a successor person not organized under the laws of Japan, such other jurisdiction of the successor person) or any political subdivision or any authority thereof or therein having power to tax, that becomes effective on or after the date of the issuance of the Bonds (or, in the case of a successor person not organized under the laws of Japan, on or after the date of succession), or (ii) any administrative decision, judicial decision, administrative action or other official pronouncement interpreting or applying such laws, regulations or rulings that is announced on or after the date of the issuance of the Bonds (or, in the case of a successor person not organized under the laws of Japan, on or after the date of succession), and, in each case, such non-deductibility cannot be avoided by Nippon Life through the taking of reasonable measures available to it, or

(c) a "Rating Agency Event", which means a publication by S&P, Moody's or Fitch (including any successors to their respective ratings businesses) that an amendment, clarification or change has occurred or will occur in the equity credit criteria, guidelines or methodology of such rating agency, which amendment, clarification or change results or will result in (i) the shortening of the length of time the Bonds are assigned a particular level of equity credit by such rating agency as compared to the length of time the Bonds would have been assigned that level of equity credit by such rating agency on the date of the issuance of the Bonds, or (ii) a lower equity credit for the Bonds than the equity credit assigned by such rating agency on the date of the issuance of the Bonds.

See Condition 5.

Provided however that any such early redemption may be permitted only if (i) Nippon Life's Solvency Margin Ratio (or such other measure of capital adequacy then used by the applicable regulatory

	requirements) after giving effect to the redemption is expected to remain at an adequate level within the meaning of the Insurance Business Act (including any successor legislation) and any applicable regulations, public notices or guidelines thereunder then in force, or (ii) Nippon Life procures Qualifying Financing in an amount not less than the amount of the redemption, or in the case of redemption prior to 1 September 2031 as a consequence of (A) a Regulatory Event which could have been reasonably foreseeable as of the date of issuance of the Bonds or which does not constitute an event which has a significantly material impact, or (B) a Tax Deductibility Event which could have been reasonably foreseeable as of the date of the issuance of the Bonds or which does not constitute an event which has a significantly material impact, or (C) a Rating Agency Event, in each case occurring and continuing prior to 1 September 2031, such early redemption may only be made if (i) Nippon Life's Solvency Margin Ratio (or such other measure of capital adequacy then used by the applicable regulatory requirements) after giving effect to the redemption is expected to remain at an adequate level within the meaning of the Insurance Business Act (including any successor legislation) and any applicable regulations, public notices or guidelines thereunder then in force, and (ii) Nippon Life procures Qualifying Financing in an amount not less than the amount of the redemption prior to such redemption.
Limited Rights of Acceleration	The Bonds may not be accelerated upon a default in the payment of principal of or interest on the Bonds, upon the non-performance of any covenant of Nippon Life in relation to the Bonds or upon the happening of any other event in relation to the Bonds other than a Subordination Event, which would only occur in the event that liquidation, bankruptcy, reorganization or rehabilitation proceedings shall have commenced with respect to Nippon Life or Nippon Life shall have become subject to other equivalent proceedings pursuant to any applicable law of any jurisdiction other than Japan, and in such cases, payment on the Bonds would remain subject to subordination. See Condition 9.
Trustee	The Bank of New York Mellon, London Branch
Principal Paying Agent and Calculation Agent	The Bank of New York Mellon, London Branch
Registrar and Transfer Agent	The Bank of New York Mellon SA/NV, Dublin Branch
Payment and Settlement	Payment for the Bonds will be made on or about September 1, 2026. Upon issue, the Bonds will be represented by the Global Certificate in registered form deposited with, and registered in the name of a nominee for, a common depositary for Euroclear and Clearstream, Luxembourg.
Use of Proceeds	Nippon Life intends to use the net proceeds from the offering of the Bonds for general corporate purposes.

Expected Rating of the Bonds	It is expected that the Bonds will be assigned security ratings of A2 by Moody's and A- by S&P. Security ratings are not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Listing	Approval in-principle has been received from the SGX-ST for the listing of and quotation for the Bonds on the Official List of the SGX-ST. The Bonds will be traded on the SGX-ST in minimum board lot size of S$200,000 (or its equivalent in other currencies) for so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require.
ISIN code	XS3478185344
Common code	347818534
Legal Entity Identifier ("LEI") for Nippon Life	549300Y0HHMFW3EVWY08

RISK FACTORS

Prior to making an investment decision, you should carefully consider the following risks, along with the other information in this Offering Circular.

Risks Related to Our Business

We may be unable to execute our strategic initiatives in order to grow our business and achieve results that are consistent with the targets in our mid-term management plan.

In March 2024, we announced our mid-term management plan, outlining our strategic initiatives and certain financial and operating targets that we aim to achieve through the implementation of such initiatives. See "Business—Strategies". Our ability to execute our strategic initiatives and achieve such financial and operating targets is based on a number of underlying assumptions, including but not limited to, our ability to strengthen and diversify the range of products and services that we offer, our ability to generate steady returns on managed assets, our ability to hire, train and retain qualified sales representatives, and our ability to secure and allocate investment resources (both during the period of our mid-term management plan and beyond). There can be no guarantee that these or other assumptions made by us will prove to be correct. Our failure to achieve our financial and operating targets, or a perception that such targets are unattainable, could damage our reputation and competitive position.

Our ability to achieve our mid-term management plan depends in part on whether we are able to implement the business strategies effectively as set forth in "Business—Strategies". We face a number of risks and challenges in executing our business strategies, including those identified in this "Risk Factors" section. Any inability to execute our business strategies effectively, for the above reasons or otherwise, or the actualization of any of the other risks set forth in this "Risk Factors" section could render us incapable of achieving the targets included in our mid-term management plan relating to our future financial condition and results.

Adverse financial market and economic conditions in Japan and elsewhere may have a material adverse effect on our business, financial condition and results of operations.

Our business, financial condition and results of operations are materially affected by financial market and economic conditions in Japan and elsewhere. The outlook for the economy in Japan, our primary operating market remains highly uncertain and could be adversely affected by a range of economic, social and geopolitical developments. In Japan, where we derive a majority of our consolidated revenues from insurance and reinsurance, the economic environment continues to be challenging due to a number of other factors, including longer-term challenges such as the declining birthrate and the decline and aging of the overall population. Changes to tax laws and regulations, such as further increases in the Japanese consumption tax, could also hurt consumer sentiment and weaken demand and have a negative effect on the Japanese economy. In regions and countries outside Japan, geopolitical instability in various parts of the world including the ongoing military conflict between Russia and Ukraine, along with continued tensions in the Middle East, including uncertainties surrounding recent military operations by the United States, Israel, Iran and other regional state and non-state entities and the memorandum of understanding between the United States and Iran signed in June 2026, each of which has contributed to increased volatility in energy and commodity prices; the potential threat of North Korea's nuclear weapons program; political, economic and social instability in Venezuela; material changes in regional economic or political unions or associations between countries, and trade and security tensions, particularly between the United States and China and between Japan and China in the wake of the current Japanese Prime Minister's stance with respect to China's position on Taiwan, are giving rise to concerns about economic instability in those and other regions and could adversely affect Japanese and global economic conditions. There are also uncertainties about the monetary policy of central banks in Japan and other countries, the current administration in the United States, including the implementation of new or increased tariffs on imported goods with unknown duration globally, potential renewed inflation and

increased uncertainty regarding policy interest rates in the United States and other countries around the world and changes in political leadership in other major economies.

In the event of a prolonged economic downturn in Japan or elsewhere, which may be characterized by higher unemployment, lower household income, lower corporate earnings, lower business investment and lower consumer spending, the demand for insurance and annuity products could be adversely affected. Policyholders may choose to defer paying insurance premiums or stop paying insurance premiums altogether. We may also experience an elevated incidence of claims and surrenders or lapses of policies. In addition, such downturns generally result in lower interest yields and declines in stock prices and dividends from stocks, which negatively affect our net investment income. Accordingly, adverse or worsening economic conditions in Japan or elsewhere could adversely affect our business, financial condition and results of operations.

In addition, if there is a sustained material deterioration in financial markets or economic conditions as a result of any future impact of any pandemic or other health crisis that might arise in the future such as the COVID-19 pandemic, particularly in Japan, our business and results of operations could be adversely affected. We had experienced negative impact from the COVID-19 pandemic and the various countermeasures adopted in response thereto, primarily in the form of payouts on COVID-19 related claims and benefits. While we are no longer subject to such payouts, we may experience a materially adverse impact to our business as a result of any health crisis that might arise in the future.

Changes in the value of Japanese and foreign equity securities may have a material adverse effect on our business, financial condition and results of operations.

We maintain equity holdings in Japanese and foreign companies. For example, as of June 30, 2026, domestic equity and foreign equity (including foreign bond-type investment trust) accounted for 19.9% and 15.5%, respectively, of the total assets in our general account, each on a nonconsolidated basis. Global financial markets, including the Japanese equity markets, have experienced severe volatility in recent years, including more recently, as a result of persistent inflation, changes in central bank policies, uneven recovery across regions, geopolitical tensions and other factors. Although the Nikkei 225 Index had generally been on an increasing trend since the beginning of 2023, hitting an all-time high of ¥73,007 in June 2026, it experienced significant fluctuations in 2026 amid volatility in energy and commodity prices due in part to the continued conflict in Iran and the broader Middle East region as well as perceived government interventions. Other major indices globally have experienced similar trends in recent years.

Declines in stock prices may decrease the amount of net unrealized gains on available-for-sale securities, which may negatively affect our net assets, solvency margin, and consolidated and nonconsolidated ESR. In addition, declines in stock prices may result in losses on valuation or impairment of securities, losses on sales or disposition of securities or reversal of the reserve for price fluctuations in investments in securities, and thus may also adversely affect our business, financial condition and results of operations.

Changes in interest rates may materially affect our profitability.

In an effort to manage our investment assets in a manner appropriate to our liabilities, which arise from the insurance policies we underwrite, we engage in ALM, which takes into consideration the long-term balance between assets and liabilities in an effort to ensure stable returns. Any failure to conduct ALM activities in an appropriate manner, or any significant changes in market conditions beyond what our ALM activities can reasonably address, could have a material adverse effect on our financial condition.

In general, our liabilities to policyholders have a longer duration than our investment assets. Therefore, during periods of declining interest rates, our average yield on investment declines as maturing investments, along with bonds and loans that are redeemed or prepaid to take

advantage of the lower interest rate environment, are replaced with new investments that provide lower yields. This reduces the yield on our investment portfolio while premiums remain generally unchanged on outstanding policies. As a result, our profitability and ability to meet long-term policy commitments can be materially and adversely affected. For example, the significant decline in yen interest rates during the 1990s resulted in a lower average yield on our investment portfolio than the assumed yield used to set premium levels on then-existing policies, a phenomenon known as "negative spread". In recent years, notwithstanding the low interest environment we have been facing, we have significantly diminished negative spread through reductions in average assumed yield and also improvements in investment portfolio yields. As a result, at the closing of accounts for the year ended March 31, 2026, we recorded positive spread for more than ten consecutive years. However, there can be no assurance that our efforts to avoid negative spread will continue to be successful.

An increase in interest rates, while increasing investment yields, also reduces the fair value of fixed-income investments classified as available-for-sale securities acquired prior to such increase, thereby adversely affecting net assets. The Bank of Japan (the "BOJ") has implemented monetary easing measures to help, in part, achieve its previously announced 2% inflation target. Because interest rates are often determined by considering inflation trends, inflation may result in an increase in interest rates. In addition, an increasing budget deficit may also result in an increase in interest rates. In response to increased inflation in Japan, the BOJ has taken a number of steps that have resulted in an increase in interest rates. On March 19, 2024, the BOJ announced that it would end its yield curve control policy and would end its negative interest rate policy and target uncollateralized overnight call rate of around 0% to 0.1%, which was further revised upward to 0.25% effective as of August 1, 2024. Subsequently, on January 24, 2025, December 19, 2025 and June 16, 2026, the BOJ announced consecutive rate increases, raising the target to 0.5%, 0.75% and 1.0%, respectively (the last of which setting the interest rate at a 31-year high). Further increases in the overnight call rate or any future actions or inactions by the BOJ could adversely affect our financial condition and results of operations.

In addition, as a result of our acquisition of a strategic minority stake in Corebridge Financial, Inc. ("Corebridge"), which became our equity method affiliate in December 2024, and since the completion of our acquisition of Resolution Life Group Holdings Ltd. ("Resolution Life") and its subsequent consolidation as a wholly-owned subsidiary, which was completed in October 2025, fluctuations in interest rates have had a more pronounced impact on our consolidated operating results. Both Corebridge and Resolution Life prepare their financial statements in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"), which require investments and policyholder liabilities to be accounted for at fair value. Consequently, market fluctuations can lead to the recognition of mark-to-market gains or losses in their statements of operations for each reporting period. This accounting treatment means that, in the short term, the operating results of Corebridge and Resolution Life are particularly susceptible to changes in market conditions, potentially leading to increased volatility in our consolidated operating results on a quarterly and annual basis.

As a result, both decreases and increases in interest rates, particularly when they occur suddenly, could have a material adverse effect on our financial condition.

Our investment portfolio exposes us to a number of other risks in addition to risks related to changes in the value of equity securities and changes in interest rates.

Generating stable investment income is important to our operations. We invest in a variety of asset classes, including JGBs and corporate bonds, foreign government and corporate bonds, Japanese stocks, foreign stocks, loans, real estate and alternative investments. These assets are subject to the normal risks associated with these kinds of investments, including the risk that changes in market prices, interest rates, market indices, levels of volatility, price correlations, liquidity or other market factors might result in losses for a specific position or portfolio and the risk that a counterparty to a transaction might fail to perform under its contractual commitment, resulting in our incurring losses, which create significant challenges in managing our large

investment portfolio and can result in declines in our revenues and profit margins. Aside from risks related to changes in the value of equity securities and changes in interest rates, which are discussed in separate risk factors above, the material risks to which our investment portfolio exposes us are summarized below.

Foreign exchange risk. Our exposure to fluctuations in foreign exchange rates results mainly from our holdings of stocks and bonds denominated in currencies other than the yen, in particular, the U.S. dollar and the euro. As of June 30, 2026, 30.6% of our general account assets were denominated in foreign currencies. We hedge our foreign exchange risk with respect to a portion of the principal of and interest on our foreign currency-denominated fixed income investments. While many of our non-yen-denominated general account investments have been hedged against foreign exchange risk, the foreign exchange markets have been experiencing significant volatility and significant strengthening of the yen against major foreign currencies may expose us to the risk of significant foreign exchange losses. We are also exposed to foreign currency translation risk when the results of companies operating in overseas jurisdictions are translated into yen for the purposes of our consolidated financial reporting. For example, both Corebridge and Resolution Life prepare their financial statements in U.S. dollars, so appreciation of the yen versus the U.S. dollar would negatively affect the translation of Corebridge's and Resolution Life's results of operations into yen, which could have an adverse effect on our results of operation.

Credit risk. Credit risk refers to the risk of incurring losses when the value of assets, primarily bonds and loans, declines due to deterioration of the financial condition of a party to whom credit has been extended. We are subject to a variety of credit risks, including the risk that issuers of bonds we hold may suffer a decline in creditworthiness or default on principal and interest payments due on their obligations or that the counterparties to the over-the-counter derivative instruments with which we hedge market risk may default. Domestic and foreign bonds represented 32.6% and 14.5% of the total assets in our general account, respectively, as of June 30, 2026. Any decline in the creditworthiness of issuers of bonds we hold or default by such issuers on payments due on their respective obligations or any failure by a counterparty to honor the terms of its derivative instruments with us could lead to losses or reduced gains on valuation or sales of securities. Such losses and reduced gains would have an adverse effect on our financial condition and results of operations. In addition, loans represented 8.9% of the total assets in our general account as of June 30, 2026. As of March 31, 2026, loans to large Japanese corporations (defined as corporations with capitalization of ¥1 billion or more and a specified number of full-time employees varying by industry (over 50 for retailing or restaurant businesses, over 100 for service industries and wholesale businesses, and over 300 for other industries)) accounted for 85.2% of our total balance of ¥4,512.7 billion in domestic loans. We are exposed to the risk that the financial condition of our borrowers will erode, which could lead to increased credit costs in our lending portfolio. We provide for an allowance for doubtful accounts based on evaluations and estimates regarding borrowers; however, actual losses on loans could exceed the amount of the allowance and, in the event of failures or a deterioration of the creditworthiness of borrowers, we could be required to increase allowance amounts.

Real estate investment risk. As of June 30, 2026, real estate represented 2.0% of the total assets in our general account. According to the Ministry of Land, Infrastructure, Transport and Tourism of Japan, real estate prices have continued to increase in recent years. However, our real estate-related income may decrease due to declines in real estate prices or market rents, failure to lease available properties or other factors. Our financial condition and results of operations could be materially and adversely affected as a result.

A reduction or perceived reduction in our financial strength, including as a result of any downgrade of our credit or financial strength ratings or outlook, or any negative events related to our business or the Japanese life insurance industry could have a material adverse effect on our business, financial condition and results of operations.

Developments that have the effect of reducing our actual or perceived financial strength could result in increases in policy surrenders and withdrawals, increased funding costs or decreases in new policy sales and other difficulties with respect to our investment, funding and capital-raising activities. Such effects could be caused by an actual or potential downgrade of our credit or financial strength ratings or outlook by credit rating agencies, including as a result of downgrades to Japan's sovereign debt rating, or by a significant decline in our ESR, as well as by negative media coverage, rumors or developments concerning our business or the Japanese life insurance industry. Significant declines in our solvency margin ratio, particularly in comparison with other major Japanese life insurance companies, may also result in our being unable to raise funds in the capital markets on favorable terms, or at all, and could have a material adverse effect on our business, financial condition and results of operations.

Differences between future claims and benefits and the actuarial assumptions used in pricing and establishing reserves for insurance and annuity products, as well as changes in these assumptions, may have a material adverse effect on our business, financial condition and results of operations.

Our earnings depend significantly upon the extent to which actual claims and benefits are consistent with the assumptions used in pricing our products and determining the appropriate amount of policy reserves. Such assumptions include future mortality and morbidity rates, investment returns and administrative expenses that are based on various factors and subject to change over time. Actual mortality and morbidity rates that are higher, investment returns that are lower or expenses that are higher than those projected could have a material adverse effect on our business, financial condition and results of operations. In recent years, we have increased our sales efforts with respect to products that insure non-traditional risks, including third-sector insurance products, a term used in Japan to refer to products such as medical insurance, cancer insurance and nursing care insurance products. See "Glossary of Certain Terms". The assumptions used in pricing such products involve an elevated degree of uncertainty, as they are often based on limited experience when compared to assumptions used for life insurance and annuity products covering traditional risks.

Pursuant to the Insurance Business Act, we calculate our required policy reserves periodically and record any necessary changes in those reserves as expenses or revenues. To the extent that actual claims are less favorable than the assumptions originally used, or if changing circumstances require us to modify our underlying assumptions used in calculating our policy reserves, we could be required to increase our policy reserves for new policies. In particular, revisions to the standard mortality table or the standard prospective yield would affect the determination of actuarial assumptions. Until recently, in light of the low-interest rate environment, we had for many years continued to lower the assumed yield used in calculating our standard policy reserve several times in accordance with applicable regulations. The FSA further revised the standard prospective yield rate for certain insurance products downward effective April 2017 and we accordingly lowered the assumed yield of investment return and reviewed the premium rates applicable to, our individual life insurance and individual annuity products. The standard prospective yield rate was further revised downward by the FSA for single-premium individual whole life insurance products from 0.25% to 0.00% effective January 2020. From April 2022, the standard prospective yield applies to certain types of foreign currency-denominated insurance policies. In October 2024, due to the rise in interest rates, the standard prospective yield rate increased to 1.00% for single-premium individual whole life insurance products and then further to 1.25% in July 2025 but still remains at a relatively low level. Currently, the assumed yield for regular premium annuity insurance, regular premium whole life insurance and other term insurances is 1.00%, 0.40% and 0.85%, respectively. See "Business—Pricing and Underwriting". A

decrease in the assumed yield requires us to increase our policy reserves for certain products, which may lead us to suspend sales or increase the pricing of such products, including those offered through our sales representative channel or bancassurance channel, based on factors such as the market environment and our business strategy. On the other hand, increases in policy reserves, if significant, could have a material adverse effect on our business, financial condition and results of operations, particularly if we are unable to successfully respond to such requirements from a strategic and competitive perspective.

Our sales are concentrated in individual life insurance policies and individual annuity products.

A high percentage of our sales are derived from the individual life insurance and individual annuity markets. For example, for the year ended March 31, 2026 and the three months ended June 30, 2026, premiums from individual life insurance policies represented 66.0% and 57.0% of our total insurance premiums on a nonconsolidated basis, respectively. For the same periods, premiums from individual annuity products represented 10.8% and 8.9% of our total insurance premiums on a nonconsolidated basis, respectively.

A variety of factors affect the Japanese market for individual life insurance policies and individual annuity products, including:

- long-term demographic trends affecting the composition of Japan's population, such as declining or low birthrates and the overall aging of the population;
- levels of employment and household income in Japan;
- the relative attractiveness of alternative savings and investment products; and
- public perception of the financial strength, integrity and reputation of life insurance companies.

In particular, the market for mortality insurance has continued to shrink in line with Japan's declining population. Changes in these and other factors could result in a decrease in sales of new individual life insurance policies and individual annuity products, an increase in policy surrenders or a decrease in the profitability of our products, any of which would have a material adverse effect on our business, financial condition and results of operations.

Our risk management policies and procedures may be ineffective.

Our risk management policies and procedures are designed to address a broad range of risks, encompassing risks relating to insurance underwriting, investments, liquidity, operations and systems. Many of our methods of managing risks and exposures are based on observed historical market behavior or statistics based on historical data. Such methods may inadequately predict future losses, which could be significantly greater than indicated by the relevant historical data. Other risk management methods depend in part on our evaluation of publicly available information regarding markets, customers or other factors. Such information may not always be accurate, complete, up-to-date or properly evaluated. In addition, our risk management procedures depend in part on the consolidation of information gathered from our numerous branches and other sources, and errors may be introduced during the process of gathering and compiling such information. Management of operational risk requires, among other things, policies and procedures to record and verify a large number of transactions and events, and our policies and procedures may not be entirely effective. Operational errors by our employees, strategic partners or third-party service providers could result in reputational or financial harm to us or regulatory sanctions. More generally, any failure or ineffectiveness of our risk management policies or procedures could have a material adverse effect on our business, financial condition and results of operations.

In addition, as the domestic and global life insurance markets evolve, we intend to broaden and diversify the range of products and services that we offer while expanding our domestic and

global businesses and customer base. We may encounter difficulty achieving the risk management improvements necessary to manage the risks associated with such product diversification, business expansion and increased scale. For example, our acquisition of Resolution Life and other recent acquisitions have resulted and are expected to result in the integration of different types of insurance operations and policy portfolios into our business and there is no assurance that we can develop and maintain effective risk management practices for managing the newly acquired businesses. Failure to adapt our risk management policies and procedures to changes in our business and in the environment in which we operate could have a material adverse effect on our business, financial condition and results of operations. See "Recent Business—Risk Management".

We are exposed to liquidity risk.

Many of our products permit policyholders to make policy withdrawals of a portion of accumulated premiums and to surrender their policies in return for the payment of a predetermined amount. We manage our liabilities and configure our investment portfolios to provide and maintain sufficient liquidity to meet anticipated withdrawal and surrender demands, payments of policy benefits and requests to pledge collateral in relation to derivative contracts with financial and other institutions. However, a portion of our assets, such as real estate, loans, certain alternative investments such as limited partnership interests in private equity funds, and securities that are not publicly traded, are generally illiquid. If we are required to pay significant amounts of cash on short notice, for example, due to unanticipated withdrawal or surrender activities or a catastrophic event such as a pandemic or natural disaster, we could exhaust our liquid assets and be forced to liquidate other assets, possibly on unfavorable terms. In addition, turmoil in financial markets could lead to a liquidity crisis in which we are unable to dispose of our otherwise liquid assets on favorable terms or at all. If we are forced to dispose of assets on unfavorable terms or are unable to dispose of assets, our financial condition and results of operations could be materially and adversely affected. See "Recent Business—Risk Management—Liquidity Risk Management".

Our financial condition and results of operations will be negatively affected if we are required to reduce our deferred tax assets.

Pursuant to Japanese GAAP, we establish, with respect to each consolidated entity, deferred tax assets for tax benefits that are expected to be realized during a period that is reasonably foreseeable, net of deferred tax liabilities. The calculation of deferred tax assets is based on various assumptions, including assumptions with respect to future taxable income. Adverse changes in economic conditions or other factors could lead us to decrease our estimated future taxable income which would require us to increase the valuation allowance for our deferred tax assets. As a result, we would recognize additional income tax expense and our results of operations could be materially adversely affected.

In addition, changes in Japanese tax policies could result in the reduction of our deferred tax assets. In the event the corporate income tax rate is changed following tax reforms and our effective statutory tax rate decreases, our results of operations would likely improve in the medium- to long-term. On the other hand, a decrease in our effective statutory tax rate may require us to reverse our deferred tax assets estimated based on the corporate income tax rates in effect prior to the reform, and this could have an adverse effect on our results of operations.

Changes in relationships with or the performance of strategic partners or investee companies could harm our business, financial condition and results of operations.

In recent years, including as part of our previous mid-term management plan, we have entered into a number of business alliances and other transactions with companies inside and outside the life insurance industry to expand our distribution channels and product offerings, in the interest of increasing our long-term profitability and strengthening our group-wide businesses.

Domestically, we entered into business alliances with Aioi Nissay Dowa Insurance Co., Ltd. ("Aioi Nissay Dowa"), a subsidiary of MS&AD Insurance Group Holdings, Inc., and other corporate groups such as Nichii Gakkan Co., Ltd. and its affiliates (the "Nichii Group"). In December 2015, we acquired a majority interest in Mitsui Life, a domestic life insurance company, which we rebranded as Taiju Life effective April 1, 2019. Also, we made a majority investment in MassMutual Japan in May 2018, which became a consolidated subsidiary starting from the year ended March 31, 2019 and was rebranded as Nippon Wealth Life effective January 1, 2019. In October 2021, we acquired the remaining 14.9% of Nippon Wealth Life and made it a wholly-owned subsidiary. In June 2024, we acquired a 99.6% stake in Nichii Holdings for ¥205 billion, which is indirectly held by funds affiliated with Bain Capital Private Equity, LP ("Bain Capital"). In September 2025, we entered into an agreement with ORIX Corporation to acquire 30% of the outstanding shares of Nissay Leasing Company, Limited ("Nissay Leasing") from ORIX Corporation, making Nissay Leasing our wholly owned subsidiary. In February 2026, we acquired a 53.0% stake in Medical Data Vision Co. Ltd. ("Medical Data Vision"). Subsequently, Medical Data Vision's certain corporate actions including a consolidation of shares, a third-party allotment of shares and repurchase of shares owned by SBI Holdings, Inc. together resulted in Medical Data Vision becoming our wholly owned subsidiary in May 2026. The overall transaction was valued at approximately ¥57 billion. Internationally, we have established long-term strategic relationships with global companies in the life insurance and asset management industries, such as Reliance Capital Limited ("Reliance Capital") in India in connection with our investments in IndusInd Nippon Life Insurance Company Limited ("IndusInd Nippon Life," formerly Reliance Nippon Life Insurance Company Limited ("Reliance Nippon Life")) and Reliance Nippon Life Asset Management Limited ("RNAM") (currently Nippon Life India Asset Management Limited ("NAMI")), which became a consolidated subsidiary in 2019; National Australia Bank Limited ("NAB"), in connection with our acquisition of Nippon Life Insurance Australia and New Zealand Limited (previously, MLC Limited); Grand Guardian Nippon Life Insurance Company Limited ("GGNL", formerly Grand Guardian Life Insurance Company Limited), a life insurance company in Myanmar; The TCW Group, Inc. ("TCW"), a U.S.-based asset management company and DWS Group GmbH & Co. KGaA ("DWS") in Germany. In December 2024, we completed the acquisition of a 21.6% stake in Corebridge, as a result of which Corebridge became an equity method affiliate, followed by its subsequent all-stock merger with Equitable Holdings, Inc. ("Equitable") which was announced on March 26, 2026. In October 2025, we completed the acquisition of our equity affiliate, Resolution Life, which became our wholly owned subsidiary, and also in October 2025 we acquired the remaining 20% shares issued in Nippon Life Insurance Australia and New Zealand Limited that we did not previously own from NAB and entered into a business integration between Nippon Life Insurance Australia and New Zealand Limited and Resolution Life Australasia Limited ("Resolution Australasia") under our Acenda Group brand. See "Business—Global Operations and Strategic Alliances" and "Business—Domestic Strategic Alliances and Investments".

In November 2021, the Reserve Bank of India superseded the board of Reliance Capital, which holds a 51% stake in Reliance Nippon Life, over payment defaults and governance issues and sent Reliance Capital to bankruptcy courts for resolution. A resolution plan proposed by IndusInd International Holdings Limited, an investment arm of the Hinduja Group was approved by Reliance Capital's Committee of Creditors in June 2023 and by such bankruptcy courts in February 2024, respectively. Pursuant to such plan, in March 2025, IndusInd International Holdings Limited acquired a 51% stake in Reliance Nippon Life (of which a 26% stake was transferred to Aasia Enterprises LLP, a limited liability partnership collectively owned by members of the Hinduja family) as part of its acquisition of Reliance Capital and, subsequently, Reliance Nippon Life was renamed IndusInd Nippon Life. While we believe we have a cooperative relationship with IndusInd International Holdings Limited, the change of the ownership interest in IndusInd Nippon Life could adversely impact our business.

If our strategy does not succeed, for example, due to our strategic partners or investee companies encountering financial or other business difficulties or developing strategic objectives that conflict with ours, it could have an adverse effect on our business, financial condition and results

of operations, and it may become difficult for us to terminate the alliance or recover our invested capital.

We are subject to risks associated with our international operations, global asset management and continuing global expansion.

We have been expanding our global insurance operations in an effort to secure revenue sources outside of the Japanese market and capture the growth of global markets as further evidenced by our acquisitions relating to Corebridge (and its subsequent merger with Equitable), Nippon Life Insurance Australia and New Zealand Limited and Resolution Life in recent years. Through overseas representative offices, subsidiaries and affiliates, as well as through a variety of capital tie-up and joint venture arrangements, we engage in or plan to engage in the life insurance business in various markets around the world, including markets such as Australia, China, India, Thailand, Indonesia, Myanmar and the United States. While we believe these markets have growth potential, with respect to emerging markets, there can be no assurance that penetration rates for life insurance products will increase to the extent we expect or to the levels seen in more mature markets.

In addition, we are exposed to risks relating to our global asset management business as we continue to seek to expand in this area through our subsidiaries Nissay Asset Management Corporation ("NAM") and NAMI (formerly RNAM) and through business alliances with global asset management companies.

Our international operations, global asset management and continuing global expansion expose us to a number of risks with which we have little or no experience, including:

- unfavorable political or economic factors;
- fluctuations in foreign currency exchange rates;
- potentially adverse tax consequences;
- difficulties and uncertainties in obtaining and maintaining necessary government or regulatory approvals or meeting specified financial, capital or other requirements;
- unexpected legal or regulatory changes;
- compliance with different legal and regulatory regimes, including those related to insurance operations and data privacy, as well as unexpected changes in applicable laws and regulations;
- limited understanding of customer needs, market conditions and local regulations;
- difficulties in recruiting and retaining personnel and managing international operations;
- less developed infrastructures;
- negative economic, social or political developments;
- cultural and societal differences;
- the occurrence of natural or man-made disasters, or acts of violence or war; and
- competition with other multinational or local firms.

Entry into new markets may also bring us into competition with other multinational firms who have a greater scale of operations and financial resources than we do. Although acquiring overseas insurance businesses, forming long-term partnerships with prominent global insurance and asset management companies and steadily expanding our operations and asset management in other countries around the world is a part of our corporate strategy, because of the risks associated with global expansion, including the risks described above, there can be no assurance that our pursuit of further expansion will be successful. In addition, we may suffer impairment losses on our existing and future global investments and could withdraw from markets where we do not achieve our intended goals.

We may not be able to complete or realize benefits of acquisitions or successfully integrate the businesses we acquire.

As part of our strategy to increase profits and steadily expand group business profits, we have acquired businesses in Japan and overseas. For example, in December 2015, we acquired a majority interest in Mitsui Life, a domestic life insurance company, which we rebranded as Taiju Life effective April 1, 2019; in October 2016, we acquired a majority interest in Nippon Life Insurance Australia and New Zealand Limited, a leading Australian life insurance company; in May 2018, we acquired a majority interest in MassMutual Japan, which we rebranded as Nippon Wealth Life effective January 1, 2019; in September 2019, we increased our stake in NAMI to 75% and made it a consolidated subsidiary; in October 2021, we increased our stake in Nippon Wealth Life and made it a wholly-owned subsidiary; in December 2022, we announced a capital injection through a third-party allocation and a loan to Nippon Wealth Life; in October 2023, we increased our stake in Resolution Life to 21.5% for $742 million; in June 2024, we acquired a 99.6% stake in Nichii Holdings for ¥205 billion; and in December 2024, we completed the acquisition of a 21.6% stake in Corebridge, as a result of which Corebridge became an equity method affiliate, followed by its subsequent all-stock merger with Equitable which was announced on March 26, 2026. In September 2025, we entered into an agreement with ORIX Corporation to acquire 30% of the outstanding shares of Nissay Leasing from ORIX Corporation, making Nissay Leasing our wholly owned subsidiary. In October 2025, we completed the acquisition of Resolution Life, which became our wholly owned subsidiary, and also in October 2025 we acquired the remaining 20% shares issued in Nippon Life Insurance Australia and New Zealand Limited and entered into a business integration between Nippon Life Insurance Australia and New Zealand Limited and Resolution Australasia under our Acenda Group brand. In February 2026, we acquired a 53.0% stake in Medical Data Vision. Subsequently, Medical Data Vision's certain corporate actions including a consolidation of shares, a third-party allotment of shares and repurchase of shares owned by SBI Holdings, Inc. together resulted in Medical Data Vision becoming our wholly owned subsidiary in May 2026. The overall transaction was valued at approximately ¥57 billion. Through these acquisitions and investments, we are aiming to build a business that can accommodate a wide range of customer needs and expand group business profits and strengthen our business foundation. However, developing and implementing an integrated strategy can be a time consuming and complicated process, and we may not be successful in identifying or completing additional acquisitions. Even if we do complete such additional acquisitions, we may be unable to integrate the acquired businesses successfully or realize anticipated economic, operational and other benefits and synergies in a timely manner, which may adversely affect our business, financial condition and results of operations.

We have recorded goodwill relating to certain of our past acquisitions and may record additional goodwill relating to future acquisitions. As goodwill is required to be amortized over a period of up to 20 years under Japanese GAAP, any additional goodwill we record would increase our amortization expenses. We evaluate goodwill for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable, and this evaluation is based on several factors requiring judgment. If goodwill becomes impaired, we would be required to recognize impairment losses that would adversely affect our financial condition and results of operations. For example, due to a deterioration of the financial results and condition of Nippon Life Insurance Australia and New Zealand Limited, in the year ended March 31, 2020, we recognized an impairment loss of ¥40.8 billion on goodwill on a consolidated basis, and an impairment loss of ¥68.3 billion on the value of issued capital on a nonconsolidated basis. In addition to write-downs of goodwill recorded in connection with past acquisitions, we may be required to, or may choose to, make further investments in such companies to increase their capital, increase or maintain our relative ownership, or for other reasons. See "Business—Global Operations and Strategic Alliances". Such further investments could negatively affect our results of operations or financial condition.

We may be unable to successfully execute our digitalization strategy.

We are pursuing a digital transformation of various aspects of our operations, such as utilizing AI in various situations such as customer support and insurance operations, some of which are already implemented, and we intend to continue to accelerate our implementation of these initiatives in the future to continuously improve our customer experience. Successful execution of these initiatives has required, and will require, significant investments in our digital platforms, including information technology systems, and significant development and expansion of our digital capabilities, including data science, data analytics and AI. Accordingly, there can be no assurance that we will be able to implement our initiatives as planned, or that such initiatives will allow us to achieve the results we expect.

We have partially implemented AI analysis in our customer data platform, which includes the data of over 11 million customers, and have also partially implemented "N-Chat," our internal AI tool, for responses to internal inquiries within our operations. We are also considering the use of AI chatbots to assist with customer inquiries and procedures, as well as the use of Resolution Life's AI in our headquarters' operations to assist in answering questions from administrative staff. To support these activities, we have taken steps to foster AI literacy for all of our executives and employees. We also completed the renewals of our employees' computer terminals to support the use and operation of the tools described herein as part of our digital transformation strategy in March 2026.

Our digitalization strategy is subject to the risks of third-party technology failures, computer viruses, malware, phishing schemes, cyberattacks and similar threats. Cyberattacks could significantly impact the availability of data systems that are essential to conducting our business operations. For example, on February 25, 2025, we announced the occurrence of a ransomware attack affecting several insurance companies in Japan, including us and three of our domestic subsidiaries, in which customer information including customer names, addresses, contact information and information regarding customer insurance policies was encrypted and could not be accessed. According to a report published in August 2025 by Hoken Minaoshi Hompo Group, Inc., there is no evidence that this information has been leaked or maliciously used. Although we are continuing to implement measures to protect our information technology systems from cyberattacks and other threats, such measures may be inadequate to prevent security breaches or other system breakdowns, which could result in disruptions of service, leakage of confidential information and destruction or compromise of data, and there can be no assurance that our and third-party providers' data systems will not be compromised. See "—Any failure of information technology systems could harm our business, financial condition and results of operations".

Moreover, as we implement AI as part of our digitalization strategy as described above, we will become increasingly exposed to the risks and challenges relating to the use of AI-based platforms. Any failure by our sales personnel and other employees to ensure that such AI systems are used in a trustworthy manner and that our assets, including intellectual property, competitive information, personal information we may collect or process, and customer information, are protected, could result in violations of confidentiality obligations or applicable laws and regulations, jeopardize our intellectual property rights, or result in the misuse of personally identifiable information or the injection of malware into our systems, any of which could have a material adverse effect on our business, financial condition and results of operations. In addition, uncertainties regarding developing legal and regulatory requirements and standards may require significant resources to modify and maintain business practices to comply with the laws and regulations in Japan and other jurisdictions concerning the use of AI and AI systems, the nature of which cannot be determined at this time.

Furthermore, our ability to successfully execute our digitalization strategy depends on our ability to hire and retain engineers and other skilled personnel with relevant expertise. In light of the demographic trend towards a shrinking workforce, we may experience challenges in recruiting engineers and personnel in the future.

We may engage in further acquisitions, joint ventures and other strategic transactions intended to complement or expand our business. We may not be able to complete these transactions and, if executed, these transactions could pose certain risks and could have a negative effect on our operations.

Our future success depends in part on whether we can acquire other businesses or enter into joint ventures or other strategic transactions that could complement, enhance or expand our current business or that we believe might otherwise offer us growth opportunities. We may be unable to identify suitable targets, and in pursuing acquisitions, we may face competition from other companies. Our ability to acquire targets may also be limited by applicable antitrust laws and other regulations in Japan and other jurisdictions in which we do business. Any transactions that we are able to identify and complete may involve a number of risks, including our inability to achieve the intended objectives of the transaction, negative impacts on our operating results during the integration process or on our financial condition or ESR levels, temporary or otherwise, and the diversion of our management's attention from our existing business to integrate the operations and personnel of the acquired business or joint venture.

To the extent that we are successful in completing such transactions, we may have to expend substantial amounts of cash and incur debt and other types of expenses, and it is not certain that such transactions would actually yield the results we anticipated. We may not be able to successfully or profitably integrate, operate, maintain and manage any newly acquired operations or employees. As a result of any of the foregoing factors, we may be unable to achieve our strategic goals and our business, financial condition and results of operations may be adversely affected.

We may be unable to hire, train or retain a sufficient number of qualified sales representatives and other personnel or to contract with effective third-party sales agencies.

Competition to attract qualified sales representatives is intense in the Japanese life insurance industry. Like many of our competitors, our business depends to a significant extent on our ability to hire, train and retain qualified sales representatives. Sales representatives accounted for over 40% of our annualized premium from new policies of individual insurance on a combined basis for the year ended March 31, 2026. There is generally a high rate of turnover among sales representatives in the Japanese life insurance industry. Our efforts to retain or replace productive sales representatives may be unsuccessful. Other employees, including investment and actuarial personnel, also require a high level of expertise, and special efforts are required to attract, train and retain qualified personnel. If we are unable to attract, train and retain qualified and experienced sales representatives and other personnel, or if we find it necessary to offer increased sales incentives to retain sales representatives, this could have a material adverse effect on our business, financial condition and results of operations.

In addition, third-party sales agencies are increasingly important to our business. If we are unable to attract new and retain current third-party sales agencies, this could have a material adverse effect on our business, financial condition and results of operations.

Our plans to maintain sales of life insurance products through our sales representatives, bancassurance and agency channels may not be successful.

We attribute our operating success to the contributions of our sales representatives, third-party sales agencies and financial institutions. Our sales representatives in particular are the foundation of our steady growth, and we intend to solidify our leading status in areas where we have competitive advantages or know-how, such as by increasing our number of sales representatives. We also intend to take steps to increase our market shares in our other sales channels including our third-party sales agencies and financial institutions. For example, we have developed an agency channel centered on tax accountants, professional life and non-life insurance sales agencies, and other organizations. Agencies sell our products while providing consultations about such topics as estate planning, transferring a company to new owners,

protection for business activities, asset formation, and other subjects, mainly with corporate managers. We have also strengthened our efforts to sell life insurance products through banks and other financial institutions, and we rely in part on this bancassurance channel for new sales, although on a smaller scale than our sales representative channel. As our relationships with these financial institutions are non-exclusive, the level of sales of our products through these agents depends on the competitiveness of our products relative to those of our competitors, including pricing, benefits and other features. As a result, competition among life insurance companies to obtain and maintain bancassurance relationships remains intense notwithstanding the challenging environment.

Although we aim to maintain stable sales through our various channels, there can be no assurance that we will succeed in maintaining our sales or achieving targeted profitability or that we will be able to compete effectively. In addition, competition between our bancassurance agents and our own sales representatives could increase in the future.

In response to both the COVID-19 pandemic, which severely reduced the ability to conduct face-to-face interactions with our customers, and the general trend toward digital transformation, we have implemented and utilized digital technologies to improve customer contacts and communications to meet the evolving needs of our customers, such as providing product introduction videos through SNS, e-mail and SMS, and strengthening methods of non-face-to-face interactions between our sales representatives and our policyholders such as screen sharing systems and our Nippon Life smartphone application. However, there is no guarantee that such efforts will be successful.

Any failure of information technology systems could harm our business, financial condition and results of operations.

We rely heavily on information technology systems, including those of third-party service providers, to manage customer policies, manage investments in assets, record and maintain statistics and personal information of our customers and in other areas of our operations. We are continuing efforts to enhance work efficiency and boost the quality of administrative work, by utilizing robotic process automation technology and digital devices for use by our sales representatives. However, as we expand our operations and product offerings, our information technology systems may require additional expenditure.

Our information technology systems could fail due to various causes, including problems affecting the Internet generally or damage to equipment, software or networks as a result of accidents, fires, natural disasters, power loss, high user volume, human error, sabotage, hacking, employee misconduct, software and hardware defects and malfunctions, viruses or network security breaches. Any such failure could disrupt the services that we provide to customers at our branches, our payments and collections, the management of our assets or the use of our tablets by our sales representatives, among other things. Such failures could also have other adverse consequences, including reputational damage, customer dissatisfaction and a loss of customer confidence, which could result in increased policy surrenders, a decrease in new policy sales and legal or regulatory sanctions.

In addition, because our operations and information technology and other systems, as well as those of our third-party service providers and business partners, are concentrated in metropolitan areas in Japan, an earthquake, tsunami or other disaster affecting such metropolitan areas could significantly disrupt our operations. There can be no assurance that we or our third-party service providers and business partners would be able to resume service in a timely fashion, or at all, in the event of any such natural disaster.

If our customers' personal information is lost, accidentally disclosed or misappropriated, or if information security is otherwise breached, we could be subject to reputational harm or legal claims.

We make extensive use of online services and centralized data processing, including through third-party service providers, and the tablets carried by our sales representatives handle and transmit personal information of our customers. Secure maintenance and transmission of confidential information is therefore a critical element of our operations. The information security measures that we implement or that are implemented by our third-party sales agencies, our third-party service providers or our business partners may be insufficient to prevent the loss, accidental disclosure or misappropriation of customer information, or the compromise of information and communications systems. Inadvertent loss, disclosure or misappropriation of customer information by our own employees or sales representatives would subject us to similar risks. For example, in July 2024, a former employee of ours was arrested for forcible obstruction of business after the person allegedly posted personal information of a public figure, which she had accessed while she was an employee. Additionally, in December 2025, a third-party vendor of Hanasaku Life reported the unauthorized access to servers hosting corporate email systems and to certain information stored on the servers, including information of Hanasaku Life customers contained in correspondences with its customers stored on such servers, though it was subsequently confirmed there was no external leak of such information. Japanese media, regulators and consumers have intensified their scrutiny of incidents involving the loss, disclosure or misappropriation of personal information in recent years. In addition, the Personal Information Protection Act of Japan (Act No. 57 of 2003, as amended) (the "Personal Information Protection Act") imposes stringent regulatory requirements applicable to our handling of customers' personal information. Further, pursuant to the Act on the Use of Numbers to Identify a Specific Individual in the Administrative Procedure of Japan (Act No. 27 of 2013, as amended), residents in Japan have each been issued a unique identification number ("My Number") which identifies them for specific administrative procedures related to social security and taxation. We handle the My Number information of our customers. If we were to lose customers' personal information, including their My Number information, or if a third party were able to penetrate our network security, or that of our third-party sales agencies, service providers or business partners, or otherwise misappropriate personal information of our customers, we could be subject to reputational harm, legal claims or sanctions by regulatory authorities.

We are subject to risks related to advances in medical technology.

Advances in various diagnostic techniques in recent years and a shift of focus in healthcare towards illness prevention have enabled early diagnosis and treatment of diseases. Further technological advances could lead to a more detailed understanding of future disease risks, increasing the possibility that high-risk individuals would actively seek high-value insurance policies. In addition, the detection of previously undetected diseases could significantly increase insurance payouts. We are preparing for these risks by investigating the general trends in medical technology and evaluating the accuracy and prevalence of these technologies, but there can be no assurance that we will be able to prepare effectively against such risks.

Further, advances in medical technology may enable insurers to more finely segment risk in underwriting by using individual health data. However, there are generally no established rules governing the use of individual health data, and if it is used in underwriting beyond customer expectations, our reputation could be significantly damaged, potentially resulting in losses.

Misconduct by our or our subsidiaries' sales representatives or other employees, third-party sales agencies, third-party service providers or customers could subject us to losses and reputational harm.

Misconduct by our or our subsidiaries' sales representatives or other employees, third-party sales agencies or third-party service providers can include, among other things, illegal sales practices,

fraud, misappropriation of funds, identity theft and loss or misuse of personal information, which could result in legal violations, regulatory sanctions, civil or criminal penalties or reputational or financial harm. The large, global scale of business may create challenges in appropriately monitoring and preventing misconduct across our operations. For example, on July 18, 2025, pursuant to Article 128 of the Insurance Business Act, the FSA ordered us to submit a report on compliance violations by employees seconded to banks as well as employees of Nippon Wealth Life seconded to certain financial institutions who have improperly shared the host companies' confidential information with us, including details on how such violations occurred, measures to prevent future violations and our internal control system. As a result of internal investigations into these matters, we identified that, between April 2019 and April 2025, thirteen of our employees who were on secondment at seven different companies, including MUFG Bank, Ltd., as well as employees of Nippon Wealth Life seconded to certain financial institutions, obtained certain internal information of the host companies relating to the performance evaluation framework and product revision status of other life insurance companies and sent such material to several employees in the sales department at our headquarters and, in the case of seconded employees of Nippon Wealth Life, to several employees in the financial institutions and sales department at the headquarters of Nippon Wealth Life, without the permission of the host companies. As of the date of this Offering Circular, we have identified approximately six hundred incidents of such compliance violations that occurred during the noted period relating to our seconded employees and approximately nine hundred and forty incidents relating to seconded employees of Nippon Wealth Life. While we have submitted such report to the FSA, we continue to investigate these incidents as well as similar incidents (if any) and are committed to taking measures to prevent similar incidents. However, we may be ordered by the FSA to submit additional reports or be subject to further investigations and/or regulatory sanctions, and potentially legal claims from business counterparties or other parties in connection with these matters. Furthermore, our remedial measures may not prove to be effective in preventing future incidents, and such occurrence or the perception of such risks may subject us to regulatory investigations or penalties, as well as adversely affect our reputation and our partnerships with relevant stakeholders. As we have discontinued similar secondment arrangements as a general principle, our business relationships with banks and other companies to which we have seconded employees could in particular be impacted, which could negatively affect these companies as customers and sales channels for our products.

The vast majority of our sales representatives, other employees, third-party sales agencies and third-party service providers operate with considerable autonomy. Moreover, our sales representatives, some of our other employees, third-party sales agencies and third-party service providers have direct contact with customers and knowledge of their personal and financial information. Also, customers may engage in fraudulent activities, including fraudulent use of policies or the use of false identities to open policies. Customers who have not revealed that they are members of anti-social groups may also enter into transactions with us. Though we have adopted measures to prevent or detect such fraudulent and illegal activities, our efforts may prove ineffective in detecting and preventing fraudulent or illegal activity or transactions with anti-social groups. We may also need to implement more extensive or different measures and procedures in the future in response to changes in the legal and regulatory environment or to changes in technology and business practices, which could result in additional costs and may not be effective in strengthening our compliance frameworks as anticipated. In the event our sales representatives, other employees, third-party sales agencies, third-party service providers or customers engage in any misconduct, our reputation could be seriously damaged and we could become subject to significant legal liabilities, civil or criminal penalties and regulatory sanctions, which could have a material adverse effect on our business.

Declines in our pension assets or revisions in actuarial assumptions could increase our pension costs.

We have incurred and may in the future incur losses relating to our pension plans from changes in the market values of plan assets, declines in returns on our pension plan assets or changes in

the assumptions and investment returns on which the calculation of the projected pension benefit obligation is based. We may also experience unrecognized prior service costs in the future resulting from amendments to our pension plans.

We are regularly involved in litigation related to our insurance operations, which could result in financial losses or otherwise harm our businesses.

We are regularly involved in litigation related to our insurance operations. While we cannot predict the outcome of any pending or future litigation, we do not believe that any pending legal matter will have a material adverse effect on our business, financial condition and results of operations. However, given the inherent unpredictability of litigation, it is possible that an adverse outcome could have a material adverse effect on our business, financial condition and results of operations.

Risks Related to the Life Insurance Industry

Demographic trends in Japan will continue to have an adverse effect on the Japanese life insurance industry.

Japan's birthrate has been in decline for several decades and is currently one of the lowest in the world. The number of people aged between 15 and 64, which represents Japan's potential workforce and includes in any given year substantially all of our customers for core insurance products with death benefits, has declined by approximately 15.4% from 86.2 million in 2000 to 72.9 million in 2020. The National Institute of Population and Social Security Research of Japan projects that the number of people in this age group will further decrease to an estimated 70.7 million in 2030 and will continue to decline for decades thereafter. We believe that this demographic trend is one of the primary factors contributing to the general decline in the amount of policies in force in the Japanese life insurance industry. If these trends continue to lead to reduced demand for life insurance products, the scale of our life insurance business may diminish, which could have a material adverse effect on our business, financial condition and results of operations.

We continue to face competition in the Japanese financial services industry.

We face intense competition in the Japanese life insurance market from both domestic and foreign-owned life insurance companies and from large domestic financial service providers that either have their own insurance subsidiaries or enter into cooperative arrangements with major insurance companies. Competition has increased in the Japanese life insurance market in recent years due to industry deregulation, bancassurance channel targeting by competitors, an overall decline in demand for insurance products with death benefits and increased competition from foreign-owned insurance companies, among other factors. Japan's financial sector has also experienced significant consolidation in recent years, and further consolidation could affect the competitive environment for the sale and distribution of life insurance products.

Japan Post Insurance enjoys competitive advantages in the Japanese insurance market due to its large existing customer base, access to Japan Post Group's nationwide network of post office branches and favorable public perception of its stability due to its association with the government. Consequently, Japan Post Insurance is a competitor in our primary business operations, and we may be adversely affected by competition from it. If Japan Post Insurance expands its business scope, such as by raising the upper limit of insured amounts or expanding the types of insurance contracts it can sell, our competitiveness could decline. Furthermore, such competition may intensify as a result of further deregulation of Japan Post Insurance accompanying its further privatization or any favorable treatment or support given to Japan Post Insurance by the government. See "Business—Competition".

We may also face competition from various cooperative associations such as the Japan Agricultural Cooperatives, the National Federation of Workers and Consumers Insurance

Cooperatives and the Japanese Consumers' Co-operative Union, all of which offer competing life insurance products. Furthermore, we may face intense competition in the market for new insurance products such as small-amount short-term insurance.

Increased competitive pressures resulting from these and other factors may cause our new policies to decline and policy surrenders to increase, which could have a material adverse effect on our business, financial condition and results of operations.

As a Japanese insurance company, we are subject to extensive oversight of our business practices and must maintain an ESR at or above required levels.

As a Japanese insurance company, we are subject to extensive oversight, including comprehensive regulation by the FSA under the Insurance Business Act and related regulations. The Insurance Business Act intends to protect policyholders, not security holders. The law places restrictions on the types of businesses in which we may engage, imposes limits on the types of investments that we may make and requires us to maintain specified reserves and a minimum ESR. The Insurance Business Act also gives the Commissioner of the FSA broad regulatory powers over our business, including the authority to suspend operations, request information and conduct rigorous on-site inspections of books and records. In addition, we generally must receive prior approval from the Commissioner of the FSA for the sale of new insurance products and changes in the pricing terms of our products. See "Regulations of the Japanese Life Insurance Industry—Insurance Business Act".

Until the fiscal year ended March 31, 2025, we were required to maintain a solvency margin ratio (a measure of capital adequacy) of at least 200% on both a consolidated basis and a nonconsolidated basis. In connection with the development and introduction of new standards for solvency assessment by the International Association of Insurance Supervisors (the "IAIS"), the FSA, which is a member of the IAIS, issued a new regulation to adopt an economic value-based solvency framework in July 2025, which was implemented with effect from the fiscal year ended March 31, 2026. In accordance with the new framework, we are required to maintain an ESR, calculated under the new regulations, of at least 100% on both a consolidated basis and a nonconsolidated basis. Furthermore, in connection with the consolidated basis solvency regime, the Insurance Capital Standard (the "ICS") -based standard model (with the aforementioned Japan-specific adjustments) has been implemented in Japan. See "Recent Business—Solvency Margin Ratio" and "Recent Business—Economic Solvency Ratio." If we fail to maintain our ESR and other indicators of financial soundness at or above required levels, the Commissioner of the FSA could require us to take a variety of corrective actions. See "Regulations of the Japanese Life Insurance Industry—Insurance Business Act—Financial Regulation—Prompt corrective action." The economic value-based solvency regime is significantly different from former regulations and may have a significant impact on the operations and asset management of companies in the Japanese life insurance industry given the inherent responsiveness and calibration of such a regime to fluctuations in interest rates. See "Regulations of the Japanese Life Insurance Industry—Insurance Business Act—Financial Regulation—Economic value-based solvency regulations."

In addition, in November 2019, the IAIS published additional requirements, such as the global ICS, as part of its Common Framework for the Supervision of internationally active insurance groups ("IAIGs"). If we are designated as an IAIG, we could become subject to more restrictive requirements potentially resulting in new limitations on our business or investment activities. See "Recent Business—Economic Solvency Ratio" and "Regulations of the Japanese Life Insurance Industry—International Solvency Margin Regulations".

In addition, some of our subsidiaries are subject to regulatory capital requirements under their home country standards. Failure to meet minimum capital requirements may trigger certain mandatory actions by regulators that could have a direct material effect on our financial condition and results of operations.

Figures for ESR calculated under the framework we voluntarily adopted for prior periods may not be directly comparable to the ESR calculated under regulations newly adopted in Japan.

Economic value-based solvency ratios measure the solvency of an insurance company based on the economic value of its assets and liabilities and can be valuable in assessing an insurance company's specific risk profile. The introduction of economic value-based solvency ratios has been widely discussed in the insurance industry and has been considered by various insurance regulators around the globe. The EU adopted a full-scale economic solvency-based regime, in the form of the EU Solvency II Directive (2009/138/EEC), which became effective on January 1, 2016. ESR has now also been formally implemented in Japan with effect from March 31, 2026, with the FSA having announced the necessary amendments to the relevant laws and regulations in July 2025. The first announcement of ESR calculated in accordance with the ESR regulations in Japan must be made no later than October 2026. Ahead of the ESR regulations being effective in Japan, we voluntarily adopted an internal economic value-based solvency framework, taking into consideration the Risk-based Global Insurance Capital Standard, a framework for IAIGs to measure available capital based on current observable market rates for then current periods, and disclosed our internal economic value-based solvency ratio as a supplement to our solvency margin ratio under then applicable regulations. We have disclosed the unaudited preliminary ESR calculated pursuant to the new regulations and our internal ESR, each as of March 31, 2026.

Internal ESR is equal to the sum of our surplus, which is the difference between the market value of our assets and the market value of our liabilities, and our external financing capital, which is comprised of outstanding foundation funds and subordinated bonds (collectively referred to as our buffer), divided by our integrated risk amount, which we define as the estimated amount of capital necessary to cover all of our quantifiable risk, including insurance underwriting risk, market risk, credit risk and operational risk, subject to certain adjustments, for a one-year period to a 99.5% confidence level. Insurance underwriting risk is calculated as the aggregation of the risk amounts for losses to be incurred from factors including volatilities in mortality, disability and morbidity rates, policy surrenders and lapses and changes in operating expenses. Market risk is calculated as the aggregation of the risks including interest rate risk, currency risk and real estate risk. Credit risk is calculated as the aggregation of each stress factor, which varies by exposure class, rating category and time to maturity, applied based on the specified risk exposures. Operational risk is calculated as the aggregation of each stress factor, which varies, among other things, by product and geographical segmentation, applied based on the specified net exposure amounts. As of March 31, 2025 and 2026, ESR calculated based on our internal methodology was 222% and approximately 195%, respectively. Additionally, as of March 31, 2026, we estimate that the sensitivity of our internal ESR to financial markets movements are as follows: a 50 basis points increase (decrease) in yen interest rate is expected to result in 6-point decrease (6-points increase) in ESR, a 50-basis point increase (decrease) in foreign interest rate is expected to result in a 1-point decrease (1-points increase) in ESR, a 10% decline in stocks and real estimates is expected to result in a 1-point decrease in ESR, respectively, and a 10% appreciation in the yen against the dollar is expected to result in a 0-point increase in ESR. Although we have maintained ESR based on internal methodology above 200% in recent years, there can be no assurance that we will achieve the ESR levels set forth in our mid-term management plan.

The internal model we developed and used to calculate internal ESR on a voluntary basis to monitor our financial soundness was not, and has not been approved by the FSA, and differs from the FSA's standardized model adopted in Japan now in effect. For example, we evaluated market risk and credit risk with a segmented method that utilized a more granular categorization than, and applied different methodologies for calculating risk margin as compared to, what is required now under the FSA's standardized model. Accordingly figures we disclosed historically as our internal economic value-based solvency ratio have been calculated on a basis that differs and may not be directly comparable to ESR for March 31, 2026 under the FSA's standardized model adopted in Japan. See "Recent Business—Economic Solvency Ratio" and "Regulations of the Japanese Life Insurance Industry—Solvency Margin Ratio".

Future changes in laws and regulations, as well as judicial and other interpretations, applicable to us could adversely affect our business, financial condition and results of operations.

Changes in laws and regulations and their interpretations, and changes in government policies regarding their enforcement could adversely affect our new policy sales, lead to increased compliance risk, increase the level of competition we face or otherwise adversely affect our business. Examples of such changes that have had, or could have, an adverse effect on our business, financial condition and results of operations are described below.

For example, as a result of amendments to the Insurance Business Act that became effective in 2007, rules applicable to sales of certain insurance products with investment characteristics became more stringent, similar to those applicable to sales of financial instruments. Further, as a result of amendments to the Insurance Business Act that became effective in 2016, rules applicable to sales of certain insurance products require persons offering certain insurance products to provide customers with certain information and to understand the customers' motivations for purchasing such products. Our sales representatives and third-party sales agencies may encounter difficulties adjusting their sales practices to comply with future regulatory changes. In addition, we may face increased compliance risk as a result of regulatory actions against us or our competitors or in connection with future expansions of our product offerings and related regulatory initiatives, any of which could adversely affect our business strategies or require significant additional expenses for training, improved compliance or remediation.

Regulations under the Insurance Business Act generally prohibit Japanese corporations from acting as life insurance companies' sales agencies for the sale of life insurance products to their own management and employees and other persons affiliated with their own corporation. Similar regulations do not exist with respect to non-life insurance products, and most major Japanese corporations maintain subsidiaries that act as non-life insurance companies' sales agencies for the sale of non-life insurance products to their own management, employees and affiliated persons. If this prohibition on the sale of life insurance products is lifted, the life insurance subsidiaries of non-life insurance companies may be able to take advantage of their parents' existing relationships with sales agencies and act as life insurance sales agencies to major corporations. In such event, we may experience a competitive disadvantage and our new policies could decline.

In addition, income tax laws permit individuals to deduct for income tax purposes all or a portion of the premium payments on almost all of the insurance and annuity products purchased from us. Similarly, corporate and small business policyholders are permitted to deduct as a business expense, subject to certain conditions, all or a portion of the costs of premiums on certain types of life insurance products, such as term life insurance, and on annuity products. These and other favorable tax provisions enhance the appeal of our insurance and annuity products to our customers. Japanese tax reform in 2010 added a deduction for individual premium payments on long-term care insurance and health care insurance products, but reduced the maximum deduction for premium payments on life insurance and annuity products purchased on and after January 1, 2012. Moreover, in June 2019, the National Tax Authority of Japan introduced a new policy to further limit the ability of corporate and small business policyholders to deduct premium costs for certain types of life insurance products, such as term life insurance. These or any further changes in Japanese tax laws or regulations that negatively affect the tax treatment of premiums on our insurance and annuity products could adversely affect our new policy sales.

In March 2012, the FSA tightened, and since then is continuously updating, capital adequacy rules for Japanese banks and bank holding companies, reflecting proposals made under Basel III on raising the quality, consistency and transparency of the capital base and enhancing risk coverage. Such tightened capital requirements and potential future regulatory changes could make investments in our foundation funds and subordinated debt or securitized products relating to our foundation funds less attractive to Japanese banks and bank holding companies, which could adversely affect our ability to raise capital.

Changes to accounting standards relating to the calculation of policy reserves could have a material adverse effect on our reported financial condition and results of operations.

The Insurance Business Act and related regulations and guidelines set forth the standards under which policy reserves are calculated. Changes to such standards that would require us to increase our policy reserves could have a material adverse effect on our reported financial condition and results of operations. For example, the International Accounting Standards Board ("IASB"), which develops IFRS, published Amendments to IFRS 17 standard, IFRS 17 Insurance Contracts, which became effective for annual reporting periods beginning on or after January 1, 2023. The new standard requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. If current value accounting for liabilities is adopted under Japanese GAAP in the future, we would be required to calculate policy reserves based on the current value of policy obligations taking into account factors such as current interest rate levels, which could increase the volatility of our reported financial condition and results of operations as compared to currently applicable accounting standards.

The failure of other Japanese life insurance companies could require us to increase our contributions to industry-wide policyholder protection funds and could undermine consumer confidence.

We, like other Japanese life insurance companies, are required to support policyholders of failed life insurance companies through payments to The Life Insurance Policyholders Protection Corporation of Japan ("LIPPC"). LIPPC was established pursuant to the Insurance Business Act in 1998 to provide a new system for the protection of policyholders of failed life insurance companies. LIPPC is authorized to provide funds in connection with the transfer of insurance policies from a failed life insurance company to a successor company and perform certain other specified functions. See "Regulations of the Japanese Life Insurance Industry—Insurance Business Act—Regulation for the Protection of Policyholders".

The life insurance industry is required to accept funding commitments to LIPPC of an aggregate of up to ¥33 billion per year. This funding obligation is allocated among all Japanese life insurance companies licensed under the Insurance Business Act based on amounts of premium and certain investment income and policy reserves. The allocation amounts are revised annually. We made contributions on a nonconsolidated basis of ¥6.1 billion and ¥5.4 billion to LIPPC for the years ended March 31, 2021 and 2022, respectively. Because LIPPC reached the upper limit of its aggregate funding commitments, for the years ended March 31, 2023, 2024 and 2025, our contribution amount on a nonconsolidated basis to LIPPC was limited to ¥1.0 million, ¥1.0 million and ¥1.0 million, respectively, which was used to fund a portion of LIPPC's operating expenses. Our contribution amounts in the current and future years will depend on whether the LIPPC's total funding commitments remain at the upper limit, and could increase in the future based on developments in the life insurance industry. As a result, as stated above, this amount is adjusted annually based on the relative size of our premium and certain investment income and policy reserve amounts within the life insurance industry as a whole and could be increased. All of our payments to LIPPC are charged to operating expenses when paid.

The proportion of required contributions allocated to us could increase if our income from insurance premiums and certain investments increases relative to other life insurance companies in Japan. In the event of a future failure of a Japanese life insurance company or if the legal requirements for contributing to LIPPC change, we may be required to make additional contributions to LIPPC, and our business, financial condition and results of operations could be materially and adversely affected. The failure of other Japanese life insurance companies could also damage the reputation of the Japanese life insurance industry in general and undermine consumer confidence in Japanese life insurers, which could lead to a decrease in our sales of new policies or an increase in lapses or surrenders of existing policies.

Catastrophes could result in significant losses and disruptions to our business operations.

We are exposed to the risk of unpredictable liabilities for insurance claim payments in the event of catastrophic mortality in Japan due to a pandemic, such as the COVID-19 pandemic, or catastrophic events, such as earthquakes, tsunamis, wars, foreign attacks, terror attacks and other more localized disasters affecting Tokyo or other densely populated areas in Japan. Physical damage and other effects of such catastrophes could result in significant disruptions to our business operations. In addition, although we maintain a contingency reserve consistent with industry practice and accounting standards, the reserve may not be adequate to cover actual claim liabilities. We have been proactive in expediting and simplifying the insurance claims and payout process for customers in affected regions and have waived applicable exemption clauses for earthquakes, to ensure full payouts. While we currently expect the reserve for losses on disaster to be sufficient to address remaining risks of relevant loss, there is no assurance that we will not need to increase the reserve in the future.

Risks Related to the Bonds

We have the right and under certain circumstances will be required to defer interest payments on the Bonds for an indefinite period of time.

We will have the right, in our sole discretion, to defer payment of all (and no less than all) of the interest accrued on the Bonds on any Interest Payment Date, so long as such Interest Payment Date is not a Mandatory Interest Deferral Date. Furthermore, we will be required to defer payment of all (and no less than all) of the interest on the Bonds that shall have accrued as of an Interest Payment Date upon the occurrence of certain mandatory interest deferral events, which include any failure to meet certain regulatory capital requirements, as well as a payment deferral on the Bonds or any Liquidation Parity Indebtedness. During any such deferral, holders of the Bonds will receive no payments on the Bonds, and will have no remedies against us for non-payment. Even during any such deferral, the Bonds do not restrict our ability to make payments on foundation funds obligations or distributions to our policyholders (*shain haitou*). See Condition 4.

Subordination of the Bonds could hinder investors' ability to receive payment.

Upon the occurrence of a Subordination Event, any amounts payable under the Bonds will be subordinated in right of payment to the prior payment of all of our Senior Indebtedness. Senior Indebtedness means all benefits and claims and other liabilities (including, for the avoidance of doubt, statutory subordinated bankruptcy claims (*retsugoteki hasan saiken)*, as defined in the Bankruptcy Act of Japan (Act No. 75 of 2004, as amended) (the "Bankruptcy Act")), other than liabilities under the Bonds, any Liquidation Parity Indebtedness, claims of holders of interests in foundation funds or claims of any other instruments that are expressly designated as being junior to the Bonds as to priority of liquidation payment. We expect to incur additional indebtedness and other obligations from time to time that will constitute senior indebtedness, and the Conditions and the Trust Deed do not contain any provisions restricting our ability to incur Senior Indebtedness, including with respect to the amount of any such Senior Indebtedness. See Condition 2(b).

There are only limited rights of acceleration under the terms of the Bonds.

The Trustee may only accelerate payment of the principal and accrued and unpaid interest on the Bonds in limited circumstances. The Bonds may not be accelerated upon a default in the payment of principal of or interest on the Bonds, upon the non-performance of any covenant in relation to the Bonds or upon the occurrence of any other event in relation to the Bonds other than a Subordination Event, which would only occur in the event that liquidation, bankruptcy, reorganization or rehabilitation proceedings shall have commenced with respect to us or in the event that we shall have become subject to other equivalent proceedings pursuant to any applicable law of any jurisdiction other than Japan, and in such cases, payment on the Bonds would remain subject to subordination.

We may redeem the Bonds at our option on or after the First Call Date, and upon the occurrence of certain tax or special events.

We will have the option to redeem the Bonds in whole (but not in part), subject to compliance with applicable regulatory requirements, on the First Call Date, and any Reset Date thereafter. In addition, we will have the option to redeem the Bonds in whole (but not in part) at any time upon certain changes in tax law which would require us to pay Additional Amounts, or certain special events. Any redemption of the Bonds will be subject to the conditions described under Condition 5. If the Bonds are redeemed, holders may not be able to reinvest the money received upon such redemption at the same rate of return. For the tax consequences to holders on a redemption, see "Japanese Taxation".

We may not redeem the Bonds in September 2056.

If, on the Scheduled Maturity Date, conditions for final redemption are not met, we will not redeem the Bonds until the next Interest Payment Date on which such conditions are met. In the event of such a redemption deferral, the return of your initial investment will be deferred, potentially indefinitely.

The market for the Bonds may be limited.

Prior to the offering, there has been no trading market for the Bonds. A market for the Bonds may not develop or, if it does develop, it may not provide holders or beneficial owners of the Bonds with sufficient liquidity of investment or continue for the life of the Bonds. Although approval in-principle has been received for the listing of and quotations for the Bonds on the Official List of the SGX-ST, there can be no assurance that any liquid markets for the Bonds will ever develop or be maintained. Furthermore, there can be no assurance as to the liquidity of any markets that may develop for the Bonds or the prices at which you will be able to sell your Bonds, if at all. In addition, the market value of the Bonds may fluctuate. Consequently, any sale by holders of the Bonds in any secondary market which may develop may be at a discount from the original purchase price of the Bonds.

The ratings of the Bonds may be lowered or withdrawn.

It is expected that the Bonds will be assigned ratings by S&P and Moody's. In addition, other ratings agencies may assign credit ratings to the Bonds without solicitation or request from, or provision of information by us. Such ratings are limited in scope, and do not address all material risks relating to an investment in the Bonds, but reflect only the view of each rating agency at the time the relevant rating is assigned. There is no assurance that such credit ratings will remain in effect for any given period of time or that such ratings will not be lowered, suspended or withdrawn entirely by the rating agencies, if, in the relevant rating agency's judgment, circumstances so warrant. A downgrade or potential downgrade in these ratings or the assignment of new ratings that are lower than existing ratings could reduce the number of potential investors in the Bonds and adversely affect the price and liquidity of the Bonds. A rating is based upon information furnished by us or obtained by the rating agency from its own sources and is subject to revision, suspension or withdrawal by the rating agency at any time.

Optional or mandatory deferral of interest payments, conditions on redemption upon maturity and other characteristics of the Bonds could adversely affect the market price of the Bonds.

The Bonds contain provisions that permit us to defer interest payment on the Bonds at our election or obligate us to defer interest payment on the Bonds or redemption on maturity under certain specified circumstances. We currently do not intend to exercise our right to defer payments of interest on the Bonds. However, as a result of these optional and mandatory deferral provisions, the market price of the Bonds may be more volatile than the market price of other securities that are not subject to such provisions. Further, if interest payments on the Bonds

are deferred due to our exercising such right or due to the occurrence of certain specified events, or if redemption on maturity is deferred due to a failure to meet the redemption conditions, the market price of the Bonds is likely to be affected. If interest or redemption on maturity is deferred and you elect to sell Bonds during the period of that deferral, you may not receive the same return on your investment as a holder that continues to hold its Bonds until we pay the deferred interest or principal. The Bonds are unlike traditional subordinated debt securities, not only with respect to the possible optional or mandatory deferral of interest and with respect to the conditions to redemption upon maturity, but also in that holders will have limited remedies. In addition, because we are a mutual company, the Bonds do not contain compulsory interest payment provisions until after the occurrence of a Demutualization Event, and the payment stoppage provision of the Bonds does not restrict our ability to make payments on foundation funds obligations, which rank junior to the Bonds as to priority of liquidation payment, or to make distributions to our policyholders (*shain haitou*). Investor demand for securities with the characteristics of the Bonds may change as these characteristics are assessed by market participants, regulators, rating agencies and others. Accordingly, the Bonds that you purchase, whether pursuant to the offer made by this Offering Circular or in the secondary market, may trade at a significant discount to the price that you paid.

Changes in our capital structure and the terms of the Bonds resulting from a future demutualization may adversely affect holders of the Bonds.

We may determine that demutualization is advantageous to us and our stakeholders. However, demutualization would result in changes in our capital structure, which may or may not be beneficial for holders of the Bonds. For example, as a result of demutualization, our common stock would be issued and serve as a capital buffer that is junior to the Bonds while our foundation funds would be redeemed or contributed in kind for shares of the reorganized company prior to the effectiveness of the demutualization pursuant to the Insurance Business Act. While certain procedural safeguards are in place, such as approval of an entity conversion plan by a three-quarter majority vote of attending representative policyholders at a general meeting of representative policyholders meeting and authorization by the FSA, the redemption of our foundation funds may result in our capital being significantly lower than prior to demutualization. In addition, upon demutualization, the terms of the Bonds will be automatically revised such that we may make payments of interest or principal on, or repay or redeem, other instruments that are pari passu with or junior to the Bonds, even if any payment on the Bonds has been deferred and continues to be in deferral. While we do not have any current plan or intention to demutualize, if we determine to demutualize while the Bonds are still outstanding, your rights as holders of the Bonds may be adversely affected.

The Trustee may request holders of the Bonds to provide an indemnity and/or security and/or prefunding to its satisfaction.

In certain circumstances (including without limitation taking any action pursuant to Condition 9(b)), the Trustee may (at its sole and absolute discretion) request holders of the Bonds to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes actions and/or steps and/or institutes proceedings on behalf of such holders. The Trustee shall not be obliged to take any such actions and/or steps and/or institute proceedings if not indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such actions and/or steps can be taken and/or such proceedings can be instituted. The Trustee may not be able to take actions and/or steps and/or institute proceedings, notwithstanding the provision of an indemnity or security or prefunding to it, in breach of the terms of the Trust Deed (as subsequently supplemented and/or amended) and/or the Conditions and in such circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable laws, it will be for the holders of the Bonds to take such actions and/or steps and/or institute proceedings directly.

Modifications and waivers may be made in respect of the Conditions, the Agency Agreement and the Trust Deed by the Trustee or less than all of the holders of the Bonds.

The Conditions contain provisions for convening meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including those Bondholders who did not attend and vote at the relevant meeting and those Bondholders who voted in a manner contrary to the majority.

The Conditions also provide that the Trustee may (but shall not be obliged to), without the consent of Bondholders, agree (i) to any modification (except as mentioned in the Trust Deed) of the Trust Deed, the Agency Agreement and/or the Conditions which in the opinion of the Trustee will not be materially prejudicial to the interests of Bondholders and (ii) to any modification of the provisions of the Conditions, the Agency Agreement or the Trust Deed which in the opinion of the Trustee is of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of applicable law.

In addition, the Trustee may (but shall not be obliged to), without the consent of the Bondholders, waive or authorize any breach or proposed breach by us of the Conditions, the Agency Agreement or the Trust Deed (other than a proposed breach or a breach relating to the subject of certain reserved matters) if, in the opinion of the Trustee, the interests of the Bondholders will not be materially prejudiced thereby.

TERMS AND CONDITIONS OF THE BONDS

The following Conditions, subject to modification and save for the paragraphs in italics and not underlined, will be endorsed on the Certificates (as defined below) representing the Bonds (as defined below).

Please note that, upon the occurrence of a Demutualization Event (as defined in the Conditions), certain provisions of the Bonds will automatically be amended as described in the Conditions. Unless otherwise described in the Conditions, the amended provisions will form part of the terms and conditions of the Bonds upon the effectiveness of a Demutualization Event.

The €550,000,000 aggregate principal amount of 4.804 per cent Step-up Callable Subordinated Bonds due 2056 (the "Bonds") of Nippon Life Insurance Company ("Nippon Life") are constituted by a trust deed dated 1 September 2026 (the "Trust Deed") made between Nippon Life and The Bank of New York Mellon, London Branch as trustee (the "Trustee", which expression shall include any successor trustee and all persons for the time being appointed as trustee or trustees under the Trust Deed) as trustee for the Bondholders (as defined below). These terms and conditions (these "Conditions") include summaries of, and are subject to, the detailed provisions of the Trust Deed. Payments under the Bonds will be made in accordance with the agency agreement dated 1 September 2026 (the "Agency Agreement") made between Nippon Life, the Trustee, The Bank of New York Mellon, London Branch as principal paying agent (the "Principal Paying Agent", which expression includes the Principal Paying Agent and any successor principal paying agent for the time being) and as calculation agent (the "Calculation Agent", which expression includes the Calculation Agent and any successor calculation agent for the time being), The Bank of New York Mellon SA/NV, Dublin Branch as registrar (the "Registrar", which expression includes the Registrar and any successor registrar for the time being) and as transfer agent (the "Transfer Agent", which expression includes the Transfer Agent and any successor transfer agent for the time being) and the other agents appointed under the Agency Agreement (the Principal Paying Agent, the Calculation Agent, the Registrar, the Transfer Agent and such other agents, together the "Agents").

So long as any of the Bonds are outstanding, copies of the Trust Deed, incorporating the form of the Bonds, and of the Agency Agreement (i) are available for inspection following prior written request and proof of holding and identity to the satisfaction of the Trustee, or as the case may be, the Principal Paying Agent, at all reasonable times during usual business hours (being between 9:00 a.m. and 3:00 p.m. (London time) Monday to Friday other than public holidays) at the principal office of the Trustee (being at the date of issue of the Bonds at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom) or at the specified office of the Principal Paying Agent or (ii) may be provided by email to any Bondholders following prior written request to, and proof of holding and identity to the satisfaction of, the Trustee, or as the case may be, the Principal Paying Agent. The Bondholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

All capitalized terms that are not defined in these Conditions will have the meanings given to them in the Trust Deed.

1 *Form, Denomination, Title and Transfer of Bonds*

(a) Form and denomination

The Bonds are in registered form in the denomination of €100,000 and integral multiples of €1,000 in excess thereof. A bond certificate (each, a "Certificate") will be issued in respect of each holding of Bonds. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register (the "Register") of holders of Bonds to be kept by the Registrar in accordance with Condition 1(c)(i). The Bonds are not issued in bearer form.

(b) Title

Title to the Bonds passes only by transfer and registration of title in the Register. The holder (as defined below) of any Bond will (except as otherwise required by law) be treated as the absolute owner thereof for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on the Certificate representing it, or its theft or loss of the Certificate issued in respect of it) and no person shall be liable for so treating the holder. In these Conditions, "Bondholder" and "holder" in respect of any Bond mean the person in whose name the Bond is registered.

Upon issue, the Bonds will be represented by a Global Certificate deposited with, and registered in the name of a nominee for, a common depositary for Euroclear and Clearstream, Luxembourg. The Conditions applicable to the Bonds are modified by certain provisions contained in the Global Certificate. Except in the limited circumstances described in the Global Certificate, owners of interests in Bonds represented by the Global Certificate will not be entitled to receive definitive certificates in respect of their individual holdings of Bonds. See "Summary of Provisions Relating to the Bonds While in Global Form".

(c) Transfer of Bonds

(i) ***The Register***: Nippon Life will cause the Register to be kept at the specified office of the Registrar, and in accordance with the terms of the Agency Agreement, on which shall be entered the names and addresses of the Bondholders and the particulars of the Bonds held by them and of all transfers and redemptions of the Bonds.

(ii) ***Transfers***: A Bond may be transferred upon the surrender (at the specified office of the Registrar or the Transfer Agent) of the Certificate representing such Bond, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by Nippon Life), duly completed and executed and any other evidence as the Registrar and the Transfer Agent may require. No transfer of a Bond will be valid unless and until entered on the Register. Upon such transfer, a new Certificate will be issued to the transferee in respect of the Bond so transferred. Where some only of the Bonds in respect of which a Certificate is issued are transferred, a new Certificate in respect of the Bonds not so transferred will be issued. In the case of a transfer of Bonds to a person who is already a holder of Bonds, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding. No transfer may be made which would result in the principal amount of Bonds held by a holder and in respect of which a Certificate is to be issued being less than €100,000. All transfers of the Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of the Bonds scheduled to the Agency Agreement. The regulations may be changed by Nippon Life, with the prior written approval of the Registrar and the Trustee, and by the Registrar, with the prior written approval of the Trustee. A copy of the current regulations will be made available by the Registrar to any Bondholder following prior written request and proof of holding and identity satisfactory to the Registrar.

Transfers of interests in the Bonds represented by the Global Certificate will be effected in accordance with the rules of the relevant clearing systems, as described in "Summary of Provisions Relating to the Bonds While in Global Form".

(iii) ***Delivery of New Certificates***: Each new Certificate to be issued pursuant to Condition 1(c)(ii) shall be available for delivery within five Transfer Business Days (as defined below) of receipt of the duly completed and signed form of transfer and surrender of the original Certificate for exchange. Delivery of the new Certificate(s)

shall be made at the specified office of the Registrar or the Transfer Agent to whom delivery or surrender of such form of transfer and Certificate shall have been made, or if so requested in the form of transfer, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address so specified (at Nippon Life's expense), unless such holder requests otherwise and pays in advance to the Registrar or the Transfer Agent (as the case may be) the costs of such other method of delivery and/or such insurance as it may specify.

In these Conditions, "Transfer Business Day" means a day (other than a Saturday or a Sunday) on which banks are open for business in the place of the specified office of the Registrar or the Transfer Agent (as the case may be).

(iv) ***Formalities Free of Charge***: Registration of a transfer of Bonds, together with the issuance of Certificates in relation thereto shall be effected without charge by or on behalf of Nippon Life, the Registrar or the Transfer Agent, but upon (A) payment of any tax, duty or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or pre-funding and/or security as the Registrar or the Transfer Agent may require); and (B) Nippon Life and the Registrar or the Transfer Agent being satisfied that the regulations concerning transfer of Bonds having been satisfied.

(v) ***No Registration of Transfer***: No Bondholder may require the transfer of a Bond to be registered (A) during the period of 7 days ending on (and including) the due date for redemption pursuant to Condition 5(a), (B) after a notice of redemption has been given pursuant to Condition 5(b), (c) or (d), or (C) during the period commencing on (and including) any Interest Record Date (as defined in Condition 6(a)) and ending on the immediately following Interest Payment Date (as defined in Condition 3(d)).

2 Status and Subordination

(a) Status of the Bonds

The obligations of Nippon Life in respect of the Bonds constitute irrevocable, direct and unsecured obligations of Nippon Life which are conditional and subordinated (as described below). Claims in respect of the Bonds shall at all times rank *pari passu* and without any preference among themselves and *pari passu* with all Liquidation Parity Indebtedness, and in priority to (i) claims of holders of interest in the foundation funds (*kikin*) of Nippon Life and (ii) claims of any other instruments of Nippon Life that are expressly designated as being junior to the Bonds as to priority of liquidation payment ("Junior Indebtedness").

Upon the occurrence of a Demutualization Event, the immediately preceding paragraph shall be amended to read as follows:

"The obligations of Nippon Life in respect of the Bonds constitute irrevocable, direct and unsecured obligations of Nippon Life which are conditional and subordinated (as described below). Claims in respect of the Bonds shall at all times rank pari passu and without any preference among themselves and (i) rank pari passu with all Liquidation Parity Indebtedness and (ii) in priority to claims of holders of common stock and preferred stock (including the most senior preferred stock) of Nippon Life and claims of holders of any Junior Indebtedness."

(b) Subordination

(i) Upon the occurrence of a Subordination Event (as defined in this Condition 2(b)(i)), the obligations of Nippon Life pursuant to the Bonds shall be subordinated in right of payment to all Senior Indebtedness (as defined in this Condition 2(b)(i)) of Nippon Life and, so long as such Subordination Event continues, no payment will be made

under the Bonds (except for such amounts as have become due and payable, other than solely by way of acceleration, prior to the date on which a Subordination Event shall have occurred) unless and until (each of the following a "Condition for Liquidation Payment"):

(a) in the case of a Japanese Liquidation Event (as defined in this Condition 2(b)(i)), the total amount of any and all Senior Indebtedness of Nippon Life, claims in respect of which having been filed within the prescribed period in the liquidation proceedings or of which Nippon Life has knowledge shall have been paid in full in the liquidation proceedings pursuant to the relevant law;

(b) in the case of a Japanese Bankruptcy Event (as defined in this Condition 2(b)(i)), the total amount of any and all Senior Indebtedness of Nippon Life listed on the final distribution list, as amended, submitted to the court in the bankruptcy proceedings shall have been paid or provided for in full (including discharge by deposit of funds with the competent authority) pursuant to the relevant law;

(c) in the case of a Japanese Reorganization Event (as defined in this Condition 2(b)(i)), the total amount of any and all Senior Indebtedness which is listed in the reorganization plan of Nippon Life at the time when the court's approval of the reorganization plan of Nippon Life becomes final and conclusive shall have been paid in full in such reorganization proceedings to the extent that such liabilities shall have been fixed;

(d) in the case of a Japanese Civil Rehabilitation Event (as defined in this Condition 2(b)(i)), the total amount of any and all Senior Indebtedness which is listed in the rehabilitation plan of Nippon Life at the time when the court's approval of the rehabilitation plan becomes final and conclusive shall have been paid in full in the rehabilitation proceedings to the extent that the liabilities shall have been fixed, provided that if the court finally and conclusively approves summary or consent rehabilitation proceedings or the cancellation of the rehabilitation plan, or the rehabilitation proceedings are finally and conclusively cancelled or discontinued by the court, Nippon Life shall be deemed to have never been subject to a Subordination Event under paragraph (4) of the definition of "Subordination Event", and accordingly this Condition 2(b) shall not apply; or

(e) in the case of a Foreign Event (as defined in this Condition 2(b)(i)), conditions equivalent to those set forth in (a), (b), (c) or (d) of this Condition 2(b)(i) have been fulfilled (provided that if the imposition of any such condition is not allowed under such proceedings, any amount which becomes due under the Bonds shall become payable in accordance with the terms of the Trust Deed and shall not be subject to such condition).

The following definitions apply to these Conditions:

"Bankruptcy Act" means the Bankruptcy Act of Japan (Act No. 75 of 2004, as amended) or any successor legislation thereto.

"Civil Rehabilitation Act" means the Civil Rehabilitation Act of Japan (Act No. 225 of 1999, as amended) or any successor legislation thereto.

A "Demutualization Event" occurs when Nippon Life conducts a demutualization under the Insurance Business Act or any similar applicable law or regulations (including any successor laws or regulations) and becomes a joint-stock corporation.

"Insurance Business Act" means the Insurance Business Act of Japan (Act No. 105 of 1995, as amended) or any successor legislation thereto.

"Reorganization Act" means the Act on Special Provisions, Etc. for Reorganization Proceedings of Financial Institutions, Etc. of Japan (Act No. 95 of 1996, as amended) or any successor legislation thereto.

"Liquidation Parity Indebtedness" means (i) Nippon Life's $1,500 million aggregate principal amount of 4.70% step-up callable subordinated notes due 2046, $800 million aggregate principal amount of 4.00% step-up callable subordinated notes due 2047, $1,150 million aggregate principal amount of 3.40% step-up callable subordinated notes due 2050, $1,600 million aggregate principal amount of 2.750% step-up callable subordinated notes due 2051, $900 million aggregate principal amount of 2.900% step-up callable subordinated notes due 2051, $930 million aggregate principal amount of 6.250% step-up callable subordinated notes due 2053, $1,320 million aggregate principal amount of 5.950% step-up callable subordinated notes due 2054, $1,500 million aggregate principal amount of 6.500% step-up callable subordinated notes due 2055, €500 million aggregate principal amount of 4.114% step-up callable subordinated notes due 2055, €500 million aggregate principal amount of 4.165% step-up callable subordinated notes due 2055, ¥70 billion aggregate principal amount of 0.94% step-up callable subordinated notes due 2046, ¥30 billion aggregate principal amount of 1.12% step-up callable subordinated notes due 2051, ¥75 billion aggregate principal amount of 0.91% step-up callable subordinated notes due 2046, ¥15 billion aggregate principal amount of 1.10% step-up callable subordinated notes due 2051, ¥100 billion aggregate principal amount of 1.05% step-up callable subordinated notes due 2047, ¥100 billion aggregate principal amount of 1.05% step-up callable subordinated loan due 2048, ¥120 billion aggregate principal amount of 1.03% step-up callable subordinated loan due 2048, ¥90 billion aggregate principal amount of 0.95% step-up callable subordinated loan due 2049, ¥80 billion aggregate principal amount of 0.85% step-up callable subordinated loan due 2049, ¥130 billion aggregate principal amount of 1.05% step-up callable subordinated loan due 2050, ¥200 billion aggregate principal amount of 0.97% step-up callable subordinated loan due 2051, ¥130 billion aggregate principal amount of 1.03% step-up callable subordinated loan due 2052, ¥71 billion aggregate principal amount of 1.10% step-up callable subordinated loan due 2052, ¥80 billion aggregate principal amount of step-up callable subordinated loan due 2053 and ¥75 billion aggregate principal amount of 1.824% step-up callable subordinated loan due 2054 and (ii) any other liabilities of Nippon Life which are expressly designated as being on a parity with, or ranking *pari passu* with, the Bonds as to priority of liquidation payment, and, for the avoidance of doubt, shall not include foundation funds obligations.

Upon the occurrence of a Demutualization Event, the definition of "Liquidation Parity Indebtedness" in the immediately preceding paragraph shall be amended as follows:

"Liquidation Parity Indebtedness" means (i) Nippon Life's $1,500 million aggregate principal amount of 4.70% step-up callable subordinated notes due 2046, $800 million aggregate principal amount of 4.00% step-up callable subordinated notes due 2047, $1,150 million aggregate principal amount of 3.40% step-up callable subordinated notes due 2050, $1,600 million aggregate principal amount of 2.750% step-up callable subordinated notes due 2051, $900 million aggregate principal amount of 2.900% step-up callable subordinated notes due 2051, $930 million aggregate principal amount of 6.250% step-up callable subordinated notes due 2053, $1,320 million aggregate principal amount of 5.950% step-up callable subordinated notes due 2054, $1,500 million aggregate principal amount of 6.500% step-up callable subordinated notes due 2055, €500 million aggregate principal amount of 4.114% step-up callable subordinated notes due 2055, €500 million aggregate principal amount of 4.165% step-up callable subordinated notes due 2055, ¥70 billion aggregate principal amount of 0.94% step-up callable subordinated notes due 2046, ¥30 billion aggregate principal amount of 1.12% step-up callable subordinated notes due 2051, ¥75 billion aggregate principal amount of 0.91% step-up callable subordinated notes due 2046, ¥15 billion

aggregate principal amount of 1.10% step-up callable subordinated notes due 2051, ¥100 billion aggregate principal amount of 1.05% step-up callable subordinated notes due 2047, ¥100 billion aggregate principal amount of 1.05% step-up callable subordinated loan due 2048, ¥120 billion aggregate principal amount of 1.03% step-up callable subordinated loan due 2048, ¥90 billion aggregate principal amount of 0.95% step-up callable subordinated loan due 2049, ¥80 billion aggregate principal amount of 0.85% step-up callable subordinated loan due 2049, ¥130 billion aggregate principal amount of 1.05% step-up callable subordinated loan due 2050, ¥200 billion aggregate principal amount of 0.97% step-up callable subordinated loan due 2051, ¥130 billion aggregate principal amount of 1.03% step-up callable subordinated loan due 2052, ¥71 billion aggregate principal amount of 1.10% step-up callable subordinated loan due 2052, ¥80 billion aggregate principal amount of step-up callable subordinated loan due 2053 and ¥75 billion aggregate principal amount of 1.824% step-up callable subordinated loan due 2054 and (ii) any other liabilities of Nippon Life which are expressly designated as being on a parity with, or ranking pari passu with, the Bonds as to priority of liquidation payment.

"Senior Indebtedness" means all policy payments and other liabilities of Nippon Life (including for the avoidance of doubt, statutory subordinated bankruptcy claims (*retsugoteki hasan saiken*) as defined in the Bankruptcy Act) other than liabilities under the Bonds, any Liquidation Parity Indebtedness, claims of holders of interests in Nippon Life's foundation funds (*kikin*) and claims of any Junior Indebtedness.

Upon the occurrence of a Demutualization Event, the phrase "claims of holders of interests in Nippon Life's foundation funds (kikin)" in the definition of "Senior Indebtedness" in the immediately preceding paragraph shall be deleted.

"Subordination Event" means any one of the following events:

(1) a liquidation proceeding (including the voluntary liquidation proceeding (*tsujo seisan*) or special liquidation proceeding (*tokubetsu seisan*)) shall have commenced with respect to Nippon Life pursuant to the Insurance Business Act (a "Japanese Liquidation Event");

(2) a court of competent jurisdiction in Japan shall have commenced bankruptcy proceedings with respect to Nippon Life pursuant to the provisions of the Bankruptcy Act (a "Japanese Bankruptcy Event");

(3) a court of competent jurisdiction in Japan shall have commenced reorganization proceedings with respect to Nippon Life pursuant to the provisions of the Reorganization Act (a "Japanese Reorganization Event");

(4) a court of competent jurisdiction in Japan shall have commenced rehabilitation proceedings with respect to Nippon Life pursuant to the provisions of the Civil Rehabilitation Act (a "Japanese Civil Rehabilitation Event"); and

(5) Nippon Life shall have become subject to liquidation, bankruptcy, reorganization, civil rehabilitation or other equivalent proceedings pursuant to any applicable law of any jurisdiction other than Japan, which proceedings have an equivalent effect to those set out in (1), (2), (3) or (4) above (a "Foreign Event").

Upon the occurrence of a Demutualization Event, references to the "Insurance Business Act" and the "Reorganization Act" in paragraphs (1) and (3) of the definition of "Subordination Event" above shall be changed to "Companies Act of Japan (Act No. 86 of 2005, as amended) (the "Companies Act")" and the "Corporate Reorganization Act of Japan (Act No. 154 of 2002, as amended) (the "Corporate Reorganization Act")", respectively.

(ii) The rights of the holders of the Bonds will be reinstated with respect to any payments made to holders that are subsequently avoided in the bankruptcy, liquidation, reorganization or rehabilitation proceedings (or other equivalent proceedings pursuant to any applicable law of any jurisdiction other than Japan) of Nippon Life, as though such payments had not been made.

(iii) A holder of a Bond by acceptance of the Bond agrees that (A) if any payment on the Bond is made to the holder after the occurrence of a Subordination Event and the amount of the payment shall exceed the amount, if any, that should have been paid to the holder upon the proper application of the subordination provisions of the Bond, the payment of the excess amount shall be deemed null and void and the holder shall be obliged to return the amount of the excess payment within 10 days after receiving notice in writing from Nippon Life of the excess payment, and (B) upon the occurrence of a Subordination Event and so long as the Subordination Event shall be continuing, the holder shall not exercise any right to set off any liabilities of Nippon Life under the Bond (except for such amounts as have become due and payable, other than solely by way of acceleration, prior to the date on which a Subordination Event shall have occurred) against any liabilities of the holder owed to Nippon Life unless, until and only in the amount as the liabilities of Nippon Life under the Bond become payable pursuant to the proper application of the subordination provisions in these Conditions (provided, however, in the case of a Japanese Civil Rehabilitation Event, that if the court finally and conclusively approves summary or consent rehabilitation proceedings or the cancellation of the rehabilitation plan, or the rehabilitation proceedings are finally and conclusively cancelled or discontinued by the court, Nippon Life shall be deemed to have never been subject to such Subordination Event).

(iv) No amendment or modification to the subordination provisions contained in this Condition 2 or in the Trust Deed which is prejudicial to any creditor in respect of any present or future Senior Indebtedness shall be made in any respect. No such amendment or modification prejudicial to any present or future creditor in respect of any Senior Indebtedness shall in any event be effective against any such creditor.

In addition, Nippon Life shall not amend or modify the subordination provisions of the Bonds if such amendment or modification would adversely affect the rights of Bondholders to receive payment under the Bonds.

None of the Trustee or the Agents shall be required to monitor or to take any steps to ascertain whether a Subordination Event or any event which could lead to a Subordination Event has occurred or may occur, and none of them shall be liable to the Bondholders, Nippon Life or any other person for not doing so.

3 Interest

(a) Prior to the First Call Date

The Bonds bear interest from and including 1 September 2026 (the "Interest Commencement Date") to but excluding 1 September 2036 (the "First Call Date") (subject to Condition 3(e)) at the rate of 4.804 per cent per annum. Such interest is payable annually in arrear on each Interest Payment Date up to and including the First Call Date in the amount of €48.04 per €1,000 in principal amount of the Bonds (the "Calculation Amount").

(b) On and after the First Call Date

The rate of interest payable in respect of the Bonds will be reset on the First Call Date, and on every Interest Payment Date which falls five, or a multiple of five, years thereafter (the First Call Date and each such Interest Payment Date being a "Reset Date") until all Bonds are fully redeemed.

The Bonds will bear interest from and including each Reset Date to but excluding the next following Reset Date or the date on which the Bonds are finally redeemed, whichever is earlier (each a "Reset Interest Period") (subject to Condition 3(e)), at the rate per annum equal to the "Reset Interest Rate", which is the sum of the applicable Benchmark Rate and 2.530 per cent per annum. Such interest is payable annually in arrear on each Interest Payment Date relating to the applicable Reset Interest Period, beginning on 1 September 2037.

The Reset Interest Rate in respect of each Reset Interest Period shall be determined by the Calculation Agent on the relevant Reset Determination Date in respect of such Reset Interest Period.

(c) Calculation of Interest

If interest is required to be calculated for a period of less than a complete Interest Period, the relevant day-count fraction will be the actual number of days in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it falls due, divided by the number of days in the Interest Period in which the relevant period falls (including the first such day but excluding the last).

Interest in respect of any Bond shall be calculated per each Calculation Amount. The amount of interest payable per Calculation Amount for any period of less than a complete Interest Period shall be equal to the product of (prior to the First Call Date) 4.804 per cent or (on and after the First Call Date) the relevant Reset Interest Rate, as the case may be, the Calculation Amount and the day-count fraction for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

The Calculation Agent shall cause the Reset Interest Rate for each Reset Interest Period to be notified in writing to the Principal Paying Agent, the other Agents, the Trustee and Nippon Life as soon as practicable after the determination but in no event later than the second Business Day after such determination. The determination of any rate or amount and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

The Calculation Agent shall have no responsibility for, and shall not be under any duty to assist or provide advice to Nippon Life in relation to, the selection of the Reference Banks or any Independent Investment Banker (or any replacement therefor) and shall not be liable to any Bondholder, Nippon Life or any other person for any loss arising from its not doing so. The Calculation Agent shall have no responsibility or obligation to request any EUR Swap Rate Quotations from any Reference Bank (which shall be the responsibility solely of the Independent Investment Banker) or to take any steps or action to obtain such EUR Swap Rate Quotations from any Reference Bank in the event that such Reference Bank fails to provide any EUR Swap Rate Quotations to the Independent Investment Banker and the Calculation Agent when requested to do so by such Independent Investment Banker, and shall not be liable to any Bondholder, Nippon Life or any other person for any loss arising from its not doing so. In making the calculations on its part set out in these Conditions, the Calculation Agent shall not be required to form any opinion and/or to exercise any discretion and/or to determine alternative and/or substitute reference rates or prices, successor reference rates or prices and/or screen pages, and shall not be liable to any Bondholder, Nippon Life or any other person for any loss arising from its not doing so.

If the Calculation Agent is unable to act as such or if the Calculation Agent fails duly to establish the Reset Interest Rate, or to comply with any other requirement on its part set out in these Conditions, Nippon Life shall (with prior written notice to the Trustee) appoint a leading bank or investment banking firm to act as such in its place. The

Calculation Agent may not resign its duties without the appointment of a successor having become effective as aforesaid.

(d) Definitions

For the purposes of these Conditions:

"Business Day" means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for business in London and Tokyo.

"Independent Investment Banker" means one of the Reference Banks to be selected and appointed by Nippon Life.

"Interest Payment Date" means 1 September in each year, commencing on 1 September 2027.

"Interest Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"EUR Swap Rate Quotation" means, in relation to any Reset Period, the arithmetic mean of the bid and offered rates for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating euro interest rate swap which (i) has a term of 5 years commencing on the relevant Reset Determination Date, (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (iii) has a floating leg based on the 6-month EURIBOR rate (calculated on an Actual/360 day count basis).

"Reference Banks" means five major banks in the Euro-zone interbank market selected by Nippon Life.

"Reference Bank Rate" means the percentage rate determined by the Calculation Agent on the basis of the EUR Swap Rate Quotations provided by the Reference Banks to the Independent Investment Banker and the Calculation Agent.

"Reset Determination Date" means the day two Business Days before the relevant Reset Date.

"Benchmark Rate" means the five year EUR mid-swap rate calculated on the basis of the rates displayed on page "ICAP03" of the Bloomberg screen in accordance with the requirements from time to time of the European Money Markets Institute (or any other person that takes over the administration of that rate or such other page as may replace that page) (the "Relevant Page") at 11.00 a.m. (CET) (the "Relevant Time") on the Reset Determination Date. If the relevant rates do not appear on the Relevant Page on the Reset Determination Date, Nippon Life shall ask an Independent Investment Banker to request each of the Reference Banks to provide its EUR Swap Rate Quotation to the Independent Investment Banker and the Calculation Agent, and the Calculation Agent will determine the Benchmark Rate as the Reference Bank Rate as of the Reset Determination Date in accordance with the following:

(i) If at least three quotations are provided by the Reference Banks, the Reference Bank Rate will be determined by the Calculation Agent on the basis of the arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

(ii) If only two quotations are provided, the Reference Bank Rate will be the arithmetic mean of the quotations provided.

(iii) If only one quotation is provided, the Reference Bank Rate will be the quotation provided.

(iv) If no quotations are provided, the Reference Bank Rate for the relevant period will be equal to the last available five year EUR mid-swap rate for euro swap transactions, expressed as an annual rate, on the Relevant Page.

The Benchmark Rate shall be calculated by the Calculation Agent. The Calculation Agent shall not be responsible or liable to Nippon Life, the Bondholders or any third party for any failure of the Reference Banks to provide quotations as requested of them by the Independent Investment Banker or as a result of the Calculation Agent having acted on any quotation or other information given by any Reference Banks to the Calculation Agent which subsequently may be found to be incorrect or inaccurate in any way.

(e) Accrual of Interest

Each Bond will cease to bear interest from the date for redemption (which shall be the earlier date for redemption pursuant to Conditions 5(b), 5(c) or 5(d)) unless, upon surrender of the Certificate, payment is improperly withheld or refused, in which event it shall continue to bear interest (both before and after judgment) at the rate and in the manner provided in this Condition 3 to the Relevant Date (as defined in Condition 7).

4 Deferral of Payments

(a) Optional Deferral of Interest Payments

Nippon Life may, at its sole discretion, elect to defer all (and no less than all) of the interest accrued on the Bonds on any Interest Payment Date, so long as such Interest Payment Date does not constitute a Mandatory Interest Deferral Date (as defined in Condition 4(b)). Any such election to defer payment of interest accrued as of an Interest Payment Date shall not constitute a default by Nippon Life for any purpose. Any such accrued interest, the payment of which is so deferred, so long as such interest remains unpaid, shall constitute Arrears of Interest and shall be subject to the provisions under Condition 4(c). In order to elect deferral of payments, Nippon Life must provide notice of such election to the Trustee and the Agents in writing and to the Bondholders in accordance with Condition 13 no later than three Business Days prior to the relevant Interest Record Date.

Upon the occurrence of a Demutualization Event, the first sentence of the immediately preceding paragraph shall be amended to read as follows:

Nippon Life may, at its sole discretion, elect to defer all (and no less than all) of the interest accrued on the Bonds on any Interest Payment Date, so long as such Interest Payment Date does not constitute a Mandatory Interest Deferral Date (as defined in Condition 4(b)) or a Compulsory Interest Payment Date (as defined in Condition 4(e)).

(b) Mandatory Deferral of Interest Payments

If, as of the date that is five Business Days prior to (and including) an Interest Record Date, (i) a Capital Deficiency Event has occurred and is continuing or (ii) any payment in relation to the Bonds or any Liquidation Parity Indebtedness has been deferred and continues to be in deferral, then Nippon Life shall be required to defer all (and no less than all) of the accrued interest on the Interest Payment Date. Nippon Life will provide prior notice of such mandatory deferral of interest to the Trustee and the Agents in writing and to the Bondholders in accordance with Condition 13 no later than three Business Days prior to the relevant Interest Record Date. Any such mandatory deferral of interest accrued as of an Interest Payment Date shall not constitute a default by Nippon Life for any purpose. Any interest that is deferred pursuant to this Condition 4(b) shall, so long as it remains unpaid, constitute Arrears of Interest. Any such Interest Payment Date subject to this mandatory deferral requirement shall constitute a "Mandatory Interest Deferral Date".

Upon the occurrence of a Demutualization Event, the phrases "(i)" and "or (ii) any payment in relation to the Bonds or any Liquidation Parity Indebtedness has been deferred and continues to be in deferral" in the first sentence of the immediately preceding paragraph shall be deleted.

In these Conditions:

A "Capital Deficiency Event" shall be deemed to have occurred if, as of the relevant date, (i) the Capital Adequacy Condition is not met or would not be met as a result of such payment of interest on the Bonds or (ii) the Commissioner of the Financial Services Agency of Japan (the "FSA") (or other equivalent action taken by the applicable government authority) has issued any order of prompt corrective action *(souki zesei sochi)* in relation to regulatory capital requirements to Nippon Life under the Insurance Business Act and related regulations (including any successor laws and regulations) and such order remains in effect.

The "Capital Adequacy Condition" shall be met if, as of the relevant date, (i) Nippon Life's Solvency Margin Ratio (or such other measure of capital adequacy then employed by the applicable regulatory requirements in Japan) meets or exceeds the Regulatory Minimum Capital Requirements, and (ii) a deferral of interest is not required under the then applicable regulatory requirements in Japan (or an official application or interpretation of such regulations, including a decision of a court or a tribunal in Japan) in the future.

As of the date of the Trust Deed, the measure of capital adequacy currently employed by the applicable regulatory requirements in Japan is Economic Solvency Ratio, being the economic value-based solvency ratio which measures the solvency of an insurance company based on the economic value of its assets and liabilities and which has been formally implemented in Japan with effect from March 31, 2026.

"Regulatory Minimum Capital Requirements" means, as of any date, the then applicable Solvency Margin Ratio (or such other measures of capital adequacy then employed by the applicable regulatory requirements) required to be maintained under the Insurance Business Act and related regulations (including any successor laws and regulations) or any other solvency margin or capital adequacy regulations or regulatory capital rules of the FSA or other applicable governmental authority then in effect that are applicable to Nippon Life, falling below which level could trigger a prompt corrective action by the FSA or other equivalent action taken by the applicable government authority.

As of the date of the Trust Deed, an Economic Solvency Ratio of 100% (on a consolidated or nonconsolidated basis) is required to be maintained under the Insurance Business Act and related regulations.

"Solvency Margin Ratio" means the solvency margin ratio, on any particular date, calculated in accordance with the Insurance Business Act and related guidelines and administrative directives.

If any Capital Deficiency Event occurs after the occurrence of a Demutualization Event, Nippon Life intends to take such action as may be appropriate in order to facilitate a restoration of its regulatory capital position, which may include but is not limited to the following:

(i) not to propose a dividend, distribution or other payment on any class of shares at the general meeting of shareholders of Nippon Life or to declare a dividend, distribution or other payment on any class of shares at the meeting of the board of directors of Nippon Life or make any payment of interest (including Arrears of Interest) on any Liquidation Parity Indebtedness or Junior Indebtedness; and

(ii) not to redeem, repurchase or otherwise acquire any preferred stock, Junior Indebtedness, common stock or any other Liquidation Parity Indebtedness of Nippon Life.

Please note that this intention will not form part of the terms and conditions of the Bonds, even upon the occurrence of a Demutualization Event.

(c) Payment Stoppage

If Nippon Life has given notice to defer interest payments on the Bonds pursuant to either Condition 4(a) or Condition 4(b), but the relevant interest has not become payable, or if any other payment in relation to the Bonds has been deferred and continues to be in deferral, Nippon Life shall not, and it shall cause any of its Subsidiaries not to, make any payment of principal of, or interest or premium (if any) on, or repay, purchase or redeem any Liquidation Parity Indebtedness or any of its Junior Indebtedness (other than foundation fund obligations).

For the avoidance of doubt, no terms of the Bonds will be deemed to restrict in any manner the ability of any Subsidiary of Nippon Life to pay dividends or make any distributions to Nippon Life or Nippon Life's ability to make payments on foundation funds (*kikin*) or distributions to its policyholders (*shain haitou*).

In these Conditions, "Subsidiary" means a company more than 50 per cent of the outstanding voting rights of which is at any given time owned by Nippon Life, by one or more other Subsidiaries or by Nippon Life and one or more other Subsidiaries or otherwise a company controlled by Nippon Life in accordance with generally accepted accounting principles in Japan (and, for this purpose, "voting rights" means the voting power attached to stocks or shares for the election of directors, managers or trustees of such company, other than voting powers attached to stocks or shares outstanding having such power by reason of the happening of a contingency).

Upon the occurrence of a Demutualization Event, the payment stoppage provision under this Condition 4(c) shall no longer be applicable.

(d) Arrears of Interest

Any interest that is deferred pursuant to Conditions 4(a) and 4(b) shall, so long as it remains unpaid, constitute "Arrears of Interest". Arrears of Interest on the Bonds shall accrue on a cumulative basis and remain payable for so long as they remain unpaid, and, for the avoidance of doubt, any claims thereon shall rank *pari passu* with the Bonds. Interest on Arrears of Interest deferred pursuant to Condition 4(a) shall compound annually at 4.804 per cent per annum to but excluding the First Call Date, and at the applicable Reset Interest Rate for each Reset Interest Period thereafter, and otherwise in accordance with Condition 3 (and reference in these Conditions to Arrears of Interest shall include such interest amounts). Arrears of Interest mandatorily deferred pursuant to Condition 4(b) shall bear no interest.

Arrears of Interest on the Bonds may at the option of Nippon Life be paid in whole or in part at any time upon giving not less than 10 nor more than 15 Business Days' notice to such effect to the Trustee and the Agents in writing and to the Bondholders in accordance with Condition 13 (which notice shall specify the amount of such Arrears of Interest to be paid), provided that such payments (i) shall be subject to any applicable regulatory requirements or approvals, (ii) shall be conditional upon a Capital Deficiency Event not having occurred and continuing to occur as of the time of such notice, and (iii) shall be conditional upon a deferral of any payment in relation to Liquidation Parity Indebtedness not having occurred and continuing to be in deferral as of the time of such notice. None of the Trustee or any Agent shall be responsible for determining or verifying the amount of such Arrears of Interest, and shall not be liable to any Bondholder or any other person for any loss arising from its failure to do so.

Notwithstanding the provisions set out in (iii) in the preceding paragraph or the provisions set forth under Condition 4(a), 4(b) or 4(c), even if any payment in relation to

a Liquidation Parity Indebtedness has been deferred and continues to be in deferral, Nippon Life may make payment of all or any portion of the interest on the Bonds that shall have accrued as of the most recent Interest Payment Date, if Nippon Life also makes substantially concurrent *pro rata* payments of interest that shall have accrued as of the most recent Interest Payment Date for such Liquidation Parity Indebtedness, it being understood that if such a substantially concurrent payment is not permitted under the terms of the Liquidation Parity Indebtedness, such payment may be made on the next applicable Interest Payment Date for such Liquidation Parity Indebtedness. For this purpose, the Calculation Agent shall, in consultation with Nippon Life, determine the method of calculating *pro rata* amounts where currency conversion or other factors require such a determination.

Where no Subordination Event has occurred and is continuing and Arrears of Interest on the Bonds are paid in part, each such payment shall be applied in or towards satisfaction of the full amount of the Arrears of Interest on the Bonds in respect of the earliest Interest Period or Interest Periods in respect of which Arrears of Interest on the Bonds have not been paid in full.

Arrears of Interest shall become due and payable in full on whichever is the earlier of (i) the date set for any redemption of the Bonds and (ii) the occurrence of any Subordination Event (but subject to subordination as set forth under Condition 2(b)).

(e) Compulsory Interest Payments

The provisions set out in this Condition 4(e) shall be applicable only after the occurrence of a Demutualization Event.

All interest accrued (including any Arrears of Interest and interest thereon) as of any Compulsory Interest Payment Date shall become due and payable in full on such Compulsory Interest Payment Date, subject to compliance with applicable regulatory requirements, including prior confirmation of the FSA (if then required). A written notice of compulsory interest payment shall be given by Nippon Life not less than 10 nor more than 15 Business Days prior to any Compulsory Interest Payment Date to the Trustee and the Agents in writing and to the Bondholders in accordance with Condition 13. Any optional deferral notice provided pursuant to Condition 4(a) as to any amount due and payable on any Compulsory Interest Payment Date shall have no force or effect.

An Interest Payment Date shall constitute a "Compulsory Interest Payment Date" if a Compulsory Interest Payment Event shall have occurred in the period of six months prior to such Interest Payment Date.

A "Compulsory Interest Payment Event" means:

(i) a dividend on any common stock or preferred stock, or any payment of interest (including any arrears of interest) or its equivalent on any other Liquidation Parity Indebtedness or any Junior Indebtedness, of Nippon Life was declared, paid or distributed, except where such payment was compulsory under the terms of the relevant Liquidation Parity Indebtedness or Junior Indebtedness or except for pro rata payments of accrued interest and arrears of interest of the relevant Liquidation Parity Indebtedness as described under Condition 4(d), or

(ii) Nippon Life or any subsidiary of Nippon Life has repaid, redeemed, purchased or otherwise acquired all or part of any common stock, preferred stock, or any Liquidation Parity Indebtedness or any Junior Indebtedness of Nippon Life, except for a Permitted Purchase (as defined below);

provided, however, that no Compulsory Interest Payment Date shall be deemed to occur if any Capital Deficiency Event has occurred or continued to occur during the period commencing immediately following the relevant event in (i) or (ii) above and ending on the relevant Interest Payment Date.

"Permitted Purchase" means any of the following:

(a) any repayment, redemption, purchase or other acquisition which is required under the Companies Act;

(b) any purchase or acquisition which occurs as a result of a merger, amalgamation, consolidation or any other corporate reorganization; or

(c) any purchase or acquisition in connection with any incentive plan for employees, officers or directors, including any stock option plan or employee stock ownership plan.

5 Redemption and Purchase

(a) Final Redemption

Unless previously redeemed or purchased and cancelled as provided below, subject to compliance with applicable regulatory requirements, including prior confirmation of the FSA (if then required), each Bond will be finally redeemed on 1 September 2056 (the "Scheduled Maturity Date") at 100% of the principal amount of the Bonds then outstanding together with accrued interest (including any Arrears of Interest) and any Additional Amounts thereon, provided that such redemption may be permitted only if (i) Nippon Life's Solvency Margin Ratio (or such other measure of capital adequacy then used by the applicable regulatory requirements) after giving effect to the redemption is expected to remain at an adequate level within the meaning of the Insurance Business Act (including any successor legislation) and any applicable regulations, public notices or guidelines thereunder then in force; or (ii) Nippon Life procures Qualifying Financing in an amount not less than the amount of the redemption.

"Qualifying Financing" means financing through the issuance of Tier 1 capital or Tier 2 capital that, in each case, qualify under the applicable Japanese regulatory capital requirements as capital of a quality equal to or higher than that of the Bonds to be redeemed.

In the event that the Bonds are not redeemed on the Scheduled Maturity Date as a result of a failure to satisfy the conditions in the proviso in the preceding paragraph, interest will continue to accrue and be paid on each Interest Payment Date until the first Interest Payment Date after the Scheduled Maturity Date on which such conditions are fulfilled, which will be the "Final Redemption Date" when the Bonds will be finally redeemed at 100% of the principal amount of the Bonds together with accrued interest (including any Arrears of Interest) and any Additional Amounts thereon in the manner and subject to the conditions stated above.

Nippon Life shall deliver to the Trustee a certificate signed by an Authorised Signatory, not less than 30 nor more than 60 days prior to the Scheduled Maturity Date or Final Redemption Date, as applicable, stating that the above conditions to the final redemption have been or will be fulfilled. The Trustee shall be (without liability and without any obligations to investigate) entitled to accept such certificate as sufficient evidence of the satisfaction of the above conditions, in which event it shall be conclusive and binding on holders of the Bonds.

(b) Optional Redemption

The Bonds may be redeemed at Nippon Life's option in its sole discretion in whole, but not in part, subject to compliance with applicable regulatory requirements, including prior confirmation of the FSA (if then required), on the First Call Date or any Reset Date, upon giving not less than 30 nor more than 60 days' notice of redemption (which notice shall be irrevocable) to the Trustee and the Agents in writing and to the Bondholders in

accordance with Condition 13, at 100% of the principal amount of the Bonds, together with interest accrued (including any Arrears of Interest) to the date fixed for redemption and any Additional Amounts thereon, provided that such early redemption may be permitted only if (i) Nippon Life's Solvency Margin Ratio (or such other measure of capital adequacy then used by the applicable regulatory requirements) after giving effect to the redemption is expected to remain at an adequate level within the meaning of the Insurance Business Act (including any successor legislation) and any applicable regulations, public notices or guidelines thereunder then in force, or (ii) Nippon Life procures Qualifying Financing in an amount not less than the amount of the redemption.

Nippon Life shall deliver to the Trustee a certificate signed by an Authorised Signatory stating that the conditions precedent to its right so to redeem have been or will be fulfilled. The Trustee shall be entitled (without liability and without any obligations to investigate) to accept such certificate as sufficient evidence of the satisfaction of the above conditions precedent, in which event it shall be conclusive and binding on holders of the Bonds.

(c) Redemption for Taxation Reasons

The Bonds may be redeemed at any time at Nippon Life's option in its sole discretion in whole, but not in part, subject to compliance with applicable regulatory requirements, including prior confirmation of the FSA (if then required), and upon giving not less than 30 nor more than 60 days' notice of redemption to the Trustee and the Agents in writing and to the Bondholders in accordance with Condition 13 (which notice shall be irrevocable), at 100% of the principal amount of the Bonds, together with interest accrued (including any Arrears of Interest) to the redemption date and any Additional Amounts thereon, if Nippon Life has been or will be obligated to pay Additional Amounts (an "Additional Amounts Event") as a result of any change in, or amendment to, the laws or regulations of Japan (or, in the case of a successor person not organized under the laws of Japan, such other jurisdiction of the successor person) or any political subdivision or any authority thereof or therein having power to tax, or any change in application, or change or the stating of an official interpretation of such laws or regulations, which change or amendment becomes effective (or, in the case of the stating of an official interpretation, is announced) on or after the date of the issuance of the Bonds (or, in the case of a successor person not organized under the laws of Japan, on or after the date of succession) and such obligation cannot be avoided by Nippon Life through the taking of reasonable measures available to Nippon Life, provided that such early redemption may be permitted only if (i) Nippon Life's Solvency Margin Ratio (or such other measure of capital adequacy then used by the applicable regulatory requirements) after giving effect to the redemption is expected to remain at an adequate level within the meaning of the Insurance Business Act (including any successor legislation) and any applicable regulations, public notices or guidelines thereunder then in force, or (ii) Nippon Life procures Qualifying Financing in an amount not less than the amount of the redemption, and provided further that in the case of redemption prior to 1 September 2031 as a consequence of an Additional Amounts Event occurring and continuing prior to 1 September 2031, such early redemption may only be made if (i) Nippon Life's Solvency Margin Ratio (or such other measure of capital adequacy then used by the applicable regulatory requirements) after giving effect to the redemption is expected to remain at an adequate level within the meaning of the Insurance Business Act (including any successor legislation) and any applicable regulations, public notices or guidelines thereunder then in force, and (ii) Nippon Life procures Qualifying Financing in an amount not less than the amount of the redemption prior to the redemption thereof.

Nippon Life shall deliver to the Trustee (i) a certificate signed by an Authorised Signatory stating that the conditions precedent to its right to so redeem have been or will be

fulfilled and (ii) an opinion of independent tax advisers of recognized standing confirming that a change, amendment or stating of an official interpretation as described in the preceding paragraph has occurred. The Trustee shall be entitled (without liability and without any obligations to investigate) to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent described above, in which event it shall be conclusive and binding on the holders of the Bonds.

No notice of redemption pursuant to this Condition 5(c) shall be given sooner than 90 days prior to the earliest date on which Nippon Life would actually be obliged to pay such Additional Amounts.

(d) Optional Special Event Redemption

The Bonds may be redeemed at any time at Nippon Life's option in its sole discretion in whole, but not in part, if a Special Event (as defined below) has occurred and is continuing, subject to compliance with applicable regulatory requirements, including prior confirmation of the FSA (if then required), and upon giving not less than 30 nor more than 60 days' notice of redemption to the Trustee and the Agents in writing and to the Bondholders in accordance with Condition 13 (which notice shall be irrevocable), at a redemption price equal to 100% of the principal amount of the Bonds, together with interest accrued (including Arrears of Interest) to the redemption date , and any Additional Amounts thereon; provided that such early redemption may be permitted only if (i) Nippon Life's Solvency Margin Ratio (or such other measure of capital adequacy then used by the applicable regulatory requirements) after giving effect to the redemption is expected to remain at an adequate level within the meaning of the Insurance Business Act (including any successor legislation) and any applicable regulations, public notices or guidelines thereunder then in force, or (ii) Nippon Life procures Qualifying Financing in an amount not less than the amount of the redemption, or in the case of redemption prior to 1 September 2031 as a consequence of (A) a Regulatory Event which could have been reasonably foreseeable as of the date of the issuance of the Bonds or which does not constitute an event which has a significantly material impact, or (B) a Tax Deductibility Event which could have been reasonably foreseeable as of the date of the issuance of the Bonds or which does not constitute an event which has a significantly material impact, or (C) a Rating Agency Event, in each case occurring and continuing prior to 1 September 2031, such early redemption may only be made if (i) Nippon Life's Solvency Margin Ratio (or such other measure of capital adequacy then used by the applicable regulatory requirements) after giving effect to the redemption is expected to remain at an adequate level within the meaning of the Insurance Business Act (including any successor legislation) and any applicable regulations, public notices or guidelines thereunder then in force, and (ii) Nippon Life procures Qualifying Financing in an amount not less than the amount of the redemption prior to such redemption.

Nippon Life shall deliver to the Trustee (i) a certificate signed by an Authorised Signatory stating that the conditions precedent to its right to so redeem have been or will be fulfilled and (ii) in the case of a Tax Deductibility Event (as defined below), an opinion of independent tax advisers of recognized standing confirming that a change, amendment, decision, administrative action or official pronouncement as described in the definition of "Tax Deductibility Event" below has occurred. The Trustee shall be entitled (without liability and without any obligations to investigate) to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent described above, in which event it shall be conclusive and binding on the holders of the Bonds.

For the purposes of the above:

"Special Event" means any one of the following events:

(a) a "Regulatory Event", which means the occurrence of a more than insubstantial risk (including, without limitation, as a result of any amendment or change to the

Insurance Business Act or related regulations, public notices or guidelines thereunder, that is publicly announced after the date of issuance of the Bonds) that the Bonds will be excluded in full or in part from "Tier 2 capital instruments" under the Insurance Business Act and related regulations or a similar class of capital under any similar applicable regulatory requirement in the future relating to the determination of Nippon Life's Solvency Margin Ratio, or

(b) a "Tax Deductibility Event", which means the occurrence of a more than insubstantial increase in the risk that interest payable by Nippon Life on the Bonds is not or will not be deductible by Nippon Life, in whole or in part, for Japanese (or, in the case of a successor person not organized under the laws of Japan, such other jurisdiction of the successor person) tax purposes, as a result of (i) any change (including any officially announced proposed changes) in, or amendment to, the laws or regulations (or rulings promulgated thereunder) of Japan (or, in the case of a successor person not organized under the laws of Japan, such other jurisdiction of the successor person) or any political subdivision or any authority thereof or therein having power to tax, that becomes effective on or after the date of the issuance of the Bonds (or, in the case of a successor person not organized under the laws of Japan, on or after the date of succession), or (ii) any administrative decision, judicial decision, administrative action or other official pronouncement interpreting or applying such laws, regulations or rulings that is announced on or after the date of the issuance of the Bonds (or, in the case of a successor person not organized under the laws of Japan, on or after the date of succession), and, in each case, such non-deductibility cannot be avoided by Nippon Life through the taking of reasonable measures available to it, or

(c) a "Rating Agency Event", which means a publication by S&P, Moody's or Fitch (including any successors to their respective ratings businesses) that an amendment, clarification or change has occurred or will occur in the equity credit criteria, guidelines or methodology of such rating agency, which amendment, clarification or change results or will result in (i) the shortening of the length of time the Bonds are assigned a particular level of equity credit by such rating agency as compared to the length of time the Bonds would have been assigned that level of equity credit by such rating agency on the date of the issuance of the Bonds, or (ii) a lower equity credit for the Bonds than the equity credit assigned by such rating agency on the date of the issuance of the Bonds.

No notice of redemption shall be given sooner than (i) in the case of a Tax Deductibility Event, 90 days prior to the earliest date on which such additional tax liability as a result of such non-deductibility would actually become due with respect to Nippon Life's interest payments on the Bonds, (ii) in the case of a Regulatory Event, 90 days prior to the earliest date on which such disqualification would actually become effective with respect to the Bonds or (iii) in the case of a Rating Agency Event, 90 days prior to the earliest date on which such amendment, clarification or change would actually apply with respect to the Bonds.

(e) Purchases

Nippon Life may, in its sole discretion, at any time, subject to compliance with applicable regulatory requirements, including prior confirmation of the FSA (if then required), purchase the Bonds for cancellation in the open market or otherwise at any price, provided that such purchase may be only permitted if (i) Nippon Life's Solvency Margin Ratio (or such other measure of capital adequacy then used by the applicable regulatory requirements) after giving effect to the purchase is expected to remain at an adequate level within the meaning of the Insurance Business Act (including any successor legislation) and any applicable regulations, public notices or guidelines thereunder then in force, or (ii) Nippon Life procures Qualifying Financing in an amount not less than the amount of the purchase.

6 Payments

(a) Method of Payment

Payment of principal and interest and premium in respect of the Bonds will be made by transfer to the Registered Account (as defined in this Condition 6(a)) of the Bondholder. Payment of principal will only be made after surrender of the relevant Certificate at the specified office of the Principal Paying Agent.

Interest on Bonds due on an Interest Payment Date will be paid on the due date for the payment of interest to the holder shown on the Register at the close of business on the fifteenth calendar day before the due date for the payment of interest (the "Interest Record Date").

Arrears of Interest will be paid in the manner provided in this Condition 6(a) to the holder shown on the Register at the close of business on the fifth calendar day before the date for the relevant payment pursuant to Condition 4(d).

In this Condition 6(a), "Registered Account" means a Euro account maintained by the payee with a bank, details of which appear on the Register at the close of business on the sixth calendar day before the due date of payment.

So long as the Bonds are represented by the Global Certificate and such Bonds are held on behalf of the clearing system, each payment, including Arrears of Interest, will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment (and Interest Record Date will be construed accordingly, including for the purposes of Condition 4), where "Clearing System Business Day" means Monday to Friday inclusive except 25 December and 1 January.

(b) Payments Subject to Laws

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 as amended (the "Code") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7) any law implementing an intergovernmental approach thereto (a "FATCA Withholding Tax") and Nippon Life will not be required to pay additional amounts on account of any FATCA Withholding Tax.

(c) Appointment of Agents and Calculation Agent

The initial Agents and their respective initial specified offices are listed below. Subject to the provisions of the Agency Agreement, the Principal Paying Agent, the Calculation Agent and the other Agents act solely as agents of Nippon Life and do not assume any obligation or relationship of agency or trust for or with any holder of Bonds. Nippon Life reserves the right at any time with prior written notice to the Trustee to vary or terminate the appointment of any Agent and appoint additional or other Agents, provided that it will maintain (i) a Principal Paying Agent, (ii) a Registrar, (iii) an Agent having a specified office in Singapore, so long as the Bonds are listed on the Singapore Exchange Securities Trading Limited and the rules of that exchange so require, (iv) a Calculation Agent and (v) such other agents as may be required by any stock exchange on which the Bonds may be listed, in each case, with prior written approval of the Trustee. Notice of any change in the Agents or their specified offices will promptly be given to the Bondholders by Nippon Life in accordance with Condition 13.

(d) Payments on non-Business Days

If any date for payment in respect of any Bond is not a Payment Business Day, the holder shall not be entitled to payment until the next following Payment Business Day nor to any interest or other sum in respect of such postponed payment. In this Condition 6, "Payment Business Day" means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Tokyo and in the place in which the specified office of the Principal Paying Agent is located, and which is a TARGET Business Day.

For the purposes of this Condition 6(d):

"TARGET Business Day" means any day on which T2 is open for the settlement of payments in Euro.

"T2" means the real time gross settlement system operated by the Eurosystem, or any successor system.

7 Taxation

All payments of principal, premium and interest including Arrears of Interest, and other amounts, in respect of the Bonds by or on behalf of Nippon Life will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Japan (or, in the event of any permitted merger, consolidation, sale or disposition to a corporation, entity or person in a jurisdiction other than Japan, such other jurisdiction) or any political subdivision thereof or of any taxing authority therein unless such withholding or deduction is required by law. In such event, Nippon Life will pay such additional amounts ("Additional Amounts") as shall be necessary in order that the net amounts received by the holders of the Bonds after such withholding or deduction shall equal the respective amounts of principal, premium and interest (including Arrears of Interest), as the case may be, which would otherwise have been receivable in respect of the Bonds in the absence of such withholding or deduction, except that no such Additional Amounts shall be payable with respect to any Bond under any of the following circumstances:

(i) the holder or beneficial owner of the Bonds is an individual non-resident of Japan or a non-Japanese corporation and is liable for such taxes in respect of such Bonds by reason of its (a) having some present or former connection with Japan other than the mere holding of such Bonds or (b) being a specially-related person of Nippon Life as described in Article 6, Paragraph (4) of the Special Taxation Measures Act;

(ii) the holder or beneficial owner of the Bonds would otherwise be exempt from any such withholding or deduction but fails to comply with any applicable requirement to provide Interest Recipient Information (as defined below) or to submit a Written Application For Tax Exemption (as defined below) to the relevant Paying Agent to whom the relevant Bonds are presented (where presentation is required) or whose Interest Recipient Information is not duly communicated through the relevant International Clearing Organization Participant (as defined below) and the relevant International Clearing Organization to such Paying Agent;

(iii) the holder or beneficial owner of the Bonds is for Japanese tax purposes treated as an individual resident of Japan or a Japanese corporation (except for (a) a Designated Financial Institution that complies with the requirement to provide Interest Recipient Information or to submit a Written Application For Tax Exemption and (b) an individual resident of Japan or a Japanese corporation that duly notifies (directly, through the International Clearing Organization Participant or otherwise) the relevant Paying Agent of its status as not being subject to taxes to be withheld or deducted by Nippon Life by reason of receipt by such individual resident of Japan or Japanese corporation of interest on such Bonds through a payment handling agent in Japan);

(iv) the Bond is presented for payment (where presentation is required) more than 30 days after the Relevant Date, except to the extent the holder thereof would have been entitled to Additional Amounts on presenting the same for payment on the last day of such period of 30 days;

(v) the withholding or deduction is imposed on a holder or beneficial owner that could have avoided such withholding or deduction by presenting its Bonds (where presentation is required) to another Paying Agent;

(vi) the holder is a fiduciary or partnership or is not the sole beneficial owner of the payment of the principal of, or any interest on, any Bond, and Japanese law requires the payment to be included for tax purposes in the income of a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner, in each case, who would not have been entitled to such additional amounts had it been the holder of the Bond; or

(vii) any combination of (i) through (vi) above.

For the purposes of these Conditions, "Relevant Date" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received by the Principal Paying Agent, notice to that effect is duly given to the Bondholders in accordance with Condition 13.

References to these Conditions to principal, premium, interest and/or any other amount shall be deemed to include any Additional Amounts that may be payable under this Condition 7.

Where the Bonds are held through a participant of an international clearing organization or a financial intermediary (each, an "International Clearing Organization Participant"), in order to receive payments free of withholding or deduction by Nippon Life for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Japan, or any authority thereof or therein having power to tax, if the relevant beneficial owner is (i) an individual non-resident of Japan or a non-Japanese corporation (other than a specially-related person of Nippon Life) or (ii) a Designated Financial Institution falling under certain categories prescribed by the Special Taxation Measures Act, all in accordance with the Special Taxation Measures Act, such beneficial owner shall, at the time of entrusting an International Clearing Organization Participant with the custody of the relevant Bonds, provide certain information prescribed by the Special Taxation Measures Act (referred to in this section as "Interest Recipient Information") to enable the International Clearing Organization Participant to establish that such beneficial owner is exempted from the requirement for taxes to be withheld or deducted, and advise the International Clearing Organization Participant if the beneficial owner ceases to be so exempted (including the case where a beneficial owner that is an individual non-resident of Japan or a non-Japanese corporation becomes a specially-related person of Nippon Life).

Where Bonds are not held through an International Clearing Organization Participant, in order to receive payments free of withholding or deduction by Nippon Life for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Japan, or any authority thereof or therein having power to tax, if the relevant beneficial owner is (i) an individual non-resident of Japan or a non-Japanese corporation (other than a specially-related person of Nippon Life) or (ii) a Designated Financial Institution, all in accordance with the Special Taxation Measures Act, such beneficial owner shall, prior to each time at which it receives interest, submit to the relevant paying agent a written application for tax exemption (*hikazei tekiyo shinkokusho*) (a "Written Application For Tax Exemption") attesting to, inter alia, the name and tax address of the beneficial owner, the title of the Bonds, the relevant Interest Payment Date, the amount of interest and the legal and tax justifications and conditions supporting that the beneficial owner is qualified to submit the Written Application For Tax Exemption, together with documentary evidence regarding its

identity and residence. If a holder or beneficial owner of the Bonds provides certain information required to be stated in the Written Application For Tax Exemption, in an electronic form prescribed by the relevant ministerial ordinance, with the relevant Paying Agent, such holder or beneficial owner will be deemed to have submitted the Written Application For Tax Exemption to the relevant Paying Agent.

By subscribing to the Bonds, an investor will be deemed to have represented that it is a "Gross Recipient" for Japanese tax purposes. For more details regarding Japanese withholding tax, see "Japanese Taxation".

8 Prescription

Claims in respect of principal, premium and interest including Arrears of Interest in respect of the Bonds will become void unless made as required by Condition 6 within a period of 10 years (in the case of principal and premium) and 5 years (in the case of interest including Arrears of Interest) from the appropriate Relevant Date.

9 Limited Rights of Acceleration

(a) Acceleration Event

An event of acceleration (each an "Acceleration Event") with respect to the Bonds means the occurrence of a Subordination Event in respect of Nippon Life.

(b) Declaration of Acceleration

If an Acceleration Event shall occur and be continuing, then interest on the Bonds shall cease to accrue and the Trustee at its sole and absolute discretion may, or if so requested in writing by the holders of not less than 25 per cent in aggregate principal amount of the Bonds then outstanding or so directed by Extraordinary Resolution (as defined in the Trust Deed) shall, subject in any such case to it being indemnified and/or secured and/or prefunded to its satisfaction, by written notice to Nippon Life declare the principal of and all interest then accrued on the Bonds, including all Arrears of Interest, to be forthwith due and payable. Immediately upon delivery of such notice, the Bonds shall become immediately due and payable at their principal amount plus all interest then accrued on the Bonds, including all Arrears of Interest, subject to the subordination provisions under Condition 2.

(c) Rescission or Annulment of a Declaration of Acceleration

If (i) a liquidation proceeding with respect to Nippon Life shall be rescinded or terminated without distribution of assets pursuant to the Insurance Business Act, (ii) a court of competent jurisdiction shall rescind or terminate a bankruptcy action with respect to Nippon Life without a distribution of assets pursuant to the Bankruptcy Act, (iii) a court of competent jurisdiction shall rescind or terminate a reorganization proceeding with respect to Nippon Life whether having approved or without approving the reorganization plan pursuant to the Reorganization Act, (iv) a court of competent jurisdiction shall rescind or terminate a rehabilitation proceeding with respect to Nippon Life whether having approved or without approving the rehabilitation plan pursuant to the Civil Rehabilitation Act, (v) a court of competent jurisdiction shall rescind or terminate any proceedings giving rise to an Acceleration Event due to the occurrence of Foreign Event, such rescission, termination or other event having an equivalent effect to that set forth in the foregoing clause (i), (ii), (iii) or (iv) of this Condition 9(c), as applicable, or (vi) an Acceleration Event with respect to the Bonds shall otherwise be rescinded or terminated, then the Acceleration Event shall have the same effect as if it had not occurred.

Upon the occurrence of a Demutualization Event, reference to the "Insurance Business Act" and the "Reorganization Act" in subparagraph (i) and (iii) of the immediately

preceding paragraph shall be changed to the "Companies Act" and the "Corporate Reorganization Act", respectively.

(d) No Other Right of Acceleration

Except as expressly provided in this Condition 9, neither the Trustee nor any holder of Bonds will have any right to accelerate the repayment of the Bonds upon a default in the payment of principal or interest on the Bonds, upon the non-performance of any covenant of Nippon Life in relation to the Bonds or upon the happening of any other event in relation to the Bonds other than a Subordination Event, and in such cases, payments on the Bonds would remain subject to subordination.

10 Consolidation, Merger and Sales of Assets

The Trust Deed provides that Nippon Life may not, without the consent of the holders of Bonds representing more than 50 per cent in aggregate principal amount of Bonds then outstanding, consolidate or amalgamate with, merge into or transfer its assets substantially in their entirety in a single transaction or a number of transactions to any person, except for a consolidation, amalgamation or merger in which Nippon Life is the surviving party, unless:

(i) the surviving person of or the person formed by such consolidation, amalgamation or merger, or the third-person transferee of or successor to the assets of Nippon Life, assumes all of the obligations of Nippon Life under the Bonds and the Trust Deed; and

(ii) after giving effect thereto, no Acceleration Event with respect to the Bonds shall have occurred and be continuing.

11 Meeting of Bondholders, Amendments and Modifications

(a) Meetings of Bondholders

The Trust Deed contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of these Conditions or any provision of the Trust Deed. Such a meeting may be convened by Nippon Life or the Trustee and shall be convened by the Trustee if requested by Bondholders holding not less than 10 per cent in aggregate principal amount of the Bonds then outstanding and subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction against all fees, costs and expenses.

The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing more than 50 per cent in aggregate principal amount of the Bonds then outstanding, or at any adjourned meeting two or more persons being or representing Bondholders whatever the aggregate principal amount of the Bonds held or represented, subject to the applicability of Condition 11(b).

The Trustee shall be entitled to rely conclusively without liability to any person on any direction, request or resolution of Bondholders given by Bondholders holding the requisite principal amount of Bonds outstanding or passed at a meeting of Bondholders convened and held in accordance with the Trust Deed.

(b) Meetings Requiring Special Quorum Consent

Notwithstanding anything herein to the contrary, if the business of any meeting includes consideration of proposals, *inter alia*, to:

(i) change the maturity date of the principal or payment date of any interest or change any obligation of Nippon Life to pay any Additional Amounts;

(ii) reduce the principal amount of or rate of interest on, any Bond;

(iii) affect the rights of holders of less than all the outstanding Bonds;

(iv) change the place of payment where, or the currency in which, any Bond or interest thereon is payable;

(v) impair the right of a holder to institute suit for the enforcement of any payment on or with respect to any Bond on or after the date when due; or

(vi) modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass the Extraordinary Resolution,

then the necessary quorum shall be two or more persons holding or representing not less than 75 per cent, or at any adjourned meeting not less than 25 per cent, in aggregate principal amount of the Bonds then outstanding.

(c) Extraordinary Resolutions

Any Extraordinary Resolution duly passed shall be binding on all Bondholders (whether or not they were present at the meeting at which such resolution was passed). The Trust Deed provides that (i) a resolution in writing signed by or on behalf of persons holding or representing not less than 90 per cent in aggregate principal amount of the Bonds who for the time being are entitled to receive notice of a meeting and (ii) a resolution passed by Electronic Consent (as defined in the Trust Deed) shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of such Bondholders.

(d) Amendments and Modifications

No amendment shall be made to the provisions of Condition 2 and Clause 2 of the Trust Deed (in each case as to subordination) which would be, in the opinion of Nippon Life, in any way prejudicial to any present or future creditor in respect of any Senior Indebtedness.

The Trustee may, but shall not be obliged to, without the consent of the Bondholders, agree (i) to any modification (except as mentioned in the Trust Deed) of these Conditions, the Agency Agreement or the Trust Deed or to any waiver or authorization of any breach or proposed breach by Nippon Life of the provisions of the Conditions, the Agency Agreement or the Trust Deed which, in the opinion of the Trustee, is not materially prejudicial to the interests of the Bondholders (except for any amendment, modification, or waiver or authorization of any breach or proposed breach, of a provision of Condition 2 or Clause 2 of the Trust Deed, in each case as to subordination), or (ii) to any modification of the provisions of these Conditions, the Agency Agreement or the Trust Deed which is in the opinion of the Trustee of a formal, minor or technical nature or is made to correct a manifest error or to comply with any applicable law. Any such modification, authorization or waiver shall be binding on the Bondholders and unless the Trustee otherwise agrees, such modification, authorization or waiver shall be notified to the Bondholders by Nippon Life in accordance with Condition 13 as soon as practicable.

(e) Substitution

The Trust Deed contains provisions permitting (but not obliging) the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may in its sole and absolute discretion require, but without the consent of the Bondholders, to the substitution of certain other entities in place of Nippon Life, or of any previous substituted company, as principal debtor under the Trust Deed and the Bonds.

(f) Entitlement of the Trustee

In connection with the performance and exercise of its functions, rights, powers, authorities and/or discretions (including but not limited to those referred to in this Condition 11), the Trustee shall have regard to the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Trustee any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders.

12 Replacement of Certificates

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Registrar or the Transfer Agent subject to all applicable laws and stock exchange or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as Nippon Life or the Registrar or the Transfer Agent, as the case may be, may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Certificates must be surrendered before replacements will be issued.

13 Notices

Notices to Bondholders will be valid if mailed to them at their respective addresses in the Register and published in one leading newspaper having general circulation in London (which is expected to be the Financial Times) or, if such publication shall not be practicable, in an English language newspaper of general circulation in Europe. Any such notice shall be deemed to have been given on the later of (i) the seventh day after being so mailed and (ii) the date of such publication or, if published more than once, on the first date on which publication is made.

So long as the Bonds are represented by the Global Certificate and such Bonds are held on behalf of a clearing system, notices to Bondholders shall be given by delivery of the relevant notice to the relevant clearing system for communication by it to entitled accountholders in substitution for mailing and publication required by these Conditions. Any such notice shall be deemed to have been given on the date thereof.

14 Further Issues

Nippon Life may from time to time, without the consent of the holders of the Bonds, create and issue further securities having the same terms and conditions as the Bonds in all respects except for the issue date, issue price and, in some cases, first Interest Payment Date. Additional Bonds issued in this manner may be consolidated with and form a single series with the previously outstanding Bonds. References in these Conditions to the Bonds include (unless the context requires otherwise) any other securities issued pursuant to this Condition 14 and forming a single series with the Bonds.

15 Enforcement

At any time after the Bonds become due and payable, subject to Condition 9(d), the Trustee may, at its sole and absolute discretion and without further notice, take any such steps and/or actions and/or institute such proceedings against Nippon Life as it may think fit to enforce the terms of the Trust Deed, the Agency Agreement and the Bonds, but it is not obliged to take any such steps and/or actions and/or institute any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Bondholders holding at least 25 per cent in aggregate principal amount of the Bonds then outstanding, and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Bondholder may proceed directly against Nippon Life unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

16 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. Under the Trust Deed, the Trustee is entitled to be indemnified, secured and/or pre-funded to its satisfaction before taking any action and to be relieved from responsibility in certain circumstances including, without limitation, provisions relieving it from taking steps and/or actions and/or instituting proceedings to enforce its rights under the Bonds, the Trust Deed, the Agency Agreement and/or these Conditions and in respect of the Bonds and payment thereunder or taking other steps and/or actions and/or instituting other proceedings. The Trustee is entitled to enter into business transactions with Nippon Life and any entity related to Nippon Life without accounting for any profit.

The Trustee may rely without liability to Bondholders on any certificate or report prepared by Nippon Life's auditors pursuant to the Trust Deed, whether or not addressed to the Trustee and whether or not the auditors' liability in respect thereof is limited by a monetary cap or otherwise and shall be obliged to do so where the certificate or report is delivered pursuant to the obligation of Nippon Life to procure such delivery under the Trust Deed, and the Trust Deed so requires, in which case any such certificate shall be conclusive and binding on Nippon Life, the Trustee and the Bondholders.

17 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

18 Governing Law and Jurisdiction

(a) Governing Law

The Bonds and any non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with English law.

(b) Jurisdiction

The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Bonds and accordingly any legal action or proceedings arising out of or in connection with the Bonds ("Proceedings") may be brought in such courts. Nippon Life has irrevocably submitted to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This Condition 18(b) is for the benefit of the Trustee and each of the Bondholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) Service of Process

Nippon Life has irrevocably agreed that service of process for any Proceedings in England may be made on Nippon Life at its UK establishment address (Nippon Life Insurance Company London Representative Office currently at 11th Floor, 3 Noble Street, London EC2V 7EE). If for any reason Nippon Life ceases to have a UK establishment and/or is no longer registered as an overseas company in England & Wales, Nippon Life shall appoint a process agent and immediately notify the Trustee in writing of such appointment and deliver to the Trustee a copy of the agent's acceptance of that appointment within 30 days of such cessation. Nothing herein or in the Trust Deed shall affect the right to serve process in any other manner permitted by law.

SUMMARY OF PROVISIONS RELATING TO THE BONDS WHILE IN GLOBAL FORM

Amendment to Conditions

The Trust Deed and the Global Certificate contain provisions which apply to the Bonds in respect of which the Global Certificate is issued, some of which modify the effect of the Terms and Conditions of the Bonds (the "Conditions") set out in this Offering Circular. The following is a summary of certain of those provisions:

Payments

Payments of principal, premium and interest (including Arrears of Interest) in respect of the Bonds represented by the Global Certificate will be made without the requirement for it to be a Payment Business Day in the location of the specified office of the Principal Paying Agent.

All payments in respect of Bonds represented by the Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be the Clearing System Business Day immediately prior to the date for payment, where "Clearing System Business Day" means Monday to Friday inclusive except 25 December and 1 January.

Notices

So long as the Bonds are represented by the Global Certificate and the Global Certificate is registered in the name of a nominee of a common depositary for Euroclear and Clearstream, Luxembourg or any Alternative Clearing System (as defined in the Trust Deed), notices to Bondholders, including notices of redemption, shall be given by delivery of the relevant notice to Euroclear and Clearstream, Luxembourg or, as the case may be, any Alternative Clearing System, for communication by it to entitled accountholders in substitution for publication and mailing as required by the Conditions. Such notices shall be deemed to have been given on the date of delivery to Euroclear and Clearstream, Luxembourg or any such Alternative Clearing System.

Meetings

The holder of the Bonds in respect of which the Global Certificate shall (unless the Global Certificate represents only one Bond) be treated as being two persons for the purposes of any quorum requirements of a meeting of the Bondholders. All holders of Bonds are entitled to one vote in respect of each €1,000 in principal amount of Bonds held by such Bondholder, whether or not represented by the Global Certificate.

Trustee's Powers

In considering the interests of Bondholders while the Global Certificate is registered in the name of a nominee of a common depositary for Euroclear and Clearstream, Luxembourg or any Alternative Clearing System, the Trustee may have regard to any information provided to it by or on behalf of Euroclear or Clearstream, Luxembourg or any Alternative Clearing System or its operator as to the identity (either individually or by category) of its accountholders with entitlements to the Bonds in respect of which the Global Certificate is issued and may consider such interests as if such accountholders were the holders of the Bonds represented by the Global Certificate.

Written Resolution/Electronic Consent

While the Global Certificate is registered in the name of any nominee for one or more of Euroclear, Clearstream, Luxembourg or an Alternative Clearing System, then:

(a) where the terms of the resolution proposed by Nippon Life or the Trustee (as the case may be) have been notified to the Bondholders through the relevant clearing system(s),

each of Nippon Life and the Trustee shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 90% in principal amount of the Bonds then outstanding ("Electronic Consent") by close of business on the Relevant Date (as defined in the Trust Deed). Any resolution passed in such manner shall be binding on all Bondholders even if the relevant consent or instruction proves to be defective. None of Nippon Life or the Trustee or any of the Trustee's directors, officers, employees or Appointees (as defined in the Trust Deed) shall be liable or responsible to anyone for such reliance. For the avoidance of doubt, an Electronic Consent may only be used in relation to a resolution proposed by Nippon Life or the Trustee which is not then the subject of a meeting that has been validly convened in accordance with the Trust Deed, unless that meeting is or shall be cancelled or dissolved; and

(b) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Trust Deed) has been validly passed, Nippon Life and the Trustee shall be entitled to rely on consent or instructions given in writing directly to Nippon Life and/or the Trustee, as the case may be, by (i) accountholders in the clearing system with entitlements to such Global Certificate and/or (ii) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, Nippon Life and the Trustee shall be entitled to rely on any certificate or other document issued by, in the case of (i) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the "relevant clearing system") and, in the case of (ii) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (ii) above. Any resolution passed in such manner shall be binding on all Bondholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal amount of the Bonds is clearly identified together with the amount of such holding. Neither Nippon Life nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

USE OF PROCEEDS

The net proceeds from the offering of the Bonds, after deducting commissions and expenses relating to the issue of the Bonds, is expected to amount to approximately €543 million. Nippon Life intends to use the net proceeds from the offering of the Bonds for general corporate purposes.

CAPITALIZATION

The following table sets forth our consolidated capitalization as of June 30, 2026 and as adjusted to reflect only the issuance of the Bonds offered hereby. The following table should be read in conjunction with the financial statements and notes thereto included elsewhere in this Offering Circular.

	As of June 30, 2026	
	Actual	As adjusted
	(Billions of yen)	
Subordinated bonds[1]	¥ 1,875.1	¥ 1,875.1
Subordinated loans[2]	1,124.9	1,124.9
Senior bonds[3]	294.1	294.1
Bonds offered hereby[4]	–	101.7
Net Assets:		
Foundation funds	50.0	50.0
Reserve for redemption of foundation funds	1,450.0	1,450.0
Reserve for revaluation	0.6	0.6
Consolidated surplus	881.3	881.3
Net unrealized gain on available-for-sale securities	11,527.6	11,527.6
Deferred losses on derivatives under hedge accounting	(2,172.8)	(2,172.8)
Land revaluation losses	(56.8)	(56.8)
Foreign currency translation adjustments	317.4	317.4
Remeasurement of defined benefit plans	82.6	82.6
Valuation difference on policy reserves and other reserves of overseas subsidiaries and affiliates	124.9	124.9
Share acquisition rights	2.2	2.2
Noncontrolling interests	162.9	162.9
Total net assets	12,370.2	12,370.2
Total capitalization[4]	¥15,664.5	¥15,766.2

Notes:

(1) Subordinated bonds are comprised of our U.S. dollar-denominated subordinated notes issued in January 2016, September 2017, January 2020, January 2021, September 2021, September 2023, April 2024 and April 2025, our euro-denominated subordinated notes issued in January 2025 and September 2025, and yen-denominated subordinated notes issued in April 2015, April 2016, November 2016 and April 2017, as described under "Recent Business—Liquidity and Capital Resources—Capital Resources" (which shows figures on a nonconsolidated basis) and yen-denominated subordinated notes issued by Taiju Life and Nippon Wealth Life.

(2) Subordinated loans are comprised of our yen-denominated subordinated loans financed in April 2018, September 2018, April 2019, November 2019, September 2020, May 2021, May 2022, September 2022, April 2023 and July 2024, and yen-denominated subordinated loans of Taiju Life.

(3) Senior bonds are comprised of our dollar-denominated senior notes issued in April 2026.

(4) Translation of the Euro amount of the Bonds into yen has been made at the rate of €1.00 = ¥185.08, the approximate rate of exchange as of June 30, 2026.

(5) Total capitalization is calculated as the sum of subordinated bonds (including Bonds offered hereby), subordinated loans, senior bonds and total net assets. Except as set forth above and elsewhere in this Offering Circular, there has been no material change in our consolidated capitalization since June 30, 2026.

SELECTED FINANCIAL INFORMATION

The following selected consolidated and nonconsolidated financial data as of and for the years ended March 31, 2024, 2025 and 2026 are derived from our audited financial statements as of and for the same periods (which are included elsewhere in this Offering Circular) and the underlying source data used in their preparation. The following selected consolidated and nonconsolidated financial data as of June 30, 2026 and for the three months ended June 30, 2025 and 2026 are derived from our unaudited interim financial statements as of and for the same periods, which are included elsewhere in this Offering Circular.

The information set forth below should be read in conjunction with, and is qualified in its entirety by reference to, "Recent Business" and the financial statements, including the notes thereto, contained elsewhere in this Offering Circular. Certain of our overseas equity method affiliates adopted IFRS 9 "Financial Instruments" and IFRS 17 "Insurance Contracts" from the first quarter of the fiscal year ended March 31, 2026. This change in accounting policy has resulted in modifications to the classification and measurement methods of financial instruments. Furthermore, insurance contract reserves are measured to reflect the time value of money, the financial risk associated with cash flows arising from insurance contracts, and the impact of uncertainty in cash flows arising from insurance contracts. Additionally, a new item, "Valuation difference on insurance contract reserves related to overseas subsidiaries," has been established within accumulated other comprehensive income. This change in accounting policy has been applied retrospectively, and our consolidated financial statements for the fiscal year ended March 31, 2025 have been restated accordingly (whereas our consolidated financial statements for the fiscal year ended March 31, 2024 have not been restated).

We prepare our financial statements in accordance with Japanese GAAP, which may differ in certain significant respects from accounting principles generally accepted in other countries, including accounting principles generally accepted in the United States and the IFRS.

	Years ended March 31,			Three months ended June 30,	
Consolidated Statements of Income:	**2024**	**2025**	**2026**	**2025**	**2026**
			(Billions of yen)		
Ordinary income:					
Revenues from insurance and reinsurance	¥ 8,598.3	¥ 7,861.3	¥ 9,437.3	¥2,139.4	¥2,692.6
Investment income	3,119.9	2,614.0	4,629.8	693.1	1,097.2
Other ordinary income	290.5	529.0	707.6	140.6	155.9
Total ordinary income	12,008.8	11,004.3	14,774.8	2,973.2	3,945.8
Ordinary expenses:					
Benefits and other payments	6,623.1	6,819.1	8,212.3	1,728.9	2,391.4
Provision for policy reserves	2,699.3	1,065.9	2,181.0	319.1	568.9
Investment expenses	944.0	1,190.3	2,640.2	492.4	557.9
Operating expenses	789.9	1,044.8	1,231.1	289.4	355.9
Other ordinary expenses	370.9	378.5	404.8	98.6	84.9
Total ordinary expenses	11,427.4	10,498.8	14,669.6	2,928.6	3,959.1
Ordinary profit (loss)	581.3	505.5	105.1	44.6	(13.3)
Extraordinary gains	5.5	12.9	619.2	81.5	113.8
Extraordinary losses	69.9	74.3	27.8	1.8	3.7
Provision for reserve for dividends to policyholders (limited company)	11.8	11.9	11.7	2.9	3.3
Surplus before income taxes	505.1	432.2	684.9	121.4	93.4
Income taxes:					
Current	52.6	136.4	(0.8)	50.1	66.7

Consolidated Statements of Income:	Years ended March 31,			Three months ended June 30,	
	2024	2025	2026	2025	2026
			(Billions of yen)		
Deferred	43.7	(144.3)	75.8	(36.1)	(67.5)
Net surplus	408.8	440.2	609.9	107.4	94.1
Net surplus attributable to noncontrolling interests	(3.6)	3.9	3.5	1.3	2.7
Net surplus attributable to the parent company	¥ 412.4	¥ 436.2	¥ 606.4	¥ 106.1	¥ 91.4

Note:

(1) Certain of our consolidated subsidiaries and equity-method affiliates located outside of Japan apply Australian Accounting Standards Board ("AASB") Standard No. 17, Insurance Contracts ("AASB 17"). Insurance revenue recognized under AASB 17 had previously been reclassified and presented within "Premium and Other Insurance Income" and within "Other Insurance Benefits and Claims Paid," which is included in "Benefits and Claims Paid," in accordance with applicable Japanese regulatory requirements. As such amounts have become more significant, commencing with the three months ended June 30, 2026, certain amounts have been reclassified to more appropriately reflect their presentation. In addition, effective for the year beginning on April 1, 2026, certain expenses relating to asset management activities, which had previously been presented within operating expenses and other ordinary expenses, have been reclassified and presented as investment expenses. As a result, the consolidated statement of income information for the three months ended June 30, 2025 included above has been retrospectively adjusted to conform with current presentation. See "Presentation of Financial and Other Information" and Notes 1 and 2 to our consolidated statement of income for the three months ended June 30, 2026 included elsewhere in this offering circular.

Consolidated Statements of Changes in Net Assets:	Year ended March 31,		
	2024	2025	2026
		(Billions of yen)	
Total net assets:			
Beginning balance	¥ 6,930.6	¥10,546.5	¥ 8,690.3
Cumulative effect of change in accounting policies	–	–	–
Beginning balance after reflecting accounting policy changes	–	–	–
Increase/decrease:			
Issuance of foundation funds	–	–	–
Additions to reserve for dividends to policyholders (mutual company)	(181.9)	(264.5)	(291.6)
Additions to reserve for redemption of foundation funds	–	–	–
Interest on foundation funds	(0.2)	(0.2)	(0.1)
Net surplus attributable to the parent company	412.4	436.2	606.4
Redemption of foundation funds	–	(50.0)	–
Reversal of land revaluation losses	(5.2)	2.1	(0.8)
Change in scope of consolidation and equity method accounting	¥ –	¥ –	¥ –
Change in the parent's ownership interest due to transactions with noncontrolling interests	1.6	0.6	(17.1)
Net change, excluding foundation funds and others	3,389.2	(1,979.9)	2,221.9
Net change	3,615.8	(1,855.7)	2,518.6
Ending balance	¥10,546.5	¥ 8,690.3	¥11,208.9

Consolidated Balance Sheets Data:	Years ended March 31, 2024	2025	2026[1]	Three months ended June 30, 2025	2026
			(Billions of yen)		
Total assets	¥97,596.1	¥96,342.6	¥118,862.7	¥97,514.6	¥121,279.8
Policy reserves and other reserves	74,254.0	75,343.4	91,041.6	75,773.1	92,099.7
Total liabilities	87,049.6	87,652.2	107,653.7	88,632.6	108,909.5
Net assets:					
Foundation funds	100.0	50.0	50.0	50.0	50.0
Reserve for redemption of foundation funds	1,350.0	1,400.0	1,400.0	1,400.0	1,450.0
Reserve for revaluation	0.6	0.6	0.6	0.6	0.6
Consolidated surplus	793.3	915.1	1,211.8	726.2	881.3
Total foundation funds and others	2,244.0	2,365.8	2,662.5	2,176.8	2,382.0
Net unrealized gains on available-for-sale securities	9,223.9	7,397.7	10,082.2	7,783.7	11,527.6
Deferred losses on derivatives under hedge accounting	(1,142.4)	(1,372.5)	(1,972.9)	(1,318.8)	(2,172.8)
Land revaluation losses	(50.9)	(56.5)	(55.7)	(54.5)	(56.8)
Foreign currency translation adjustments	118.1	157.6	157.8	97.8	317.4
Remeasurement of defined benefit plans	7.7	66.0	87.7	62.5	82.6
Net unrealized gains (losses) on total policy reserves and other reserves of foreign subsidiaries, net of tax	–	(8.8)	5.7	(10.4)	124.9
Total accumulated other comprehensive income	8,156.4	6,183.5	8,403.1	6,560.4	9,823.0
Share acquisition rights	1.5	1.8	2.2	1.9	2.2
Noncontrolling interests	144.5	139.1	141.0	142.6	162.9
Total net assets	¥10,546.5	¥ 8,690.3	¥ 11,208.9	¥ 8,881.9	¥ 12,370.2

Notes:

(1) Some equity-method investees located outside of Japan have adopted IFRS 9 'Financial Instruments' and IFRS 17 'Insurance Contracts' from the consolidated fiscal year starting April 1, 2025. As a result of this accounting policy change, the classification and measurement methods for financial instruments have been revised. Furthermore, insurance contract reserves are measured to reflect the time value of money, the financial risks arising from cash flows associated with insurance contracts, and the uncertainty of those cash flows. In addition, a new account item, 'Net unrealized gains (losses) on total policy reserves and other reserves of foreign subsidiaries, net of tax' has been established under accumulated other comprehensive income.

(2) Certain of our consolidated subsidiaries and equity-method affiliates located outside of Japan apply Australian Accounting Standards Board ("AASB") Standard No. 17, Insurance Contracts ("AASB 17"). Insurance revenue recognized under AASB 17 had previously been reclassified and presented within "Premium and Other Insurance Income" and within "Other Insurance Benefits and Claims Paid," which is included in "Benefits and Claims Paid," in accordance with applicable Japanese regulatory requirements. As such amounts have become more significant, commencing with the three months ended June 30, 2026, certain amounts have been reclassified to more appropriately reflect their presentation. In addition, effective for the year beginning on April 1, 2026, certain expenses relating to asset management activities, which had previously been presented within operating expenses and other ordinary expenses, have been reclassified and presented as investment expenses. As a result, the consolidated statement of income information for the three months ended June 30, 2025 included above has been retrospectively adjusted to conform with current presentation. See "Presentation of Financial and Other Information" and Notes 1 and 2 to our consolidated statement of income for the three months ended June 30, 2026 included elsewhere in this offering circular.

Except for consolidated surplus and net unrealized gains on available-for-sale securities presented in the above table, the consolidated financial statements as of and for the fiscal year ended March 31, 2025 presented in this Offering Circular have not been restated retrospectively to reflect such accounting policy change.

Other Nonconsolidated Data:	As of and for the year ended March 31, 2024	2025	2026
	(Billions of yen and thousands of policies, except percentages and number of sales representatives)		
Number of new policies:			
Individual insurance	3,351.7	3,674.6	3,475.6
Individual annuities	121.2	129.6	190.0
Number of policies in force for individual insurance and annuities	34,824.5	34,334.8	34,079.8
Amount of new policies:			
Individual insurance	¥ 4,537.4	¥ 2,110.0	¥ 3,326.5
Individual annuities	¥ 622.7	¥ 565.3	¥ 621.8
Policy amount in force for individual insurance and annuities	¥144,248.5	¥137,378.7	¥131,838.3
Annualized premiums from new policies	¥ 258.8	¥ 233.9	¥ 272.9
Annualized premiums from new policies for bancassurance products	¥ 30.0	¥ 15.2	¥ 9.5
Annualized premiums from new policies for third-sector products	¥ 38.5	¥ 41.8	¥ 46.5
Annualized premiums from policies in force[1]	¥ 3,740.1	¥ 3,702.8	¥ 3,691.2
Annualized premiums from policies in force for third-sector products	¥ 678.6	¥ 679.7	¥ 688.2
Revenues from insurance and reinsurance	¥ 5,297.3	¥ 4,794.6	¥ 5,402.3
Individual insurance and annuities	¥ 4,026.9	¥ 3,592.5	¥ 4,146.7
Group insurance and annuities	¥ 1,224.7	¥ 1,158.7	¥ 1,212.9
Interest, dividends, and other income	¥ 1,607.6	¥ 1,826.9	¥ 1,936.9
Core operating profit[2]	¥ 708.7	¥ 920.4	¥ 1,065.5
Capital	¥ 8,437.9	¥ 7,639.1	¥ 7,448.3
Foundation funds (*kikin*) and other reserve funds[3]	¥ 6,036.2	¥ 5,124.6	¥ 4,884.9
Subordinated debt	¥ 2,401.7	¥ 2,514.5	¥ 2,563.4
Solvency margin ratio	980.0%	861.9%	–
Economic value-based solvency ratio[4]	–	–	204%
Real net assets[5]	¥ 20,154.9	¥ 15,574.8	–
General account	¥ 82,323.2	¥ 80,470.5	¥ 84,708.2
Number of sales representatives	47,937	47,842	46,755
Retention rate of sales representatives:			
7 months	82.9%	83.6%	83.7%
13 months	70.0%	71.6%	72.6%
25 months	48.6%	52.5%	55.5%
Persistency rate:			
13 months	95.6%	95.4%	96.1%
25 months	88.3%	87.9%	87.9%
Surrender and lapse ratio	4.6%	4.5%	5.0%
Average annual yield of general account assets[6]	2.00%	1.85%	1.38%

Notes:

(1) Annualized premiums from policies in force includes totals for individual insurance and individual annuities. Annualized premiums are calculated by multiplying the underlying premium installment amounts by a factor determined according to the relevant payment method to arrive at a single annualized amount. For single-premium policies, annualized premiums are calculated by dividing the total premium by the insured period.

(2) Core operating profit is defined as core operating revenues (revenues from insurance and reinsurance, investment income other than capital gains, other ordinary income and other core operating income) less core operating expenses (benefits and other payments, provision for policy reserves other than provisions for and reversals of contingency reserves, investment expenses other than capital losses, operating expenses, other ordinary expenses and other core operating expenses).

(3) Foundation funds (*kikin*) and other reserve funds consist of foundation funds and others, reserve for price fluctuations in investments in securities, contingency reserves, general allowance for doubtful accounts and others.

(4) Our preliminary regulatory economic value-based solvency ratio.

(5) Calculated by subtracting non-capital real liabilities from real assets. We have not calculated the real net assets as of 31 March 2026 due to changes in the relevant regulations.

(6) Average annual yield of general account assets is calculated using the net amount of investment income and investment expenses (but excluding gains and losses related to separate account assets) as the numerator and the daily average of the book value of general account assets as the denominator.

	As of and for the three months ended June 30,	
Other Nonconsolidated Data:	**2025**	**2026**
	(Billions of yen and thousands of policies, except percentages)	
Number of new policies:		
Individual insurance	873.5	722.9
Individual annuities	54.8	42.1
Number of policies in force for individual insurance and annuities	34,260.3	33,925.9
Amount of new policies:		
Individual insurance	¥ 516.6	¥ 824.8
Individual annuities	¥ 180.5	¥ 129.5
Policy amount in force for individual insurance and annuities	¥135,884.3	¥130,583.1
Annualized premiums from new policies	¥ 54.0	¥ 63.4
Annualized premiums from new policies for bancassurance products	¥ 2.9	¥ 0.9
Annualized premiums from new policies for third-sector products	¥ 10.3	¥ 10.0
Annualized premiums from policies in force[1]	¥ 3,691.5	¥ 3,680.4
Annualized premiums from policies in force for third-sector products	¥ 680.3	¥ 689.0
Revenues from insurance and reinsurance	¥ 1,115.7	¥ 1,472.5
Individual insurance and annuities	¥ 795.1	¥ 970.8
Group insurance and annuities	¥ 309.1	¥ 490.0
Interest, dividends, and other income	¥ 386.9	¥ 436.1
Core operating profit[2]	¥ 164.1	¥ 211.4
Capital	¥ 7,820.3	¥ 7,391.4
Foundation funds (*kikin*) and other reserve funds[3]	¥ 5,166.6	¥ 4,898.0
Subordinated debt	¥ 2,653.6	¥ 2,493.4
Solvency margin ratio	839.5%	–
Economic value-based solvency ratio[4]	–	204%
Real net assets[5]	¥ 15,514.2	–
General account	¥ 81,356.6	¥ 86,305.7

Notes:

(1) Annualized premiums from policies in force include totals for individual insurance and individual annuities. Annualized premiums are calculated by multiplying the underlying premium installment amounts by a factor determined according to the relevant payment method to arrive at a single annualized amount. For single-premium policies, annualized premiums are calculated by dividing the total premium by the insured period.

(2) Core operating profit is defined as core operating revenues (revenues from insurance and reinsurance, investment income other than capital gains, other ordinary income and other core operating income) less core operating expenses (benefits and other payments, provision for policy reserves other than provisions for and reversals of contingency reserves, investment expenses other than capital losses, operating expenses, other ordinary expenses and other core operating expenses).

(3) Foundation funds (*kikin*) and other reserve funds consist of foundation funds and others, reserves for price fluctuations in investments in securities, contingency reserves, general allowance for doubtful accounts and others.

(4) Our preliminary regulatory economic value-based solvency ratio.

(5) Calculated by subtracting non-capital real liabilities from real assets. We have not calculated the real net assets as of 30 June 2026 due to changes in the relevant regulations.

Unless otherwise stated, the following selected other financial data is presented on a basis which combines figures for Nippon Life, Taiju Life, Nippon Wealth Life, Acenda Group, Hanasaku Life and other subsidiaries of Nippon Life. The data for the entities other than Nippon Life are included from the date that Nippon Life acquired such entity.

	As of and for the year ended March 31,		
Other Data:	**2024**	**2025**	**2026**
	(Billions of yen)		
Group premium income[(1)]	¥8,598.3	¥7,861.3	¥ 9,437.3
Group interest and dividends income[(2)]	¥1,875.7	¥2,158.9	¥ 2,429.9
Group insurance and service revenues[(3)]	¥8,888.8	¥8,389.5	¥10,145.0
Group core operating profit[(4)]	¥ 764.0	¥1,010.9	¥ 1,301.6
Group insurance related profit and loss[(5)]	¥ 458.8	¥ 434.9	¥ 372.2

Notes:

(1) Group premium income means revenues from insurance and reinsurance premiums on a consolidated basis.

(2) Interest and dividends incomes is comprised of interest and dividends from securities, interest from loans and rental fees from real estate on a consolidated basis.

(3) Insurance and service revenues is the total of revenues from insurance and reinsurance premiums, and other ordinary income.

(4) Group core operating profit is calculated based on core operating profit from Nippon Life, Taiju Life, Nippon Wealth Life and Hanasaku Life and net income before taxes of Nippon Life's overseas life insurance subsidiaries and affiliates and domestic and overseas asset management subsidiaries and affiliates, and Nichii Holdings, with adjustments based on Nippon Life's ownership ratio and certain internal transactions, excluding the impact of interest rate fluctuations. For the year ended March 31, 2026, our domestic insurance business, global insurance business and asset management business accounted for 84%, 12% and 3%, respectively, of our group core operating profit.

(5) Insurance related profit and loss represents the sum of domestic life insurance companies' mortality and morbidity gains and expense margin on a group basis.

	As of and for the three months ended June 30,	
Other Data:	**2025**	**2026**
	(Billions of yen)	
Group premium income[(1)]	¥2,139.4	¥2,692.6
Group interest and dividends income[(2)]	¥ 693.1	¥1,097.2
Group insurance and service revenues[(3)]	¥2,280.0	¥2,848.5
Group core operating profit[(4)]	¥ 209.1	¥ 260.8
Group insurance related profit and loss[(5)]	¥ 89.9	¥ 102.3

Notes:

(1) Group premium income means revenues from insurance and reinsurance premiums on a consolidated basis.

(2) Interest and dividends incomes is comprised of interest and dividends from securities, interest from loans and rental fees from real estate on a consolidated basis.

(3) Insurance and service revenues is the total of revenues from insurance and reinsurance premiums, and other ordinary income.

(4) Group core operating profit is calculated based on core operating profit from Nippon Life, Taiju Life, Nippon Wealth Life and Hanasaku Life and net income before taxes of Nippon Life's overseas life insurance subsidiaries and affiliates and domestic and overseas asset management subsidiaries and affiliates, with adjustments based on Nippon Life's ownership ratio and certain internal transactions, excluding the impact of interest rate fluctuations.

(5) Insurance related profit and loss represents the sum of domestic life insurance companies' mortality and morbidity gains and expense margin on a group basis.

RECENT BUSINESS

The following discussion and analysis should be read in conjunction with our financial statements and notes thereto, included elsewhere in this Offering Circular. Our financial statements have been prepared in accordance with the provisions of the Insurance Business Act and related regulations thereunder and in accordance with Japanese GAAP, which may differ in certain significant respects from accounting principles generally accepted in other countries, including IFRS. Except as otherwise specified, the discussion and analysis of our financial condition and results of operations and all financial information set forth in this section are provided on a consolidated basis.

This section contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of factors, including, but not limited to, those set forth under "Risk Factors" and elsewhere in this Offering Circular.

Overview

We are the largest private life insurance company in Japan, and one of the largest in the world, in terms of both total and net assets as well as premium income. We operate primarily in Japan and offer a wide range of products, including life insurance, annuities and other insurance products, to over 12 million insured persons and approximately 0.28 million corporate customers in Japan, on a nonconsolidated basis as of March 31, 2026. Our ordinary income consists of revenues from insurance and reinsurance, investment income and other ordinary income. We earn most of our ordinary income from revenues from insurance and reinsurance, which accounted for 63.9% and 68.2%, respectively, of our total consolidated ordinary income for the year ended March 31, 2026 and the three months ended June 30, 2026.

On a consolidated basis, our total assets as of March 31, 2026 and June 30, 2026 amounted to ¥118,862.7 billion and ¥121,279.8 billion, respectively, and our revenues from insurance and reinsurance amounted to ¥9,437.3 billion and ¥2,692.6 billion, respectively, for the year ended March 31, 2026 and the three months ended June 30, 2026. As of March 31, 2026, we had an unaudited preliminary regulatory consolidated ESR of 195% (approximately 1.95 times the minimum regulatory requirement) and a preliminary regulatory nonconsolidated ESR of 204% (approximately 2.04 times the minimum regulatory requirement), and our consolidated capital, which is a sum of foundation funds, reserves and other items and subordinated debt, was ¥7.0 trillion. We currently have financial strength and/or long-term credit ratings of A+(stable outlook) from S&P, Aa3 (stable outlook) from Moody's, AA+ (stable outlook) from R&I and AA+ (stable outlook) from JCR.[2]

Operating Environment

Our business, financial condition and results of operations are materially affected by financial market and economic conditions in Japan and elsewhere. The reforms and stimulus measures implemented by the Japanese government after the global financial crisis that started in 2008 generally produced positive results, including increases in stock prices, but the long-term effects on Japan's economy, financial markets, trade balance, interest rates and fiscal position remain uncertain. Even without the severe disruption and uncertainty caused by the COVID-19 pandemic and the various countermeasures adopted in response thereto, there have been concerns about rising inflation, the potential consequences of an increasing budget deficit, volatility of the yen against the U.S. dollar and euro and stagnating or decreasing consumer demand and related impacts on the Japanese stock market. In addition, the introduction of negative interest rates by the BOJ in early 2016 and subsequent end of such policy in March 2024, and other changes in fiscal and monetary policies could have an unforeseen impact on Japan's financial markets and

[2] Our standalone credit profile (SACP) by S&P improved to aa from a+ in March 2024, while the issuer rating by S&P remained the same at A+ due to the sovereign ceiling. Our preliminary standalone outcome by Moody's maintained Aa3 before score adjustment and A1 under the sovereign ceiling.

economy. Changes to laws and regulations, such as further increases in the Japanese consumption tax, could further hurt consumer sentiment and weaken demand, negatively affecting the Japanese economy.

If interest rates continue to increase in the future, including through improvements in wages and employment rates in a wide range of industries, it may be favorable for our retail and wholesale insurance sales as well as for our financial condition due to expected stable income gains through an expansion of investment into super long-term bonds.

Recent economic indicators in Japan include the following:

- The Nikkei 225 Index at the start of the previous fiscal year was 28,188.15. Subsequently, the index increased due to various factors, such as weakening of the yen and the BOJ's loose monetary policy, and in June 2026, it hit an all-time high of ¥73,007. It experienced significant fluctuations amid volatility in energy and commodity prices due in part to the continued conflict in Iran and the broader Middle East region.
- The yield rate on 10-year JGBs at the start of the previous fiscal year was 0.36%. In July 2023, the BOJ announced that, while maintaining the range of yield curve control for 10-year JGBs from around plus and minus 0.25 percentage points to around plus and minus 0.5 percentage points, it would conduct yield curve control "with greater flexibility" regarding the upper and lower bounds of the range as references, not as rigid limits. In October 2023, the BOJ announced further adjustments to its yield curve control policy, potentially allowing 10-year JGBs to increase above 1.0%, and subsequently in December 2023, it announced that it would maintain this approach. In March 2024, the BOJ announced that it would end its yield curve control policy and would end its negative interest rate policy and target an uncollateralized overnight call rate of around 0% to 0.1%, which was further revised upward to 0.25% effective as of August 1, 2024. Subsequently, on January 24, 2025, December 19, 2025 and June 16, 2026, the BOJ announced consecutive rate increases, raising the target to 0.5%, 0.75% and 1.0%, respectively (the last of which setting the interest rate at a 31-year high).
- The yen-dollar exchange rate started the previous fiscal year at the ¥151 level. Subsequently, the yen strengthened to the ¥141 level on expectations of a policy shift by the BOJ. However, due to factors such as continuing interest rate gap between the U.S. and Japan, the yen subsequently depreciated past ¥160 to the dollar, hitting a 37-year low in June 2024. Thereafter, the yen-dollar exchange rate fluctuated and the yen strengthened again to the ¥141 level, but has weakened against the dollar in recent months to the ¥155 level, weakening further in late February 2026 to the high end of the ¥164 level before a joint currency intervention conducted by Japan and the United States in late July which temporarily spiked the yen to around ¥155 level, before fading effects and persistent interest rate gaps pushed it back to the ¥159 level. The yen-dollar exchange rate has strengthened slightly since before weakening again and finished at ¥159.21 at August 14, 2026.
- The yen-euro exchange rate at the start of the previous fiscal year was at the ¥161 level. Subsequently, the yen continued to weaken owing to the BOJ's continuing low interest rate policy, in contrast with the European Central Bank's rate increase. The yen-euro exchange rate was ¥185.45 at August 20, 2026.
- The seasonally adjusted unemployment rate in Japan was 2.6%, 2.5% and 2.7% as of March 31, 2024, 2025 and 2026, respectively, according to the Statistics Bureau of the Ministry of Internal Affairs and Communications of Japan.
- The total financial assets held by Japanese households increased from ¥2,070 trillion as of March 31, 2023 to ¥2,187 trillion as of March 31, 2024, and further increased to ¥2,199 trillion as of March 31, 2025, according to data released by the BOJ.

- Japan's real GDP increased by 0.7%, 0.5% and 0.8% in the years ended March 31, 2024, 2025 and 2026, each according to the Cabinet Office of Japan (the "Cabinet Office"). According to data published by the Cabinet Office, Japan's real GDP decreased to an annualized rate of 0.5% during the three months ended June 30, 2026.
- Average real estate prices in Japan continued to increase during the years ended December 31, 2023, 2024 and 2025 according to the Ministry of Land, Infrastructure, Transport and Tourism of Japan. Average real estate prices in Tokyo increased in each of the years ended December 31, 2023, 2024 and 2025 but remain subject to uncertainty.

In addition, Japan's economy is affected by global economic conditions, which remain uncertain. Outside of Japan, while the economies of developed countries, including the United States and certain European countries, continued to recover, certain emerging economies have experienced slower growth. In the United States, the economy has generally been supported by robust household spending, despite relatively weak spending in the corporate sector. In March 2022, to support achieving maximum employment and inflation at the target rate of 2% over the longer run, the Federal Open Market Committee (the "FOMC") raised the target range for the federal funds rate to 0.25% to 0.50%. The FOMC then continued to raise the target range, peaking at the range of 5.25% to 5.50% in July 2023. However, beginning in September 2024, the FOMC announced three successive rate cuts, setting the current target range for the federal funds rate to 4.25% to 4.50%. In December 2024, the FOMC signaled that it would be less aggressive in cutting rates in 2025 in response to evolving market conditions. However, in response to easing inflation and a tighter labor market, the FOMC announced three successive rate cuts beginning in September 2024, setting the current target range for the federal funds rate to 3.50% to 3.75%. The FOMC kept the federal funds rate unchanged at 3.50%-3.75% for a fourth consecutive meeting in June 2026. Outlook for the global economy therefore remains uncertain due to factors such as the continued impact of monetary tightening, depreciation of the yen against the U.S. dollar and significant volatility of the yen against euro, rising inflation expectations, which may contribute to an environment where central banks become hesitant to cut interest rates, the implementation of new or increased tariffs by the United States and other countries and a slowdown in global trade, and heightened geopolitical risks in various regions and countries, including the uncertainty in future trajectory of the Chinese and European economies, the ongoing military conflict between Russia and Ukraine, continued tensions in the Middle East, including recent military operations by the United States, Israel, Iran and other regional state and non-state entities as well as uncertainties about the memorandum of understanding signed by the United States and Iran in June 2026, each of which has contributed to increased volatility in energy and commodity prices, and uncertainties about the monetary policy of central banks in Japan and other countries and any potential impact related to the second Trump administration in the United States.

Recent Changes in Accounting Standards

Effective from the three months ended June 30, 2024, we have applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022) (the "2022 Revised Accounting Standard") and other related standards. Accordingly, we have revised the accounting classifications of corporate tax and inhabitant tax for current income, which are levied on items such as valuation differences arising from the revaluation of assets and liabilities. In applying the 2022 Revised Accounting Standard and other related standards, we have followed the transitional treatment set forth in the proviso of Paragraph 20-3 of the 2022 Revised Accounting Standard. We applied the new accounting policies set forth in the 2022 Revised Accounting Standard from the beginning of the three months ended June 30, 2024.

Effective from the three months ended June 30, 2025, we have applied IFRS 9 "Financial Instruments" and IFRS 17 "Insurance Contracts" with respect to certain overseas affiliates accounted for under the equity method. Except as otherwise indicated, consolidated financial Information presented in this Offering Circular as of and for the year ended March 31, 2025 has been retrospectively adjusted to reflect such changes. As a result, consolidated surplus as of March 31, 2025 has been adjusted

downward by ¥1,644 million, surplus policy valuation reserve for overseas subsidiaries and others as of March 31, 2025 has been adjusted downward by ¥8,852 million, and net unrealized gains on available-for-sale securities as of March 31, 2025 has been adjusted upward by ¥10,725 million. Moreover, as such cumulative impact has been reflected on the opening balance of the net assets for the year ended March 31, 2025, the opening balance of consolidated surplus for the year ended March 31, 2025 has been adjusted downward by ¥2,430 million, the opening balance of surplus policy valuation reserve for overseas subsidiaries and others for the year ended March 31, 2025 has been adjusted downward by ¥90 million, and the opening balance of net unrealized gains on available-for-sale securities for the year ended March 31, 2025 has been adjusted upward by ¥2,112 million.

Certain of our overseas equity method affiliates adopted IFRS 9 "Financial Instruments" and IFRS 17 "Insurance Contracts" from the first quarter of the fiscal year ended March 31, 2026. This change in accounting policy has resulted in modifications to the classification and measurement methods of financial instruments. Furthermore, insurance contract reserves are measured to reflect the time value of money, the financial risk associated with cash flows arising from insurance contracts, and the impact of uncertainty in cash flows arising from insurance contracts. Additionally, a new item, "Valuation difference on insurance contract reserves related to overseas subsidiaries," has been established within accumulated other comprehensive income.

This change in accounting policy has been applied retrospectively, and our consolidated financial statements for the previous fiscal year ended March 31, 2025 have been restated accordingly. For the previous consolidated fiscal year, securities decreased by ¥10 million, consolidated surplus decreased by ¥1,644 million, foreign currency translation adjustment decreased by ¥238 million, valuation difference on insurance contract reserves for overseas subsidiaries decreased by ¥8,852 million, and valuation difference on other securities increased by ¥10,725 million. Due to the cumulative effect being reflected in net assets at the beginning of the previous consolidated fiscal year ended March 31, 2025, securities at the beginning of the previous consolidated fiscal year decreased by ¥408 million, consolidated surplus decreased by ¥2,430 million, valuation difference on insurance contract reserves for overseas subsidiaries decreased by ¥90 million, and valuation difference on other securities increased by ¥2,112 million.

Results of Operations

The following table sets forth certain information relating to our results of operations for the years ended March 31, 2024, 2025 and 2026 and the three months ended June 30, 2025 and 2026.

	Year ended March 31,			Three months ended June 30,	
	2024	2025	2026	2025	2026
			(Billions of yen)		
Ordinary income:					
Revenues from insurance and reinsurance	¥ 8,598.3	¥ 7,861.3	¥ 9,437.3	¥2,139.4	¥2,692.6
Investment income	3,119.9	2,614.0	4,629.8	693.1	1,097.2
Other ordinary income	290.5	529.0	707.6	140.6	155.9
Total ordinary income	¥12,008.8	¥11,004.3	¥14,774.8	2,973.2	3,945.8
Ordinary expenses:					
Benefits and other payments	¥ 6,623.1	¥ 6,819.1	¥ 8,212.3	1,728.9	2,391.4
Provision for policy reserves	2,699.3	1,065.9	2,181.0	319.1	568.9
Investment expenses	944.0	1,190.3	2,640.2	492.4	557.9
Operating expenses	789.9	1,044.8	1,231.1	289.4	355.9
Other ordinary expenses	370.9	378.5	404.8	98.6	84.9
Total ordinary expenses	¥11,427.4	¥10,498.8	¥14,669.6	¥2,928.6	¥3,959.1

	Year ended March 31,			Three months ended June 30,	
	2024	2025	2026	2025	2026
			(Billions of yen)		
Ordinary profit (loss)	¥ 581.3	¥ 505.5	¥ 105.1	44.6	(13.1)
Extraordinary gains	5.5	12.9	619.2	81.5	113.8
Extraordinary losses	69.9	74.3	27.8	1.8	3.7
Provision for reserve for dividends to policyholders (limited company)	11.8	11.9	11.7	2.9	3.3
Surplus (deficit) before income taxes	¥ 505.1	¥ 432.2	¥ 684.9	¥ 121.4	¥ 93.4
Income taxes:					
Current	¥ 52.6	¥ 136.4	¥ (0.8)	¥ 50.1	¥ 66.7
Deferred	43.7	(144.3)	75.8	(36.1)	(67.5)
Net surplus	¥ 408.8	¥ 440.2	¥ 609.9	107.4	94.1
Net surplus (deficit) attributable to noncontrolling interests	(3.6)	3.9	3.5	1.3	2.7
Net surplus attributable to the parent company	¥ 412.4	¥ 436.2	¥ 606.4	¥ 106.1	¥ 91.4

Note:

(1) Certain of our consolidated subsidiaries and equity-method affiliates located outside of Japan apply Australian Accounting Standards Board ("AASB") Standard No. 17, Insurance Contracts ("AASB 17"). Insurance revenue recognized under AASB 17 had previously been reclassified and presented within "Premium and Other Insurance Income" and within "Other Insurance Benefits and Claims Paid," which is included in "Benefits and Claims Paid," in accordance with applicable Japanese regulatory requirements. As such amounts have become more significant, commencing with the three months ended June 30, 2026, certain amounts have been reclassified to more appropriately reflect their presentation. In addition, effective for the year beginning on April 1, 2026, certain expenses relating to asset management activities, which had previously been presented within operating expenses and other ordinary expenses, have been reclassified and presented as investment expenses. As a result, the consolidated statement of income information for the three months ended June 30, 2025 included above has been retrospectively adjusted to conform with current presentation. See "Presentation of Financial and Other Information" and Notes 1 and 2 to our consolidated statement of income for the three months ended June 30, 2026 included elsewhere in this offering circular.

The following table presents our annualized premiums from individual insurance and individual annuities, including medical coverage, living benefits, etc., for both policies in force and new policies for the periods indicated, on a nonconsolidated basis.

	Year ended March 31,			Three months ended June 30,	
	2024	2025	2026	2025	2026
			(Billions of yen)		
Policies in force:[1]					
Individual insurance	¥2,680.7	¥2,675.8	¥2,686.1	¥2,667.9	¥2,682.2
Individual annuities	1,059.4	1,027.0	1,005.0	1,023.5	998.2
Total	¥3,740.1	¥3,702.8	¥3,691.2	¥3,691.5	¥3,680.4
Medical coverage, living benefits, etc.[2]	¥ 678.6	¥ 679.7	¥ 688.2	¥ 680.3	¥ 689.0
New policies:[1][3]					
Individual insurance	¥ 236.0	¥ 213.9	¥ 250.5	¥ 47.6	¥ 58.8
Individual annuities	22.7	19.9	22.4	6.4	4.6
Total	¥ 258.8	¥ 233.9	¥ 272.9	¥ 54.0	¥ 63.4
Medical coverage, living benefits, etc.[2]	¥ 38.5	¥ 41.8	¥ 46.5	¥ 10.3	¥ 10.0

Notes:

(1) Annualized premiums include totals for individual insurance and individual annuities. Annualized premiums are calculated by multiplying the underlying premium installment amounts by a factor determined according to the

relevant payment method to arrive at a single annualized amount. For single-premium policies, annualized premiums are calculated by dividing the total premium by the insured period.

(2) The amount of medical coverage, living benefits, etc. represents the annualized premium relating to medical benefits (hospitalization and surgical benefits), living benefits (specified illness and nursing care benefits) and waiver of premium benefits (excluding disability benefits but including specified illness and nursing care benefits).

(3) Annualized new policy net premium amount includes net increases due to conversions.

The following table sets forth a breakdown of our insurance premiums on a nonconsolidated basis by product line for the periods indicated.

	Year ended March 31,			Three months ended June 30,	
	2024	2025	2026	2025	2026
	(Billions of yen)				
Individual insurance	¥3,368.7	¥2,981.2	¥3,563.2	¥ 655.4	¥ 839.5
Individual annuities	658.1	611.2	583.4	139.7	131.3
Group insurance	258.7	262.2	262.7	76.7	75.8
Group annuities	966.0	896.4	950.2	232.3	414.1
Others	¥ 44.3	¥ 42.2	¥ 40.8	¥ 11.0	¥ 11.1
Total	¥5,296.0	¥4,793.4	¥5,400.5	¥1,115.4	¥1,472.0

Numbers of Policies and Policy Amounts for Our Main Product Lines

The following tables set forth changes in the number of policies and policy amounts in force for our main product lines for the years ended March 31, 2024, 2025 and 2026 and the three months ended June 30, 2025 and 2026 on a nonconsolidated basis. See also "Business—Products and Services".

Individual

Individual insurance is our core business segment, with sales centered on our *Mirai no Katachi* product lineup, term life insurance, endowment insurance and third-sector products. The policy amount in force under *Mirai no Katachi*, increased in the year ended March 31, 2025. The number of new individual insurance policies and the amount of new policies in the individual insurance market decreased in the year ended March 31, 2026 and the three months ended June 30, 2026.

	Year ended March 31,						Three months ended June 30,			
	2024		2025		2026		2025		2026	
	Number of policies	Policy amount	Number of policies	Policy amount	Number of policies	Policy amount	Number of policies	Policy amount	Number of policies	Policy amount
	(Thousands of policies and billions of yen)									
At the beginning of the period	30,814.2	¥123,924.4	30,737.8	¥119,885.9	30,336.6	¥113,890.1	30,336.6	¥113,890.1	30,156.4	¥109,021.8
Increase due to:										
New policies	1,682.8	5,347.9	1,534.7	4,278.1	1,781.8	5,052.9	398.1	988.9	349.8	1,166.4
Renewals	129.1	498.4	122.6	462.5	108.8	417.9	27.7	104.8	26.3	97.7
Reinstatements	0.2	2.8	0.2	1.6	0.2	0.9	0.0	0.2	0.0	0.4
Conversion	1,668.9	4,454.0	2,139.9	5,781.1	1,693.8	4,114.0	475.3	1,199.8	373.0	820.4
Variable amount	–	3.9	–	3.9	–	7.9	–	0.8	–	–
Decrease due to:										
Death	139.0	804.3	147.6	837.5	145.8	802.4	36.2	206.2	35.6	194.5
Maturity	284.4	866.2	233.4	811.7	211.6	734.5	53.0	182.7	50.3	168.4
Decrease of benefits	–	665.3	–	568.9	–	527.8	–	136.8	–	120.1
Decrease from conversion	1,502.9	5,264.5	2,255.3	7,949.1	1,793.5	5,840.4	500.0	1,672.1	401.2	1,162.0
Cancellation	1,651.4	6,096.7	1,549.9	5,679.3	1,640.7	6,141.2	373.5	1,374.7	389.4	1,488.7
Expiration	2.5	24.1	2.4	21.4	2.5	20.0	0.5	5.6	0.5	4.0

	Year ended March 31,						Three months ended June 30,			
	2024		2025		2026		2025		2026	
	Number of policies	Policy amount	Number of policies	Policy amount	Number of policies	Policy amount	Number of policies	Policy amount	Number of policies	Policy amount
	(Thousands of policies and billions of yen)									
Decrease from variable amount	–	0.6	–	4.0	–	1.0	–	1.0	–	3.5
Decrease due to other changes	13.0	623.6	10.0	650.9	6.4	394.5	1.3	158.5	0.7	78.0
At period-end	30,737.8	119,885.9	30,336.6	113,890.1	30,156.4	109,021.8	30,273.1	112,447.0	30,027.8	1,078,918
Net increase (decrease)	(76.4)¥	(4,038.5)	(401.2)¥	(5,995.7)	(180.1)¥	(4,868.2)	(63.4)	¥(1,443.1)	(128.5)	¥(1,130.0)

Individual annuities

The number of policies and policy amounts decreased period over period during the years ended March 31, 2025 and 2026 and in the three months ended June 30, 2025 and 2026. We continue to cultivate new customers and product sales through our *Mirai no Katachi* and *Gran Age*. See "Business–Products and Services–Individual Annuities".

	Year ended March 31,						Three months ended June 30,			
	2024		2025		2026		2025		2026	
	Number of policies	Policy amount[1]	Number of policies	Policy amount[1]	Number of policies	Policy amount[1]	Number of policies	Policy amount[1]	Number of policies	Policy amount[1]
	(Thousands of policies and billions of yen)									
At the beginning of the period	4,173.6	¥25,240.2	4,086.6	¥24,362.5	3,998.2	¥23,488.6	3,998.2	¥23,488.6	3923.3	¥22,816.5
Increase due to:										
New policies	116.5	650.8	111.1	606.9	127.4	657.0	36.1	188.8	27.5	137.9
Reinstatements	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase from conversion	4.6	26.0	18.4	128.0	62.5	432.8	18.6	129.5	14.6	101.1
Decrease due to:	13.0	58.0	13.1	57.1	12.4	53.6	3.0	12.5	2.7	11.5
Death	55.0	36.0	50.6	33.9	49.6	34.1	12.3	8.3	11.4	7.9
Completion of payments	–	67.9	–	52.6	–	43.9	–	10.4	–	11.1
Decrease of insurance amount										
Decrease from conversion	9.3	54.2	26.2	169.6	71.4	468.0	21.2	137.8	17.0	109.4
Cancellation	123.7	766.3	118.1	730.2	120.0	733.5	26.9	163.5	31.2	187.3
Expiration	0.1	0.8	0.1	0.6	0.0	0.5	0.0	0.1	0.0	0.1
Decrease due to other changes	6.8	245.4	9.8	228.8	11.2	81.5	2.4	36.8	4.9	36.7
At period-end	4,086.6	24,362.5	3,998.2	23,488.6	3,923.3	22,816.5	3,987.1	23,437.3	3898.0	22,691.2
Net increase (decrease)	(86.9)	¥ (877.7)	(88.4)	¥ (873.9)	(74.8)	¥ (672.1)	(11.1)	¥ (51.2)	(25.2)	¥ (125.2)

Note:

(1) The policy amount for individual annuities is the sum of (a) the funds held for annuity payments at the time such payments are to commence and (b) the policy reserve amount for annuities for which such payments have already commenced. Because the policy reserve amount changes over time, in contrast to the static nature of policy amounts of insurance policies, the amount of net increase (decrease) in the policy amount column does not match the total of the individual items.

Group

Although we face a difficult domestic operating environment, which includes a declining birthrate and an aging population as well as a decrease of full-time employment, we believe there are increasing business opportunities in the form of group insurance with employee contributions due to the higher expectation for the role of businesses to supplement existing social security. Such products are designed to increase financial independence and self-reliance. The number of insured in the group insurance segment and the policy amounts decreased during the year ended March 31, 2026

but increase during the three months ended June 30, 2026, compared to the same period in the previous year. See "Business—Products and Services—Group Insurance".

	Year ended March 31,						Three months ended June 30,			
	2024		2025		2026		2025		2026	
	Number of insured	Policy amount[1]	Number of insured	Policy amount[1]	Number of insured	Policy amount	Number of insured	Policy amount	Number of insured	Policy amount
	(Thousands of insured and billions of yen)									
At the beginning of the period	27,171.7	¥97,501.8	26,928.1	¥96,874.4	26,680.1	¥96,343.0	26,680.1	¥96,343.0	26,485.2	¥95,593.9
Increase due to:										
New policies	114.7	609.4	103.8	130.5	215.8	370.1	50.2	74.8	35.8	78.6
Renewals	15,366.4	60,158.6	15,357.5	60,305.8	15,341.6	59,829.5	4,584.0	20,963.6	4,521.9	20,503.8
Midterm enrolment	1,684.1	5,482.6	1,797.0	6,102.8	1,655.0	6,095.0	612.9	2,094.9	625.9	2,193.5
Increase of insurance amount	–	1,345.2	–	1,812.7	–	1,115.5	–	301.1	–	534.0
Decrease due to:										
Death	46.5	106.6	46.8	106.7	44.8	102.2	10.4	23.6	9.6	22.2
	(Thousands of insured and billions of yen)									
Maturity	15,488.2	60,738.2	15,467.3	60,548.5	15,476.3	60,304.0	4,602.6	20,996.0	4,558.7	20,643.4
Withdrawal	1,853.4	4,802.4	1,956.5	5,168.8	1,847.3	4,747.4	597.0	1,213.4	564.4	1,344.2
Decrease of insurance amount	–	2,508.7	–	2,957.6	–	2,935.0	–	698.6	–	980.1
Cancellation	20.9	66.4	29.9	62.8	38.9	69.3	5.3	15.1	14.6	38.1
Expiration.	0.0	0.5	0.2	2.1	0.0	0.4	1.5	3.5	(0.5)	(0.2)
Decrease due to other changes	(0.4)	(0.9)	5.7	35.1	(0.2)	0.7	0.0	(0.1)	(0.1)	(0.1)
At period-end	26,928.1	96,874.4	26,680.1	96,343.0	26,485.2	95,593.9	26,710.3	96,827.2	26,522.1	95,876.3
Net increase (decrease)	(243.5)	¥ (627.4)	(248.0)	¥ (531.4)	(194.8)	¥ (749.0)	30.1	¥ 484.1	36.8	¥ 282.3

Group annuities

The number of insured and the policy amounts in the group annuities segment steadily decreased during the years ended March 31, 2024, 2025 and 2026 and the three months ended June 30, 2026. To mitigate the negative spread risk from declining interest rates and liquidity risk due to surrenders upon rising interest rates, we maintain a solid risk management system, including a system by which we suspend sales of certain products depending on interest rate levels. See "Business—Products and Services—Group Annuities".

	Year ended March 31,						Three months ended June 30,			
	2024		2025		2026		2025		2026	
	Number of insured[1]	Policy amount[2]	Number of insured[1]	Policy amount[2]	Number of insured[1]	Policy amount[2]	Number of insured[1]	Policy amount[2]	Number of insured[1]	Policy amount[2]
	(Thousands of insured and billions of yen)									
At the beginning of the period	8,895.4	¥14,092.6	8,735.1	¥13,994.8	8,630.8	¥13,786.5	8,630.8	¥13,786.5	8,537.0	¥13,671.9
Increase due to:										
New policies	0.1	0.1	0.0	0.2	0.2	0.0	0.0	0.0	0.1	1.1
Decrease due to:										
Annuity payments	3,245.0	338.4	3,208.2	330.8	3,173.7	345.6	804.1	92.3	793.5	89.3
Single payments	485.1	498.2	492.6	527.8	493.4	548.3	94.9	158.8	99.0	162.9
Cancellation	1.4	139.8	0.2	16.1	0.2	19.7	0.0	0.9	0.0	1.1
At period-end	8,735.1	13,994.8	8,630.8	13,786.5	8,537.0	13,671.9	8,618.8	13,776.2	8,537.9	13,877.2
Net increase (decrease)	(160.2)	¥ (97.7)	(104.3)	¥ (208.2)	(93.7)	¥ (114.6)	(11.9)	¥ (10.3)	(0.9)	¥ (205.3)

Notes:

(1) The number of insured in the table above is measured as of the beginning or end, as the case may be, of the applicable period. As a result, the amount of net increase in the number of insured column does not match the total of the individual items.

(2) For policy amount, the new policy amount is equal to the initial premium payment and the total policy amount in force is equal to the amount of outstanding corresponding policy reserves. Because the amount of policy reserves changes over time, in contrast to the static nature of policy amounts of annuity policies, the amount of net increase (decrease) in the policy amount column does not match the total of the individual items.

Separate accounts

Assets related to our individual variable insurance and individual variable annuities and a portion of our group annuity products, including group employee pension fund insurance and national pension fund insurance, are held in our separate accounts. Separate account assets and liabilities represent funds that we administer and invest to meet specific investment objectives of policyholders and for which such policyholders bear the investment risk of the invested assets. The following table sets forth the amount of separate account assets as of the dates indicated, on a nonconsolidated basis.

	As of March 31,			As of June 30,
	2024	2025	2026	2026
	(Billions of yen)			
Individual variable insurance	¥ 119.7	¥ 108.1	¥ 114.6	¥ 125.5
Individual variable annuities	13.6	10.6	10.1	11.0
Group annuity products	1,092.5	1,025.9	998.8	1,012.3
Total separate account assets	¥1,225.8	¥1,144.8	¥1,123.5	¥1,148.8

Separate account assets in the individual variable insurance category and the group annuity products category increased in the year ended March 31, 2024 but declined in the year ended March 31, 2025, before increasing again in year ended March 31, 2026. Separate account assets in the individual variable annuities continued to decrease in the years ended March 31, 2024, 2025 and 2026. As of June 30, 2026, total separate account assets increased as compared to March 31, 2026, primarily due to an increase in group annuity products.

The following table sets forth the policy amount in force for term and whole life individual variable insurance as of the dates indicated, on a nonconsolidated basis.

	As of March 31,			As of June 30,
	2024	2025	2026	2026
	(Billions of yen)			
Individual variable insurance (defined term)	¥102.6	¥ 89.4	¥107.8	¥138.2
Individual variable insurance (whole life)	391.1	376.7	368.7	365.5

Comparison of the Three Months Ended June 30, 2025 and 2026

Ordinary income

	Three months ended June 30,	
	2025	2026
	(Billions of yen)	
Ordinary income:		
Revenues from insurance and reinsurance	¥2,139.4	¥2,692.6
Investment income	693.1	1,097.2
Other ordinary income	140.6	155.9
Total ordinary income	¥2,973.2	¥3,945.8

Ordinary income increased by ¥972.5 billion, or 32.7%, to ¥3,945.8 billion for the three months ended June 30, 2026 from ¥2,973.2 billion for the same period of the previous year, primarily due to an increase in insurance premiums.

The following table shows a breakdown of our net investment income for the three months ended June 30, 2025 and 2026.

	Three months ended June 30,	
	2025	2026
	(Billions of yen)	
Investment income:		
Interest, dividends, and other income	¥461.4	¥ 675.2
Gain on trading securities	7.1	—
Gain on sales of securities	193.6	151.5
Foreign exchange gains, net	–	163.0
Gain from separate accounts, net	30.4	93.5
Total investment income	¥693.1	¥1,097.2
Investment expenses:		
Interest expenses	¥ 20.8	¥ 36.3
Loss on sales of securities	249.5	231.3
Loss on valuation of securities	0.8	60.0
Loss on derivative financial instruments, net	93.0	106.3
Foreign exchange losses, net	102.3	–
Total investment expenses	492.4	557.9
Net investment income	¥200.6	¥ 539.3

Net investment income. Net investment income increased by ¥338.6 billion, or 168.8%, to ¥539.3 billion for the three months ended June 30, 2026 from ¥200.6 billion for the same period of the previous year, reflecting an increase in interest and dividend income.

Other ordinary income. Other ordinary income increased by ¥15.3 billion, or 10.9%, to ¥155.9 billion for the three months ended June 30, 2026 from ¥140.6 billion for the same period of the previous year.

Ordinary expenses

	Three months ended June 30,	
	2025	2026
	(Billions of yen)	
Ordinary expenses:		
Benefits and other payments	¥1,728.9	¥2,391.4
Provision for policy reserves	319.1	568.9
Investment expenses	492.4	557.9
Operating expenses	289.4	355.9
Other ordinary expenses	98.6	84.9
Total ordinary expense	¥2,928.6	¥3,959.1

Ordinary expenses increased by ¥1,030.5 billion, or 35.2%, to ¥3,959.1 billion for the three months ended June 30, 2026 from ¥2,928.6 billion for the same period of the previous year, primarily due to an increase in insurance benefit and other payments.

Benefits and other payments. Benefits and other payments increased by ¥662.4 billion, or 38.3%, to ¥2,391.4 billion for the three months ended June 30, 2026 from ¥1,728.9 billion for the same period of the previous year.

Provision for policy reserves. Provision for policy reserves increased by ¥249.7 billion, or 78.3%, to ¥568.9 billion for the three months ended June 30, 2026 from ¥319.1 billion for the same period of the previous year.

Investment expenses. See discussion of "—Net investment income" above.

Operating expenses. Operating expenses increased by ¥66.4 billion, or 23.0%, to ¥355.9 billion for the three months ended June 30, 2026 from ¥289.4 billion for the same period of the previous year.

Other ordinary expenses. Other ordinary expenses decreased by ¥13.6 billion, or 13.9%, to ¥84.9 billion for the three months ended June 30, 2026 from ¥98.6 billion for the same period of the previous year.

Ordinary profit (loss)

As a result of the foregoing, ordinary profit (loss) for the three months ended June 30, 2026 was a loss of ¥13.3 billion compared to a profit of ¥44.6 billion for the same period of the previous year.

Extraordinary gains and losses

Extraordinary gains increased by ¥32.3 billion, or 39.6% to ¥113.8 billion for the three months ended June 30, 2026 from ¥81.5 billion for the same period of the previous year, primarily due to an increase in reversal of price fluctuation reserve.

Extraordinary losses increased by ¥1.9 billion, or 106.0%, to ¥3.7 billion for the three months ended June 30, 2026 from ¥1.8 billion for the same period of the previous year, primarily due to an increase in impairment loss.

Surplus (deficit) before income taxes

As a result of the foregoing, surplus before income taxes decreased by ¥28.0 billion, or 23.1%, to surplus before income taxes of ¥93.4 billion for the three months ended June 30, 2026 from surplus before income taxes of ¥121.4 billion for the same period of the previous year.

Income taxes

	Three months ended June 30,	
	2025	2026
	(Billions of yen)	
Income taxes:		
Current	¥ 50.1	¥ 66.7
Deferred	(36.1)	(67.5)

Current income taxes. Current income taxes increased by ¥16.6 billion, or 33.2%, to ¥66.7 billion for the three months ended June 30, 2026 from ¥50.1 billion for the same period of the previous year.

Deferred income taxes. Deferred income taxes were ¥67.5 billion for the three months ended June 30, 2026 as compared to ¥36.1 billion for the same period of the previous year.

Net surplus

Net surplus decreased by ¥13.3 billion, or 12.4%, to ¥94.1 billion for the three months ended June 30, 2026 from ¥107.4 billion for the same period of the previous year.

Net surplus attributable to the parent company

Net surplus attributable to the parent company decreased by ¥14.7 billion, or 13.9%, to ¥91.4 billion for the three months ended June 30, 2026 from ¥106.1 billion for the same period of the previous year.

Comparison of the Years Ended March 31, 2025 and 2026

Ordinary income

	Year ended March 31,	
	2025	2026
	(Billions of yen)	
Ordinary income:		
Revenues from insurance and reinsurance	¥ 7,861.3	¥ 9,437.3
Investment income	2,614.0	4,629.8
Other ordinary income	529.0	707.6
Total ordinary income	¥11,004.3	¥14,774.8

Ordinary income increased by ¥3,770.4 billion, or 34.3%, to ¥14,774.8 billion for the year ended March 31, 2026 from ¥11,004.3 billion for the previous year, primarily due to increases in revenues from insurance and reinsurance as well as investment income.

Revenues from insurance and reinsurance. Revenues from insurance and reinsurance increased by ¥1,576.0 billion, or 20.0%, to ¥9,437.3 billion for the year ended March 31, 2026 from ¥7,861.3 billion for the previous year, primarily due to an increase in insurance premiums.

The following table shows a breakdown of our net investment income for the years ended March 31, 2025 and 2026.

	Year ended March 31,	
	2025	2026
	(Billions of yen)	
Investment income:		
Interest, dividends, and other income	¥2,158.9	¥2,429.9
Gain on trading securities	30.7	30.0
Gain on sales of securities	423.0	1,227.3
Gain on redemptions of securities	0.0	0.1
Foreign exchange gains, net	–	787.1
Other investment income	1.2	31.3
Gain from separate accounts, net	–	123.9
Total investment income	¥2,614.0	¥4,629.8
Investment expenses:		
Interest expenses	¥ 71.5	¥ 100.1
Loss on sales of securities	539.6	1,842.3
Loss on valuation of securities	2.5	74.8
Loss on redemptions of securities	0.7	0.1
Loss on derivative financial instruments, net	254.3	470.2
Foreign exchange losses, net	212.8	–
Provision for allowance for doubtful accounts	0.3	5.0
Depreciation of rental real estate and other assets	23.5	23.9
Other investment expenses	69.2	123.3
Loss on separate accounts	15.6	–
Total investment expenses	1,190.3	2,640.2
Net investment income	¥1,423.7	¥1,989.6

Net investment income. Net investment income increased by ¥565.9 billion, or 39.7%, to ¥1,989.6 billion for the year ended March 31, 2026 from ¥1,423.7 billion for the previous year, primarily reflecting an increase in total investment income, which is mainly attributable to increases in gain on sales of securities and foreign exchange gains, net, partially offset by an increase in total investment expenses, which is mainly attributable to an increase in loss on sales of securities.

Other ordinary income. Other ordinary income increased by ¥178.6 billion, or 33.8%, to ¥707.6 billion for the year ended March 31, 2026 from ¥529.0 billion for the previous year.

Ordinary expenses

	Year ended March 31,	
	2025	2026
	(Billions of yen)	
Ordinary expenses:		
Benefits and other payments	¥ 6,819.1	¥ 8,212.3
Provision for policy reserves	1,065.9	2,181.0
Investment expenses	1,190.3	2,640.2
Operating expenses	1,044.8	1,231.1
Other ordinary expenses	378.5	404.8
Total ordinary expense	¥10,498.8	¥14,669.6

Ordinary expenses increased by ¥4,170.8 billion, or 39.7%, to ¥14,669.6 billion for the year ended March 31, 2026 from ¥10,498.8 billion for the previous year, primarily due to increases in benefits and other payments, provision for policy reserves and investment expenses.

Benefits and other payments. Benefits and other payments increased by ¥1,393.1 billion, or 20.4%, to ¥8,212.3 billion for the year ended March 31, 2026 from ¥6,819.1 billion for the previous year, primarily due to increase in surrender benefits.

Provision for policy reserves. Provision for policy reserves increased by ¥1,115.1 billion, or 104.6%, to ¥2,181.0 billion for the year ended March 31, 2026 from ¥1,065.9 billion for the previous year, primarily due to increase in provision for policy reserves.

Investment expenses. See discussion of "—Net investment income" above.

Operating expenses. Operating expenses increased by ¥186.3 billion, or 17.8%, to ¥1,231.1 billion for the year ended March 31, 2026 from ¥1,044.8 billion for the previous year.

Other ordinary expenses. Other ordinary expenses increased by ¥26.3 billion, or 7.0%, to ¥404.8 billion for the year ended March 31, 2026 from ¥378.5 billion for the previous year.

Ordinary profit

As a result of the foregoing, ordinary profit decreased by ¥400.3 billion, or 79.2%, to ¥105.1 billion for the year ended March 31, 2026 from ¥505.5 billion for the previous year.

Extraordinary gains and losses

Extraordinary gains increased by ¥606.2 billion, or 4,670.9%, to ¥619.2 billion for the year ended March 31, 2026 from ¥12.9 billion for the previous year, primarily due to reversal of reserve for price fluctuations and gains on step acquisitions recorded in the year ended March 31, 2026.

Extraordinary losses decreased by ¥46.5 billion, or 62.6%, to ¥27.8 billion for the year ended March 31, 2026 from ¥74.3 billion for the previous year, primarily due to provision of reserve for price fluctuations recorded in the year ended 31 March 2025.

Surplus before income taxes

As a result of the foregoing, surplus before income taxes was ¥684.9 billion for the year ended March 31, 2026, an increase of ¥252.6 billion, or 58.4%, compared to ¥432.2 billion for the year ended March 31, 2025.

Income taxes

	Year ended March 31,	
	2025	2026
	(Billions of yen)	
Income taxes:		
Current	¥ 136.4	¥ (0.8)
Deferred	(144.3)	75.8

Current income taxes. Current income taxes was a tax gain of ¥0.8 billion for the year ended 31 March 2026, compared to a tax expense of ¥136.4 billion for the previous year.

Deferred income taxes. Deferred income taxes for the year ended March 31, 2026 was a tax expense of ¥75.8 billion compared to a tax gain of ¥144.3 billion for the previous year, primarily as a result of reversal of reserve for price fluctuations.

Net surplus

Net surplus increased by ¥169.7 billion, or 38.6%, to ¥609.9 billion for the year ended March 31, 2026 from ¥440.2 billion for the previous year.

Net surplus attributable to the parent company

Net surplus attributable to the parent company increased by ¥170.1 billion, or 39.0%, to ¥606.4 billion for the year ended March 31, 2026 from ¥436.2 billion for the previous year.

Core Operating Profit

Ordinary profit of a life insurance company includes profit from investment activities as well as profit from the insurance business. Thus, profit from the insurance business is not readily ascertainable from the statements of income. For the purpose of disclosing profit from the insurance business, life insurance companies in Japan are required under disclosure standards promulgated by the Life Insurance Association to disclose "core operating profit", also known as "fundamental profit" or "base profit".

Pursuant to these disclosure standards, core operating profit is defined as:

core operating revenues: revenues from insurance and reinsurance, investment income (excluding capital gains), other ordinary income and other core operating income, less

core operating expenses: benefits and other payments, provision for policy reserves (excluding provisions for and reversals of contingency reserves and excluding provisions for additional policy reserves), investment expenses (excluding capital losses), operating expenses, other ordinary expenses and other core operating expenses.

Core operating profit is calculated without deducting policyholder dividends or hedging costs associated with foreign currency-denominated bonds.

We believe that core operating profit, viewed in the context of our overall business results as reflected in our financial statements, provides a meaningful metric for understanding our financial performance. The following table sets forth our nonconsolidated core operating profit for the years ended March 31, 2024, 2025 and 2026 and for the three months ended June 30, 2025 and 2026 and

reconciles nonconsolidated core operating profit to our nonconsolidated ordinary profit by adding back capital gains and losses as well as other one-time gains and losses.[3]

	Year ended March 31,		
	2024	2025	2026
	(Billions of yen)		
Core operating income:			
Revenues from insurance and reinsurance	¥5,297.3	¥4,794.6	¥5,402.3
Investment income, excluding capital gains	1,736.3	1,827.9	2,032.0
Other ordinary income	114.0	111.9	136.4
Total core operating revenues	¥7,311.6	¥6,742.6	¥7,663.8
Core operating expenses:			
Benefits and other payments	¥4,355.8	¥4,454.1	¥5,297.5
Provision for policy reserves, excluding provisions for and reversals of contingency reserves	1,051.0	152.0	109.7
Investment expenses, excluding capital losses	126.8	157.0	163.1
Operating expenses	564.3	584.2	602.5
Other ordinary expenses	246.2	232.9	244.7
Total core operating expenses	¥6,602.9	¥5,822.2	¥6,598.3
Core operating profit	¥ 708.7	¥ 920.4	¥1,065.5
Capital gains	732.0	630.0	1,409.1
Capital losses	734.4	760.6	2,128.8
Net capital gains (losses)	(2.4)	(130.5)	(719.6)
Core operating profit, including net capital gains (losses)	¥ 706.3	¥ 789.8	¥ 345.9
Nonrecurring gains (losses)	(51.7)	(297.2)	(190.3)
Ordinary profit(1)	¥ 654.5	¥ 492.6	¥ 155.5

Note:

(1) Ordinary profit = Core operating profit + Net capital gains (losses) + Nonrecurring gains (losses).

	Three months ended June 30,	
	2025	2026
	(Billions of yen)	
Core operating profit	¥164.1	¥ 211.4
Capital gains	230.2	201.0
Capital losses	284.0	355.0
Net capital gains (losses)	(53.8)	(154.0)
Core operating profit, including net capital gains (losses)	¥110.3	¥ 57.4
Nonrecurring gains (losses)	(50.0)	(24.8)
Ordinary profit(1)	¥ 60.2	¥ 32.5

Note:

(1) Ordinary profit = Core operating profit + Net capital gains (losses) + Nonrecurring gains (losses).

In addition, core operating profit can also be seen as consisting of the following three components:

Mortality and morbidity gains. Primarily, the difference between (x) the actual amount of insurance claims and benefit payments and (y) the expected amount of insurance claims and benefit payments based on the occurrence rate of insurance events estimated at the time insurance premiums are set.

Interest gains. The difference between (x) actual investment returns and (y) assumed interest rates on policy reserves.

[3] Note: *Financial Results (Draft) for the Fiscal Year Ended March 31, 2026 P43 Nonconsolidated Statements of Income and P52 7. Details of Ordinary Profit (Core Operating Profit)*

Expense margins. Primarily the difference between (x) the actual amount of business expenses and (y) the expected business expenses calculated based on the business expense rates estimated at the time insurance premiums are set.

We believe that providing a discussion of core operating profit through these components is meaningful and helpful to investors in understanding how the difference between actual and expected amounts within such components impact our income from our core insurance business. The following table sets forth a breakdown of our nonconsolidated core operating profit for the years ended March 31, 2024, 2025 and 2026 and for the three months ended June 30, 2025 and 2026 in terms of mortality and morbidity gains, interest gains and expense margins.

	Year ended March 31,			Three months ended June 30,	
	2024	2025	2026	2025	2026
			(Billions of yen)		
Mortality and morbidity gains	¥373.3	¥370.0	¥ 314.8	¥ 70.7	¥ 96.5
Interest gains	280.8	515.3	712.2	78.7	114.6
Expense margins	54.5	35.0	38.4	14.5	0.2
Core operating profit	¥708.7	¥920.4	¥1,065.5	¥164.1	¥211.4

Our nonconsolidated core operating profit increased by ¥145.1 billion, or 15.7%, to ¥1,065.5 billion for the year ended March 31, 2026 from ¥920.4 billion for the year ended March 31, 2025, primarily due to an increase in interest, dividends and other investment income, together with an improvement in assumed interest resulting from the additional provision of policy reserves in prior years.

Our nonconsolidated core operating profit increased by ¥47.3 billion, or 28.8%, to ¥211.4 billion for the three months ended June 30, 2026 from ¥164.1 billion for the same period of the previous year, primarily due to an increase in interest, dividends and other investment income.

Interest Gains (Losses)

During extended periods of increasing or decreasing market interest rates, actual yield on our investments may rise above or fall below the assumed yields used in pricing premiums of products and in calculation of policy reserves on large portions of our outstanding policies. This yield differential may result in interest gains or interest losses. Such losses are sometimes referred to as negative spread. A description of the calculation of negative spread is provided in the definition of "negative spread" in "Glossary of Certain Terms". Interest gains or losses are not a Japanese GAAP financial measure and should not be viewed as a measure of our financial performance or liquidity under Japanese GAAP or as an alternative to any Japanese GAAP measure.

As set forth in the tables below, the average assumed yield related to our outstanding policies has been decreasing as a result of the replacement, through maturity, surrenders and conversions, of older policies that had a higher assumed yield with newer policies that have a lower assumed yield. From 2006 through 2010, and in 2017, 2018, 2019, 2020, 2021, 2022 and 2023, we accumulated additional policy reserves in order to reduce amounts of assumed yield charged to expense. The effect of this decrease in average assumed yield has, however, been partially offset by continued declines in actual yield on our investment portfolio in the low-interest rate environment in Japan.

The following table sets forth, on a nonconsolidated basis, the assumed yields generally used for individual insurance policies and annuities sold by us in the years indicated.

	Year ended March 31,		
	2024	2025	2026
Assumed yield of individual insurance/annuities sold in the years indicated	0.25–5.00%	0.25–4.80%	0.25–5.20%

The following table sets forth, on a nonconsolidated basis, our average assumed yields, average actual yields, and interest gains amount for our outstanding policies for the years indicated.

	Year ended March 31,		
	2024	2025	2026
	(Billions of yen, except percentages)		
Average assumed yield	1.69%	1.64%	1.48%
Average actual yield	2.19%	2.53%	2.69%
Interest gains	¥ 280.8	¥ 515.3	¥ 712.2

The average assumed yield and average actual yield for the three months ended June 30, 2026 were 1.48% and 2.69%, respectively, resulting our recording interest gains of ¥712.2 billion in the three months ended June 30, 2026, and increased from ¥515.3 billion in interest gains recorded for the three months ended June 30, 2025. Like other Japanese life insurance companies, we struggled in the past with negative spread stemming from the prolonged low-interest rate environment in Japan. However, we have not recorded negative spread on an annual basis since the year ended March 31, 2011.

Unrealized Gains and Losses

Unrealized gains and losses reflect the difference between the book value and market value of certain investment assets. We consider our net unrealized gains on these assets to constitute a buffer against various risks.

The following table sets forth, as of the dates indicated, a breakdown of net unrealized gains or losses on securities, on a nonconsolidated basis.

	As of March 31,			As of June 30,
	2024	2025	2026	2026
	(Billions of yen)			
Domestic bonds	¥ (1,011.6)	¥(3,595.5)	¥ (5,729.0)	¥ (6,283.2)
Domestic stocks	9,577.8	7,940.8	10,766.3	12,174.2
Foreign bonds	1,668.2	1,406.3	1,794.6	1,950.2
Foreign stocks and other securities	1,679.9	1,672.0	2,193.2	3,123.5
Others	88.2	(61.7)	(54.6)	28.5
Total net unrealized gains on available-for-sale securities	¥12,002.7	¥ 7,361.9	¥ 8,970.6	¥10,993.2

The changes in nonconsolidated total net unrealized gains on securities primarily reflect a general trend of fluctuations in market prices for domestic stocks and foreign bonds in the years ended March 31, 2025 and 2026. In the three months ended June 30, 2026, nonconsolidated total net unrealized gains on available-for-sale securities increased primarily due to increases in domestic stocks and foreign stocks and other securities.

Liquidity and Capital Resources

Cash Flows

The following table sets forth information about our consolidated cash flows during the years ended March 31, 2024, 2025 and 2026.

	Year ended March 31,		
	2024	2025	2026
	(Billions of yen)		
Net cash provided by operating activities	¥ 2,700.6	¥ 1,750.7	¥ 2,063.5
Net cash used in investing activities	(2,933.2)	(2,097.4)	(1,304.6)
Net cash provided by financing activities	226.0	39.2	52.0
Effect of exchange rate changes on cash and cash equivalents	22.0	(11.1)	51.5
Net increase in cash and cash equivalents	15.5	(318.5)	862.5
Cash and cash equivalents at the beginning of the year	2,139.7	2,155.3	1,836.8
Net (decrease) increase in cash and cash equivalents resulting from change in the scope of consolidation	–	–	–
Cash and cash equivalents at the end of the year	¥ 2,155.3	¥ 1,836.8	¥ 2,699.3

Life insurance companies generally produce a positive cash flow from operating activities, as measured by the amount by which cash inflows are adequate to meet obligations to policyholders and normal operating expenses as they are incurred. The remaining cash flow is generally used to increase the asset base to provide funds to meet future benefits and other product-related payments and for writing and acquiring new business. Net cash provided by operating activities is roughly equal to the sum of revenues from insurance and reinsurance and interest, dividends, and other income, less benefits and other payments and operating expenses. We recorded positive cash flows in operating activities in each of the years ended March 31, 2024, 2025 and 2026. For the year ended March 31, 2026, net cash provided by operating activities increased by ¥312.7 billion over the previous year, primarily due to increases in net increase in policy reserve, surplus before income taxes and net gains in investments in securities, partially offset by the recording of net foreign exchange gains and net decrease in reserve for price fluctuations in the year ended March 31, 2026.

Life insurance companies generally produce a negative cash flow from investing activities, because life insurance companies allocate surplus cash generated from operating activities for use in investing activities. For the year ended March 31, 2026, net cash used in investing activities decreased by ¥792.8 billion over the previous year, primarily due to an increase in proceeds from sales and redemptions of securities and the recording of net increase in sales under repurchase agreement in the year ended March 31, 2026.

For the year ended March 31, 2026, net cash provided by financing activities increased by ¥12.7 billion over the previous year, primarily due to the recording of proceeds from issuance of corporate bonds in the year ended March 31, 2026 and redemption of foundation funds in the year ended March 31, 2025, partially offset by a decrease in proceeds from debt borrowing.

Liquidity and Liquidity Management

Our principal cash requirements consist of benefits and other product-related payments, payments in connection with new investments, income and other taxes, operating expenses, payment of policyholder dividends, policy surrender payments and policy loans.

Our principal sources of cash include life insurance and annuity premiums, investment income and proceeds from the sale or maturity of investments. Our portfolio of liquid assets constitutes an additional source of cash to meet unexpected cash outflows. These liquid assets include cash and deposits, publicly traded stocks and bonds categorized as available-for-sale securities.

We seek, to the extent possible, to manage the maturity and liquidity mix of our investments to match the projected payment requirements of our products. Accordingly, we classify our investments by level of liquidity. Domestic bonds form the largest portion of our general account investment portfolio. Of the balance of domestic bonds held by us, as of June 30, 2026, 88.4% was categorized as policy-reserve-matching bonds, which are carried at amortized cost on our balance sheet and are not marked-to-market. For companies using fund segment accounting, Japanese GAAP requires the recategorization of policy-reserve-matching bonds in a particular fund segment as available-for-sale securities carried at fair market value upon the sale prior to maturity of any such bond categorized as a policy-reserve-matching bond.

Although the amount of policy surrenders is generally a liquidity concern to insurance companies, our business, aside from group annuities, consists mainly of individual and group life insurance, the consumers of which tend to be less sensitive to changes in interest rates. In addition, the terms of our insurance and annuity products generally limit the payment of cash surrender values in the case of policy surrenders early in the policy term and for policies with short policy terms. Even when cash surrender values are paid out, they involve substantial policy surrender penalties. In addition, a substantial portion of our assets consists of high-liquidity assets such as JGBs and cash and deposits. Based on the foregoing, we believe that we are well positioned from a liquidity standpoint.

We maintain overdraft agreements with major domestic banks. We do not currently expect to use such sources of cash in the near term. In addition, we continually enter into bond repurchase agreements to obtain daily funds settlements.

Our management believes that our sources of cash are adequate to meet our current cash requirements.

Capital Resources

We, like other mutual life insurance companies, draw on a broad range of resources for capital. Such resources include the capital and surplus on the balance sheet, including foundation funds, as well as other items such as certain reserves and subordinated debt. Furthermore, unrealized gains on assets also function as a source of capital for mutual life insurance companies.

Foundation funds (kikin) and reserve for redemption of foundation funds (kikin-shokyaku-tsumitate-kin). The Insurance Business Act allows mutual companies in Japan to procure funds by offering foundation funds (*kikin*). Foundation funds serve as the primary source of capital for Japanese mutual life insurance companies. These funds are similar to loans, as an interest payment, maturity date and other items must be established at the time of the offering. In the event of a bankruptcy or similar development, repayment of the principal and interest of foundation funds is subordinated to the repayment of amounts owed to ordinary creditors and insurance claims and benefit payments owed to policyholders. Upon redemption of foundation funds, mutual companies are required to make an addition to the reserve for redemption of foundation funds (*kikin-shokyaku-tsumitate-kin*), which serves as surplus, equal to the amount redeemed. As a result, the full amount of foundation funds remains as a part of our capital even after redemption. In recent years, we raised capital through foundation funds through an issuance of ¥50.0 billion in August 2021, scheduled to mature in 2026. We also redeemed ¥50.0 billion of foundation funds in July 2021 and ¥50.0 billion in July 2024.

As a result of the above, as of June 30, 2026, the balance of our foundation funds was ¥50.0 billion and reserve for redemption of foundation funds was ¥1,400.0 billion.

Reserves and subordinated debt. Certain items carried as liabilities on our balance sheet function as additional sources of capital under the Insurance Business Act. Our contingency reserve provides a buffer against losses that arise from unexpectedly high claims due to unforeseen catastrophes or from poor market performance. Our reserve for price fluctuations in investments in securities provides a cushion for unexpected declines, mainly in stock market values. Both the contingency reserve and the reserve for price fluctuations in investments in securities contribute to our solvency margin.

Qualifying subordinated debt provides another buffer against unexpected shocks. Our total subordinated debt outstanding as of June 30, 2026, included the following:

- In January 2016, we issued and sold $1,500,000,000 of 4.70% step-up callable subordinated notes due 2046 (the "2016 Notes") pursuant to an indenture dated January 20, 2016 between us and The Bank of New York Mellon as trustee, paying agent, calculation agent, make-whole calculation agent and notes registrar. Beginning on, and including, January 20, 2016 to, but excluding, January 20, 2026, the 2016 Notes bear interest at 4.70% *per annum*, payable semi-annually, and beginning on January 20, 2026 and any date which falls five, or a multiple of five, years thereafter, the rate of interest of the 2016 Notes will be reset to the sum of the applicable 5-year dollar mid-swap rate and 3.75% *per annum*, payable semi-annually.
- In April 2016, we issued and sold ¥70,000,000,000 of 0.94% subordinated notes due 2046 with interest deferral options and ¥30,000,000,000 of 1.12% subordinated notes due 2051 with interest deferral options (together, the "April 2016 JPY Notes"). Beginning on, and including, the day immediately following April 27, 2016 to, and including, April 27, 2026 and April 27, 2031, respectively, the April 2016 JPY Notes bear interest at 0.94% and 1.12% *per annum*, respectively, payable semi-annually, and every date which falls five, or a multiple of five, years thereafter, the rate of interest of the April 2016 JPY Notes will be reset to the sum of the applicable 5-year yen mid-swap rate and 1.80% and 1.80%, *per annum*, respectively, payable semi-annually.
- In November 2016, we issued and sold ¥75,000,000,000 of 0.91% subordinated notes due 2046 with interest deferral options and ¥15,000,000,000 of 1.10% subordinated notes due 2051 with interest deferral options (together, the "November 2016 JPY Notes"). Beginning on, and including, the day immediately following November 22, 2016 to, and including, November 22, 2026 and November 22, 2031, respectively, the November 2016 JPY Notes bear interest at 0.91% and 1.10% *per annum*, respectively, payable semi-annually, and every date which falls five, or a multiple of five, years thereafter, the rate of interest of the November 2016 JPY Notes will be reset to the sum of the applicable 5-year yen mid-swap rate and 1.70% and 1.70%, *per annum*, respectively, payable semi-annually.
- In April 2017, we issued and sold ¥100,000,000,000 of 1.05% subordinated notes due 2047 with interest deferral options (the "2017 JPY Notes"). Beginning on, and including, the day immediately following April 19, 2017 to, and including, April 19, 2027, the 2017 JPY Notes bear interest at 1.05% *per annum*, payable semi-annually, and every date which falls five, or a multiple of five, years thereafter, the rate of interest of the 2017 JPY Notes will be reset to the sum of the applicable 5-year yen mid-swap rate and 1.79% *per annum*, payable semi-annually.
- In September 2017, we issued and sold $800,000,000 of 4.00% subordinated notes due 2047 with interest deferral options (the "2017 USD Notes") pursuant to an indenture dated September 19, 2017 between us and The Bank of New York Mellon as trustee, paying agent, calculation agent, make-whole calculation agent and notes registrar. Beginning on, and including, September 19, 2017 to, but excluding, September 19, 2027, the 2017 USD Notes bear interest at 4.00% *per annum*, payable semi-annually, and beginning on September 19, 2027 and any date which falls five, or a multiple of five, years thereafter, the rate of interest of the 2017 USD Notes will be reset to the sum of the applicable 5-year dollar mid-swap rate and 2.88% *per annum*, payable semi-annually.
- In April 2018, we financed ¥100,000,000,000 of a 1.05% subordinated loan due 2048 (the "April 2018 JPY Loan"). Beginning on, and including, the day immediately following April 27, 2018 to, and including, April 27, 2028, the April 2018 JPY Loan bears interest at 1.05% per annum, payable semi-annually, and every date which falls five, or a multiple of five, years thereafter, the rate of interest of the April 2018 JPY Loan will be reset to the sum of the applicable 5-year yen mid-swap rate and 1.74% *per annum*, payable semi-annually.

- In September 2018, we financed ¥120,000,000,000 of a 1.03% subordinated loan due 2048 (the "September 2018 JPY Loan"). Beginning on, and including, the day immediately following September 18, 2018 to, and including, September 18, 2028, the September 2018 JPY Loan bears interest at 1.03% *per annum*, payable semi-annually, and every date which falls five, or a multiple of five, years thereafter, the rate of interest of the September 2018 JPY Loan will be reset to the sum of the applicable 5-year yen mid-swap rate and 1.66% *per annum*, payable semi-annually.
- In April 2019, we financed ¥90,000,000,000 of a 0.95% subordinated loan due 2049 (the "April 2019 JPY Loan"). Beginning on, and including, the day immediately following April 22, 2019 to, and including, April 22, 2029, the April 2019 JPY Loan bears interest at 0.95% *per annum*, payable semi-annually, and every date which falls five, or a multiple of five, years thereafter, the rate of interest of the April 2019 JPY Loan will be reset to the sum of the applicable 5-year yen mid-swap rate and 1.77% *per annum*, payable semi-annually.
- In November 2019, we financed ¥80,000,000,000 of a 0.85% subordinated loan due 2049 (the "November 2019 JPY Loan"). Beginning on, and including, the day immediately following November 21, 2019 to, and including, November 21, 2029, the November 2019 JPY Loan bears interest at 0.85% *per annum*, payable semi-annually, and every date which falls five, or a multiple of five, years thereafter, the rate of interest of the November 2019 JPY Loan will be reset to the sum of the applicable 5-year yen mid-swap rate and 1.69% *per annum*, payable semi-annually.
- In January 2020, we issued and sold $1,150,000,000 of 3.400% subordinated notes due 2050 with interest deferral options (the "2020 USD Notes") pursuant to an indenture dated January 23, 2020 between us and The Bank of New York Mellon as trustee, paying agent, calculation agent and notes registrar. Beginning on, and including, January 23, 2020 to, but excluding, January 23, 2030, the 2020 USD Notes bear interest at 3.400% *per annum*, payable semi-annually, and beginning on January 23, 2030 and any date which falls five, or a multiple of five, years thereafter, the rate of interest of the 2020 USD Notes will be reset to the sum of the applicable 5-year U.S. treasury rate and 2.612% *per annum*, payable semi-annually.
- In September 2020, we financed ¥130,000,000,000 of a 1.05% subordinated loan due 2050 (the "September 2020 JPY Loan"). Beginning on, and including, the day immediately following September 23, 2020 to, and including, September 23, 2030, the September 2020 JPY Loan bears interest at 1.05% *per annum*, payable semi-annually, and every date which falls five, or a multiple of five, years thereafter, the rate of interest of the September 2020 JPY Loan will be reset to the sum of the applicable 5-year JGBs rate and 2.03% *per annum*, payable semi-annually.
- In January 2021, we issued and sold $1,600,000,000 of 2.750% subordinated notes due 2051 with interest deferral options (the "January 2021 USD Notes") pursuant to an indenture dated January 21, 2021 between us and The Bank of New York Mellon as trustee, paying agent, calculation agent and notes registrar. Beginning on, and including, January 21, 2021 to, but excluding, January 21, 2031, the January 2021 USD Notes bear interest at 2.750% *per annum*, payable semi-annually, and beginning on January 21, 2031 and any date which falls five, or a multiple of five, years thereafter, the rate of interest of the January 2021 USD Notes will be reset to the sum of the applicable 5-year U.S. treasury rate and 2.653% *per annum*, payable semi-annually.
- In May 2021, we financed ¥200,000,000,000 of a 0.97% subordinated loan due 2051 (the "May 2021 JPY Loan"). Beginning on, and including, the day immediately following May 11, 2021 to, and including, May 11, 2031, the May 2021 JPY Loan bears interest at 0.97% *per annum*, payable semi-annually, and every date which falls five, or a multiple of five, years thereafter, the rate of interest of the May 2021 JPY Loan will be reset to the sum of the applicable 5-year JGBs rate and 1.89% *per annum*, payable semi-annually.

- In September 2021, we issued and sold $900,000,000 of 2.900% subordinated notes due 2051 with interest deferral options (the "September 2021 USD Notes") pursuant to an indenture dated September 16, 2021 between us and The Bank of New York Mellon as trustee, paying agent, calculation agent and notes registrar. Beginning on, and including, September 16, 2021 to, but excluding, September 16, 2031, the September 2021 USD Notes bear interest at 2.900% *per annum*, payable semi-annually, and beginning on September 16, 2031 and any date which falls five, or a multiple of five, years thereafter, the rate of interest of the September 2021 USD Notes will be reset to the sum of the applicable 5-year U.S. treasury rate and 2.600% *per annum*, payable semi-annually.

- In May 2022, we financed ¥130,000,000,000 of a 1.03% subordinated loan due 2052 (the "May 2022 JPY Loan"). Beginning on, and including, the day immediately following May 10, 2022 to, and including, May 10, 2052, the May 2022 JPY Loan bears interest at 1.03% *per annum*, payable semi-annually, and every date which falls five, or a multiple of five, years thereafter, the rate of interest of the May 2022 JPY Loan will be reset to the sum of the applicable 5-year JGBs rate and 1.786% *per annum*, payable semi-annually.

- In September 2022, we financed ¥71,000,000,000 of a 1.10% subordinated loan due 2052 (the "September 2022 JPY Loan"). Beginning on, and including, the day immediately following September 22, 2022 to, and including, September 28, 2027, the September 2022 JPY Loan bears interest at 1.10% *per annum*, payable semi-annually, beginning on, and including, the day immediately following September 28, 2027 to, and including, September 28, 2032, the rate of interest of the September 2022 JPY Loan will be reset to the sum of the applicable 5-year JGBs rate and 1.045% *per annum*, payable semi-annually, and every date which falls five, or a multiple of five, years thereafter, the rate of interest of the September 2022 JPY Loan will be reset to the sum of the applicable 5-year JGBs rate and 2.045% *per annum*, payable semi-annually.

- In April 2023, we financed ¥80,000,000,000 of a subordinated loan due 2053 (the "April 2023 JPY Loan"). Beginning on, and including, the day immediately following April 20, 2023 to, and including, April 20, 2033, the April 2023 JPY Loan bears interest at certain percentage *per annum*, payable semi-annually, and every date which falls five, or a multiple of five, years thereafter, the rate of interest of the April 2023 JPY Loan will be reset to the sum of the applicable 5-year JGBs rate and at certain percentage *per annum*, payable semi-annually.

- In September 2023, we issued and sold $930,000,000 of 6.250% subordinated notes due 2053 with interest deferral options (the "September 2023 USD Notes") pursuant to an indenture dated September 13, 2023 between us and The Bank of New York Mellon as trustee, paying agent, calculation agent and notes registrar. Beginning on, and including, September 13, 2023 to, but excluding, September 13, 2033, the September 2023 USD Notes bear interest at 6.250% *per annum*, payable semi-annually, and beginning on September 13, 2034 and any date which falls five, or a multiple of five, years thereafter, the rate of interest of the September 2023 USD Notes will be reset to the sum of the applicable 5-year U.S. treasury rate and 2.954% *per annum*, payable semi-annually.

- In April 2024, we issued and sold $1,320,000,000 of 5.950% subordinated notes due 2054 with interest deferral options (the "April 2024 USD Notes") pursuant to an indenture dated April 16, 2024 between us and The Bank of New York Mellon as trustee, paying agent, calculation agent and notes registrar. Beginning on, and including, April 16, 2024 to, but excluding, April 16, 2034, the April 2024 USD Notes bear interest at 5.950% *per annum*, payable semi-annually, and beginning on April 16, 2035 and any date which falls five, or a multiple of five, years thereafter, the rate of interest of the April 2024 USD Notes will be reset to the sum of the applicable 5-year U.S. treasury rate and 2.590% *per annum*, payable semi-annually.

- In July 2024, we financed ¥75,000,000,000 of a 1.824% subordinated loan due 2054 (the "July 2024 JPY Loan"). Beginning on, and including, the day immediately following July 29 to, and including, August 2, 2029, the July 2024 JPY Loan bears interest at 1.824% *per annum*, payable semi-annually, beginning on, and including, the day immediately following August 3, 2029 to, and including, August 2, 2034, the rate of interest of the July 2024 JPY Loan will be reset to the sum of the applicable 5-year JGBs rate and 1.250% *per annum*, payable semi-annually, and on every date which falls five, or a multiple of five, years thereafter, the rate of interest of the July 2024 JPY Loan will be reset to the sum of the applicable 5-year JGBs rate and 2.250% *per annum*, payable semi-annually.
- In January 2025, we issued and sold €500,000,000 of 4.114% subordinated bonds due 2055 with interest deferral options (the "January 2025 EUR Bonds"). Beginning on, and including, January 23, 2025 to, but excluding, January 23, 2035, the January 2025 EUR Bonds bear interest at 4.114% *per annum*, payable annually, and beginning on January 23, 2036 and any date which falls five, or a multiple of five, years thereafter, the rate of interest of the January 2025 EUR Bonds will be reset to the sum of the applicable 5-year EUR mid-swap rate and 2.600% *per annum*, payable annually.
- In April 2025, we issued and sold $1,500,000,000 of 6.500% subordinated notes due 2055 with interest deferral options (the "April 2025 USD Notes") pursuant to an indenture dated April 30, 2025 between us and The Bank of New York Mellon as trustee, paying agent, calculation agent and notes registrar. Beginning on, and including, April 30, 2025 to, but excluding, April 30, 2035, the April 2025 USD Notes bear interest at 6.500% *per annum*, payable semi-annually, and beginning on April 30, 2035 and any date which falls five, or a multiple of five, years thereafter, the rate of interest of the April 2025 USD Notes will be reset to the sum of the applicable 5-year U.S. treasury rate and 3.189% *per annum*, payable semi-annually.
- In September 2025, we issued and sold €500,000,000 of 4.165% subordinated bonds due 2055 with interest deferral options (the "September 2025 EUR Bonds"). Beginning on, and including, September 2, 2025 to, but excluding, September 2, 2035, the September 2025 EUR Bonds bear interest at 4.165% per annum, payable annually, and beginning on September 2, 2035 and any date which falls five, or a multiple of five, years thereafter, the rate of interest of the September 2025 EUR Bonds will be reset to the sum of the applicable 5-year EUR mid-swap rate and 2.470% per annum, payable annually.

Each series of subordinated notes and each subordinated loan described above (collectively, the "Subordinated Debt") constitute our irrevocable, direct, unsecured and subordinated obligations and rank *pari passu* and without preference among themselves, with the other Subordinated Debt and with the Bonds being offered hereby and in priority to (i) claims of holders of interests in foundation funds and (ii) claims of any other instruments that are expressly designated as being junior to the Subordinated Debt as to priority of liquidation payment. The material terms of each series of the Subordinated Debt are substantially the same as those of the Bonds being offered hereby. The Subordinated Debt and the Bonds being offered hereby are considered liquidation parity securities. See "Terms and Conditions of the Bonds".

The following table sets forth the amounts of our capital, comprising foundation funds and others, reserve for price fluctuations in investments in securities, contingency reserve, general allowance for doubtful accounts, others and subordinated debt on a nonconsolidated basis, as of the dates indicated.

	As of March 31,			As of June 30,
	2024	2025	2026	2026
	(Billions of yen)			
Foundation funds (*kikin*) and other reserve funds	¥6,036.2	¥5,124.6	¥4,884.9	¥4,898.0
Foundation funds and others	2,016.7	2,141.0	2,333.7	2,453.5
Reserve for price fluctuations in investments in securities	1,625.6	1,673.0	1,200.3	1,090.0

	As of March 31,			As of June 30,
	2024	2025	2026	2026
	(Billions of yen)			
Contingency reserve	2,137.3	1,038.4	1,052.4	1,056.0
General allowance for doubtful accounts	4.0	2.7	2.3	2.2
Others	252.3	269.2	296.0	296.0
Subordinated debt	2,401.7	2,514.5	2,563.4	2,493.4
Capital	¥8,437.9	¥7,639.1	¥7,448.3	¥7,391.4

Other Capital Resources

Unrealized gains on assets. Unrealized gains on assets on a nonconsolidated basis also function in certain respects as a capital resource. As of March 31, 2024, 2025 and 2026 and the three months ended June 30, 2026, our unrealized gains on assets totaled ¥14,712.8 billion, ¥12,150.3 billion, ¥15,769.8 billion and ¥18,196.9 billion, respectively. Compared to the year ended March 31, 2025, for the year ended March 31, 2026 and three months ended June 30, 2026, the increase in unrealized gains on assets primarily reflected increases in the value of our holdings of domestic and foreign stocks.

Off-Balance Sheet Arrangements

Other than as described in this Offering Circular, we have no material off-balance sheet arrangements.

Policy Reserves

Pursuant to requirements under the Insurance Business Act, we maintain policy reserves for the fulfillment of future obligations under life insurance contracts. The policy reserves are intended to allocate a portion of the insurance premiums received during a particular accounting period to one or more succeeding accounting periods to the extent such portion relates to insurance coverage for such succeeding accounting periods, and thereby to enable the insurance company to record related profits effectively on an accrual basis. The minimum amount to be set aside as policy reserves is determined based on actuarial calculations performed in accordance with applicable regulations. Although calculation methods producing reduced levels of reserves are permitted for financially unsound or newly established companies, we use the net level premium method of calculation. This method assumes a constant amount of net premiums over the term of the relevant policy in calculating the amount of standard policy reserve required to fund all future policy benefits. The net level premium reserve is calculated using the respective standard prospective yields established by the FSA for single-premium individual whole life insurance, single-premium individual annuities and all other insurance products, and a mortality rate set by the Institute of Actuaries of Japan ("IAJ") and confirmed by the Commissioner of the FSA. The standard prospective yields for single-premium endowment insurance and single-premium individual annuities were revised downward from 1.0% to 0.5% and from 0.5% to 0.0% for products sold starting in April 2015 and July 2016, respectively, however, they were raised from 0.0% to 0.25%, from 0.25% to 0.50%, from 0.50% to 0.75%, from 0.75% to 1.00%, and from 1.00% to 1.25% for products sold starting in July 2023, in April 2024, in January 2025, in July 2025, in January 2026. In addition, the standard prospective yield for single-premium individual whole life insurance was revised from 0.75% to 0.25%, from 0.25% to 0.00%, from 0.00% to 0.25%, from 0.25% to 0.50%, from 0.50% to 0.75%, 0.75% to 1.00%, from 1.00% to 1.25% and from 1.25% to 1.75% for products sold starting in July 2016, January 2020, July 2022, April 2023, January 2024, October 2024, July 2025 and January 2026, respectively, in each case based on the historical 3-month and 1-year-average yields of 10-year and 20-year JGBs. From April 2022, the standard prospective yield applies to certain types of foreign currency-denominated insurance policies. The net premium level method does not allow policy acquisition costs, which are higher

in the first year of the policy, to be offset against the amount of provision for policy reserves required. An alternative calculation method known as the "Zillmer method" produces reduced levels of reserves in the first year of the policy by allowing policy acquisition costs to be offset against the amount of provision for policy reserves required. This method is often used by financially unsound or newly established companies. When insurance claims arise, we record the full amount of such claims paid as benefits and claims expense. When the policy ends, the related decrease in provision for policy reserves is allocated to offset payment of benefits.

In addition to policy reserve amounts related to expected future benefits and other payments, a contingency reserve is included in the policy reserves to account for the risk of insurance payment events occurring at a higher than expected rate and the risk of actual yield on our investments being lower than the assumed yield related to outstanding policies. See "Regulations of the Japanese Life Insurance Industry—Insurance Business Act—Financial Regulation".

The following is a breakdown of our policy reserves by product line and contingency reserve on a nonconsolidated basis for the dates shown.

	As of March 31,		
	2024	2025	2026
	(Billions of yen)		
General account:			
Individual insurance	¥30,976.0	¥32,674.0	¥33,108.2
Individual annuities	13,055.4	13,114.6	13,103.4
Group insurance	44.5	45.9	45.3
Group annuities	12,912.7	12,769.0	12,689.9
Other	424.5	405.4	382.6
Separate account:			
Individual insurance	118.2	106.9	112.5
Individual annuities	13.6	10.6	10.1
Group insurance	–	–	–
Group annuities	1,082.0	1,017.4	981.9
Other	–	–	–
Contingency reserve	2,137.3	1,038.4	1,052.4
Total	¥60,764.6	¥61,182.9	¥61,486.7

Solvency Margin Ratio

The solvency margin ratio was the principal regulatory capital adequacy measure applicable to Japanese insurance companies prior to the introduction of the ESR framework by the FSA with effect from March 31, 2026. The solvency margin ratio was introduced by the Japanese government as a means of measuring the financial soundness of insurance companies to provide for better policyholder protection under a system of prompt corrective action. The solvency margin ratio was a measure of capital adequacy calculated by dividing the solvency margin amount (defined as net assets, less certain items, plus certain reserves, unrealized gains on assets and certain other items, discussed below) by a quantified measure of the total risk borne by the company, which was calculated as "risk exceeding ordinary forecast" based on Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act and the Ministry of Finance Public Notice No. 50, as amended issued in 1996.

As an indicator of an insurance company's ability to pay claims in the event of risk exceeding ordinary forecasts, in the event that the solvency margin ratio falls below a fixed level, the regulatory authorities may require the insurance company to submit a plan for management reform. According to the Ordinance of the Cabinet Office and the Ministry of Finance No. 45 of 2000, as amended, insurance companies with solvency margin ratios of 200% or higher are considered sound and not requiring early-stage corrective measures. If the ratio falls below 200%,

the Commissioner of the FSA may order the insurer to submit and implement a plan for business improvement. If it falls below 100%, the Commissioner of the FSA may order the insurance company to take measures to enhance solvency, including an order to implement a suspension or deduction of shareholder or policyholder dividend payments and director bonuses. If it falls below 0%, the Commissioner of the FSA may order the insurance company to suspend all or parts of its operations for a certain period specified by the Commissioner of the FSA. As of March 31, 2024, our solvency margin ratio on a nonconsolidated basis was 980.0%. See "Regulations of the Japanese Life Insurance Industry—Insurance Business Act—Financial Regulation".

The manner of calculation of the solvency margin ratios has been revised several times. Starting from the year ended March 31, 2012, the FSA required insurance companies to calculate their solvency margin ratios on a consolidated basis as well as on a nonconsolidated basis.

The following table sets forth our solvency margin ratio on a nonconsolidated basis, and information related to its calculation, as of March 31, 2024 and 2025.

	As of March 31,	
	2024	2025
	(Billions of yen, except percentages)	
Foundation funds (*kikin*) and other reserve funds	¥ 6,036.2	¥ 5,124.6
Foundation funds and others	2,016.7	2,141.0
Reserve for price fluctuations in investments in securities	1,625.6	1,673.0
Contingency reserve	2,137.3	1,038.4
General allowance for doubtful accounts	4.0	2.7
Others	252.3	269.2
Net unrealized gains on available-for-sale securities (before tax) and deferred losses on derivatives under hedge accounting (before tax)(1)	10,251.8	7,992.0
Net unrealized gains on real estate(2)	665.3	717.2
Excess of continued Zillmerized reserve	2,548.8	3,786.0
Qualifying subordinated debt	2,401.7	2,514.5
Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculation	–	(1,178.7)
Deduction clause	(449.8)	(450.2)
Others	160.7	226.6
Solvency margin gross amount (A)	¥21,614.9	¥18,732.1
Underwriting risk (R1)	103.6	99.9
Underwriting risk of third-sector insurance (R8)	88.5	88.6
Assumed yield risk (R2)	249.2	143.2
Minimum guarantee risk (R7)	5.1	5.1
Investment risk (R3)	4,061.9	4,104.9
Business management risk (R4)	90.1	88.8
Total amount of risk (B)(3)	¥ 4,410.8	¥ 4,104.9
Solvency margin ratio(4)	980.0%	861.9%

Notes:

(1) Multiplied by 90% if gains or 100% if losses.

(2) Multiplied by 85% if gains or 100% if losses.

(3) Total amount of risk = $R_4+\sqrt{(R_1+R_8)^2+(R_2+R_3+R_9)^2}$

(4) Solvency margin ratio = $\frac{(A)\times 100}{(B)\times(1/2)}$

As set forth in the above table, our nonconsolidated solvency margin ratio decreased to 861.9% as of March 31, 2025 from 980.0% as of March 31, 2024, primarily due to a decrease in net unrealized gains on available-for-sale securities (before tax) and deferred losses on derivatives under hedge accounting (before tax).

The following table sets forth our solvency margin ratio on a consolidated basis, and information related to its calculation, as of March 31, 2024 and 2025.

	As of March 31,	
	2024	2025
	(Billions of yen, except percentages)	
Foundation funds (*kikin*) and other reserve funds	¥ 6,251.2	¥ 5,098.5
Foundation funds and others	1,997.1	1,850.4
Reserve for price fluctuations in investments in securities	1,732.8	1,787.8
Contingency reserve	2,263.2	1,187.0
Extraordinary contingency reserve	–	–
General allowance for doubtful accounts	5.0	3.4
Others	252.9	269.8
Net unrealized gains on available-for-sale securities (before tax) and deferred losses on derivatives under hedge accounting (before tax)(1)	10,340.8	8,032.1
Net unrealized gains on real estate(2)	701.8	762.6
Net unrecognized actuarial differences and unrecognized prior service costs	10.7	92.6
Excess of continued Zillmerized reserve	2,884.9	4,089.9
Qualifying subordinated debt	2,527.3	2,640.1
Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculation	–	(1,839.1)
Deduction clause	(345.6)	(1,017.4)
Others	204.6	267.1
Solvency margin gross amount (A)	¥ 22,536.0	¥18,126.7
Underwriting risk (R1)	188.3	183.0
General underwriting risk (R5)	–	–
Huge disaster risk (R6)	–	–
Underwriting risk of third-sector insurance (R8)	102.9	104.1
Underwriting risk related to small amount and short-term insurance providers (R9)	0.0	0.0
Assumed yield risk (R2)	355.4	268.0
Minimum guarantee risk (R7)	8.0	8.0
Investment risk (R3)	3,929.0	3,708.3
Business management risk (R4)	91.6	85.4
Total amount of risk (B)(3)	¥ 4,394.1	¥ 4,080.2
Solvency margin ratio(4)	1,025.7%	888.5%

Notes:

(1) Multiplied by 90% if gains or 100% if losses.

(2) Multiplied by 85% if gains or 100% if losses.

(3) Total amount of risk = $\left[\left\{\left(R_1^2+R_8^2\right)^{\frac{1}{2}}+R_5+R_6\right\}^2+\left(R_2+R_3+R_7\right)^2\right]^{\frac{1}{2}}+R_4+R_9$

(4) Solvency margin ratio = $\frac{(A)\text{x}100}{(B)\text{x}(1/2)}$

(5) Pursuant to the Insurance Business Act, calculations of solvency margin ratio on a consolidated basis include subsidiaries excluded from consolidation in our consolidated financial statements due to insignificance.

As set forth in the above table, our consolidated solvency margin ratio decreased to 888.5% as of March 31, 2025 from 1,025.7% as of March 31, 2024, primarily due to increases of excess of continued Zillmerized reserve and excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculation.

Economic Solvency Ratio

Economic value-based solvency ratios measure the solvency of an insurance company based on the economic value of its assets and liabilities and can be valuable in assessing an insurance company's specific risk profile. The introduction of economic value-based solvency ratios has been widely discussed in the insurance industry and has been considered by various insurance regulators around the globe. The EU adopted a full-scale economic solvency-based regime, in the form of the EU Solvency II Directive (2009/138/EEC), which became effective on January 1, 2016. ESR has now also been formally implemented in Japan with effect from March 31, 2026, with the FSA having announced the necessary amendments to the relevant laws and regulations in July 2025. The first announcement of ESR calculated in accordance with the ESR regulations in Japan must be made no later than October 2026. Ahead of the ESR regulations being effective in Japan, we voluntarily adopted an internal economic value-based solvency framework, taking into consideration the Risk-based Global Insurance Capital Standard, a framework for IAIGs to measure available capital based on current observable market rates for then current periods, and disclosed our internal economic value-based solvency ratio as a supplement to our solvency margin ratio under then applicable regulations. We have disclosed the unaudited preliminary regulatory ESR calculated pursuant to the new regulations and our internal ESR, each as of March 31, 2026.

Internal ESR is equal to the sum of our surplus, which is the difference between the market value of our assets and the market value of our liabilities, and our external financing capital, which is comprised of outstanding foundation funds and subordinated bonds (collectively referred to as our buffer), divided by our integrated risk amount, which we define as the estimated amount of capital necessary to cover all of our quantifiable risk, including insurance underwriting risk, market risk, credit risk and operational risk, subject to certain adjustments, for a one-year period to a 99.5% confidence level. Insurance underwriting risk is calculated as the aggregation of the risk amounts for losses to be incurred from factors including volatilities in mortality, disability and morbidity rates, policy surrenders and lapses and changes in operating expenses. Market risk is calculated as the aggregation of the risks including interest rate risk, currency risk and real estate risk. Credit risk is calculated as the aggregation of each stress factor, which varies by exposure class, rating category and time to maturity, applied based on the specified risk exposures. Operational risk is calculated as the aggregation of each stress factor, which varies, among other things, by product and geographical segmentation, applied based on the specified net exposure amounts.

Financial Strength Ratings

Our financial strength ratings reflect each ratings agency's opinion of our financial strength, operating performance and ability to meet our obligations to policyholders, and are not evaluations directed toward the protection of holders of the Bonds. Financial strength ratings do not in any way reflect evaluations of the safety and security of the Bonds and are not a recommendation to buy, sell or hold securities. The ratings are subject to revision or withdrawal at any time by the assigning ratings agency. Each of these financial strength ratings should be evaluated independently. Our current financial strength ratings (as of July 31, 2026) are as follows:

Rating Agency	Rating	Outlook
S&P Global Ratings	A+	Stable
Moody's Investors Service	Aa3	Stable
Rating and Investment Information, Inc.	AA+	Stable
Japan Credit Rating Agency, Ltd.	AA+	Stable

Status of Problem Loans, Reserves and Coverage

Our balance of problem loans (i.e., bankrupt and quasi-bankrupt loans, doubtful loans, loans that are delinquent for over three months and restructured loans, each as defined under the Ordinance for Enforcement of the Insurance Business Act) on a nonconsolidated basis was ¥28.8 billion, ¥23.1 billion and ¥21.7 billion as of March 31, 2024, 2025 and 2026, respectively. Our ratios of problem loans to all loans on a nonconsolidated basis were 0.36%, 0.29% and 0.28% as of March 31, 2024, 2025 and 2026, respectively. See "Business—Investments—Loans".

Risk Management

Overview

To ensure sound management and maintain the confidence of customers, we believe that it is increasingly important to identify and manage risks. Consequently, risk management is a high priority.

In our risk management activities, we identify areas of risk to which our business is susceptible and create risk monitoring systems, guidelines and rules and take other steps to address risk. We comprehensively manage these risks in terms of overall impact on operations.

We have formed independent risk management units to provide cross-checking functions. The Auditing Department conducts inspections on the effectiveness of risk management as a double-checking function.

We are currently working on upgrading enterprise risk management ("ERM"). ERM is a program in which the risks associated with a company's operations are identified in a comprehensive and systematic manner in order to achieve corporate targets. These risks are managed and controlled by using an integrated and strategic approach. The ultimate objectives of ERM are to consistently increase earnings over the long term and ensure financial soundness. We recognize the necessity of ERM in order to sustain stable dividend payments to policyholders in the future and fulfill our responsibility to provide long-term protection for customers through a variety of products and services responding to customers' demands. Our ERM approach is to exhaustively and systematically capture risks and conduct business operations in strong consideration of the relation between earnings and risks.

Integrated Risk Management

We take an integrated management approach to the various risks facing the entire company. We centrally manage each type of risk regardless of division lines while also integrating all of the types of risk to manage them as the overall risk status for the entire company.

We implement "stress tests" that assume such scenarios as a dramatic deterioration in the operating environment or increased payments for claims and benefits due to disasters such as a major earthquake. We then analyze the effects of these scenarios on our financial soundness and report the results of the stress tests to the Risk Management Committee and, where appropriate, use the results in developing strategies to strengthen our financial soundness.

Insurance Underwriting Risk Management

Insurance underwriting risk is the risk that assumptions in establishing insurance premiums, including with respect to the economy, the rate of occurrence of covered claims, results of investments and administrative expenses, may differ from actual results. Insurance underwriting risk can give rise to losses when factors such as economic conditions, the incidence rate of insured events, asset management results and operational expenses do not correspond with the assumptions made when premiums were set.

Life insurance companies are generally required to bear the risks that they underwrite for a long period of time, which requires an estimation of the future risks that may occur as well as proper risk management. This requires the setting of reasonable premium rates that enable stable payment of insurance claims and an appropriate level of risk control for upholding coverage responsibilities based on examination and assessment of the health condition of the insured at the time of insurance underwriting. In addition, we employ our ALM system, conduct appropriate benefit settlement assessments and adhere to rigorous cost management principles with the aim of responding flexibly to changes in the business environment and other conditions. In addition, we seek to avoid paying improper claims by being selective in the policies we choose to underwrite and conducting appropriate payment assessment. We also conduct strict cost control by implementing appropriate and effective budgets.

Risks related to pricing. We set insurance premiums in consultation with our expert staff, including physicians and actuaries, who analyze statistical data indicating the frequency of benefits and other payments. We also conduct numerous simulations to verify whether or not we will be able to meet future coverage obligations at various premium levels.

We set assumed mortality and morbidity rates at levels that we believe to be appropriate based on insurance company data and research results prepared by physicians and actuaries. We regularly assess actual mortality and morbidity rates and revise sales terms, appraisal standards for insurance underwriting and assumed mortality and morbidity rates.

Assumed yield is set based upon market trends and regular assessment of investment results and trends in preferences for savings-type products. For example, assumed yields for interest-sensitive products, such as savings-type products and group pension plans, may be frequently changed to avoid negative spread in the event of a sudden increase in sales of savings-type products when interest rates fall significantly.

Risks related to underwriting and assessing payment. The function of our Policy Assessment Department is to assess medical risks and fraudulent claims risks. The Policy Assessment Department supervises policies from the time of underwriting to the time of payment assessment. The department's expert staff receive regular training and examinations to develop their assessment capabilities in line with increasingly complicated and specialized assessment procedures. At the time of underwriting, the Policy Assessment Department utilizes examinations and assessments of medical specialist staff, assessments of fraudulent claims staff and verifications of independent organizations. We may reject a potential policy on the grounds of medical or fraudulent claims risk, or require special terms, including extra premiums if, for example, the results of a medical evaluation failed to meet certain criteria. At the time of assessing payment, we utilize assessments of medical specialist staff and verifications of independent organizations to lessen the likelihood of an inappropriate payment.

We utilize databases provided by a third party to check unusual activities by potential customers, such as the taking out of large policies with multiple insurers for life or hospitalization coverage, and to confirm the identity of policyholders.

Furthermore, we maintain a Medical Research Department in order to further improve product development and underwriting risk control based upon medical data analysis and up-to-date medical technology.

Reinsurance Policies. One of our strategies for diversifying risk is reinsurance. In such cases, we determine the cede and assume reinsurance details by means of a review conducted by the Risk Management Committee after considering the types and characteristics of risks. Moreover, in reinsurance transactions, we evaluate the creditworthiness of each reinsurer based on credit ratings provided by major rating agencies and other factors and manage accounts so that transactions do not focus excessively on specific reinsurers.

Liquidity Risk Management

Liquidity risk can be categorized into cash flow risk and market liquidity risk.

Cash flow risk. Cash flow risk is the risk that we may not have ready access to a sufficient amount of cash to meet our needs at any given time. A cash flow problem may arise because of a decline in insurance premiums, an increase in surrenders or withdrawals, or an outflow of cash because of a major event or catastrophe. In such cases, we may suffer losses from disposing of assets at discounted prices in order to secure cash in a timely manner. We manage cash flow risk by maintaining an amount of high-liquidity assets above levels set forth in the asset management plan and daily cash flow. Furthermore, in the event of an actual deterioration in our cash flow condition, we establish limits on the amount of low-liquidity assets that may be kept under management.

Market liquidity risk. Market liquidity risk is the risk that we will suffer investment losses from being unable to trade in the market or being compelled to trade at unfavorable prices because of a volatile or disrupted market. We manage market liquidity risk by establishing limits on market transaction amounts during times of relative illiquidity in the markets and revising such limits to reflect changes in market conditions.

Investment Risk Management

Overview. Asset investment risk is composed of market risk (including interest rate, stock price and foreign exchange rate fluctuation risk), credit risk and real estate investment risk and generally refers to the risk of losses incurred as a result of fluctuations in the market value of assets and liabilities. We have established an Investment Risk Management Department within our Risk Management Department to manage investment risk comprehensively, in order to pursue stable returns while keeping losses within an acceptable range.

The Investment Risk Management Department manages asset investment risk through oversight of the investment execution sections, daily monitoring of asset investment performance, analysis of levels of market, credit and real estate investment risk, and through creation of asset risk management policies and controls. The Investment Risk Management Department reports to the Risk Management Committee regularly with respect to asset investment risk issues.

Market risk. We measure, manage and monitor the market risk associated with our investments on a continuous basis. Market risk generally is the risk of loss resulting from changes in interest rates, stock prices and foreign exchange rates. Our general account assets, which constituted 98.7% of our nonconsolidated total assets as of June 30, 2026, are subject to market risk based on our investment activities.

Separate account assets, which are assets related to our individual variable insurance, individual variable annuities and a portion of group variable annuities, form the remainder of our total assets. The policyholders of these products bear the market risk related to separate account investments.

We have established and implemented comprehensive policies and procedures to manage the effects of potential market volatility. Specifically, we calculate our exposure to losses that may occur within one year using the value-at-risk method of statistical analysis. By utilizing the value-at-risk method, we calculate market risk in numerical terms to facilitate a more thorough approach to management of market risk. We also employ the loss-cut rule to limit potential losses with respect to assets under management. The loss-cut rule is a method of limiting losses within an established range by selling assets when they have incurred losses of an established amount.

Curbing of excessive losses for each financing and investment transaction is also critical to our market risk strategy, as is the control of market risk with respect to our full portfolio. To curb excessive losses, we have implemented maximum holding ceilings based on the nature of the

assets we hold, and our Investment Risk Management Department regularly reports to our Risk Management Committee regarding compliance with these ceilings. To control general market risk with respect to our portfolio, we quantify our exposure to market risk by calculating our exposure to losses using the value-at-risk method and control such risk by setting limits based on such exposure. We have also established a system to control risk within acceptable levels in the event of a breach of our risk guidelines.

Interest rates. Our exposure to interest rate changes results from our significant holdings of bonds and loans and our interest rate-sensitive liabilities. These bonds include JGBs, municipal bonds and corporate bonds, all of which are exposed to changes in mid- to long-term yen interest rates. We also have holdings in non-yen-denominated bonds issued mainly by foreign governments and corporations. We manage interest rate risk by optimizing the characteristics of our investment portfolio in relation to our liabilities. We employ ALM techniques to reduce the adverse effects of interest rate volatility, including optimizing the characteristics of our investment portfolio in relation to our liabilities as well as the use of derivative instruments. However, because on average our outstanding insurance and annuity products have a longer duration than that of our investments, a rise in interest rates generally will increase our future profits while negatively impacting net unrealized gains on fixed-income securities in the current year and vice versa.

Recently, against the rising interest rates, we are accelerating the replacement of domestic bonds to strengthen portfolio robustness. We plan to appropriately control yen interest rate risk through agile adjustments and replacements, considering market conditions and outlook. Moreover, as rising domestic interest rates are expected to impact products, asset management, and soundness, we are implementing measures in each area, including (i) to mitigate the impact of increasing surrenders of insurance products, expansion of saving-type products, increase in assumed interest rate and consideration of developing products with higher interest rate risk tolerance, (ii) to mitigate the impact of deteriorating unrealized gains/losses related to domestic bonds, building a robust portfolio through diversified investments, selling low-yield bonds and replacing them with high-yield bonds and developing action plans for sudden market changes, and (iii) to mitigate the impact of decreasing ESR due to increased surrender risk, planning internal reserves and issuing subordinated debt as well as risk management assuming various stress scenarios.

Stock prices. Our investments in stocks expose us to changes in share prices, particularly share prices in Japan. We manage this risk on an integrated basis with other market risks using the value-at-risk method and other risk management techniques.

Foreign exchange rates. Our exposure to fluctuations in foreign exchange rates results mainly from our holdings of non-yen-denominated stocks and bonds, which accounted for 30.6% of total assets in our general account as of June 30, 2026. See "Business—Investments—Foreign Securities". The main currencies to which we are exposed are the U.S. dollar and the euro. We manage foreign exchange rate risk through a policy of hedging against changes in foreign currency exchange rates and limiting unhedged exposure, which we monitor using the value-at-risk method. We hedge our foreign exchange rate risk with respect to a portion of the principal and interest on our non-yen-denominated bonds.

Credit risk. Credit risk refers to the risk of incurring losses when the value of assets, primarily loans and bonds, declines or disappears due to a deterioration in the financial condition of a party to whom credit has been extended. We believe that it is important to examine each transaction rigorously from a credit risk perspective so as to set terms appropriate to the level of risk involved. For a description of our loans, see "Business—Investments—Loans".

We have established a Credit Department independent of the departments responsible for handling financing and investment activities. We maintain guidelines to ensure that our returns are commensurate with the risks we undertake. We manage credit risk by assessing the credit risk of and assigning an internal credit rating to each of our borrowers based on in-house fundamental analysis

and credit ratings assigned by ratings agencies and by monitoring the internal ratings of such borrowers. We monitor the mix of our loan portfolio by categorizing and diversifying our loans by borrower credit rating group and industry in order to manage our risk of credit concentration. Internal credit ratings of obligors are received annually. In addition, we perform "Monte Carlo" simulations to evaluate credit risk using the value-at-risk method.

Real estate investment risk. Real estate investment risk refers to the risk that our real estate-related income may decrease because of a decline in rent, a decrease in number of tenants or other factors or a general decline in real estate prices due to market forces. See "Business—Investments—Real Estate".

The Credit Department has been tasked with managing real estate investment risk. Cognizant of the long-term and illiquid nature of real estate investments, we seek to define and adhere to clearly established investment and evaluation standards in acquiring real estate. We set a minimum investment return level for each property as well as maximum permitted loss levels. For properties that do not meet our standards, we consider measures by which we may maintain rental income or potentially sell the properties in question. Furthermore, in making a real estate investment decision, we utilize appraisers independent from our operations to add another level of control in managing real estate investment risk.

Operational Risk Management

Operational risk is the risk of failure of our business operations due to human error. Operational risk includes the risk that our officers, employees (including sales representatives) and third-party sales agencies neglect or fail to perform their duties. Operational risk also includes employee misconduct, such as fraudulent activity, improper use, data leaks or disclosure of confidential information and failure to comply with laws or our compliance procedures. Our Operational Risk Management Department manages operational risk through oversight of various execution sections, branches and service centers and reports directly to senior management with respect to operational risk issues. For example, the Operational Risk Management Department has established an internal inspection system that involves random inspections of sales departments and branches by the main office auditing department and twice-a-year random inspections of sales departments by branches.

Because operational risks exist throughout our operations, we have developed administrative rules and provide training to mitigate and prevent administrative risk and to implement proper and effective administrative procedures.

Computer System Risk Management

Computer system risk is the risk that we may suffer harm to our operations, including the management of our policies, the investment of our assets and the maintenance of statistics, owing to risks related to our information technology systems. Such risks include breakdowns, natural disasters, human errors, destruction, theft and illegal use. A major failure in our information technology systems would disrupt, among other things, the servicing of customers at various branches and the investment of our assets and may have long-term consequences such as a loss of customer confidence which may result in policy surrenders. Our System Risk Management Department manages system risk through coordination with and oversight of the information protection officers in each department and branch, creation of system risk policy and integration of company-wide system risk policies and reports to the System Risk Management Subcommittee with respect to system risk issues.

To manage system risk, we have established a system risk management policy and an information security policy to protect our information technology assets from a variety of system risks. To protect our computer systems from catastrophes, we maintain our main and backup computer centers in Osaka. After the Great East Japan Earthquake in March 2011, we enhanced our backup procedures at both our Tokyo Headquarters and Osaka Head Office, increased our equipment of emergency power generators and improved our business continuity plan.

Derivative Instruments

We use derivative instruments, including interest rate swaps and swap options, foreign exchange forwards, currency options and swaps, equity forwards, equity futures and equity options, for the following purposes:

- to hedge the fluctuations in the market value of our investment assets and liabilities;
- to hedge foreign currency exposure primarily with respect to the principal of our investments;
- on a supplemental basis with our investments to cover the time before such investments can be incorporated into our asset portfolio or as a measure to address liquidity risk; and
- to adjust the term or the type of interest (fixed or floating) related to investments in our asset portfolio.

Our use of derivative instruments is primarily to hedge the risk associated with our existing asset portfolio and liabilities. However, we occasionally enter into derivatives contracts to supplement our investment objectives, taking into account liquidity needs and transaction costs. Such activity is, however, limited to derivative transactions with a defined amount of risk that are executed in connection with our annual investment plan. We also establish position frameworks and position percentages for all our derivative transactions.

We reflect unrealized gains and losses related to derivative transactions that are not eligible for hedge accounting in ordinary income and ordinary expenses. The following table sets forth the unrealized gains and losses related to derivative transactions in our general account including both those eligible and not eligible for hedge accounting.

	As of March 31,		
	2024	2025	2026
	(Billions of yen)		
Interest rate-related transactions	¥ (346.8)	¥ (474.0)	¥ (623.0)
Currency rate-related transactions	(1,414.6)	(1,432.0)	(2,153.3)
Stock-related transactions	(5.4)	0.1	–
Bond-related transactions	(5.1)	(2.8)	(2.9)
Total	¥(1,772.1)	¥(1,908.7)	¥(2,779.3)

For more data on our derivative transactions, including fair value, see Note 7. Financial Instruments—(6) Data on fair value of derivative transactions to our audited financial statements as of and for the years ended March 31, 2024, 2025 and 2026 included elsewhere herein.

BUSINESS

Except as otherwise specified, financial and other information for us contained in this "Business" section is presented on a nonconsolidated basis.

Overview

We are the largest private life insurance company in Japan, and one of the largest in the world, in terms of both total and net assets and premium income. We operate primarily in Japan and offer a wide range of products, including life insurance, annuities and other insurance products, to over 12.0 million insured persons and approximately 0.28 million corporate customers in Japan on a nonconsolidated basis as of March 31, 2026. As of March 31, 2026, we and Taiju Life had 54,611 total sales representatives.

Our core business is life insurance for individuals in Japan's retail market. Our innovative *Mirai no Katachi* product lineup allows customers to combine a wide variety of coverage into personally tailored insurance portfolios. We also sell individual annuity, group insurance and group annuity products. On a consolidated basis, our business includes asset management, investment trust management and information technology products and services. Also, we have been expanding our global operations in an effort to secure revenue sources outside of the Japanese market and to capture the growth of global markets.

According to the Allianz Global Insurance Report 2026, Japan is the fourth largest life insurance market in the world by premium volume. It is also a highly concentrated and mature market, with the top five private life insurance companies accounting for 58.8% of the market share by premium income, excluding Japan Post Insurance, for the year ended March 31, 2026, according to public disclosures. We hold the largest market share in Japan with 20.6% by premium income (on a combined basis) among private life insurance companies for the year ended March 31, 2026 and aim to strengthen our position as Japan's leading private life insurance company. While our core business is the sale of individual insurance products through our sales representative channel, we are also working to diversify our product portfolio and sales channels. For example, for the six months ended June 30, 2026, individual insurance, group annuities, individual annuities, group insurance and others made up 66%, 18%, 11%, 5% and 1%, respectively, of our revenues from insurance and reinsurance, and our sales representatives, bancassurance and agency channels accounted for 41%, 45% and 13%, respectively, of our annualized premiums from new policies of individual insurance, in each case, on a combined basis.

On a consolidated basis, our total assets as of March 31, 2026 and June 30, 2026 amounted to ¥118,862.7 billion and ¥121,279.8 billion, respectively, and our revenues from insurance and reinsurance amounted to ¥9,437.3 billion and ¥2,692.6 billion, respectively, for the year ended March 31, 2026 and the three months ended June 30, 2026. As of March 31, 2026, we had an unaudited preliminary regulatory consolidated ESR ratio of 195% (approximately 1.95 times the minimum regulatory requirement) and a preliminary regulatory nonconsolidated ESR of 204% (approximately 2.04 times the minimum regulatory requirement) We currently have financial strength and/or long-term credit ratings of A+ (stable outlook) from S&P, Aa3 (stable outlook) from Moody's, AA+ (stable outlook) from R&I and AA+ (stable outlook) from JCR.[4]

Strengths

Dominant presence in the domestic life insurance market and solid financial performance.

We hold one of the leading positions in the life insurance market in Japan in terms of several key financial measures including total assets, net assets and revenues from insurance and reinsurance as

[4] Our standalone credit profile (SACP) by S&P improved to aa from a+ in March 2024, while the issuer rating by S&P remained the same at A+ due to the sovereign ceiling. Our preliminary standalone outcome by Moody's maintained Aa3 before score adjustment and A1 under the sovereign ceiling, before it was subsequently upgraded to Aa3.

of and for the year ended March 31, 2026. We have also successfully and steadily grown our customer base in recent years through unified group-wide market development efforts, reaching 15.37 million customers in Japan[5] as of June 30, 2026, an increase from 15.34 million as of March 31, 2026.

We have built our leading presence in the domestic life insurance market over time, supported by steady performance at Nippon Life on a nonconsolidated basis as well as strategic acquisitions of Taiju Life (formerly Mitsui Life) and Nippon Wealth Life (formerly MassMutual Japan) in recent years. We have historically maintained stable levels of revenues from insurance and reinsurance and interest and dividends income. Our consolidated revenues from insurance and reinsurance were ¥2,139.4 billion and ¥2,692.6 billion for the three months ended June 30, 2025 and 2026, respectively, and our consolidated interest and dividends income was ¥461.4 billion and ¥675.2 billion for the three months ended June 30, 2025 and 2026, respectively. Our nonconsolidated core operating profit for the three months ended June 30, 2026, which was ¥211.4 billion, has also remained stable since March 31, 2014, particularly by maintaining stable mortality and morbidity gains, which constitute a major part of our core operating profit.

In addition, annualized premiums from new policies for individual insurance and individual annuities on a combined basis steadily increased from ¥394.3 billion for the year ended March 31, 2022 to ¥404.4 billion for the year ended March 31, 2023, and further increased to ¥522.2 billion for the year ended March 31, 2024, but decreased to ¥492.7 billion for the year ended March 31, 2025. In the year ended March 31, 2026, such annualized premiums from new policies increased again to ¥593.8 billion, primarily due to an increase in sales from Nippon Life, Nippon Wealth Life, and Hanasaku Life. On a channel-by-channel basis, the increase in annualized premiums from new policies in the year ended March 31, 2026 was primarily attributable to increases in sales through our sales representative channel (increase of 25.7%) and our bancassurance channel (increase of 23.5%). For the three months ended June 30, 2026, annualized premiums from new policies for individual insurance and individual annuities on a combined basis decreased to ¥130.2 billion from ¥136.1 billion for the three months ended June 30, 2025. Annualized premiums from policies in force for individual insurance and individual annuities on a combined basis were ¥4,822.2 billion for March 2025, ¥4,993.4 billion for March 2026 and ¥5,014.6 billion for the three months ended June 30, 2026.

Stable operating performance with a robust sales representative force.

Our sales representatives, which accounted for 41% on a nonconsolidated basis of our annualized premiums from new policies of individual insurance for the year ended March 31, 2026, are the foundation of our steady growth and we have more sales representatives than other leading insurance providers in Japan on a nonconsolidated basis. On a nonconsolidated basis, our annualized premiums from new policies attributable to our sales representatives were ¥203.9 billion, ¥153.1 billion, ¥175.7 billion, ¥168.9 billion and ¥216.1 for the years ended March 31, 2022, 2023, 2024, 2025 and 2026.

In addition, we have steadily improved our persistency rates for insurance policies, which have demonstrated an upward trend since March 31, 2007 due to our key initiatives in sales activities such as after-sales follow-up visits. Our 13-month persistency rates were 95.9%, 95.9%, 95.6%, 95.4%, and 96.1% as of March 31, 2022, 2023, 2024, 2025 and 2026. Our 25-month persistency rates were 89.2%, 88.8%, 88.3%, 87.9% and 87.9% as of March 31, 2022, 2023, 2024, 2025 and 2026. At the same time, our surrender and lapse ratio with respect to individual insurance and annuities in the aggregate has increased from 4.1% as of March 31, 2022 to 5.0% as of March 31, 2026.

We also believe that the strength of our sales representative channel, combined with our innovative Mirai no Katachi product lineup, the non-participating insurance product lineup of Taiju Life and our strategic shift towards protection type products distributed through our sales representative channel, will continue to contribute to maintaining high levels of persistency and customer satisfaction, supporting our overall profitability. See "—Products and Services—Individual Insurance".

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[5] Representing the total of Nippon Life, Taiju Life, Nippon Wealth Life, Hanasaku Life, Nissay Plus SSI Company Inc. and Nichii Holdings.

Solid asset management with prudent ALM.

We are dedicated to managing our assets in the best interests of our customers and with an eye toward stability over the long term. For the past years, we have successfully maintained a diverse asset portfolio, which includes domestic bonds and stocks, foreign bonds and stocks, loans, real estate and other assets, and have also hedged a majority of our foreign currency-denominated assets. For example, as of March 31, 2026 and June 30, 2026, domestic bonds accounted for 47% and 45%, loans accounted for 7% and 7%, hedged foreign bonds accounted for 9% and 9%, non-hedged foreign bonds accounted for 5% and 5%, foreign stocks accounted for 11% and 11%, domestic stocks accounted for 20% and 21%, and real estate accounted for 2% and 2%, respectively, of our total general account assets (calculated on a managerial accounting basis). We believe this diverse asset portfolio not only enhances our tolerance to the current volatile market environment and currency fluctuations, but also supports secure and stable returns over the medium- to long-term. As of March 31, 2026, 39.1% of our domestic and foreign bond holdings have received either an AAA or AA rating from rating agencies, and 70.6% of the portfolio is A rating or above. 3.5% of our total bonds, excluding JGBs, were rated as AAA, 35.6% as AA, 31.5% as A, 28.0% as BBB and the rest were rated BB or below or were unrated. We also reduced our risk exposure over the medium and long term by diversifying our portfolio by asset type, maturity, country and currency.

Given the sustained low-interest rate environment in Japan until the recent rate increase by the BOJ, we have also been carrying out additional initiatives to maintain positive spread. For example, while we are maintaining long-term stable investment income from our yen-denominated interest bearing assets, we are also supporting medium- to long-term earnings through selective investment in higher-yielding assets. We also continually assess the suitability of our products given current market conditions and have controlled the guaranteed interest rate on some products to maintain a positive spread against the average assumed yield. We have maintained a positive spread between our investment return on core operating profit, which was 2.69% for the year ended March 31, 2026, a significant increase from 2.53% for the year ended March 31, 2025. This is because we not only enhanced our investment return through increasing our investments in foreign credit bonds and growing fields, but also controlled the average assumed yield which steadily declined from 1.64% for the year ended March 31, 2025 to 1.48% for the year ended March 31, 2026. Our investment return on core operating profit and average assumed yield for the three months ended June 30, 2026 were 2.30% and 1.53%, respectively. We have also controlled the guaranteed interest rate on our level-premium products as well as our single-premium whole-life products in order to maintain a positive spread against our average assumed yield. The guaranteed interest rate on our level premium protection type products, level premium saving type products and single-premium whole-life products declined from 2.15%, 2.15% and 1.75%, respectively, in the year ended March 31, 2000 to 0.85%, 1.00% and 1.50%, respectively, in the year ended March 31, 2026. The guaranteed interest rate on our single-premium whole-life products remained at 1.50% as of June 30, 2026.

Strong capital base and financial soundness.

We have successfully maintained a strong capital base despite challenging conditions and an economic outlook which remains uncertain. In recent years, we have steadily increased our capital through accumulation of internal reserves and periodic issuances of subordinated debt and foundation funds. We recorded capital of ¥7,391.4 billion as of June 30, 2026. For a detailed breakdown of our capital, see "Recent Business—Liquidity and Capital Resources—Capital Resources". In addition, despite the volatile market environment, we have maintained a high level of unrealized gains, and break-even points on investments remain substantially lower than current market levels.

We have maintained our economic value-based solvency ratios well in excess of the legally required minimum of 100% despite volatility in the Japanese stock market. As of March 31, 2026, our unaudited preliminary regulatory consolidated and nonconsolidated ESR ratios were 195%

and 204%, respectively. In addition, as of June 30, 2026, Taiju Life and Nippon Wealth Life had ESRs of 292% and 164%, respectively, each on a nonconsolidated basis. See "Recent Business—Economic Solvency Ratio".

Strategies

In recent years, there have been pronounced structural demographic changes in Japan, such as population decline, a falling birthrate and the aging of the population, as well as the increased concentration of the population in urban areas. At the same time, the needs of life insurance customers have been diversifying. We have seen other trends such as a decline in the ratio of policyholders among younger generations, diversification in enrollment channels and fierce competition in urban areas. In response to these and other changing market conditions, we have focused on expanding our footprint within the domestic insurance market where we believe there is still ample space to grow, as well as on our asset management and global insurance businesses. We will continue to explore growth in the domestic insurance market and will seek to further strengthen and diversify our other group businesses.

Specifically, in March 2024, we announced our mid-term management plan following the conclusion of our previous mid-term management plan, Going Beyond, under which we endeavored to further expand our business in the domestic insurance market, strengthen and diversify group businesses, strengthen investment capabilities and improve business cost efficiency.

Under our mid-term management plan, we set the slogan "Providing more customers with peace of mind that exceeds their expectations" and aim to achieve "a society where everyone can live in peace and security for all time". We aim to become a group that serves as a "crystal of reassurance", which provides a range of secureness including asset management, healthcare, nursing care and childcare in addition to life insurance. We strive to achieve the "growth of the Group", a "world-class financial soundness level" and the "enhancement of policyholder dividends" through "expansion of the value we provide to society" through each business.

Under our mid-term management plan which covers the three years ending March 31, 2027, we set to aim to accelerate the expansion of sales performance and new profit centers to accelerate medium- to long-term growth and to strongly promote group management in the year by pursuing the following strategies:

- increase the value of our domestic insurance business;
- enhance our multifaceted approach in giving peace of mind in our domestic business;
- expand our global businesses;
- advance financial strategies (asset management, capital investment and policyholder dividend payout); and
- build a strong management foundation.

We intend to support these growth strategies by steadily strengthening our financial base.

Through these strategies toward the "growth of the Group", a "world-class financial soundness level" and the "enhancement of policyholder dividends", over the three-year period of the plan we aim to:

- expand the number of customers we serve in our domestic life insurance business (Nippon Life, Taiju Life, Nippon Wealth Life and Hanasaku Life) to 15.6 million people by March 31, 2027[6];
- increase the number of clients we serve in our domestic life insurance business (Nippon Life, Taiju Life, Nippon Wealth Life and Hanasaku Life) to 350 thousand companies by March 31, 2027[7];

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6 The actual number of customers as of March 31, 2026 was 15.34 million.
7 The actual number of client companies as of March 31, 2026 was 349 thousand.

- maintain the amount of assets on deposit[8] at ¥121.0 trillion on a consolidated basis for the year ending March 31, 2027;
- achieve ¥4.85 trillion in annualized premiums from policies in force in our domestic life insurance business (Nippon Life, Taiju Life, Nippon Wealth Life and Hanasaku Life) by the year ending March 31, 2027[9];
- increase the value of new business[10] on a consolidated basis to around ¥350.0 billion by March 31, 2027;
- secure core operating profit of ¥860.0 billion on a consolidated basis for the year ending March 31, 2027[11];
- maintain the ESR levels calculated based on our internal methodology at around 200-270%;
- steadily maintain our policyholder dividend payout ratio[12] at around 60%; and
- invest a total of approximately ¥2 trillion between April 2024 and March 2027 and approximately ¥4 trillion by the year ending March 31, 2036 (including amounts already invested), of which approximately 25% is intended for investment in the domestic business, 50% in the global insurance business, and 25% in the global asset management business.

In addition, we intend to redouble our efforts to reduce the impact of our operations on the environment and to achieve Net Zero by the year ending March 31, 2051 in CO_2 emissions in our own operations (including both Scope 1 and 2) and in greenhouse gas emissions in our investment activities. In the interim, we aim to achieve the following environmental targets by the year ending March 31, 2031, and have also established additional environmental targets for the years ending March 31, 2036 and March 31, 2041:

- reduce the CO_2 emissions of our own operations by over 51% compared to the year ended March 31, 2014. We also aim to reduce the CO_2 emissions of our own operations by over 60% by the year ending March 31, 2036 and by over 73% by the year ending March 31, 2041, in each case compared to the year ended March 31, 2014 (whereas in the year ended March 31, 2026 we were able to achieve a 34.9% reduction compared to the year ended March 31, 2014). In particular, we are aiming to achieve Net Zero in the Scope 1 and 2 emissions of our own operations by attaining 100% in our renewable energy ratio (whereas the Scope 1 and 2 emissions for the year ended March 31, 2026 were 25 thousand tons per year, and the renewable energy ratio was 79.1%);
- in respect of our investment activities, reduce total greenhouse gas emissions by over 45% compared to the year ended March 31, 2011 and reduce the intensity by over 49% compared to the year ended March 31, 2021. We also aim to reduce total greenhouse gas emissions by over 60% by the year ending March 31, 2036 and by over 73% by the year ending March 31, 2041, in each case compared to the year ended March 31, 2014 (whereas in the year ended March 31, 2026 we have achieved a 54.4% reduction in total greenhouse gas emissions compared to the year ended March 31, 2011, a 48.6% reduction compared to the year ended March 31, 2014, and a 48.8% reduction in intensity compared to the year ended March 31, 2021); and
- contribute to reducing greenhouse gas emissions at a rate of 15 million tons per year in our investment activities (whereas in the year ended March 31, 2026 we have achieved a reduction of 5.32 million tons per year).

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8 The amount of assets on deposit is the sum of total assets of domestic primary insurers and assets on deposit of Nissay Asset Management. The actual amount of assets on deposit as of March 31, 2026 was ¥145 trillion.

9 The annualized premiums from policies in force for domestic life insurance business as of March 31, 2026 was ¥4.99 trillion.

10 The value of new business is defined as the present value of future profits and losses generated by new business acquired in the fiscal year. The actual amount as of March 31, 2026 was ¥384.3 billion.

11 The actual core operating profit as of March 31, 2026 was ¥1.3 trillion.

12 The policyholder dividend payout ratio equals the reserve for policyholder dividends (including the equalized reserve for dividends to policyholders) divided by adjusted net surplus (in the case of a reversal, the reversal amount is deductible). The actual ratio as of March 31, 2026 was 66%.

The numerical targets and strategic initiatives in the highlights of our mid-term management plan described above are forward-looking statements. See "Forward-Looking Statements". Our ability to achieve these numerical targets or implement these strategic initiatives is subject to risks and uncertainties, including those described under "Risk Factors" and elsewhere in this Offering Circular. These numerical targets and strategic initiatives are based on a number of assumptions, beliefs and expectations established at the time the mid-term management plan was announced in March 2024. Such assumptions, beliefs and expectations involve significant subjective judgment and relate to matters that may be outside of our control, such as assumptions about the economic environment and key macroeconomic indicators. There can be no assurance that we will achieve the numerical targets or strategic initiatives set forth in our mid-term management plan.

Further expand our business in the domestic insurance market

In the domestic life insurance market, we are building systems at the group level to facilitate the development of more flexible insurance products to meet diverse customer needs, while also upgrading our networks with financial institutions and agencies in line with the increasing diversification of our domestic sales channels. As part of our domestic growth strategy, on December 29, 2015, we acquired the outstanding shares of Mitsui Life (rebranded as Taiju Life) and, after subsequently making it our consolidated subsidiary, we owned 85% of its total voting rights as of June 30, 2026. We have strived to achieve synergies with Taiju Life by leveraging, among other things, the strength of our combined product lineup. In May 2018, we acquired 85.1% of the outstanding shares of MassMutual Japan (rebranded as Nippon Wealth Life), which mainly provides single-premium savings products primarily through our bancassurance channel. In October 2021, we acquired the remaining stake in Nippon Wealth Life from MassMutual International LLC and made it a wholly-owned subsidiary. We also established Hanasaku Life as a wholly-owned subsidiary and it began business in April 2019 as a provider of mainly third-sector products primarily through third-party sales agencies. We also continuously seek opportunities to expand our profit base through alliances with and investments in other financial institutions and other corporate groups in Japan and by forging long-term partnerships with prominent companies in other countries around the world as part of our strategy to steadily expand our operations further. In evaluating such opportunities, we take into account the manner and scale of investment best suited for each particular market. See "—Domestic Strategic Alliances and Investments".

To bolster our leading presence in the domestic insurance market, we will seek to further grow our customer base through a unified group-wide effort to strengthen our sales channels, develop existing markets and enter new markets, and upgrade and expand our products and services in response to changes in the environment and diverse customer needs and through that achieve enhanced productivity.

Strengthen our sales representative channel and relationships with customers.

In response to both the COVID-19 pandemic, which severely reduced the ability to conduct face-to-face interactions with our customers, and the general trend toward digital transformation, we aim to implement and utilize digital technologies to improve customer contacts and communications to meet the evolving needs of our customers. We are increasing our communications, including general correspondence, product explanations, insurance premium explanations, policy maintenance and new contract procedures, via various digital channels such as through SNS, e-mail, SMS, screen sharing systems and our Nippon Life smartphone application. We believe that introducing and utilizing online communication options alongside face-to-face interactions can lead to increased sales volume. We are also utilizing remote and digital options to provide training for our sales representatives, which is an important part of maintaining and developing a strong sales representative channel.

Undertake group-wide efforts to strengthen our position in existing markets and explore new markets.

We will work to strengthen and expand our sales channels utilizing the strengths of our group companies and further expand in our target markets by providing products and services that capture the diverse needs of our changing customer base. We will also strive to cultivate new markets by launching online sales and expanding the business of Nissay Plus SSI Company Inc., a small amount and short-term insurance business that we established in April 2022. In particular, we expect to increase sales by Taiju Life, the customer base of which has minimal overlap with Nissay's customer base, by introducing enhanced support for existing policyholder households, upgrading and expanding touchpoints with Taiju Life's customers by utilizing digital technologies and improving the quality of sales activities. Through Hanasaku Life, we aim to grow the number of customers by launching online and direct sales. In particular, Hanasaku Life will seek to flexibly supply products that capture evolving customer needs, upgrade its digital marketing strategy and personalize customer support through the use of AI and other means. Through Nippon Wealth Life, we will seek to increase sales by expanding the supply of highly unique products, such as nursing and medical care insurance products, to a wide range of distributors, including securities companies, mega-banks and regional banks, leveraging support from Nippon Life. As part of our effort to grow our customer base by flexibly and dynamically supplying both life and non-life insurance products, we established Nissay Plus SSI Company Inc. We believe this approach will allow us to create products that address niche markets through collaboration in a wide range of industry sectors and also offer streamlined administration though the use of primarily digital procedures.

We will further work to resolve what we refer to as the "protection gap." This protection gap for life insurance refers in part to the gap between actual coverage, which is the average amount of ordinary death benefit for households with two or more members, maintained by our customer base, particularly in the core middle-age coverage groups of persons aged in their 30s and 40s, and our estimate of necessary coverage for households with a spouse, double income households and households with one or two children. For living expenses in retirement, we define the protection gap as the gap between the average amount of pension received in retirement and estimated necessary living expenses. To address the protection gap, we have expanded our protection products to include coverage for severe disease protection and include saving-type products, as well as diversified the channels we use to secure customer contact, including strengthening of digital channels (such as the launch of products that can be completed online and an online agency business). We have also sought to address the protection gap through development of our young customer and female customer segments by offering products designed especially with such customer segments in mind, and by developing new sales channels, such as NTT Docomo's offering of our life insurance policies at certain of its mobile phone stores, which we believe can help us reach certain customer segments we have historically had difficulty reaching through our existing channels.

Upgrade and expand our products and services.

We believe that our broad range of flexible products and services positions us to capture the diverse needs of our group-wide customer base while maintaining profitability. Our goal is to offer greater convenience to customers by maintaining a diversified product lineup and infrastructure and to provide more sophisticated services to meet the needs of seniors, women and the younger generation, as well as our core customers. We also seek to enhance our lineup of products and services so that it can encompass new areas in addition to conventional areas.

In recent years, we have continued to regularly introduce new products, focused on those within our Mirai no Katachi product lineup, which are offered through our sales representative channel. For example, we introduced *Ninchisho Support Plus*, a dementia coverage product, in 2020; *Three Major Diseases 3 Jumaru*, which provides coverage for Japan's three major diseases (*i.e.,* cancer, heart disease and cerebrovascular disease) and their early prevention, in 2022; and *Seikatsu Support Double* in April 2024, which provides coverage for physical disabilities and care needs. Outside our *Mirai no Katachi* product lineup, we have also introduced *Chokotsumi*, a savings-type

insurance product designed to cover accidental injury, in 2025; and Phoenix Care Plus in May 2025, which divides the insurance period into "First insurance period", focusing on providing coverage for death due to accidental injury, and "Second insurance period", focusing on providing coverage for the period when the insured requires nursing care and for death. As of June 2026, we have 12 products available in the Mirai no Katachi lineup. We are also undertaking efforts to enhance cross-selling opportunities among our group companies and to offer asset formation products amid low interest rates. We are also enhancing and will seek to further enhance our life insurance products offered through our agency and bancassurance channels, in particular through offerings by Hanasaku Life and Nippon Wealth Life, respectively, as well as our group insurance and group annuity products, our property and casualty products, including automobile and fire-related insurance products and our various health-focused services, e.g., Best Doctors Service, Zutto Motto Service, etc. See "—Products and Services" for more information on our products and services lineup.

Strengthen and diversify our group businesses

To support our medium- to long-term growth, we will continue to seek to expand our share of the domestic life insurance market while also working to expand the group's overall earnings capacity through our asset management business, global insurance business, and other businesses that will further cultivate our domestic life insurance business. From 2021 to 2023, our average core operating profit was approximately ¥700 billion, with our domestic insurance business contributing approximately ¥680 billion, and our global insurance business and asset management business collectively contributing approximately ¥20 billion. However, in the year ended March 31, 2026, out of our core operating profit of approximately ¥1,300 billion, our domestic insurance business contributed approximately ¥1,100 billion, while our global insurance business and asset management business, etc. collectively contributed approximately ¥200 billion.

In our asset management business, we will seek to capture demand for asset management services and expand the investment capabilities of our group life insurance companies by strengthening the competitiveness of the domestic asset management business and driving further growth in the global asset management business. Our group core operating profit for our asset management business for the years ended March 31, 2022, 2023, 2024, 2025 and 2026 and for the three months ended June 30, 2025 and 2026 were ¥31.4 billion, ¥27.3 billion, ¥35.4 billion, ¥38.5 billion, ¥40.0 billion, ¥8.8 billion and ¥11.4 billion, respectively. Our group core operating profit attributable to NAM for the years ended March 31, 2022, 2023, 2024, 2025 and 2026 and for the three months ended June 30, 2025 and 2026 were ¥16.2 billion, ¥14.2 billion, ¥15.2 billion, ¥15.0 billion, ¥17.5 billion, ¥3.3 billion and ¥4.5 billion, respectively. Our group core operating profit attributable to NAMI for the years ended March 31, 2022, 2023, 2024, 2025 and 2026 and for the three months ended June 30, 2025 and 2026 were¥11.1 billion, ¥11.6 billion, ¥17.4 billion, ¥22.2 billion, ¥24.5 billion, ¥6.4 billion and ¥8.1 billion, respectively. To strengthen competitiveness domestically, NAM will strive to bolster its ESG focus, including by upgrading and expanding ESG-related products and enhancing its market image and communications, such as through sponsorship of global conferences. We will also seek to develop and offer absolute return products leveraging our mid-term and long-term investments, expand our research team and improve investment capabilities by transferring credit and alternative investment functions to NAM and deliver tailored solutions based on investor portfolio status and the market environment through the development and utilization of digital tools and other means. The total assets under management of NAM increased from ¥34.0 trillion as of March 31, 2022 to ¥48.5 trillion as of March 31, 2026. In addition to the partial transfer of the securities investment functions of Nippon Life and Taiju Life to NAM announced in December 2019, Nippon Wealth Life announced its partial transfer of its securities investment functions to NAM in November 2023 in order to enhance Nippon Life Group's investment capabilities. To drive growth in our global asset management business, NAMI aims to upgrade and expand its product lineups, including ETFs and alternative investments and to leverage group-wide cross-selling opportunities and digital technologies in promoting sales of those and other products. We will also seek to strengthen investment and business management capabilities in our overseas group

companies and consider further investments that can contribute to earnings expansion. Furthermore, going forward, we plan to increase our allocation to alternatives, including private credit, over the medium to long term to improve risk-return efficiency. We will build up the balance carefully while maintaining appropriate risk management, such as conservative selection of investments and rigorous manager selection. By leveraging Resolution Life (whose private credit holdings contribute approximately 33% of its total investment portfolio, compared to Nippon Life's approximately 0.9% on a nonconsolidated basis, bringing the total value of private credit holdings to approximately 4% of the combined investment portfolio), we are well-positioned to better utilize private credit to enhance the overall investment spread of the asset management business.

In our global insurance business, we will seek to achieve stable growth by strengthening our corporate governance, namely our investment and business management capabilities, with a view to supporting long-term, stable earnings contribution from our group companies and thereby strengthening our global business portfolio. For example, at Nippon Life Insurance Australia and New Zealand Limited, we are building a management system that maintains close interaction with Nippon Life through which we can support and monitor the progress of their business plan, which includes strategies to improve the profitability of its income protection business, to secure more stable earnings. We also aim to improve the functions of and reorganize regional headquarters in order to bolster market research functions and proactively utilize local specialists. In other regions in which we operate insurance businesses through capital investments or joint venture arrangements, including the United States, China, India, Thailand and Indonesia, we aim to strengthen sales activities primarily through the face-to-face and sales agent channels, and enhance risk management capabilities to respond appropriately to environmental changes, such as low interest rates.

For the year ended March 31, 2022, our Group core operating profit from our global business was ¥23.8 billion. Driven by growth in Global Insurance and Other and Global Asset Management, as well as the profit contribution from Resolution Life, our Group core operating profit from our global business increased to ¥21.4 billion, ¥34.3 billion, and ¥37.9 billion for the years ended March 31, 2023, 2024, and 2025, respectively. For the year ended March 31, 2026, our Group core operating profit from our global business increased dramatically to ¥180.1 billion, supported by additional profit contributions from Corebridge. The profit contribution from Corebridge was ¥105.4 billion for the year ended March 31, 2026. Our group core operating profit for our global insurance and other was ¥6.2 billion, ¥8.0 billion, ¥9.1 billion, ¥12.3 billion, and ¥21.6 billion for the years ended March 31, 2022, 2023, 2024, 2025, and 2026, respectively. Our group core operating profit for our global asset management was ¥15.1 billion, ¥13.1 billion, ¥20.2 billion, ¥23.4 billion, and ¥22.5 billion for the years ended March 31, 2022, 2023, 2024, 2025, and 2026, respectively. Recently, we have focused on investing in advanced economies, such as our acquisition of a strategic minority stake in Corebridge (including its subsequent merger with Equitable) and our acquisition of all remaining shares of Resolution Life and Nippon Life Insurance Australia and New Zealand Limited. Our group core operating profit attributable to Resolution Life for the years ended March 31, 2024, 2025 and 2026 was ¥5.0 billion, ¥11.2 billion, and ¥32.4 billion, respectively. Our group core operating profit attributable to Acenda Group for the years ended March 31, 2022, 2023, 2024, 2025, and 2026 was ¥2.3 billion, ¥0.3 billion, ¥(0.0) billion, ¥(9.0) billion, and ¥(1.9) billion, respectively.

We will also continue to evaluate and selectively pursue opportunities to strengthen our existing global operations including through acquisitions.

Furthermore, as part of our efforts to strengthen and diversify our group businesses, we have expanded into the nursing care, childcare and healthcare businesses, with a group core operating profit attributable to those industries for the year ended March 31, 2026 of ¥6.7 billion. As part of these efforts, we have acquired Nichii Holdings, the parent company of nursing care provider Nichii Gakkan. Moreover, we will seek to proactively utilize cutting-edge technologies and data to develop existing businesses and to create new businesses through initiatives targeting the areas of healthcare, childcare support and services and innovation initiatives that address an

aging society. To date, we have already introduced various advanced technologies to improve our product offerings and customer services, including using AI to create and offer tailored products and to power customer service avatars. We have also revised underwriting standards for specific diseases and used robotic process automation technologies to automate and streamline certain administrative tasks. We have been making ongoing efforts in digitalization to improve business productivity and to meet customers' digital needs by developing smartphone applications and analyzing data from business activities. Going forward, we will continue to seek ways to leverage advanced technologies, including AI, to improve, among other things, our product development, sales, marketing and compliance, and underwriting and claim payment assessment capabilities. For example, in November 2025, we established Nissay MIRAIQA as a wholly owned subsidiary which is an insurance business sophistication company aimed at accelerating implementation of our innovation initiatives and market entry into areas not covered by insurance such as healthcare and childcare. We have also established a dedicated innovation fund of ¥90 billion to access domestic and international start up markets, of which ¥35 billion is targeted towards the domestic market and ¥55 billion towards the overseas market, primarily in the U.S. west coast.

Strengthen investment capabilities

Under our mid-term management plan, we aim to maximize policyholder returns by building a resilient portfolio that can withstand market fluctuations. In building a resilient portfolio, we will control yen interest rate risk by trading ultra long-term JGBs considering interest rate levels and other factors, and we will continue to promote diversified investments by expanding our credit and alternative assets, including floating rate assets.

As a mutual company, when investing in businesses to increase policyholder benefits, it is essential that the following coexist: increasing the medium- to long-term corporate value of invested companies and realizing benefits for current policyholders. In business investments, both the perspectives of returns and synergy with our domestic insurance business are important. For global insurance businesses, emphasis is placed on returns by targeting business investments with high profit margins or expected medium- to long-term growth, while for asset management, healthcare, nursing care and childcare, focus is on business investments that offer returns and potential synergy with our domestic insurance business.

Furthermore, we also aim to contribute to solving social issues through developing our responsible investment approach. In terms of developing our responsible investment approach, we will seek to integrate ESG factors into all of our investment considerations, enhance our dialogue with investee entities on their ESG initiatives and further expand our thematic investment and finance, with the aim of improving the corporate value of investee companies, solving environment- and society-related issues, and facilitating a move toward a sustainable society. Our thematic investment and finance cumulative target for the period between the fiscal years ending March 31, 2028 and March 31, 2031 is ¥5 trillion, of which ¥3.9 trillion was invested as of June 30, 2026. Our thematic investment cumulative target for our decarbonization finance framework for the period between the fiscal years ending March 31, 2018 and March 31, 2031 is ¥3 trillion, of which ¥2.8 trillion was invested as of June 30, 2026. Further, our thematic investment cumulative target through our Nissay impact investment and finance activities for the period between the fiscal years ending March 31, 2025 and March 31, 2031 is ¥500 billion, of which ¥106 billion was invested as of June 30, 2026. To this end, we already participate in various international initiatives such as the Principles for Responsible Investment and the Task Force on Climate-Related Financial Disclosures. We have also been prohibiting investments in businesses and projects within certain fields that run counter to the mission of life insurance companies and important social issues. These fields include specific weapon manufacturers, palm oil-related companies, tobacco-related companies, certain coal-related projects and certain oil- and gas-related projects. We are also seeking to build a unified group infrastructure through optimization of investment systems, development of professional resources, including group-wide and company level management systems, and strengthening of IT infrastructure, in order to support our overall asset management strategies.

Promote ERM

We will also further address and promote ERM on a group-wide basis to help strengthen our group business base, earnings capabilities and financial soundness in a manner consistent with the foregoing strategies. To promote ERM within our group, we will focus on the risk, capital and return strategies at each of our group companies and also strengthen the business management system of Nippon Life, the core company within the group. In terms of risk strategy, we will seek to secure investment returns and reduce risk in a low interest rate environment by extending asset duration, increasing credit assets such as corporate bonds, particularly foreign assets, and promoting diversified investment and finance activities globally in our risk asset portfolio. We will also control risk tolerance utilizing scenario analysis. In terms of capital strategy, we plan to increase our capital targets so that we can meet our insurance-related liabilities over the long term, while ensuring our ability to generate steady returns on managed assets in a low interest rate environment. In accumulating capital, our objectives are to attain financial soundness by enhancing our capacity to mitigate necessary risks associated with our accelerated growth strategy and preparing for prospective changes in international capital requirements. Finally, we seek to strengthen our earnings capabilities by increasing our productivity, strengthening risk and return efficiency in our asset management portfolio and improving business cost efficiency through cost reductions and additional investments.

Promote initiatives toward sustainability

We have established the Nippon Life ‘s Vision for Achieving SDGs, which includes objectives such as realizing a society that does not create poverty and inequality, building a society that can boast to the world of good health and long lives, realizing a sustainable global environment and contributing to ESG investments and finance that encourages the achievement of SDGs. We are also cognizant of the expectations of investors, customers and other third parties with regard to environmental and sustainability issues, particularly CO_2 emissions.

Products and Services

We offer various types of individual life insurance and annuity products as well as group insurance and annuity products, with over 12.0 million insured persons and approximately 0.28 million corporate customers in Japan, on a nonconsolidated basis as of March 31, 2026. In addition, our subsidiaries offer asset management, investment trust management and information technology services.

Our Mirai no Katachi product platform for individual insurance and annuity products, which is offered through our exclusive sales representatives, simplifies and repackages our product offerings according to the specific needs of each customer. The concept behind our Mirai no Katachi lineup is to simplify and repackage our product lineup for “buffet style” consumption. We believe that the flexibility of our Mirai no Katachi product lineup, which allows customers to combine a wide variety of coverage into personally tailored insurance portfolios, is critical to our capturing of growth opportunities in the senior, female and young customer segments.

Prior to our introduction of the Mirai no Katachi product platform, we mainly offered whole life insurance with term riders, which combined whole life insurance and term policy riders to provide for a higher payment in case the insured died within the specified period. Term riders offer extensive coverage with relatively inexpensive premiums, and whole life insurance with term riders has traditionally been our main life insurance product. However, Mirai no Katachi does not distinguish between main policies and term riders and allows customers to combine 12 types of various coverage from death to retirement coverage into personally tailored insurance portfolios. After enrollment, customers can freely revise policy details according to changes in their needs and stages of life. For example, customers can add new insurance, increase coverage amounts, and selectively revise only the parts they need to change. Customers can change their policy details to more precisely meet their protection needs at any time. Since its launch, we have sold more than nine million Mirai no Katachi policies. In April 2018, we launched Daijobu Specified Serious Disease Coverage Insurance, New in

1 General Hospitalized Insurance in April 2019, Ninchisho Support Plus Dementia Coverage Insurance in April 2020 and Shu New 1 Income Support Insurance in July 2021, and we introduced Three Major Diseases 3 Jumaru, which provides coverage for Japan's three major diseases (i.e., cancer, heart disease and cerebrovascular disease) and their early prevention, in April 2022, and Seikatsu Support Double, which provides coverage for physical disabilities and care needs, in April 2024.

In addition, we have other lineups of insurance products such as educational endowment insurance, and single-premium whole life insurance products.

Individual Insurance

Individual insurance is our main product line. The number and amount of individual insurance policies in force were approximately 30.0 million policies and ¥107.8 trillion, respectively, as of June 30, 2026. The amount of new individual insurance policies written, including net increases in policy amounts due to conversions, were ¥5,052.9 billion and ¥1,166.4 billion, respectively during the year ended March 31, 2026 and the three months ended June 30, 2026. Premiums from individual insurance constituted 66.0% and 57.0% of total insurance premiums for the year ended March 31, 2026 and the three months ended June 30, 2026, respectively.

Mirai no Katachi product lineup

Whole life insurance. Whole life insurance including whole life with term rider, a product we had previously sold accounted for 30.8% of our total policy amount in force for individual insurance policies as of March 31, 2026. Whole life insurance pays death benefits to the beneficiary on the death of the insured irrespective of when the insured dies. Whole life insurance may be combined with term life insurance to provide for a higher payment if the insured dies within the specified period. Surrender benefits will increase over the elapsed time since enrollment and policyholders may receive annuities instead of a single-premium death benefit payment. Whole life insurance accounted for 25.0% of new policy amounts written for individual insurance during the year ended March 31, 2026.

Term life insurance. Term life insurance accounted for 29.3% of our total policy amount in force for individual insurance policies as of March 31, 2026. Term life insurance provides extensive death benefits with inexpensive premiums, which are generally lower relative to those for a whole life insurance policy. It is also possible to combine survival benefits which provide special payouts every three years and at maturity in addition to death protection for a set period. Term life insurance accounted for 39.5% of new individual insurance policy amounts written for individual insurance during the year ended March 31, 2026.

Endowment insurance. Endowment insurance accounted for 2.3% of our total policy amount in force for individual insurance policies as of March 31, 2026. Endowment insurance enables asset formation over a set period while providing death protection to pay a death benefit if the insured dies within a specified term or a maturity benefit of the same amount in case the insured survives to the end of that term. Endowment insurance accounted for 2.5% of new individual insurance policy amounts written for individual insurance during the year ended March 31, 2026.

Third-sector products. The third-sector products consist of living benefits and medical care insurance products. Third-sector market has been an increasingly important part of our business and we expect it will continue to be so in the future, particularly with respect to our target growth markets of senior, female and young customer segments. Annualized premiums from third-sector policies in force as of March 31, 2026 were ¥688.2 billion, an increase of 1.2% compared to ¥679.7 billion for the previous year and annualized premiums from new sales of such third-sector policies for the year ended March 31, 2026 were ¥46.5 billion, an increase of 11.3% compared to ¥41.8 billion for the year ended March 31, 2025. In April 2018, we launched Daijobu Specified Serious Disease Coverage Insurance, in April 2019, we launched a medical insurance product called New in 1 featuring a lump-sum payment of benefits, replacing our prior comprehensive medical insurance product and in April 2020, we launched Ninchisho Support Plus,

a dementia coverage insurance product. In July 2021, we added Shu New 1, an income support insurance for continuous hospitalization, to our Mirai no Katachi lineup. In April 2022, we introduced Three Major Diseases 3 Jumaru, which provides coverage for Japan's three major diseases (i.e., cancer, heart disease and cerebrovascular disease) and their early prevention. More recently, we introduced Seikatsu Support Double in April 2024, which provides coverage for physical disabilities and care needs.

- *Living benefits products*. Dread disease insurance provides a single-premium in case of specified illness, nursing care insurance pays a benefit if the insured person requires a specified level of nursing care and physical disability insurance covers certain conditions once the insured person becomes physically disabled. These three types of living benefit products also have death coverage.
- *Medical coverage*. Medical care insurance offers comprehensive medical protection for hospitalization and surgery. It is sometimes combined with death coverage or living-benefit-type products to prepare for unexpected events like injuries and serious diseases such as cancer. This coverage offers a lower premium.

Other individual insurance

In July 2015, we introduced a single-premium whole life insurance policy with a variable return in a designated currency, including Australian dollars, U.S. dollars and euros, under the name Long Dream GOLD. In October 2018 and April 2019, we introduced Long Dream GOLD 2 and Long Dream GOLD 3, respectively, as the successor products to Long Dream GOLD.

In October 2016, we introduced ChouChou!, the life insurance industry's first product in Japan that covers infertility treatments and maternity benefits for women. ChouChou! provides protection against death and the three dread diseases—cancer, heart disease and cerebrovascular disease—as well as birth support benefits for female policyholders aged 16 through 40. ChouChou! pays out a benefit when the insured gives birth, provides coverage for specified fertility treatments and provides a lump-sum payment upon maturity.

In April 2017, we launched Nissay Platinum Phoenix, a new long-term term insurance product for corporate customers that has a period of extensive coverage for accidents. This product allows customers to efficiently protect their business and prepare business succession funds, while curbing premiums by keeping down death benefits for deaths caused by something other than accident for a certain period of time after the policy is purchased. The period that the death benefit is kept down can be set to match the health condition of the executive(s) and the company's particular needs, allowing the company to obtain the coverage it needs in an order-made fashion. In February 2019, we temporarily suspended the sale of Platinum Phoenix while the Japanese tax authorities reviewed the appropriate tax treatment of this insurance product. The Japanese tax authorities have since completed their review, and we restarted sales of the product in September 2019.

In May 2025, we introduced Phoenix Care Plus, which divides the insurance period into "First insurance period", focusing on providing coverage for death due to disability, and "Second insurance period", focusing on providing coverage for the period when the insured requires nursing care and for death.

Individual Annuities

The number and amounts of individual annuity policies in force were approximately 38.9 million policies and ¥22.6 trillion, respectively, as of June 30, 2026. The amount of new individual annuity policies, including net decreases in policy amounts due to conversions, was ¥657.0 billion and ¥137.9 billion during the year ended March 31, 2026 and the three months ended June 30, 2026, respectively. Premiums from individual annuities constituted 10.8% and 8.9% of total insurance premiums for the year ended March 31, 2026 and the three months ended June 30, 2026, respectively.

Our individual annuity products mainly consist of individual fixed annuities, marketed under the Mirai no Katachi product lineup. We offer fixed annuity products that pay benefits for a fixed term and those that pay benefits throughout the life of the insured. Deposits made into these contracts are allocated to our general account, and we bear the risk that investments in the general account may not meet the assumed yields. A single-premium benefit payment is made upon the death of the insured prior to commencement of annuity payments.

In April 2016, we began offering Gran Age, our long-life insurance with a low cash surrender value, as a new insurance product for senior citizens that helps them live a long time in retirement with security and freedom. This product is designed to help senior citizen customers enjoy a secure and free life by paying out more benefits while the insured is alive, in contrast to traditional death protection policies, which only pay benefits on the death of the insured.

Group Insurance

Our group insurance products include mainly group term life insurance and group credit life insurance. The amount of group insurance policies in force was ¥95.8 trillion as of June 30, 2026. The amount of new group insurance policies was ¥370.1 billion and ¥78.6 billion during the year ended March 31, 2026 and the three months ended June 30, 2026, respectively. Premiums from group insurance constituted 4.9% and 5.2% of total insurance premiums for the year ended March 31, 2026 and the three months ended June 30, 2026, respectively.

Group term life insurance. Group term life insurance accounted for 23.4% of our total policy amounts in force for group insurance policies as of March 31, 2026. Group term life insurance is similar to term life insurance offered on an individual basis. Only one application is processed on behalf of the many individuals covered under the policy. We offer these products through corporations and other organizations as sponsored benefit programs with premiums paid by the organizations or on a non-sponsored basis with premiums paid by the insured. Group insurance policies are offered on a one-year renewable basis.

Group credit life insurance. Group credit life insurance accounted for 37.9% of our total policy amounts in force for group insurance policies as of March 31, 2026. Under this type of policy, in the event of the death or severe disability of the insured, we pay a benefit that is applied toward the repayment of the insured's housing loans. The amount of the benefit depends upon the amount of the remaining debt.

Group Annuities

We offer group annuity products that can be packaged to meet the specific needs of a corporation or other organization to offer defined benefit, defined contribution and other plans to its employees or other organization members. These plans offer fixed pension benefits with premium payments calculated based on the amounts of the fixed benefits. A portion of the plan can be allocated to the separate account so that variable returns based on actual investment results can be received. Plans that meet specified conditions may qualify for preferential tax treatment. Products include pension benefits insurance for retired employees; employee pension fund insurance, which is a publicly mandated pension fund system funded by corporate and employee contributions; and national pension fund insurance, which is a public pension system also funded by voluntary contributions of individuals. We offer our group annuity products to pension funds of large corporations and public pension funds. Premiums from group annuities constituted 17.6% and 28.1% of total insurance premiums for the year ended March 31, 2026 and the three months ended June 30, 2026, respectively.

We provide products and services that corporations may use to offer defined contribution plans to their employees. These plans do not guarantee minimum returns but rather reflect the results of investments made in a variety of segregated accounts among which the individual may allocate plan assets. Plan assets may be transferred to the plan of a new employer when the employee changes employment. We offer various products for investment of plan assets, including contribution-type pension benefits insurance, which is funded by individual employee

contributions. In June 2018, we introduced Target Risk Plan Account, a defined contribution plan for corporate pension benefit plans which operates by setting a target risk level and periodically rebalancing the portfolio based on such target risk level using quantitative rules in order to minimize fluctuations of returns.

Other Insurance Products

We offer other insurance, including financial insurance, financial annuities, group disability insurance and reinsurance.

Selected Information on Our Insurance Products

The following table sets forth selected information regarding our individual insurance, individual annuities, group insurance and group annuities.

	As of and for the year ended March 31,		
	2024	2025	2026
	(Thousands of policies and billions of yen)		
Individual Insurance Products			
Whole life insurance with term rider:			
Number of new policies	–	–	–
Number of new policies including conversions	–	–	–
New policy amount	¥ –	¥ –	¥ –
New policy amount including conversions	¥ –	¥ –	¥ –
Total number of policies	460.4	381.7	319.1
Total policy amount in force	¥ 7,420.9	¥ 5,997.5	¥ 4,886.9
Whole life insurance:			
Number of new policies	222.0	196.0	353.9
Number of new policies including conversions	265.3	246.8	403.3
New policy amount	¥ 1,308.6	¥ 1,139.0	¥ 2,063.8
New policy amount including conversions	¥ 1,472.4	¥ 1,339.9	¥ 2,290.1
Total number of policies	4,655.0	4,692.7	4,729.1
Total policy amount in force	¥28,282.0	¥28,464.3	¥28,656.9
Term life insurance:			
Number of new policies	98.1	122.9	118.2
Number of new policies including conversions	246.2	447.0	347.2
New policy amount	¥ 1,320.9	¥ 1,479.5	¥ 1,397.2
New policy amount including conversions	¥ 2,710.9	¥ 4,930.5	¥ 3,619.1
Total number of policies	2,129.5	2,214.7	2,257.7
Total policy amount in force	¥31,753.3	¥32,188.1	¥31,943.1
Endowment insurance:			
Number of new policies	46.0	49.9	38.3
Number of new policies including conversions	49.2	53.2	41.4
New policy amount	¥ 268.8	¥ 278.8	¥ 214.7
New policy amount including conversions	¥ 279.0	¥ 290.5	¥ 228.2
Total number of policies	582.1	566.2	538.0
Total policy amount in force	¥ 2,700.8	¥ 2,659.1	¥ 2,558.2
Dread disease insurance:			
Number of new policies	225.1	218.8	261.4
Number of new policies including conversions	538.5	598.7	580.9
New policy amount	¥ 771.7	¥ 698.7	¥ 770.7
New policy amount including conversions	¥ 2,042.7	¥ 2,265.2	¥ 2,020.5
Total number of policies	4,315.0	4,257.7	4,263.2
Total policy amount in force	¥17,802.9	¥17,182.2	¥16,761.0

	As of and for the year ended March 31,		
	2024	2025	2026
	(Thousands of policies and billions of yen)		
Cancer insurance:			
Number of new policies	146.1	132.8	143.8
Number of new policies including conversions	356.5	407.2	399.4
New policy amount	¥ –	¥ –	¥ –
New policy amount including conversions	¥ –	¥ –	¥ –
Total number of policies	2,595.1	2,675.5	2,775.9
Total policy amount in force	¥ 15.3	¥ 14.5	¥ 13.7
Nursing care insurance:			
Number of new policies	103.6	0.7	0.0
Number of new policies including conversions	293.6	2.4	0.0
New policy amount	¥ 317.4	¥ 2.3	¥ 0.0
New policy amount including conversions	¥ 956.1	¥ 8.4	¥ 0.0
Total number of policies	2,679.2	2,196.3	1,842.0
Total policy amount in force	¥ 9,893.2	¥ 7,917.0	¥ 6,535.7
Medical insurance[1]:			
Number of new policies	175.0	161.0	182.4
Number of new policies including conversions	292.5	315.4	317.7
New policy amount	¥ 0.1	¥ 0.0	¥ 0.1
New policy amount including conversions	¥ 0.1	¥ 0.0	¥ 0.1
Total number of policies	3,978.5	3,746.0	3,584.1
Total policy amount in force	¥ 6.9	¥ 7.0	¥ 7.2
Physical disability insurance:			
Number of new policies	126.5	0.6	0.0
Number of new policies including conversions	320.4	2.3	0.0
New policy amount	¥ 370.2	¥ 1.9	¥ 0.0
New policy amount including conversions	¥ 937.4	¥ 6.7	¥ 0.0
Total number of policies	2,865.0	2,336.4	1,950.1
Total policy amount in force	¥ 9,060.8	¥ 7,206.7	¥ 5,927.8
Other individual insurance[2]:			
Number of new policies	540.0	651.6	683.6
Number of new policies including conversions	989.1	1,601.2	1,385.4
New policy amount	¥ 989.8	¥ 677.4	¥ 606.0
New policy amount including conversions	¥ 1,402.9	¥ 1,217.6	¥ 1,008.7
Total number of policies	6,477.7	7,268.9	7,896.8
Total policy amount in force	¥ 12,949.1	¥ 12,253.1	¥ 11,730.9
Total individual insurance products:			
Number of new policies	1,682.3	1,534.7	1,781.8
Number of new policies including conversions	3,351.7	3,674.6	3,475.6
New policy amount	¥ 5,347.9	¥ 4,278.1	¥ 5,052.9
New policy amount including conversions	¥ 9,801.9	¥ 10,059.2	¥ 9,166.9
Total number of policies	30,737.8	30,336.6	30,156.4
Total policy amount in force	¥119,885.9	¥113,890.1	¥109,021.8
Individual Annuity Products[3]			
Number of new policies	116.5	111.1	127.4
Number of new policies including conversions	121.2	129.6	190.0
New policy amount	¥ 650.8	¥ 606.9	¥ 657.0
New policy amount including conversions	¥ 676.9	¥ 735.0	¥ 1,089.8
Total number of policies	4,086.6	3,998.2	3,923.3
Total policy amount in force	¥ 24,362.5	¥ 23,488.6	¥ 22,816.5

	As of and for the year ended March 31,		
	2024	2025	2026
	(Thousands of policies and billions of yen)		
Group Insurance Policies			
Number of new policies	114.7	103.8	215.8
New policy amount	¥ 609.4	¥ 130.5	¥ 370.1
Total number of policies	26,928.1	26,680.1	26,485.2
Total policy amount in force	¥ 96,874.4	¥ 96,343.0	¥ 95,593.9
Group Annuity Products(4)			
Number of new policies	0.1	0.0	0.2
New policy amount	¥ 0.1	¥ 0.2	¥ 0.0
Total number of policies	8,735.1	8,630.8	8,537.0
Total policy amount in force	¥ 13,994.8	¥ 13,786.5	¥ 13,671.9

Notes:

(1) Medical insurance mainly consists of general medical insurance, children's medical life insurance and limited injury insurance.

(2) Other individual mainly consists of educational endowment insurance, juvenile insurance and single-premium whole life insurance sold through the bancassurance channel.

(3) The policy amount for individual annuities is the sum of (a) the funds held for annuity payments at the time such payments are to commence and (b) the policy reserve amount for annuities for which such payments have already commenced.

(4) For group annuity products, the new policy amount is equal to the initial premium payment and the policy amount in force is equal to the amount of outstanding corresponding policy reserves.

Policyholder Participation

We offer participating and semi-participating policies. Holders of participating policies receive yearly dividends. These dividends are calculated based on three variables: mortality and morbidity rate margin, investment yield margin and administrative expense margin. If the combined effect of actual mortality and morbidity rates, yield on investments and administrative expense levels during a given period is more favorable to us compared to the assumptions used when pricing these products, a net surplus will generally result for that period. A portion of the net surplus attributable to participating policies may then be distributed to the policyholder as policyholder dividends. We may pay a terminal dividend, depending on the product, in addition to the regular policyholder dividends. We also plan to begin offering long-term continuous dividends, in addition to our regular policyholder dividends, targeted towards long-standing policies, initially focused on those under our Nissay *Mirai no Katachi* group of products and with payments at the ten-year mark, and at five-year intervals thereafter, from the date the relevant contract was executed.

Products and Services of Consolidated Group Businesses

Nissay Asset Management. NAM is an asset management firm that leverages the asset management capabilities of Nippon Life and its group companies. Through discretionary management, advisory services and investment trust products, NAM provides high-quality asset management services for corporate and individual customers. As of March 31, 2026, the total assets under management of NAM amounted to ¥48.5 trillion, consisting of ¥38.1 trillion in the investment advisory business and ¥10.3 trillion in the investment trust business, a slight increase from ¥41.2 trillion in total assets under management as of March 31, 2025.

Nissay Information Technology. Nissay Information Technology plays a key role in advancing our IT strategy, which includes the goal of increasing the sophistication and efficiency of our business systems to improve customer services, and supporting our IT systems, including digital devices used by our sales representatives. Nissay Information Technology also offers its services to third parties, such as other life insurance providers and medical service providers.

Taiju Life. Taiju Life (formerly Mitsui Life) is a mid-sized Japanese life insurance company with 6,856 sales representatives as of March 31, 2026 that offers individual and group life insurance products, group pension plans and group annuity investment products in Japan. It became our subsidiary in December 2015 and, effective April 1, 2019, was rebranded as Taiju Life. We have strived to achieve synergies with it by leveraging, among other things, the strength of our combined product lineup, including its non-participating insurance products. In October 2017, our sales representative channel began sales of Dream Road, a single-premium foreign currency-denominated endowment insurance product. In addition, in July 2018, sales of Nippon Life's Gakushi Hoken Nissay Educational Endowment Insurance and Genki Nissay Juvenile Insurance were launched through Taiju Life's sales representative channel. We are also co-developing a Sumitomo Mitsui Banking Corporation and regional bank bancassurance channel product together with Taiju Life.

Nippon Life Insurance Australia and New Zealand Limited. Nippon Life Insurance Australia and New Zealand Limited is a leading Australian life insurance company with a strong and diversified sales network that became our subsidiary in October 2016 and our wholly-owned subsidiary in October 2025 through subsequent consolidation. It offers an extensive range of insurance products from traditional life insurance, such as term insurance, to income protection insurance and group insurance.

Nippon Wealth Life. In May 2018, we acquired 85.1% of the outstanding shares of MassMutual Japan, which had been a wholly-owned subsidiary of MassMutual International LLC, a US-based financial services company offering a wide range of life insurance, annuities, retirement plans/401(k)s and investment trusts. In January 2019, MassMutual Japan was rebranded as Nippon Wealth Life. In October 2021, we acquired the remaining stake in Nippon Wealth Life from MassMutual International LLC and made it a wholly-owned subsidiary.

Hanasaku Life. We established Hanasaku Life as a wholly-owned subsidiary, which began business in April 2019 after obtaining its life insurance business license from the FSA in February 2019. In June 2019, Hanasaku Life began offering a medical insurance product under its brand, featuring lump-sum medical benefits for hospitalization, extensive coverage of lifestyle diseases, and policy rider customizability depending on the needs of the individual customers.

Nissay Plus SSI Company, Inc. In April 2022, we established Nissay Plus SSI Company Inc., a small amount and short-term insurance company as part of our effort to grow our customer base by flexibly and dynamically supplying both life and non-life insurance products.

Sales and Marketing

Multi-Channel Sales Structure

Sales representative channel

We have a large network of sales representatives that market products mainly to individual customers. In our effort to promote "face-to-face services", we strive to ensure that new and existing policyholders are visited at least once a year by their representative. Our face-to-face ethic is critical both to our social mission as a life insurance company and to the success of our customer service. For example, in the wake of the Great East Japan Earthquake in March 2011, our ability to respond quickly and efficiently to customer needs was essential to the financial recovery of households all across Japan. While we continue to believe that "face-to-face services" are important to our business, in light of the COVID-19 pandemic we have strived for further digitalization in our sales representative channel by combining face-to-face and online interactions based on the needs of our customers utilizing various digital tools.

As of March 31, 2026, Nippon Life had 47,755 sales representatives operating through 97 sales offices located throughout Japan. As of the same date, Taiju Life had 6,856 sales representatives (including sales representative positions held by sales managers). Our sales representatives are licensed pursuant to industry-wide standards. Door-to-door sales and workplace sales constitute

the primary means by which our sales representatives market our products to new customers. Of new policies written in the year ended March 31, 2026, 79% of annualized premiums were attributable to sales by sales representatives (including our Nissay Life Plazas). Our annualized premiums from new policies attributable to the sales representative channel for the year ended March 31, 2026 and the three months ended June 30, 2026 were ¥216.1 billion and ¥52.5 billion, respectively, compared to ¥168.9 billion and ¥40.5 billion, respectively, for the same periods in the previous year.

We refer to our sales representatives as "Nissay Total Partners", which signifies that our sales representatives provide total support for customers and their families by providing comprehensive insurance products and services. We believe that Nissay Total Partners should, among other things, be able to explain the range of our products and services and advise as to which of those products and services best meet the needs of our customers. We offer our sales representatives extensive training and continuing education courses. In addition to on-the-job training, our sales representatives participate in periodic formal training courses. At the beginning of their careers, all sales representatives participate in an intensive training course taught by experienced instructors. Sales representatives may continue their education at training centers established at each of our branches, which offer training materials and satellite broadcast programs, and are staffed by full-time consulting experts.

In the year ended March 31, 2008, we established a new evaluation framework for our sales representatives. Under this framework, their primary assignments are based on visiting existing customers and gathering information to capture potentially new policies. The fixed amount of compensation is guaranteed if basic assignments are fulfilled for a certain period after they enter the company. Since incorporating this new framework, our retention rate of sales representatives generally has improved.

The seven-month retention rate of sales representatives was 83.7% for those recruited in the year ended March 31, 2026, the 13-month retention rate for those recruited in the year ended March 31, 2025 was 72.6% and the 25-month retention rate for those recruited in the year ended March 31, 2024 was 55.5%. We believe that our retention rates are generally in line with those of our competitors.

Specialized channel. In addition to the main sales representative channel described above, we also employ corporate worksite financial coordinators on a fixed-salary basis to develop the corporate and worksite markets in the Tokyo metropolitan area and 13 other large cities in Japan. As of March 31, 2026, we employed approximately 3,200 corporate worksite financial coordinators throughout Japan. We view the corporate and worksite markets as the most important in large cities such as Tokyo and Osaka, given that we can reach a vast number of corporate employees through such markets. To meet the changing demands of our customers, we have developed such industry-based channels in addition to the area-based sales representative channels, and endeavor to provide high-quality financial planning and consulting services, which we believe has resulted in improvement in our persistency rate and acquisition of new customers.

Nissay Life Plazas. We also market our products through Nissay Life Plazas, which are service centers providing customers and potential customers with information seminars and advice on insurance products, as well as on tax, asset management, and medical and nursing care. As of March 31, 2026, we had 99 Nissay Life Plazas. Procedures and consultations involving insurance policies are an important activity of these plazas. To meet a broad range of customers' needs, there are also specialized consulting services covering asset management, preparations for healthcare and nursing care, the accumulation of savings by parents to pay for their children's education and other subjects. They also work to build people's familiarity with insurance by offering a wide range of services, including free seminars on a variety of themes, tax accountant consultation services (at some plazas) and providing information related to life events.

Agency channel

We sell life insurance through our network of third-party sales agencies, including tax accountants, professional life and non-life insurance sales agencies and major financial institutions and their related agencies throughout Japan, which included approximately 19,000 agencies as of March 31, 2026. We have also experienced steady growth in the number of policies in force, the policy amount in force and the number of customers in the third-party sales agencies channel. Sales via third-party sales agencies have consistently increased as a percentage of our overall sales. Of new policies written in the year ended March 31, 2026, 17% of annualized premiums were attributable to sales via third-party sales agencies.

LHL Co., Ltd., a subsidiary of Nippon Life, is a holding company of LifeSalon Co., Ltd., Hoken 110, operators of independent retail insurance agency chains, and Life Plaza Partners Co., Ltd., which provides insurance agent and broker services.

Bancassurance channel

We sell individual annuities and single-premium whole life insurance through the service counters of financial institutions under agency agreements with approximately 300 financial institutions, including banks, securities companies and credit unions throughout Japan. We have enhanced products sold through this channel, including variable single-premium increasing-benefit whole life insurance. As a result, we have recorded steady growth in premium revenues. Of new policies written in the year ended March 31, 2026, 4% of annualized premiums were attributable to sales via financial institutions. Our annualized premiums from new policies attributable to the bancassurance channel for the three months ended June 30, 2026 were ¥0.9 billion, compared to ¥2.9 billion for the same period in the previous year.

Digital / direct channel

Starting in July 2020, as a new sales channel, Hanasaku Life started to offer certain of its insurance products directly to customers through a direct mail platform. Information about the products can be requested through Hanasaku Life's website, over the phone and through other means, and policies can be purchased by mail without having to meet with an agent. Currently, Hanasaku Life offers Hanasaku Iryo, whole life medical insurance, and Hanasaku Teiki, term insurance directly to its customers through this channel.

Nissay Plus SSI Company Inc. started to offer certain of its insurance products including small amount and short-term insurance policies directly to customers through direct and digital channels.

Corporate and Asset Management Sales

Based in major metropolitan areas and elsewhere in Japan, corporate relationship managers mainly market group insurance and group annuity products directly to large corporations and public entities, providing a full range of consulting services, and also work closely with our sales representatives to support workplace retail sales activities.

Corporate relationship managers also market our investment advisory services to pension funds of large corporations and to public pension funds. In addition, local branches of various Japanese securities companies and banks market investment trusts managed by NAM to retail investors.

Sales Support

Our sales representatives are supported in their sales activities by our advanced IT infrastructure. Our sales representatives utilize digital devices that enables them to handle customer requests swiftly and paper-free while maintaining the traditional face-to-face format that is so critical to the success of our sales representative channel. With these devices, sales representatives can

display marketing materials and application forms, make standard benefit and inheritance tax calculations, manage customer information, report their sales activities and access information regarding existing policies. These digital devices have been distributed to all sales representatives throughout Japan and feature functions to develop insurance proposals, process applications and complete various procedures "on the spot". Using digital devices, we are able to reduce the need for repeat visits by sales representatives, because we can wirelessly confirm the sufficiency and accuracy of information entered by our customers.

Customer Support Services

Face-to-Face Customer Service

In August 2007, we introduced Policy Details Confirmation Activities (PDCA). The goal of PDCA is for our sales representatives to visit each of our policyholders to ensure that policyholders are knowledgeable about the contents of their policies and to increase customer satisfaction with our products. As a result of PDCA, customer satisfaction has risen steadily since the year ended March 31, 2008, particularly among customers who have been visited by one of our sales representatives. In addition, we use the feedback that we receive from policyholder visits to improve our products and management.

We believe that largely due to our after-sales follow-up visits, we have been able to maintain our surrender and lapse ratio at roughly the same level over the past seven years, from 4.2% for the year ended March 31, 2020 to 5.0% for the year ended March 31, 2026.

The following table sets forth the surrender and lapse ratio of our individual insurance and individual annuities.

	Year ended March 31,			Three months ended June 30,
	2024	2025	2026	2026
	(Billions of yen, except percentages)			
Policy amount at the beginning of the period	¥149,164.7	¥144,248.4	¥137,378.7	¥131,838.3
Surrender and lapse amount	6,888.2	6,431.6	6,895.3	1,680.3
Policy amount at the end of the period	144,248.4	137,378.7	131,838.3	130,583.1
Surrender and lapse ratio	4.6%	4.5%	5.0%	1.3%

Call Center and Online Services

Our call centers provide customers with an efficient means to gain access to information about their insurance policies. We also provide an online service for our policyholders to supplement the services available through our customer support phone service. With the assistance of this online service, customers can conveniently and expeditiously receive direct deposits of loan amounts and deferred annuities into specified accounts. Other services include an Internet site through which customers can view information regarding their policies and make certain changes to personal data. We also allow policyholders to obtain policy loans, withdraw dividends, view their account, pay premiums and receive other services through many ATMs operated by third parties. Customer service is also available via post. Since September 2021, we have also begun allowing our customers to submit and register their own My Number with us via our Nippon Life smartphone application.

NISSAY Happiness Navi

In April 2025, we launched *NISSAY Happiness Navi*, replacing our existing *Zutto Motto Service*. Through *NISSAY Happiness Navi*, we aim to enrich our customers' daily lives with various gifts and services and to mitigate customers' health risks with services relating to health promotion, disease prevention and early detection. The service consists of three parts: "Happy Gifts," which

offers customers rewards for completing surveys and registering health check-ups and life events; "Life Contents," a portal for online video and educational content designed to enrich everyday life; and "Risk Care Service," which provides a range of support tools aimed at reducing personal and household risk. The service is accessible via multiple channels, including an official LINE account, smartphone application, and website.

Services for Elderly Customers

In connection with our "Gran Age Project", we provide various services for our elderly customers, including after services when they become policyholders and make payments, so that they can maintain their policies with peace of mind. In April 2016, we began offering the industry's first service for life insurance beneficiaries, Nissay Bereaved Relative Support Service. It is free of charge and the support we provide includes offering telephone consultation regarding tax, procedural, and other matters that need to be addressed upon a policyholder's death, providing materials to be used as a reference in determining inheritance taxes according to the amount of inheritance, and support in completing various administrative procedures and referrals to professionals that can handle such procedures on behalf of the beneficiary. In furtherance of the mission of our "Gran Age Project", in March 2018, we released *Nissay Brain Training*, an extended capability ("skill") for Amazon Alexa-enabled devices that allow customers to conduct cognitive training activities intended to help prevent the onset of Alzheimer's disease. In December 2018, we introduced "Gran Age Star", a package of services for our elderly customers including identity guarantee service, daily life support, and, after-death services such as burial, cremation and handling of personal items of the deceased customer.

Other Services

From April 2012, we began offering to our customers consulting house calls by expert customer care managers of the Nichii Group, in which our customers can consult with such care managers about their nursing care concerns. In April 2013, we launched the Child-raising Advice Hotline to provide around-the-clock telephone counseling with specialists regarding the health and care of children. We also launched Wellness-dial f to provide female customers with a hotline for advice on women-specific symptoms and syndromes in March 2014. These services are offered through Life Care Partners Co., Ltd. In April 2014, we started offering a specialist physician referral service to a selected group of customers through Best Doctors. In February 2015, we introduced our online N-Concierge service, which provides free around-the-clock assistance for a wide range of products to people covered by eligible Nippon Life corporate policies and people working in the human resources or general affairs departments of our corporate clients, and which was further expanded in service scope in February 2018. In July 2018, we introduced *N-Assist*, an Internet-based service for existing and prospective customers of our individual annuity products, offering answers to asset management-related inquiries, simulation of changes in account balances over time, and assistance with the selection of an appropriate asset management plan that best suits their needs. In July 2020, we rolled out a diabetes prevention program, consisting of a paid service offering online counselling by public health nurses for incipient diabetics.

Global Operations and Strategic Alliances

Although we consider the large and profitable domestic market to be our primary focus, we have taken and continue to take steps to develop our business overseas, where we expect there are growth opportunities not present in Japan.

Currently, we are engaged in and plan to engage in life insurance businesses and asset management businesses in countries overseas, including Australia, China, India, Thailand, Indonesia, Myanmar, the United States and Europe, through capital investments and joint venture arrangements.

We recognize that such overseas investments expose us to a number of risks due to cultural and societal differences. For example, certain developing countries, such as in Asia, pose unique challenges in terms of political and economic instability, underdeveloped regulatory regimes and other challenges. Depending on the jurisdiction, there may also be limitations or other restrictions on foreign investments.

To mitigate these risks, we often make our overseas investments by building long-term relationships with trustworthy partners and helping them to grow their business further by sharing our expertise.

To further increase revenues in our global business, we plan to pursue a broad range of possibilities and examine the best way of expanding businesses based on the characteristics of the respective global markets. For example, we continue to actively consider international opportunities in our insurance and asset management business across the globe, where we seek to expand profitability by expanding into asset management. In addition, we have established and expect to continue to establish other long-term partnerships with prominent companies in various countries around the world as part of our overall corporate strategy.

In recent years, we have entered into the following:

- In December 2017, we acquired a 24.75% stake in TCW, a US-based asset management company with approximately $191.6 billion in assets under management as of the end of 2016. As of June 30, 2026, we held 28.39% of the outstanding shares of TCW, the management and employees of TCW held approximately 35.84%, while The Carlyle Group, through its affiliates, held the remaining 35.77%. Through this investment, we have leveraged TCW's advanced investment management strategies to enhance the investment returns of our insurance products and provided our customers in Japan with opportunities to take exposures to overseas asset classes primarily in the U.S. In order to further support the development and accelerate the growth of TCW's business, in December 2024, we completed the investment in $250 million of convertible bonds and $300 million of preferred securities issued by TCW, as well as to place up to $3.25 billion of our assets under TCW's management in order to enhance our portfolio management and contribute to the expansion of TCW's operations particularly in the domain of private credit. Over the long term, we aim to develop the asset management business into a main business pillar alongside our life insurance business, and we consider TCW to be a key part of our strategy to build our global asset management operations alongside with NAMI and Nippon Life India Asset Management Limited.

- In March 2018, we acquired a 5% stake in the initial global offering of DWS, a leading global asset management company based in Frankfurt, at a cost of 325 million euros. We intend to enhance our investment capabilities and asset management business by mandating investing assets to DWS and enhancing mutual interactions in order to meet the diversifying needs of our customers.

- In May 2019, we reached an agreement with Reliance Capital to acquire its stake in RNAM. In August 2019, we conducted a tender offer for the shares of RNAM. As a result, we made RNAM our subsidiary, and we owned 71.93% of its shares as of June 30, 2026. In January 2020, RNAM was rebranded as NAMI.

- In June 2019, we entered into a definitive agreement to acquire a 35% stake in GGNL, a life insurance company under Myanmar's conglomerate Shwe Taung Development Company Limited, at a cost of $21 million. In November 2019, approval was obtained from the Myanmar financial authorities and the acquisition was completed. Myanmar is a market that is expected to continue to grow given its attractive population profile and steady economic development, after the opening of its insurance sector in 2013 after nearly half a century of government monopoly.

- In December 2024, we completed the acquisition of a 21.6% equity stake in Corebridge from its parent company, American International Group, Inc. Corebridge operates a diversified business portfolio centered around the provision of retirement solutions. Through this acquisition, we intend to establish a strategic partnership with these two companies to further enhance the value of Corebridge, and expect Corebridge to contribute to our core operating profit. The acquisition amount was $3,838 million, which was funded by cash on hand.

- Corebridge operates a diverse business portfolio centered around individual and group annuities in the United States, with a revenue model that is resilient to changes in the external environment. We made the investment with a purpose of securing stable profits in the world's largest and continuously growing U.S. insurance market, where Corebridge ranked third for individual annuity market share, according to LIMRA U.S. Individual Annuities Sales Survey published in 2026.

  In the year ended December 31, 2025, Corebridge recorded premiums and deposits (including single premium payments for annuities and other products) of U.S.$41,731 million, core operating profit (adjusted pre-tax operating income, which is derived by excluding Fortitude Re related adjustments, investment related adjustments, market risk benefit adjustments and other adjustments from income/(loss) before income tax expense/(benefit)) of U.S.$2,966 million and total assets of U.S.$413,547 million.

  Corebridge operates four main business segments, including (i) individual retirement, which contributed approximately 52% of its adjusted pre-tax operating income in the year ended December 31, 2025, responding to diverse needs with a wide range of product offerings, including fixed annuities, fixed index annuities and registered index-linked annuities; (ii) group retirement, which contributed approximately 20% of its adjusted pre-tax operating income in the same year, offering primarily 403(b) plans for educational institutions in the defined contribution plan market; (iii) institutional markets, which contributed approximately 16% of its adjusted pre-tax operating income in the same year, operating a pension risk transfer business (assuming pension liabilities from corporations) and others; and (iv) life insurance, which contributed approximately 11% of its adjusted pre-tax operating income in the same year, providing protection primarily through term life, universal life and small-scale whole life insurance. The following table sets forth the adjusted pre-tax operating income by business segments (excluding corporate and other and consolidation and elimination) for the years indicated:

	For the year ended December 31,		
	2023	2024	2025
	(Millions of U.S.$)		
Individual retirement	U.S.$1,895	U.S.$2,040	U.S.$1,883
Group retirement	754	744	724
Institutional markets	379	495	587
Life insurance	373	461	413
Total	U.S.$2,776	U.S.$3,167	U.S.$2,966

The following table reconciles adjusted pre-tax operating income, a non-GAAP figure, from pre-tax profit (loss), which is the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP, for the years indicated:

	For the year ended December 31,		
	2023	2024	2025
	(Millions of U.S.$)		
Pre-tax income (loss)	**U.S.$ 940**	**U.S.$2,803**	**U.S.$ (541)**
Net investment (income) on Fortitude Re funds withheld assets	(1,368)	(1,370)	(1,332)
Net realized losses on Fortitude Re funds withheld assets	224	248	100
Net realized losses on Fortitude Re funds withheld embedded derivative	1,734	518	1,673
Changes in fair value of market risk benefits, net	202	32	580
Changes in fair value of securities used to hedge guaranteed living benefits	–	–	–
Changes in benefit reserves related to net realized gains (losses)	(6)	(8)	24
Net realized losses[2]	1,792	1,459	2,476
Non-operating litigation reserves and settlements	–	(1)	–
Separation costs	245	94	–
Restructuring and other costs	197	287	381
Non-recurring costs related to regulatory or accounting changes	18	3	2
Net (gain) on divestiture	(676)	(245)	–
Pension expense – non operating	15	–	–
Businesses existed through reinsurance[2]	(609)	(687)	(421)
Noncontrolling interests	68	34	24
Adjusted pre-tax operating income	**U.S.$2,776**	**U.S.$3,167**	**U.S.$2,966**

Notes:

(1) Includes all net realized gains and losses except earned income (periodic settlements and changes in settlement accruals) on derivative instruments used for non-qualifying (economic) hedging or for asset replication. Additionally, gains (losses) related to the disposition of real estate investments are also excluded from this adjustment

(2) The reconciliations for the fiscal years ended December 31, 2023 and 2024 include exclusion of the impact of businesses exited through reinsurance, which represent the results of businesses that have been or will be economically exited through reinsurance. This includes market risk benefits ("MRBs"), along with changes in the fair value of derivatives used to hedge MRBs which are recorded by Corebridge through "Change in the fair value of MRBs, net." The results of operations from these businesses have been excluded from adjusted pre-tax operating income as they are not indicative of Corebridge's ongoing business operations

- On March 26, 2026, Corebridge and Equitable announced that they have entered into a definitive agreement to combine in an all-stock merger. The transaction will create a leading retirement, life, wealth and asset management company with an expanded annuity product lineup and diversified earnings base through incorporation of businesses such as asset management. We believe that this merger is valuable to us as shareholders from a long-term perspective and may enable the establishment of a resilient and competitive business foundation. The merger is targeted to be completed by the end of 2026.

  Equitable is well-positioned to complement Corebridge with its strength in variable annuities (which had the top market share in the U.S. by sales in 2025 according to LIMRA U.S. Individual Annuities Sales Survey published in 2026). The transaction is expected to

create a leading retirement, life, wealth and asset management company with an adjusted pre-tax operating income of approximately U.S.$5.1 billion in the year ended December 31, 2025. The combined company has a market share at a level that would have ranked the top in the U.S. individual annuities market in 2025, based on data compiled from the same source.

- In December 2024, we agreed to acquire 100% of Resolution Life, which was then an equity method affiliate. Resolution Life is a global insurance group focusing on the acquisition and management of portfolios of life insurance policies. We made an investment in Resolution Life initially in November 2019, and made further investments in May 2021 and October 2023 to increase our ownership interest. Upon the completion of the acquisition in October 2025, we consolidated control of Resolution Life. With this latest transaction which turned Resolution Life into a wholly-owned subsidiary, we aim to expand in the large and growing life insurance market in the United States.

  Resolution Life is a major player in the acquisition and management of portfolios of life insurance policies business, operations in Bermuda, the U.S., the U.K. and Singapore. Resolution Life pursues profit generation through enhancing the value of in-force portfolios acquired or consolidated from other insurers through legal entity and business acquisition as well as reinsurance, thereby fulfilling primary insurers' needs of divesting from in-force portfolios to improve capital efficiency. This is attained by improving returns through the review of asset management portfolios and outsourcing to third-party managers, as well as achieving both enhanced customer service and cost efficiency through the utilization of the latest IT technologies.

  We acquired Resolution Life with aims to expand our business in the U.S. life insurance market, further enhance our Australian life insurance business and create synergies among products, operations and asset management. Leveraging its key features and strengths that include being a global player as well as having advanced asset management and policy administration capabilities and experienced leadership team, Resolution Life is expected to not only improve investment returns but also balance enhanced customer service and cost efficiency.

  In the year ended December 31, 2025, Resolution Life recorded total revenue of U.S.$9,476 million and total assets of U.S.$91,011 million. Its investment portfolio consisted of approximately 51% of public and private credit, approximately 26% of public and private structured assets, approximately 11% of mortgage loans, approximately 3% of cash, and approximately 9% others. In terms of policy reserves, its products comprised approximately 53% of life insurance, approximately 33% of annuity and approximately 14% of fee-based products and other investments.

  The following table reconciles adjusted pre-tax profit, a non-GAAP figure, from net income attributable to Resolution Life shareholder, which is the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP, for the year and periods indicated:

	For the year ended December 31,	
	2024	2025
	(Millions of U.S.$)	
Net income attributable to Resolution Life shareholder	**U.S.$ 69**	**U.S.$ 136**
Add: Change in the fair value of reinsurance assets (DIG B-36)[1]	771	(369)
Add: Realized gains (losses)[2]	(437)	783
Add: FX Offset in OCI[3]	–	(97)
Add: Market value adjustments on liabilities[4]	(89)	229
Add: One-time costs[5]	34	12
Add: Acenda fair value change	–	(46)

	For the year ended December 31,	
	2024 (Millions of U.S.$)	2025
Less: Tax	(101)	(263)
Adjusted earnings (post-tax)	**247**	385
Add: Tax adjustment[6]	95	139
Adjusted pre-tax profit	**U.S.$ 343**	**U.S.$ 522**

Notes:

(1) Includes reinsurance agreements structured as Modco/Funds Withheld where there is an accounting requirement to mark the related reinsurance assets to market through the statement of profit or loss. Due to the volatility associated with the embedded derivative (DIG B-36), it is removed from the adjusted earnings

(2) Relates to gains or losses on sale of invested assets

(3) Reflects foreign exchange movements recognized in other comprehensive income ("OCI") that economically offset foreign exchange impacts recognized in profit or loss. As these items are primarily driven by currency fluctuations and may not be indicative of underlying business performance, they are excluded from adjusted earnings.

(4) Reflects the changes in policyholder liabilities and value of business acquired from market movements

(5) Relates to one-off strategic transaction closing costs and restructuring costs

(6) Relates to changes in the fair value of the investment in Acenda. As these valuation movements are market-driven and may not reflect the underlying operating performance of Resolution Life, they are excluded from adjusted earnings.

(7) Adjusted pre-tax profit for the period prior to October 2025 includes contribution by Nippon Life Insurance Australia and New Zealand Limited, which became our consolidated subsidiary in October 2025 through our acquisition and subsequent consolidation of control of Resolution Life (resulting in a 49% ownership stake in Nippon Life Insurance Australia and New Zealand Limited indirectly through Resolution Life and a 51% stake in Nippon Life Australia and New Zealand NOHC Pty Ltd which is the direct parent company of Nippon Life Insurance Australia and New Zealand Limited). We accounted for the acquisition of Resolution Life using the purchase method of accounting (also referred to as purchase GAAP accounting or "PGAAP") and adopted the guidance commonly referred to as long-duration targeted improvements ("LDTI"), which updates certain requirements in the accounting for long-duration insurance and annuity contracts effective from November 2025 in connection with the consolidation of control of Resolution Life. As a result, we do not believe the predecessor financial results (including adjusted pre-tax profit) prior to the acquisition and subsequent consolidation of control of Resolution Life are comparable to the results subsequent, and therefore Resolution Life's contribution to our core operating profit going forward may not be comparable to prior periods. Adjusted pre-tax profit for 2025 is calculated by combining the January–October 2025 results (prior to the adoption of PGAAP and LDTI) and the November–December 2025 results (after their adoption).

In connection with our acquisition of Resolution Life, in October 2025, we acquired the remaining 20% of the shares in Nippon Life Insurance Australia and New Zealand Limited, and transferred Nippon Life Insurance Australia and New Zealand Limited, Resolution Life Australasia and Asteron Life under the holding company, Australasia NOHC, as a corporate reorganization under our Acenda Group brand. Nippon Life Insurance Australia and New Zealand Limited is a leading Australian life insurer which became our subsidiary in October 2016. As a result of these transactions, we directly hold 51% of the voting rights of Australasia NOHC and also indirectly hold 49% thereof through Resolution Life, and Australasia NOHC encompasses both Resolution Life's Australian operating company and Nippon Life Insurance Australia and New Zealand Limited as its subsidiaries, a further merger of the operations of which is under consideration.

Through this series of transactions, we are aiming to take advantage of Nippon Life Insurance Australia and New Zealand Limited's full product lineup strategy in conjunction with Resolution Life's advanced technologies, such as AI, to offer more value to policyholders, achieve further growth through enhanced cost-effectiveness, and improve profitability through the realization of expected synergies between both companies. In addition, once integrated in the above manner, Nippon Life Insurance Australia and New Zealand Limited and Resolution Life together rank as the fourth largest life insurer in the Australian market based on in-force premiums as of December 2025, according to data from NMG Consulting Risk Distribution Monitor.

- In June 2026, we entered into a memorandum of understanding regarding a comprehensive strategic partnership with Blackstone Inc. ("Blackstone") group to provide

investment management services in the fields of private credit and real estate. With the aim of consistently securing investment opportunities in private credit, we plan to commit approximately ¥1.5 trillion over the next 5 years. In addition, through initiatives such as seconding trainees and promoting mutual personnel exchanges, we intend to enhance our asset management capabilities and strengthen our risk management framework. We aim to deepen the relationship into a group-wide partnership.

Blackstone is one of the world's largest alternative asset manager, with strength in private credit, real estate and other areas. Blackstone had an asset under management of approximately U.S.$1.3 trillion in March 2026 and a market capitalization of approximately U.S.$160.2 billion in April 2026. As one of the leading foreign players in the Japanese real estate market, Blackstone is also known for its expertise in enhancing real estate asset value. We began mandating Blackstone in 2005. Through Resolution Life, we currently mandate the management of illiquid assets to Blackstone. Our other group companies also leverage Blackstone's investment capabilities indirectly through ceding to Resolution Life.

Our strategic partnership with Blackstone covers the following areas:

- *Private Credit:* As private credit aligns well with long-term insurance liabilities and offers attractive returns, we seek to expand and consistently secure high-quality investment opportunities in private credit by leveraging Blackstone's scale and sourcing capabilities as well as allocate approximately ¥1.5 trillion over the next 5 years;
- *Real Estate:* To enhance the value of our properties, we will leverage Blackstone's advanced asset management capabilities. Specifically, we will consider collaboration with Blackstone for a portfolio of a dozen-plus properties, including large-scale assets in major urban areas; and
- *Personnel Exchange:* Through seconding trainees and personnel exchange, we aim to enhance our investment management capabilities and strengthen our risk management framework. We will deepen mutual understanding between the two firms and strengthen the alliance going forward.

Domestic Strategic Alliances and Investments

As part of our ongoing strategy to expand product and service offerings in Japan, we regularly evaluate potential strategic transactions such as alliances, joint ventures, acquisitions and other opportunities involving established financial institutions. In recent years, we have entered into the following:

- In May 2018, we acquired 85.1% of the outstanding shares of MassMutual Japan, which had been a wholly-owned subsidiary of MassMutual International LLC, a US-based financial services company offering a wide range of life insurance, annuities, retirement plans / 401(k)s and investment trusts. In January 2019, MassMutual Japan was rebranded as Nippon Wealth Life. In October 2021, we acquired the remaining stake in Nippon Wealth Life and made it a wholly-owned subsidiary.
- We established Hanasaku Life as a wholly-owned subsidiary, which began business in April 2019 after obtaining its life insurance business license from the FSA in February 2019. In June 2019, Hanasaku Life began marketing its medical insurance products.
- In April 2022, we established Nissay Plus SSI Company Inc., a small amount and short-term insurance company.
- In November 2023, we reached an agreement with BCPE Color Cayman, L.P. and Color Cayman Investments, LLC, both of which are indirectly owned by funds advised by Bain Capital and other shareholders, to acquire a 99.5% stake in K.K. BCJ-43, which owns all of

shares of Nichii Holdings, for approximately ¥205 billion. This transaction was completed in June 2024, following which we hold 98.6% of K.K. BCJ-43 directly and 1.0% indirectly through Nissay Information Technology Co., Ltd.

- In September 2025, we entered into an agreement with ORIX Corporation to acquire 30% of the outstanding shares of Nissay Leasing from ORIX Corporation, making Nissay Leasing our wholly owned subsidiary.
- In February 2026, we acquired a 53.0% stake in Medical Data Vision. Subsequently, Medical Data Vision's certain corporate actions including a consolidation of shares, a third-party allotment of shares and repurchase of shares owned by SBI Holdings, Inc. together resulted in Medical Data Vision becoming our wholly owned subsidiary in May 2026. The overall transaction was valued at approximately ¥57 billion.

Pricing and Underwriting

Pricing of our life insurance and annuity products is based mainly on assumptions with respect to expected mortality and morbidity rates, rates of return on investments and administrative expenses.

We maintain underwriting policies and guidelines intended to prevent actual insurance payment events from occurring at a higher rate than the expected mortality and morbidity rates. Our insurance underwriting involves a centralized application and risk evaluation process that determines whether the risk unique to a particular applicant, including mortality and morbidity risk and risk of insurance fraud, is consistent with the amount of risk that we are willing to accept. We consider the risk characteristics of the individual to be insured, including a detailed medical condition, occupational and financial profile and we maintain strict guidelines regarding the examinations required for the type and amount of each policy. For example, in the case of policies that provide for death benefits exceeding a specified level, the insured party must undergo medical examinations performed by physicians employed by or affiliated with us. Other products offering lower benefits require simpler examination procedures, such as interviews with insurance interview specialists, submission of the results of a physical examination or in some cases only a written self-declaration.

We underwrite our group policies generally by evaluating the risk characteristics of the prospective insured group.

Additionally, when introducing new products or product lines, our product development departments conduct thorough evaluations of the insurance underwriting risk on existing policies to assess the risks associated with pricing of new products or product lines, which often involves the use of assumptions based on limited experience when compared to existing products or product lines.

To maintain high standards of underwriting quality and consistency, we engage in a series of ongoing internal underwriting audits at our branches and corporate headquarters.

From time to time, we revise the assumed yield used to calculate the premium rate on our insurance products based on changes to the standard prospective yield fixed by the FSA, which is used to compute the standard policy reserve and indirectly influences the pricing of our products.

The standard prospective yield for level premium insurance was reduced by the FSA from 1.0% to 0.25% for products sold starting from April 2017, which requires us to increase the policy reserves for new policies sold after such date. The standard prospective yield rate was further revised downward by the FSA for single-premium individual whole life insurance products from 0.25% to 0.00% effective January 2020. In July 2025, due to the rise in interest rates, the standard prospective yield rate has increased to 1.25% for single-premium individual whole life insurance products, but still remains at a relatively low level. From April 2022, the standard prospective yield applies to certain types of foreign currency-denominated insurance policies. Starting from January 2025, the assumed yield for annuity insurance and whole life insurance offered were raised from 0.60% to 1.00% and from 0.25% to 0.40%, respectively. Consequently, for the year ended March 31, 2026, the assumed yield for annuity insurance, whole life insurance and other term insurances was 1.00%, 0.40% and 0.85%, respectively.

See "Recent Business— Risk Management—Insurance Underwriting Risk Management".

Investments

Our investments are divided into two categories of account, the general account and the separate account. Payments to customers for products providing a fixed benefit are made from investments in our general account. We bear the risk that investments in the general account will not yield sufficient return to cover benefits paid for products for which premiums are calculated based on a fixed assumed yield.

In contrast, products for which customers bear the investment risk are paid from funds managed in a separate account. These products include individual variable insurance, individual variable annuities and group annuities with separate account policy riders. While there are no regulations restricting allocation of separate account assets to specified classes of investments, we generally invest such assets in investments for which market prices are readily available so that we may efficiently realize the returns for payment to policyholders.

Of our ¥87,454.6 billion of total assets as of June 30, 2026, general account assets accounted for ¥86,305.7 billion. The balance consisted of separate account assets in the amount of ¥1,148.8 billion.

Management of Investments

We invest our general account assets based on a policy that seeks to achieve both stability and profitability. Relying on the ALM approach, we make investments based on the characteristics of our liabilities, such as cost and duration, while at the same time seeking to augment earnings in the medium- to long-term by assuming a certain degree of risk within a permitted range with reference to our available risk buffer. In particular, we put emphasis on ESG investments, with a goal toward securing a long-term, stable investment return.

- *Stability*. Recognizing that the key to stability lies in maintaining a proper portfolio structure, we invest based on an annual investment plan and the long-term objectives of our portfolio, which take into consideration the characteristics of our liabilities. We consider the allocation between yen-denominated interest bearing assets and riskier assets and the expected duration of yen-denominated interest bearing assets to be important factors in the establishment and implementation of the investment plan.
- *Profitability*. We seek to augment medium- to long-term earnings by selectively investing in various assets, such as domestic and foreign stocks, foreign bonds, notes, loans and real estate, that we believe bear a favorable risk-return trade-off. We conduct risk control such that the total value-at-risk of the investment portfolio, which is calculated using a statistical analysis, is within the permitted range according to our available risk buffer. In addition, we also monitor value-at-risk for market risk and credit risk, and, as necessary, establish appropriate limits to maintain a balance between profitability and stability. Moreover, we aim to improve risk-return efficiency to balance stable revenue and risk reduction over the medium- to long-term by reducing the weight of domestic stocks, which have sufficient volume and carry significant risk, and increasing investment in alternative assets.

ALM is a mechanism employed by us to manage our investment assets in a manner appropriate to our liabilities, primarily insurance contracts. Our ALM methods differ for each product group, but the following key objectives apply to all groups:

- maintenance of earnings that exceed liability costs (assumed yields);
- determination of a reasonable dividend policy;
- maintenance of appropriate liquidity for payment of insurance claims; and
- maintenance of adequate solvency as a risk buffer in case of deterioration in the investment environment.

Based on these key objectives, we create portfolios that serve as core medium- to long-term investments, based on our ALM approach to controlling assets and liabilities. Among other

factors, we analyze and evaluate (i) liability cash flows, (ii) interest rate risk and (iii) levels of permissible risk for each product in deciding our medium- to long-term investment plan at meetings of the managing directors and Risk Management Committee. Specifically, to supply stable long-term yields promised to policyholders, we have positioned public and corporate bonds and loans, which are expected to generate stable yen income, as our primary assets, and promote yen interest rate risk control by trading ultra long-term JGBs considering interest rate levels and other factors.

We seek to implement flexible portfolio management to maintain long-term stable investment income. Our current investment plan for particular asset classes is as follows:

- *Domestic bonds*. While selectively selling low yield assets, we intend to invest in currency-swapped yen-denominated foreign corporate bonds and invest in and replace government bonds taking into account interest rate levels.
- *Hedged foreign currency-denominated bonds*. We intend to continue to selectively invest in foreign corporate bonds and others, which provide reasonable yield from a medium- to long-term perspective, and increase investment in floating rate assets to mitigate hedging cost volatility and other risks.
- *Non-hedged foreign currency-denominated bonds*. We intend to flexibly control overall exposure to foreign exchange risk while monitoring interest rates and foreign exchange rate levels.
- *Domestic and foreign stocks*. We plan to invest in foreign stocks (including alternative assets) for diversification and higher returns and to rebalance our domestic stock portfolio by analyzing market trends and individual companies.
- *Senior loans*. We plan to continue to engage in preferred lending taking into consideration spread levels and other factors, and we will also continue to provide financing that supports decarbonization through our "Nissay Green Loans".
- *Domestic real estate*. We will seek to continue to invest in existing properties (including renovated properties) and also acquire new properties that provide attractive returns at levels consistent with prior years.

We are exposed to a variety of sources of investment risk, including:

- market risk associated with changes in interest rates, stock prices and foreign exchange rates;
- credit risk relating to the potential for losses incurred when the value of assets, primarily loans and bonds, declines or disappears due to a deterioration in the financial condition of a party to whom credit has been extended; and
- real estate risk relating to the potential for a decrease in real estate income because of a decline in rent, a decrease in number of tenants or other factors or a general decline in real estate prices due to market forces.

See "Recent Business— Risk Management".

Regulatory Restrictions on Investments

Japanese regulations previously restricted the percentage of general account assets that could be allocated to specified types of investments. However, these provisions were abolished in April 2012, and currently there are no regulations restricting the percentage of general account assets that may be allocated to domestic or overseas investments.

Japanese regulations do not impose restrictions on the maximum percentage of assets that may be allocated to specific classes of investments within separate account assets. The Insurance Business Act restricts us from making certain types of specified investments. See "Regulations of the Japanese Life Insurance Industry—Insurance Business Act—Restrictions on Scope of Business—Restrictions on investments".

Overall Composition of Investments

The following table summarizes invested assets and other assets in our general account as of the dates indicated.

	As of March 31,						As of June 30,	
	2024		2025		2026		2026	
	Book value	% of total	Book value	% of total	Book value	% of total	Book value	% of total
	(Billions of yen, except percentages)							
Cash, deposits and call loans	¥ 970.6	1.2%	¥ 1,036.1	1.3%	¥ 1,165.2	1.4%	¥ 1,049.3	1.2%
Receivables under securities borrowing transactions	–	–	–	–	–	–	–	–
Monetary receivables purchased	118.7	0.1	100.7	0.1	120.4	0.1	136.0	0.2
Proprietary trading securities	–	–	–	–	–	–	–	–
Assets held in trust	–	–	–	–	–	–	–	–
Investments in securities[1]	70,092.9	85.1	68,214.9	84.8	72,166.1	85.2	74,027.9	85.8
Domestic bonds	30,571.1	37.1	30,517.6	37.9	28,699.7	33.9	28,097.5	32.6
Domestic stocks	14,569.4	17.7	13,191.0	16.4	15.796.8	18.6	17,216.5	19.9
Foreign securities	21,823.9	26.5	21,976.9	27.3	25,002.9	29.5	25,912.1	30.0
Foreign bonds	11,826.1	14.4	11,069.0	13.8	12,252.1	14.5	12,526.1	14.5
Foreign stocks and other securities	9,997.7	12.1	10,907.8	13.6	12.750.7	15.1	13,386.0	15.5
Other securities	3,128.4	3.8	2,529.4	3.1	2,666.6	3.1	2,801.6	3.2
Loans	8,048.2	9.8	7,866.0	9.8	7,782.5	9.2	7,680.6	8.9
Policy loans	422.9	0.5	402.9	0.5	380.7	0.4	375.5	0.4
Industrial and consumer loans	7,625.3	9.3	7,463.0	9.3	7,401.7	8.7	7,305.0	2.0
Real estate[2]	1,742.9	2.1	1,738.8	2.2	1,737.8	2.1	1,739.5	2.0
Investment property	1,156.6	1.4	1,155.0	1.4	1,133.2	1.3	1,138.8	1.3
Deferred tax assets	–	–	–	–	–	–	–	–
Other assets	1,359.6	1.7	1,518.1	1.9	1,739.8	2.1	1,675.8	1.9
Allowance for doubtful accounts	(9.9)	(0.0)	(4.2)	(0.0)	(3.7)	(0.0)	(3.6)	(0.0)
Total	¥82,323.2	100.0%	¥80,470.5	100.0%	¥84,708.2	100.0%	¥86,305.7	100.0%
Foreign currency-denominated assets	¥21,090.1	25.6%	¥21,565.1	26.8%	¥25,400.8	30.0%	¥26,373.3	30.6%

Notes:

(1) Available-for-sale securities are stated at fair value.

(2) Real estate is recorded as the sum total of land, buildings and construction in progress.

The following table summarizes changes in invested assets and other assets in our general account for the periods indicated.

	Year ended March 31,			As of June 30,
	2024	2025	2026	2026
	(Billions of yen)			
Cash, deposits and call loans	¥ 71.5	¥ 65.5	¥ 129.1	(¥115.9)
Receivables under securities borrowing transactions	–	–	–	–
Monetary receivables purchased	(5.7)	(18.0)	19.7	15.6
Proprietary trading securities	–	–	–	–
Assets held in trust	–	–	–	–
Investments in securities	7,602.5	(1,877.9)	3,951.1	1,861.8
Domestic bonds	414.7	(53.4)	(1,817.8)	(602.2)
Domestic stocks	4,315.8	(1,378.4)	2,605.8	1,419.6
Foreign securities	2,869.4	152.9	3,025.9	909.2
Foreign bonds	1,753.1	(757.0)	1,183.1	273.9
Foreign stocks and other securities	1,116.3	910.0	1,842.8	635.3
Other securities	2.5	(599.0)	137.1	135.0
Loans	253.5	(182.2)	(83.5)	(101.8)
Policy loans	(14.9)	(19.9)	(22.2)	(5.1)
Industrial and consumer loans	268.5	(162.2)	(61.2)	(96.6)
Real estate	37.8	(4.1)	(0.9)	1.7
Investment property	47.0	(1.6)	(21.7)	5.5
Deferred tax assets	–	–	–	–
Other assets	(92.6)	158.4	221.7	(64.0)
Allowance for doubtful accounts	(1.4)	5.6	0.4	0.1
Total	¥7,865.8	¥(1,852.7)	¥ 4,237.7	¥1,597.4
Foreign currency-denominated assets	¥2,956.1	¥ 475.0	¥ 3,835.6	¥972.5

Investment Results

The following table sets forth the average rates of return based on net investment income for each of the components of our investment portfolio in our general account for the periods indicated.

	Year ended March 31,		
	2024	2025	2026
Cash, deposits and call loans	0.13%	0.31%	0.59%
Monetary receivables purchased	1.08	0.62	1.40
Assets held in trust	–	–	–
Investments in securities	2.06	2.08	1.38
Domestic bonds	1.06	0.53	(3.03)
Domestic stocks	7.85	11.70	23.78
Foreign securities	2.63	2.15	2.94
Foreign bonds	2.22	1.60	1.58
Foreign stocks and other foreign securities	3.12	2.75	4.27
Loans	1.33	1.38	1.59
Industrial and consumer loans	1.17	1.24	1.46
Real estate	2.49	2.47	2.41
Investment property	3.70	3.62	3.55
General account total	2.00	1.85	1.38
Overseas investment	2.55%	2.13%	2.88%

Average Balance of Assets

The following table sets forth the average balance of assets in our general account for each of the periods indicated, calculated based on the averages of daily ending balances.

	Year ended March 31,		
	2024	2025	2026
	(Billions of yen)		
Cash, deposits and call loans	¥ 850.7	¥ 949.0	¥ 9767.2
Monetary receivables purchased	122.0	105.9	115.2
Assets held in trust	–	–	–
Investments in securities	56,155.5	57,792.8	58,659.7
Domestic bonds	30,462.9	30,945.7	30,662.6
Domestic stocks	4,726.4	5,146.5	5,100.5
Foreign securities	18,086.4	18,978.9	20,242.3
Foreign bonds	9,851.2	9,981.6	10,014.7
Foreign stocks and other foreign securities	8,235.1	8,997.3	10,227.6
Loans	7,845.5	7,835.3	7,586.9
Industrial and consumer loans	7,415.2	7,422.8	7,195.8
Real estate	1,721.0	1,739.8	1,739.4
Investment property	1,129.8	1,157.7	1,144.6
General account total	¥69,453.5	¥71,150.6	¥72,160.9
Overseas investment	¥19,915.1	¥21,027.6	¥22,411.4

Unrealized Gains and Losses

Our investments in securities other than subsidiaries and affiliates are classified into four categories:

- proprietary trading securities (including assets held in trust for which we are the beneficiary), which are securities held for the purpose of generating profits through trading of such securities;
- held-to-maturity debt securities, which are debt securities that are expected to be held to maturity;
- policy-reserve-matching bonds, which are debt securities that are held long-term to match our policy reserves; and
- available-for-sale securities, which are all other securities.

Available-for-sale securities are stated at fair value. Unrealized gains and losses on available-for-sale securities are included in a separate component of net assets, net of income taxes, unless a decline in fair value is considered not temporary, in which case the decline is recognized in earnings as a valuation loss. Held-to-maturity debt securities, policy-reserve-matching bonds and available-for-sale securities without readily obtainable fair value are stated at amortized cost or book value. For the purpose of computing realized gains and losses, cost is determined on a moving average method.

The table below shows the unrealized gains and losses related to our held-to-maturity debt securities as of June 30, 2026.

	As of June 30, 2026		
	Book value	Fair value	Net unrealized gains (losses)
	(Billions of yen)		
Held-to-maturity debt securities	–	–	–

The following table sets forth the unrealized gains and losses related to our policy-reserve-matching bonds as of June 30, 2026.

	As of June 30, 2026		
	Book value	Fair value	Net unrealized gains (losses)
	(Billions of yen)		
Policy-reserve-matching bonds	¥ 24,840.6	¥19,197.4	¥(5,643.2)

The following table sets forth the unrealized gains and losses related to our available-for-sale securities as of June 30, 2026.

	As of June 30, 2026		
	Book value	Fair value	Net unrealized gains (losses)
	(Billions of yen)		
Available-for-sale securities:			
Domestic bonds	¥ 4,071.1	¥ 3,443.7	¥ (627.3)
Domestic stocks	3,809.2	15,983.4	12,174.2
Foreign bonds	10,450.1	12,381.9	1,931.7
Foreign stocks and other foreign securities	7,504.0	9,801.8	2,297.8
Other securities	2,499.6	2,533.2	33.5
Monetary receivables purchased	69.2	69.7	0.5
Certificates of deposit	40.0	39.9	(0.0)
Total	¥28,443.4	¥44,253.9	¥15,810.5

The following table sets forth stocks of our subsidiaries and affiliates and available-for-sale securities that cannot be assigned a market value basis as of June 30, 2026.

	As of June 30, 2026
	Book value
	(Billions of yen)
Stocks of subsidiaries and affiliates	¥4,230.4
Available-for-sale securities	126.0
Unlisted domestic stocks	51.0
Unlisted foreign stocks	–
Other	75.0
Total	¥4,356.5

As of March 31, 2024, 2025 and 2026, net unrealized gains (losses) on real estate amounted to ¥735.4 billion, ¥799.9 billion and ¥877.3 billion, respectively. Net unrealized gains (losses) on real estate are comprised of the sum of our land account and leasehold account, and valuation of real estate is calculated with reference to publicly disclosed appraisal values.

Domestic Bonds

Domestic bonds consist mainly of publicly traded debt securities and debt securities with readily obtainable market value and represented 37.1%, 37.9%, 33.9% and 32.6% of total assets in our general account as of March 31, 2024, 2025 and 2026 and June 30, 2026, respectively. Our domestic bonds had an average yield of 1.06%, 0.53% and (3.03)% for the years ended March 31, 2024, 2025 and 2026, respectively. The break-even point (the point at which our net unrealized gains/losses are zero) for our bond holdings, as measured in terms of 10-year JGBs, was 0.50% as of June 30, 2026 assuming that changes in the interest rates of bonds held in our portfolio were identical to changes in 10-year JGBs, regardless of the maturities of such bonds, and such break-even point was below the then current market level.

By book value, 86.2% of our domestic bonds in our general accounts were either policy-reserve-matching bonds or held-to-maturity securities as of June 30, 2026. We invest mainly in debt securities issued by Japanese national and local governments, other public entities and corporations which, based on our internal analysis, have high credit quality. None of the domestic bonds we own were in default as of June 30, 2026.

The following table sets forth the amount of domestic bonds we owned in our general account as of the dates indicated.

	As of March 31, 2024						
	1 year or under	Over 1 year through 3 years	Over 3 years through 5 years	Over 5 years through 7 years	Over 7 years through 10 years	Over 10 years (Including maturities not fixed)	Total
	(Billions of yen)						
National government bonds	¥659.1	¥1,686.9	¥1,477.8	¥1,611.4	¥1,219.2	¥21,209.0	¥27,863.6
Local government bonds	12.8	73.6	50.4	107.8	137.7	411.0	793.5
Corporate bonds	92.7	217.0	309.5	250.0	334.3	710.2	1,913.8
Total	¥764.6	¥1,977.6	¥1,837.8	¥1,969.3	¥1,691.2	¥22,330.2	¥30,571.1

	As of March 31, 2025						
	1 year or under	Over 1 year through 3 years	Over 3 years through 5 years	Over 5 years through 7 years	Over 7 years through 10 years	Over 10 years (Including maturities not fixed)	Total
	(Billions of yen)						
National government bonds	¥757.4	¥1,616.3	¥1,787.1	¥ 963.6	¥1,056.1	¥21,918.8	¥28,099.4
Local government bonds	24.1	58.4	124.5	78.2	148.3	271.4	705.2
Corporate bonds	89.4	241.0	382.7	178.9	330.8	489.8	1,712.9
Total	¥870.9	¥1,915.7	¥2,294.3	¥1,220.7	¥1,535.2	¥22,680.0	¥30,517.5

	As of March 31, 2026						
	1 year or under	Over 1 year through 3 years	Over 3 years through 5 years	Over 5 years through 7 years	Over 7 years through 10 years	Over 10 years (Including maturities not fixed)	Total
	(Billions of yen)						
National government bonds	¥ 912.9	¥1.484.0	¥1.666.4	¥359.0	¥1,284.5	¥20,537.7	¥26,244.7
Local government bonds	49.1	76.5	118.1	101.8	116.4	215.7	677.8
Corporate bonds	138.6	364.9	400.4	198.5	302.5	371.9	1,771.1
Total	¥1,100.6	¥1,925.4	¥2,184.9	¥659.3	¥1,703.4	¥21,125.3	¥28,699.6

As of March 31, 2026, 91.4%, 6.2% and 2.4% of our domestic bond portfolio was made up of national government bonds, corporate bonds and local government bonds, respectively. In addition, as of March 31, 2026, 3.8%, 6.7%, 7.6%, 2.3%, 5.9% and 73.6% of our domestic bond portfolio consisted of bonds with maturity dates 1 year or under, over 1 year through 3 years, over 3 years through 5 years, over 5 years through 7 years, over 7 years through 10 years and over 10 years and others, respectively.

As of June 30, 2026, 91.4%, 2.4% and 6.2% of our domestic bond portfolio was made up of national government bonds, corporate bonds and local government bonds, respectively.

Loans

Loans represented 9.8%, 9.8%, 9.2% and 8.9% of total assets in our general account as of March 31, 2024, 2025 and 2026 and June 30, 2026, respectively, and consist mainly of fixed interest rate, unsecured loans to large corporations. Loans include loans to borrowers located outside of Japan.

Each proposed loan is rated based on an evaluation of the ability of the borrower, and the guarantor in the case of a guaranteed loan, to repay the loan, as well as the specific terms of the loan. We closely monitor loans that we consider to have higher than normal credit risk.

The following table shows the amounts of loans in our general account, excluding policy loans, based on the type of loan as of the dates indicated.

	As of March 31,		
	2024	2025	2026
	Book value	Book value	Book value
	(Billions of yen)		
Corporate loans—international and domestic	¥5,783.4	¥5,766.1	¥5,772.7
Loans to national, international and government-affiliated organizations	0.5	0.7	0.9
Loans to public entities	468.3	405.4	393.8
Housing loans	909.6	906.9	867.3
Consumer loans	385.8	376.1	360.9
Other loans	77.4	7.6	6.0
Total[(1)]	¥7,625.3	¥7,463.0	¥7,401.7

Note:

(1) Of the total amounts of loans, ¥1,020.0 billion, ¥1,089.2 billion and ¥1,263.9 billion were made to borrowers located outside of Japan as of March 31, 2024, 2025 and 2026, respectively.

The following table sets forth the amounts of loans in our general account, excluding policy loans, based on the type of collateral as of the dates indicated.

	As of March 31,					
	2024		2025		2026	
	Book value	% of total	Book value	% of total	Book value	% of total
	(Billions of yen, except percentages)					
Secured loans:						
Loans secured by securities	¥ 3.8	0.1%	¥ 3.4	0.0%	¥ 2.8	0.0%
Loans secured by real estate, movables and foundations	12.3	0.2	11.9	0.2	10.8	0.1
Loans secured by personal guarantees	0.2	0.0	—	—	—	—
Subtotal	16.4	0.2	15.3	0.2	13.6	0.2
Guarantee loans	102.9	1.3	89.8	1.2	83.1	1.1
Fiduciary loans	6,210.4	81.4	6,074.8	81.4	6,076.7	82.1
Other loans	1,295.4	17.0	1,283.0	17.2	1,228.2	16.6
Total[(1)]	¥7,625.3	100.0%	¥7,463.0	100.0%	¥7,401.7	100.0%

Note:

(1) Of the total amounts of loans, ¥142.6 billion, ¥182.6 billion and ¥202.6 billion, were subordinated loans as of March 31, 2024, 2025 and 2026, respectively.

We make loans to corporations across a wide range of industries, with a significant portion of total loans being made to domestic corporations in the financial services, utilities and wholesale trades. We also make loans to various government and non-government entities in Japan. The following table shows the amounts of loans, excluding policy loans, in our general account based on industry as of the dates indicated.

	As of March 31,					
	2024		2025		2026	
	Book value	% of total	Book value	% of total	Book value	% of total
	(Billions of yen, except percentages)					
Domestic						
Manufacturing	¥ 901.2	11.8%	¥ 860.4	11.5%	¥ 796.1	10.8%
Food	69.0	0.9	74.2	1.0	63.9	0.9
Textiles and apparel	23.4	0.3	23.1	0.3	21.2	0.3
Wood, wood products	1.7	0.0	0.8	0.0	0.7	0.0
Pulp and paper	55.5	0.7	54.2	0.7	53.8	0.7
Printing	30.8	0.4	27.5	0.4	23.8	0.3
Chemicals	202.7	2.7	190.4	2.6	182.3	2.5
Oil and coal products	92.4	1.2	89.5	1.2	83.4	1.1
Ceramics, soil and stone	41.6	0.5	38.6	0.5	33.5	0.5
Iron and steel	78.7	1.0	72.5	1.0	74.1	1.0
Non-ferrous metals	15.1	0.2	15.3	0.2	11.5	0.2
Metal products	9.6	0.1	8.9	0.1	8.8	0.1
General purpose, production, and industrial machinery	83.4	1.1	72.0	1.0	68.9	0.9
Electric appliances	66.5	0.9	66.0	0.9	62.2	0.8
Transportation equipment	98.6	1.3	96.6	1.3	80.2	1.1
Other manufacturing products	31.7	0.4	30.2	0.4	27.0	0.4
Agriculture and forestry	–	–	–	–	–	–
Fishery	–	–	–	–	–	–
Mining, quarrying and gravel mining	0.5	0.0	0.2	0.0	0.1	0.0
Construction	51.9	0.7	51.3	0.7	44.6	0.6
Electric power, gas, heat supply and waterworks	1,311.9	17.2	1,272.5	17.1	1,255.4	17.0
Information and communication	124.9	1.6	120.8	1.6	112.6	1.5
Logistics and postal services	608.7	8.0	557.2	7.5	549.1	7.4
Wholesale trade	715.4	9.4	684.4	9.2	643.0	8.7
Retail trade	50.4	0.7	52.2	0.7	48.8	0.7
Financing and insurance	538.8	7.1	551.0	7.4	559.8	7.6
Real estate	593.4	7.8	573.7	7.7	553.5	7.5
Rental and leasing services	286.2	3.8	268.5	3.6	262.7	3.5
Professional, scientific, and technical services	4.5	0.1	4.8	0.1	1.6	0.0
Lodging	0.0	0.0	0.2	0.0	0.0	0.0
Restaurants	1.9	0.0	2.4	0.0	2.8	0.0
Lifestyle and leisure	3.3	0.0	3.4	0.0	2.7	0.0
Education and training	2.2	0.0	2.0	0.0	1.1	0.0
Medical and welfare	0.7	0.0	0.7	0.0	0.8	0.0
Other services	15.4	0.2	15.0	0.2	13.2	0.2
Local organizations and public entities	97.3	1.3	69.0	0.9	60.6	0.8
Individuals (residential / consumption / local taxes / other)	1,295.4	17.0	1,283.0	17.2	1,228.2	16.6
Subtotal	¥6,605.2	86.6%	¥6,373.8	85.4%	¥6,137.7	82.9%
Overseas						
Governments and public entities	¥ –	–%	¥ –	–%	¥ –	–%
Financial institutions	208.2	2.8	215.0	2.9	248.1	3.4
Commerce and industry	811.8	10.6	874.2	11.7	1,015.8	13.7
Subtotal	1,020.0	13.4	1,089.2	14.6	1,263.9	17.1
Total	¥7,625.3	100.0%	¥7,463.0	100.0%	¥7,401.7	100.0%

After the amendment of the ordinance for enforcement of the Insurance Business Act which came into effect at the end of March 2022, the scope and classification of risk-monitored loans became the same as the categories of nonperforming loans under the Financial Reconstruction Act. Therefore, we disclose risk-monitored loans based on the same categories as those of nonperforming loans under the Act on Emergency Measures for the Revitalization of the Financial Functions of Japan (Act No. 132 of 1998, as amended) (the "Financial Reconstruction Act") from the fiscal year ended March 31, 2022.

Disclosure of claims classified under the Financial Reconstruction Act. We disclose our commercial loan assets (including principal, lent securities, accrued interest, suspense payments and guarantees of obligations) based on the following categories which reflect the status of the borrower: (i) bankrupt and quasi-bankrupt loans, (ii) doubtful loans, (iii) loans that are delinquent for over three months, (iv) restructured loans and (v) normal loans. The following table sets forth our loans on a consolidated basis classified on the foregoing basis as of the dates indicated.

	As of March 31,					
	2024		2025		2026	
	Book value	% of total loan assets	Book value	% of total loan assets	Book value	% of total loan assets
	(Billions of yen, except percentages)					
Bankrupt and quasi-bankrupt loans[1]	¥ 9.5	0.1%	¥ 9.3	0.1%	¥ 11.2	0.1%
Doubtful loans[2]	17.7	0.2	12.6	0.1	59.0	0.5
Loans that are delinquent for over three months[3]	–	–	–	–	0.9	0.0
Restructured loans[4]	1.6	0.0	1.1	0.0	1.2	0.0
Subtotal	28.8	0.3	23.1	0.2	2.5	0.6
Normal loans[5]	11,368.7	99.7	11,130.1	99.8	12,043.7	99.4
Total	¥11,397.6	100.0%	¥11,153.3	100.0%	¥12,116.3	100.0%

Notes:

(1) Bankrupt and quasi-bankrupt loans are nonperforming assets and similar loans to borrowers that have fallen into bankruptcy due to reasons, including initiation of bankruptcy proceedings, commencement of reorganization proceedings or submission of an application to commence rehabilitation proceedings. For bankrupt and quasi-bankrupt loans, the estimated uncollectible amount calculated by subtracting the amount of collateral value or the amount collectible under guarantees from the balance of loans is directly deducted from the total loan amount. The estimated uncollectible amounts with respect to bankrupt and quasi-bankrupt loans, etc. was ¥0.1 billion, ¥2.9 billion and ¥0.0 billion as of March 31, 2024, 2025 and 2026, respectively.

(2) Doubtful loans are nonperforming assets with a strong likelihood that loan principal cannot be recovered or interest cannot be received according to the loan agreement because of difficulties in the financial condition and business performance of a borrower that has not yet entered into bankruptcy.

(3) Loans that are delinquent for over three months are loans, other than loans described in note (1) or (2) above, with principal or interest being unpaid for over three months counting from the day after the due date based on the loan agreement.

(4) Restructured loans are loans, other than loans described in note (1) or (2) above and loans that are delinquent for over three months, that provide certain concessions favorable to the borrower with the intent of supporting the borrower's restructuring. Examples of such concessions include reducing or exempting interest, postponing principal or interest payments, releasing credits, or providing other benefits to the borrower.

(5) Normal loans are loans, other than loans described in note (1), (2), (3) or (4) above, to borrowers whose financial condition and business performance exhibit no particular problems.

Self-assessment of loan assets. The problem loan classifications under the categories of obligors and repayment situations described above are derived from classifications of both obligors and individual loans under the self-assessment guidelines provided under the "Inspection Manual of Insurance Companies" issued by the FSA. We review our self-assessment semi-annually.

Domestic Stocks

Domestic stocks represented 17.7%, 16.4%, 18.6% and 19.9% of total assets in our general account as of March 31, 2024, 2025 and 2026 and June 30, 2026, respectively, and consisted mainly of investments in common stock. The break-even point for our stock holdings was approximately ¥16,700 on the Nikkei 225 Index as of June 30, 2026, assuming that the market value of our stock portfolio changes in parallel to the Nikkei 225 Index, and approximately 950 on the Tokyo Stock Price Index as of June 30, 2026, assuming that the market value of our stock portfolio changes in parallel to the Tokyo Stock Price Index, and break-even points were below the then current market level.

We own stocks of domestic corporations across a wide range of industries. The following table sets forth the amounts of our domestic stocks in our general account, based on the industry of the issuer as of the dates indicated.

	As of March 31,					
	2024		2025		2026	
	Book value[1]	% of total	Book value[1]	% of total	Book value[1]	% of total
	(Billions of yen, except percentages)					
Fishery, agricultural and forestry	¥ 4.3	0.0%	¥ 4.4	0.0%	¥ 5.8	0.0%
Mining	2.4	0.0	8.1	0.1	18.0	0.1
Construction	225.7	1.5	237.8	1.8	310.0	2.0
Manufacturing:						
Food	402.9	2.8	400.9	3.0	492.3	3.1
Textiles and apparel	108.8	0.7	120.5	0.9	128.5	0.8
Pulp and paper	25.6	0.2	23.6	0.2	31.7	0.2
Chemicals	1,214.8	8.3	959.0	7.3	1,117.6	7.1
Pharmaceuticals	808.5	5.5	675.5	5.1	639.9	4.1
Oil and coal products	23.3	0.2	22.7	0.2	35.6	0.2
Rubber products	98.5	0.7	89.4	0.7	78.6	0.5
Glass and ceramic products	108.7	0.7	92.7	0.7	154.4	1.0
Iron and steel	147.3	1.0	123.6	0.9	127.3	0.8
Non-ferrous metals	97.7	0.7	103.6	0.8	325.9	2.1
Metal products	45.3	0.3	49.0	0.4	47.0	0.3
Machinery	724.1	5.0	626.1	4.7	856.7	5.4
Electric appliances	1,520.8	10.4	1,413.8	10.7	1,807.2	11.4
Transportation equipment	3,145.3	21.6	2,196.5	16.7	2,485.9	15.7
Precision instruments	134.9	0.9	147.3	1.1	154.9	1.0
Other products	179.4	1.2	233.2	1.8	248.3	1.6
Electric power and gas	404.2	2.8	380.3	2.9	488.8	3.1
Transportation, information and communication:						
Land transportation	532.9	3.7	433.1	3.3	452.1	2.9
Marine transportation	38.6	0.3	40.0	0.3	52.0	0.3
Air transportation	10.1	0.1	8.7	0.1	8.8	0.1
Warehousing and harbor transportation services	12.2	0.1	14.2	0.1	16.4	0.1
Information and communication	791.8	5.4	742.1	5.6	629.5	4.0
Trade and Services:						
Wholesale trade	870.4	6.0	787.5	6.0	1,268.9	8.0
Retail trade	413.0	2.8	383.0	2.9	445.5	2.8
Finance and insurance:						
Banking	676.6	4.6	824.6	6.3	1,205.3	7.6
Securities and trading	95.5	0.7	87.2	0.7	107.4	0.7
Insurance	1,223.8	8.4	1,298.2	9.8	1,414.0	9.0
Other financial services	82.6	0.6	73.9	0.6	96.6	0.6
Real estate	72.8	0.5	69.2	0.5	66.4	0.4
Services	325.0	2.2	519.6	3.9	478.1	3.0
Total	¥14,569.4	100.0%	¥13,191.0	100.0%	¥15,796.8	100.0%

Note:

(1) Available-for-sale securities are stated at fair value.

Foreign Securities

Foreign securities represented 26.5%, 27.3%, 29.5% and 30.0% of total assets in our general account as of March 31, 2024, 2025 and 2026 and June 30, 2026, respectively, and consisted mainly of investments in bonds issued by foreign governments and agencies. Cash and cash equivalents denominated in currencies other than yen are categorized under "Cash and cash equivalents" and loans to borrowers located outside of Japan are categorized under "Loans". Neither is included in foreign securities unless otherwise noted.

The average yield on foreign investments (interest, dividends and realized gains and losses) was 2.63%, 2.15% and 2.94% for the years ended March 31, 2023, 2024 and 2025, respectively.

The break-even point for our foreign securities was approximately ¥117.2 to $1.00 as of June 30, 2026, assuming that all of our foreign currency-denominated securities were converted into dollars as of the same date, was below the then current market level.

The following table sets forth the amounts of foreign investments in our general account (including non-yen-denominated cash, cash equivalents and other assets) classified as denominated in foreign currency, swapped into yen or denominated in yen as of the dates indicated.

	As of March 31,					
	2024		2025		2026	
	Book value[(1)]	% of total	Book value[(1)]	% of total	Book value[(1)]	% of total
	(Billions of yen, except percentages)					
Foreign currency-denominated assets:						
Foreign bonds	¥11,620.3	48.0%	¥10,851.3	44.2%	¥12,159.8	43.7%
Foreign stocks	1,028.3	4.2	1,721.8	7.0	3,259.2	11.7
Investment trust and others	8,441.4	34.9	8,992.0	36.7	9,981.7	35.9
Subtotal	21,090.1	87.1	21,565.1	87.9	25,400.8	91.3
Foreign currency-denominated assets with fixed yen value:						
Cash, deposits and others	256.3	1.1	247.3	1.0	232.9	0.8
Japanese yen-denominated assets:						
Loans to non-residents	24.5	0.1	23.3	0.1	17.6	0.1
Foreign bonds and other assets	2,842.7	11.7	2,688.7	11.0	2,180.7	7.8
Subtotal	2,867.2	11.8	2,712.0	11.1	2,198.4	7.9
Net overseas loans and investment	¥24,213.7	100.0%	¥24,524.5	100.0%	¥27,832.2	100.0%

Note:

(1) Available-for-sale securities are stated at fair value.

The following table sets forth the amounts of foreign investments denominated in a foreign currency in our general account based on the type of foreign currency as of the dates indicated.

	As of March 31,					
	2024		2025		2026	
	Book value[1]	% of total	Book value[1]	% of total	Book value[1]	% of total
	(Billions of yen, except percentages)					
U.S. dollar	¥14,873.0	70.5%	¥15,587.3	72.3%	¥17,640.7	69.4%
Euro	3,975.1	18.8	3,823.4	17.7	5,024.8	19.8
British pound	1,274.1	6.0	1,124.7	5.2	1,328.7	5.2
Australian dollar	544.9	2.6	625.9	2.9	810.4	3.2
Indian rupee	208.4	1.0	208.4	1.0	209.7	0.8
Canadian dollar	54.3	0.3	57.1	0.3	225.0	0.9
Others	160.0	0.8	138.2	0.6	161.1	0.6
Net foreign currency-denominated assets	¥21,090.1	100.0%	¥21,565.1	100.0%	¥25,400.8	100.0%

Note:

(1) Available-for-sale securities are stated at fair value.

The following tables set forth the amounts of foreign investments in our general account based on the location of the issuer as of the dates indicated.

	As of March 31, 2024					
	Foreign bonds		Foreign stocks and other securities		Total	
	Book value[1]	% of total	Book value[1]	% of total	Book value[1]	% of total
	(Billions of yen, except percentages)					
North America	¥ 7,368.4	62.3%	¥1,139.1	11.4%	¥ 8,507.5	39.0%
Europe	3,382.0	28.6	925.4	9.3	4,307.5	19.7
Oceania	287.5	2.4	186.3	1.9	473.8	2.2
Asia	389.4	3.3	318.7	3.2	708.1	3.2
Central and South America[2]	349.1	3.0	7,428.1	74.3	7,777.3	35.6
Middle East	7.7	0.1	—	—	7.7	0.0
Africa	—	—	—	—	—	—
International organizations	41.7	0.4	—	—	41.7	0.2
Total	¥11,826.1	100.0%	¥9,997.7	100.0%	¥21,823.9	100.0%

Notes:

(1) Available-for-sale securities are stated at fair value.

(2) Investments in issuers located in Central and South America consist mainly of unit trusts, limited partnerships, limited liability companies and other special purpose vehicles located in the Cayman Islands which are managed by selected investment advisers and whose primary investments are in stocks and bonds issued in major international markets.

	As of March 31, 2025					
	Foreign bonds		Foreign stocks and other securities		Total	
	Book value[1]	% of total	Book value[1]	% of total	Book value[1]	% of total
	(Billions of yen, except percentages)					
North America	¥ 6,876.4	62.1%	¥ 1,740.9	16.0%	¥ 8,617.4	39.2
Europe	3,099.2	28.0	941.9	8.6	4,041.1	18.4
Oceania	336.9	3.0	186.3	1.7	523.3	2.4
Asia	368.5	3.3	318.0	2.9	686.6	3.1
Central and South America[2]	326.3	2.9	7,720.6	70.8	8,046.9	36.6
Middle East	7.8	0.1	—	—	7.8	0.0
Africa	—	—	—	—	—	—
International organizations	53.5	0.5	—	—	53.5	0.2
Total	¥11,069.0	100.0%	¥10,907.8	100.0%	¥21,976.9	100.0%

Notes:

(1) Available-for-sale securities are stated at fair value.

(2) Investments in issuers located in Central and South America consist mainly of unit trusts, limited partnerships, limited liability companies and other special purpose vehicles located in the Cayman Islands which are managed by selected investment advisers and whose primary investments are in stocks and bonds issued in major international markets.

	As of March 31, 2026					
	Foreign bonds		Foreign stocks and other securities		Total	
	Book value[1]	% of total	Book value[1]	% of total	Book value[1]	% of total
	(Billions of yen, except percentages)					
North America	¥ 7,121.6	58.1%	¥ 1,855.1	14.5%	¥ 8,976.8	35.9
Europe	3,834.7	31.3	1,057.3	8.3	4,892.1	19.6
Oceania	465.3	3.8	237.0	1.9	702.3	2.8
Asia	376.9	3.1	346.2	2.7	723.1	2.9
Central and South America[2]	297.3	2.4	9,254.8	72.6	9,552.2	38.2
Middle East	6.0	0.0	—	—	6.0	0.0
Africa	—	—	—	—	—	—
International organizations	150.1	1.2	—	—	150.1	0.6
Total	¥12,252.1	100.0%	¥12,750.7	100.0%	¥25,002.9	100.0%

Notes:

(1) Available-for-sale securities are stated at fair value.

(2) Investments in issuers located in Central and South America consist mainly of unit trusts, limited partnerships, limited liability companies and other special purpose vehicles located in the Cayman Islands which are managed by selected investment advisers and whose primary investments are in stocks and bonds issued in major international markets.

The following table sets forth the contractual maturity dates for our foreign bonds and other securities in our general account as of the dates indicated.

	1 year or under	Over 1 year through 3 years	Over 3 years through 5 years	Over 5 years through 7 years	Over 7 years through 10 years	Over 10 years (Including maturities not fixed)	Total
				(Billions of yen)			
As of March 31, 2024[(1)]:							
Foreign securities	¥392.7	¥1,249.6	¥1,797.5	¥1,850.4	¥2,434.8	¥ 14,098.7	¥21,823.9
Foreign bonds	306.4	1,200.6	1,724.4	1,689.5	2,029.5	4,875.4	11,826.1
Foreign stocks and other securities	86.3	48.9	73.0	160.8	405.2	9,223.3	9,997.7
As of March 31, 2025[(1)]:							
Foreign securities	¥584.0	¥1,384.6	¥1,893.1	¥1,395.2	¥2,259.0	¥ 14,460.5	¥21,976.9
Foreign bonds	484.1	1,329.1	1,765.6	1,081.2	1,914.5	4,494.2	11,069.0
Foreign stocks and other securities	99.9	55.5	127.4	314.0	344.5	9,966.3	10,907.8
As of March 31, 2026[(1)]:							
Foreign securities	¥653.1	¥2,073.4	¥2,005.9	¥1,801.6	¥2,691.4	¥ 15,777.1	¥25,002.9
Foreign bonds	585.4	1,870.2	1,873.3	1,487.5	2,191.3	4,244.3	12,252.1
Foreign stocks and other securities	67.7	203.2	132.6	314.1	500.1	11,532.7	12,750.7

Note:

(1) Available-for-sale securities are stated at fair value.

Real Estate

Real estate represented 2.1%, 2.2%, 2.1% and 2.0% of the total assets in our general account as of March 31, 2024, 2025 and 2026 and June 30, 2026, respectively. We hold real estate for both operating and investment purposes. Real estate held for operating purposes includes mainly office space and employee housing. Real estate held for investment purposes includes mainly commercial buildings held for rental income. Investments in real estate are diversified based on location within Japan and type of real estate. We manage our real estate investments to maximize rental and other income. Of our real estate investments as of March 31, 2026, 67.8% was held as investment property for leasing purposes.

The following table sets forth the amounts of real estate and other tangible fixed assets in our general account as of the dates indicated.

	As of March 31,					
	2024		2025		2026	
	Book value	% of total	Book value	% of total	Book value	% of total
	(Billions of yen, except percentages and numbers of buildings)					
Land	¥1,127.3	64.1%	¥1,126.5	64.1%	¥1,122.6	63.6%
Buildings	579.7	33.0	586.8	33.4	600.3	34.0
Lease assets	2.7	0.2	3.2	0.2	3.4	0.2
Construction in progress	35.8	2.0	25.4	1.5	14.8	0.8
Other tangible fixed assets	12.7	0.7	14.2	0.8	24.5	1.4
Total	¥1,758.4	100.0%	¥1,756.3	100.0%	¥1,765.8	100.0%
Amount of real estate	¥1,742.9	100.0%	¥1,738.8	100.0%	¥1,737.8	100.0%
For business operations	546.5	31.4	542.1	31.2	559.0	32.2
For lease	1,196.3	68.6	1,196.6	68.8	1,178.7	67.8
Number of buildings held for leasing	246	–	240	–	233	–

Assets Held in Trust

On a consolidated basis, we had no assets held in trust as of March 31, 2024, 2025 and 2026 and June 30, 2026.

Japanese Life Insurance Industry

Japan is the fourth largest life insurance market in the world, based on total premium volume. The following table shows life premiums per capita for the world's five largest life insurance markets as measured by premium volume for calendar year 2024 (except for Japan, whose data is based on the period from April 1, 2024 to March 31, 2025).

	Total premium income in 2024
	(billions of dollars)
United States	$861.2
China	457.0
United Kingdom	288.4
Japan	207.9
France	187.5

Note:

(1) Allianz Global Insurance Report 2025: Rising demand for protection (May 27, 2025). Euro amounts converted based on the average exchange rate from the Euro to dollars in calendar year 2024 (1 Euro = 1.08 dollars).

The Life Insurance Association had 41 life insurance companies in Japan as members as of July 1, 2026, including Japan Post Insurance, foreign-owned companies, subsidiaries of non-life insurance companies and other smaller life insurance companies that have recently entered the market. In addition, public announcements and press releases by the five largest life insurance groups, excluding Japan Post Insurance, indicated that they had a 58.8% market share in the Japanese life insurance market on the basis of total volume of premium income, in the year ended March 31, 2026. We held the largest market share with 20.6% by premium income among private life insurance companies.

Life Insurance Policyholders Protection Corporation of Japan

We, like other Japanese life insurance companies, are required to support policyholders of failed life insurance companies through payments to LIPPC. LIPPC was established pursuant to the Insurance Business Act in 1998 to provide a system for the protection of policyholders of failed life insurance companies. LIPPC is authorized to provide funds in connection with the transfer of insurance policies from a failed life insurance company to a successor company and perform certain other specified functions. See "Regulations of the Japanese Life Insurance Industry—Insurance Business Act—Regulation for the Protection of Policyholders".

The life insurance industry is required to accept funding commitments to LIPPC of an aggregate of up to ¥33 billion per year. This funding obligation is allocated among all Japanese life insurance companies licensed under the Insurance Business Act based on amounts of premium and certain investment income and policy reserves. The allocation amounts are revised annually. We made contributions on a nonconsolidated basis of ¥6.1 billion and ¥5.4 billion to LIPPC for the years ended March 31, 2021 and 2022, respectively. Because LIPPC reached the upper limit on its aggregate funding commitments, for the year ended March 31, 2023, 2024 and 2025, our contribution amount on a nonconsolidated basis to LIPPC was limited to ¥4.0 million, ¥1.0 million and ¥1.0 million, respectively, which was used to fund a portion of LIPPC's operating expenses. Our contribution amounts in the current and future years will depend on whether the LIPPC's total funding commitments remain at the upper limit, and could increase in the future based on developments in the life insurance industry. As a result, as stated above, this amount is adjusted annually based on the relative size of our premium and certain investment income and policy reserve amounts within the life insurance industry as a whole and could be increased. All of our payments to LIPPC are charged to operating expenses when paid.

In addition to these annual contributions, LIPPC may borrow up to an aggregate of ¥460 billion from banks, insurance companies and other financial institutions, with the authorization of the Commissioner of the FSA and the Minister of Finance. LIPPC may, in accordance with its rules, request that licensed life insurance companies provide security for any such borrowings. As of March 31, 2026, LIPPC had no outstanding balance of borrowings.

While members of LIPPC, including us, are still required to make an aggregate funding commitment in the amount of ¥33 billion per year (subject to the LIPPC's upper limit on its aggregate funding commitment), and while LIPPC is entitled to request that we and other LIPPC members provide security for its borrowings, the National Diet of Japan (the "Diet") amended the Insurance Business Act in 2005 to permit the Japanese government to cover losses in excess of ¥460 billion, minus the aggregate balance of LIPPC's borrowings, in the event of life insurance company failures. This amendment became effective in 2006 and applies to failures of life insurance companies occurring through March 31, 2027.

Competition

We believe that competition in the Japanese insurance industry is based on a number of factors, including service, product features, price, financial strength ratings and other indicators of financial health, marketing methods and brand recognition. We face intense competition in the Japanese life insurance market from both domestic and foreign-owned life insurance companies and from large domestic financial service providers that either have their own insurance subsidiaries or enter into cooperative arrangements with major insurance companies. Some of these companies offer products not offered by us, or may have more competitive pricing, higher financial strength ratings, better brand recognition or greater financial resources than we do.

Competition continues to exist in the Japanese life insurance market due to industry deregulation, bancassurance channel targeting by competitors, an overall decline in demand for insurance products with death benefits and increased competition from foreign-owned insurance companies, among other factors. Japan's financial sector has also experienced significant consolidation in recent years, and further consolidation could affect the competitive environment for the sale and distribution of life insurance products.

Japan Post Insurance, the life insurance subsidiary of Japan Post Holdings, enjoys competitive advantages in the Japanese insurance market due to its large existing customer base, access to Japan Post Group's nationwide network of post office branches and favorable public perception of its stability due to its association with the government. In May 2021, Japan Post Holdings lowered its ownership share of Japan Post Insurance to 49.9% through sell orders in response to Japan Post Insurance's share repurchases and stock disposal trust. As a result, Japan Post Insurance is no longer required to obtain government approvals under the Postal Service Privatization Act in order to enter into new businesses, while a notification to the government is still required. In addition, if Japan Post Holdings disposes all of its shares of Japan Post Insurance, or if the government determines that there is no threat of impediment to either appropriate competition with other life insurance companies or the appropriate provision of services to users, further relaxation of legal restrictions on Japan Post Insurance may occur. Such relaxation of restrictions may include, for example, the abolition of the limitation on the subscription amount. As a result, Japan Post Insurance may have more flexibility to expand the scope of its business, including through the expansion of the types of insurance policies that it sells or asset management services in which it engages. Consequently, as we compete with Japan Post Insurance in our primary business operations, we may be adversely affected by such competition.

In addition, Japan Post Holdings has entered into a strategic alliance with and acquired a minority stake in Aflac, under which, among other things, Japan Post Insurance offers Aflac cancer insurance policies. Furthermore, in March 2016, Japan Post Insurance and Dai-ichi Life Insurance Company, Limited agreed to form a strategic business alliance to strengthen the cooperation between the two companies with respect to: (i) the life insurance business in Vietnam; (ii) the asset management business; and (iii) joint research on domestic life insurance

businesses. Such competition may intensify as a result of further deregulation of Japan Post Insurance accompanying such privatization or any favorable treatment or support given to Japan Post Insurance by the government. In May 2024, Japan Post Holdings announced that it had increased its share of voting rights in Aflac to 20% through a trust structure, as a result of which Aflac became an equity-method affiliate. We may also face competition from various cooperative associations such as the Japan Agricultural Cooperatives, the National Federation of Workers and Consumers Insurance Cooperatives and the Japanese Consumers' Co-operative Union, all of which offer competing life insurance products.

Information Technology

We use information technology to facilitate the operations of all aspects of our business, including the management of our policies, the investment of our assets and the maintenance of statistics and customer information as well as in our sales process. We also maintain a system for fostering continued innovation in multiple aspects of our operations.

We currently maintain our primary information management and retention systems at a facility in Osaka. A back-up system, which is regularly updated, is also maintained at a facility in Tokyo. We also maintain customer call service centers and Internet-based customer service sites.

In addition to these centralized facilities, all of our sales representatives are equipped with laptops. Starting in April 2019, we have distributed wireless TASKALL devices to all of our sales representatives throughout Japan that feature functions to develop insurance proposals, process applications and complete various procedures "on the spot" and paper-free, replacing the prior REVO wireless devices that had been introduced in April 2012. See "—Sales and Marketing—Sales Support".

In August 2018, we launched a smartphone app, which supports biometric login authentication, allowing policyholders to conveniently apply for policy loans within the app. In October 2019, we expanded available services in the app, including, among other features, the ability for policyholders to check the terms of their insurance policies. Since September 2021, we have also begun allowing our customers to submit and register their own My Number with us via our Nippon Life smartphone application

We are pursuing a digital transformation of various aspects of our operations, such as utilizing AI in various situations such as customer support and insurance operations, some of which are already implemented, and we intend to continue to accelerate our implementation of these initiatives in the future to continuously improve our customer experience. For example, we have partially implemented AI analysis in our customer data platform, which includes the data of over 11 million customers, and have also partially implemented "N-Chat," our internal AI tool, for responses to internal inquiries within our operations. We are also considering the use of AI chatbots to assist with customer inquiries and procedures, as well as the use of Resolution Life's AI in our headquarters' operations to assist in answering questions from administrative staff. To support these activities, we have taken steps to foster AI literacy for all of our executives and employees. We also completed the renewals of our employees' computer terminals to support the use and operation of the tools described herein as part of our digital transformation strategy in March 2026.

To date, we have also introduced various advanced technologies to improve our product offerings and customer services. We have also revised underwriting standards for specific diseases and used robotic process automation technologies to automate and streamline certain administrative tasks. Going forward, we will continue to seek ways to leverage advanced technologies, including AI, to improve, among other things, our product development, sales, marketing and compliance, and underwriting and claim payment assessment capabilities.

Protection of Information Assets

We have established a policy entitled "Principal Guidelines for Information Asset Protection" to protect information assets, including client information, confidential management information

and the systems that process such information. In addition, we have established specific guidelines to protect client information, including the "Private Information Protection Guidelines". In accordance with these guidelines, we strive to heighten awareness of information asset protection.

Compliance

We believe that it is essential for our directors, officers, employees and sales representatives to conduct themselves properly and responsibly. We strive to maintain a customer-first perspective while strictly observing laws and regulations.

Our Board of Directors established the Compliance Program and updates such program every year. Our Compliance Committee analyzes and proposes solutions to issues related to insurance solicitation and administration while promoting company-wide compliance. We obtain opinions of outside experts in connection with some of our compliance efforts relating to the preparation of sales materials and have recently reorganized and increased the number of compliance officers.

We have maintained the Code of Conduct for many years, which sets forth rules and regulations to which all directors, officers, employees and sales representatives are expected to adhere. We also maintain the Legal Compliance Manual, which explains the Code of Conduct as well as the responsibilities of each division from a compliance perspective. We strive to increase awareness of compliance issues among employees and management by disseminating information and providing training. The Code of Conduct and Legal Compliance Manual are updated regularly in line with legal, regulatory and other changes.

We provide ongoing sales ethics training for our marketing staff through internal satellite broadcasts and newsletters. The Auditing Department monitors such training for effectiveness.

On July 18, 2025, pursuant to Article 128 of the Insurance Business Act, the FSA ordered us to submit a report on compliance violations by employees seconded to banks as well as employees of Nippon Wealth Life seconded to certain financial institutions who have improperly shared the host companies' confidential information with us, including details on how such violations occurred, measures to prevent future violations and our internal control system. We have conducted an internal investigation in response to the order and, as of the date of this Offering Circular, have identified approximately six hundred incidents of compliance violations relating to our seconded employees and approximately nine hundred and forty incidents relating to seconded employees of Nippon Wealth Life that occurred between April 2019 and April 2025, in which thirteen of our employees who were on secondment at seven different companies, including MUFG Bank, Ltd., and employees of Nippon Wealth Life seconded to certain financial institutions obtained certain internal information of the host companies relating to the performance evaluation framework and product revision status of other life insurance companies and sent such material to several employees in the sales department at our headquarters and, in the case of seconded employees of Nippon Wealth Life, to several employees in the financial institutions and sales department at the headquarters of Nippon Wealth Life, without the permission of the host companies. We determined that the cause of the incident related to a desire by the seconded employees to elevate their status as reliable sources of information amongst those in our company tasked with sales targeting the seconded companies, doing so with the knowledge that they were not permitted to access or share such information, a desire by employees at the host companies to improve their own evaluations, as well as a lack of compliance awareness, education and guidance for our employees who received the information from such seconded employees. We also determined that our internal compliance risk management system did not foresee the sharing of information by seconded employees as described above and, as a result, our internal compliance training and guidelines regarding the Unfair Competition Prevention Law and related laws and regulations were deficient and early detection of the issue was not successful. As a result, we have implemented several countermeasures to prevent future occurrence, including the planned and ongoing progress

towards the suspension of our secondment program, revision of our internal policies regarding information sharing from host companies, strengthening of our internal compliance lines of defense, increase in employee awareness of and familiarity with our internal compliance reporting system and establishment of a committee to review further countermeasures.

Legal Proceedings

We are subject to legal actions in the ordinary course of our business. These legal actions include claims related to individual sales practices and denial or delay of claims payments. We are not involved in any litigation or other legal proceedings that, if determined adversely to us, would individually or in the aggregate be expected to have a material adverse effect on our business or results of operations.

Properties

We own or lease real property for our registered head office in Osaka, executive office in Tokyo, 108 branches (as of April 1, 2024) and other facilities located nationwide. We believe that our properties are suitable for our business as currently conducted and adequately maintained. The above properties do not include properties that we own for investment purposes only.

Employees and Personnel

As of March 31, 2026, Nippon Life had 47,755 sales representatives and Taiju Life had 6,856 sales representatives (including sales representative positions held by sales managers). We consider our level of remuneration and non-wage benefits to be generally competitive with those offered by other major Japanese life insurance companies. In the year ended March 31, 2008, we established a new evaluation framework for our sales representatives. Under this framework, their primary assignments are based on visiting existing customers and gathering information to capture potentially new policies. The fixed amount of compensation is guaranteed if basic assignments are fulfilled for a certain period after they enter the company. Since incorporating this new framework, our retention rate of sales representatives generally has improved. Most of our full-time non-management employees are members of a labor union. We consider our labor relations to be excellent.

We have a 401(k)-style defined-contribution pension plan for our employees. However, most employees are covered by non-contributory defined benefit plans. Under defined benefit plans, qualified employees are entitled to single-premium, annuity payments or both based on salary, length of service and reason for termination of employment. To determine the expected long-term yield on assets related to such benefit plans, we consider historical returns on long-term domestic bonds. Our assumed long-term yield on plan assets was 1.4% in the year ended March 31, 2026.

MANAGEMENT AND CORPORATE HISTORY

Directors, Audit and Supervisory Committee Members and Executive Officers

The following table sets forth our current Directors, Audit and Supervisory Committee Members and Executive Officers as of July 2, 2026.

Name	Position	Date first elected as director or corporate auditor or executive officer
Hiroshi Shimizu	Chairman	2009
Satoshi Asahi	President	2014
Naoki Akahori	Representative Director, Executive Vice President	2017
Yoshitaka Nakamura	Director and Senior Managing Executive Officer	2019
Kayoko Nakano	Director and Managing Executive Officer	2022
Akira Tsuzuki	Director and Managing Executive Officer	2023
Shin Ushijima	Director[1]	2007
Satoshi Miura	Director[1]	2017
Tetsuro Tomita	Director[1]	2020
Junichi Hamada	Director[1]	2021
Yosuke Matsunaga	Director (Senior Audit and Supervisory Committee Member)[2]	2012
Mayuko Miyazaki	Director (Audit and Supervisory Committee Member)[2]	2025
Nae Iijima	Director (Audit and Supervisory Committee Member)[1]	2024
Yoichiro Ogawa	Director (Audit and Supervisory Committee Member)[1]	2026
Yukio Kai	Director (Audit and Supervisory Committee Member)[1]	2026
Yuji Mikasa	Executive Vice Chairman	2013
Nobuto Fujimoto	Executive Vice President	2014
Akiko Osawa	Senior Managing Executive Officer	2018
Minoru Kimura	Senior Managing Executive Officer	2018
Eiichi Hanawa	Senior Managing Executive Officer	2019
Tetsuya Ueda	Senior Managing Executive Officer	2019
Seiichi Tachi	Senior Managing Executive Officer	2019
Shinichiro Ito	Managing Executive Officer	2020
Shinichi Okamoto	Managing Executive Officer	2020
Takashi Masuyama	Managing Executive Officer	2021
Shinichiro Kashima	Managing Executive Officer	2021
Shingo Matsui	Managing Executive Officer	2022
Terumasa Ito	Managing Executive Officer	2022
Masato Hakutani	Managing Executive Officer	2022
Hiroshi Iwama	Managing Executive Officer	2022
Takeshi Kimura	Managing Executive Officer	2022
Tomohiro Yao	Managing Executive Officer	2023
Sota Nakagawa	Executive Officer	2022
Yoshitsugu Umehara	Executive Officer	2022
Hirofumi Sugimura	Executive Officer	2023
Hitoshi Watanabe	Executive Officer	2024
Keisuke Kawasaki	Executive Officer	2024
Kenichi Murata	Executive Officer	2024
Takafumi Kawamura	Executive Officer	2024
Kyomi Nakakura	Executive Officer	2025

Name	Position	Date first elected as director or corporate auditor or executive officer
Kengo Mitamura	Executive Officer	2025
Norio Kosugi	Executive Officer	2025
Tomonao Gotoda	Executive Officer	2025
Daisuke Ishida	Executive Officer	2025
Naohiro Kimoto	Executive Officer	2025
Takayuki Imai	Executive Officer	2025
Ryoko Kohyama	Executive Officer	2025
Koji Kashihara	Executive Officer	2025
Hirotaka Inoue	Executive Officer	2026
Tomohisa Kawasaki	Executive Officer	2026
Seiichi Kashiwabara	Executive Officer	2026

Notes:

(1) Independent outside director.

(2) Full time Audit and Supervisory Committee Member.

Under the Insurance Business Act, mutual companies in Japan may adopt a corporate governance structure comprised of a board of directors and an audit and supervisory committee, commonly referred to as the audit and supervisory committee system, in lieu of the traditional structure comprised of a board of directors and a board of corporate auditors or the alternative structure comprised of a board of directors and three statutory committees. The members of the audit and supervisory committee consist of three or more directors, a majority of which shall be outside directors. We adopted the audit and supervisory committee system in July 2022, in order to improve our corporate governance.

Our Board of Directors has the ultimate responsibility for the administration of our affairs. Our Articles of Incorporation provide for not more than 20 Directors who are not the members of the audit and supervisory committee and not more than five Directors who are the members of the audit and supervisory committee. All Directors including Directors who are the members of the audit and supervisory committee are elected by the general meeting of representative policyholders. The normal term of office of Directors who are not the members of the audit and supervisory committee is one year and the normal term of office of Directors who are the members of the audit and supervisory committee is two years, although they may serve any number of consecutive terms. The Board of Directors elects from among its members one or more Representative Directors, who have the authority individually to represent us. Under our Articles of Incorporation, the Board of Directors may also elect from among its members a Chairman and a President.

The audit and supervisory committee has a statutory duty (i) to audit the administration of our affairs by our Directors and to prepare its audit report thereon each year, (ii) to determine details of proposals concerning the appointment and dismissal of independent auditors and the refusal to reappoint independent auditors for submission to general meetings of representative policyholders, (iii) to decide opinions on appointment or dismissal or resignation of Directors who are not the members of the audit and supervisory committee, in which case the members of the audit and supervisory committee may express its opinion at the general meeting of representative policyholders, and to decide opinions on compensation of Directors who are not audit and supervisory committee members, in which case the members of the audit and supervisory committee may express its opinion at the general meeting of representative policyholders, and (iv) to audit the financial statements and business reports to be submitted to the general meeting of representative policyholders. An audit and supervisory committee member may note his or her opinion in the audit report issued by the audit and supervisory committee if such an opinion differs from that expressed in the audit report.

In January 2015, we established the Outside Directors Committee as part of our efforts to enhance corporate governance and renamed it to the Outside Directors Meeting after the adoption of the audit and supervisory committee system in July 2022. The Outside Directors Meeting comprises all outside directors, Chairman and President, and serves as an advisory body to the Board of Directors. It deliberates on basic management policy and other important management matters.

In July 2022, we have also established a non-statutory nomination and compensation committee as an advisory committee of the Board of Directors. The committee is mainly responsible for providing the Board of Directors with suggestions on the nomination of candidates for directors and the determination of compensation of directors. As of the date of this Offering Circular, the nomination and compensation committee consists of the Chairman, President and independent outside directors.

We must appoint independent auditor, who has the statutory duties of audit of the financial statements to be submitted to the general meeting of representative policyholders and reporting thereon to the audit and supervisory committee and the Board of Directors. Deloitte Touche Tohmatsu LLC acts as our independent auditor.

Corporate History

We trace our history of over 130 years back to our foundation in 1889 when we were formed as a limited liability life insurance company, where we were the first company in the Japanese life insurance business to issue policyholder dividends. In 1899, we reached the first place in terms of policies in force in the Japanese life insurance industry.

The hyperinflation that followed the Second World War had a devastating effect on the entire Japanese life insurance industry, including us. In 1947, we began operations as a mutual life insurance company based on legislation designed to restructure and reorganize the industry.

We have also entered into key business alliances and acquisitions which have fueled our growth and strengthened our position as a leading private life insurance company. These include, among others, our acquisition of the majority interest of Mitsui Life in 2015, which has since been rebranded as Taiju Life, our acquisition of the majority interest of MLC Limited in 2016, which has since been rebranded as Nippon Life Insurance Australia and New Zealand Limited, and our acquisition of the majority interest of MassMutual Japan in 2018, which has since been rebranded as Nippon Wealth Life.

In recent years, we believe we have been at the forefront of the Japanese life insurance industry, consistently introducing innovative products that meet our customers' diversified needs. We plan to continue to review our business portfolio and reallocate our resources in order to further improve profitability while realizing sustainable profit growth over the long-term, in order to maintain our position as the leading private life insurance company in Japan, in terms of both assets and revenue.

SUBSIDIARIES AND AFFILIATES

We conduct our business together with our subsidiaries and affiliates (non-subsidiary companies in which we hold, directly or indirectly, 20% to 50% of the issued share capital, or over which we hold significant influence with respect to its finances, operations or businesses). As of June 30, 2026, we had 154 subsidiaries, 85 of which were consolidated subsidiaries. As of the same date, we had 25 affiliates, 16 of which were accounted for under the equity method.

The following table sets forth information on our principal direct and indirect subsidiaries and affiliates as of June 30, 2026.

Name	Country	Main business	Issued capital	Percentage of voting rights held directly by Nippon Life	Percentage of voting rights held by Nippon Life's subsidiaries or affiliates[1]
			(Millions except as noted)	(%)	(%)
Consolidated Subsidiaries					
TAIJU LIFE INSURANCE COMPANY LIMITED (formerly, Mitsui Life Insurance Co., Ltd.)	Japan	Life insurance business	¥ 167,280	85.00	–
Nippon Wealth Life Insurance Co., Ltd. (formerly MassMutual Life Insurance Company)	Japan	Life insurance business	¥ 180,519	100.00	–
Hanasaku Life Insurance Co., Ltd.	Japan	Life insurance business	¥ 60,000	100.00	–
Medical Data Vision Co., Ltd	Japan	Healthcare data analytics services	¥ 992	100.00	
Nissay Plus SSI Company Inc.	Japan	Small amount and short-term insurance business	¥ 1,300	100.00	–
Nissay Asset Management Corporation	Japan	Investment management, investment advisory and type II financial instruments services	¥ 10,000	100.00	–
Nissay Credit Guarantee Co., Ltd.	Japan	Credit guarantee services	¥ 950	100.00	–
Nissay Leasing Co., Ltd.	Japan	Leasing services	¥ 3,099	100.00	–
Nissay Capital Co, Ltd.	Japan	Venture capital services	¥ 3,000	100.00	–
Nissay Information Technology Co., Ltd.	Japan	Software development, information processing services and system administration and management	¥ 4,000	83.92	–

Name	Country	Main business	Issued capital	Percentage of voting rights held directly by Nippon Life	Percentage of voting rights held by Nippon Life's subsidiaries or affiliates[1]
			(Millions except as noted)	(%)	(%)
Nichii Holdings Co., Ltd.	Japan	Medical support, long-term care and child care	¥ 100	–	100.00[2]
Nippon Life Insurance Company of America	U.S.A.	Life insurance business	$ 3.6	96.96[3]	–
Nippon Life Australia and New Zealand NOHC Pty Ltd	Australia	Life insurance business	A$ 3,265	51.00[4]	49.00
Nippon Life India Asset Management Limited	India	Investment advisory and discretionary investment contract services	6,393 INR	72.80	–
Nippon Life Americas, Inc. (formerly NLI US Investments, Inc.)	U.S.A.	Investment, research and information provision and management consulting services	$ 2[5]	100.00	–
Resolution Life Group Holdings Ltd.[6]	Bermuda	Insurance holding company (business of Acquisition and management of portfolios of life insurance policies)	$ 6,882	100.00	–
Affiliates accounted for under the equity method					
Corporate-Pension Business Service Co., Ltd.	Japan	Corporate pension system management	¥ 6,000	49.00	1.00
The Master Trust Bank of Japan, Ltd.	Japan	Trust and custody services	¥ 10,000	33.50	–
Great Wall Changsheng Life Insurance Co., Ltd.	China	Life insurance business	2,167 RMB	28.57[7]	–
Corebridge Financial, Inc.	U.S.A.	Retirement solutions and life insurance business	$ 7	31.78	–
Bangkok Life Assurance Public Company Limited	Thailand	Life insurance business	1,707 THB	24.21[8]	–

Name	Country	Main business	Issued capital	Percentage of voting rights held directly by Nippon Life	Percentage of voting rights held by Nippon Life's subsidiaries or affiliates[1]
			(Millions except as noted)	(%)	(%)
IndusInd Nippon Life Insurance Company Limited	India	Life insurance business	11,963 INR	49.00[9]	–
PT Asuransi Jiwa Sequis Life	Indonesia	Life insurance business	77,630 IDR	0.01	68.34[10]
Grand Guardian Nippon Life Insurance Company Limited	Myanmar	Life insurance business	38,090 MMK	35.00[11]	–
The TCW Group Inc.[5]	U.S.A.	Investment advisory and discretionary investment contract services	$ 200.00	–	28.39[12]
PT Sequis	Indonesia	Insurance Holding Company	4,240 IDR	29.26[13]	–

Notes:

(1) "Percentage of voting rights held by Nippon Life's subsidiaries or affiliates" shows the percentage of voting rights held by Nippon Life's consolidated subsidiaries or affiliates accounted for under the equity method based on the total number of voting rights of the outstanding shares.

(2) The Company does not directly hold Nichii Holdings Co., Ltd., but holds shares in Nichii Holdings Co., Ltd. (100.00% of voting rights) through Nissay Life Support Co., Ltd., in which the Company holds 98.68% of the voting rights.

(3) The equity ratio was 96.96%.

(4) The Company holds the remaining 49.00% indirectly through Resolution Life and Australia NOHC encompasses both Resolution Life's Australia operating company and Nippon Life Insurance Australia and New Zealand Limited as its subsidiaries.

(5) The figure provides issued capital in U.S. dollars.

(6) In October 2025, the Company completed the acquisition of Resolution Life, which became a wholly owned subsidiary of the Company.

(7) The equity ratio was 30.00%.

(8) The equity ratio was 24.21%.

(9) The equity ratio was 49.00%.

(10) The percentage of voting rights shown is that held by the Company's equity-method affiliate, PT Sequis.

(11) The equity ratio was 35.00%.

(12) The Company does not directly hold shares of The TCW Group, Inc. and holds shares (28.39% on a voting rights basis) in Clipper GP, L.L.C., which holds shares of The TCW Group, Inc., through Nippon Life Insurance Company of America, which is a wholly owned subsidiary of the Company.

(13) The equity ratio was 29.26%.

REGULATIONS OF THE JAPANESE LIFE INSURANCE INDUSTRY

Insurance Business Act

Nippon Life is regulated principally under the Insurance Business Act, which governs both life and non-life insurance businesses in Japan. Pursuant to the Insurance Business Act, the Prime Minister has the authority to supervise insurance companies in Japan. Most of such authority is delegated to the Commissioner of the FSA, who in turn has delegated a part of such authority to the Directors of the Regional Finance Bureaus of the Ministry of Finance. Certain of the provisions of and regulations under the Insurance Business Act and certain other recent regulatory developments are briefly described below. In this description, the term "insurance products" includes annuity products that are sold by life insurance companies in Japan. Such annuity products are regarded as insurance products for purposes of the Insurance Business Act, and the term "insurance" should be interpreted accordingly.

Under the Insurance Business Act, the insurance underwriting business may be conducted by a licensed joint stock corporation, a licensed mutual company or the Japanese branch of a licensed foreign insurer, with certain limited exceptions. Nippon Life is a licensed mutual company. A mutual company is a corporate structure provided for in the Insurance Business Act, pursuant to which policyholders (excluding holders of non-participating policies) may directly participate in the management of a mutual company. Instead of the general meeting of policyholders corresponding to the general meeting of shareholders in respect of a joint stock corporation, the Insurance Business Act permits a mutual company in its articles of incorporation to establish a general meeting of representative policyholders which consists of representative policyholders elected from among participating and semi-participating policyholders. All of the Japanese mutual life insurance companies, including Nippon Life, have established general meetings of representative policyholders. At each of its annual meetings, the general meeting of representative policyholders receives a report and explanation regarding the business and settlement of accounts and adopts resolutions concerning important matters such as disposition of surplus and election of directors. The term of office of representative policyholders is limited to no more than four years by the Insurance Business Act. Nippon Life's representative policyholders are nominated by the representative policyholders' nominating committee established by Nippon Life taking into account geographical distribution, age, gender and occupations to obtain a balanced representation.

Supervisory Control

Licensing requirements. Under the Insurance Business Act, a license must be obtained from the Prime Minister in order to engage in the business of underwriting insurance for the general public, with certain exceptions. There are two types of insurance business licenses, one for underwriting life insurance and one for underwriting non-life insurance, and the same entity may not obtain both types of licenses. Only mutual companies with foundation funds (including statutory reserve for redemption of foundation funds (*kikin-shokyaku-tsumitate-kin*)) of ¥1 billion or more, or joint stock corporations with paid-in capital of ¥1 billion or more, are entitled to obtain such licenses. The issuance of a license is subject to satisfaction of certain requirements relating to financial condition, prospective results of operations, knowledge, experience, social credibility, insurance products to be offered, and the manner of calculation of insurance premiums, policy reserves, etc. An applicant for an insurance license must submit the application for license to the Prime Minister through the Commissioner of the FSA, together with certain documents such as its articles of incorporation, a statement of the manner of operations, a form of general policy conditions and a statement of the manner of calculation of insurance premiums and policy reserves. The Prime Minister or the Commissioner of the FSA also has the authority to order the suspension of businesses in whole or in part, dismissal of officers including directors, executive officers, accounting advisers, corporate auditors and independent auditors, and revocation of licenses, in the event of violation of material provisions of laws or regulations or in certain other cases prescribed by the Insurance Business Act. Foreign insurance companies

may not engage, with limited exceptions, in the insurance business in Japan without establishing a branch office or similar in Japan and obtaining a license from the Prime Minister. Application procedures and requirements for such a license are substantially the same as in the case of Japanese insurance companies. Also, the Prime Minister, the Commissioner of the FSA and the Director of the relevant Regional Finance Bureau of the Ministry of Finance have supervisory authority over foreign insurance companies' branches and offices in Japan, which is similar to the authority they have over insurance companies in Japan.

An amendment to the Insurance Business Act in 2006 introduced the concept of small-amount, short-term insurers. Joint-stock corporations or mutual companies that are registered as small-amount, short-term insurers with the Director of the relevant Regional Finance Bureaus of the Ministry of Finance may conduct insurance underwriting business, with restrictions on the maximum amount of insurance payments and premiums received and the insured period. The small-amount, short-term insurers are subject to less strict regulations than insurers with a license.

Authority of the Commissioner of the FSA. An insurance company must obtain approval from the Commissioner of the FSA with respect to (a) any change in its products or any other term provided in the statement of manner of operations, the form of general policy conditions or the statement of the manner of calculation of insurance premiums and policy reserves (although some of these changes are subject only to prior notification requirements) or certain material provisions of the articles of incorporation, (b) establishment or acquisition of certain subsidiaries, (c) demutualization, mutualization, merger, consolidation, company split, dissolution or cessation of insurance business or (d) transfer of insurance policies, transfer or acquisition of a business in which any or all of the parties thereto are insurance companies, or entrustment to any other insurance company of its administration or property. The Commissioner of the FSA also has extensive supervisory authority over insurance companies, including:

- issuance of orders to insurance companies, their subsidiaries or outsourced companies requiring such entities to submit reports or materials concerning the condition of the insurance companies' business and assets;
- examination of the operation of insurance companies at their, their subsidiaries' or outsourced companies' offices and other premises;
- setting of standards for measuring the soundness of the management of insurance companies;
- issuance of orders to insurance companies to change any term provided in any statement of the manner of operations, the form of general policy conditions, or statement of the manner of calculation of insurance premiums and policy reserves; and
- issuance of orders to insurance companies to submit or amend business improvement plans or to suspend all or part of their business.

Registration requirements. Under the Insurance Business Act, insurance solicitors, including sales representatives, independent sales agencies and insurance brokers must be registered with the Director of the relevant Regional Finance Bureau of the Ministry of Finance. The Directors of the Regional Finance Bureaus of the Ministry of Finance also have the authority to revoke any existing registration upon the occurrence of certain events set forth in the Insurance Business Act and to supervise the operation of such life insurance solicitors.

Reporting requirements. Insurance companies in Japan are subject to various reporting requirements under the Insurance Business Act. Among these requirements, insurance companies in Japan must submit to the Commissioner of the FSA annual and semi-annual business reports in each business year, as well as notifications with respect to any increase in foundation funds or paid-in capital, appointment or resignation of representative directors, directors who engage in the ordinary business of the insurance company, corporate auditors, representative executive

officers, executive officers, members of audit and supervisory committee or independent auditor, the issuance of stock acquisition rights or bonds with stock acquisition rights (applicable only to a joint stock corporation) or subordinated bonds or the borrowing of subordinated loans.

Regulations on solicitation. The Insurance Business Act prohibits certain solicitation activities, such as false notice or nondisclosure of important matters, for the purpose of protecting potential insurance policyholders. In 2026, amendments to the law expanded the existing scope of prohibition against insurance companies offering goods, services or other special advantages deemed inappropriate in light of common sense in transactions with policyholders or insured parties to also include individuals or entities closely related to them. In addition, insurance companies and insurance solicitors, including sales representatives, independent sales agencies and insurance brokers, must comply with certain regulations for appropriate solicitation such as (i) an obligation to ascertain the customer's wishes and to propose products in accordance with the customer's wishes and (ii) an obligation to provide customers with product information and other necessary information during insurance solicitation. Furthermore, due to amendments to the Comprehensive Guidelines for Supervision for Insurance Companies introduced by the FSA, which became effective in December 2021, insurance companies and insurance solicitors, including sales representatives and independent sales agencies, are required to provide certain necessary information about public insurances taking into account the purpose of private insurance to supplement public insurance.

Furthermore, sales representatives of life insurance companies, independent sales agencies and insurance brokers are prohibited under the Insurance Business Act from selling insurance policies (excluding certain insurance policies specified by the Commissioner of the FSA) to employees and other persons affiliated with their own company, for the purpose of protecting such employees and other persons from coercive purchasing under pressure from their employers or other affiliated entities.

Restrictions on Scope of Business

Scope of business. Under the Insurance Business Act, insurance companies in Japan are permitted to engage only in the business of underwriting insurance pursuant to its license, investing premium revenues and other assets, and certain other businesses set forth in the Insurance Business Act (with the prior approval of the Commissioner of the FSA for certain types of businesses), including:

- representation of or carrying out certain services on behalf of other insurance companies and financial service operators, including preparation or delivery of documents relating to the underwriting of insurance, collection of premiums, payment of insurance claims and benefits or execution of insurance policies (including brokerage), each for or on behalf of other insurance companies or other financial service operators, acting as an intermediary with respect to electronic payment instruments-related business conducted by electronic payment instruments service providers and acting as an agent with respect to banking and certain financial instruments businesses;
- providing guarantees for third parties;
- underwriting bonds issued or guaranteed by the Japanese government or bonds issued by Japanese municipal governments or handling of public offerings of bonds so underwritten;
- acquisition or transfer of accounts receivable;
- underwriting bonds issued by a special purpose company (*tokutei mokuteki kaisha*) under the Act on Securitization of Assets of Japan (Act No. 105 of 1998, as amended) or the handling of public offerings of bonds so underwritten;
- acquisition or transfer of short-term notes (i.e., paperless commercial paper);
- handling of private placements of securities;

- dealing in, or acting as an intermediary, broker or agent with respect to certain kinds of financial futures and other derivatives;
- certain types of securities business specified in the Insurance Business Act and the FIEA, such as the sale of units of investment funds;
- handling of public offering of, or commissioning the administration of, municipal government bonds or corporate bonds or other bonds;
- trust business concerning secured bonds that is carried out pursuant to the Secured Bond Trust Act of Japan (Act No. 52 of 1905, as amended);
- investment advisory business;
- execution of, or acting as an intermediary, broker or agent with respect to execution of, agreements to obtain or transfer JCM credit;
- fund transfer business as provided for in the Act Concerning Settlement of Funds of Japan (Act No. 59 of 2009, as amended);
- trust business relating to insurance claims paid;
- granting the use of machinery or any other item under a contract for granting the use of such property that satisfies certain requirements, and acting as an agent or intermediary for such business;
- providing information concerning customers to a third party with customers' consent on condition that such business contributes to the advancement of such insurance company's business or the enhancement of customers' convenience; and
- business carried out by mainly utilizing human resources, information technology, equipment or other resources relating to an insurance business, which contribute to the activation of a region, improvement of productivity or other development of sustainable society, such as management consulting, matching businesses, dispatching of workers who contribute to the improvement of clients' management, system business, information analysis and monitoring of the elderly.

Regulation concerning third-sector insurance products. In the Japanese insurance industry, life insurance products and non-life insurance products are called "first-sector" and "second-sector" insurance products, respectively, and insurance products which do not fit into either category are called "third-sector" insurance products. Third-sector insurance products were permitted to be sold as independent products only by foreign-owned or small to medium-sized life insurance companies, although large life insurance companies and life insurance subsidiaries of non-life insurance companies were permitted to sell such products as riders to first-sector insurance products. However, as a result of deregulation, currently it is possible for both life insurance companies and non-life insurance companies in Japan to sell third-sector insurance products.

Restrictions on scope of business of subsidiaries. The Insurance Business Act limits the types of businesses in which insurance companies in Japan may engage through subsidiaries (such permitted subsidiary businesses, the "Permitted Subsidiary Business") and requires insurance companies to obtain the prior approval of or make a prior notice to the Commissioner of the FSA before engaging in a Permitted Subsidiary Business, in principle. Previously, the Insurance Business Act prohibited life insurance companies in Japan from directly, or indirectly through subsidiaries, engaging in the non-life insurance business and also prohibited non-life insurance companies in Japan from directly, or indirectly through subsidiaries, engaging in the life insurance business. As a result of deregulation, however, life insurance companies in Japan are permitted to have non-life insurance subsidiaries, and non-life insurance companies in Japan are permitted to have life insurance subsidiaries. In addition, as a result of further deregulation, it became possible for insurance companies in Japan to have subsidiaries engaging in certain financial instruments businesses, including securities business, or banking business, with the prior

approval of the Commissioner of the FSA. Furthermore, amendments to the Insurance Business Act, which became effective in November 2021 (the "2021 Amendment"), further expanded the businesses which are included as a "Permitted Subsidiary Business" and permits Japanese insurance companies to engage in businesses which contribute to or are expected to contribute to the sophistication of the insurance business or the improvement of the clients of insurance companies by utilizing information technology or other technology, or businesses which contribute to or are expected to contribute to the activation of a region, improvement of productivity or other development of sustainable society (the "businesses for insurance business sophistication"). Insurance companies, which intend to carry out businesses for insurance business sophistication through a company in which insurance companies hold 10% or more of the voting rights, are required to obtain the prior approval of the Commissioner of the FSA. On the other hand, if businesses for insurance business sophistication which insurance companies intend to carry out fall within certain types of businesses, such insurance companies are required to obtain the prior approval of the Commissioner of the FSA only when such insurance companies carry out those identified businesses through subsidiaries. Holding companies that hold more than 50% of the voting rights of an insurance company with the acquisition price of the shares of Japanese subsidiaries held by such holding companies exceeding the value of 50% of the total assets of the holding companies (the "insurance holding companies"), can hold subsidiaries engaging in businesses identical to the Permitted Subsidiary Businesses (excluding businesses of insurance business sophistication) only with prior notice to, and may also hold subsidiaries engaging in other businesses with the prior approval of, the Commissioner of the FSA.

In order to promote foreign expansion of Japanese insurance companies, restrictions on the scope of business of foreign subsidiaries of Japanese insurance companies have been relaxed. In 2012, the Insurance Business Act was amended to permit Japanese insurance companies to hold foreign subsidiaries engaging in businesses other than the Permitted Subsidiary Business if such foreign subsidiaries are acquired as a result of the acquisition of certain types of foreign insurance companies or foreign insurance holding companies. However, under the Insurance Business Act, Japanese insurance companies must dispose of or otherwise remove such foreign subsidiaries as subsidiaries within five years following the acquisition (such period for the disposal or removal of foreign subsidiaries as subsidiaries, the "disposal period"), unless an extension is obtained from the Commissioner of the FSA. In addition, in November 2014, a further amendment to the Insurance Business Act became effective, permitting Japanese insurance companies to hold foreign subsidiaries engaging in businesses other than the Permitted Subsidiary Business if such foreign subsidiaries are acquired as a result of the acquisition of certain types of foreign banks, financial institutions or financial holding companies, although, as mentioned above, they must dispose of or otherwise remove such foreign subsidiaries as subsidiaries within five years following the acquisition, unless an extension is obtained from the Commissioner of the FSA. Furthermore, the 2021 Amendment increased the disposal period from 5 years to 10 years and permitted Japanese insurance companies to hold foreign subsidiaries engaging in businesses other than Permitted Subsidiary Business permanently under the approval of the Commissioner of the FSA with some conditions, such as it is necessary for a Japanese insurance company to hold a foreign subsidiary engaging in businesses other than the Permitted Subsidiary Business to ensure the competitiveness of foreign subsidiaries engaging in a Permitted Subsidiary Business.

Restrictions on shareholdings of another company. With certain exceptions, the Insurance Business Act generally prohibits an insurance company and/or its subsidiaries from acquiring or holding aggregate voting rights of another domestic company in excess of 10% of the total voting rights of all shareholders of such domestic company. Also, the Act Concerning Prohibition of Private Monopoly and Maintenance of Fair Trade of Japan (Act No. 54 of 1947, as amended) generally prohibits an insurance company from acquiring or holding voting rights of another domestic company in excess of 10% of the total voting rights of all shareholders of such domestic company without obtaining the prior approval of the Fair Trade Commission pursuant to the standards established by the Fair Trade Commission.

Restrictions on insurance business by other financial corporations. Securities companies, banks and other financial institutions (other than insurance companies) were previously prohibited from engaging in the insurance business or selling insurance products in Japan. However, in line with the relaxation of the restriction on the scope of business able to be engaged in by insurance companies and their subsidiaries, the legal barriers preventing securities companies, banks and other financial institutions from entering into the insurance markets have gradually been lifted.

Cooperative associations (*kyosai*) are mutual aid societies traditionally formed by a group of persons such as those with the same occupation or regional community, which provide mutual aids, such as funeral expenses, from the pooled contributions of members. Except for some cooperative associations, including the Japan Agricultural Cooperatives, the National Federation of Workers and Consumers Insurance Cooperatives and the Japanese Consumers' Co-operative Union, which are regulated by special laws, cooperative associations are subject to regulations under the Insurance Business Act as a result of an amendment to the Insurance Business Act that became effective in 2006. In 2011, the Insurance Business Act and related regulations were further amended such that cooperative associations which meet certain requirements would be allowed to provide mutual aids with the special authorization of the relevant authorities, even if they have no insurance business licenses.

Restrictions on investments. Under the Insurance Business Act, aggregate investments by an insurance company in Japan in any single company and its related companies (including the purchase of debt or equity securities issued by, and loans to or deposits with, such company or any of its related companies) may not exceed 10% (or 3% in the case of loans and guarantees) of its general account assets, as prescribed in the related regulations, except as approved by the Commissioner of the FSA. If an insurance company has subsidiaries or affiliates, except as approved by the Commissioner of the FSA, the aggregate investments by such insurance company and its subsidiaries and affiliates in a single company or its related companies may not exceed 10% (or 3% in the case of loans and guarantees) of the aggregate of such insurance company's general account assets, as prescribed in the related regulations, and the equity of such subsidiaries and affiliates, which aggregate amount will be adjusted to such extent as may be deemed necessary by the Commissioner of the FSA.

Financial Regulation

Foundation funds. Foundation funds (sometimes referred to as "*kikin*" or "funds") serve as capital for Japanese mutual companies. Unlike paid-in capital for joint stock corporations, however, foundation funds have a stated maturity and accrue interest payment obligations on a subordination basis.

The mutual company is permitted to make principal and interest payments under the foundation funds so long as the payments in any particular year are approved by the general meeting of representative policyholders and do not exceed certain maximum amounts prescribed in the Insurance Business Act (such amounts, the "distributable principal surplus" with respect to principal payments and the "distributable interest surplus" with respect to interest payments).

Under the Insurance Business Act, the mutual company is required to obtain approval of the general meeting of representative policyholders each year in order to distribute surplus for the payment of interest on the foundation funds. The mutual company is also required under the Insurance Business Act to obtain approval of its representative policyholders each year in order to distribute surplus for the payment of principal of the foundation funds. In addition, in order for a mutual company to make principal payments with respect to the foundation funds, it will also be required under the Insurance Business Act to have accumulated statutory reserve for redemption of foundation funds (*kikin-shokyaku-tsumitate-kin*) in an amount equal to the principal payment.

If in any particular year, the conditions mentioned above are not met, a mutual company will be unable in that year to make all or part of the principal or interest payments due under the

foundation funds. In such cases, the holder of the foundation funds would not be able to compel the mutual company to make such payment. Notwithstanding the above, if the board of directors fails to adopt a resolution approving a voluntary reserve for redemption of foundation funds for a payment of principal due under the foundation funds, the holder of the foundation funds may be able to make a claim against the mutual company for the payment of principal, but only in an amount less than or equal to the amount accumulated under the voluntary reserve for redemption of foundation funds.

Policyholder dividends. The Insurance Business Act provides that the distribution of policyholder dividends by insurance companies in Japan must be made in a fair and equitable manner in accordance with the provisions of the related regulations. An insurance company must calculate the amount of profits to be reserved for distribution of policyholder dividends for each type of insurance policy categorized by the nature of the policy, and must choose a calculation method from among those set forth in the regulations. The regulations also provide that the amount of reserve for dividends to policyholders may not exceed the aggregate sum of the following:

- the amount of policyholder dividends which were distributed but reserved with interest;
- the amount of distributed but unpaid dividends, excluding dividends prescribed in the above item but including dividends to be paid in the following fiscal year at the end of each fiscal year;
- the amount of dividends which would be required to be paid to policyholders if all participating policies were prematurely terminated; and
- certain other amounts similar in nature to the amounts mentioned above, to be calculated in accordance with the method prescribed in the statement of the manner of calculation of insurance premiums and policy reserves.

The Insurance Business Act requires an insurance company which is a mutual company to apply a certain percentage of unappropriated retained earnings to provision for reserve for dividends to policyholders and reserve for balancing policyholder dividends. In addition, the Actuarial Standards of Practice for Life Insurance Companies provide certain criteria which must be considered by the chief actuary in determining whether the distribution of policyholder dividends by a life insurance company is made in a fair and equitable manner.

Policy reserves. Under the Insurance Business Act, insurance companies in Japan are required to provide policy reserves at the end of each fiscal year for the fulfillment of future obligations under insurance policies. The policy reserves of life insurance companies shall be calculated based on the amount of insurance premiums actually received and shall consist of the following:

- premium reserve;
- unearned premium reserve;
- reserve for refunds; and
- contingency reserve.

The Insurance Business Act and related regulations provide that the amounts of the premium reserve and reserve for refunds with respect to certain insurance policies specified in such regulations must not be lower than the amount of the "standard policy reserve". The concept of "standard policy reserve" was introduced by an amendment to the Insurance Business Act effective in April 1996 to ensure the financial soundness of life insurance companies. A public notice issued under the Insurance Business Act by the then Ministry of Finance in 1996, as amended, sets forth the method of provision for the standard policy reserve and the standard prospective yield and the standard mortality rates which must be adopted or used in calculating the amounts of the standard policy reserve, regardless of the amount of insurance premiums actually received. Pursuant to this public notice, the amount of the standard policy reserve must in general be calculated by the net level premium method, applying a standard prospective yield

applicable as of the date of entering into the insurance policies and applying the standard mortality rates which must be set by the IAJ and confirmed by the Commissioner of the FSA. As to the insurance policies entered on or before March 31, 2015, the standard prospective yield was set as applied across all types of insurance policies. However, the standard prospective yield applicable to the insurance policies entered on or after April 1, 2015 may vary among different types of insurance policies, and the standard prospective yield applicable to certain types of insurance policies with lump-sum premiums set forth in the public notice above may be changed every three months, in contrast to such standard prospective yield as applicable to the other types of insurance policies which may be changed only once a year. From April 2022, the standard prospective yield applies to certain types of foreign currency-denominated insurance policies. Standard mortality rates are based on the rates set forth in the standard mortality table established by the IAJ and confirmed by the Commissioner of the FSA. The standard mortality table has been revised and as so revised is applied to new insurance policies sold on and after April 1, 2018. The public notice provides different rules for calculation of the amount of the standard policy reserve for variable insurance policies in which a life insurance company guarantees the minimum amount of payment and of which premiums are administered in separate accounts of such life insurance company. The amounts of the premium reserve and reserve for refunds with respect to insurance policies which are not subject to the provision of standard policy reserve, unearned premium reserve and contingency reserve must be calculated as set out in a statement of the manner of calculation of insurance premiums and policy reserves by each life insurance company based on the amount of insurance premiums actually received.

Appointment of chief actuary. Under the Insurance Business Act, each life insurance company is required to appoint a chief actuary by resolution of its board of directors, and the chief actuary so appointed must participate in the calculation of insurance premiums, policy reserves, policyholder dividends, reserve for outstanding claims and certain other matters set forth in the ministerial ordinance promulgated under the Insurance Business Act. Also, the chief actuary must examine, at the end of every fiscal year, whether the provision of policy reserves and the distribution of policyholder dividends have been made appropriately and whether it is difficult to continue the insurance business (based upon the reasonable estimate made in accordance with actuarial principles of the future revenue and expense), and must submit an opinion to the board of directors of such life insurance company and provide a copy of such opinion to the Commissioner of the FSA. The Commissioner of the FSA may seek explanations with respect to the opinion issued by the chief actuary or seek advice on any matter in which the chief actuary is involved.

Solvency margin ratio. The solvency margin ratio was the principal regulatory capital adequacy measure applicable to Japanese insurance companies prior to the introduction of the economic value-based solvency ratio framework by the FSA in the fiscal year ended March 31, 2026. Under the Insurance Business Act, the Commissioner of the FSA has the authority to set standards for measuring the financial soundness of the management of insurance companies in Japan. The solvency margin ratio was standard designed to measure the ability of insurance companies to make payment for insurance claims and other claims upon the occurrence of unforeseeable events such as natural disasters. Under the former solvency margin regulations, the solvency margin ratio for life insurance companies was calculated on a nonconsolidated basis pursuant to the following formula:

$$\text{Nonconsolidated solvency margin ratio} = \frac{\text{(Solvency margin gross amount)}}{\text{(Total amount of risk)x1/2}}$$

In the above formula:

"Solvency margin gross amount" represents the amount calculated by subtracting a certain amount of deferred tax assets calculated from the sum of the following:

- net assets or foundation funds (less certain items);
- reserve for price fluctuations in investments in securities;

- contingency reserve;
- general reserve for possible loan losses;
- net unrealized gains/losses on certain securities (multiplied by 90% if gains or 100% if losses), deferred unrealized gains and losses on derivatives under hedge accounting) and land (multiplied by 85% if gains or 100% if losses); and
- certain other items (including perpetual subordinated debt which satisfy certain requirements (such as deferral of interest payment obligations) and dated subordinated debt with maturity longer than five years).

"Total amount of risk" is a quantified measure of the total unforeseeable risk borne by the life insurance company, which consists of risk amounts calculated based on standards specified by the Commissioner of the FSA as follows:

- the amount of the "underwriting risk (other than underwriting risk of third-sector insurance)" and the "underwriting risk of third-sector insurance", that is, the risk which may arise as a result of the actual rate of occurrence of insurance events exceeding normal expectation;
- the amount of the "assumed yield risk", that is, the risk of failing to secure the assumed yield which serves as the basis of calculation of the policy reserves;
- the amount of the "minimum guarantee risk", that is, the risk associated with any insurance policy with a separate account, that may arise if the amount of the assets in the relevant separate account does not reach the minimum amount of the payment guaranteed under such insurance policy due to price fluctuations of the assets in such separate account or other reasons which may arise beyond normal expectation;
- the amount of the "investment risk", that is, the aggregate sum of (i) the amount equal to the "risk of price fluctuation", or the risk which may arise due to, among other things, fluctuation of prices of securities and any other assets held by the insurance company beyond normal expectation, (ii) the amount equal to the "credit risk", or the risk which may arise due to, among other things, default of obligations by a counterparty to any transaction with respect to securities and any other assets held by the insurance company, (iii) the amount equal to the "affiliate companies' risk", or the risk which may arise due to, among other things, investment in any affiliate company, (iv) the amount equal to the "derivative transaction risk", or the risk which may arise due to, among other things, certain futures or forward transactions or certain derivative transactions, (v) the amount equal to the "credit spread risk", or the risk which may arise due to, among other things, fluctuation of prices beyond normal expectations with respect to credit derivatives transactions, and (vi) the amount equal to the "reinsurance risk", or the risk which may arise due to reinsurance transactions; and
- the amount of the "business management risk", that is, the other risks beyond normal expectation in the company's business.

The consolidated solvency margin ratio for life insurance companies is calculated on a consolidated basis pursuant to the following formula:

$$\text{Consolidated solvency margin ratio} = \frac{\text{(Solvency margin gross amount)}}{\text{(Total amount of risk)} \times 1/2}$$

In the above formula:

"Solvency margin gross amount" represents the amount calculated by subtracting a certain amount of deferred tax assets calculated from the sum of (i) the same items shown on a consolidated balance sheet as described in the formula for the nonconsolidated basis and certain other items and (ii) the amounts of unrecognized actuarial differences and unrecognized prior service costs.

"Total amount of risk" is a quantified measure of the total unforeseeable risk borne by the life insurance company group, which consists of risk amounts calculated on the basis of standards specified by the Commissioner of the FSA, which basically takes into account the same risk as mentioned for the nonconsolidated basis.

Economic value-based solvency regulations. In connection with the development and possible introduction of new standards for solvency assessment by the IAIS, the FSA issued new regulations to adopt an economic value-based solvency framework in Japan in July 2025 and such framework was implemented from the fiscal year ended March 31, 2026.

Currently, the economic value-based solvency ratio under the standardized model adopted in Japan for life insurance companies is calculated on a nonconsolidated basis and consolidate basis pursuant to the following formula:

$$\text{Economic value-based solvency ratio} = \frac{\text{(Amount of Eligible Capital)}}{\text{(Amount of Required Capital)}}$$

In the above formula:

The amount of "Required Capital" is determined by calculating the capital requirement for each of life insurance risk, non-life insurance risk, catastrophe risk, market risk, credit risk and operational risk using the following prescribed methodologies and aggregating such amounts with the application of specified diversification effects.

- Life insurance risk consists of mortality risk, longevity risk, morbidity and disability risk, lapse and surrender risk, and expense risk. The Required Capital for life insurance risk is calculated by applying stress scenarios at the level of homogeneous risk groups.
- Non-life insurance risk consists of premium risk and reserve risk. The Required Capital for non-insurance risk is calculated using factors prescribed for each geographic region and line of business.
- Catastrophe risk covers risks arising from insurance events that have not yet occurred, particularly those associated with low-frequency, high-severity events.
- Market risk consists of interest rate risk, spread risk, equity risk, real estate risk, foreign exchange risk, and asset concentration risk.
- The Required Capital for credit risk is calculated by multiplying the net exposure amount by risk factors specified according to the type of exposure, credit rating category and remaining maturity, and aggregating the resulting amounts.
- Operational risk is defined as the risk of adverse changes in economic value-based net assets arising from inadequate or ineffective internal processes, personnel or systems, or from external events.

"Eligible Capital" consists of eligible capital instruments and capital elements other than capital instruments.

Eligible Capital is subject to adjustments and deductions in accordance with the prescribed methodology. For the purpose of avoiding double counting, any item deducted from Eligible Capital shall be excluded from the calculation of Required Capital.

Eligible Capital is classified into the following tiers:

(a) Tier 1 Capital consists of capital instruments and capital elements other than capital instruments that absorb losses both on a going-concern basis and in liquidation.

(b) Tier 2 Capital consists of capital instruments and capital elements other than capital instruments that absorb losses only in liquidation.

Within each tier, capital instruments are classified into two categories based on the applicable eligibility criteria:

(a) Tier 1 Capital

Unlimited Tier 1 Capital

Limited Tier 1 Capital

(b) Tier 2 Capital

Paid-in Tier 2 Capital

Unpaid Tier 2 Capital

Capital instruments may take various forms, including common stock, preferred shares, hybrid capital instruments, subordinated debt and foundation funds (*kikin*). Each instrument is classified and measured within the category to which it most appropriately corresponds in accordance with the criteria.

See "Risk Factors—Risks Related to the Life Insurance Industry—As a Japanese insurance company, we are subject to extensive oversight of our business practices and must maintain an ESR at or above required levels" and "Risk Factors—Risks Related to the Life Insurance Industry—Figures for ESR calculated under the framework we voluntarily adopted for prior periods may not be directly comparable to the ESR calculated under regulations newly adopted in Japan."

Prompt corrective action. The Commissioner of the FSA has the authority to order an insurance company with an insufficient ESR to take prompt corrective action. Under the economic value-based solvency framework, insurance companies with ESR of 100% or higher are considered sound. If the ratio falls below 100%, the Commissioner of the FSA may order the insurance company to submit and implement a business improvement plan that will reasonably ensure the soundness of its management. If the ratio falls below 70%, the Commissioner of the FSA may order the insurance company to take measures to enhance solvency, including without limitation:

- suspension or reduction of payment of dividends to policyholders;
- revision of the manner of calculation of insurance premiums for new insurance policies;
- reduction of business expenses, including suspension or reduction of payment of remuneration to directors;
- suspension or reduction of investments in certain manners;
- closure of offices other than the head or main office;
- curtailment of businesses other than insurance underwriting;
- curtailment of business of sales offices, subsidiaries and affiliates; and
- disposition of shares or other equity interests in subsidiaries and affiliates.

If the ESR falls below 35%, the Commissioner of the FSA may order the insurance company to suspend all or part of its operations for a period of time, as specified by the Commissioner of the FSA.

Regulation for the Protection of Policyholders

Alteration of policy terms. The Insurance Business Act permits a life insurance company which is likely to have difficulty in continuing its business to alter its policy terms, inter alia, reduce the assumed yield to policyholders. In order to implement such alteration of policy terms, in the case of a mutual company, after the approval of the Commissioner of the FSA has been obtained, the general meeting of representative policyholders has to decide on a plan to alter the policy terms,

in principle, with the approval required of three-fourths or more of the representative policyholders attending a general meeting of the representative policyholders meeting at which half or more of all representative policyholders shall attend. Further, the insurance company must obtain the approval of the Commissioner of the FSA after the resolution of the general meeting of representative policyholders. In the case where more than 10% of the total number of policyholders whose policies will be subject to the plan object and the amount provided in the ministerial ordinance promulgated under the Insurance Business Act as the amount of the claims regarding the insurance policies of such objecting policyholders exceeds 10% of the aggregate amount of the claims regarding the insurance policies subject to the plan, the alteration shall not be carried out. Notwithstanding the foregoing, the assumed yield may not currently be reduced to less than 3% as prescribed in the cabinet order under the Insurance Business Act.

Life Insurance Policyholders Protection Corporation of Japan. The Insurance Business Act prescribes the establishment and the manner of operations of corporations for the protection of insurance policyholders and requires that all life insurance companies participate in such a corporation and make contributions pursuant to the articles of incorporation of such corporation. LIPPC is the sole corporation for the protection of life insurance policyholders that has been established to date. All life insurance companies doing business in Japan are members of LIPPC. LIPPC is responsible for providing support to maintain outstanding insurance policies issued by failing life insurance companies. "Failing life insurance companies" in this context mean life insurance companies that (i) suspend or, based on the state of their operations or assets, are likely to suspend payment of insurance claims, or (ii) are unable to perform their obligations, or are likely to be, unable to perform their obligations, with their assets. The support to be provided by LIPPC includes the following:

- financial aid for the transfer of insurance policies from a failing life insurance company to another life insurance company, merger of a failing life insurance company into another life insurance company or acquisition of shares of a failing life insurance company by another life insurance company or an insurance holding company;
- establishment and management of a successor life insurance company which will assume the liabilities for all insurance policies of the failing life insurance company by way of transfer of insurance portfolios, or merger with the failing life insurance company, provided that no other insurance company is expected to assume liabilities under the insurance policies sold by the failing life insurance company;
- assumption of all or a part of the insurance policies sold by a failing life insurance company, provided that no other insurance company is expected to assume liabilities under such insurance policies;
- financial aid for payment of insurance claims by a failing life insurance company suspending the payment pursuant to an order for suspending business operations under the Insurance Business Act, or due to reorganization or bankruptcy proceedings; and
- purchase from policyholders of their unpaid insurance claims against a failing life insurance company.

The amount of financial aid which can be provided by LIPPC is, with certain exceptions depending upon the kind of insurance policy, principally limited to an amount which is necessary to maintain 90% (for policies with a high assumed yield, lower than 90%) of the sum of the policy reserves (not including the contingency reserve), the reserve for outstanding claims and the reserve for dividends to policyholders or participating policyholder dividends (excluding the undistributed portion thereof) pertaining to insurance policies.

In addition to annual contributions from its member companies, LIPPC may borrow a maximum of ¥460 billion in total from banks, insurance companies or financial institutions with the approval of the Commissioner of the FSA and the Minister of Finance. The Insurance Business Act and related regulations provide that, if LIPPC needs funds in excess of ¥460 billion (with certain

exceptions) to support life insurance companies which fail between April 1, 2006 to March 31, 2027, the Japanese government may, subject to provision in a budget approved by the Diet, subsidize LIPPC.

Policyholders' lien. Every holder of a life insurance policy issued by a Japanese life insurance company has a statutory lien (*sakidori tokken*) over the life insurance company's total assets with respect to the amount of reserve for payment to the insured under such policy. In addition, each person (including the policyholder) who has any right (i) to receive insurance claims or benefits, (ii) to seek compensation by a life insurance company for damages suffered by such person or (iii) to receive any refund, surplus, dividend or other distribution from the company, has a statutory lien over the life insurance company's total assets with respect to the amount of such right. The rights secured by statutory liens created under the Insurance Business Act have priority over the rights of general creditors, and are subordinated only to the rights secured by certain other statutory liens or by mortgages, pledges or other security interests.

Reorganization (kosei) proceedings. Reorganization proceedings under the Corporate Reorganization Act of Japan (Act No. 154 of 2002, as amended) are available only to joint stock corporations. However, under the Act Concerning Special Handling of Reorganization Procedures for Financial Institutions, Etc. of Japan (Act No. 95 of 1996, as amended), such proceedings apply to mutual insurance companies, and the Commissioner of the FSA has the authority to file a petition for commencement of reorganization proceedings at any time when any fact constituting a reason for commencement of bankruptcy proceedings is likely to occur, even if such mutual insurance company is not then actually failing. The trustee appointed in reorganization proceedings has the right to cancel any existing contracts other than insurance contracts entered into by the company.

In addition to the above, the Commissioner of the FSA is authorized under the Insurance Business Act, when it considers that in view of the business condition or assets of an insurance company, it is difficult for the insurance company to continue its business, or that because the business operations of the insurance company are grossly inappropriate, continuation of such business would likely be detrimental to the protection of policyholders, to (i) order the insurance company to discuss the merger or suspension of its business operations or transfers of its insurance portfolio or implementation of any other necessary measures, or (ii) order an insurance custodian to take over the administration of the business and assets of the insurance company.

Deposit Insurance Act

The Deposit Insurance Act of Japan (Act No. 34 of 1971, as amended) (the "Deposit Insurance Act") was originally enacted in order to protect depositors when banks and other banking institutions fail to meet their obligations. The Deposit Insurance Act was amended effective from March 2014, for the purpose of introducing a new resolution regime for failed financial institutions, including insurance companies, with a view to preventing systemic risks. The new regime has the following characteristics: (i) financial institutions including banks, insurance companies and securities companies and their holding companies are subject to the regime, (ii) necessary measures such as provision of liquidity and financial assistance are implemented under the supervision or control of the Deposit Insurance Corporation of Japan, and for which contractual bail-in options (writing down of unsecured subordinated debt and converting unsecured subordinated debt into equity) are exercised and (iii) the expenses for implementation of the measures under this regime are borne by the financial industry with an exception under which it may be partially borne by the government of Japan.

Insurance Act

Insurance contracts in Japan had been governed as commercial transactions by the Commercial Code of Japan (Act No. 48 of 1899, as amended) (the "Commercial Code"). In June 2008, the Insurance Act of Japan (Act No. 56 of 2008, as amended) (the "Insurance Act") was newly promulgated, which became the primary law to govern insurance contracts when it came into effect on April 1, 2010.

The Insurance Act provides for formation, effect and other issues regarding insurance contracts, and is applied to life insurance contracts, non-life insurance contracts and accident and health insurance contracts, as well as mutual aid contracts. In addition to the establishment of rules for a change of an insurance beneficiary, measures to prevent moral hazard and other improvements, the Insurance Act also strengthens policyholder protections, as compared to previous legislative measures. This includes the following:

- Under the Commercial Code, a policyholder and an insured party were required to provide notice regarding important matters concerning the possibility of death or survival of the insured whether or not expressly requested by the life insurer. In contrast, the Insurance Act requires them to provide notice regarding important matters only when the life insurer expressly requests that it be provided with notice of such matters.
- In the case where the possibility of death has significantly decreased after the execution of a life insurance policy, the policyholder shall have the right to request a reduction of the insurance premium.
- Even if a payment date for an insurance benefit is specified in a life insurance policy and such date has not yet arrived, the life insurer shall be obliged to pay the insurance benefit after a reasonable period of time has elapsed for the insurer to be able to confirm the items necessary for payment of the insurance benefit.
- Any agreement which is less favorable for any policyholder, any insured and/or any insurance beneficiary than the measures stipulated in the above mentioned provisions of the Insurance Act shall be invalid.
- When a life insurance contract is executed, the life insurer must deliver to the policyholder a document explaining the contents of the insurance contract and certain other items without delay.

In addition, the Insurance Act has established a new rule for the protection of certain insurance beneficiaries. Under this rule, insurance beneficiaries can defeat cancellation of certain insurance contracts by a third party who holds a right of cancellation, such as an attaching creditor or bankruptcy administrator, with the consent of the policyholder, by the payment of a certain amount to such third party and by giving notice to the insurer within one month of the cancellation.

Financial Instruments and Exchange Act

The FIEA generally requires that any person or entity that is to engage in the financial instruments business be registered with the Director of the competent Regional Finance Bureau as a registered financial instruments business operator. NAM is registered with the Director of the Kanto Regional Finance Bureau as a financial instruments business operator qualified to provide investment advisory services, investment management services and certain securities dealing businesses under the FIEA, and its operations are subject to the supervision of the Commissioner of the FSA and the Director of the Kanto Regional Finance Bureau. The manner of operations of registered financial instruments operators is set forth in the FIEA and related regulations.

The FIEA also requires that each life insurance company be registered as a registered financial institution with the Director of the competent Regional Finance Bureau if it is to engage in certain financial instruments businesses, including certain securities dealing businesses, permitted to financial institutions under the FIEA. Life insurance companies so registered are subject to the supervision of the Director of such Regional Finance Bureau with respect to their financial instruments business substantially in the same manner as are financial instruments business operators in Japan. Nippon Life is registered with the Director of the Kinki Regional Finance Bureau as a registered financial institution and subject to the supervision of such Director with respect to its financial instruments business. Further, if the life insurance company is to engage in such financial instruments business for an unspecified number of customers, the life insurance

company is required to set forth the contents and method of said business and acquire approval from the Commissioner of the FSA pursuant to the Insurance Business Act. Nippon Life has acquired such approval.

Although the FIEA does not directly regulate insurance policies, the Insurance Business Act provides for the regulation of insurance policies with strong investment characteristics, such as foreign currency-denominated insurance and variable insurance, to the effect that the rules for sales and solicitation activities for such insurance products would be subject to similar restrictions as those established under the FIEA. These rules include, among others, (i) regulations on advertisements, (ii) obligation to provide information and sufficient explanations which must clearly state the possibility of incurring losses and the amount of fees, prior to concluding a contract, (iii) prohibition of loss compensation, and (iv) the suitability rule. These restrictions apply to sales representatives, independent sales agencies and insurance brokers, as well as insurance companies.

Act on the Provision of Financial Services and the Consumer Contracts Act

The Act on the Provision of Financial Services of Japan (Act No. 101 of 2000, as amended) is designed to protect investors in financial products, including insurance products. Under this law, financial service providers, including Nippon Life as a life insurance company, are required to provide adequate explanations to customers of certain material matters such as risks of losses incurred by customers and mechanisms of such financial products causing losses, and to ensure that their solicitation of customers to purchase financial products is made in a fair manner, taking into account each customer's knowledge, experience, financial condition and purpose of purchasing such products. This law also prohibits financial service providers from providing a conclusive statement or misleading information in respect of any uncertain matter in connection with sales of financial products. Financial service providers are held liable for damages suffered by their customers as a result of any failure to meet these obligations. The amount of damages is refutably presumed by the law to be the loss of capital.

The Consumer Contracts Act of Japan (Act No. 61 of 2000, as amended) is designed to protect individual consumers who enter into contracts, or consumer contracts, with business operators, including Nippon Life, in light of the wide disparity between individual consumers and business operators in terms of the volume and quality of information and bargaining power. Under this law, a consumer may cancel, within the shorter of one year after the consumer is entitled to ratify the contract and five years after the contract date, any consumer contract entered into by such consumer if he or she has proposed or agreed to enter into the relevant consumer contract due to his or her misunderstanding arising from a material false statement, a failure to provide material information that is disadvantageous to consumers, or a conclusive statement as to any uncertain future matter by the business operator. A similar cancellation right is also given to consumers if the relevant consumer contract was entered into by a consumer due to solicitation by a business operator in a certain troubling manner. This law also requires business operators to ensure that the terms of consumer contracts are provided in a simple and clear manner so that they are understandable to consumers and to make efforts to give necessary information to consumers regarding the contents of those contracts, depending on the purposes of the consumer contracts, taking into account each consumer's knowledge and experience. A consumer contract clause that is unfairly prejudicial to the interests of consumers will be void under this Act. Examples of void clauses include: (i) a total waiver of consumers' rights to seek compensation from a business operator for damages suffered by them as a result of the business operator's default; and (ii) waiver of consumers' cancellation rights caused by a business operator's default. In addition, a clause granting rights to business operators to determine whether consumers may assert or exercise their abovementioned rights for compensation or cancellation will be void under this law.

Act on Special Civil Court Procedures for Recovery of Collective Consumer Damages

Under the Act on Special Civil Court Procedures for Recovery of Collective Consumer Damages of Japan (Act No. 96 of 2013, as amended), certain types of consumer groups, subject to approval by

the Prime Minister ("Qualified Consumer Groups"), may initiate lawsuits ("Confirmation Suits") for the purpose of confirming that a particular business operator, including Nippon Life, is liable to large numbers of consumers for monetary obligations arising from a specified cause, based on contracts between such business operator and consumers (a "Common Obligation"). In the event that the existence of a Common Obligation is confirmed through a Confirmation Suit, the relevant Qualified Consumer Group is required, except in limited circumstances, to apply for a simplified procedure by which individual covered consumers may seek determination of the specific amount of the business operator's liability to them.

Act Preventing Transfer of Profits Generated from Crime

Under the Act Preventing Transfer of Profits Generated from Crime of Japan (Act No. 22 of 2007, as amended) (the "Act Preventing Transfer of Profits Generated from Crime"), financial institutions and other entities, including Nippon Life, are required to perform customer identification procedures and keep records of customer identifications and transactions with customers as prescribed by a ministerial ordinance. The Act Preventing Transfer of Profits Generated from Crime also requires financial institutions and other entities, including Nippon Life, to report to a competent authority if they suspect that any property received from a customer has been obtained illegally or the customer conducts certain criminal acts.

Personal Information Protection Act

The Personal Information Protection Act aims to protect personal information in the context of a society increasingly reliant on information technology. The Personal Information Protection Act contains various provisions including those imposing obligations on a business enterprise, including Nippon Life, utilizing personal information databases which store personal information such as addresses, family members and medical histories. Pursuant to those provisions, a business enterprise utilizing personal information databases is, among others, required to (i) specify the purpose of the use of the personal information as clearly as possible, (ii) refrain from using the personal information beyond such purpose without consent by the person to whom such information relates, (iii) notify the person to whom such information relates or publish the purpose of the use when or prior to acquiring the personal information, and (iv) disclose, correct, add, delete or refrain from using, the personal information if the person to whom such information relates requests it.

International Solvency Margin Regulations

Additional requirements, such as the global insurance capital standard ("ICS") adopted by the IAIS as part of its Common Framework for the Supervision of IAIGs ("ComFrame"), as described below, could result in further changes to the economic value-based solvency margin regulations. Although we are not currently designated as an IAIG according to the register of IAIGs published by IAIS as of June 3, 2026, we could become subject to these new requirements in the future, potentially resulting in new limitations on our business or investment activities.

ComFrame is a set of international supervisory requirements focusing on the effective group-wide supervision of IAIGs. ComFrame sets out a comprehensive range of quantitative requirements specific to IAIGs, and requirements for supervisors of IAIGs. ComFrame is built and expands upon the high level requirements and guidance currently set out in the IAIS Insurance Core Principles ("ICPs"). ComFrame was originally within a modular structure consisting of three modules, but the IAIS subsequently restructured ComFrame and integrated it directly into the ICPs. In connection with ComFrame, IAIS is in the process of developing ICS applicable to IAIGs. IAIS published the initial ICS for extended field testing in July 2017, the revised ICS in July 2018. The level 1 document for ICS version 2.0 was adopted in November 2019 and the level 2 document was published in March 2020. Further, IAIS updated certain standards regarding ICPs, ComFrame and ICS in December 2024.

Legislation in the European Union could also affect our business. The Solvency II Directive (2009/138/EC) ("Solvency II"), which became effective on January 1, 2016, reformed the insurance industry's solvency framework, including minimum capital and solvency requirements, governance requirements, risk management and public reporting standards.

The foregoing international requirements and developments could impact our business and the manner in which we operate both within and outside Japan. The possibility of inconsistent and conflicting regulation applicable to us also exists as law makers and regulators in multiple jurisdictions simultaneously pursue these initiatives.

JAPANESE TAXATION

The following is a general description of certain aspects of Japanese tax treatment primarily in relation to payments of principal of and interest on the Bonds. It does not purport to be a comprehensive description of the tax aspects of the Bonds. Prospective purchasers should note that, although the general tax information on Japanese taxation is described hereunder for convenience, the statements below are general in nature and not exhaustive.

Prospective purchasers are advised to consult their own legal, tax, accountancy or other professional advisers in order to ascertain their particular circumstances regarding taxation. The statements below are based on the current tax laws and regulations of Japan and the current income tax treaties entered into by Japan all as in effect on the date hereof and all of which are subject to change or differing interpretations (possibly with retroactive effect). Neither such statements nor any other statement in this Offering Circular are to be regarded as advice on the tax position of any holder or beneficial owner of the Bonds or any person subscribing for, purchasing, selling or otherwise dealing in the Bonds or any tax implication arising from the subscription for or purchase, sale or other dealings in respect of the Bonds.

In the following statements, on or after January 1, 2048, all references to the tax rate of 15.315% will read 15.15%.

The Bonds

The Bonds do not fall under the concept of so called "taxable linked bonds" as described in Article 6, Paragraph (4) of the Act on Special Taxation Measures, i.e., bonds of which the amount of interest is to be calculated or determined by reference to certain indicators (as prescribed in the Cabinet Order) in respect of the issuer of such bonds or any other person who has a special relationship with such issuer (that is, in general terms, a person who directly or indirectly controls or is directly or indirectly controlled by, or is directly or indirectly controlled by a person who also directly or indirectly controls, such issuer) as described in Article 6, Paragraph (4) of the Act on Special Taxation Measures and Article 3-2-2, Paragraphs (5) to (7) of the Cabinet Order (such other person is hereinafter referred to as a "Specially-Related Person").

Representation of Gross Recipient Status upon Initial Distribution

By subscribing for the Bonds, an investor will be deemed to have represented that it is a "Gross Recipient" which means (i) a holder or beneficial owner of the Bonds that is, for Japanese tax purposes, neither an individual resident of Japan or a Japanese corporation (a "Resident Holder"), nor an individual non-resident of Japan or a non-Japanese corporation (a "Non-Resident Holder") that, in either case is a Specially-Related Person, (ii) a Designated Financial Institution or (iii) any other excluded category of persons, corporations or other entities under the Act on Special Taxation Measures. The Bonds are not as part of the initial distribution by the Managers at any time to be directly or indirectly offered or sold to, or for the benefit of, any person other than a Gross Recipient.

Interest Payments on Bonds

The following description of Japanese taxation (limited to national taxes) applies exclusively to interest on the Bonds, where the Bonds are issued by Nippon Life outside Japan and payable outside Japan. It is not intended to be exhaustive and prospective purchasers are recommended to consult their tax advisers as to their exact tax position.

1. Non-Resident Holders that are not Specially-Related Persons

If the recipient of interest on the Bonds is a Non-Resident Holder for Japanese tax purposes, as described below, the Japanese tax consequences on such Non-Resident Holder are significantly different depending upon whether such Non-Resident Holder is a Specially-Related Person. Most

importantly, if such Non-Resident Holder is a Specially-Related Person, income tax at the rate of 15.315% of the amount of such interest will be withheld by Nippon Life under Japanese tax law.

(1) If the recipient of interest on the Bonds is a Non-Resident Holder that is not a Specially-Related Person having no permanent establishment within Japan or having a permanent establishment within Japan but where the receipt of the interest on the Bonds is not attributable to the business of such Non-Resident Holder carried on within Japan through such permanent establishment, no Japanese income tax or corporate tax is payable with respect to such interest whether by way of withholding, deduction or otherwise, if such recipient complies with certain requirements, inter alia:

(i) if the relevant Bonds are held through certain participants in an international clearing organization such as The Depository Trust Company, Euroclear and Clearstream, Luxembourg or certain financial intermediaries prescribed by the Act on Special Taxation Measures and the Cabinet Order (together with the ministerial ordinance and other regulations thereunder, the "Law") (each such participant or financial intermediary, a "Participant"), the requirement to provide, at the time of entrusting a Participant with the custody of the relevant Bonds, certain information (the "Interest Recipient Information") prescribed by the Law to enable the Participant to establish that the recipient is exempt from the requirement for Japanese tax to be withheld or deducted and to advise the Participant if such Non-Resident Holder ceases to be so exempted (including the case where it became a Specially-Related Person); and

(ii) if the relevant Bonds are not held through a Participant, the requirement to submit to the relevant paying agent a written application for tax exemption (*hikazei tekiyo shinkokusho*) (the "Written Application for Tax Exemption") or certain information to be stated in such written application in an electronic form together with certain documentary evidence.

Failure to comply with the foregoing requirements (including the case where the Interest Recipient Information is not duly communicated through a Participant or to the relevant paying agent as required under the Law) will result in the withholding by Nippon Life of income tax at the rate of 15.315% of the amount of such interest.

(2) If the recipient of interest on the Bonds is a Non-Resident Holder having a permanent establishment within Japan and the receipt of interest is attributable to the business of such Non-Resident Holder carried on within Japan through such permanent establishment, such interest will not be subject to a 15.315% withholding tax by Nippon Life, if the recipient provides the Interest Recipient Information or submits the Written Application for Tax Exemption as set out in paragraph (1) above. Failure to do so will result in the withholding by Nippon Life of income tax at the rate of 15.315% of the amount of such interest. The amount of such interest will be aggregated with the recipient's other Japanese source income and will be subject to regular income tax or corporate tax, as appropriate.

2. Resident Holders, and Non-Resident Holders that are Specially-Related Persons

(1) Payments of interest on the Bonds to a Resident Holder (except for (a) a Designated Financial Institution which has complied with the requirements under Article 6 of the Act on Special Taxation Measures and (b) a public corporation, a financial institution, a financial instruments business operator or certain other entity which has complied with the requirement for tax exemption under Article 3-3, Paragraph (6) of the Act on Special Taxation Measures receiving interest through its payment handling agent in Japan as defined in Article 3-3, Paragraph (1) of the Act on Special Taxation Measures and Article 2-2, Paragraph (2) of the Cabinet Order with custody of the Bonds in compliance with the requirement for tax exemption under Article 2-2 of the Cabinet Order) or to a Non-Resident Holder that is a Specially-Related Person, will be subject to deduction in respect of Japanese income tax at the rate of 15.315%.

(2) Under the Law, if a Non-Resident Holder becomes a Specially-Related Person, and if such Bonds are held through a Participant, then such Non-Resident Holder is required to notify the Participant of such change in status by the immediately following Interest Payment Date of the Bonds. As the status of such Non-Resident Holder as a Specially-Related Person for Japanese withholding tax purposes is determined based on the status as of the beginning of the fiscal year of Nippon Life in which the relevant Interest Payment Date falls, such Non-Resident Holder should, by such notification, identify and advise the Participant of the specific Interest Payment Date on which Japanese withholding tax commences to apply with respect to such Non-Resident Holder as being a Specially-Related Person.

(3) The Japanese withholding tax imposed upon interest on the Bonds paid to a Non-Resident Holder that is a Specially-Related Person as mentioned above may be reduced or exempted by an income tax treaty between Japan and the country of residence of such Non-Resident Holder in accordance with its terms.

Capital Gains, Stamp Tax and Other Similar Taxes, Inheritance Tax and Gift Tax

Gains derived from the sale or disposition of Bonds outside Japan by a Non-Resident Holder having no permanent establishment within Japan are, in general, not subject to Japanese income tax or corporate tax.

No stamp, issue, registration or similar taxes or duties will, under current Japanese law, be payable in Japan by holders of the Bonds in connection with the issue of the Bonds, or will such taxes be payable by holders of the Bonds in connection with their transfer if such transfer takes place outside Japan.

Japanese inheritance tax or gift tax at progressive rates may be payable by an individual, wherever resident, who has acquired the Bonds from another individual as legatee, heir or donee.

SUBSCRIPTION AND SALE

Nippon Life intends to offer €550,000,000 in aggregate principal amount of the Bonds through J.P. Morgan Securities plc, Citigroup Global Markets Limited, BNP Paribas, Barclays Bank PLC and HSBC Bank plc (together, the "Joint Lead Managers") and other managers named in the Subscription Agreement (as defined below) (together with the Joint Lead Managers, the "Managers") to non-U.S. persons in offshore transactions outside the United States in reliance on Regulation S. Subject to the terms and conditions set forth in a subscription agreement between Nippon Life and the Managers dated August 24, 2026 (the "Subscription Agreement"), the Managers have agreed, severally (and not jointly), to subscribe the Bonds at the issue price identified on the cover page of this Offering Circular.

The Managers are entitled to be released and discharged from their obligations under the Subscription Agreement or to terminate the Subscription Agreement in certain circumstances prior to payment being made to Nippon Life as set out therein. Nippon Life has agreed to reimburse the Managers for certain of their expenses in connection with the issue of the Bonds and to indemnify the Managers and their respective affiliates against certain liabilities or to contribute to payments that the Managers may be required to make in respect of those liabilities.

The Managers are offering the Bonds, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the Bonds, and other conditions contained in the Subscription Agreement, such as the receipt by the Managers of officers' certificates and legal opinions. The Managers reserve the right to withdraw, cancel or modify offers to investors and to reject orders in whole or in part.

New Issue of Bonds

The Bonds are a new issue of securities with no established trading market. Approval in-principle has been received for the listing and quotation of the Bonds on the Official List of the SGX-ST. The Managers are under no obligation to make a market in the Bonds and may discontinue any market-making activities at any time without any notice. Nippon Life cannot assure the liquidity of the trading market for the Bonds. If an active trading market for the Bonds does not develop, the market price and liquidity of the Bonds may be adversely affected. If the Bonds are traded, they may trade at a discount from the issue price, depending on prevailing interest rates, the market for similar securities, the Group's operating performance and financial condition, general economic conditions and other factors.

No Sales of Similar Securities

Nippon Life has agreed that it will not, for a period of 30 days after the date of the Subscription Agreement, without first obtaining the prior written consent of the Joint Lead Managers, directly or indirectly, issue, sell, offer to contract or grant any option to sell, pledge, transfer or otherwise dispose of, any debt securities or securities exchangeable into debt securities, except for the Bonds sold to the Managers pursuant to the Subscription Agreement.

Stabilization

In connection with the offering, any of the Managers and their respective affiliates may purchase and sell the Bonds in the open market and engage in other transactions. These transactions may include overallotment and purchases to cover short positions created in connection with the offering. These transactions may also include stabilizing transactions by J.P. Morgan Securities plc. Short sales involve the sale by J.P. Morgan Securities plc of a greater number of Bonds than it is required to purchase in the offering. Stabilizing transactions consist of certain bids or purchases for the purpose of preventing or retarding a decline in the market price of the Bonds while the offering is in progress.

These activities may stabilize, maintain or otherwise affect the market price of the Bonds. As a result, the price of the Bonds may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued at any time.

Neither Nippon Life nor any of the Managers makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Bonds. In addition, neither Nippon Life nor any of the Managers makes any representation that it will engage in such transactions or that such transactions, once commenced, will not be discontinued without notice.

Other Relationships

Some of the Managers and their respective affiliates have engaged in, and may in the future engage in, various activities, which may include securities trading, commercial and investment banking, financial advisory, investment research, hedging, financing and brokerage activities and other commercial dealings in the ordinary course of business with Nippon Life or Nippon Life's affiliates. The Managers have received, or may in the future receive, customary fees and commissions for these transactions.

In connection with the offering of the Bonds, the Managers and/or their respective affiliates may act as investors for their own accounts and may take up the Bonds in the offering and in that capacity, may retain, purchase or sell for their own accounts such securities and any other of Nippon Life's securities or related investments and may offer or sell such securities or other investments otherwise than in connection with the offering. Accordingly, references in this Offering Circular to the Bonds being offered should be read as including any offering of the Bonds to the Managers and/or their respective affiliates acting in such capacity. Such person does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

In addition, in the ordinary course of their business activities, the Managers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve Nippon Life's securities and/or instruments or those of Nippon Life's affiliates. Certain of the Managers or their respective affiliates that have a lending relationship with Nippon Life or its affiliates routinely hedge their credit exposure to Nippon Life or its affiliates consistent with their customary risk management policies. Typically, such Managers and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in Nippon Life's securities, including potentially the Bonds offered hereby. Any such short positions could adversely affect future trading prices of the Bonds offered hereby. The Managers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Notices to Prospective Investors

General

Neither Nippon Life nor any of the Managers has made any representation that any action will be taken in any jurisdiction by the Managers or Nippon Life that would permit a public offering of the Bonds, or possession or distribution of this Offering Circular (in preliminary, proof or final form) or any other offering or publicity material relating to the Bonds (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required. Accordingly, the Bonds may not be offered or sold, directly or indirectly, and neither this Offering Circular nor any other offering or publicity material relating to the Bonds

may be distributed or published, in or from any country or jurisdiction except under circumstances that will result in compliance with applicable laws and regulations.

United States

The Bonds have not been and will not be registered under the Securities Act or any state securities laws and are being offered and sold outside of the United States to non-U.S. persons in reliance on Regulation S. The Bonds may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Except as permitted by the Subscription Agreement, the Bonds may not be offered or sold (i) as part of the distribution by the Managers under the Subscription Agreement at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date of the offering, within the United States or to, or for the account or benefit of, U.S. persons. Any dealer to which Bonds are being sold during the distribution compliance period must be delivered a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering, an offer or sale of Bonds within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

Japan

The Bonds have not been and will not be registered under the FIEA and are subject to the Act on Special Taxation Measures. The Bonds have not been and will not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan for Japanese securities law purposes (including any corporation or other entity organized under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and governmental guidelines of Japan. In addition, as part of the initial distribution by the Managers, the Bonds are not at any time to be directly or indirectly offered or sold to, or for the benefit of, any person other than a Gross Recipient. A "Gross Recipient" for this purpose is (i) a beneficial owner that is, for Japanese tax purposes, neither an individual resident of Japan or a Japanese corporation, nor an individual non-resident of Japan or a non-Japanese corporation that, in either case, is a Specially-Related Person of Nippon Life, (ii) a Designated Financial Institution or (iii) any other excluded category of persons, corporations or other entities under the Act on Special Taxation Measures.

United Kingdom

The Bonds have not been and will not be offered, sold, distributed or otherwise made available to any retail investor in the U.K. For the purposes of this provision:

(a) the expression "retail investor" means a person who is not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law; and

(b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds.

In addition, in the United Kingdom, this Offering Circular is being distributed only to, and is directed only at (i) persons who have professional experience in matters relating to investments

falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") or (ii) entities falling within Article 49(2)(a) to (e) of the Order (all such persons together being referred to as "relevant persons"). This Offering Circular must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this Offering Circular relates is only available to, and will be engaged in with, relevant persons.

European Economic Area

The Bonds have not been and will not be offered, sold or otherwise made available to any retail investor in the EEA. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

  (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

  (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and

(b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds.

Hong Kong

This Offering Circular has not been approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong. The Bonds have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "Securities and Futures Ordinance") and any rules made under the Securities and Future Ordinance, or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong ("C(WUMP)O") or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Bonds has been issued, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under the Securities and Future Ordinance.

Singapore

This Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Bonds have not been offered or sold, or caused to be made the subject of an invitation for subscription or purchase and will not be offered or sold or caused to be made the subject of an invitation for subscription or purchase, and neither this Offering Circular nor any other document or material in connection with the offer or sale, nor invitation for subscription or purchase, of the Bonds has been circulated or distributed, or will be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Canada

The Bonds may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Bonds must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Circular (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to certain exemptions from the disclosure requirements of National Instrument 33-105 Underwriting Conflicts (NI 33-105) that are available in the provinces of Ontario, Alberta and British Columbia, the Managers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with the offering of the Bonds.

GENERAL INFORMATION

(1) Nippon Life has obtained all necessary consents, approvals and authorizations in Japan in connection with the issue of the Bonds. The issue of the Bonds was authorized by resolutions of the Management Committee of Nippon Life dated March 12, 2026.

(2) The registered head office of Nippon Life is located at 3-5-12, Imabashi, Chuo-ku, Osaka-shi, Osaka 541-0042, Japan and its operational headquarters is located at 6-6 Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8288, Japan.

(3) The Bonds have been accepted for clearance through Euroclear and through Clearstream, Luxembourg. The International Security Identification Number (ISIN) for the Bonds is XS3478185344 and the Common Code for the Bonds is 347818534. The Legal Entity Identifier (LEI) for Nippon Life is 549300Y0HHMFW3EVWY08.

(4) Approval in-principle has been received from the SGX-ST for the listing of and quotation for the Bonds on the Official List of the SGX-ST.

The Bonds will be traded on the SGX-ST in a minimum board lot size of S$200,000 (or its equivalent in other currencies) for so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require.

For so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, in the event that the Global Certificate for the Bonds is exchanged for definitive Certificates, Nippon Life will appoint and maintain a paying agent in Singapore, where the definitive Certificates in respect of the Bonds may be presented or surrendered for payment or redemption. In addition, in the event that the Global Certificate for the Bonds is exchanged for definitive certificates, an announcement of such exchange will be made by Nippon Life through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Certificates, including details of the paying agent in Singapore.

(5) There has been no significant change in the financial or trading position of Nippon Life or the Group and no material adverse change in the financial position or prospects of Nippon Life or the Group since March 31, 2026.

(6) There are no, nor have there been any, governmental, legal arbitration, administrative or other proceedings involving of Nippon Life or any other member of the Group which may have or have had during the 12 months immediately preceding the date of this Offering Circular a significant effect on the financial position or the profitability of Nippon Life or the Group and, so far as Nippon Life is aware, there are no such proceedings pending or threatened involving (whether as defendant or otherwise) of Nippon Life or any other member of the Group.

(7) The Global Certificate, and any definitive Certificates issued in respect of the Bonds, will bear the following legend:

"INTEREST PAYMENTS ON THIS BOND WILL BE SUBJECT TO JAPANESE WITHHOLDING TAX UNLESS IT IS ESTABLISHED THAT THIS BOND IS HELD BY OR FOR THE ACCOUNT OF A BENEFICIAL OWNER THAT IS (I) FOR JAPANESE TAX PURPOSES, NEITHER AN INDIVIDUAL RESIDENT OF JAPAN OR A JAPANESE CORPORATION, NOR AN INDIVIDUAL NON-RESIDENT OF JAPAN OR A NON-JAPANESE CORPORATION THAT, IN EITHER CASE, IS A PERSON HAVING A SPECIAL RELATIONSHIP WITH THE COMPANY AS DESCRIBED IN ARTICLE 6, PARAGRAPH (4) OF THE ACT ON SPECIAL MEASURES CONCERNING TAXATION OF JAPAN (ACT NO. 26 OF 1957, AS AMENDED) (THE "SPECIAL TAXATION MEASURES ACT") (A "SPECIALLY-RELATED PERSON OF THE COMPANY"), OR (II) A JAPANESE FINANCIAL INSTITUTION DESIGNATED IN ARTICLE 3-2-2, PARAGRAPH (29) OF THE ORDER FOR ENFORCEMENT OF THE ACT ON SPECIAL MEASURES CONCERNING TAXATION OF JAPAN (CABINET ORDER NO. 43 OF 1957, AS AMENDED) (THE "CABINET ORDER") WHICH COMPLIES WITH REQUIREMENT FOR TAX EXEMPTION UNDER ARTICLE 6 OF THE SPECIAL TAXATION MEASURES ACT.

PAYMENT OF INTEREST ON THE BOND PAID TO A RESIDENT HOLDER (EXCEPT FOR (I) A FINANCIAL INSTITUTION DESIGNATED BY THE CABINET ORDER WHICH HAS COMPLIED WITH THE REQUIREMENTS UNDER ARTICLE 6 OF THE SPECIAL TAXATION MEASURES ACT AND (II) A PUBLIC CORPORATION, A JAPANESE FINANCIAL INSTITUTION OR A JAPANESE FINANCIAL INSTRUMENTS FIRM AS PROVIDED IN ARTICLE 3-3, PARAGRAPH (6) OF THE SPECIAL TAXATION MEASURES ACT WHICH RECEIVES THE INTEREST PAYMENTS THROUGH ITS PAYMENT HANDLING AGENT IN JAPAN AND COMPLIES WITH THE REQUIREMENT FOR TAX EXEMPTION UNDER THAT PARAGRAPH), OR TO A NON-RESIDENT HOLDER THAT IS A SPECIALLY-RELATED PERSON OF THE COMPANY WILL BE SUBJECT TO JAPANESE INCOME TAX AT A RATE OF 15.315% (UNTIL DECEMBER 31, 2047, AND AT A RATE OF 15.15% THEREAFTER) OF THE AMOUNT OF SUCH INTEREST."

(8) So long as any of the Bonds are outstanding, following prior written request and proof of holding and identity to the satisfaction of the Trustee, or as the case may be, the Principal Paying Agent, (i) copies of the Trust Deed and the Agency Agreement will be available for inspection, at the principal office of the Trustee (being at the date of issue of the Bonds at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom) or at the specified office of the Principal Paying Agent during normal business hours (being between 9:00 a.m. and 3:00 p.m. (London time) Monday to Friday other than public holidays), or (ii) copies of the Trust Deed and the Agency Agreement may be provided by email to any Bondholder.

(9) The consolidated and nonconsolidated financial statements of Nippon Life for each of the years ended March 31, 2024, 2025 and 2026, included in this Offering Circular, have been audited by Deloitte Touche Tohmatsu LLC, independent certified public accountants, as stated in their reports appearing herein.

(10) The unaudited interim consolidated and nonconsolidated financial statements of Nippon Life as of June 30, 2026 and for the three-month periods ended June 30, 2025 and 2026, included in this Offering Circular, have not been reviewed by Deloitte Touche Tohmatsu LLC, independent certified public accountants.

(11) The Trustee is entitled under the Trust Deed to accept and rely conclusively, without investigation or verification and without liability to Bondholders or any other person, on, among other things, on any information, certificate or report from or any opinion or advice of any accountants, lawyers, valuers, auctioneers, surveyors, brokers, financial advisers, financial institution or any other expert, addresses and/or delivered to it whether or not the same are subject to any limitation on liability of the relevant accountant, lawyers, valuers, auctioneers, surveyors brokers, financial advisers, financial institution or other expert and whether by reference to a monetary cap, methodology or otherwise.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Nippon Life Insurance Company:

<Audit of Consolidated Financial Statements>

Opinion

We have audited the consolidated financial statements of Nippon Life Insurance Company (the "Company") and its consolidated subsidiaries, which comprise the consolidated balance sheets as of March 31, 2026, 2025 and 2024, and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in net assets and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, all expressed in Japanese yen.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company and its consolidated subsidiaries as of March 31, 2026, 2025 and 2024, and their consolidated financial performance and their consolidated cash flows for the years then ended in accordance with the Insurance Business Act and the related rules and regulations applicable to the life insurance industry and accounting principles generally accepted in Japan.

Convenience Translation

Our audits also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in accordance with the basis stated in Note 1. "Basis of Presenting the Consolidated Financial Statements, (2) U.S. dollar amounts" to the consolidated financial statements. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Basis for Opinion

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

Emphasis of Matter

As explained in Note 1. "Basis of Presenting the Consolidated Financial Statements, (1) Accounting principles and presentation" to the consolidated financial statements, the information provided in the consolidated financial statements including notes to the consolidated financial statements is limited to information required by the Insurance Business Act and the related rules and regulations applicable to the life insurance industry and disclosed as additional information. Our opinion is not modified in respect of this matter.

Member of
Deloitte Touche Tohmatsu Limited

Key Audit Matters

We determined the matters that required significant auditor's attention in performing our audit from the matters communicated to Audit & Supervisory Committee members and the Audit & Supervisory Committee by identifying and evaluating the risks of material misstatements through obtaining an understanding of the Company's business environment and the life insurance industry in which it operates, and the areas that involved significant management judgment, including accounting estimates.

Among those matters, we determined the key audit matters to be those that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the current year by considering the quantitative and qualitative factors and the interests of the presumed users of the consolidated financial statements.

Such key audit matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

The details of the key audit matters, the basis of our determination and the related audit responses are as follows:

1. Appropriateness of the Company's valuation of goodwill and customer-related assets of Nippon Life Livelihood Support Co., Ltd.

(Key Audit Matter Description)

The Company has consolidated Nippon Life Livelihood Support Co., Ltd. (hereinafter "Nippon Life Livelihood Support"), which holds all shares of Nichii Holdings Co., Ltd. (hereinafter "Nichii HD") since the fiscal year ended March 31, 2025. This acquisition aims to stimulate activity in the medical related, long-term care, and childcare operations, thereby expanding the security and comfort provided to customers by enhancing productivity and sustainability.

As mentioned in Note 5. "Significant Accounting Estimate, 1) Goodwill and 3) Other intangible fixed assets (customer-related assets)," the Company recorded goodwill of ¥191,727 million and customer-related assets of ¥52,648 million, related to Nippon Life Livelihood Support, both of which are quantitatively material, on the consolidated balance sheet as of March 31, 2026.

The Company assesses impairment indicators for goodwill and customer-related assets in accordance with its accounting policies described in Note 26. "Impairment Losses, (2) Identification of indicators of impairment, b. Goodwill and goodwill equivalent, and other intangible fixed assets (customer-related assets)," and considering the business plan of Nichii HD in the assessment which reflecting external environmental changes such as wage increases, as well as IT investments and other factors.

The business plan includes key assumptions such as the estimation of service fees in the medical related business and the future number of users in the long-term care business, which involve uncertainties. Therefore, the determination of impairment indicators for goodwill and customer-related assets, which takes into account both the internal and external environmental changes after Nichii HD became a subsidiary of the Company, involves significant management judgment.

Considering the above, we identified management's determination of impairment indicators for goodwill and customer-related assets of Nippon Life Livelihood Support as a key audit matter.

(How the Key Audit Matter Was Addressed in the Audit)

Our audit procedures for evaluating management's determination of impairment indicators for goodwill and customer-related assets of Nippon Life Livelihood Support included the following, among others:

- We inquired of the Company officials and inspected the relevant documents to test the design and operating effectiveness of internal controls over the determination of impairment indicators for goodwill and customer-related assets as follows:

- Procedures for management's review and approval over the determination of impairment indicators performed by the Crystal of Reassurance Group, which is responsible for Nichii HD
- Procedures for management's review and approval performed by the Credit department

- We performed the following procedures to evaluate the appropriateness of the Company's determination of impairment indicators for goodwill and customer-related assets:
  - Inspected the minutes of the meetings of the Board of Directors of Nichii HD
  - Compared actual sales and operating profit for the current year with the business plan at the time of the initial investment
  - Compared the estimate of service fees in the medical related business with historical results, which was a key assumption of the business plan developed considering the external environmental changes such as expected wage increases, as well as IT investment plan and other factors, and performed inquiries and inspection of related documents regarding specific measures to be taken by management
  - Compared the estimate of future number of users in the long-term care business with historical results, which was also a key assumption of the business plan, and tested consistency with its available external data

2. Reliability of the systems regarding the calculation of policy reserves and accuracy of the calculation of policy reserves for new insurance products and the revision of existing insurance products

(Key Audit Matter Description)

The Company recorded policy reserves of ¥89,312,921 million, which represented 83% of total liabilities on the consolidated balance sheet as of March 31, 2026.

Of the amount, the policy reserves of the Company and its consolidated subsidiaries, TAIJU LIFE INSURANCE COMPANY LIMITED (hereinafter "TAIJU LIFE") and Nippon Wealth Life Insurance Company Limited (hereinafter "Nippon Wealth Life"), were ¥61,486,775 million, ¥6,737,641 million and ¥7,076,585 million, respectively, and the sum of these reserves represented 84% of total policy reserves on the consolidated balance sheet.

As mentioned in Note 2. "Summary of Significant Accounting Policies, (18) Policy reserves," the policy reserves of the Company, TAIJU LIFE and Nippon Wealth Life are accumulated in order to prepare for payments of future obligations based on insurance policies in accordance with Article 116 of the Insurance Business Act.

Policy reserves are calculated based on basic assumptions of the expected mortality rates and the expected interest rates, policies in force data including age, gender, the amounts insured and other data, in accordance with the statement of calculation procedures of premiums and policy reserve (hereinafter "statement of calculation procedures") licensed by the Financial Services Agency from Article 4, Paragraph (2), item (iv) of the Insurance Business Act.

In addition, the Company records additional policy reserves in accordance with Article 69, Paragraph 5 of the Ordinance for Enforcement of the Insurance Business Act in order to reduce the risk of future negative spread and provide stable insurance dividends. Furthermore, the chief actuary reviews whether sufficient policy reserves for insurance policies are provided in accordance with Article 121, Paragraph 1, Item 1 of the Insurance Business Act.

The calculation of policy reserves, which represents a significant part of liabilities on the consolidated balance sheet, requires processing of considerable volumes of data through highly automated IT systems and is therefore highly dependent on the IT systems.

In order to accurately calculate policy reserves, it is critical to have the appropriate design of and effectively operate the automated application controls over the calculation of policy reserves and the general IT controls, which continuously support the operating effectiveness of automated application controls over the continuous appropriate operation of IT systems.

In addition, the evaluation of the effectiveness of controls related to the calculation of policy reserves requires specialized knowledge and experience in IT systems and actuarial science.

Considering the above, we identified the reliability of the systems supporting the calculation of policy reserves as a key audit matter.

Regarding the developments of new insurance products and the revisions of existing insurance products (hereinafter "new insurance products and other products"), the programs for the calculation of policy reserves are either developed or revised, and then implemented into the systems based on the calculation method and basic assumptions defined in the statement of calculation procedures.

As policy reserves are automatically calculated by the system on an ongoing basis after the implementation, the initial errors at the implementation would have an impact on financial reporting in the long term, which may have a material impact on the consolidated financial statements.

Considering the above, we also identified the accuracy of automated calculation of policy reserves related to new insurance products and other products as a key audit matter.

(How the Key Audit Matter Was Addressed in the Audit)

Our audit procedures to evaluate the reliability of the systems related to the calculation of policy reserves of the Company, TAIJU LIFE and Nippon Wealth Life included the following, among others:

- With the assistance of our IT specialists, we inquired of management of the IT department, inspected the relevant documents, observed and reperformed the automated application controls and general IT controls of each company to evaluate the design and operating effectiveness of the following controls over the calculation of policy reserves:
    - General IT controls such as controls over access security and system operation related to the systems for the calculation of policy reserves, the insurance system, the accounting system, and system change management, including policy reserve program implementation
    - Automated application controls over the determination of policies in force subject to the calculation of policy reserves as of the consolidated balance sheet date and the extraction of the policies in force data related to these policies
    - Automated application controls over the aggregation of the policies subject to the calculation of policy reserves and the underlying data generation of journal entries to record policy reserves
- With the assistance of our actuarial specialists, we recalculated policy reserves based on the calculation methods and basic assumptions defined in the statement of calculation procedures and inquired of management in the Actuarial department to evaluate the design and operating effectiveness of automated application controls related to the accuracy of automated calculation of policy reserves.

In addition, with the assistance of our actuarial specialists, we inspected the relevant documents and recalculated policy reserves for new insurance products and other products that were offered during the current fiscal year to evaluate the design and operating effectiveness of the internal controls related to the policy reserves (including automated calculation or recalculation tests during system implementation).

Furthermore, as substantive procedures, our actuarial specialists recalculated policy reserves for new insurance products and other products to determine whether the recorded amounts of policy reserves were accurately calculated in accordance with the calculation methods and basic assumptions defined in the statement of calculation procedures.

3. The reasonableness of fair value of policy reserves related to the acquisition of Resolution Life Group Holdings Ltd.

(Key Audit Matter Description)

As mentioned in Note 7. "Business Combination, (1) Resolution Life Group Holdings Ltd. and Nippon Life Insurance Australia and New Zealand Limited (for the fiscal year ended March 31, 2026)," in the consolidated balance sheet, in October, 2025, the Company acquired additional 78% of the issued shares of Resolution Life Group Holdings Ltd. (hereinafter "Resolution Life"), a global life insurance group company primarily engaged in acquiring and managing the portfolios of life insurance policies through reinsurance, acquiring companies and businesses mainly in the United States of America, Bermuda and Australia, and made Resolution Life a consolidated subsidiary. Furthermore, the Company reorganized the business in the United States of America under Resolution Life and the business in Australia under Resolution Life NOHC Pty Ltd.

The Company recognized and measured identifiable assets, including intangible assets, and liabilities through allocating the purchase price of the acquisition, and the excess of the purchase price over the net balance of the identifiable assets and liabilities was recorded as goodwill. As for the business in the United States of America, Resolution Life applied Pushdown Accounting under accounting principles generally accepted in the United States of America (hereinafter "USGAAP") and recorded related goodwill in its financial statements. As a result of these transactions, the Company recognized policy reserves of ¥10,442.3 billion, Value of Business Acquired (hereinafter "VOBA") of ¥1,213.1 billion, an intangible asset of the excess of policy reserves at book value over at fair value, and goodwill of ¥836.4 billion related to Resolution Life as at the business combination date. The liability for policy reserves, which accounts for the majority of the liabilities assumed, is quantitatively material. Since the measurement of policy reserves determines the amounts of VOBA and goodwill, it has a material impact on the consolidated financial statements.

The fair value of policy reserves in Resolution Life was estimated by the discount rate assumptions as at the business combination date and future cash flows based on assumptions for actuarial calculations including mortality and lapse assumptions, in accordance with USGAAP. The estimate of the discount rate assumptions used for fair value measurement, calculated based on a risk-free rate in the United States of America with company's own risk premium, requires a high level of expertise and judgement. Furthermore, since policy reserves are highly sensitive to the discount rate, an error in the estimate of the discount rate could have a material impact on the consolidated financial statements. Therefore, we determined the reasonableness of discount rate assumption utilized in the fair value measurement of policy reserves should be a key audit matter.

Under USGAAP, the estimation for future cash flows used for fair value measurement is made based on the actuarial assumptions including mortality and lapse. In particular, as for products with long-duration continuation guarantees such as universal life with secondary guarantees (hereinafter "ULSG") products assumed by Resolution Life in the reinsurance agreement, future death benefits and surrender benefits should be estimated using mortality and lapse assumptions. Therefore, the estimates entail significant uncertainties. In addition, due to the features of ULSG products, policyholders can maintain death benefit coverage by paying at least the minimum premium even if market conditions deteriorate materially and new policies providing comparable coverage in the US insurance market would command higher premiums. This feature can have a certain impact on policyholders' surrender behavior, and result in complex estimate considering changes in market conditions into lapse rates. Selecting the estimation methodologies requires management judgment, which could include management bias. Furthermore, since policy reserves for ULSG are highly sensitive to mortality and lapse

assumptions, an error could have a material impact on the consolidated financial statements. Therefore, we determined that the reasonableness of the mortality and lapse assumptions underlying the measurement of policy reserves for ULSG should be a key audit matter.

(How the Key Audit Matter Was Addressed in the Audit)

(Evaluation of the reasonableness of discount rate estimates)

Our audit procedures to assess the reasonableness of the discount rate assumptions underlying the measurement of policy reserves in Resolution Life included the following, among others:

- With the assistance of our actuarial specialists, we inquired of management of actuarial department, inspected the relevant documents and performed walkthrough to test the design and operating effectiveness of internal controls over the following review and approval processes to ensure the discount rate is determined appropriately:
    - Procedures for management's review and approval over the estimation for discount rate performed by management of actuarial department in Resolution Life
- With the assistance of our internal specialists, we performed the following to assess the reasonableness of the risk premium:
    - Inquired of management of actuarial department in Resolution Life, inspected relevant documentation, and performed recalculations
    - Evaluated the risk premium by comparing it with our actuarial specialists' independent estimates based on external data

(Evaluation of the reasonableness of mortality and lapse assumptions used in calculating policy reserves for ULSG)

Our audit procedures to assess the reasonableness of the mortality and lapse assumptions used in calculating policy reserves for ULSG assumed by Resolution Life included the following, among others:

- With the assistance of our actuarial specialists, we inquired of management of actuarial department, inspected the relevant documents to test the design and operating effectiveness of internal controls over the following process for the mortality and lapse assumptions:
    - Procedures for management's review and approval over the estimation for the mortality and lapse assumptions by management of actuarial department in Resolution Life
- We performed the following to test the accuracy of the historical experience data underlying the estimates of mortality and lapse assumptions:
    - Selected samples of the historical experience data prepared by Resolution Life and tested the accuracy by reconciling them to the database information in the core system
- With the assistance of our actuarial specialists, we performed the following to assess the reasonableness of the estimates of mortality and lapse assumptions:
    - Evaluated the appropriateness of the selection of estimation methodologies by management, including comparisons with industry practice, and assessed whether it included any management bias
    - Evaluated the accuracy of Resolution Life's calculated results by recalculating the mortality and lapse assumptions

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Insurance Business Act and the related rules and

regulations applicable to the life insurance industry and accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company and its consolidated subsidiaries' ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Company and its consolidated subsidiaries or to cease operations, or has no realistic alternative but to do so.

Audit & Supervisory Committee members and the Audit & Supervisory Committee are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company and its consolidated subsidiaries' financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company and its consolidated subsidiaries' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company and its consolidated subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its consolidated subsidiaries to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with the Insurance Business Act and the related rules and

regulations applicable to the life insurance industry and accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company and its consolidated subsidiaries as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

<Fee-Related Information>

Fees for audit and other services for the years ended March 31, 2026, 2025 and 2024 which were charged by us and our network firms to the Company and its subsidiaries were ¥2,399 million and ¥555 million, ¥750 million and ¥319 million, and ¥672 million and ¥144 million, respectively.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company and its consolidated subsidiaries which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Deloitte Touche Tohmatsu LLC

August 5, 2026

Nippon Life Insurance Company and its Consolidated Subsidiaries

Consolidated Balance Sheets

As of March 31	Millions of Yen 2026	2025	2024	Millions of U.S. Dollars (Note 1) 2026
ASSETS:				
Cash and deposits	**¥ 1,672,747**	**¥ 932,037**	**¥ 1,634,522**	**$ 10,462**
Call loans	**1,011,726**	**876,505**	**522,863**	**6,328**
Monetary claims bought	**932,235**	**189,832**	**246,417**	**5,830**
Investments in securities	**91,607,445**	**80,309,407**	**81,628,564**	**572,976**
Loans	**9,588,553**	**8,706,575**	**8,911,985**	**59,973**
Tangible fixed assets:				
Land	1,185,143	1,189,083	1,189,388	7,412
Buildings	673,447	659,045	624,804	4,212
Lease assets	60,789	59,971	6,386	380
Construction in progress	16,722	27,236	35,922	104
Other tangible fixed assets	68,545	51,326	40,139	428
Subtotal	**2,004,649**	**1,986,662**	**1,896,641**	**12,538**
Intangible fixed assets:				
Software	167,347	124,198	103,359	1,046
Goodwill	1,208,003	279,416	83,910	7,555
Lease assets	11	24	19	0
Other intangible fixed assets	1,502,003	244,291	196,044	9,394
Subtotal	**2,877,366**	**647,931**	**383,334**	**17,997**
Reinsurance receivables	**4,730,575**	**224,252**	**125,362**	**29,588**
Other assets	**4,282,503**	**2,386,882**	**2,157,928**	**26,785**
Net defined benefit asset	**1,652**	**1,469**	**1,274**	**10**
Deferred tax assets	**116,028**	**34,155**	**37,762**	**725**
Customers' liability for acceptances and guarantees	**48,420**	**52,383**	**60,844**	**302**
Allowance for doubtful accounts	**(11,166)**	**(5,463)**	**(11,346)**	**(69)**
Total assets	**¥118,862,738**	**¥96,342,632**	**¥97,596,154**	**$743,449**

Nippon Life Insurance Company and its Consolidated Subsidiaries

Consolidated Balance Sheets (continued)

As of March 31	Millions of Yen 2026	2025	2024	Millions of U.S. Dollars (Note 1) 2026
LIABILITIES:				
Policy reserves and other reserves:				
Reserve for outstanding claims	¥ 500,471	¥ 275,520	¥ 269,478	$ 3,130
Policy reserves	89,312,921	73,897,294	72,849,120	558,624
Reserve for dividends to policyholders (mutual company)	1,174,282	1,126,878	1,088,964	7,344
Reserve for dividends to policyholders (limited company)	53,934	43,740	46,477	337
Subtotal	**91,041,610**	**75,343,434**	**74,254,041**	**569,437**
Reinsurance payables	**142,815**	**17,731**	**27,190**	**893**
Corporate bonds	**1,935,676**	**1,554,141**	**1,516,319**	**12,107**
Other liabilities	**11,162,198**	**7,763,978**	**7,509,435**	**69,816**
Accrued bonuses for directors	**453**	**427**	**425**	**2**
Net defined benefit liability	**288,187**	**342,085**	**419,981**	**1,802**
Accrued retirement benefits for directors and audit & supervisory board members	**298**	**358**	**429**	**1**
Reserve for program points	**–**	**6,192**	**8,356**	**–**
Reserve for price fluctuations in investments in securities	**1,319,259**	**1,787,849**	**1,732,830**	**8,251**
Deferred tax liabilities	**1,615,096**	**683,281**	**1,421,439**	**10,101**
Deferred tax liabilities for land revaluation	**99,734**	**100,413**	**98,340**	**623**
Acceptances and guarantees	**48,420**	**52,383**	**60,844**	**302**
Total liabilities	**107,653,751**	**87,652,277**	**87,049,635**	**673,340**
NET ASSETS:				
Foundation funds	**50,000**	**50,000**	**100,000**	**312**
Reserve for redemption of foundation funds	**1,400,000**	**1,400,000**	**1,350,000**	**8,756**
Reserve for revaluation	**651**	**651**	**651**	**4**
Consolidated surplus	**1,211,876**	**915,169**	**793,384**	**7,579**
Total foundation funds and others	**2,662,527**	**2,365,820**	**2,244,035**	**16,653**
Net unrealized gains on available-for-sale securities	**10,082,267**	**7,397,734**	**9,223,931**	**63,061**
Deferred losses on derivatives under hedge accounting	**(1,972,981)**	**(1,372,500)**	**(1,142,459)**	**(12,340)**
Land revaluation losses	**(55,747)**	**(56,555)**	**(50,967)**	**(348)**
Foreign currency translation adjustments	**256,052**	**157,624**	**118,139**	**1,601**
Remeasurement of defined benefit plans	**87,779**	**66,053**	**7,774**	**549**
Valuation difference on policy reserves and other reserves of overseas subsidiaries and affiliates	**5,771**	**(8,852)**	**–**	**36**
Total accumulated other comprehensive income	**8,403,139**	**6,183,502**	**8,156,418**	**52,559**
Share acquisition rights	**2,251**	**1,863**	**1,509**	**14**
Noncontrolling interests	**141,068**	**139,168**	**144,554**	**882**
Total net assets	**11,208,987**	**8,690,355**	**10,546,518**	**70,108**
Total liabilities and net assets	**¥118,862,738**	**¥96,342,632**	**¥97,596,154**	**$743,449**

The accompanying notes are an integral part of the consolidated financial statements.

Nippon Life Insurance Company and its Consolidated Subsidiaries

Consolidated Statements of Income

For the fiscal years ended March 31	Millions of Yen			Millions of U.S. Dollars (Note 1)
	2026	2025	2024	2026
Ordinary income:				
Revenues from insurance and reinsurance	**¥ 9,437,386**	**¥ 7,861,341**	**¥ 8,598,316**	**$59,027**
Investment income:				
Interest, dividends, and other income	2,429,936	2,158,973	1,875,713	15,198
Gain on trading securities	30,017	30,745	44,496	187
Gain on sales of securities	1,227,324	423,073	397,306	7,676
Gain on redemptions of securities	105	4	66	0
Foreign exchange gains, net	787,124	–	632,478	4,923
Other investment income	31,316	1,214	872	195
Gain from separate accounts, net	123,992	–	169,002	775
Subtotal	**4,629,817**	**2,614,011**	**3,119,937**	**28,958**
Other ordinary income	**707,651**	**529,006**	**290,569**	**4,426**
Total ordinary income	**14,774,855**	**11,004,360**	**12,008,823**	**92,412**
Ordinary expenses:				
Benefits and other payments:				
Death and other claims	1,311,630	1,255,232	1,266,814	8,203
Annuity payments	1,135,266	1,074,335	1,044,853	7,100
Health and other benefits	1,074,873	1,018,860	941,269	6,722
Surrender benefits	2,505,581	1,643,240	1,619,059	15,671
Other refunds	407,970	338,282	352,037	2,551
Reinsurance premiums	1,520,280	1,235,223	1,158,376	9,508
Other benefits and other payments	256,770	254,002	240,696	1,606
Subtotal	**8,212,372**	**6,819,176**	**6,623,108**	**51,365**
Provision for policy reserves:				
Provision for reserve for outstanding claims	34,168	4,967	7,049	213
Provision for policy reserves	2,125,908	1,040,307	2,671,366	13,296
Provision for interest on reserve for dividends to policyholders (mutual company)	20,972	20,648	20,975	131
Provision for interest on reserve for dividends to policyholders (limited company)	41	6	7	0
Subtotal	**2,181,090**	**1,065,931**	**2,699,398**	**13,642**
Investment expenses:				
Interest expenses	100,172	71,503	49,679	626
Loss on sales of securities	1,842,382	539,603	292,591	11,523
Loss on valuation of securities	74,877	2,516	7,340	468
Loss on redemptions of securities	197	715	55	1
Loss on derivative financial instruments, net	470,239	254,323	507,070	2,941
Foreign exchange losses, net	–	212,852	–	–
Provision for allowance for doubtful accounts	5,014	391	825	31
Depreciation of rental real estate and other assets	23,973	23,552	22,263	149
Other investment expenses	123,369	69,269	64,203	771
Loss from separate accounts, net	–	15,656	–	–
Subtotal	**2,640,226**	**1,190,383**	**944,029**	**16,513**
Operating expenses	**1,231,159**	**1,044,815**	**789,959**	**7,700**
Other ordinary expenses	**404,808**	**378,506**	**370,931**	**2,531**
Total ordinary expenses	**14,669,658**	**10,498,813**	**11,427,426**	**91,754**
Ordinary profit	**105,197**	**505,546**	**581,396**	**657**

Nippon Life Insurance Company and its Consolidated Subsidiaries

Consolidated Statements of Income (continued)

For the fiscal years ended March 31	Millions of Yen			Millions of U.S. Dollars (Note 1)
	2026	2025	2024	2026
Extraordinary gains:				
Gain on disposals of fixed assets	¥ 7,789	¥ 12,976	¥ 5,555	$ 48
Reversal for reserve for price fluctuations in investments in securities	468,590	–	–	2,930
Gain on step acquisitions	142,879	–	–	893
Gain on reversal of share acquisition rights	0	4	18	0
Subtotal	**619,259**	**12,980**	**5,574**	**3,873**
Extraordinary losses:				
Loss on disposals of fixed assets	7,072	5,924	8,747	44
Impairment losses	10,868	10,696	10,096	67
Provision for reserve for price fluctuations in investments in securities	–	55,018	48,113	–
Loss on reduction entry of real estate	12	28	36	0
Contributions for assisting social public welfare	1,677	2,633	3,000	10
Loss on change in equity	7,836	–	–	49
Other extraordinary losses	353	47	–	2
Subtotal	**27,820**	**74,348**	**69,993**	**174**
Provision for reserve for dividends to policyholders (limited company)	**11,705**	**11,901**	**11,805**	**73**
Surplus before income taxes	**684,930**	**432,277**	**505,171**	**4,284**
Income taxes:				
Current	(860)	136,432	52,632	(5)
Deferred	75,808	(144,357)	43,737	474
Total income taxes	**74,947**	**(7,924)**	**96,369**	**468**
Net surplus	**609,983**	**440,201**	**408,801**	**3,815**
Net surplus (deficit) attributable to noncontrolling interests	**3,532**	**3,943**	**(3,683)**	**22**
Net surplus attributable to the parent company	**¥ 606,450**	**¥ 436,258**	**¥ 412,485**	**$ 3,793**

The accompanying notes are an integral part of the consolidated financial statements.

Nippon Life Insurance Company and its Consolidated Subsidiaries

Consolidated Statements of Comprehensive Income

For the fiscal years ended March 31	Millions of Yen			Millions of U.S. Dollars (Note 1)
	2026	2025	2024	2026
Net surplus	**¥ 609,983**	**¥ 440,201**	**¥ 408,801**	**$ 3,815**
Other comprehensive (loss) income:	**2,257,111**	**(1,976,844)**	**3,364,445**	**14,117**
Net unrealized (losses) gains on available-for-sale securities	2,628,870	(1,822,522)	4,043,936	16,442
Deferred (losses) gains on derivatives under hedge accounting	(603,948)	(229,528)	(765,493)	(3,777)
Land revaluation (losses) gains	–	(3,474)	–	–
Foreign currency translation adjustments	116,659	7,853	39,641	729
Remeasurement of defined benefit plans	22,262	58,263	13,828	139
Valuation difference on policy reserves and other reserves of overseas subsidiaries and affiliates	37,095	–	–	232
Share of other comprehensive gains of affiliates accounted for under the equity method	56,172	12,563	32,533	351
Comprehensive (loss) income:	**¥2,867,094**	**¥(1,536,643)**	**¥3,773,247**	**$17,932**
Comprehensive (loss) income attributable to the parent company	2,825,279	(1,536,327)	3,746,824	17,671
Comprehensive (loss) income attributable to noncontrolling interests	41,815	(315)	26,422	261

The accompanying notes are an integral part of the consolidated financial statements.

Nippon Life Insurance Company and its Consolidated Subsidiaries

Consolidated Statements of Changes in Net Assets

Millions of Yen

	Foundation funds and others				
For the fiscal year ended March 31, 2024	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Consolidated surplus	Total foundation funds and others
Beginning balance	**¥100,000**	**¥1,350,000**	**¥651**	**¥ 566,733**	**¥2,017,384**
Increase/decrease:					
Additions to reserve for dividends to policyholders (mutual company)				(181,910)	(181,910)
Interest on foundation funds				(265)	(265)
Net surplus attributable to the parent company				412,485	412,485
Reversal of land revaluation losses				(5,297)	(5,297)
Change in the parent's ownership interest due to transactions with noncontrolling interests				1,638	1,638
Net change, excluding foundation funds and others					
Net change	**–**	**–**	**–**	**226,651**	**226,651**
Ending balance	**¥100,000**	**¥1,350,000**	**¥651**	**¥ 793,384**	**¥2,244,035**

Millions of Yen

	Accumulated other comprehensive income								
For the fiscal year ended March 31, 2024	Net unrealized gains on available-for-sale securities	Deferred losses on derivatives under hedge accounting	Land revaluation losses	Foreign currency translation adjustments	Remeasurement of defined benefit plans	Total accumulated other comprehensive income	Share acquisition rights	Noncontrolling interests	Total net assets
Beginning balance	**¥5,176,583**	**¥ (375,789)**	**¥ (56,264)**	**¥ 52,239**	**¥ (5,938)**	**¥4,790,829**	**¥1,921**	**¥120,492**	**¥ 6,930,628**
Increase/decrease:									
Additions to reserve for dividends to policyholders (mutual company)									(181,910)
Interest on foundation funds									(265)
Net surplus attributable to the parent company									412,485
Reversal of land revaluation losses									(5,297)
Change in the parent's ownership interest due to transactions with noncontrolling interests									1,638
Net change, excluding foundation funds and others	4,047,348	(766,669)	5,297	65,900	13,712	3,365,588	(411)	24,062	3,389,239
Net change	**4,047,348**	**(766,669)**	**5,297**	**65,900**	**13,712**	**3,365,588**	**(411)**	**24,062**	**3,615,890**
Ending balance	**¥9,223,931**	**¥(1,142,459)**	**¥(50,967)**	**¥118,139**	**¥ 7,774**	**¥8,156,418**	**¥1,509**	**¥144,554**	**¥10,546,518**

Nippon Life Insurance Company and its Consolidated Subsidiaries

Consolidated Statements of Changes in Net Assets (continued)

Millions of Yen

	Foundation funds and others				
For the fiscal year ended March 31, 2025	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Consolidated surplus	Total foundation funds and others
Beginning balance	**¥100,000**	**¥1,350,000**	**¥651**	**¥ 793,384**	**¥2,244,035**
Cumulative effects of changes in accounting policies				(2,430)	(2,430)
Beginning balance reflecting changes in accounting policies	**100,000**	**1,350,000**	**651**	**790,953**	**2,241,605**
Increase/decrease:					
Additions to reserve for dividends to policyholders (mutual company)				(264,517)	(264,517)
Additions to reserve for redemption of foundation funds		50,000		(50,000)	–
Interest on foundation funds				(265)	(265)
Net surplus attributable to the parent company				436,258	436,258
Redemption of foundation funds	(50,000)				(50,000)
Reversal of land revaluation losses				2,114	2,114
Change in the parent's ownership interest due to transactions with noncontrolling interests				625	625
Net change, excluding foundation funds and others					
Net change	**(50,000)**	**50,000**	**–**	**124,215**	**124,215**
Ending balance	**¥ 50,000**	**¥1,400,000**	**¥651**	**¥ 915,169**	**¥2,365,820**

Millions of Yen

	Accumulated other comprehensive income									
For the fiscal year ended March 31, 2025	Net unrealized gains on available-for-sale securities	Deferred losses on derivatives under hedge accounting	Land revaluation losses	Foreign currency translation adjustments	Remeasurement of defined benefit plans	Valuation difference on policy reserves and other reserves of overseas subsidiaries and affiliates	Total accumulated other comprehensive income	Share acquisition rights	Noncontrolling interests	Total net assets
Beginning balance	**¥ 9,223,931**	**¥(1,142,459)**	**¥(50,967)**	**¥118,139**	**¥ 7,774**	**¥ –**	**¥ 8,156,418**	**¥1,509**	**¥144,554**	**¥10,546,518**
Cumulative effects of changes in accounting policies	2,112					(90)	2,022			(408)
Beginning balance reflecting changes in accounting policies	**9,226,044**	**(1,142,459)**	**(50,967)**	**118,139**	**7,774**	**(90)**	**8,158,441**	**1,509**	**144,554**	**10,546,110**
Increase/decrease:										
Additions to reserve for dividends to policyholders (mutual company)										(264,517)
Additions to reserve for redemption of foundation funds										–
Interest on foundation funds										(265)
Net surplus attributable to the parent company										436,258
Redemption of foundation funds										(50,000)
Reversal of land revaluation losses										2,114
Change in the parent's ownership interest due to transactions with noncontrolling interests										625
Net change, excluding foundation funds and others	(1,828,309)	(230,040)	(5,588)	39,485	58,278	(8,762)	(1,974,938)	353	(5,386)	(1,979,970)
Net change	**(1,828,309)**	**(230,040)**	**(5,588)**	**39,485**	**58,278**	**(8,762)**	**(1,974,938)**	**353**	**(5,386)**	**(1,855,755)**
Ending balance	**¥ 7,397,734**	**¥(1,372,500)**	**¥(56,555)**	**¥157,624**	**¥66,053**	**¥(8,852)**	**¥ 6,183,502**	**¥1,863**	**¥139,168**	**¥ 8,690,355**

Nippon Life Insurance Company and its Consolidated Subsidiaries

Consolidated Statements of Changes in Net Assets (continued)

Millions of Yen

	Foundation funds and others				
For the fiscal year ended March 31, 2026	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Consolidated surplus	Total foundation funds and others
Beginning balance	**¥50,000**	**¥1,400,000**	**¥651**	**¥ 916,813**	**¥2,367,465**
Cumulative effects of changes in accounting policies				(1,644)	(1,644)
Beginning balance reflecting changes in accounting policies	**50,000**	**1,400,000**	**651**	**915,169**	**2,365,820**
Increase/decrease:					
Additions to reserve for dividends to policyholders (mutual company)				(291,689)	(291,689)
Additions to reserve for redemption of foundation funds					
Interest on foundation funds				(140)	(140)
Net surplus attributable to the parent company				606,450	606,450
Redemption of foundation funds					
Reversal of land revaluation losses				(807)	(807)
Change in the parent's ownership interest due to transactions with noncontrolling interests				(17,106)	(17,106)
Net change, excluding foundation funds and others					
Net change	**–**	**–**	**–**	**296,707**	**296,707**
Ending balance	**¥50,000**	**¥1,400,000**	**¥651**	**¥1,211,876**	**¥2,662,527**

Millions of Yen

	Accumulated other comprehensive income									
For the fiscal year ended March 31, 2026	Net unrealized gains on available-for-sale securities	Deferred losses on derivatives under hedge accounting	Land revaluation losses	Foreign currency translation adjustments	Remeasurement of defined benefit plans	Valuation difference on policy reserves and other reserves of overseas subsidiaries and affiliates	Total accumulated other comprehensive income	Share acquisition rights	Noncontrolling interests	Total net assets
Beginning balance	**¥ 7,387,008**	**¥(1,372,500)**	**¥(56,555)**	**¥157,862**	**¥66,053**	**¥ –**	**¥6,181,868**	**¥1,863**	**¥139,168**	**¥ 8,690,365**
Cumulative effects of changes in accounting policies	10,725			(238)		(8,852)	1,634			(10)
Beginning balance reflecting changes in accounting policies	**7,397,734**	**(1,372,500)**	**(56,555)**	**157,624**	**66,053**	**(8,852)**	**6,183,502**	**1,863**	**139,168**	**8,690,355**
Increase/decrease:										
Additions to reserve for dividends to policyholders (mutual company)										(291,689)
Additions to reserve for redemption of foundation funds										
Interest on foundation funds										(140)
Net surplus attributable to the parent company										606,450
Redemption of foundation funds										–
Reversal of land revaluation losses										(807)
Change in the parent's ownership interest due to transactions with noncontrolling interests										(17,106)
Net change, excluding foundation funds and others	2,684,533	(600,481)	807	98,427	21,725	14,623	2,219,636	387	1,900	2,221,924
Net change	**2,684,533**	**(600,481)**	**807**	**98,427**	**21,725**	**14,623**	**2,219,636**	**387**	**1,900**	**2,518,631**
Ending balance	**¥10,082,267**	**¥(1,972,981)**	**¥(55,747)**	**¥256,052**	**¥87,779**	**¥ 5,771**	**¥8,403,139**	**¥2,251**	**¥141,068**	**¥11,208,987**

Nippon Life Insurance Company and its Consolidated Subsidiaries

Consolidated Statements of Changes in Net Assets (continued)

	Millions of U.S. Dollars (Note 1)				
	Foundation funds and others				
For the fiscal year ended March 31, 2026	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Consolidated surplus	Total foundation funds and others
Beginning balance	**$312**	**$8,756**	**$4**	**$ 5,734**	**$14,807**
Cumulative effects of changes in accounting policies				(10)	(10)
Beginning balance reflecting changes in accounting policies	**312**	**8,756**	**4**	**5,724**	**14,797**
Increase/decrease:					
Additions to reserve for dividends to policyholders (mutual company)				(1,824)	(1,824)
Additions to reserve for redemption of foundation funds					
Interest on foundation funds				(0)	(0)
Net surplus attributable to the parent company				3,793	3,793
Redemption of foundation funds					
Reversal of land revaluation losses				(5)	(5)
Change in the parent's ownership interest due to transactions with noncontrolling interests				(106)	(106)
Net change, excluding foundation funds and others					
Net change	**–**	**–**	**–**	**1,855**	**1,855**
Ending balance	**$312**	**$8,756**	**$4**	**$ 7,579**	**$16,653**

	Millions of U.S. Dollars (Note 1)									
	Accumulated other comprehensive income									
For the fiscal year ended March 31, 2026	Net unrealized gains on available-for-sale securities	Deferred losses on derivatives under hedge accounting	Land revaluation losses	Foreign currency translation adjustments	Remeasurement of defined benefit plans	Valuation difference on policy reserves and other reserves of overseas subsidiaries and affiliates	Total accumulated other comprehensive income	Share acquisition rights	Noncontrolling interests	Total net assets
Beginning balance	**$46,203**	**$ (8,584)**	**$(353)**	**$ 987**	**$413**	**$ –**	**$38,665**	**$11**	**$870**	**$54,355**
Cumulative effects of changes in accounting policies	67			(1)		(55)	10			0
Beginning balance reflecting changes in accounting policies	**46,270**	**(8,584)**	**(353)**	**985**	**413**	**(55)**	**38,675**	**11**	**870**	**54,355**
Increase/decrease:										
Additions to reserve for dividends to policyholders (mutual company)										(1,824)
Additions to reserve for redemption of foundation funds										–
Interest on foundation funds										(0)
Net surplus attributable to the parent company										3,793
Redemption of foundation funds										–
Reversal of land revaluation losses										(5)
Change in the parent's ownership interest due to transactions with noncontrolling interests										(106)
Net change, excluding foundation funds and others	16,790	(3,755)	5	615	135	91	13,883	2	11	13,897
Net change	**16,790**	**(3,755)**	**5**	**615**	**135**	**91**	**13,883**	**2**	**11**	**15,753**
Ending balance	**$63,061**	**$(12,340)**	**$(348)**	**$1,601**	**$549**	**$ 36**	**$52,559**	**$14**	**$882**	**$70,108**

The accompanying notes are an integral part of the consolidated financial statements.

Nippon Life Insurance Company and its Consolidated Subsidiaries

Consolidated Statements of Cash Flows

For the fiscal years ended March 31	Millions of Yen			Millions of U.S. Dollars (Note 1)
	2026	2025	2024	2026
I Cash flows from operating activities:				
Surplus before income taxes	¥ 684,930	¥ 432,277	¥ 505,171	$ 4,284
Depreciation of rental real estate and other assets	23,973	23,552	22,263	149
Depreciation	87,746	74,897	69,823	548
Impairment losses	10,868	10,696	10,096	67
Amortization of goodwill	23,350	13,257	5,206	146
Net increase (decrease) in reserve for outstanding claims	(19,113)	5,430	7,803	(119)
Net increase (decrease) in policy reserves	2,014,233	1,035,283	2,665,719	12,598
Provision for interest on reserve for dividends to policyholders (mutual company)	20,972	20,648	20,975	131
Provision for interest on reserve for dividends to policyholders (limited company)	41	6	7	0
Provision for reserve for dividends to policyholders (limited company)	11,705	11,901	11,805	73
Net increase (decrease) in allowance for doubtful accounts	4,927	288	717	30
Net increase (decrease) in accrued bonuses for directors	25	1	(14)	0
Net (decrease) increase in net defined benefit liability	(22,782)	(4,225)	1,256	(142)
Net (decrease) increase in accrued retirement benefits for directors and audit & supervisory board members	(59)	(70)	(205)	(0)
Net increase (decrease) in reserve for price fluctuations in investments in securities	(468,590)	55,018	48,113	(2,930)
Interest, dividends, and other income	(2,429,936)	(2,158,973)	(1,875,713)	(15,198)
Net losses (gains) on investments in securities	697,863	119,757	(97,385)	4,364
Net losses (gains) on policy loans	90,589	88,975	85,600	566
Losses (gains) on derivative financial instruments, net	470,239	254,323	507,070	2,941
Interest expenses	100,172	71,503	49,679	626
Net foreign exchange losses (gains)	(788,232)	213,613	(632,809)	(4,930)
Net (gains) losses on tangible fixed assets	4,188	(6,482)	4,687	26
(Gains) losses on equity method investments	(49,096)	(1,945)	(14,193)	(307)
Losses (gains) from separate accounts, net	(123,992)	15,656	(169,002)	(775)
(Gains) losses on step acquisition	(142,879)	–	–	(893)
Net (increase) decrease in reinsurance receivables	(238,117)	(98,827)	(121,147)	(1,489)
Net decrease (increase) in other assets (excluding those related to investing activities and financing activities)	31,695	17,143	(85,043)	198
Net (decrease) increase in reinsurance payables	(28,000)	(9,477)	6,706	(175)
Net (decrease) increase in other liabilities (excluding those related to investing activities and financing activities)	127,443	(6,805)	11,180	797
Others, net	(12,501)	(17,060)	23,048	(78)
Subtotal	**81,666**	**160,364**	**1,061,417**	**510**
Interest, dividends, and other income received	2,310,033	2,074,257	1,818,296	14,448
Interest paid	(96,936)	(69,591)	(47,639)	(606)
Dividends paid to policyholders (mutual company)	(191,539)	(182,811)	(170,284)	(1,198)
Dividends paid to policyholders (limited company)	(13,170)	(14,644)	(16,382)	(82)
Others, net	(45,175)	(18,207)	3,317	(282)
Income taxes refunded (paid)	18,713	(198,569)	51,938	117
Net cash provided by operating activities	**2,063,591**	**1,750,797**	**2,700,662**	**12,907**

Nippon Life Insurance Company and its Consolidated Subsidiaries

Consolidated Statements of Cash Flows (continued)

For the fiscal years ended March 31	Millions of Yen 2026	2025	2024	Millions of U.S. Dollars (Note 1) 2026
II Cash flows from investing activities:				
Net decrease (increase) in deposits	¥ (2,279)	¥ 5,880	¥ (4,145)	$ (14)
Purchases of monetary claims bought	(30,586)	(12,256)	(36,731)	(191)
Proceeds from sales and redemptions of monetary claims bought	32,001	70,306	34,365	200
Purchases of securities	(11,557,313)	(10,263,193)	(10,039,454)	(72,287)
Proceeds from sales and redemptions of securities	11,230,346	8,895,185	7,755,469	70,242
Disbursements for loans	(1,353,171)	(1,438,372)	(1,795,398)	(8,463)
Proceeds from collections of loans	1,542,203	1,537,748	1,579,215	9,646
Net (losses) gains from the settlement of derivative financial instruments	(925,128)	(161,068)	(1,091,597)	(5,786)
Net (decrease) increase in payables under repurchase agreements	632,833	(248,785)	1,001,245	3,958
Net (decrease) increase in cash received as collateral under securities lending transactions	55,928	(9,948)	(17,403)	349
Others, net	(231,472)	(168,607)	(174,320)	(1,447)
①Total of investing activities	**(606,638)**	**(1,793,110)**	**(2,788,755)**	**(3,794)**
[I + II ①]	**[1,456,953]**	**[(42,312)]**	**[(88,092)]**	**[9,112]**
Purchases of tangible fixed assets	(79,341)	(83,287)	(113,393)	(496)
Proceeds from sales of tangible fixed assets	15,318	26,681	25,207	95
Payments for acquisition of subsidiary's shares with change in scope of consolidation	(565,986)	(188,025)	–	(3,540)
Others, net	(67,961)	(59,756)	(56,276)	(425)
Net cash used in investing activities	**(1,304,608)**	**(2,097,499)**	**(2,933,217)**	**(8,159)**
III Cash flows from financing activities:				
Proceeds from debt borrowing	60,064	143,484	173,135	375
Repayments of debt	(65,272)	(64,339)	(82,910)	(408)
Proceeds from issuance of corporate bonds	414,725	280,372	137,454	2,593
Redemption of bonds	(299,514)	(242,550)	–	(1,873)
Redemption of foundation funds	–	(50,000)	–	–
Interest on foundation funds	(140)	(265)	(265)	(0)
Payments for acquisition of subsidiary's shares not resulting in change in scope of consolidation	(54,648)	(845)	–	(341)
Others, net	(3,163)	(26,586)	(1,403)	(19)
Net cash provided by financing activities	**52,051**	**39,270**	**226,010**	**325**
IV Effect of exchange rate changes on cash and cash equivalents	**51,511**	**(11,106)**	**22,099**	**322**
V Net (decrease) increase in cash and cash equivalents	**862,545**	**(318,537)**	**15,554**	**5,394**
VI Cash and cash equivalents at the beginning of the year	**1,836,812**	**2,155,349**	**2,139,794**	**11,488**
VII Net increase (decrease) in cash and cash equivalents resulting from change in the scope of consolidation	**–**	**–**	**–**	**–**
VIII Cash and cash equivalents at the end of the year	**¥ 2,699,357**	**¥ 1,836,812**	**¥ 2,155,349**	**$ 16,883**

The accompanying notes are an integral part of the consolidated financial statements.

Nippon Life Insurance Company and its Consolidated Subsidiaries

Notes to the Consolidated Financial Statements

1. Basis of Presenting the Consolidated Financial Statements

(1) Accounting principles and presentation

The accompanying consolidated financial statements have been prepared from the accounts and records maintained by NIPPON LIFE INSURANCE COMPANY ("Nippon Life" or the "Company") and its consolidated subsidiaries in accordance with the provisions set forth in the Insurance Business Act and the related rules and regulations applicable to the life insurance industry, and in accordance with accounting principles generally accepted in Japan, which are different in certain respects from the application and disclosure requirements of International Financial Reporting Standards. Certain accounting and reporting practices required to be followed by the industry are regulated by the Financial Services Agency and the related ministry by means of ministerial ordinances and guidance. The accompanying consolidated financial statements of the Company and its consolidated subsidiaries are in compliance with such requirements. The information provided in the consolidated financial statements including the Notes to the Consolidated Financial Statements is limited to information required by the Insurance Business Act and the related rules and regulations applicable to the life insurance industry and disclosed as additional information. Amounts of less than one million yen and one million U.S. dollars have been eliminated for consolidated financial statement presentation. As a result, totals may not add up exactly.

(2) U.S. dollar amounts

Nippon Life prepares its consolidated financial statements in Japanese yen. The U.S. dollar amounts included in the consolidated financial statements and notes thereto represent the arithmetical results of translating Japanese yen to U.S. dollars on the basis of ¥159.88=U.S. $1, the effective rate of exchange at the consolidated balance sheet date of March 31, 2026. The inclusion of such U.S. dollar amounts is solely for convenience and is not intended to imply that Japanese yen amounts have been or could be readily converted, realized or settled in U.S. dollars at ¥159.88=U.S. $1 or at any other rate.

2. Summary of Significant Accounting Policies

(1) Principles of consolidation

i) Consolidated subsidiaries

The consolidated financial statements include the accounts of Nippon Life and its significant subsidiaries. Significant consolidated subsidiaries as of March 31, 2026, 2025 and 2024, are listed as follows:

Nissay Credit Guarantee Co., Ltd. (Japan)

Nissay Leasing Co., Ltd. (Japan)

Nissay Capital Co., Ltd. (Japan)

Nippon Life Asset Management Corporation (Japan)

Nissay Information Technology Co., Ltd. (Japan)

TAIJU LIFE INSURANCE COMPANY LIMITED (Japan)

Nippon Wealth Life Insurance Company Limited (Japan)

HANASAKU LIFE INSURANCE Co., Ltd. (Japan)

Nissay Plus SSI Company Inc. (Japan)

Nichii Holdings Co., Ltd. (Japan) (from the fiscal year ended March 31, 2025)

Medical Data Vision Co., Ltd. (Japan) (from the fiscal year ended March 31, 2026)

Nippon Life Insurance Company of America (U.S.A.)

Nippon Life Americas, Inc. (U.S.A.)

Nippon Life India Asset Management Limited (India)

Resolution Life Group Holdings Ltd. (Bermuda) (from the fiscal year ended March 31, 2026)

Nippon Life Australia and New Zealand NOHC Pty Ltd. (Australia) (from the fiscal year ended March 31, 2026)

Due to the acquisition of shares of Nippon Life Livelihood Support Co., Ltd., this company as well as Nichii Holdings Co., Ltd. and six of its subsidiaries, or a total of eight companies, were included in our scope of consolidation from the fiscal year ended March 31, 2025.

Effective from the fiscal year ended March 31, 2026, one group company of the Nichii Holdings Co., Ltd., a consolidated subsidiary of the Company, has been excluded from the scope of consolidation in connection with the absorption-type merger between subsidiaries of Nichii Holdings Co., Ltd.

Effective from the fiscal year ended March 31, 2026, 59 companies, comprising Resolution Life Group Holdings Ltd., Resolution Life NOHC Pty Ltd., and their 57 group companies, have been included in the scope of consolidation in connection with the acquisition of additional shares of Resolution Life Group Holdings Ltd., which was an affiliate accounted for under the equity method in the fiscal year ended March 31, 2025, and the acquisition of shares of Resolution Life NOHC Pty Ltd. With this acquisition, Resolution Life NOHC Pty Ltd. has changed its name to Nippon Life Australia and New Zealand NOHC Pty Ltd.

Effective from the fiscal year ended March 31, 2026, Medical Data Vision Co., Ltd. has been included in the scope of consolidation in connection with the acquisition of its shares.

The major subsidiaries excluded from consolidation are Nippon Life Global Investors Americas, Inc., Nissay Trading Corporation, and Nissay Insurance Agency Co., Ltd.

The respective and aggregate effects of the companies, which are excluded from consolidation, based on total assets, revenues, net income, and surplus for the fiscal years ended March 31, 2026, 2025 and 2024, are immaterial. This exclusion from consolidation does not prevent a reasonable assessment of the financial position of the Company and its subsidiaries and the results of their operations.

ii) Affiliates

Major affiliates accounted for under the equity method as of March 31, 2026, 2025 and 2024, are listed as follows:

The Master Trust Bank of Japan, Ltd. (Japan)

Corporate-Pension Business Service Co., Ltd. (Japan)

Great Wall Changsheng Life Insurance Co., Ltd. (China)

Bangkok Life Assurance Public Company Limited (Thailand)

IndusInd Nippon Life Insurance Company Limited (India)

PT Sequis (Indonesia)

PT Asuransi Jiwa Sequis Life (Indonesia)

The TCW Group, Inc. (U.S.A.)

Grand Guardian Nippon Life Insurance Company Limited (Myanmar)

Corebridge Financial, Inc. (U.S.A.) (from the fiscal year ended March 31, 2025)

Blackstone ISG Investment Partners – R (BMU) L.P. and Resolution Life Group Holdings Ltd. had became more important to the Company, and have therefore been included within the scope of application of equity method from the fiscal year ended March 31, 2024.

Due to the acquisition of shares of Corebridge Financial, Inc., it was included within the scope of application of equity method from the fiscal year ended March 31, 2025.

Note that, because the Company has not finished allocating the acquisition cost for the fiscal year ended March 31, 2025, the related accounting has been handled provisionally based on obtainable and reasonable information.

Effective from the fiscal year ended March 31, 2026, Resolution Life Group Holdings Ltd. has been excluded from the scope of application of equity method as it has become a consolidated subsidiary in connection with a series of transactions related to the acquisition of its additional shares, while one group company of Resolution Life Group Holdings Ltd. has been included within the scope of application of equity method. In addition, effective from the fiscal year ended March 31, 2026, Blackstone ISG Investment Partners – R (BMU) L.P. has been excluded from the scope of application of equity method. For details of this transaction, see Note 7 to the consolidated balance sheets.

Effective from December 10, 2025, Reliance Nippon Life Insurance Company Limited has changed its name to IndusInd Nippon Life Insurance Company Limited.

Effective from the fiscal year ended March 31, 2026, Post Advisory Group, LLC has been excluded from the scope of application of equity method in connection with the sale of its shares.

The subsidiaries not consolidated, such as Nippon Life Global Investors Americas, Inc., and Nissay Trading Corporation, and affiliates other than those listed above, such as SL Towers Co., Ltd. are not accounted for under the equity method. The respective and aggregate effects of such companies on consolidated net income and surplus for the fiscal years ended March 31, 2026, 2025 and 2024, are immaterial.

The number of consolidated subsidiaries and unconsolidated subsidiaries and affiliates accounted for under the equity method as of March 31, 2026, 2025 and 2024, was as follows:

	2026	2025	2024
Consolidated subsidiaries	82	23	15
Subsidiaries not consolidated but accounted for under the equity method	0	0	0
Affiliates accounted for under the equity method	16	18	17

iii) Reporting date for consolidated subsidiaries

The reporting dates for consolidated overseas subsidiaries are December 31 and March 31. In preparing the consolidated financial statements, consolidated overseas subsidiaries with the

reporting date of December 31 use the financial statements as of December 31, and necessary adjustments are made to reflect significant transactions that occurred between December 31 and the Company's reporting date of March 31.

iv) Valuation of assets and liabilities of consolidated subsidiaries

Assets and liabilities of consolidated subsidiaries acquired by the Company are initially measured at fair value as of the date of the acquisition.

v) Amortization of goodwill

Goodwill and the goodwill equivalent associated with the equity method investments in the affiliates ("goodwill and goodwill equivalent") are amortized using the straight-line method over a period of 20 years or less.

However, for items that are immaterial, the total amount of goodwill is expensed as incurred.

vi) All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized profits/losses included in assets/ liabilities resulting from transactions within the group are eliminated.

(2) Business combinations

Business combinations are accounted for using the purchase method. Acquisition-related costs, such as advisory fees or professional fees, are accounted for as expenses in the periods in which the costs are incurred. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, an acquirer shall report in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, which shall not exceed one year from the acquisition, the acquirer shall retrospectively adjust the provisional amounts recognized at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and that would have affected the measurement of the amounts recognized as of that date. Such adjustments shall be recognized as if the accounting for the business combination had been completed at the acquisition date. The acquirer recognizes any bargain purchase gain in profit or loss immediately on the acquisition date after reassessing and confirming that all of the assets acquired and all of the liabilities assumed have been identified after a review of the procedures used in the purchase price allocation. A parent's ownership interest in a subsidiary might change if the parent purchases or sells ownership interests in its subsidiary. The carrying amount of noncontrolling interest is adjusted to reflect the change in the parent's ownership interest in its subsidiary while the parent retains its controlling interest in its subsidiary. Any difference between the fair value of the consideration received or paid and the amount by which the non-controlling interest is adjusted is accounted for as capital surplus as long as the parent retains control over its subsidiary.

(3) Cash and cash equivalents

Cash and cash equivalents, for the purpose of reporting consolidated cash flows, are composed of cash in hand, deposits held at call with banks, and all highly liquid short-term investments with a maturity of three months or less when purchased, which are readily convertible into cash and present insignificant risk of change in value.

(4) Securities and hedging activities

1) Securities of the Company and certain consolidated subsidiaries (including items, such as deposits and monetary claims bought, which are treated as securities based on the "Accounting Standard for Financial Instruments" (ASBJ* Statement No. 10)) are valued as follows:

   i) Trading securities are stated at fair value on the consolidated balance sheet date. The moving average method is used for calculating the cost basis.

   ii) Held-to-maturity debt securities are valued using the moving average method, net of accumulated amortization (straight-line).

   iii) Policy-reserve-matching bonds are valued using the moving average method, net of accumulated amortization (straight-line), 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).

   iv) Investments in subsidiaries and affiliates that are neither consolidated nor accounted for under the equity method (stocks issued by subsidiaries prescribed in Article 2, Paragraph 12 of the Insurance Business Act or subsidiaries prescribed in Article 13-5-2, Paragraph 3 of the Order for Enforcement of the Insurance Business Act and stocks issued by affiliates prescribed in Article 13-5-2, Paragraph 4 of the Order for Enforcement of the Insurance Business Act) are stated at cost using the moving average method.

   v) Available-for-sale securities

      a. Fair value based on the market price, etc., at the end of the consolidated fiscal year (the cost basis is calculated using the moving average method, and public corporate bonds (including foreign bonds) for which the difference between the purchase price and face value is due to an interest rate adjustment are stated using the moving average method, net of accumulated amortization (straight-line method)).

      b. Stocks and other securities without market prices are stated at cost using the moving average method.

   ** ASBJ: Accounting Standards Board of Japan*

2) Unrealized gains/losses, net of applicable taxes for available-for-sale securities, are recorded as a separate component of net assets.

Hedge accounting is applied by the Company and certain consolidated subsidiaries based on the following methods:

1) The hedge accounting methods that are applied are mainly as follows: an exceptional accounting treatment ("*Tokurei-shori*") of interest rate swaps as a cash flow hedge for certain foreign currency-denominated loans; interest-rate-swap-based deferred hedging in accordance with "Handling Accounting and Auditing Related to the Application of Financial Instrument Accounting Standards in the Insurance Business" (report No. 26 of the Japanese Institute of Certified Public Accountants (JICPA) Industry-Specific Auditing Committee) as an interest-rate-fluctuation risk hedge for certain insurance policies; currency-swap-based deferred hedging and designated hedge accounting ("*Furiate-shori*") as an exchange-rate-fluctuation-related cash flow hedge for certain

foreign currency-denominated bonds, certain foreign currency-denominated loans, and foreign currency-denominated corporate bonds (including forecasted transactions); exchange-contract-based fair value hedging and deferred hedging as an exchange-rate-fluctuation-related price fluctuation risk hedge for certain foreign currency-denominated bonds, etc.; and currency-option-based fair value hedging as an exchange-rate-fluctuation-related price fluctuation risk hedge for certain foreign currency-denominated bonds.

2) Hedging instruments and hedged items

(Hedging instruments)	(Hedged items)
Interest rate swaps	Foreign currency-denominated loans, and insurance policies
Currency swaps	Foreign currency-denominated bonds, foreign currency- denominated loans, and foreign currency-denominated corporate bonds (including forecasted transactions)
Foreign exchange forward contracts	Foreign currency-denominated bonds, and foreign currency- denominated stocks (forecasted transactions)
Currency option	Foreign currency-denominated bonds
Equity forward contracts	Domestic stocks

Accompanying the replacement of interest rate benchmarks, an exceptional accounting treatment of interest rate swaps for interest rate swaps and certain currency swaps has been applied for the fiscal year ended March 31, 2024, based on the "Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR" (ASBJ PITF* No. 40, March 17, 2022).

3) Effectiveness of hedging activities is mainly evaluated by performing a ratio analysis of fair value movement comparisons based on the hedging instruments and hedged items taken, which is in accordance with the internal risk management policies of the Company and certain consolidated subsidiaries.

4) Derivative financial instruments are stated at fair value based on market prices, etc.

(5) Policy-reserve-matching bonds

Securities that are held for the purpose of matching the duration of outstanding liabilities within the subgroups classified by insurance type, payment method, maturity period, currency, and investment policy are classified as 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 JICPA.

The Company has specified and subcategorized the following insurance policies:

(a) The Company

1) All insurance policies for products other than single premium products and group annuities

2) All insurance policies for single premium products (denominated in yen) other than variable assumed rate-type insurance

3) All insurance policies for group annuities other than guaranteed fixed-term rate products

4) All single premium products (denominated in U.S. dollars) other than the foregoing

5) All single premium products (denominated in Australian dollars) other than the foregoing

6) All single premium products (denominated in euros) other than the foregoing

(b) TAIJU LIFE INSURANCE COMPANY LIMITED

1) Subcategory for whole life insurance and annuity insurance (up to 40 years) (the component of future cash flows generated from whole life insurance (including whole life insurance with term rider) and annuity insurance for up to 40 years)

2) Subcategory for insured contributory pension plans (up to 27 years) (the component of future cash flows generated from insured contributory pension plans for up to 27 years)

3) Subcategory 1 for foreign currency-denominated single premium endowment insurance (U.S. dollar) (foreign currency-denominated single premium endowment insurance (U.S. dollar) commencing from October 1, 2015, to September 30, 2019)

4) Subcategory 2 for foreign currency-denominated single premium endowment insurance (U.S. dollar) (foreign currency-denominated single premium endowment insurance (U.S. dollar) commencing on or after October 1, 2019)

5) Subcategory 1 for foreign currency-denominated single premium endowment insurance (Australian dollar) (foreign currency-denominated single premium endowment insurance (Australian dollar) commencing from October 1, 2015, to September 30, 2019)

6) Subcategory 2 for foreign currency-denominated single premium endowment insurance (Australian dollar) (foreign currency-denominated single premium endowment insurance (Australian dollar) commencing on or after October 1, 2019) (excluding insurance policies covered by coinsurance agreements)

(c) Nippon Wealth Life Insurance Company Limited

1) Individual insurance and individual annuity products (certain types of insurance are excluded)

2) Whole life cancer insurance and endowment insurance products

3) Single premium whole life insurance (fixed accumulation value type) products

4) Yen-denominated single premium products other than the above (certain insurance policies are excluded)

5) U.S. dollar-denominated products other than the above (certain insurance policies are excluded)

6) Australian dollar-denominated single premium annuity products other than the above (certain types of insurance are excluded)

(d) HANASAKU LIFE INSURANCE Co., Ltd.

All insurance policy groups are classified as a single subcategory, and securities that are held for the purpose of matching the duration of these outstanding insurance liabilities are classified as policy-reserve-matching bonds.

(6) Foreign currency translation

Assets and liabilities of the Company and certain consolidated subsidiaries denominated in foreign currencies are translated into Japanese yen using the "Accounting Standards for Foreign Currency Transactions" (Business Accounting Council).

Foreign currency-denominated available-for-sale securities of the Company, with exchange rates that have significantly fluctuated and where recovery is not expected, are converted to Japanese yen using either the rate on the consolidated balance sheet date or the average one-month rate prior to the consolidated balance sheet date, whichever indicates a weaker yen. This translation difference is recorded as a loss on valuation of securities.

Moreover, translation differences related to bonds included in translation differences of foreign currency-denominated available-for-sale securities held by certain consolidated subsidiaries are recorded as foreign exchange gains/losses, net, while translation differences related to other foreign currency-denominated available-for-sale securities are recorded as a separate component of net assets.

(7) Tangible fixed assets

1) Tangible fixed assets are depreciated based on the following methods:

   a. Tangible fixed assets (except for lease assets)

      (i) Buildings

      Straight-line method.

      (ii) Assets other than the above

      Primarily, the declining-balance method.

      Certain other tangible fixed assets with an acquisition price of less than ¥200,000 of the Company and certain consolidated subsidiaries are depreciated over a three-year period on a straight-line basis.

   b. Lease assets

      (i) Lease assets related to financial leases that transfer ownership of the leased property to the lessee

      The same depreciation method applied to owned fixed assets.

      (ii) Lease assets other than the above Straight-line method based on lease period.

      The estimated useful lives of major items are as follows:

Buildings	2 to 60 years
Other tangible fixed assets	2 to 32 years

      Tangible fixed assets are stated at cost, net of accumulated depreciation and impairment losses.

2) Revaluation of land used in the operations of the Company is performed based on the Act on Revaluation of Land. The tax effect of the amount related to the valuation difference between carrying amount and the revalued amount for land revaluation is recognized as a deferred tax liability within the liability section. The valuation differences, excluding tax, are recognized as land revaluation losses within the net assets section.

Revaluation date	March 31, 2002
Revaluation methodology	The amount is calculated using the listed value of the land and road rate as prescribed by Article 2, Items 1 and 4, respectively, of the Order for Enforcement of the Act on Revaluation of Land.

(8) Software

Capitalized software for internal use, which is included within intangible fixed assets, is amortized using the straight-line method over its estimated useful lives as internally determined (3 to 15 years).

Intangible fixed assets acquired through the acquisition of consolidated subsidiaries are amortized over the period during which their benefits are expected to be generated, in accordance with the patterns in which the benefits are expected to be realized.

(9) Leases

Regarding financial leases where the Company and certain consolidated subsidiaries are the lessor and ownership is not transferred, the Company and certain consolidated subsidiaries recognize income and expense at the time of receiving the lease fee.

(10) Allowance for doubtful accounts

1) An allowance for doubtful accounts for the Company is recognized in accordance with the Company's internal Asset Valuation Regulation and Write-Off/Provision Rule.

    i) An allowance for loans to borrowers who are legally or substantially bankrupt, such as being bankrupt or being in the process of civil rehabilitation proceedings, is recognized based on the amount of credit remaining after directly deducting amounts expected to be collected through the disposal of collateral or the execution of guarantees from the balance of loans (as mentioned at 4) below).

    ii) An allowance for loans to borrowers who are not currently legally bankrupt, but have a significant possibility of bankruptcy is recognized at the amounts deemed necessary considering an assessment of the borrowers' overall solvency and the amounts remaining after deduction of amounts expected to be collected through the disposal of collateral or the execution of guarantees.

    iii) An allowance for loans to borrowers other than the above is provided based on the borrowers' balance multiplied by the historical average (of a certain period) percentage of bad debt.

2) All credits extended by the Company are assessed by responsible sections in accordance with the Company's internal Asset Valuation Regulation. The assessments are verified by the independent Asset Auditing Department. The results of the assessments are reflected in the calculation of the allowance for doubtful accounts.

3) The consolidated subsidiaries record allowance for doubtful accounts deemed necessary mainly in accordance with the Company's internal Asset Valuation Regulation and Write-Off/Provision Rule.

4) The estimated uncollectible amount calculated by subtracting the amount of collateral value or the amount collectible by the execution of guarantees from the balance of

loans is directly deducted from the balance of loans (including loans with credits secured and/or guaranteed) made to legally or substantially bankrupt borrowers, etc. The estimated uncollectible amounts were ¥94 million (U.S. $0 million) (including ¥40 million (U.S. $0 million) of credits secured and/or guaranteed), ¥2,961 million (including ¥43 million of credits secured and/or guaranteed), and ¥104 million (including ¥45 million of credits secured and/or guaranteed) as of March 31, 2026, 2025 and 2024, respectively.

5) Certain consolidated overseas subsidiaries record allowance for doubtful accounts based on the amount calculated in accordance with the accounting standards of each country.

(11) Accrued bonuses for directors

Accrued bonuses for directors are recognized based on amounts estimated to be paid.

(12) Net defined benefit liability

1) Net defined benefit liability is the amount of retirement benefit obligations prepared for payment of employee retirement benefits, less pension plan assets, based on the projected amounts as of March 31, 2026, 2025 and 2024.

2) The accounting methods of the Company and certain consolidated subsidiaries used for retirement benefits as of March 31, 2026, 2025 and 2024, are as follows:

   i) Attribution method for estimated retirement benefits: Benefit formula basis

   ii) Period of amortizing actuarial gains/losses: 5 years

   iii) Period of amortizing prior service costs: 5 years

(13) Accrued retirement benefits for directors and audit & supervisory board members

In order to provide for payments of retirement benefits to directors and audit & supervisory board members, accrued retirement benefits for the directors and audit & supervisory board members of certain consolidated subsidiaries are recognized based on estimated payment amounts under internal rules.

(14) Provision for loyalty program points

A provision for loyalty program points is recognized based on the amount projected to be incurred for expenses from the use of points granted to policyholders.

(15) Reserve for price fluctuations in investments in securities

Reserve for price fluctuations in investments in securities is recognized based on Article 115 of the Insurance Business Act.

(16) Accounting for consumption taxes

Consumption taxes and local consumption taxes of the Company and certain consolidated subsidiaries are accounted for by the tax exclusion method. However, consumption taxes paid on certain asset transactions, which are not deductible from consumption taxes withheld and are stipulated to be deferred under the Consumption Tax Act, are deferred as prepaid expenses and amortized over a five-year period on a straight-line basis. Consumption taxes other than deferred consumption taxes are expensed as incurred.

(17) Group Tax Sharing System

The Company and certain consolidated subsidiaries have applied the Group Tax Sharing System, with the Company serving as the tax sharing parent company. As a result, the accounting treatment for corporate tax and local corporate tax, as well as the accounting treatment for tax effect accounting related to these taxes, is in accordance with the "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (ASBJ PITF No. 42).

(18) Policy reserves

1) Policy reserves of the Company and its consolidated subsidiaries that are domestic life insurance companies are reserves set forth in accordance with Article 116 of the Insurance Business Act. These reserves are accumulated in order to prepare for payments of future obligations based on insurance policies. Insurance premium reserves are recognized based on the following methodology. In accordance with Article 69, Paragraph 5 of the Ordinance for Enforcement of the Insurance Business Act, policy reserves include those that are reserved for certain individual annuity policies and for certain whole life insurance policies.

   i) Reserves for policies subject to the standard policy reserve are calculated in accordance with the method prescribed by the Commissioner of the Financial Services Agency (Ordinance No. 48 issued by the Ministry of Finance in 1996).

   ii) Reserves for other policies are calculated based on the net level premium method.

   The Company and some of its consolidated life insurance companies in Japan provided additional policy reserves in the fiscal years ended March 31, 2026, 2025 and 2024. As a result, policy reserves increased by ¥209,821 million (U.S. $1,312 million), ¥310,009 million and ¥60,526 million, respectively, while ordinary profit and surplus before income taxes decreased by ¥209,821 million (U.S. $1,312 million), ¥310,009 million and ¥60,526 million, respectively.

   a. The Company

      Matters concerning additional policy reserves for the fiscal year ended March 31, 2026, are as follows:

      Effective from the fiscal year ended March 31, 2020, the Company has provided additional policy reserves for paid-up insurance policies and similar policies among certain whole life insurance policies (including single premium policies). In addition, effective from the fiscal year ended March 31, 2026, the Company has expanded the scope of whole life insurance policies (including single premium policies) for which additional policy reserves are provided. For policies that are already paid-up (including single-premium policies), the Company provides such additional policy reserves progressively over a nine-year period. As a result, policy reserves increased by ¥201,047 million (U.S. $1,257 million), while ordinary profit and surplus before income taxes decreased by ¥201,047 million (U.S. $1,257 million), compared with amounts that would have been otherwise recorded if the additional policy reserves had not been provided in the fiscal year ended March 31, 2026.

      Matters concerning additional policy reserves for the fiscal year ended March 31, 2025, are as follows:

      Effective from the fiscal year ended March 31, 2020, the Company has provided additional policy reserves for paid-up insurance policies and similar policies among certain whole life insurance policies (including single premium policies). Effective

from the fiscal year ended March 31, 2022, the Company has provided additional policy reserves for paid-up insurance policies and similar policies among certain whole life insurance policies (including single premium policies). In addition, the Company provides the following in a lump sum for the fiscal year ended March 31, 2025: whole life insurance policy (including single premium policies) policy reserves added starting in the fiscal year ended March 31, 2022 and progressively provided over a five-year period, as well as whole life insurance policy (including single premium policies) policy reserves added starting in the fiscal year ended March 31, 2025. Note that, when additional policy reserves are provided for the fiscal year ended March 31, 2025, certain contingency reserves recorded based on Article 69-1-3 of the Regulation for Enforcement of the Insurance Business Act are allocated to the additional policy reserves after performing a reversal not in accordance with the standard of reversal specified by the Commissioner of the Financial Services Agency, as per Article 69-7 of the same Regulation. As a result, policy reserves increased by ¥301,138 million, while ordinary profit and surplus before income taxes decreased by ¥301,138 million, compared with amounts that would have been otherwise recorded if the additional policy reserves had not been provided and contingency reserves had not been reversed in the fiscal year ended March 31, 2025.

Matters concerning additional policy reserves for the fiscal year ended March 31, 2024, are as follows:

Effective from the fiscal year ended March 31, 2020, the Company has provided additional policy reserves for paid-up insurance policies and similar policies among certain whole life insurance policies (including single premium policies). In addition, effective from the fiscal year ended March 31, 2022, the Company has expanded the scope of whole life insurance policies (including single premium policies) for which additional policy reserves are provided. For policies that are already paid-up (including single-premium policies), the Company provides such additional policy reserves progressively over a nine-year period. As a result, the policy reserves increased by ¥52,235 million, while ordinary profit and surplus before income taxes decreased by ¥52,235 million, compared with amounts that would have been otherwise recorded if the additional policy reserves had not been provided in the fiscal year ended March 31, 2024.

b. TAIJU LIFE INSURANCE COMPANY LIMITED

TAIJU LIFE INSURANCE COMPANY LIMITED has provided additional policy reserves for certain individual annuity policyholders. As a result, policy reserves increased by ¥8,774 million (U.S. $54 million) and ¥8,870 million and ¥8,290 million, respectively, while ordinary profit and surplus before income taxes decreased by ¥8,774 million (U.S. $54 million) and ¥8,870 million and ¥8,290 million, respectively, compared with amounts that would have been recorded if the additional policy reserves had not been provided in the fiscal years ended March 31, 2026, 2025 and 2024.

2) Matters concerning policy reserves of consolidated overseas life insurance companies for the fiscal year ended March 31, 2026, are as follows: Policy reserves of consolidated overseas life insurance subsidiaries applying the U.S. GAAP are remeasured at the end of each fiscal period, as liabilities to provide for future insurance benefit payments, based on the latest actuarial assumptions and discount rates that reflect prevailing market interest rates. Benefits with market risk incorporated in insurance riders and other arrangements are remeasured at fair value, taking into account attributed fees from insurance contracts, in order to reflect their risk characteristics.

Policy reserves of Resolution Life Group Holdings Ltd. are remeasured at fair value on the business combination date referred to in Note 7 to the consolidated balance sheets. The discount rate used in measuring fair value is estimated based on U.S. risk-free rates adjusted for the Company-specific risk premiums. This is a significant estimation element that requires judgment and involves uncertainty. Further, as policy reserves are highly sensitive to discount rates, the estimation of the discount rates may have a material impact on the fair value of policy reserves. The fair value of policy reserves of Resolution Life Group Holdings Ltd. at the business combination date is estimated at ¥10,442.3 billion (U.S. $65,048 million).

Furthermore, for universal insurance contracts with no lapse guarantee issued by Resolution Life Group Holdings Ltd., when such guarantees extend over a long period, there is uncertainty in determining assumptions, such as mortality and termination rates used in estimating policy reserves. In addition, due to the product characteristics of such guarantees, changes in the investment environment may have certain impact on policyholders' decision on termination, and termination rates that take into account changes in the investment environment may involve complex estimations and uncertainty. Revisions to assumptions, such as mortality and termination rates, may have a material impact on policy reserves in the fiscal year ending March 31, 2027 and subsequent fiscal years.

Policy reserves of other consolidated overseas life insurance companies for the fiscal year ended March 31, 2026 are recorded as the amounts calculated in accordance with their respective local accounting standards.

For the fiscal years ended March 31, 2025 and 2024, policy reserves of consolidated overseas life insurance companies are recorded as the amounts calculated in accordance with the accounting standards of each country, such as Australian accounting standards.

Policy reserves of consolidated overseas life insurance companies are recorded as the amounts calculated in accordance with the accounting standards of each country, such as Australian accounting standards.

(19) Revenues from insurance and reinsurance and benefits and other payments

The accounting policies for revenues from insurance and reinsurance and benefits and other payments are as follows:

1) Revenues from insurance, etc. (excluding revenues from reinsurance) of the Company and its domestic consolidated subsidiaries are, in principle, recorded based on the amount for which insurance premium has been received.

   Unearned insurance premiums of the Company and its domestic consolidated subsidiaries are recognized as policy reserves.

2) Benefits and other payments (excluding reinsurance premiums) of the Company and its domestic consolidated subsidiaries are recorded as the amount of payments made with respect to policies for which an event that is a reason for payment of claims or benefits has occurred based on the policy clauses and the amount determined based on those policy clauses was paid.

   In addition to the above, revenues from insurance of consolidated overseas subsidiaries with a regular due date are recognized on a due basis and revenues from insurance due but not collected are recognized as revenues.

(20) Policy acquisition costs

Policy acquisition costs of the Company and certain consolidated subsidiaries are recorded to expense as incurred.

Policy acquisition costs of certain consolidated overseas subsidiaries are deferred and amortized over the period that the policy will generate profits.

(21) Income taxes

The provision for income taxes is computed based on the pretax income included in the consolidated statements of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying the enacted statutory tax rates to the temporary differences.

(22) Stock options

Compensation expense for the stock options of a consolidated subsidiary is recognized based on the fair value at the date of grant and over the vesting period as consideration for receiving goods or services.

In the consolidated balance sheet, the stock option is presented as share acquisition rights as a separate component of net assets until exercised.

(23) Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements

Under the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ PITF No.18, May 17, 2006), the accounting policies and procedures applied to a parent company and its subsidiaries for similar transactions and events under similar circumstances should in principle be unified for the preparation of the consolidated financial statements. However, financial statements prepared by foreign subsidiaries in accordance with either International Financial Reporting Standards or generally accepted accounting principles in the United States of America (Financial Accounting Standards Board Accounting Standards Codification—"FASB ASC") tentatively may be used for the consolidation process, except for the following items that should be adjusted in the consolidation process so that net income is accounted for in accordance with Japanese GAAP, unless they are not material: (a) amortization of goodwill; (b) scheduled amortization of actuarial gain or loss of pensions that has been recorded in equity through other comprehensive income; (c) expensing capitalized development costs of R&D; (d) cancellation of the fair value model of accounting for property, plant and equipment and investment properties and incorporation of the cost model of accounting; and (e) recording a gain or loss through profit or loss on the sale of an investment in an equity instrument for the difference between the acquisition cost and selling price, and recording impairment loss through profit or loss for other than temporary declines in the fair value of an investment in an equity instrument, where a foreign subsidiary elects to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument.

3. Incurred But Not Reported (IBNR) Claims

For the Company and certain consolidated domestic life insurance subsidiaries, in the fiscal years ended March 31, 2026, 2025 and 2024, an appropriate amount of the reserve for incurred but not

reported (IBNR) claims (insurance claims and benefits whose reasons for payment have not yet been reported, but whose reasons for payment stipulated by insurance policies are deemed to have already occurred) cannot be calculated pursuant to the calculation based on Article 1, Paragraph 1, Principles of the Ministry of Finance Public Notice No. 234 of 1998 (hereinafter, "the IBNR Notice") due to the termination on May 8, 2023 of the special handling of payment for hospitalization and related benefits in cases such as where the insured is diagnosed with COVID-19 and recuperates at a lodging facility or at home under the supervision of a physician or other medical personnel (hereinafter, "deemed hospitalization"). Therefore, the Company and certain consolidated subsidiaries recorded an amount based on the provision in the proviso of Article 1, Paragraph 1 of the IBNR Notice calculated using the method described below.

(Calculation method)

The reserve for IBNR claims is calculated using the same method as that set forth in Article 1, Paragraph 1, Principles of the IBNR Notice, after excluding the amounts related to deemed hospitalization from the required amount of provisions to reserve for IBNR claims over all periods under Article 1, Paragraph 1, Principles of the IBNR Notice and the amount of payments for insurance claims and benefits under said notice. As of March 31, 2023, the Company has calculated reserve amounts by classifying them as a reserve for IBNR claims related to deemed hospitalization and a reserve for IBNR claims related to reasons other than deemed hospitalization. However, due to the termination of the special handling of hospitalization benefits for deemed hospitalization in the fiscal year ended March 31, 2024, the calculation method has been revised to calculate the reserve for IBNR claims related to deemed hospitalization as zero.

4. Restatement and Reclassification of the Consolidated Financial Statements

(1) Effective from the fiscal year ended March 31, 2026, certain overseas affiliates accounted for under the equity method have applied IFRS 9 "Financial Instruments" and IFRS 17 "Insurance Contracts." With these changes in accounting policies, the Company has changed, among other things, the classification and measurement methods of financial instruments. Also, policy reserves and other reserves are measured in a manner that reflects the time value of money, the financial risk of cash flows from insurance contracts, and the impact of uncertainty in cash flows from insurance contracts. Additionally, "Valuation difference on policy reserves and other reserves of overseas subsidiaries and affiliates" is newly established within total accumulated other comprehensive income.

These changes in accounting policies are applied retrospectively to the consolidated financial statements for the fiscal year ended March 31, 2025. As a result, in the consolidated statement of income for the fiscal year ended March 31, 2025, ordinary profit and surplus before income taxes increased by ¥786 million, respectively, compared to the amounts before the retrospective application. Additionally, in the consolidated statement of cash flows for the fiscal year ended March 31, 2025, surplus before income taxes increased by ¥786 million while others (net), included in the subtotal of cash flows from operating activities, decreased by ¥786 million. Furthermore, in the consolidated balance sheet for the fiscal year ended March 31, 2025, investments in securities, consolidated surplus, foreign currency translation adjustments, and valuation difference on policy reserves and other reserves of overseas subsidiaries and affiliates decreased by ¥10 million, ¥1,644 million, ¥238 million, and ¥8,852 million, respectively, while net unrealized gains on available-for-sale securities increased by ¥10,725 million. In addition, as the cumulative effect was reflected to net assets as of the beginning of the fiscal year

ended March 31, 2025, investments in securities, consolidated surplus, and valuation difference on policy reserves and other reserves of overseas subsidiaries and affiliates decreased by ¥408 million, ¥2,430 million, and ¥90 million, respectively, while net unrealized gains on available-for-sale securities increased by ¥2,112 million as of the beginning of the fiscal year ended March 31, 2025.

(2) Effective from the fiscal year ended March 31, 2026, certain overseas consolidated subsidiaries have applied Accounting Standards Codification (hereinafter "ASC") Topic 944 "Financial Services – Insurance" (ASU No. 2018-12 and other related updates) issued by the Financial Accounting Standards Board (hereinafter "FASB"). As a result of this change in accounting policy, accounting treatment for liabilities for future insurance benefits, the fair value measurement of benefits with market risk, the amortization method for deferred new policy expenses, and other related accounting treatments have been changed. In addition, the effects of changes in discount rates on liabilities for future insurance benefits arising from fluctuations in interest rates and other related items are recorded in "Valuation difference on policy reserves and other reserves of overseas subsidiaries and affiliates" within accumulated other comprehensive income.

Resolution Life Group Holdings Ltd., a consolidated subsidiary of the Company, has applied pushdown accounting as set forth in ASC Topic 805 "Business Combinations" issued by the FASB in the fiscal year ended March 31, 2026. This accounting treatment has not been applied retrospectively to periods prior to the business combination date (October 30, 2025).

(3) Starting in the fiscal year ended March 31, 2025, the Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022, called "the revised 2022 accounting standard" below), and the Company has therefore revised the accounting classifications of income taxes on income earned in the fiscal year ended March 31, 2025, which are levied on items such as valuation differences arising from the revaluation of assets and liabilities. In terms of applying the revised 2022 accounting standard, the Company followed the transitional measures specified by the proviso in Paragraph 20-3 of the standard, and the new accounting policy specified by the standard was applied starting at the beginning of the fiscal year ended March 31, 2025.

(4) Nippon Life Insurance Australia and New Zealand Limited, a consolidated subsidiary of the Company, has adopted the accounting standard "Insurance Contracts" (hereinafter, "AASB 17") released by the Australian Accounting Standards Board, effective from the fiscal year ended March 31, 2024. During the fiscal year ended March 31, 2024, the Company determined that it would be appropriate to recalculate the amounts of the prior year, due to the following two reasons: (1) the taxable income recorded in accordance with the accounting policies upon application of AASB 17 was susceptible to the impact of interest rate fluctuations since the fiscal year ended Match 31, 2023 and onward, upon reflecting uncertainty regarding the effect of future tax burden reduction in the recoverability of deferred tax assets, and (2) the method for calculating policy reserves for certain insurance products calculated in accordance with AASB 17 needed to be reconsidered.

(5) Previously, the Company and certain consolidated subsidiaries recorded gains from the cancellation of investment trust as interest, dividends, and other income under investment income. However, since these are the same in nature as gain on sales of securities such as stocks and bonds, they were included in gain on sales of securities under investment income from the fiscal year ended March 31, 2024, after system

improvements were completed, in order to present operating performance more appropriately.

(6) The following is a breakdown of major ordinary income and expenses for the fiscal years ended March 31, 2026, 2025 and 2024.

Ordinary Income Items

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Revenues from insurance and reinsurance	¥9,437,386	¥7,861,341	¥8,598,316	$59,027
Insurance premiums	7,824,948	6,771,409	7,342,245	48,942
Revenues from reinsurance	1,612,437	1,089,932	1,256,070	10,085

Ordinary Expense Items

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Benefits and other payments	¥8,212,372	¥6,819,176	¥6,623,108	$51,365
Death and other claims	1,311,630	1,255,232	1,266,814	8,203
Annuity payments	1,135,266	1,074,335	1,044,853	7,100
Health and other benefits	1,074,873	1,018,860	941,269	6,722
Surrender benefits	2,505,581	1,643,240	1,619,059	15,671
Other refunds	407,970	338,282	352,037	2,551
Reinsurance premiums	1,520,280	1,235,223	1,158,376	9,508
Other benefits and other payments	256,770	254,002	240,696	1,606

Certain overseas consolidated subsidiaries have applied the accounting standard "Insurance Contracts" issued by the Australian Accounting Standards Board (hereinafter "AASB No.17"). Based on the "Comprehensive Guidelines for Supervision of Insurance Companies" announced by the Financial Services Agency, insurance revenue recognized under AASB No.17 is reclassified and recorded in revenues from insurance and reinsurance.

5. Significant Accounting Estimate

Significant accounting estimates identified in accordance with the "Accounting Standard for Disclosure of Accounting Estimates" (ASBJ Statement No. 31) including the carrying amounts of goodwill and goodwill equivalent, as well as other intangible fixed assets (customer-related assets), recorded in the consolidated balance sheet as of March 31, 2026, comprise the following.

1)	Goodwill	¥1,208,003 million	(U.S. $7,555 million)
	Nippon Life Livelihood Support Co., Ltd.	¥191,727 million	(U.S. $1,199 million)
2)	Goodwill equivalent	¥114,044 million	(U.S. $713 million)
	The TCW Group, Inc.	¥7,689 million	(U.S. $48 million)
3)	Other intangible fixed assets (customer-related assets)	¥52,648 million	(U.S. $329 million)
	Nippon Life Livelihood Support Co., Ltd.	¥52,648 million	(U.S. $329 million)

Goodwill and goodwill equivalent recorded in the consolidated balance sheet as of March 31, 2025, comprise the following:

1)	Goodwill	¥279,416 million
	Nippon Life Livelihood Support Co., Ltd.	¥202,233 million
2)	Goodwill equivalent	¥48,910 million
	IndusInd Nippon Life Insurance Company Limited	¥29,456 million
	PT Sequis Life	¥11,037 million
	The TCW Group, Inc.	¥8,416 million
3)	Other intangible fixed assets (customer-related assets)	¥55,533 million
	Nippon Life Livelihood Support Co., Ltd.	¥55,533 million

Goodwill and goodwill equivalent recorded in the consolidated balance sheet as of March 31, 2024, comprise the following:

1)	Goodwill	¥83,910 million
	Nippon Life India Asset Management Limited	¥83,910 million
2)	Goodwill equivalent	¥53,627 million
	IndusInd Nippon Life Insurance Company Limited	¥34,076 million
	The TCW Group, Inc.	¥8,127 million
	PT Sequis	¥11,424 million

For details on the accounting estimates used to determine impairment losses on goodwill and goodwill equivalent as well as other intangible fixed assets (customer-related assets), please see Note 26 in the Consolidated Financial Statements for the fiscal year ended March 31, 2026.

6. Matters Concerning Accounting Standards That Have Not Been Applied

Major accounting standards that have not been applied by the Company include the "Accounting Standard for Leases" (ASBJ Statement No. 34, September 13, 2024) and the "Implementation Guidance on Accounting Standard for Leases" (ASBJ Guidance No. 33, September 13, 2024), both of which are described below.

1) Overview

These accounting standards, etc. are part of initiatives by the Accounting Standards Board of Japan to make Japanese standards more consistent with the international standards, and the Accounting Standard for Leases was specifically developed to record assets and liabilities related to all leases held by lessees.

In terms of the accounting treatment of lessees, right-of-use assets are recorded on the balance sheet by regarding all leases as acquisitions of the right of use. Meanwhile, regarding the lease cost allocation method, a single lessee model similar to that used in IFRS 16 is applied. Under this model, depreciation expenses related to right-of-use assets as well as interest-equivalent amounts related to lease liabilities are recorded regardless of whether the leases are finance or operating leases.

2) Planned application date

These standards, etc. will be applied starting at the beginning of the fiscal year ending March 31, 2028.

3) Impact of applying these accounting standards, etc.

The impact amount resulting from applying these accounting standards, etc. is currently being assessed.

7. Business Combination

Matters concerning business combinations through acquisition are as follows:

(1) Resolution Life Group Holdings Ltd. and Nippon Life Insurance Australia and New Zealand Limited (for the fiscal year ended March 31, 2026)

The Company completed all transactions through necessary procedures, including approvals from relevant authorities, regarding the following: making its affiliate accounted for under the equity method, Resolution Life Group Holdings Ltd. (hereinafter "Resolution Life") its wholly owned subsidiary (hereinafter the "Transaction"), acquiring 20% of the issued shares of its consolidated subsidiary Nippon Life Insurance Australia and New Zealand Limited (the company name was changed from MLC Limited effective as of September 26, 2025; hereinafter "Acenda Life") from National Australia Bank Limited (hereinafter "NAB"), and integrating businesses of Resolution Life Australasia Limited (hereinafter "Resolution Australasia") and Acenda Life, which is a part of Resolution Life (hereinafter the "Integration").

(Background and objective of the Transaction and the Integration)

Resolution Life is a global insurance group focusing on the acquisition and management of portfolios of life insurance policies and on the reinsurance business. The Company decided to carry out the Transaction and the Integration with the aim of achieving long-term stable growth in overseas business profit and, ultimately, of maximizing benefits of its policyholders, by expanding its business in the US life insurance market through the Transaction and further enhancing its Australian life insurance business through the Integration.

Matters concerning business combinations through acquisition are as follows:

(Acquisition of additional shares of Resolution Life)

The Company additionally acquired 78% of the issued shares of Resolution Life from Blackstone ISG Investment Partners – R(BMU) L.P. Consequently, Resolution Life became a wholly owned subsidiary of the Company.

1) Overview of the business combination

a. Name and business of the acquiree

Name of the acquiree: Resolution Life Group Holdings Ltd.

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

b. Business combination date

October 30, 2025

c. Legal form of the business combination

Share acquisition in consideration for cash, etc.

d. Matters concerning voting rights ratio

Voting rights ratio before acquiring shares: 22%

Additional voting rights ratio acquired on the business combination date: 78%

Voting rights ratio after acquiring shares: 100%

Due to change in equity occurring before the acquisition, the voting rights ratio held immediately before the acquisition date decreased from 23% to 22%.

e. Method for procuring payment funds

Own funds

2) Period of results of the acquiree included in the consolidated financial statements

From October 30, 2025, to December 31, 2025

Although the acquiree's fiscal year-end is December 31, its financial statements as of that date have been used in preparing the consolidated financial statements because the difference between the acquiree's fiscal year-end and the fiscal year-end for the consolidated financial statements does not exceed three months.

3) Calculation of acquisition cost

a. Acquisition cost and breakdown by type of consideration

Fair value as of the business combination date of shares held immediately prior to the business combination: ¥364.5 billion (U.S. $2,279 million)

Consideration for additional acquisition: Cash ¥1,215.5 billion (U.S. $7,602 million)

Acquisition cost ¥1,580.1 billion (U.S. $9,883 million)

b. The difference between the acquisition cost of the acquiree and the total of the acquisition costs for each transaction leading to the acquisition

Gain on step acquisitions ¥142.8 billion (U.S. $893 million)

c. Description and amount of major acquisition-related costs Advisory fees, etc.: ¥15.0 billion (U.S. $93 million)

4) Allocation of acquisition cost

a. Amount and rationale for recognizing goodwill, and amortization method and period

(i) Amount of goodwill ¥898.6 billion (U.S. $5,620 million)

Goodwill attributed to Resolution Life ¥836.4 billion (U.S. $5,231 million)

Goodwill attributed to Resolution Australasia ¥62.1 billion (U.S. $388 million)

Portion of goodwill arising from the Transaction is attributed to Resolution Australasia in connection with the Integration.

(ii) Reason for incurrence

The acquisition cost exceeded the fair value of net assets at the time of business combination.

(iii) Amortization method and amortization period

Straight-line amortization over 20 years

b. Amounts of the assets acquired and the liabilities assumed on the business combination date and their main components

Total assets ¥15,926.6 billion (U.S. $99,615 million) (including investments in securities of ¥6,663.5 billion (U.S. $41,678 million) and reinsurance receivables of ¥4,165.7 billion (U.S. $26,055 million))

Total liabilities ¥15,177.0 billion (U.S. $94,927 million) (including policy reserves and other reserves of ¥13,267.5 billion (U.S. $82,984 million))

c. Amount of acquisition cost allocated to intangible assets other than goodwill and amortization period

Amount allocated to intangible assets other than goodwill ¥1,233.8 billion (U.S. $7,717 million)

Amortization period: Period during which benefits are expected to be generated (including the value of existing policies of ¥1,213.1 billion (U.S. $7,587 million))

5) Estimated amount of impact on the consolidated statement of income for the fiscal year ended March 31, 2026, and calculation method, assuming that the business combination was completed at the beginning of the fiscal year ended March 31, 2026

Ordinary income ¥1,651.5 billion (U.S. $10,329 million)

Ordinary profit (loss) ¥(41.8) billion (U.S. $(261) million)

Net surplus attributable to the parent company ¥110.1 billion (U.S. $688 million)

(Calculation method for estimate)

The estimated amount of the impact represents ordinary income, ordinary profit (loss), and net surplus (deficit) attributable to the parent company calculated as if the business combination had been completed at the beginning of the fiscal year ended March 31, 2026. Additionally, amortization amounts are calculated based on the assumption that the goodwill and intangible assets recognized at the time of the business combination were accounted for at the beginning of the fiscal year ended March 31, 2026. These estimates have not been audited.

Matters concerning transactions under common control (additional acquisition of subsidiary shares) are as follows:

(Acquisition of additional shares of Acenda Life)

The Company acquired the remaining 20% of the issued shares of Acenda Life from NAB. Consequently, Acenda Life became a wholly owned subsidiary of the Company.

1) Overview of the business combination

a. Name and business of the company involved in the business combination

Name of the company involved in the business combination: Nippon Life Insurance Australia and New Zealand Limited

Business: Life insurance business

b. Business combination date

October 31, 2025

c. Legal form of the business combination

Acquisition of shares from non-controlling shareholder

2) Overview of the applied accounting treatment

Based on the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, January 16, 2019) and the "Implementation Guidance on Accounting Standard for

Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, January 16, 2019), the transaction has been accounted for as a transaction with non-controlling interests among transactions under common control.

3) Calculation of acquisition cost

   a. Acquisition cost of additional subsidiary shares to be acquired and breakdown by type of consideration

      Consideration for additional acquisition: Cash ¥46.4 billion (U.S. $290 million)

4) Changes in the parent company's ownership interest arising from transactions with non-controlling interests

   a. Main factor contributing to changes in consolidated surplus Acquisition of additional shares of subsidiary

   b. Amount of consolidated surplus decrease from transactions with the non-controlling interests ¥16.4 billion (U.S. $102 million)

Matters concerning transactions under common control are as follows: (Business integration of Resolution Australasia and Acenda Life) Following the completion of the acquisition of additional shares of Acenda Life, the Company made an in-kind contribution of all of its Acenda Life shares to Resolution Life NOHC Pty Ltd. (hereinafter "Australia/NZ NOHC"), Resolution Life's Australian holding company. In exchange, the Company acquired the new shares issued by Australia/NZ NOHC.

As a result of this transaction, the Company directly holds 51% of the voting rights of Australia/NZ NOHC (the Company indirectly holds 49% through Resolution Life), and Australia/NZ NOHC encompasses both Resolution Australasia and Acenda Life as its subsidiaries.

1) Overview of the business combination

   a. Name and business of the company involved in the business combination

      Name of the company involved in the business combination: Resolution Life NOHC Pty Ltd.

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

      Name of the company involved in the business combination: Nippon Life Insurance Australia and New Zealand Limited

      Business: Life insurance business

   b. Business combination date

      October 31, 2025

   c. Legal form of the business combination

      In-kind contribution of all the Acenda Life shares that the Company holds to Australia/NZ NOHC

   d. Name of company after business combination

      Before: Resolution Life NOHC Pty Ltd.

      After: Nippon Life Australia and New Zealand NOHC Pty Ltd.

2) Overview of the applied accounting treatment

Based on the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, January 16, 2019) and the "Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, January 16, 2019), the transaction has been accounted for as a transaction under common control.

(2) Medical Data Vision Co., Ltd. (for the fiscal year ended March 31, 2026)

On December 15, 2025, the Company decided to acquire the shares and other instruments of Medical Data Vision Co., Ltd. (hereinafter "Medical Data Vision") by means of a tender offer (hereinafter the "Tender Offer") under the Financial Instruments and Exchange Act, and executed the Tender Offer during the period between December 16, 2025 and February 3, 2026. Following the completion of the settlement of the Tender Offer, Medical Data Vision implemented a stock consolidation (hereinafter the "Stock Consolidation"), effective April 28, 2026, as a squeeze-out procedure to make Medical Data Vision a wholly owned subsidiary of the Company. Subsequently, Medical Data Vision acquired treasury shares held by SBI Holdings, Inc. on May 14, 2026 (hereinafter the "Treasury Share Acquisition"). As a result of this series of transactions (hereinafter the "Transactions"), the Company made Medical Data Vision a wholly owned subsidiary.

(Background and objective of the Transactions)

The Company aims to establish health data and health-data analytics capabilities, among others, as a new business foundation for the Group and to enhance both the healthcare and insurance businesses. In addition, by integrating AI and digital technologies, the Company will also pursue the creation of new customer value propositions, including preventive medicine and health-support services.

Matters concerning business combinations through acquisition are as follows:

(Acquisition of shares of Medical Data Vision)

On February 9, 2026 (the date on which the settlement of the Tender Offer starts), the Company acquired 53% of the shares of Medical Data Vision. As a result, it became a subsidiary of the Company. Further, Medical Data Vision has become a wholly owned subsidiary of the Company through the Stock Consolidation on April 28, 2026 and the Treasury Share Acquisition on May 14, 2026.

1) Overview of the business combination

a. Name and business of the acquiree

Name of the acquiree: Medical Data Vision Co., Ltd.

Business: Development, production, sales, and maintenance of medical information integration systems; Analysis, research, and consulting services for various medical data; Business consulting services for medical institutions; Operations and service provision of various medical data; Planning, design, development, and operation of portal websites

b. Business combination date

At the time of obtaining control February 9, 2026 (Deemed acquisition date: March 31, 2026)

At the time of acquiring additional shares May 14, 2026 (Deemed acquisition date: April 1, 2026)

c. Legal form of the business combination

Share acquisition in consideration for cash

d. Voting rights ratio acquired

February 9, 2026 53%

May 14, 2026 100%

e. Method for procuring payment funds

Own funds

f. Main background for determining the acquirer

Due to the acquisition of 53% of voting rights through share acquisition for cash consideration

2) Overview of the applied accounting treatment

The Transactions were accounted for based on the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21; January 16, 2019) and the "Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10; January 16, 2019). The additional acquisition of equity interests through the Stock Consolidation and the Treasury Share Acquisition was treated as a transaction integrated with the acquisition of shares through the Tender Offer. Accordingly, goodwill associated with the equity interests additionally acquired after obtaining control was calculated as if it had been recorded when control was obtained.

3) Period of results of the acquiree included in the consolidated financial statements

As only the balance sheets were consolidated for the fiscal year ended March 31, 2026, business results of the acquiree were not included.

4) Calculation of acquisition cost

a. Acquisition cost and breakdown by type of consideration

At the time of obtaining control

Consideration for acquisition: Cash ¥33,999 million (U.S. $212 million)

Acquisition cost ¥33,999 million (U.S. $212 million)

At the time of acquiring additional shares

Consideration for acquisition: Cash ¥22,780 million (U.S. $142 million)

Acquisition cost ¥22,780 million (U.S. $142 million)

b. Description and amount of major acquisition-related costs

Advisory fees, etc.: ¥720 million (U.S. $4 million)

5) Allocation of acquisition cost

a. Amount and rationale for recognizing goodwill, and amortization method and period

(i) Amount of goodwill ¥32,336 million (U.S. $202 million)

As of March 31, 2026, the fair values of assets and liabilities are under review, and purchase price allocation was not completed. Therefore, provisional accounting treatment was applied based on the reasonable information currently available.

(ii) Reason for incurrence

Anticipated future excess earning power resulting from future business development

(iii) Amortization method and amortization period

Currently under determination.

b. Amounts of the assets acquired and the liabilities assumed on the business combination date and their main components

Total assets ¥4,511 million (U.S. $28 million) (including deposits of ¥1,586 million (U.S. $9 million))

Total liabilities ¥1,344 million (U.S. $8 million) (including accounts payable of ¥1,103 million (U.S. $6 million))

(3) Corebridge Financial Inc. (for the fiscal year ended March 31, 2026)

On March 26, 2026, Corebridge Financial Inc. (hereinafter "Corebridge"), the Company's affiliate accounted for under the equity method, announced that it had entered into an agreement with Equitable Holdings Inc. (hereinafter "Equitable"), which operates pension and asset management businesses in the United States, to effect a business integration through a share transfer. This business integration is intended to combine complementary capabilities and scale, among other objectives. It will be executed by establishing a new holding company, with both companies becoming its subsidiaries, and is expected to be completed by the end of December 2026. 1.0000 shares of the common stock of the new holding company will be issued for each outstanding share of Corebridge common stock, and 1.55516 shares of common stock of the new holding company will be issued for each outstanding share of Equitable common stock. As a result, the ownership ratio of the new holding company is expected to be approximately 51% for Corebridge shareholders and approximately 49% for Equitable shareholders.

(4) Nichii Holdings Co., Ltd. (for the fiscal year ended March 31, 2025)

On November 28, 2023, the Company's Board of Directors approved a resolution to acquire shares of K.K. BCJ-43, which owns all shares of Nichii Holdings Co., Ltd. (hereinafter "Nichii Holdings"). The shares were acquired on June 3, 2024.

1) Overview of the business combination

a. Name and business of the acquiree

Name of the acquiree: K.K. BCJ-43

Business: Ownership and management of Nichii Holdings' shares

b. Main reasons for executing the business combination

Nichii Holdings has established strong long-term positions in the contracted medical administration, nursing and childcare businesses through its core company Nichii Gakkan, since it was founded.

The Company and Nichii Holdings have collaborated in various domains since entering into a business alliance. By increasing operational activity, productivity, and sustainability through this transaction, the Company aims to provide further reassurance to its customers and to realize a society in which all generations can live their lives with peace of mind.

c. Business combination date

June 3, 2024 (Deemed acquisition date: June 30, 2024)

d. Legal form of the business combination

Share acquisition in consideration for cash

e. Name of company after business combination

Nippon Life Livelihood Support Co., Ltd.

f. Voting right ratio acquired 99.5%

g. Method for procuring payment funds

Own funds

h. Main background for determining the acquirer

The Company acquired 99.5% of the voting rights through the acquisition of shares in consideration for cash.

2) Period of results of the acquiree included in the consolidated financial statements

From July 1, 2024, to March 31, 2025

3) Acquisition cost and breakdown by type of consideration

Consideration for acquisition: Cash ¥205,021 million

Acquisition cost: ¥205,021 million

4) Description and amount of major acquisition-related costs Advisory fees, etc.: ¥3,610 million

5) Amount and rationale for recognizing goodwill, and amortization method and period

a. Amount of goodwill

¥210,112 million

b. Reason for incurrence

The acquisition cost exceeded the fair value of net assets at the time of business combination.

c. Amortization method and amortization period

Straight-line amortization over 20 years

6) Amounts of the assets acquired and the liabilities assumed on the business combination date and their main components

Total assets: ¥223,482 million

(of which, amount allocated to intangible fixed assets other than goodwill: ¥57,697 million)

Total liabilities: ¥228,430 million

(of which, loans payable: ¥76,405 million)

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

Amount allocated to intangible fixed assets other than goodwill: ¥57,697 million

Amortization period: 20 years

(of which, customer-related assets: ¥57,697 million Amortization period: 20 years)

8) Estimated amounts and calculation method of the impact of the business combination on the consolidated statements of income for the fiscal year ended March 31, 2025, assuming the business combination had been completed at the beginning of the fiscal year ended March 31, 2025

Ordinary income: ¥306,872 million

Ordinary profit: ¥2,562 million

Net surplus attributable to the parent company: ¥(2,380) million

(Calculation method for estimated amounts)

The estimated amounts of the impact on ordinary income, ordinary profit, and net surplus attributable to the parent company were calculated based on the assumption that the business combination had been completed on the start date of the fiscal year ended March 31, 2025. In addition, the amortization amounts were calculated by deeming goodwill and intangible fixed assets recognized at the time of the business combination as having occurred on the start date of the fiscal year ended March 31, 2025. These estimated amounts have not been audited.

9) Others

On the business combination date, the Company transferred 1.0% of the outstanding shares of Nippon Life Livelihood Support Co., Ltd. it acquired to Nissay Information Technology Co., Ltd. (hereinafter "Nissay Information Technology"), a consolidated subsidiary of the Company. In addition, as of March 31, 2025, the Company acquired 0.4% of the outstanding shares of Nippon Life Livelihood Support Co., Ltd. from noncontrolling shareholders. As a result, the percentage of voting rights held by the Company will be 98.7%. To promote the digital transformation (DX) of the nursing care, medical-related, and child care domains, the Company, Nissay Information Technology, and Nichii Holdings will promote strategic collaboration.

8. Additional Information for Consolidated Statements of Cash Flows

(Main components of assets and liabilities of newly consolidated subsidiaries due to acquisition of shares (for the fiscal year ended March 31, 2026 and 2025))

A breakdown of the assets and liabilities resulting from the start of consolidation due to the acquisition of shares described in Note 7 (1)(2)(4) in the Consolidated Financial Statements as well as the acquisition price and net payment for the acquisition are as follows:

Resolution Life Group Holdings Ltd.	Millions of Yen 2026	Millions of U.S. Dollars 2026
Total assets	¥ 15,926,670	$ 99,616
Goodwill	898,613	5,620
Total liabilities	(15,177,029)	(94,927)
Foreign currency translation adjustments	(68,136)	(426)
Acquisition price	1,580,117	9,883
Equity method carrying amount prior to obtaining control	(221,701)	(1,386)
Gain on step acquisitions	(142,879)	(893)
Cash and cash equivalents of subsidiary	(681,962)	(4,265)
Net payments for the acquisition	¥ 533,573	$ 3,337

Medical Data Vision Co., Ltd.	Millions of Yen 2026	Millions of U.S. Dollars 2026
Total assets	¥ 4,511	$ 28
Goodwill	32,336	202
Total liabilities	(1,344)	(8)
Share acquisition rights	(4)	0
Noncontrolling interests	(1,499)	(9)
Acquisition price	33,999	212
Cash and cash equivalents of subsidiary	(1,587)	(9)
Net payments for the acquisition	¥ 32,412	$ 202

Nichii Holdings Co., Ltd.	Millions of Yen 2025
Total assets	¥ 223,482
Goodwill	210,112
Total liabilities	(228,430)
Noncontrolling interests	(142)
Acquisition price	205,021
Cash and cash equivalents of subsidiary	(18,470)
Net payments for the acquisition	¥ 186,551

9. Cash and Cash Equivalents

The reconciliation of "Cash and cash equivalents" in the consolidated statements of cash flows and "Cash and deposits" in the consolidated balance sheets as of March 31, 2026, 2025 and 2024, was as follows:

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Cash and deposits	¥1,672,747	¥ 932,037	¥1,634,522	$10,462
Call loans	1,011,726	876,505	522,863	6,328
Monetary claims bought	35,014	9,995	7,998	219
Investments in securities	29,820	25,870	3,451	186
Time deposits with initial term of over 3 months to maturity and others	(49,951)	(7,596)	(13,486)	(312)
Cash and cash equivalents	¥2,699,357	¥1,836,812	¥2,155,349	$16,883

10. Financial Instruments

Regarding the investment of the general accounts of the Company and certain consolidated subsidiaries (except separate accounts as provided in Article 118, Paragraph 1 of the Insurance Business Act), in light of the characteristics of life insurance policies, the Company and certain consolidated subsidiaries have built a portfolio geared toward mid- to long-term investment and formulated an investment plan considering the outlook of the investment environment.

Based on the investment plan, in order to reliably pay benefits and other payments in the future, the Company and certain consolidated subsidiaries have positioned yen-denominated assets that can be expected to provide stable income, such as bonds and loans, as the core assets of the Company and certain consolidated subsidiaries and from the viewpoint of improving profit in the mid- to long-term, the Company and certain consolidated subsidiaries invest in domestic stocks and foreign securities. Also, the Company and certain consolidated subsidiaries mainly use derivative transactions for controlling asset or liability risks. Specifically, the Company and certain consolidated subsidiaries use interest rate swaps and interest rate swaptions as interest rate-related; foreign exchange forward contracts, currency options, and currency swaps as currency-related; and equity forward contracts, equity index futures, and equity index options as equity-related. The Company and certain consolidated subsidiaries apply hedge accounting to certain derivative transactions above.

Securities are mainly exposed to market risk and credit risk, loans are exposed to credit risk, and derivative transactions are exposed to market risk and credit risk. Market risk refers to the risk of incurring losses when the fair value of investment assets declines due to factors such as fluctuations in interest rates, exchange rates, or stock prices. Credit risk refers to the risk of incurring losses when the value of assets, primarily loans and corporate bonds, declines due to deterioration of the financial condition of the party to whom credit has been extended. It includes country risk. These risks are managed according to rules and regulations regarding investment risks.

To manage market risk, the Company and certain consolidated subsidiaries have implemented investment limits based on the nature of the assets in order to avoid excessive losses from financing and investment transactions. In addition, the Company and certain consolidated subsidiaries monitor and regularly report on the status of compliance to the Risk Management Committee, the advisory body of the Management Committee, and have developed a system to

manage risk within acceptable levels in the event of a breach of the internal rules. Also, to manage market risk in the portfolio of the Company and certain consolidated subsidiaries, the Company and certain consolidated subsidiaries use a statistical analysis method to rationally calculate the market value-at-risk of the portfolio as a whole and conduct appropriate asset allocation within acceptable boundaries of risk.

To manage credit risk, the Company and certain consolidated subsidiaries have built a system to perform credit analysis, including strict assessment of individual counterparties by the Assessment Management Department, which is independent of the departments handling investment and finance activities. The Company and certain consolidated subsidiaries also continue to build a sound portfolio through the establishment and monitoring of interest guidelines to ensure the returns the Company and certain consolidated subsidiaries obtain are commensurate with the risk, a system of internal ratings for classifying the creditworthiness of borrowers, and credit ceilings to ensure that credit risk is not excessively concentrated in a particular company, group, or country. In addition, the Company and certain consolidated subsidiaries calculate credit value-at-risk as a measurement of the magnitude of credit risk across the portfolio of the Company and certain consolidated subsidiaries as a whole, and monitor whether the magnitude of risk stays within an appropriate range.

Matters concerning the fair value, etc., of financial instruments are as follows:

Notes are omitted for financial instruments whose book value is deemed to approximate fair value due to their short-term settlement. In addition, separate account assets of consolidated overseas life insurance companies applying the U.S. GAAP, as well as assets and liabilities of consolidated variable interest entities associated with funds withheld modified coinsurance agreements, are not included in the notes, as they are managed together with the related insurance or reinsurance agreements.

(1) Consolidated balance sheet amounts and fair values for major financial instruments and their differences are as follows:

As of March 31	Millions of Yen									Millions of U.S. Dollars		
	2026			2025			2024			2026		
	Consolidated balance sheet amount (*1)	Fair value (*2)	Difference	Consolidated balance sheet amount (*1)	Fair value (*2)	Difference	Consolidated balance sheet amount (*1)	Fair value (*2)	Difference	Consolidated balance sheet amount (*1)	Fair value (*2)	Difference
Financial assets												
Monetary claims bought:	¥ 932,235	¥ 921,550	¥ (10,685)	¥ 189,832	¥ 185,347	¥ (4,485)	¥ 246,417	¥ 245,500	¥ (916)	$ 5,830	$ 5,764	$ (66)
Trading securities	27,020	27,020	–	–	–	–	–	–	–	169	169	–
Held-to-maturity debt securities	15,913	14,047	(1,866)	17,138	16,026	(1,112)	18,364	17,603	(760)	99	87	(11)
Policy-reserve-matching bonds	109,321	100,503	(8,818)	124,928	121,555	(3,373)	146,794	146,638	(155)	683	628	(55)
Available-for-sale securities	779,978	779,978	–	47,765	47,765	–	81,258	81,258	–	4,878	4,878	–
Investments in securities(*3,*4,*5):	89,856,233	83,509,640	(6,346,592)	78,725,060	74,776,204	(3,948,855)	80,349,399	79,098,690	(1,250,708)	562,022	522,326	(39,695)
Trading securities	4,811,503	4,811,503	–	1,671,554	1,671,554	–	1,734,581	1,734,581	–	30,094	30,094	–
Held-to-maturity debt securities	951,593	914,276	(37,317)	745,803	727,870	(17,932)	609,260	594,837	(14,422)	5,951	5,718	(233)
Policy-reserve-matching bonds	32,869,989	26,818,166	(6,051,823)	34,138,084	30,233,602	(3,904,481)	33,789,266	32,551,899	(1,237,367)	205,591	167,739	(37,852)
Investments in subsidiaries and affiliates	766,414	508,962	(257,452)	638,239	611,798	(26,441)	45,243	46,325	1,081	4,793	3,183	(1,610)
Available-for-sale securities	50,456,731	50,456,731	–	41,531,377	41,531,377	–	44,171,046	44,171,046	–	315,591	315,591	–

As of March 31	Millions of Yen									Millions of U.S. Dollars		
	2026			2025			2024			2026		
	Consolidated balance sheet amount (*1)	Fair value (*2)	Difference	Consolidated balance sheet amount (*1)	Fair value (*2)	Difference	Consolidated balance sheet amount (*1)	Fair value (*2)	Difference	Consolidated balance sheet amount (*1)	Fair value (*2)	Difference
Loans(*6):	9,579,760	8,983,639	(596,120)	8,703,359	8,342,794	(360,564)	8,903,002	8,801,168	(101,834)	59,918	56,189	(3,728)
Policy loans	707,217	707,217	–	438,966	438,966	–	461,187	461,187	–	4,423	4,423	–
Industrial and consumer loans	8,872,542	8,276,421	(596,120)	8,264,392	7,903,827	(360,564)	8,441,815	8,339,981	(101,834)	55,495	51,766	(3,728)
Derivative financial instruments(*7):	(2,912,344)	(2,912,344)	–	(1,934,506)	(1,934,506)	–	(1,774,838)	(1,774,838)	–	(18,215)	(18,215)	–
Hedge accounting not applied	(49,493)	(49,493)	–	(20,809)	(20,809)	–	(55,732)	(55,732)	–	(309)	(309)	–
Hedge accounting applied	(2,862,850)	(2,862,850)	–	(1,913,697)	(1,913,697)	–	(1,719,105)	(1,719,105)	–	(17,906)	(17,906)	–
Other assets	19,020	19,020	–	–	–	–	–	–	–	118	118	–
Financial liabilities												
Corporate bonds(*6)	1,935,676	1,815,917	(119,758)	1,554,141	1,495,393	(58,748)	1,516,319	1,499,106	(17,212)	12,107	11,357	(749)
Loans payable	1,861,711	1,795,011	(66,699)	1,301,457	1,248,558	(52,899)	1,146,208	1,115,797	(30,410)	11,644	11,227	(417)

*(*1) For transactions for which an allowance for doubtful accounts was recorded, the amount of the allowance is deducted.*

*(*2) For securities for which impairment losses were recognized the fair value is the consolidated balance sheet amount after the impairment losses are deducted.*

*(*3) Stocks and other securities without market prices, such as unlisted equity securities, are not included. The consolidated balance sheet amounts as of March 31, 2026, March 31, 2025, and March 31, 2024 are ¥482,597 million (U.S. $3,018 million), ¥290,275 million, and ¥289,605 million, respectively. Unlisted stocks and other securities whose book value is measured at fair value at certain consolidated overseas subsidiaries are included.*

*(*4) Paragraph 24-16 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31) is applied, and the investment balances to partnerships, etc., are not included. The consolidated balance sheet amounts for said partnerships, etc., were ¥1,268,614 million (U.S. $7,934 million), ¥1,294,081 million and ¥989,559 million, respectively, in the fiscal years ended March 31, 2026, 2025 and 2024.*

*(*5) Investment trusts that applied either Paragraph 24-3 or Paragraph 24-9 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement" are included.*

*(*6) The fair values of derivative financial instruments that are interest rate swaps under an exceptional accounting treatment ("Tokurei-shori") or currency swaps under designated hedge accounting ("Furiate-shori") are included in the fair values of loans and corporate bonds because they are accounted for as an integral part of the loans and corporate bonds that are the hedged items.*

*(*7) Assets and liabilities generated by derivative financial instruments are offset and presented net. Net liabilities in total are presented in parentheses.*

(2) Matters regarding securities and others by holding purpose are as follows:

1) Trading securities

Valuation gains/losses included in profit and loss were gains of ¥49,524 million (U.S. $309 million), losses of ¥34,529 million, and gains of ¥121,524 million for investments in securities related to separate accounts, which are classified as trading securities, for the fiscal years ended March 31, 2026, 2025 and 2024, respectively.

2) Held-to-maturity debt securities

Consolidated balance sheet amounts, fair values, and their differences by type are as follows:

As of March 31	Millions of Yen									Millions of U.S. Dollars		
	2026			2025			2024			2026		
Type	Consolidated balance sheet amount	Fair value	Difference	Consolidated balance sheet amount	Fair value	Difference	Consolidated balance sheet amount	Fair value	Difference	Consolidated balance sheet amount	Fair value	Difference
Fair value exceeds the consolidated balance sheet amount:												
Monetary claims bought	¥ 1,900	¥ 1,902	¥ 1	¥ 1,904	¥ 1,934	¥ 29	¥ 1,938	¥ 2,010	¥ 71	$ 11	$ 11	$ 0
Bonds	38,924	39,629	705	39,660	40,521	860	57,725	58,493	767	243	247	4
Foreign securities	217,251	220,649	3,398	287,056	292,645	5,589	142,503	145,681	3,177	1,358	1,380	21
Subtotal	258,076	262,182	4,105	328,622	335,101	6,478	202,168	206,185	4,017	1,614	1,639	25
Fair value does not exceed the consolidated balance sheet amount:												
Monetary claims bought	14,012	12,144	(1,868)	15,233	14,091	(1,142)	16,425	15,592	(832)	87	75	(11)
Bonds	152,088	136,294	(15,794)	132,041	123,937	(8,103)	96,239	95,383	(856)	951	852	(98)
Foreign securities	543,329	517,702	(25,626)	287,044	270,766	(16,278)	312,791	295,279	(17,511)	3,398	3,238	(160)
Subtotal	709,431	666,141	(43,289)	434,319	408,795	(25,524)	425,456	406,256	(19,200)	4,437	4,166	(270)
Total	¥967,507	¥928,323	¥(39,184)	¥762,941	¥743,896	¥(19,045)	¥627,625	¥612,441	¥(15,183)	$6,051	$5,806	$(245)

3) Policy-reserve-matching bonds

Consolidated balance sheet amounts, fair values, and their differences by type are as follows:

As of March 31	Millions of Yen									Millions of U.S. Dollars		
	2026			2025			2024			2026		
Type	Consolidated balance sheet amount	Fair value	Difference	Consolidated balance sheet amount	Fair value	Difference	Consolidated balance sheet amount	Fair value	Difference	Consolidated balance sheet amount	Fair value	Difference
Fair value exceeds the consolidated balance sheet amount:												
Monetary claims bought	¥ 6,201	¥ 6,229	¥ 28	¥ 40,934	¥ 41,254	¥ 320	¥ 99,589	¥ 101,320	¥ 1,731	$ 38	$ 38	$ 0
Bonds	4,323,069	4,372,082	49,013	9,500,177	9,856,474	356,296	14,753,968	15,948,958	1,194,989	27,039	27,346	306
Foreign securities	416,326	421,167	4,841	446,075	453,687	7,612	703,088	721,679	18,591	2,603	2,634	30
Subtotal	4,745,596	4,799,479	53,883	9,987,187	10,351,416	364,229	15,556,646	16,771,959	1,215,313	29,682	30,019	337
Fair value does not exceed the consolidated balance sheet amount:												
Monetary claims bought	103,120	94,273	(8,847)	83,994	80,300	(3,693)	47,204	45,317	(1,886)	644	589	(55)
Bonds	24,118,217	18,410,478	(5,707,739)	21,140,597	17,170,605	(3,969,991)	15,942,560	13,745,117	(2,197,443)	150,851	115,151	(35,700)
Foreign securities	4,012,376	3,614,437	(397,938)	3,051,233	2,752,834	(298,398)	2,389,649	2,136,144	(253,505)	25,096	22,607	(2,488)
Subtotal	28,233,715	22,119,189	(6,114,525)	24,275,825	20,003,741	(4,272,084)	18,379,415	15,926,579	(2,452,835)	176,593	138,348	(38,244)
Total	¥32,979,311	¥26,918,669	¥(6,060,641)	¥34,263,013	¥30,355,158	¥(3,907,855)	¥33,936,061	¥32,698,538	¥(1,237,522)	$206,275	$168,367	$(37,907)

4) Available-for-sale securities

Acquisition cost or amortized cost, consolidated balance sheet amounts, and their differences by type are as follows:

As of March 31	Millions of Yen									Millions of U.S. Dollars		
	2026			2025			2024			2026		
Type	Acquisition cost or amortized cost	Consolidated balance sheet amounts	Difference	Acquisition cost or amortized cost	Consolidated balance sheet amounts	Difference	Acquisition cost or amortized cost	Consolidated balance sheet amounts	Difference	Acquisition cost or amortized cost	Consolidated balance sheet amounts	Difference
Consolidated balance sheet amounts exceeds acquisition cost or amortized cost:												
Monetary claims bought	¥ 297,106	¥ 298,817	¥ 1,710	¥ 8,034	¥ 8,538	¥ 504	¥ 10,512	¥ 10,997	¥ 485	$ 1,858	$ 1,869	$ 10
Bonds	655,858	768,069	112,210	923,166	1,014,852	91,686	1,547,985	1,678,427	130,441	4,102	4,804	701
Domestic stocks	3,839,388	15,217,542	11,378,154	4,021,198	12,280,501	8,259,303	4,082,979	13,980,182	9,897,202	24,014	95,181	71,166
Foreign securities	14,046,652	18,246,508	4,199,855	12,246,667	15,555,828	3,309,160	13,801,651	17,335,502	3,533,850	87,857	114,126	26,268
Other securities	1,543,921	1,828,932	285,011	677,260	864,918	187,657	918,798	1,162,787	243,989	9,656	11,439	1,782
Subtotal	20,382,927	36,359,869	15,976,942	17,876,328	29,724,639	11,848,311	20,361,928	34,167,897	13,805,969	127,488	227,419	99,930
Consolidated balance sheet amounts does not exceed acquisition cost or amortized cost:												
Monetary claims bought	486,999	481,161	(5,838)	41,183	39,227	(1,956)	72,292	70,260	(2,031)	3,046	3,009	(36)
Bonds	4,133,861	3,396,191	(737,669)	3,405,607	3,010,671	(394,936)	2,524,655	2,346,736	(177,919)	25,856	21,242	(4,613)
Domestic stocks	248,293	208,284	(40,008)	386,295	310,892	(75,402)	281,626	223,694	(57,932)	1,552	1,302	(250)
Foreign securities	8,083,153	7,492,487	(590,665)	7,569,419	6,973,365	(596,053)	5,984,189	5,523,624	(460,564)	50,557	46,863	(3,694)
Other securities	3,632,057	3,298,714	(333,342)	1,772,603	1,520,347	(252,256)	2,070,216	1,920,090	(150,126)	22,717	20,632	(2,084)
Subtotal	16,584,364	14,876,840	(1,707,524)	13,175,109	11,854,503	(1,320,605)	10,932,980	10,084,407	(848,573)	103,730	93,050	(10,680)
Total	¥36,967,292	¥51,236,710	¥14,269,418	¥31,051,437	¥41,579,143	¥10,527,705	¥31,294,908	¥44,252,305	¥12,957,396	$231,218	$320,469	$89,250

* *For the fiscal year ended March 31, 2026, stocks and other securities without market prices of ¥192,411 million (U.S. $1,203 million) and investment balances to partnerships, etc., of ¥206,519 million (U.S. $1,291 million) are not included.*

* *For the fiscal year ended March 31, 2025, stocks and other securities without market prices of ¥64,601 million and investment balances to partnerships, etc., of ¥197,400 million are not included.*

* *For the fiscal year ended March 31, 2024, stocks and other securities without market prices of ¥66,303 million and investment balances to partnerships, etc., of ¥194,262 million are not included.*

5) Securities for which impairment losses were recognized

Impairment losses of ¥74,125 million (U.S. $463 million), ¥1,198 million, and ¥4,274 million were recognized in the fiscal years ended March 31, 2026, 2025 and 2024, respectively.

During the fiscal year ended March 31, 2026, regarding domestic bonds and domestic/foreign stocks of the Company and its certain consolidated subsidiaries, impairment losses are recognized for securities whose fair value has declined significantly from the acquisition cost based on the average fair value as of March 31, 2026.

The criteria by which the fair value of a domestic bond is deemed to have declined significantly are as follows:

a. A security for which the fair value as of the balance sheet date is 50% or less of the acquisition cost.

b. A security that meets both of the following criteria:

   (i) The fair value as of the balance sheet date exceeds 50% but is less than 100% of the acquisition cost.

   (ii) The business conditions of the issuing company, and other aspects are subject to certain requirements.

The criteria by which the fair value of a stock is deemed to have declined significantly are as follows:

a. A security for which the average fair value in the last month of the fiscal year is 50% or less of the acquisition cost.

b. A security that meets both of the following criteria:

   (i) Average fair value in the last month of the fiscal year is between 50% and 70% of its acquisition cost.

   (ii) The historical fair value, the business conditions of the issuing company, and other aspects are subject to certain requirements.

(3) Scheduled repayment amounts for the main monetary claims and liabilities and redemption amounts for securities with maturities are as follows:

As of March 31	Millions of Yen												Millions of U.S. Dollars			
	2026				2025				2024				2026			
	1 year or under	Over 1 year under 5 years	Over 5 years under 10 years	Over 10 years	1 year or under	Over 1 year under 5 years	Over 5 years under 10 years	Over 10 years	1 year or under	Over 1 year under 5 years	Over 5 years under 10 years	Over 10 years	1 year or under	Over 1 year under 5 years	Over 5 years under 10 years	Over 10 years
Monetary claims bought:	¥ 8,018	¥ 9,131	¥ 10,804	¥ 170,766	¥ 15,000	¥ 9,314	¥14,070	¥154,216	¥33,433	¥10,664	¥29,529	¥175,526	$50	$57	$67	$1,068
Held-to-maturity debt securities	–	750	273	14,568	–	1,000	345	15,420	–	1,000	423	16,505	–	4	1	91
Policy-reserve-matching bonds	–	6,738	9,623	92,903	–	7,258	10,744	106,866	33	7,630	18,304	120,752	–	42	60	581
Available-for-sale securities	8,018	1,642	907	63,294	15,000	1,055	2,981	31,929	33,400	2,033	10,800	38,268	50	10	5	395
Investments in securities:	2,255,917	11,240,848	11,206,207	43,486,091	1,952,411	10,028,298	9,676,919	42,315,028	1,638,840	9,524,696	11,454,739	41,370,940	14,110	70,308	70,091	271,992
Held-to-maturity debt securities	62,678	438,988	351,323	105,475	41,068	344,927	256,446	113,769	50,044	252,350	197,033	120,922	392	2,745	2,197	659
Policy-reserve-matching bonds	980,917	3,918,631	3,474,454	25,470,020	830,318	4,114,406	3,449,842	26,434,476	743,586	3,595,561	4,254,051	25,674,894	6,135	24,509	21,731	159,307
Available-for-sale securities	1,212,322	6,883,229	7,380,430	17,910,595	1,081,023	5,568,964	5,970,630	15,766,782	845,210	5,676,785	7,003,654	15,575,123	7,582	43,052	46,162	112,025
Loans(*1)	1,255,612	3,000,004	2,334,160	2,274,266	1,103,821	2,800,768	2,251,671	2,090,891	1,057,141	2,789,522	2,230,829	2,346,084	7,853	18,764	14,599	14,224
Corporate bonds(*2)	–	–	195,700	1,714,113	–	–	–	1,528,541	–	–	–	1,490,719	–	–	1,224	10,721
Loans payable	169,077	318,725	–	1,086,000	38,530	176,927	–	1,086,000	37,318	94,789	3,100	1,011,000	1,057	1,993	–	6,792

*(*1) Loans such as policy loans that do not have a stated maturity date are not included.*

Also, ¥1,842 million (U.S. $11 million) for the fiscal year ended March 31, 2026 and ¥5,668 million for the fiscal year ended March 31, 2025 and ¥6,804 million for the fiscal year ended March 31, 2024 in loans to legally or substantially bankrupt borrowers or borrowers who are not currently legally bankrupt but have a high probability of bankruptcy are not included.

*(*2) Those that do not have a stated maturity date are not included.*

(4) Matters concerning the breakdown at each level of fair value for financial instruments are as follows:

Fair values of financial instruments are classified into the following three levels according to the observability and significance of inputs used in fair value measurement.

Level 1: Fair value measured based on the quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Fair value measured based on directly or indirectly observable inputs other than Level 1 inputs

Level 3: Fair value measured based on significant unobservable inputs

In cases of using multiple inputs with significant influence in fair value measurement, the fair value is classified to the lowest priority level of fair value measurement in which each input belongs.

a. Financial instruments whose consolidated balance sheet amount is measured at fair value

As of March 31	Millions of Yen												Millions of U.S. Dollars			
	2026				2025				2024				2026			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Monetary claims bought:	¥ –	¥ 459,385	¥ 347,613	¥ 806,999	¥ –	¥ 14,995	¥ 32,770	¥ 47,765	¥ –	¥ 38,955	¥ 42,303	¥ 81,258	$ –	$ 2,873	$ 2,174	$ 5,047
Trading securities	–	27,020	–	27,020	–	–	–	–	–	–	–	–	–	169	–	169
Available-for-sale securities	–	432,364	347,613	779,978	–	14,995	32,770	47,765	–	38,955	42,303	81,258	–	2,704	2,174	4,878
Investments in securities(*1):	25,231,329	25,976,233	1,673,069	52,880,632	20,073,790	20,841,962	418,752	41,334,505	21,980,232	21,716,079	496,560	44,192,872	157,814	162,473	10,464	330,752
Trading securities	2,266,045	1,913,441	632,016	4,811,503	728,704	942,850	–	1,671,554	774,633	959,947	–	1,734,581	14,173	11,967	3,953	30,094
Available-for-sale securities	22,965,283	24,062,791	1,041,052	48,069,128	19,345,085	19,899,112	418,752	39,662,951	21,205,598	20,756,132	496,560	42,458,290	143,640	150,505	6,511	300,657
Bonds	2,581,043	1,583,217	–	4,164,261	2,607,702	1,417,821	–	4,025,523	2,561,197	1,463,966	–	4,025,164	16,143	9,902	–	26,046
National government bonds	2,581,043	–	–	2,581,043	2,607,702	–	–	2,607,702	2,561,197	–	–	2,561,197	16,143	–	–	16,143
Local government bonds	–	115,924	–	115,924	–	108,616	–	108,616	–	100,420	–	100,420	–	725	–	725
Corporate bonds	–	1,467,293	–	1,467,293	–	1,309,204	–	1,309,204	–	1,363,545	–	1,363,545	–	9,177	–	9,177
Domestic stocks	15,267,255	158,572	–	15,425,827	12,474,956	116,438	–	12,591,394	14,077,984	125,891	–	14,203,876	95,491	991	–	96,483
Foreign securities	5,000,871	17,877,703	493,679	23,372,254	4,230,779	16,048,386	418,418	20,697,584	4,545,254	16,134,002	496,261	21,175,518	31,278	111,819	3,087	146,186
Foreign bonds	3,617,372	11,746,028	490,877	15,854,277	3,074,561	9,739,299	417,296	13,231,156	3,347,992	9,985,610	496,261	13,829,864	22,625	73,467	3,070	99,163
Foreign stocks and other securities	1,383,499	6,131,675	2,801	7,517,976	1,156,218	6,309,087	1,122	7,466,427	1,197,261	6,148,392	_	7,345,654	8,653	38,351	17	47,022
Other securities	116,113	4,443,297	547,373	5,106,785	31,647	2,316,466	334	2,348,448	21,161	3,032,271	298	3,053,731	726	27,791	3,423	31,941
Derivative financial instruments(*2):	15,461	(2,912,134)	(15,670)	(2,912,344)	(734)	(1,934,549)	777	(1,934,506)	3,106	(1,780,528)	2,583	(1,774,838)	96	(18,214)	(98)	(18,215)
Interest rate-related	1,245	(693,645)	25,025	(667,374)	(146)	(467,003)	–	(467,149)	116	(315,270)	–	(315,154)	7	(4,338)	156	(4,174)
Currency-related	–	(2,232,457)	513	(2,231,943)	–	(1,470,142)	53	(1,470,089)	–	(1,466,723)	(548)	(1,467,272)	–	(13,963)	3	(13,960)
Others	14,215	13,967	(41,209)	(13,025)	(588)	2,596	724	2,732	2,989	1,465	3,131	7,587	88	87	(257)	(81)
Other assets	–	–	6,189	6,189	–	–	–	–	–	–	–	–	–	–	38	38

*(*1) Investment trusts that applied either Paragraph 24-3 or Paragraph 24-9 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement" are not included. The consolidated balance sheet amounts for said investment trusts were ¥2,349,522 million (U.S. $14,695 million) for investment trusts where the investment trust assets are financial instruments and ¥39,010 million (U.S. $243 million) for investment trusts where the investment trust assets are real estate in the fiscal year ended March 31, 2026, ¥1,816,187 million for investment trusts where the investment trust assets are financial instruments and ¥53,169 million for investment trusts where the investment trust assets are real estate in the fiscal year ended March 31, 2025, and ¥1,666,190 million for investment trusts where the investment trust assets are financial instruments and ¥47,495 million for investment trusts where the investment trust assets are real estate in the fiscal year ended March 31, 2024. Reconciliation between the beginning and ending balances for these consolidated fiscal years is as follows.*

*(*2) Assets and liabilities generated by derivative financial instruments are presented in net amounts. Net liabilities in total are presented in parentheses.*

As of March 31	Millions of Yen									Millions of U.S. Dollars		
	2026			2025			2024			2026		
	Investment trusts where the investment trust assets are financial instruments (*3)	Investment trusts where the investment trust assets are real estate	Total	Investment trusts where the investment trust assets are financial instruments (*3)	Investment trusts where the investment trust assets are real estate	Total	Investment trusts where the investment trust assets are financial instruments (*3)	Investment trusts where the investment trust assets are real estate	Total	Investment trusts where the investment trust assets are financial instruments (*3)	Investment trusts where the investment trust assets are real estate	Total
Beginning balance for the consolidated fiscal year	¥1,816,187	¥ 53,169	¥1,869,356	¥1,666,190	¥47,495	¥1,713,685	¥1,388,433	¥39,600	¥1,428,033	$11,359	$ 332	$11,692
Profit (loss) for the consolidated fiscal year:	272,398	2,411	274,809	637	(1,353)	(715)	152,271	1,704	153,975	1,703	15	1,718
Recorded as net income (loss) (*4)	37,715	3,781	41,497	7,819	(485)	7,333	28,353	1,037	29,391	235	23	259
Recorded as other comprehensive income (loss) (*5)	234,682	(1,370)	233,311	(7,181)	(868)	(8,049)	123,917	667	124,584	1,467	(8)	1,459
Purchases, sales and redemptions	260,937	(16,569)	244,368	149,359	7,026	156,386	125,485	6,190	131,676	1,632	(103)	1,528
Transactions that started applying Paragraph 24-3 or Paragraph 24-9 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement"	–	–	–	–	–	–	–	–	–	–	–	–
Transactions that stopped applying Paragraph 24-3 or Paragraph 24-9 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement"	–	–	–	–	–	–	–	–	–	–	–	–
Ending balance for the consolidated fiscal year	2,349,522	39,010	2,388,533	1,816,187	53,169	1,869,356	1,666,190	47,495	1,713,685	14,695	243	14,939
Valuation gains/losses of investment trusts held at the end of the consolidated fiscal year, included in profit/loss amounts for the consolidated fiscal year (*4)	777	–	777	–	–	–	–	–	–	4	–	4

*(*3) They have restrictions mainly on cancellations beyond one month, and the consolidated balance sheet amount of the investment trusts is ¥2,322,766 million (U.S. $14,528 million) for the fiscal year ended March 31, 2026, ¥1,792,223 million for the fiscal year ended March 31, 2025, and ¥1,642,931 million for the fiscal year ended March 31, 2024.*

*(*4) Included in investment income and investment expenses in the consolidated statements of income.*

*(*5) Included in net unrealized (losses) gains on available-for-sale securities of other comprehensive (loss) income in the consolidated statements of comprehensive income.*

b. Financial instruments whose consolidated balance sheet amount is not measured at fair value

As of March 31	Millions of Yen												Millions of U.S. Dollars			
	2026				2025				2024				2026			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Monetary claims bought:	¥ –	¥ –	¥ 114,550	¥ 114,550	¥ –	¥ –	¥137,581	¥137,581	¥ –	¥ –	¥164,242	¥164,242	$ –	$ –	$ 716	$ 716
Held-to-maturity debt securities	–	–	14,047	14,047	–	–	16,026	16,026	–	–	17,603	17,603	–	–	87	87
Policy-reserve-matching bonds	–	–	100,503	100,503	–	–	121,555	121,555	–	–	146,638	146,638	–	–	628	628
Investments in securities:	22,717,422	5,487,406	35,337	28,240,166	26,723,240	4,821,447	27,385	31,572,073	28,509,516	4,642,078	40,285	33,191,880	142,090	34,322	221	176,633
Held-to-maturity debt securities:	86,558	792,547	35,170	914,276	86,086	614,680	27,103	727,870	94,381	460,580	39,876	594,837	541	4,957	219	5,718
Bonds	30,554	145,369	–	175,923	36,066	128,392	–	164,458	40,804	113,072	–	153,877	191	909	–	1,100
Foreign securities	56,004	647,177	35,170	738,352	50,020	486,287	27,103	563,412	53,576	347,508	39,876	440,960	350	4,047	219	4,618
Policy-reserve-matching bonds:	22,165,632	4,652,366	167	26,818,166	26,061,477	4,171,843	281	30,233,602	28,415,135	4,136,355	408	32,551,899	138,639	29,099	1	167,739
Bonds	21,248,542	1,533,850	167	22,782,560	25,267,360	1,759,438	281	27,027,080	27,586,190	2,107,476	408	29,694,075	132,903	9,593	1	142,497
Foreign securities	917,090	3,118,515	–	4,035,605	794,117	2,412,405	–	3,206,522	828,945	2,028,879	–	2,857,824	5,736	19,505	–	25,241
Investments in subsidiaries and affiliates	465,231	42,492	–	507,723	575,675	34,923	–	610,599	–	45,142	–	45,142	2,909	265	–	3,175
Loans:	–	–	8,983,639	8,983,639	–	–	8,342,794	8,342,794	–	–	8,801,168	8,801,168	–	–	56,189	56,189
Policy loans	–	–	707,217	707,217	–	–	438,966	438,966	–	–	461,187	461,187	–	–	4,423	4,423
Industrial and consumer loans	–	–	8,276,421	8,276,421	–	–	7,903,827	7,903,827	–	–	8,339,981	8,339,981	–	–	51,766	51,766
Other assets	–	–	12,831	12,831	–	–	–	–	–	–	–	–	–	–	80	80
Corporate bonds	–	1,788,842	27,074	1,815,917	–	1,469,823	25,569	1,495,393	–	1,473,245	25,860	1,499,106	–	11,188	169	11,357
Loans payable	–	938,724	856,287	1,795,011	–	1,024,700	223,857	1,248,558	–	894,173	221,624	1,115,797	–	5,871	5,355	11,227

(5) Descriptions of the valuation techniques and inputs used in fair value measurement of the major financial instruments of the Company and certain consolidated subsidiaries are as follows:

1) Securities and monetary claims bought that are treated as securities based on the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10)

Securities and monetary claims bought for which the unadjusted quoted price in an active market can be used are classified as Level 1 fair value. Listed stocks, national government bonds, and listed investment trusts are primarily included here. Cases where the market is not active even though the published quoted price was used are classified as Level 2 fair value. Local government bonds and corporate bonds are primarily included here. In cases where the published quoted price was not obtainable, the fair value is measured based on the valuation amount obtained through external information vendors or standard prices, etc. calculated by the management company. The fair value is classified as Level 2 when the valuation amount does not use unobservable inputs or the impact is not significant. The fair value is classified as Level 3 when significant unobservable inputs are used.

2) Loans

a. Policy loans

Fair value is measured at the carrying amount of policy loans as the carrying amount approximates fair value due to expected repayment periods, interest rate requirements, and other conditions. These loans have no repayment date based on characteristics, such as the loan amount being limited to the extent of the surrender benefit, and are classified as Level 3.

b. Industrial and consumer loans

In cases where the borrower's credit status is not significantly different after executing the loan, fair value approximates carrying amount because market interest rates are reflected in future cash flows in the short term. Thus, carrying amount is used as fair value for variable interest rate loans. Fair value of fixed interest rate loans is measured by discounting cash flows to the present value using a discount rate reflecting credit and other risks to market interest for each classification based on the type of loan, internal rating, and period. This fair value is reflected for loans subject to designated hedge accounting ("*Furiate-shori")* for currency swaps and an exceptional accounting treatment *("Tokurei-shori")* for interest rate swaps.

Fair value of loans to legally or substantially bankrupt borrowers or borrowers who are not currently legally bankrupt but have a high probability of bankruptcy is measured by deducting the estimated uncollectible amount from the carrying amount prior to direct write-offs based on the present value of future cash flows or the amount expected to be collected based on collateral and guarantees.

All measured fair values are classified as Level 3.

3) Derivative financial instruments

Fair value for which the unadjusted quoted price in an active market can be used is classified as Level 1. Bond futures and equity index futures are primarily included

here. When the published quoted price cannot be used, a valuation amount obtained from external information vendors is primarily used, or the valuation amount calculated by the Company. The fair value is classified as Level 2 when the valuation amount does not use unobservable inputs or the impact is not significant. The fair value is classified as Level 3 when significant unobservable inputs are used.

4) Corporate bonds

Fair value of corporate bonds whose fair value is measured at market price is classified as Level 2. Fair value of corporate bonds that have fixed interest and whose fair value is measured by discounting future cash flows to the present value using a discount at a rate corresponding to the expected remaining period is classified as Level 3. This fair value is reflected for corporate bonds subject to designated hedge accounting *("Furiate-shori")* of currency swaps.

5) Loans payable

Fair value approximates carrying amount because market interest rates are reflected in future cash flows in the short term, and because the Company's credit status is not significantly different after executing the loans. Thus, carrying amount is used as fair value for variable interest rate loans, and their fair value is classified as Level 3. Fair value of fixed interest rate loans payable is measured, in principle, by discounting future cash flows to the present value using the expected rate in similar loans payable factoring in the Company's credit risk, and is classified as Level 3. However, loans payable financed by means of public offerings employing securitization schemes are measured at the market price of the corporate bonds issued to back the loans payable, and their fair value is classified as Level 2.

(6) Information on Level 3 fair value of financial instruments whose consolidated balance sheet amount is measured at fair value is as follows:

1) Quantitative information concerning significant unobservable inputs used in fair value measurement

During the fiscal year ended March 31, 2026, certain consolidated overseas subsidiaries estimate significant unobservable inputs.

Category	Valuation technique	Significant unobservable inputs	Range of inputs
Investments in securities	Income approach	Discount rate	10.35% to 15.15%
Trading securities	Market approach	Valuation multiple (Embedded Value/EBITDA)	3.24 times to 23.1 times

Notes are omitted, as unobservable inputs are not estimated in the fiscal years ended March 31, 2025 and 2024.

2) Reconciliation between the beginning and ending balances for the fiscal years ended March 31, 2026, 2025 and 2024, respectively, net unrealized (losses) gains recognized as (losses) gains for the fiscal years ended March 31, 2026, 2025 and 2024, respectively.

Millions of Yen

As of March 31	2026							2025						2024		
	Monetary claims bought: Available-for-sale securities	Investments in securities: Trading securities	Investments in securities: Available-for-sale securities	Derivative financial instruments: Interest rate-related	Derivative financial instruments: Currency-related	Derivative financial instruments: Others	Other assets	Monetary claims bought: Available-for-sale securities	Investments in securities: Available-for-sale securities	Derivative financial instruments: Currency-related	Derivative financial instruments: Others	Monetary claims bought: Available-for-sale securities	Investments in securities: Available-for-sale securities	Derivative financial instruments: Interest rate-related	Derivative financial instruments: Currency-related	Derivative financial instruments: Others
Beginning balance for the consolidated fiscal year	¥ 32,770	¥ –	¥ 418,752	¥ –	¥ 53	¥ 724	¥ –	¥42,303	¥496,560	¥(548)	¥ 3,131	¥37,089	¥272,702	¥ 112	¥–	¥ 907
Profit (loss) for the consolidated fiscal year:	8,068	8,753	38,513	810	483	(18,319)	148	(632)	1,254	149	(2,606)	165	42,238	(112)	(1,217)	2,075
Recorded as net income (loss)(*1)	2,647	(15,499)	25,525	213	479	(17,844)	–	(179)	1,543	149	(2,606)	231	41,961	(112)	(1,217)	2,075
Recorded as other comprehensive income (loss)(*2)	5,421	24,252	12,987	597	3	(474)	148	(452)	(288)	–	–	(66)	277	–	–	–
Purchased, sold, issued, and settled(*3)	308,641	623,263	591,872	24,214	(22)	(23,614)	6,040	(8,900)	(79,062)	451	199	5,048	183,599	–	669	149
Replaced with Level 3 fair value(*4)	–	–	42,628	–	–	–	–	–	–	–	–	–	–	–	–	–
Replaced from Level 3 fair value(*5)	(1,866)	–	(50,714)	–	–	–	–	–	–	–	–	–	(1,980)	–	–	–
Ending balance for the consolidated fiscal year	347,613	632,016	1,041,052	25,025	513	(41,209)	6,189	32,770	418,752	53	724	42,303	496,560	–	(548)	3,131
Valuation gains/losses of financial instruments held at the end of the consolidated fiscal year, included in profit/loss amounts for the consolidated fiscal year(*1)	(165)	(15,499)	14,017	213	510	(18,728)	–	–	(1,126)	53	(884)	–	11,061	–	(548)	1,722

Millions of U.S. Dollars

As of March 31	2026						
	Monetary claims bought: Available-for-sale securities	Investments in securities: Trading securities	Investments in securities: Available-for-sale securities	Derivative financial instruments: Interest rate-related	Derivative financial instruments: Currency-related	Derivative financial instruments: Others	Other assets
Beginning balance for the consolidated fiscal year	$ 204	$ –	$2,619	$ –	$0	$ 4	$ –
Profit (loss) for the consolidated fiscal year:	50	54	240	5	3	(114)	0
Recorded as net income (loss)(*1)	16	(96)	159	1	2	(111)	–
Recorded as other comprehensive income (loss)(*2)	33	151	81	3	0	(2)	0
Purchased, sold, issued, and settled(*3)	1,930	3,898	3,701	151	0	(147)	37
Replaced with Level 3 fair value(*4)	–	–	266	–	–	–	–
Replaced from Level 3 fair value(*5)	(11)	–	(317)	–	–	–	–
Ending balance for the consolidated fiscal year	2,174	3,953	6,511	156	3	(257)	38
Valuation gains/losses of financial instruments held at the end of the consolidated fiscal year, included in profit/loss amounts for the consolidated fiscal year(*1)	(1)	(96)	87	1	3	(117)	–

*(*1) Included in investment income and investment expenses in the consolidated statements of income.*

*(*2) Included in net unrealized (losses) gains on available-for-sale securities and foreign currency translation adjustments of other comprehensive (loss) income in consolidated statements of comprehensive income.*

*(*3) Increases due to the change in scope of consolidation are included.*

*(*4) Replaced Level 1 or Level 2 fair value with Level 3 fair value, due to changes in the observability of the inputs used in fair value measurement. These replacements were made at the beginning or end of or during each consolidated fiscal year.*

*(*5) Replaced Level 3 fair value with Level 1 or Level 2 fair value, due to changes in the observability of the inputs used in fair value measurement. These replacements were made at the beginning or end of or during each consolidated fiscal year.*

3) Description of fair value valuation process

The Company and certain consolidated subsidiaries measure fair value based on internally decided policies concerning fair value measurement and have confirmed the validity of valuation techniques and inputs used in fair value measurement established in said policies as well as the appropriateness of fair value level classifications.

In measuring fair value, the valuation models able to most appropriately reflect the nature, characteristics, and risk of individual financial instruments are used. When using quoted prices obtained from third parties, the valuation techniques and inputs used are confirmed, and the validity of the prices is verified using appropriate techniques including comparison with fair value presented by other vendors.

4) Explanation concerning impacts on fair value when significant unobservable inputs are changed An increase (decrease) in the discount rate generally results in a decrease (increase) in fair value.

An increase (decrease) in the valuation multiple (Embedded Value/EBITDA) generally results in an increase (decrease) in fair value.

For the fiscal years ended March 31, 2025 and 2024, notes are omitted, as unobservable inputs are not estimated.

(7) Data on fair value of derivative transactions

i) Hedge accounting not applied

a. Interest rate-related

As of March 31	Millions of Yen												Millions of U.S. Dollars			
	2026				2025				2024				2026			
	Contract amount		Fair value	Net gains (losses)	Contract amount		Fair value	Net gains (losses)	Contract amount		Fair value	Net gains (losses)	Contract amount		Fair value	Net gains (losses)
		Over 1 year				Over 1 year				Over 1 year				Over 1 year		
Over-the-counter:																
Interest rate swaps																
Receive fixed interest rate / pay variable interest rate	¥7,052,687	¥6,149,074	¥(326,993)	¥(326,993)	¥4,842,819	¥4,103,631	¥(189,235)	¥(189,235)	¥4,030,989	¥3,556,614	¥(151,717)	¥(151,717)	$44,112	$38,460	$(2,045)	$(2,045)
Pay fixed interest rate / receive variable interest rate	7,689,395	6,289,400	289,128	289,128	4,910,635	4,304,241	187,267	187,267	3,154,227	2,683,858	148,705	148,705	48,094	39,338	1,808	1,808
Interest rate swaption																
Sold																
Receive fixed interest rate / pay variable interest rate	211,396 [4,904]	211,396 [4,904]	1,460	3,444	–	–	–	–	–	–	–	–	1,322 [30]	1,322 [30]	9	21
Pay fixed interest rate / receive variable interest rate	250,036 [1,263]	156,481 [1,105]	2,018	(755)	–	–	–	–	–	–	–	–	1,563 [7]	978 [6]	12	(4)
Purchased																
Receive fixed interest rate / pay variable interest rate	520,912 [24,413]	217,952 [7,728]	20,317	(4,096)	402,300 [19,231]	143,800 [8,254]	127	(19,104)	833,000 [34,611]	402,300 [19,231]	778	(33,832)	3,258 [152]	1,363 [48]	127	(25)
Pay fixed interest rate / receive variable interest rate	159,926 [5,157]	159,926 [5,157]	6,847	1,690	–	–	–	–	–	–	–	–	1,000 [32]	1,000 [32]	42	10 [0]
Other																
Purchased	49,908	49,908	354	354	183,353	–	388	388	–	–	–	–	312	312	2	2
Total				¥ (37,227)				¥ (20,683)				¥ (36,844)				$(232)

Notes: 1. Brackets show option premiums recorded in the consolidated balance sheets.

2. Amounts in "Net gains (losses)" column are represented in fair value for swap transactions, and the difference between the option premiums and fair value for options transactions.

b. Currency-related

As of March 31						Millions of Yen 2026	2025	2024	Millions of U.S. Dollars 2026
Over-the-counter	**Foreign exchange forward contracts**	**Sold**		U.S. dollar / ¥	Contract amount	¥3,170,396	¥1,983,269	¥2,828,137	$19,829
					Over 1 year	3,262	47,768	35,459	20
					Fair value	(70,065)	7,802	(97,709)	(438)
					Net gains (losses)	(70,065)	7,802	(97,709)	(438)
				Euro / ¥	Contract amount	525,460	429,550	376,518	3,286
					Over 1 year	4,266	18,587	14,320	26
					Fair value	(7,769)	(4,795)	(8,850)	(48)
					Net gains (losses)	(7,769)	(4,795)	(8,850)	(48)
				British pound / ¥	Contract amount	837,369	755,119	732,365	5,237
					Over 1 year	–	–	–	–
					Fair value	(6,082)	(536)	(29,716)	(38)
					Net gains (losses)	(6,082)	(536)	(29,716)	(38)
				Australian dollar / ¥	Contract amount	394,395	397,806	461,261	2,466
					Over 1 year	–	–	–	–
					Fair value	(6,202)	4,198	(6,856)	(38)
					Net gains (losses)	(6,202)	4,198	(6,856)	(38)
				Others	Contract amount	902,854	147,068	134,359	5,647
					Over 1 year	–	–	–	–
					Fair value	8,118	793	(2,669)	50
					Net gains (losses)	8,118	793	(2,669)	50
			Subtotal		**Contract amount**	**5,830,475**	**3,712,814**	**4,532,642**	**36,467**
					Over 1 year	**7,528**	**66,355**	**49,780**	**47**
					Fair value	**(82,001)**	**7,462**	**(145,802)**	**(512)**
					Net gains (losses)	**(82,001)**	**7,462**	**(145,802)**	**(512)**
		Purchased		U.S. dollar / ¥	Contract amount	2,789,255	2,171,084	3,220,926	17,445
					Over 1 year	–	–	–	–
					Fair value	90,015	(7,674)	105,018	563
					Net gains (losses)	90,015	(7,674)	105,018	563
				Euro / ¥	Contract amount	137,260	108,231	80,648	858
					Over 1 year	–	–	–	–
					Fair value	(282)	(317)	64	(1)
					Net gains (losses)	(282)	(317)	64	(1)
				Others	Contract amount	939,447	522,174	578,858	5,875
					Over 1 year	–	–	–	–
					Fair value	(2,401)	(1,059)	3,808	(15)
					Net gains (losses)	(2,401)	(1,059)	3,808	(15)
			Subtotal		**Contract amount**	**3,865,963**	**2,801,491**	**3,880,433**	**24,180**
					Over 1 year	–	–	–	–
					Fair value	**87,331**	**(9,050)**	**108,892**	**546**
					Net gains (losses)	**87,331**	**(9,050)**	**108,892**	**546**
	Currency option	**Sold**	**Call**	U.S. dollar	Contract amount	50,926	4,572	47,890	318
						[550]	[73]	[331]	[3]
					Over 1 year	–	–	–	–
						[–]	[–]	[–]	[–]
					Fair value	517	38	676	3
					Net gains (losses)	32	34	(344)	0

As of March 31				Millions of Yen 2026	2025	2024	Millions of U.S. Dollars 2026
		Euro	Contract amount	–	–	9,597	–
				[–]	[–]	[123]	[–]
			Over 1 year	–	–	–	–
				[–]	[–]	[–]	[–]
			Fair value	–	–	213	–
			Net gains (losses)	–	–	(90)	–
		Subtotal	**Contract amount**	**50,926**	**4,572**	**57,487**	**318**
				[550]	**[73]**	**[454]**	**[3]**
			Over 1 year	**–**	**–**	**–**	**–**
				[–]	**[–]**	**[–]**	**[–]**
			Fair value	**517**	**38**	**889**	**3**
			Net gains (losses)	**32**	**34**	**(435)**	**0**
	Put	U.S. dollar	Contract amount	–	–	–	–
				[–]	[–]	[–]	[–]
			Over 1 year	–	–	–	–
				[–]	[–]	[–]	[–]
			Fair value	–	–	–	–
			Net gains (losses)	–	–	–	–
		Subtotal	**Contract amount**	**–**	**–**	**–**	**–**
				[–]	**[–]**	**[–]**	**[–]**
			Over 1 year	**–**	**–**	**–**	**–**
				[–]	**[–]**	**[–]**	**[–]**
			Fair value	–	–	–	–
			Net gains (losses)	–	–	–	–
	Purchased	**Call** U.S. dollar	Contract amount	[–]	[–]	[–]	[–]
			Over 1 year	**[–]**	**[–]**	**[–]**	**[–]**
			Fair value	–	–	–	–
			Net gains (losses)	–	–	–	–
		Subtotal	**Contract amount**	**[–]**	**[–]**	**[–]**	**[–]**
			Over 1 year	**[–]**	**[–]**	**[–]**	**[–]**
			Fair value	–	–	–	–
			Net gains (losses)	–	–	–	–
		Put U.S. dollar	Contract amount	47,590	97,926	120,656	297
				[550]	[1,316]	[943]	[3]
			Over 1 year	–	–	–	–
				[–]	[–]	[–]	[–]
			Fair value	10	92	118	0
			Net gains (losses)	(539)	(1,224)	(824)	(3)
		Euro	Contract amount	–	–	9,408	–
				[–]	[–]	[123]	[–]
			Over 1 year	–	–	–	–
				[–]	[–]	[–]	[–]
			Fair value	–	–	27	–
			Net gains (losses)	–	–	(95)	–
		Subtotal	**Contract amount**	**47,590**	**97,926**	**130,065**	**297**
				[550]	**[1,316]**	**[1,066]**	**[3]**
			Over 1 year	**–**	**–**	**–**	**–**
				[–]	**[–]**	**[–]**	**[–]**
			Fair value	**10**	**92**	**145**	**0**
			Net gains (losses)	**(539)**	**(1,224)**	**(920)**	**(3)**
	Currency swaps	U.S. dollar paid / ¥ received	Contract amount	283,949	245,076	199,465	1,776
			Over 1 year	251,814	209,668	171,237	1,575
			Fair value	(25,425)	(16,818)	(26,790)	(159)
			Net gains (losses)	(25,425)	(16,818)	(26,790)	(159)
		Euro paid / ¥ received	Contract amount	179,738	126,578	88,820	1,124
			Over 1 year	168,850	114,907	86,930	1,056
			Fair value	(20,578)	(7,052)	(7,028)	(128)
			Net gains (losses)	(20,578)	(7,052)	(7,028)	(128)

As of March 31				Millions of Yen 2026	2025	2024	Millions of U.S. Dollars 2026
		AU$ paid / ¥		97,427	70,181	–	609
		received Contract	Over 1 year	89,492	70,181	–	559
		amount	Fair value	(11,265)	2,549	–	(70)
			Net gains (losses)	(11,265)	2,549	–	(70)
		U.S. dollar paid /	Contract amount	67,946	51,429	52,011	424
		AU$ received	Over 1 year	64,400	40,839	47,501	402
			Fair value	1,472	(3,996)	(223)	9
			Net gains (losses)	1,472	(3,996)	(223)	9
		Others	Contract amount	98,913	39,883	66,126	618
			Over 1 year	95,261	37,784	63,526	595
			Fair value	9,185	1,449	2,558	57
			Net gains (losses)	9,185	1,449	2,558	57
		Subtotal	**Contract amount**	**727,975**	**561,543**	**441,981**	**4,553**
			Over 1 year	**669,818**	**501,775**	**404,754**	**4,189**
			Fair value	**(46,611)**	**(20,222)**	**(26,742)**	**(291)**
			Net gains (losses)	**(46,611)**	**(20,222)**	**(26,742)**	**(291)**
	Others	Total returns	Contract amount	–	–	–	–
			Over 1 year	–	–	–	–
			Fair value	–	–	–	–
			Net gains (losses)	–	–	–	–
		Subtotal	**Contract amount**	–	–	–	–
			Over 1 year	–	–	–	–
			Fair value	–	–	–	–
			Net gains (losses)	–	–	–	–
Total			**Net gains (losses)**	**¥ (41,789)**	**¥ (23,000)**	**¥ (65,008)**	**$ (261)**

Notes: 1. Brackets show option premiums recorded in the consolidated balance sheets.

2. Amounts in "Net gains (losses)" column are represented in fair value for forward transactions, swap transactions and others, and the difference between option premiums and fair value for options transactions.

3. "Others" under foreign exchange forward contracts include foreign exchange forward contracts between currencies not listed in the table and yen as well as foreign exchange forward contracts between foreign currencies, including currencies listed in the table. "Others" for the fiscal year ended March 31, 2026 mostly consist of foreign exchange forward contracts between foreign currencies held by Resolution Life Group Holdings Ltd. and Nippon Life Australia and New Zealand NOHC Pty Ltd.

c. Equity-related

As of March 31					Millions of Yen 2026	Millions of Yen 2025	Millions of Yen 2024	Millions of U.S. Dollars 2026
Exchange-traded	**Equity index futures**	**Sold**		Contract amount	¥21,160	¥2,833	¥5,647	$132
				Over 1 year	–	–	–	–
				Fair value	526	(12)	(97)	3
				Net gains (losses)	526	(12)	(97)	3
		Purchased		Contract amount	76,814	61,953	141,316	480
				Over 1 year	–	–	–	–
				Fair value	(1,296)	(491)	2,680	(8)
				Net gains (losses)	(1,296)	(491)	2,680	(8)
	Equity index options	**Purchased**	**Call**	Contract amount	239,068	–	–	1,495
					[11,142]	[–]	[–]	[69]
				Over 1 year	–	–	–	–
					[–]	[–]	[–]	[–]
				Fair value	11,669	–	–	72
				Net gains (losses)	527	–	–	3
			Put	Contract amount	143,501	–	318,111	897
					[6,460]	[–]	[701]	[40]
				Over 1 year	–	–	–	–
					[–]	[–]	[–]	[–]
				Fair value	5,051	–	18	31
				Net gains (losses)	(1,409)	–	(683)	(8)
Over-the-counter	**Equity index forward contracts**	**Sold**		Contract amount	–	–	–	–
				Over 1 year	–	–	–	–
				Fair value	–	–	–	–
				Net gains (losses)	–	–	–	–
		Purchased		Contract amount	–	–	54,309	–
				Over 1 year	–	–	24,953	–
				Fair value	–	–	(670)	–
				Net gains (losses)	–	–	(670)	–
	Equity index options	**Sold**	**Call**	Contract amount	184,212	–	–	1,152
					[9,251]	[–]	[–]	[57]
				Over 1 year	2,634	–	–	16
					[910]	[–]	[–]	[5]
				Fair value	14,193	–	–	88
				Net gains (losses)	(4,941)	–	–	(30)
		Purchased	**Call**	Contract amount	374,323	14,816	15,047	2,341
					[56,181]	[1,419]	[1,374]	[351]
				Over 1 year	120,722	–	–	755
					[26,009]	[–]	[–]	[162]
				Fair value	89,277	683	3,108	558
				Net gains (losses)	33,096	(735)	1,733	207
			Put	Contract amount	–	–	164,828	–
					[–]	[–]	[925]	[–]
				Over 1 year	–	–	–	–
					[–]	[–]	[–]	[–]
				Fair value	–	–	0	–
				Net gains (losses)	–	–	(924)	–
Total				**Net gains (losses)**	**¥26,502**	**¥(1,239)**	**¥2,038**	**$165**

Notes: 1. Brackets show option premiums recorded in the consolidated balance sheets.

2. Amounts in "Net gains (losses)" column are represented in fair value for futures and forward transactions, and the difference between option premiums and fair value for options transactions.

d. Bond-related

As of March 31	Millions of Yen										Millions of U.S. Dollars			
	2026				2025				2024		2026			
	Contract amount				Contract amount				Contract amount			Contract amount		
		Over 1 year	Fair value	Net gains (losses)		Over 1 year	Fair value	Net gains (losses)		Over 1 year	Fair value	Net gains (losses)	Over 1 year	Fair value	Net gains (losses)
Exchange-traded:															
Japanese yen-denominated bond futures															
Sold	¥ 3,652	¥ –	¥ 3	¥ 3	¥ 4,961	¥ –	¥ (21)	¥ (21)	¥ 74,456	¥ –	¥ 18	¥ 18	$ 22	$ –	$ 0	$ 0
Purchased	32,386	–	(329)	(329)	8,295	–	8	8	–	–	–	–	202	–	(2)	(2)
Foreign currency-denominated bond futures																
Sold	181,537	–	627	627	103,684	–	(521)	(521)	78,498	–	914	914	1,135	–	3	3
Purchased	668,212	–	(579)	(579)	73,221	–	302	302	172,900	–	(428)	(428)	4,179	–	(3)	(3)
Bond futures options																
Sold																
Call	17,970	–	108	(2)	–	–	–	–	–	–	–	–	112	–	0	(0)
	[106]	[–]			[–]	[–]			[–]	[–]			[0]	[–]		
Put	22,907	–	77	28	–	–	–	–	–	–	–	–	143	–	0	0
	[106]	[–]			[–]	[–]			[–]	[–]			[0]	[–]		
Purchased																
Call	36,992	–	221	5	–	–	–	–	–	–	–	–	231	–	1	0
	[216]	[–]			[–]	[–]			[–]	[–]			[1]	[–]		
Put	811	–	5	1	–	–	–	–	–	–	–	–	5	–	0	0
	[4]	[–]			[–]	[–]			[–]	[–]			[0]	[–]		
Over-the-counter transactions																
Bond purchases and sales with attached options																
Purchased																
Call	25,929	25,929	4	(2,922)	31,433	31,433	94	(2,832)	92,670	35,866	727	(5,132)	162	162	0	(18)
	[2,927]	[2,927]			[2,927]	[2,927]			[5,859]	[2,927]			[18]	[18]		
Bond forward transactions																
Purchased	490,619	490,619	(25,754)	(25,754)	–	–	–	–	–	–	–	–	3,068	3,068	(161)	(161)
Total				¥(28,923)				¥ (3,063)				¥(4,627)				$(180)

Notes: 1. Brackets show option premiums recorded in the consolidated balance sheets.

2. Net gains (losses) represent the fair value for futures transactions and forward transactions, and the difference between option premiums and fair value for option transactions.

e. Others

As of March 31	Millions of Yen												Millions of U.S. Dollars			
	2026				2025				2024				2026			
	Contract amount				Contract amount				Contract amount				Contract amount			
		Over 1 year	Fair value	Net gains (losses)		Over 1 year	Fair value	Net gains (losses)		Over 1 year	Fair value	Net gains (losses)		Over 1 year	Fair value	Net gains (losses)
Over-the-counter:																
Multi-asset index options																
Sold																
Call	¥ –	¥ –	¥ –	¥ –	¥ –	¥ –	¥ –	¥ –	¥ –	¥ –	¥ –	¥ –	¥ –	¥ –	¥ –	¥ –
	[–]	[–]			[–]	[–]			[–]	[–]			[–]	[–]		
Put	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	[–]	[–]			[–]	[–]			[–]	[–]			[–]	[–]		
Purchased																
Call	18,564	–	200	(31)	14,087	–	40	(148)	2,576	–	23	(10)	116	–	1	(0)
	[232]	[–]			[189]	[–]			[34]	[–]			[0]	[–]		
Put	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	[–]	[–]			[–]	[–]			[–]	[–]			[–]	[–]		
Credit default swaps																
Sold	341,441	305,980	4,116	4,116	346,668	229,516	2,493	2,493	345,846	287,462	4,769	4,769	2,135	1,913	25	25
Purchased	26,328	15,191	(556)	(556)	14,874	10,022	(178)	(178)	13,513	779	(167)	(167)	164	95	(3)	(3)
Others																
Total return swap	18,944	18,944	8	8	–	–	–	–	–	–	–	–	118	118	0	0
Portfolio asset swap	729,153	729,153	(80,589)	(80,589)	–	–	–	–	–	–	–	–	4,560	4,560	(504)	(504)
Total				¥(77,053)				¥2,166				¥4,590				$(481)

Notes: 1. Brackets show option premiums recorded in the consolidated balance sheets.

2. Amounts in "Net gains (losses)" column are represented in fair value for futures transactions, and the difference between option premiums and fair value for options transactions.

ii) Hedge accounting applied

a. Interest rate-related

As of March 31	Millions of Yen									Millions of U.S. Dollars		
	2026			2025			2024			2026		
	Contract amount			Contract amount			Contract amount			Contract amount		
		Over 1 year	Fair value		Over 1 year	Fair value		Over 1 year	Fair value		Over 1 year	Fair value
Over-the-counter:												
Deferred hedge accounting (main hedged items: insurance liabilities):												
Interest rate swaps												
Receive fixed interest rate / pay variable interest rate	¥3,616,726	¥3,616,726	¥(659,887)	¥3,950,464	¥3,950,464	¥(465,552)	¥3,300,600	¥3,300,600	¥(313,037)	$22,621	$22,621	$(4,127)
Deferred hedge accounting (main hedged items: Floating Rate Assets):												
Interest rate swaps												
Receive fixed interest rate / pay variable interest rate	313,120	313,120	5,107	–	–	–	–	–	–	1,958	1,958	31

b. Currency-related

As of March 31							Millions of Yen 2026	Millions of Yen 2025	Millions of Yen 2024	Millions of U.S. Dollars 2026
Over-the-counter	**Fair value hedge accounting**	**Foreign exchange forward contracts**	**Sold**	U.S. dollar / ¥	**Foreign currency-denominated bonds (main hedged items)**	Contract amount	¥4,085,585	¥3,787,549	¥3,698,046	$25,554
						Over 1 year	–	–	–	–
						Fair value	(131,630)	34,845	(92,651)	(823)
				Euro / ¥		Contract amount	1,706,434	1,148,190	1,146,778	10,673
						Over 1 year	–	–	–	–
						Fair value	(2,368)	(26,510)	(34,857)	(14)
				Others		Contract amount	402,329	178,902	201,013	2,516
						Over 1 year	–	–	–	–
						Fair value	(11,031)	838	(4,779)	(68)
				Total		**Contract amount**	**6,194,349**	**5,114,643**	**5,045,838**	**38,743**
						Over 1 year	**–**	**–**	**–**	**–**
						Fair value	**(145,030)**	**9,172**	**(132,289)**	**(907)**
		Currency option	**Sold**	**Call** U.S. dollar / ¥		Contract amount	34,072	159,735	–	213
							[634]	[2,936]	[–]	[3]
						Over 1 year	–	–	–	–
							[–]	[–]	[–]	[–]
						Fair value	1,062	1,193	–	6
						Net gains (losses)	(427)	1,743	–	(2)
				Australian dollar / ¥		Contract amount	13,581	55,958	–	84
							[236]	[1,070]	[–]	[1]
						Over 1 year	–	–	–	–
							[–]	[–]	[–]	[–]
						Fair value	1,230	330	–	7
						Net gains (losses)	(993)	740	–	(6)
				Total		Contract amount	47,653	215,693	–	298
							[871]	[4,007]	[–]	[5]
						Over 1 year	–	–	–	–
							[–]	[–]	[–]	[–]
						Fair value	2,292	1,523	–	14
						Net gains (losses)	(1,420)	2,483	–	(8)
			Purchased	Put U.S. dollar		Contract amount	34,072	159,735	–	213
							[634]	[2,936]	[–]	[3]
						Over 1 year	–	–	–	–
							[–]	[–]	[–]	[–]
						Fair value	99	2,541	–	0
						Net gains (losses)	(534)	(395)	–	(3)
				Australian dollar		Contract amount	13,581	55,958	–	84
							[236]	[1,070]	[–]	[1]
						Over 1 year	–	–	–	–
							[–]	[–]	[–]	[–]
						Fair value	1	790	–	0
						Net gains (losses)	(235)	(280)	–	(1)
				Total		**Contract amount**	**47,653**	**215,693**	**–**	**298**
							[871]	**[4,007]**	**[–]**	**[5]**
						Over 1 year	–	–	**–**	–
							[0]	[–]	**[–]**	**[0]**
						Fair value	**101**	**3,331**	–	**0**

As of March 31						Millions of Yen 2026	2025	2024	Millions of U.S. Dollars 2026
					Net gains (losses)	(770)	(675)	–	(4)
Deferred hedge accounting	Foreign exchange forward contracts	Sold	U.S. dollar	Investment trust (main hedged items)	Contract amount	471	668	916	2
					Over 1 year	–	–	–	–
					Fair value	(22)	14	(10)	(0)
			Total		Contract amount	471	668	916	2
					Over 1 year	–	–	–	–
					Fair value	(22)	14	(10)	(0)
		Purchased	U.S. dollar		Contract amount	–	225,089	–	–
					Over 1 year	–	–	–	–
					Fair value	–	(809)	–	–
			Total		Contract amount	–	225,089	–	–
					Over 1 year	–	–	–	–
					Fair value	–	(809)	–	–
	Currency swaps		U.S. dollar paid / ¥ received	Foreign currency-denominated bonds (main hedged items)	Contract amount	3,711,996	4,012,499	4,259,166	23,217
					Over 1 year	3,413,114	3,779,331	4,180,570	21,347
					Fair value	(1,393,676)	(1,054,939)	(899,591)	(8,717)
			€ paid / ¥ received		Contract amount	1,347,925	1,279,451	1,384,402	8,430
					Over 1 year	1,268,785	1,178,217	1,342,874	7,935
					Fair value	(482,604)	(309,230)	(273,121)	(3,018)
			Others		Contract amount	464,311	458,849	557,982	2,904
					Over 1 year	457,374	454,365	491,927	2,860
					Fair value	(167,096)	(94,332)	(97,873)	(1,045)
			Total		**Contract amount**	**5,524,233**	**5,750,801**	**6,201,551**	**34,552**
					Over 1 year	**5,139,274**	**5,411,914**	**6,015,372**	**32,144**
					Fair value	**(2,043,377)**	**(1,458,503)**	**(1,270,586)**	**(12,780)**
	Currency swaps		¥ paid / U.S. dollar received	Forecasted transactions of foreign currency-denominated corporate bonds (liabilities)	Contract amount	175,472	–	–	1,097
					Over 1 year	–	–	–	–
					Fair value	444	–	–	2
			Total		**Contract amount**	**175,472**	**–**	**–**	**1,097**
					Over 1 year	**–**	**–**	**–**	**–**
					Fair value	**444**	**–**	**–**	**2**

Notes: 1. Brackets show option premiums recorded in the consolidated balance sheets.

2. Amounts in "Net gains (losses)" column are represented in fair value for forward transactions and swap transactions, and the difference between option premiums and fair value for options transactions.

c. Equity-related

As of March 31	2026		2025		Millions of Yen 2024		Millions of U.S. Dollars 2026	
	Contract amount		Contract amount		Contract amount		Contract amount	
	Over 1 year	Fair value	Over 1 year	Fair value	Over 1 year	Fair value	Over 1 year	Fair value
Over-the-counter:								
Fair value hedge accounting (main hedged items: domestic stocks):								
Equity forward contracts:								
Sold	¥–	¥–	¥–	¥27,832	¥–	¥173	$–	$–
	¥32,717	¥–	¥(3,182)				$–	$–

d. Bond-related

No ending balance as of March 31, 2026, 2025 and 2024.

e. Others

No ending balance as of March 31, 2026, 2025 and 2024.

11. Disclosures about Fair Value of Investment and Rental Properties

The consolidated balance sheet amounts for investment and rental properties were ¥1,314,177 million (U.S. $8,219 million), ¥1,340,339 million and ¥1,342,372 million, with a fair

value of ¥1,978,860 million (U.S. $12,377 million), ¥1,965,382 million, and ¥1,933,539 million as of March 31, 2026, 2025 and 2024, respectively. The Company and certain consolidated subsidiaries own rental office buildings and commercial facilities, the fair value of which at year-end is the amount measured based mainly on the "Real Estate Appraisal Standards." The amounts corresponding to asset retirement obligations that were included in the consolidated balance sheet amounts of investment and rental properties were ¥4,833 million (U.S. $30 million), 4,959 million and ¥5,066 million as of March 31, 2026, 2025 and 2024, respectively.

12. Securities Loaned and Borrowed

The amounts of securities lent under lending agreements were ¥2,401,934 million (U.S. $15,023 million), ¥2,270,712 million and ¥2,062,186 million as of March 31, 2026, 2025 and 2024, respectively.

Assets that can be sold or resecured are marketable securities borrowed under lending agreements. These assets were held without being sold or resecured and totaled ¥139,749 million (U.S. $874 million), ¥146,141 million and ¥148,977 million at fair value as of March 31, 2026, 2025 and 2024, respectively.

13. Accumulated Depreciation

The amounts of accumulated depreciation of tangible fixed assets were ¥1,440,327 million (U.S. $9,008 million), ¥1,406,554 million and ¥1,310,933 million as of March 31, 2026, 2025 and 2024, respectively.

14. Separate Accounts

Separate account assets as provided for in Article 118, Paragraph 1 of the Insurance Business Act were ¥1,377,672 million (U.S. $8,616 million), ¥1,381,881 million and ¥1,481,606 million as of March 31, 2026, 2025 and 2024, respectively, and a corresponding liability is recorded in the same amount. These amounts are recorded on the consolidated balance sheet as separate account assets and separate account liabilities.

15. Reserve for Dividends to Policyholders (mutual company)

A reserve for dividends to policyholders (mutual company) is recognized to reserve dividends to policyholders of the parent company, which is a mutual company.

Changes in the reserve for dividends to policyholders (mutual company) for the fiscal years ended March 31, 2026, 2025 and 2024, were as follows:

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Balance at the beginning of the fiscal year	¥1,126,878	¥1,088,964	¥1,071,945	$ 7,048
Transfer to reserve from surplus in the previous fiscal year	291,689	264,517	181,910	1,824
Dividends paid to policyholders during the fiscal year	(265,257)	(247,252)	(185,866)	(1,659)
Increase in interest	20,972	20,648	20,975	131
Balance at the end of the fiscal year	¥1,174,282	¥1,126,878	¥1,088,964	$ 7,344

16. Reserve for Dividends to Policyholders (limited company)

A reserve for dividends to policyholders (limited company) is recognized to reserve dividends to policyholders of subsidiaries, which are limited companies.

Changes in the reserve for dividends to policyholders (limited company) for the fiscal years ended March 31, 2026, 2025 and 2024, were as follows:

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Balance at the beginning of the fiscal year	¥ 43,740	¥ 46,477	¥ 51,046	$273
Dividends paid to policyholders during the fiscal year	(13,710)	(14,644)	(16,382)	(85)
Increase in interest	558	6	7	3
Provision for reserve for dividends to policyholders (limited company)	11,060	11,901	11,805	69
Increase due to the change in scope of consolidation	11,992	–	–	75
Foreign currency translation adjustments	294	–	–	1
Balance at the end of the fiscal year	¥ 53,934	¥ 43,740	¥ 46,477	$337

17. Corporate Bonds

Corporate bonds within liabilities are subordinated corporate bonds with special provisions that subordinate the fulfillment of obligations on the bonds to all other debt obligations.

The corporate bonds issued by the Company are callable at the discretion of the issuer, subject to the pre-approval of the regulatory authorities and other conditions.

The issue dates and callable dates of the subordinated corporate bonds are as follows:

Balance as of March 31, 2026, 2025 and 2024

Issuer	Bond	Issue date	Millions of Yen			Millions of U.S. dollars	Collateral	Maturity	Callable dates
			2026	2025	2024	2026			
Nippon Life	U.S. dollar-denominated subordinated corporate bonds	October 2014	– –	– –	242,550 ($2,250 million)	–	None	October 2044	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	U.S. dollar-denominated subordinated corporate bonds	January 2016	– –	176,235 ($1,500 million)	176,235 ($1,500 million)	–	None	January 2046	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	U.S. dollar-denominated subordinated corporate bonds	September 2017	88,064 ($800 million)	88,064 ($800 million)	88,064 ($800 million)	550	None	September 2047	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	U.S. dollar-denominated subordinated corporate bonds	January 2020	126,431 ($1,150 million)	126,431 ($1,150 million)	126,431 ($1,150 million)	790	None	January 2050	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	U.S. dollar-denominated subordinated corporate bonds	January 2021	166,192 ($1,600 million)	166,192 ($1,600 million)	166,192 ($1,600 million)	1,039	None	January 2051	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	U.S. dollar-denominated subordinated corporate bonds	September 2021	98,793 ($900 million)	98,793 ($900 million)	98,793 ($900 million)	617	None	September 2051	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter

Issuer	Bond	Issue date	Millions of Yen			Millions of U.S. dollars	Collateral	Maturity	Callable dates
			2026	2025	2024	2026			
Nippon Life	U.S. dollar-denominated subordinated corporate bonds	September 2023	137,454 ($930 million)	137,454 ($930 million)	137,454 ($930 million)	859	None	September 2053	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	U.S. dollar-denominated subordinated corporate bonds	April 2024	200,217 ($1,320 million)	200,217 ($1,320 million)	– –	1,252	None	April 2054	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	Euro-denominated subordinated corporate bonds	January 2025	80,155 (€500 million)	80,155 (€500 million)	– –	501	None	January 2055	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	U.S. dollar-denominated subordinated corporate bonds	April 2025	214,155 ($1,500 million)	– –	– –	1,339	None	April 2055	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	Euro-denominated subordinated corporate bonds	September 2025	85,975 (€500 million)	– –	– –	537	None	September 2055	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	Subordinated corporate bonds	April 2015	–	75,000	75,000	–	None	April 2045	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	Subordinated corporate bonds	April 2016	70,000	70,000	70,000	437	None	April 2046	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	Subordinated corporate bonds	April 2016	30,000	30,000	30,000	187	None	April 2051	Fifteenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	Subordinated corporate bonds	November 2016	75,000	75,000	75,000	469	None	November 2046	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	Subordinated corporate bonds	November 2016	15,000	15,000	15,000	93	None	November 2051	Fifteenth anniversary date after the issue date and on each fifth anniversary date thereafter

Balance as of March 31, 2026, 2025 and 2024

Issuer	Bond	Issue date	Millions of Yen			Millions of U.S. dollars	Collateral	Maturity	Callable dates
			2026	2025	2024	2026			
Nippon Life	Subordinated corporate bonds	April 2017	100,000	100,000	100,000	625	None	April 2047	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Taiju Life	Subordinated corporate bonds	July 2016	50,000	50,000	50,000	312	None	July 2046	Each interest payment date on or after July 2026
Taiju Life	Subordinated corporate bonds	July 2021	40,000	40,000	40,000	250	None	July 2051	Each interest payment date on or after July 2026
Nippon Wealth Life	Perpetual subordinated corporate bond	December 2015	–	17,600	17,600	–	None	No maturity date	Tenth anniversary date after the issue date and on each half anniversary date thereafter
Nippon Wealth Life	Perpetual subordinated corporate bond	February 2017	5,700	5,700	5,700	35	None	No maturity date	Tenth anniversary date after the issue date and on each half anniversary date thereafter
Nippon Wealth Life	Perpetual subordinated corporate bond	February 2017	2,300	2,300	2,300	14	None	No maturity date	Fifteenth anniversary date after the issue date and on each half anniversary date thereafter
Resolution Life	U.S. dollar-denominated subordinated corporate bonds	July 2024	89,124 ($569 million)	– –	– –	557	None	July 2031	Each interest payment date after April 17, 2031 (excluding July 17, 2031)

Issuer	Bond	Issue date	Millions of Yen			Millions of U.S. dollars	Collateral	Maturity	Callable dates
			2026	2025	2024	2026			
Resolution Life	U.S. dollar-denominated subordinated corporate bonds	July 2025	126,063 ($805 million)	– –	– –	788	None	July 2035	Each interest payment date after January 2, 2035 (excluding July 2, 2035)
Resolution Life	U.S. dollar-denominated subordinated corporate bonds	January 2021	19,257 ($123 million)	– –	– –	120	None	January 2036	Each interest payment date after January 4, 2026
Resolution Life	U.S. dollar-denominated perpetual subordinated corporate bond	November 2025	115,796 ($740 million)	– –	– –	724	None	No maturity date	Each interest payment date after November 19, 2032
Total			¥1,935,676	¥1,554,141	¥1,516,319	$12,107			

1. Figures enclosed in parentheses for the balances as of March 31, 2026, 2025 and 2024 are the balances in foreign currencies.

2. "Furiate-shori" for currency swaps are applied to hedge the cash flow volatility caused by foreign exchange rate fluctuations on U.S. dollar-denominated and euro-denominated subordinated corporate bonds.

18. Other Liabilities

Other liabilities include subordinated loans payable of ¥1,124,976 million (U.S. $7,036 million), ¥1,086,000 million and ¥1,011,000 million as of March 31, 2026, 2025 and 2024, respectively, which are subordinate to the fulfillment of all other debt obligations.

Balance as of March 31, 2026, 2025 and 2024

Issuer	Loan	Issue date	Millions of Yen			Millions of U.S. dollars	Collateral	Maturity	Callable dates
			2026	2025	2024	2026			
Nippon Life	Subordinated corporate loans	April 2018	¥ 100,000	¥ 100,000	¥ 100,000	$ 625	None	April 2048	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	Subordinated corporate loans	September 2018	120,000	120,000	120,000	750	None	September 2048	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	Subordinated corporate loans	April 2019	90,000	90,000	90,000	562	None	April 2049	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	Subordinated corporate loans	November 2019	80,000	80,000	80,000	500	None	November 2049	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	Subordinated corporate loans	September 2020	130,000	130,000	130,000	813	None	September 2050	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	Subordinated corporate loans	May 2021	200,000	200,000	200,000	1,250	None	May 2051	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	Subordinated corporate loans	May 2022	130,000	130,000	130,000	813	None	May 2052	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	Subordinated corporate loans	September 2022	71,000	71,000	71,000	444	None	September 2052	Fifth anniversary date after the issue date and on each fifth anniversary date thereafter
Nippon Life	Subordinated corporate loans	April 2023	80,000	80,000	80,000	500	None	April 2053	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter

Issuer	Loan	Issue date	Millions of Yen			Millions of U.S. dollars	Collateral	Maturity	Callable dates
			2026	2025	2024	2026			
Nippon Life	Subordinated corporate loans	July 2024	75,000	75,000	–	469	None	July 2054	Fifth anniversary date after the issue date and on each fifth anniversary date thereafter
Taiju Life	Subordinated corporate loans	August 2021	10,000	10,000	10,000	62	None	August 2051	Each interest payment date on or after August 2026 and on each fifth anniversary date thereafter
Resolution Life	U.S. dollar-denominated subordinated corporate loans	December 2025	38,976 ($249 million)	– –	– –	243	None	December 2030	Subject to Bermuda Monetary Authority approval where required under Bermuda Monetary Authority rules
Total			¥1,124,976	¥1,086,000	¥1,011,000	$7,036			

19. Net Defined Benefit Asset and Liability

(1) Summary of retirement benefit plans

The Company, in terms of defined benefit plans, has a defined benefit corporate pension plan and a lump-sum retirement payment plan for its non-sales managerial track, sales managerial track, etc. In terms of defined contribution plans, the Company has a defined contribution pension plan. The Company also has a defined benefit plan for sales representatives, etc., in the form of a lump-sum retirement payment plan and an in-house pension plan.

Some consolidated subsidiaries, in terms of mainly defined benefit plans, have a lump-sum retirement payment plan. In terms of defined contribution plans, some consolidated subsidiaries have a defined contribution pension plan.

(2) Defined benefit plan

1) Reconciliation of retirement benefit obligations at the beginning and end of the fiscal year

For the fiscal years ended March 31, 2026, 2025 and 2024

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Retirement benefit obligations at the beginning of the year	¥578,412	¥665,721	¥675,945	$3,617
Service costs	21,969	28,367	28,591	137
Interest cost	10,398	4,130	4,120	65
Actuarial losses accrued during the year	(39,403)	(83,049)	(2,275)	(246)
Retirement benefit payments	(41,845)	(41,684)	(40,784)	(261)
Prior service costs accrued during the year	(3,632)	(3,212)	—	(22)
Increase due to change in scope of consolidation	—	8,156	—	—
Others	192	(18)	123	1
Retirement benefit obligations at the end of the year	¥526,090	¥578,412	¥665,721	$3,290

2) Reconciliation of pension plan assets at the beginning and end of the fiscal year

For the fiscal years ended March 31, 2026, 2025 and 2024

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Pension plan assets at the beginning of the year	¥238,636	¥247,843	¥240,131	$1,492
Expected return on plan assets	3,561	3,156	3,066	22
Actuarial (losses) gains accrued during the year	8,511	(3,677)	13,331	53
Contributions by business proprietor	3,463	5,666	5,770	21
Retirement benefit payments	(13,911)	(14,325)	(14,520)	(87)
Others	(21)	(27)	62	0
Pension plan assets at the end of the year	¥240,239	¥238,636	¥247,843	$1,502

3) Reconciliation of net defined benefit liability at the beginning and end of the fiscal year under the simplified valuation method

For the fiscal years ended March 31, 2026, 2025 and 2024

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Net defined benefit liability at the beginning of the year	¥ 839	¥829	¥818	$ 5
Benefit costs	112	98	91	0
Retirement benefit payments	(267)	(88)	(80)	(1)
Net defined benefit liability at the end of the year	¥ 684	¥839	¥829	$ 4

4) Reconciliation of retirement benefit obligations, pension plan assets, net defined benefit asset and liability on the consolidated balance sheets

For the fiscal years ended March 31, 2026, 2025 and 2024

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Retirement benefit obligations for funded plans	¥ 153,326	¥ 162,381	¥ 237,347	$ 959
Pension plan assets	(240,239)	(238,636)	(247,843)	(1,502)
Subtotal	(86,912)	(76,254)	(10,496)	(543)
Retirement benefit obligations for nonfunded plans	373,448	416,870	429,203	2,335
Net liability (asset) arising from defined benefit obligation	¥ 286,535	¥ 340,615	¥ 418,707	$ 1,792
Net defined benefit liability	¥ 288,187	¥ 342,085	¥ 419,981	$ 1,802
Net defined benefit asset	(1,652)	(1,469)	(1,274)	(10)
Net liability (asset) arising from defined benefit obligation	¥ 286,535	¥ 340,615	¥ 418,707	$ 1,792

5) Losses (gains) relating to retirement benefits

For the fiscal years ended March 31, 2026, 2025 and 2024

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Service costs	¥ 21,969	¥28,367	¥28,591	$ 137
Interest cost	10,398	4,130	4,120	65
Expected return on plan assets	(3,561)	(3,156)	(3,066)	(22)
Amortization of actuarial losses for the period	(19,355)	805	4,891	(121)
Amortization of prior service costs for the period	(745)	(1,348)	(1,317)	(4)
Benefit cost under the simplified valuation method	112	98	91	0
Others	61	61	54	0
Benefit cost for defined benefit plans	¥ 8,878	¥28,958	¥33,364	$ 55

6) Breakdown of items included in other comprehensive income (before tax)

For the fiscal years ended March 31, 2026, 2025 and 2024

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Actuarial gains (losses)	¥28,724	¥80,051	¥20,498	$179
Prior service costs	2,886	1,863	(1,317)	18
Total	¥31,610	¥81,914	¥19,180	$197

7) Breakdown of items included in total accumulated other comprehensive income (before tax)

For the fiscal years ended March 31, 2026, 2025 and 2024

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Unrecognized actuarial losses	¥(117,908)	¥(89,054)	¥ (9,131)	$(737)
Unrecognized prior service costs	(6,067)	(3,181)	(1,317)	(37)
Total	¥(123,975)	¥(92,235)	¥(10,449)	$(775)

8) Pension plan assets consist of the following:

For the fiscal years ended March 31, 2026, 2025 and 2024

	2026	2025	2024
General account of Nippon Life	63.6%	63.2%	58.2%
Domestic stocks	15.4%	7.6%	10.2%
Bonds	12.0%	15.2%	15.7%
Foreign securities	6.9%	11.3%	14.9%
Cash and deposits	2.1%	2.7%	1.0%
Other	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%

9) Calculation method for long-term expected rate of return on plan assets To determine the long-term expected rate of return on pension plan assets, the Company and certain consolidated subsidiaries take into consideration present and forecasted allocation of the pension plan assets, and present and long-term rates of return that are expected from the portfolio of assets that comprise the pension plan assets.

10) Matters relating to the basis for actuarial calculations
The main items in the basis for actuarial calculations of the Company and certain consolidated subsidiaries as of March 31, 2026, 2025 and 2024, are as follows:

	2026	2025	2024
Discount rate	1.5-6.7%	0.6-7.2%	0.4-7.5%
Long-term expected rate of return on plan assets	1.4-6.7%	1.2-7.2%	1.2-7.5%

(3) Defined contribution plans

The Company and its consolidated subsidiaries contributed ¥7,380 million (U.S. $46 million), ¥5,859 million and ¥5,499 million to defined contribution plans during the fiscal years ended March 31, 2026, 2025 and 2024, respectively.

20. Foundation Funds

Foundation funds serve as the primary source of capital for Japanese mutual life insurance companies. These funds are similar to loans as interest payments, maturity dates, and other items must be established at the time of the offering. In the event of a bankruptcy or similar development, repayment of the principal and interest on foundation funds is subordinated to the repayment of amounts owed to ordinary creditors and insurance claims and benefit payments owed to policyholders. Upon redemption of foundation funds, mutual companies are required to make an addition to the reserve for redemption of foundation funds, which serves as retained earnings, equal to the amount redeemed. As a result, the full amount of foundation funds remains in net assets even after redemption. Foundation funds are therefore positioned as a mutual company's core capital, which is equivalent to the stated capital of a joint-stock company.

The Company redeemed ¥50,000 million of foundation funds and credited the same amount to the reserve for redemption of foundation funds as prescribed in Article 56 of the Insurance Business Act for the fiscal year ended March 31, 2025.

21. Pledged Assets

Assets pledged as collateral in the form of cash and deposits, investments in securities, and loans as of March 31, 2026, were ¥21,159 million (U.S. $132 million), ¥8,364,519 million (U.S. $52,317 million), and ¥240,070 million (U.S. $1,501 million), respectively. The total amount of liabilities covered by the aforementioned assets was ¥4,239,171 million (U.S. $26,514 million) as of March 31, 2026.

These amounts included ¥4,106,118 million (U.S. $25,682 million) of the sale of securities under repurchase agreements and ¥3,777,335 million (U.S. $23,626 million) of payables under repurchase agreements, as well as ¥113,162 million (U.S. $707 million) in securities pledged and ¥102,522 million (U.S. $641 million) in cash received as collateral under securities lending transactions secured with cash as of March 31, 2026.

Assets pledged as collateral in the form of investments in securities and lease receivables as of March 31, 2025, were ¥6,365,842 million and ¥3,995 million, respectively. The total amount of liabilities covered by the aforementioned assets was ¥3,162,794 million.

These amounts included ¥3,276,224 million of the sale of securities under repurchase agreements and ¥3,123,499 million of payables under repurchase agreements, as well as ¥38,159 million of securities pledged as collateral under securities lending transactions secured by cash and ¥35,714 million of cash collateral received, as of March 31, 2025.

Assets pledged as collateral in the form of cash and deposits, investments in securities, and lease receivables as of March 31, 2024, were ¥34 million, ¥5,931,580 million, and ¥4,089 million, respectively. The total amount of liabilities covered by the aforementioned assets was ¥3,426,902 million.

These amounts included ¥3,224,084 million of the sale of securities under repurchase agreements and ¥3,375,905 million of payables under repurchase agreements, as well as ¥52,137 million of securities pledged as collateral under securities lending transactions secured by cash and ¥45,662 million of cash collateral received, as of March 31, 2024.

22. Investments in Nonconsolidated Subsidiaries and Affiliates

The total amounts of stocks and investments in nonconsolidated subsidiaries and affiliates were ¥1,998,675 million (U.S. $12,501 million), ¥1,960,595 million and ¥1,063,843 million as of March 31, 2026, 2025 and 2024, respectively.

23. Stock Options

1) Stock option-related expenses and line items

	Millions of Yen			Millions of U.S. Dollars
	From April 1, 2025 to March 31, 2026	From April 1, 2024 to March 31, 2025	From April 1, 2023 to March 31, 2024	From April 1, 2025 to March 31, 2026
Operating expenses	¥739	¥771	¥131	$4

2) Gains related to the forfeiture of unexercised stock options and line items

	Millions of Yen			Millions of U.S. Dollars
	From April 1, 2025 to March 31, 2026	From April 1, 2024 to March 31, 2025	From April 1, 2023 to March 31, 2024	From April 1, 2025 to March 31, 2026
Gain on reversal of share acquisition rights	¥0	¥4	¥18	$0

3) Description of stock options

For the fiscal year ended March 31, 2026

	Nippon Life India Asset Management Limited			
	2023 Second Series of PSU Share Acquisition Rights	2023 Second Series of Share Acquisition Rights	2023 First Series of PSU Share Acquisition Rights	2023 First Series of Share Acquisition Rights
Title and number of grantees	Employees: 225	Representative Director: 1 Employees: 225	Employees: 184	Representative Director: 1 Employees: 184
Number of stock options granted by class of shares(*1)	Common shares: 416,972	Common shares: 1,723,149	Common shares: 753,350	Common shares: 2,877,566
Grant date	April 28, 2025	April 28, 2025	April 24, 2024	April 24, 2024
Vesting conditions	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted
Requisite service period	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied
Exercise period	From April 28, 2026, to April 27, 2032	From April 28, 2026, to April 27, 2032	From April 24, 2025, to April 23, 2031	From April 24, 2025, to April 23, 2031

	Nippon Life India Asset Management Limited		
	2019 Fourth Series of Share Acquisition Rights	2019 Third Series of Share Acquisition Rights	2019 Second Series of Share Acquisition Rights
Title and number of grantees	Employees: 1	Employees: 203	Representative Director: 1 Employees: 31
Number of stock options granted by class of shares(*1)	Common shares: 77,065	Common shares: 5,430,538	Common shares: 469,772
Grant date	August 7, 2021	July 19, 2021	June 10, 2020
Vesting conditions	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted

	Nippon Life India Asset Management Limited		
	2019 Fourth Series of Share Acquisition Rights	2019 Third Series of Share Acquisition Rights	2019 Second Series of Share Acquisition Rights
Requisite service period	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied
Exercise period	From August 7, 2022, to August 6, 2028	From July 19, 2022, to July 18, 2028	From June 10, 2021 to June 9, 2027

	Nippon Life India Asset Management Limited		
	2019 First Series of Share Acquisition Rights	2017 Third Series of Share Acquisition Rights	2017 Second Series of Share Acquisition Rights
Title and number of grantees	Representative Director: 1 Employees: 156	Representative Director: 1 Employees: 157	Representative Director: 1 Employees: 137
Number of stock options granted by class of shares(*1)	Common shares: 18,081,008	Common shares: 11,190,706	Common shares: 4,598,135
Grant date	Augst 1, 2019	April 29, 2019	April 25, 2018
Vesting conditions	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted
Requisite service period	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied
Exercise period	From August 1, 2020 to July 31, 2026	From April 29, 2020 to April 28, 2026	From April 25, 2019 to April 24, 2025

*(*1) The number of stock options granted has been converted into the number of shares.*

For the fiscal year ended March 31, 2025

	Nippon Life India Asset Management Limited		
	2023 First Series of PSU Share Acquisition Rights	2023 First Series of Share Acquisition Rights	2019 Fourth Series of Share Acquisition Rights
Title and number of grantees	Employees: 184	Representative Director: 1 Employees: 184	Employees: 1
Number of stock options granted by class of shares(*1)	Common shares: 753,350	Common shares: 2,877,566	Common shares: 77,065
Grant date	April 24, 2024	April 24, 2024	August 7, 2021
Vesting conditions	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted
Requisite service period	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied
Exercise period	From April 24, 2025, to April 23, 2031	From April 24, 2025, to April 23, 2031	From August 7, 2022, to August 6, 2028

	Nippon Life India Asset Management Limited		
	2019 Third Series of Share Acquisition Rights	2019 Second Series of Share Acquisition Rights	2019 First Series of Share Acquisition Rights
Title and number of grantees	Employees: 203	Representative Director: 1 Employees: 31	Representative Director: 1 Employees: 156
Number of stock options granted by class of shares(*1)	Common shares: 5,430,538	Common shares: 469,772	Common shares: 18,081,008
Grant date	July 19, 2021	June 10, 2020	Augst 1, 2019
Vesting conditions	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted
Requisite service period	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied
Exercise period	From July 19, 2022, to July 18, 2028	From June 10, 2021 to June 9, 2027	From August 1, 2020 to July 31, 2026

	Nippon Life India Asset Management Limited		
	2017 Third Series of Share Acquisition Rights	2017 Second Series of Share Acquisition Rights	2017 First Series of Share Acquisition Rights
Title and number of grantees	Representative Director: 1 Employees: 157	Representative Director: 1 Employees: 137	Representative Director: 1 Employees: 84
Number of stock options granted by class of shares(*1)	Common shares: 11,190,706	Common shares: 4,598,135	Common shares: 4,944,246
Grant date	April 29, 2019	April 25, 2018	August 8, 2017
Vesting conditions	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted(*2)
Requisite service period	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied
Exercise period	From April 29, 2020 to April 28, 2026	From April 25, 2019 to April 24, 2025	From August 8, 2018 to August 7, 2024

*(*1) The number of stock options granted has been converted into the number of shares.*

*(*2) The stock options granted to the representative director will vest after three years after the grant date.*

For the fiscal year ended March 31, 2024

	Nippon Life India Asset Management Limited			
	2019 Fourth Series of Share Acquisition Rights	2019 Third Series of Share Acquisition Rights	2019 Second Series of Share Acquisition Rights	2019 First Series of Share Acquisition Rights
Title and number of grantees	Employees: 1	Employees: 203	Representative Director: 1 Employees: 31	Representative Director: 1 Employees: 156
Number of stock options granted by class of shares(*1)	Common shares: 77,065	Common shares: 5,430,538	Common shares: 469,772	Common shares: 18,081,008
Grant date	August 7, 2021	July 19, 2021	June 10, 2020	Augst 1, 2019
Vesting conditions	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted

	Nippon Life India Asset Management Limited			
	2019 Fourth Series of Share Acquisition Rights	2019 Third Series of Share Acquisition Rights	2019 Second Series of Share Acquisition Rights	2019 First Series of Share Acquisition Rights
Requisite service period	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied
Exercise period	From August 7, 2022, to August 6, 2028	From July 19, 2022, to July 18, 2028	From June 10, 2021 to June 9, 2027	From August 1, 2020 to July 31, 2026

	Nippon Life India Asset Management Limited		
	2017 Third Series of Share Acquisition Rights	2017 Second Series of Share Acquisition Rights	2017 First Series of Share Acquisition Rights
Title and number of grantees	Representative Director: 1 Employees: 157	Representative Director: 1 Employees: 137	Representative Director: 1 Employees: 84
Number of stock options granted by class of shares(*1)	Common shares: 11,190,706	Common shares: 4,598,135	Common shares: 4,944,246
Grant date	April 29, 2019	April 25, 2018	August 8, 2017
Vesting conditions	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted	25% of the stock options are vested every year after being granted(*2)
Requisite service period	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied	From the grant date to the date when the vesting conditions are satisfied
Exercise period	From April 29, 2020 to April 28, 2026	From April 25, 2019 to April 24, 2025	From August 8, 2018 to August 7, 2024

*(*1) The number of stock options granted has been converted into the number of shares.*

*(*2) The stock options granted to the representative director will vest after three years after the grant date.*

4) Volume and changes in stock options

a. Number of stock options

For the fiscal year ended March 31, 2026

(Stock)

	Nippon Life India Asset Management Limited									
	2023 Second Series of PSU Share Acquisition Rights	2023 Second Series of Share Acquisition Rights	2023 First Series of PSU Share Acquisition Rights	2023 First Series of Share Acquisition Rights	2019 Fourth Series of Share Acquisition Rights	2019 Third Series of Share Acquisition Rights	2019 Second Series of Share Acquisition Rights	2019 First Series of Share Acquisition Rights	2017 Third Series of Share Acquisition Rights	2017 Second Series of Share Acquisition Rights
Before vesting										
As of March 31, 2025	–	–	721,052	2,804,579	19,267	941,469	–	–	–	–
Granted	416,972	1,723,149	–	–	–	–	–	–	–	–
Forfeited	19,987	72,211	49,438	155,468	–	46,462	–	–	–	–
Vested	–	–	172,809	677,534	19,267	895,007	–	–	–	–
Outstanding	396,985	1,650,938	498,805	1,971,577	–	–	–	–	–	–
After vesting										
As of March 31, 2025	–	–	–	–	15,266	2,155,221	238,404	10,690,469	2,092,126	3,380
Vested	–	–	172,809	677,534	19,267	895,007	–	–	–	–
Exercised	–	–	74,045	92,152	34,533	413,461	20,669	714,152	2,092,126	–
Forfeited	–	–	–	–	–	–	–	–	–	3,380
Exercisable	–	–	98,764	585,382	–	2,636,767	217,735	9,976,317	–	–

For the fiscal year ended March 31, 2025

(Stock)

	Nippon Life India Asset Management Limited								
	2023 First Series of PSU Share Acquisition Rights	2023 First Series of Share Acquisition Rights	2019 Fourth Series of Share Acquisition Rights	2019 Third Series of Share Acquisition Rights	2019 Second Series of Share Acquisition Rights	2019 First Series of Share Acquisition Rights	2017 Third Series of Share Acquisition Rights	2017 Second Series of Share Acquisition Rights	2017 First Series of Share Acquisition Rights
Before vesting									
As of March 31, 2024	–	–	38,533	2,111,222	92,448	–	–	–	–
Granted	753,350	2,877,566	–	–	–	–	–	–	–
Forfeited	32,298	72,987	–	179,496	1,831	–	–	–	–
Vested	–	–	19,266	990,257	90,617	–	–	–	–
Outstanding	721,052	2,804,579	19,267	941,469	–	–	–	–	–
After vesting									
As of March 31, 2024	–	–	38,532	1,800,968	221,501	11,471,812	3,221,111	1,231,996	266,720
Vested	–	–	19,266	990,257	90,617	–	–	–	–
Exercised	–	–	42,532	610,881	71,059	781,343	1,128,985	1,228,616	266,720
Forfeited	–	–	–	25,123	2,655	–	–	–	–
Exercisable	–	–	15,266	2,155,221	238,404	10,690,469	2,092,126	3,380	–

For the fiscal year ended March 31, 2024

(Stock)

	Nippon Life India Asset Management Limited						
	2019 Fourth Series of Share Acquisition Rights	2019 Third Series of Share Acquisition Rights	2019 Second Series of Share Acquisition Rights	2019 First Series of Share Acquisition Rights	2017 Third Series of Share Acquisition Rights	2017 Second Series of Share Acquisition Rights	2017 First Series of Share Acquisition Rights
Before vesting							
As of March 31, 2023	57,799	3,576,628	192,326	3,860,592	2,229,210	–	–
Granted	–	–	–	–	–	–	–
Forfeited	–	290,724	5,390	50,432	–	–	–
Vested	19,266	1,174,682	94,488	3,810,160	2,229,210	–	–
Outstanding	38,533	2,111,222	92,448	–	–	–	–
After vesting							
As of March 31, 2023	19,266	1,192,234	172,045	9,717,408	4,447,367	2,271,340	673,490
Vested	19,266	1,174,682	94,488	3,810,160	2,229,210	–	–
Exercised	–	450,766	36,630	1,856,048	3,156,925	949,042	373,875
Forfeited	–	115,182	8,402	199,708	298,541	90,302	32,895
Exercisable	38,532	1,800,968	221,501	11,471,812	3,221,111	1,231,996	266,720

b. Price information

For the fiscal year ended March 31, 2026

(Rupee)

	Nippon Life India Asset Management Limited									
	2023 Second Series of PSU Share Acquisition Rights	2023 Second Series of Share Acquisition Rights	2023 First Series of PSU Share Acquisition Rights	2023 First Series of Share Acquisition Rights	2019 Fourth Series of PSU Share Acquisition Rights	2019 Third Series of Share Acquisition Rights	2019 Second Series of Share Acquisition Rights	2019 First Series of Share Acquisition Rights	2017 Third Series of Share Acquisition Rights	2017 Second Series of Share Acquisition Rights
Exercise price	10.00	577.79	10.00	499.76	389.28	372.71	247.6	223.32	202.35	256.1
Average stock price when exercised	–	–	783.68	807.01	719.53	634.57	548.57	487.45	526.95	478.96
Fair value on the grant date	548.23	144.23	503.92	171.16	78.29	85.73	65.51	43.06	38.94	45.71

For the fiscal year ended March 31, 2025

(Rupee)

	Nippon Life India Asset Management Limited								
	2023 First Series of PSU Share Acquisition Rights	2013 First Series of Share Acquisition Rights	2019 Fourth Series of Share Acquisition Rights	2019 Third Series of Share Acquisition Rights	2019 Second Series of Share Acquisition Rights	2019 First Series of Share Acquisition Rights	2017 Third Series of Share Acquisition Rights	2017 Second Series of Share Acquisition Rights	2017 First Series of Share Acquisition Rights
Exercise price	10.00	499.76	389.28	372.71	247.60	223.32	202.35	256.10	204.25
Average stock price when exercised	–	–	648.61	563.85	509.54	434.16	435.56	478.96	414.18
Fair value on the grant date	503.92	171.16	78.29	85.73	65.51	43.06	38.94	45.71	10.82

For the fiscal year ended March 31, 2024

(Rupee)

	Nippon Life India Asset Management Limited						
	2019 Fourth Series of Share Acquisition Rights	2019 Third Series of Share Acquisition Rights	2019 Second Series of Share Acquisition Rights	2019 First Series of Share Acquisition Rights	2017 Third Series of Share Acquisition Rights	2017 Second Series of Share Acquisition Rights	2017 First Series of Share Acquisition Rights
Exercise price	389.28	372.71	247.60	223.32	202.35	256.10	204.25
Average stock price when exercised	–	478.10	409.38	401.90	396.52	401.66	388.80
Fair value on the grant date	78.29	85.73	65.51	43.06	38.94	45.71	10.82

5) Method of estimating fair valuation unit price of stock options

a. Method used

Black-Scholes option-pricing model

b. Principal parameters used in the option-pricing model and estimation method

For the fiscal year ended March 31, 2026

	Nippon Life India Asset Management Limited									
	2023 Second Series of PSU Share Acquisition Rights	2023 Second Series of Share Acquisition Rights	2023 First Series of PSU Share Acquisition Rights	2023 First Series of Share Acquisition Rights	2019 Fourth Series of Share Acquisition Rights	2019 Third Series of Share Acquisition Rights	2019 Second Series of Share Acquisition Rights	2019 First Series of Share Acquisition Rights	2017 Third Series of Share Acquisition Rights	2017 Second Series of Share Acquisition Rights
Expected volatility(*1)	15.34%	15.34%	18.49%	18.49%	12.92%	12.92%	16.17%	16.46%	16.66%	14.21%
Expected remaining life(*2)	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years
Expected dividend rates(*3)	2.83%	2.83%	2.82%	2.82%	2.01%	2.54%	1.98%	3.22%	2.97%	3.25%
Risk-free interest rate(*4)	6.05% to 6.14%	6.05% to 6.14%	7.08% to 7.09%	7.08% to 7.09%	5.48% to 5.98%	5.49% to 5.99%	4.37% to 4.88%	6.22% to 6.45%	6.32% to 6.55%	7.06% to 7.15%

For the fiscal year ended March 31, 2025

	Nippon Life India Asset Management Limited								
	2023 First Series of PSU Share Acquisition Rights	2023 First Series of Share Acquisition Rights	2019 Fourth Series of Share Acquisition Rights	2019 Third Series of Share Acquisition Rights	2019 Second Series of Share Acquisition Rights	2019 First Series of Share Acquisition Rights	2017 Third Series of Share Acquisition Rights	2017 Second Series of Share Acquisition Rights	2017 First Series of Share Acquisition Rights
Expected volatility(*1)	18.49%	18.49%	12.92%	12.92%	16.17%	16.46%	16.66%	14.21%	13.92% to 20.81%
Expected remaining life(*2)	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years
Expected dividend rates(*3)	2.82%	2.82%	2.01%	2.54%	1.98%	3.22%	2.97%	3.25%	3.09%
Risk-free interest rate(*4)	7.08% to 7.09%	7.08% to 7.09%	5.48% to 5.98%	5.49% to 5.99%	4.37% to 4.88%	6.22% to 6.45%	6.32% to 6.55%	7.06% to 7.15%	6.20% to 6.34%

For the fiscal year ended March 31, 2024

	Nippon Life India Asset Management Limited						
	2019 Fourth Series of Share Acquisition Rights	2019 Third Series of Share Acquisition Rights	2019 Second Series of Share Acquisition Rights	2019 First Series of Share Acquisition Rights	2017 Third Series of Share Acquisition Rights	2017 Second Series of Share Acquisition Rights	2017 First Series of Share Acquisition Rights
Expected volatility(*1)	12.92%	12.92%	16.17%	16.46%	16.66%	14.21%	13.92% to 20.81%
Expected remaining life(*2)	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years	4.0 to 5.5 years
Expected dividend rates(*3)	2.01%	2.54%	1.98%	3.22%	2.97%	3.25%	3.09%
Risk-free interest rate(*4)	5.48% to 5.98%	5.49% to 5.99%	4.37% to 4.88%	6.22% to 6.45%	6.32% to 6.55%	7.06% to 7.15%	6.20% to 6.34%

*(*1) Calculated based on indices provided by the National Stock Exchange of India.*

*(*2) The expected remaining life is calculated as a half of the sum of the shortest and longest exercisable periods after stock options are granted.*

*(*3) Expected dividend rates are based on historical dividend performance.*

*(*4) The risk-free interest rate is based on the yields on government bonds in India with remaining terms equal to the expected remaining life of the stock options.*

6) Method of estimating the number of stock options vested

The estimate basically reflects only the actual number of forfeited stock options because it is difficult to reasonably estimate the actual number of stock options that will be forfeited in the future.

24. Receivables and Loans

(1) Of the loans, the total amount of bankrupt and quasi-bankrupt loans, doubtful loans, loans that are delinquent for over three months, and restructured loans were ¥72,528 million (U.S. $453 million), ¥23,149 million and ¥28,895 million as of March 31, 2026, 2025 and 2024, respectively. The breakdown is as follows:

1) The amounts of bankrupt and quasi-bankrupt loans were ¥11,255 million (U.S. $70 million), ¥9,301 million and ¥9,572 million as of March 31, 2026, 2025 and 2024, respectively.

Bankrupt and quasi-bankrupt loans are loans to borrowers that have fallen into bankruptcy due to reasons including initiation of bankruptcy proceedings, start of reorganization proceedings, or submission of an application to start rehabilitation proceedings.

2) The amounts of doubtful loans were ¥59,076 million (U.S. $369 million), ¥12,681 million and ¥17,718 million as of March 31, 2026, 2025 and 2024, respectively.

Doubtful loans are loans that are not applicable to bankrupt and quasi-bankrupt loans, with a strong likelihood that loan principal cannot be recovered or interest cannot be received according to the contract because of the difficulties in the financial condition and business performance of the debtor, who has not yet entered into bankruptcy.

3) The amounts of loans delinquent for over three months were ¥901 million (U.S. $5 million) as of March 31, 2026, and none for the fiscal years ended March 31, 2025 and 2024.

Loans that are delinquent for over three months are loans that are not applicable to bankrupt and quasi-bankrupt loans and doubtful loans, and have principal or interest being unpaid for over three months following the due date based on the loan agreement.

4) The amounts of restructured loans were ¥1,294 million (U.S. $8 million), ¥1,166 million and ¥1,604 million as of March 31, 2026, 2025 and 2024, respectively.

Restructured loans are loans that are not applicable to bankrupt and quasi-bankrupt loans, doubtful loans, and loans delinquent for over three months, and that provide concessions favorable to the borrower with the intent of supporting the borrowers' restructuring, such as by reducing or exempting interest, postponing principal or interest payments, releasing credits, or providing other benefits to the borrowers.

(2) After directly deducting the estimated uncollectible amount, losses from bankrupt and quasi-bankrupt loans, etc. decreased by ¥94 million (U.S. $0 million), ¥2,961 million and ¥104 million as of March 31, 2026, 2025 and 2024, respectively.

25. Loan Commitments

The amounts of commitments related to loans and loans outstanding were ¥212,806 million (U.S. $1,331 million), ¥186,728 million and ¥261,135 million as of March 31, 2026, 2025 and 2024, respectively.

26. Impairment Losses

The main notes concerning impairment losses are as follows:

(1) Method for grouping the assets

a. Real estate and other assets

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

b. Goodwill and goodwill equivalent, and other intangible fixed assets (customer-related assets)

Goodwill and other assets and other intangible fixed assets (customer-related assets) of the Company are classified as a single asset group on a company basis, in principle.

To evaluate goodwill and other intangible fixed assets (customer-related assets) related to Nippon Life Livelihood Support Co., Ltd. (hereinafter "Nippon Life Livelihood Support"), Nippon Life Livelihood Support and Nichii Holdings Co., Ltd. (hereinafter ''Nichii Holdings") are classified into a single asset group because Nichii Holdings, which is owned by Nippon Life Livelihood Support as an intermediate holding company, substantially conducts business operations.

In addition, to evaluate the goodwill equivalent related to PT Sequis, PT Sequis and PT Asuransi Jiwa Sequis Life are classified into one asset group because PT Asuransi Jiwa Sequis Life, which is owned by PT Sequis as an intermediate holding company, substantially conducts business operations.

(2) Identification of indicators of impairment

a. Real estate and other assets

The Company identifies indicators of impairment if the operating activities of an asset group result in loss in consecutive fiscal periods or there are events indicating that the asset may be impaired.

The Company identified indicators of impairment in certain asset groups because the conditions above were applicable as of March 31, 2026, 2025 and 2024, respectively.

b. Goodwill and goodwill equivalent, and other intangible fixed assets (customer-related assets)

The Company identifies indicators of impairment if any of the following conditions applies to an asset group:

(i) Profit or loss in the current period, or cash flows from operating activities are, or are expected to be, negative for two consecutive fiscal periods.

(ii) Businesses or management strategies have been substantially revised from initial plans, and a continuing future deterioration in business performance that could lead to a large decline in net realizable value is expected.

(iii) A continuing future deterioration in business performance that could lead to a large decline in net realizable value is expected based on the outlook for a drastic or anticipated worsening of the business environment.

As of March 31, 2026, the Company has identified an indicator of impairment on the equivalent amount of goodwill related to TCW Group, Inc.

For goodwill and other intangible fixed assets (customer-related assets) related to Nippon Life Livelihood Support, the Company has assessed for indication of impairment by taking into consideration Nichii Holdings' business plan that reflects, among other things, changes in the external environment (e.g. increase in wages) and IT investments. As a result, the Company has determined that there is no indication of impairment with respect to goodwill and other intangible fixed assets (customer-related assets) related to Nippon Life Livelihood Support.

As of March 31, 2025, the Company has identified indicators of impairment on the goodwill equivalent related to IndusInd Nippon Life Insurance Company Limited, the goodwill equivalent related to PT Sequis, and the goodwill equivalent related to TCW Group, Inc.

With respect to goodwill and customer-related assets related to Nippon Life Livelihood Support, the Company assessed indicators of impairment in light of changes in the external environment, such as rising wages, as well as the business plans of Nichii Holdings, which reflect IT investments and other factors. Based on the results of the assessment, the Company has determined that there were no indicators of impairment on the goodwill and customer-related assets related to Nippon Life Livelihood Support.

As of March 31, 2024, the Company has identified indicators of impairment on the goodwill related to Nippon Life India Asset Management Limited, the goodwill equivalent related to IndusInd Nippon Life Insurance Company Limited, and the goodwill equivalent related to PT Sequis. The Company has identified indicators of impairment on the goodwill related to Nippon Life India Asset Management Limited because of the large amount of goodwill in accordance with Paragraph 109 of the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21).

In addition, the Company owns interests in The TCW Group, Inc., an asset management company, through Nippon Life Americas, Inc., a subsidiary in the U.S. Based on the accounting principles generally accepted in the U.S., Nippon Life Americas, Inc. assesses whether a decline in fair value is other than temporary based on qualitative evaluations such as assets under management and the business environment, and assesses for impairment regarding the TCW Group, Inc. The Company, in accordance with the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries, etc. for Consolidated Financial Statements" (ASBJ PITF No. 18, June 28, 2019), utilizes the accounting treatment of Nippon Life Americas, Inc. in consolidated accounting procedures.

(3) Recognition and measurement of impairment losses

a. Real estate and other assets

Asset groups for which indicators of impairment are recognized are treated as follows. If the total amount of undiscounted cash flows from such an asset group is lower than the carrying amount, an impairment loss is recognized and the carrying

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

In principle, the value in use is determined as the discounted future cash flows using a discount rate of 3.0–3.7%, 3.0–3.3% and 2.4–3.0% for the fiscal years ended March 31, 2026, 2025 and 2024, respectively. Net selling price is determined based on appraisals performed in accordance with the "Real Estate Appraisal Standards" or standard land prices.

The carrying amounts of certain asset groups for which indicators of impairment were recognized were reduced to the recoverable amounts, and impairment losses were recognized under extraordinary losses as of March 31, 2026, 2025 and 2024, respectively.

b. Goodwill and goodwill equivalent

Asset groups for which indicators of impairment are recognized are treated as follows. If the total amount of undiscounted future cash flows from such an asset group is lower than the carrying amount, the carrying amount is reduced to the recoverable amount, with the reduction not to exceed the amount of goodwill and goodwill equivalent. The recoverable amount is based on either the value in use or net selling price. The value in use is determined as the amount by discounting the future cash flows calculated based on future projections, medium-term management plans and other information for each asset group. Net selling price is determined based on the amount obtained by multiplying the market value of shares by the number of shares held.

In the impairment assessment of life insurance companies, the corporate valuation amount (the sum of Embedded Value ("EV") and the value of new business) is occasionally used as an alternative to the undiscounted future cash flows above and recoverable amount, after ensuring that the requirements of the "Accounting Standard for Impairment of Fixed Assets" (Business Accounting Deliberation Council) are satisfied. EV is the sum of "adjusted net assets, reflecting necessary adjustments to the total amount of the net assets in the balance sheet" and "the value of existing policies that is the present value of future after-tax profits from policies in force." EV represents corporate value attributable to shareholders. It is used to grasp matters such as the shareholder value of limited insurance companies and the acquisition price of an acquired company in M&A deals. Moreover, the value of new business represents "the present value of future after-tax profit from policies to be acquired in the future."

As of March 31, 2025 and 2024, the Company used TEV as EV to determine the corporate valuation amounts of IndusInd Nippon Life Insurance Company Limited and PT Sequis, which are life insurance companies for which indications of impairment had been identified. TEV is a method for calculating EV that evaluates cash flow with a risk-adjusted discount rate. The calculation of the corporate valuation amounts of those life insurance companies involves uncertainties in factors, such as future cash flows based on the projected acquisition of new insurance policies in each sales channel as the basis of the value of new business, discount rates, and insurance-related actuarial assumptions, such as the lapse rates and the insurance accident rates which are the basis for the calculation of EV. No impairment loss was recognized for the goodwill equivalent related to IndusInd Nippon Life Insurance Company Limited because its corporate valuation amount was higher than the carrying amount.

For the fiscal years ended March 31, 2025 and 2024, no impairment loss was recognized for the goodwill equivalent related to PT Sequis because the undiscounted future cash flows, which were calculated by adding the present value of future after-tax profit from policies in force (undiscounted value of existing policies) and the present value of future after-tax profit from policies to be acquired in the future (undiscounted value of new business) to the adjusted net assets, were higher than the carrying amount.

As of the end of March 2026 and 2025, no impairment loss was recognized for the goodwill equivalent related to the TCW Group, Inc. because the undiscounted future cash flows were higher than the carrying amount.

As of March 31, 2024, the Company conducted an impairment test of the goodwill related to Nippon Life India Asset Management Limited, for which indications of impairment had been identified. In this test, the total amount of undiscounted future cash flows and the carrying amount of Nippon Life India Asset Management Limited were compared. The former was higher than the latter. In addition, a comparison of its market capitalization, as Nippon Life India Asset Management Limited is a listed company, and carrying amount showed that its market capitalization was higher than its carrying amount. Considering these and other factors, no impairment loss on the goodwill related to Nippon Life India Asset Management Limited was recognized.

(4) Breakdown of asset groups that recognized impairment losses:

The Company and certain consolidated subsidiaries observed a marked decrease in profitability or fair value in some of the fixed asset groups. The carrying amount of fixed assets was reduced to the recoverable amount and impairment losses were recognized as extraordinary losses for the fiscal years ended March 31, 2026, 2025 and 2024.

For the fiscal year ended March 31, 2026

	Millions of Yen			
Purpose of use	Land	Leasehold interests in land	Buildings and others	Total
Property for sales activities	¥ –	¥ –	¥1,540	¥ 1,540
Leased property	–	6,793	256	7,049
Idle property	1,352	–	925	2,278
Total	¥1,352	¥6,793	¥2,722	¥10,868

For the fiscal year ended March 31, 2025

	Millions of Yen		
Purpose of use	Land	Buildings and others	Total
Property for sales activities	¥ –	¥ 578	¥ 578
Leased property	676	4,374	5,051
Idle property	3,766	1,299	5,066
Total	¥4,443	¥6,252	¥10,696

For the fiscal year ended March 31, 2024

	Millions of Yen			
Purpose of use	Land	Leasehold interests in land	Buildings and others	Total
Leased property	¥1,763	¥630	¥3,052	¥ 5,446
Idle property	3,146	–	1,503	4,649
Total	¥4,909	¥630	¥4,556	¥10,096

For the fiscal year ended March 31, 2026

	Millions of U.S. Dollars			
Purpose of use	Land	Leasehold interests in land	Buildings and others	Total
Property for sales activities	$–	$ –	$ 9	$ 9
Leased property	–	42	1	44
Idle property	8	–	5	14
Total	$8	$42	$17	$67

27. Income Taxes Related to the Global Minimum Tax

The amount of income taxes related to the global minimum tax included in income taxes (current) was ¥108 million (U.S. $0 million) for the fiscal year ended March 31, 2026.

28. Revenues from Reinsurance and Reinsurance Premiums related to Modified Coinsurance Agreements

For the fiscal year ended March 31, 2026, the modified coinsurance agreements of the Company's consolidated subsidiaries TAIJU LIFE INSURANCE COMPANY LIMITED, Nippon Wealth Life Insurance Company Limited, and HANASAKU LIFE INSURANCE Co., Ltd. were as follows:

1) TAIJU LIFE INSURANCE COMPANY LIMITED

TAIJU LIFE INSURANCE COMPANY LIMITED has concluded a modified coinsurance agreement covering foreign currency-denominated single-premium endowment insurance (U.S. dollar/Australian dollar) and foreign currency-denominated single-premium whole life insurance (U.S. dollar/Australian dollar).

a. Revenues from reinsurance

Through this modified coinsurance agreement, insurance risk has been transferred, and items including additional policy reserves or reversals associated with market value adjustments upon interest rate fluctuations are recorded as revenues from reinsurance and shown as revenues from insurance premiums.

b. Reinsurance premiums

If revenues from reinsurance related to the reinsurance agreement turn out to be negative, they are recorded as reinsurance premiums and shown as benefits and other payments.

2) Nippon Wealth Life Insurance Company Limited

a. Revenues from reinsurance

Revenues from reinsurance are recorded according to the timing of benefits and other payments and the share ceded in reinsurance for the original products covered under the reinsurance agreement. Reinsurance commissions and portions corresponding to policy reserves according to the target periods and share ceded in reinsurance specified in the reinsurance agreement are also recorded.

b. Reinsurance premiums

Reinsurance premiums are recorded according to the timing of insurance premium payments and the share ceded in reinsurance, etc. for the original products covered under the reinsurance agreement.

3) HANASAKU LIFE INSURANCE Co., Ltd.

HANASAKU LIFE INSURANCE Co., Ltd. has concluded a modified coinsurance agreement covering whole life medical insurance.

a. Revenues from reinsurance

Revenues from reinsurance are recorded according to the timing of insurance premium payments and other payments for the original insurance policy and the share ceded in reinsurance under the reinsurance agreement.

b. Reinsurance premiums

Reinsurance premiums are recorded according to the timing of insurance premium payments and the share ceded in reinsurance, etc. for the original insurance policy subject to the reinsurance agreement, based on the reinsurance agreement.

Following the abolition of the Ministry of Finance Public Notice No. 50 of 1996 due to the enforcement of the Financial Services Agency Public Notice No. 74, unamortized ceding commissions related to reinsurance agreements as prescribed in Article 1, Paragraph 5 of the Ministry of Finance Public Notice No. 50 of 1996 are as follows.

Unamortized ceding commissions related to certain reinsurance agreements (excluding those related to the reinsurance defined in Article 71, Paragraph 3 of the Ordinance for Enforcement of the Insurance Business Act; hereinaf ter "surplus relief and similar reinsurance agreements") that fall under 1) and 2) below based on the terms and conditions of the agreements (which represent commissions received from reinsurers that are payable to the reinsurers from future profits or profits in relation to the reinsured portion under the relevant reinsurance agreements):

1) The agreement stipulates that unamortized ceding commissions, together with any associated expenses or similar items, will be paid to the reinsurer in the future.

2) Among the risks associated with the underlying insurance agreement, a portion of the risks associated with the portion ceded under the reinsurance agreement will be transferred.

Revenues from reinsurance and reinsurance premiums include the amounts below.

4) Revenues from reinsurance	¥1,612,437 million (U.S. $10,085 million)
(TAIJU LIFE INSURANCE COMPANY LIMITED)	
Revenues from reinsurance related to modified coinsurance agreements	¥83,158 million (U.S. $520 million)
Adjustment to policy reserves for ceded reinsurance	
(excluding additional policy reserves(reversals) associated with market value adjustments and related items)	¥(30,070) million (U.S. $(188) million)
Additional policy reserves (reversals) associated with market value adjustments and related items	¥2,265 million (U.S. $14 million)
(Nippon Wealth Life Insurance Company Limited)	
Revenues from reinsurance related to modified coinsurance agreements	¥1,354,601 million (U.S. $8,472 million)
Reinsurance commissions	¥2,277 million (U.S. $14 million)
Increase in portions corresponding to policy reserves	¥1,163,253 million (U.S. $7,275 million)
Increase equivalent to additional reserves under the standard policy reserve fund system	¥226,635 million (U.S. $1,417 million)
Additional policy reserves (reversals) associated with market value adjustments and related items	¥122 million (U.S. $0 million)
Increase in unamortized ceding commissions related to surplus relief and similar reinsurance agreements	¥249,143 million (U.S. $1,558 million)
(HANASAKU LIFE INSURANCE Co., Ltd.)	
Increase in unamortized ceding commissions related to surplus relief and similar reinsurance agreements	¥42,103 million (U.S. $263 million)
5) Reinsurance premiums	¥1,520,280 million (U.S. $9,508 million)
(Nippon Wealth Life Insurance Company Limited)	
Reinsurance premiums related to modified coinsurance agreements	¥1,132,975 million (U.S. $7,086 million)
(HANASAKU LIFE INSURANCE Co., Ltd.)	
Decrease in unamortized ceding commissions related to surplus relief and similar reinsurance agreements	¥22,479 million (U.S. $140 million)

Through these reinsurance items, ordinary profit and surplus before income taxes increased by ¥241,609 million (U.S. $1,511 million) each.

For the fiscal year ended March 31, 2025, the Company's consolidated subsidiaries TAIJU LIFE INSURANCE COMPANY LIMITED, Nippon Wealth Life Insurance Company Limited, and HANASAKU LIFE INSURANCE Co., Ltd. have concluded modified coinsurance agreements.

Through these reinsurance arrangements, ordinary profit and surplus before income taxes increased by ¥101,040 million.

1) TAIJU LIFE INSURANCE COMPANY LIMITED

   TAIJU LIFE INSURANCE COMPANY LIMITED has concluded a modified coinsurance agreement covering foreign currency-denominated single-premium endowment insurance (U.S. dollar/Australian dollar) and foreign currency-denominated single-premium whole life insurance (U.S. dollar/Australian dollar).

   a. Revenues from reinsurance

      Through this modified coinsurance agreement, insurance risk has been transferred, and items including additional policy reserves or reversals associated with market value adjustments upon interest rate fluctuations are recorded as revenues from reinsurance and shown as revenues from insurance premiums.

   b. Reinsurance premiums

      If revenues from reinsurance related to the reinsurance agreement turn out to be negative, they are recorded as reinsurance premiums and shown as benefits and other payments.

2) Nippon Wealth Life Insurance Company Limited

   a. Revenues from reinsurance

      Revenues from reinsurance are recorded according to the timing of benefits and other payments and the share ceded in reinsurance for the original products covered under the reinsurance agreement. Reinsurance commissions and portions corresponding to policy reserves according to the target periods and share ceded in reinsurance specified in the reinsurance agreement are also recorded.

   b. Reinsurance premiums

      Reinsurance premiums are recorded according to the timing of insurance premium payments and the share ceded in reinsurance, etc. for the original products covered under the reinsurance agreement.

3) HANASAKU LIFE INSURANCE Co., Ltd.

   HANASAKU LIFE INSURANCE Co., Ltd. has concluded a modified coinsurance agreement covering whole life medical insurance.

   a. Revenues from reinsurance

      Revenues from reinsurance are recorded according to the timing of insurance premium payments and other payments for the original insurance policy and the share ceded in reinsurance under the reinsurance agreement.

   b. Reinsurance premiums

      Reinsurance premiums are recorded according to the timing of insurance premium payments and the share ceded in reinsurance, etc. for the original insurance policy subject to the reinsurance agreement, based on the reinsurance agreement.

Revenues from reinsurance and reinsurance premiums include the amounts below.

4)	Revenues from reinsurance	¥1,089,932 million
	(TAIJU LIFE INSURANCE COMPANY LIMITED)	
	Revenues from reinsurance related to modified coinsurance agreements	¥236,705 million
	Adjustment to policy reserves for ceded reinsurance (excluding the equivalent amount of policy reserve increases (or reversals) associated with market value adjustments)	¥135,205 million
	Equivalent amount of policy reserve increases associated with market value adjustments (negative values indicate reversals)	¥910 million
	(Nippon Wealth Life Insurance Company Limited)	
	Revenues from reinsurance related to modified coinsurance agreements	¥754,080 million
	Reinsurance commissions	¥3,113 million
	Increase in portions corresponding to policy reserves	¥672,236 million
	Increase equivalent to additional reserves under the standard policy reserve fund system	¥83,388 million
	Increase in unamortized reinsurance commissions related to reinsurance contracts as defined in Article 1, Paragraph 5 of Ministry of Finance Public Notice No. 50 of 1996	¥79,734 million
	(HANASAKU LIFE INSURANCE Co., Ltd.)	
	Increase in unamortized reinsurance commissions related to reinsurance contracts as defined in Article 1, Paragraph 5 of Ministry of Finance Public Notice No. 50 of 1996	¥26,928 million
5)	Reinsurance premiums	¥1,235,223 million
	(Nippon Wealth Life Insurance Company Limited)	
	Reinsurance premiums related to modified coinsurance agreements	¥672,375 million
	(HANASAKU LIFE INSURANCE Co., Ltd.)	
	Decrease in unamortized reinsurance commissions related to reinsurance contracts as defined in Article 1, Paragraph 5 of Ministry of Finance Public Notice No. 50 of 1996	¥8,798 million

For the fiscal year ended March 31, 2024, revenues from reinsurance of TAIJU LIFE INSURANCE COMPANY LIMITED, the Company's consolidated subsidiary, include revenues from reinsurance of ¥285,125 million related to modified coinsurance agreements for foreign currency denominated single premium endowment insurance (U.S. dollar/Australian dollar) and foreign currency-denominated single premium whole life insurance (U.S. dollar/ Australian dollar). These revenues from reinsurance include adjustment to policy reserves for ceded reinsurance (excluding the equivalent amount of policy reserve increases associated with market value adjustments) of ¥193,402 million and the equivalent amount of policy reserve reversals associated with market value adjustments of ¥10,690 million.

Revenues from reinsurance of Nippon Wealth Life Insurance Company Limited, the Company's consolidated subsidiary, includes an increase in unamortized reinsurance commissions of ¥112,048 million related to reinsurance contracts stipulated in Article 1, Paragraph 5 of the Ministry of Finance Public Notice No. 50 of 1996. This includes revenues from reinsurance of ¥902,592 million related to modified coinsurance agreements, which includes ¥3,225 million in reinsurance commissions and an increase of ¥854,947 million in portions corresponding to policy reserves (including an increase of ¥106,730 million equivalent to the additional reserves under the standard policy reserve fund system). Moreover, reinsurance premiums included in benefits

and other payments include ¥794,162 million in reinsurance premiums related to modified coinsurance agreements.

Revenues from reinsurance of HANASAKU LIFE INSURANCE Co., Ltd., the Company's consolidated subsidiary, includes an increase in unamortized reinsurance commissions of ¥9,476 million related to reinsurance contracts stipulated in Article 1, Paragraph 5 of the Ministry of Finance Public Notice No. 50 of 1996. Reinsurance premiums included in benefits and other payments include a decrease in unamortized reinsurance commissions of ¥1,087 million related to reinsurance contracts stipulated in Article 1, Paragraph 5 of the Ministry of Finance Public Notice No. 50 of 1996.

Through these reinsurance arrangements, ordinary income and surplus before income taxes have each increased by ¥126,099 million.

29. Deferred Tax Assets and Liabilities

(1) Deferred tax assets/liabilities consisted of the following:

For the fiscal years ended March 31, 2026, 2025 and 2024

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Deferred tax assets	¥ 3,305,768	¥ 2,733,359	¥ 2,606,148	$ 20,676
Valuation allowance for deferred tax assets	(200,013)	(139,632)	(132,688)	(1,251)
Subtotal	3,105,754	2,593,727	2,473,459	19,425
Deferred tax liabilities	(4,604,820)	(3,242,853)	(3,857,137)	(28,801)
Net deferred tax liabilities	¥(1,499,065)	¥ (649,126)	¥(1,383,677)	$ (9,376)

The major components resulting in deferred tax assets/liabilities were as follows:

For the fiscal years ended March 31, 2026, 2025 and 2024

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Deferred tax assets:				
Policy reserves and other reserves	¥1,472,492	¥1,445,601	¥1,342,541	$ 9,209
Deferred losses on derivatives under hedge accounting	803,120	422,850	443,376	5,023
Reserve for price fluctuations in investments in securities	381,248	515,578	483,517	2,384
Deferred tax liabilities:				
Net unrealized gains on available-for-sale securities	4,167,470	3,041,475	3,581,525	26,066

(2) The statutory tax rate was 27.9% for the fiscal years ended March 31, 2026, 2025 and 2024. The main factors for the difference between the statutory tax rates and the effective income tax rates were as follows:

	2026	2025	2024
Reserve for dividends to policyholders (mutual company)	(15.2)%	(18.9)%	(14.6)%
Impact of tax rate change	—	(15.2)%	—
Losses on equity method investments recorded in other ordinary expenses	(2.0)%	(0.1)%	(0.8)%
Increase in the valuation allowance	(0.8)%	0.2%	4.5%

(3) For the fiscal year ended March 31, 2025, due to the promulgation of the "Act on Partial Revision of the Income Tax Act, etc." (Act No. 13 of 2025), the statutory tax rate used to calculate deferred tax assets and deferred tax liabilities was changed from 27.9% to 28.9% in cases where the expected collection or payment period is on or after April 1, 2026.

Due to this change, as of March 31, 2025, deferred tax liabilities increased by ¥30,645 million, deferred tax liabilities for land revaluation increased by ¥3,474 million, deferred tax assets increased by ¥968 million, net unrealized gains on available-for-sale securities decreased by ¥104,839 million, deferred losses on derivatives under hedge accounting increased by ¥13,383 million, land revaluation losses decreased by ¥3,474 million, and remeasurement of defined benefit plans decreased by ¥871 million. In addition, deferred income taxes decreased by ¥62,651 million.

30. Other Comprehensive Income (Loss)

The components of other comprehensive income (loss) for the fiscal years ended March 31, 2026, 2025 and 2024, were as follows:

(1) Reclassification adjustments to profit or loss relating to other comprehensive income (loss)

For the fiscal year ended March 31, 2026

	Millions of Yen		Millions of U.S. Dollars	
Net unrealized gains on available-for-sale securities:				
(Losses) gains arising during the year	¥ 4,739,824		$29,646	
Reclassification adjustments to profit or loss	(1,030,125)	¥3,709,699	(6,443)	$23,203
Deferred losses on derivatives under hedge accounting:				
(Losses) gains arising during the year	(1,168,246)		(7,307)	
Reclassification adjustments to profit or loss	312,286	(855,959)	1,953	(5,353)
Foreign currency translation adjustments:				
Gains (losses) arising during the year	116,659		729	
Reclassification adjustments to profit or loss	–	116,659	–	729
Remeasurement of defined benefit plans:				
Gains (losses) arising during the year	51,652		323	
Reclassification adjustments to profit or loss	(20,209)	31,442	(126)	196
Valuation difference on policy reserves and other reserves of overseas subsidiaries and affiliates:				
Gains (losses) arising during the year	39,359		246	
Reclassification adjustments to profit or loss	–	39,359	–	246
Share of other comprehensive income of affiliates accounted for under the equity method:				
Gains (losses) arising during the year	102,540		641	
Reclassification adjustments to profit or loss	(46,368)	56,172	(290)	351
Amount before income taxes and income tax effect		3,097,374		19,373
Income taxes and income tax effect		(840,262)		(5,255)
Total other comprehensive (loss) income		¥2,257,111		$14,117

For the fiscal year ended March 31, 2025

	Millions of Yen	
Net unrealized gains on available-for-sale securities:		
(Losses) gains arising during the year	¥(2,079,851)	
Reclassification adjustments to profit or loss	(299,974)	¥(2,379,826)
Deferred losses on derivatives under hedge accounting:		
(Losses) gains arising during the year	(471,162)	
Reclassification adjustments to profit or loss	134,435	(336,727)
Foreign currency translation adjustments:		
Gains (losses) arising during the year	7,853	
Reclassification adjustments to profit or loss	–	7,853
Remeasurement of defined benefit plans:		
Gains (losses) arising during the year	82,642	
Reclassification adjustments to profit or loss	(608)	82,034
Share of other comprehensive income of affiliates accounted for under the equity method:		
Gains (losses) arising during the year	12,674	
Reclassification adjustments to profit or loss	(111)	12,563
Amount before income taxes and income tax effect		(2,614,101)
Income taxes and income tax effect		637,257
Total other comprehensive (loss) income		¥(1,976,844)

For the fiscal year ended March 31, 2024

	Millions of Yen	
Net unrealized gains on available-for-sale securities:		
Gains (losses) arising during the year	¥ 5,778,506	
Reclassification adjustments to profit or loss	(185,448)	¥ 5,593,057
Deferred losses on derivatives under hedge accounting:		
(Losses) gains arising during the year	(1,126,598)	
Reclassification adjustments to profit or loss	64,925	(1,061,673)
Foreign currency translation adjustments:		
Gains (losses) arising during the year	39,641	
Reclassification adjustments to profit or loss	–	39,641
Remeasurement of defined benefit plans:		
Gains (losses) arising during the year	15,606	
Reclassification adjustments to profit or loss	3,573	19,180
Share of other comprehensive income of affiliates accounted for under the equity method:		
Gains (losses) arising during the year	32,433	
Reclassification adjustments to profit or loss	99	32,533
Amount before income tax effect		4,622,739
Income tax effect		(1,258,293)
Total other comprehensive Income (loss)		¥ 3,364,445

(2) Income taxes and income tax effect relating to other comprehensive income (loss)

For the fiscal year ended March 31, 2026

	Millions of Yen			Millions of U.S. Dollars		
	Before income taxes and income tax effect	Income taxes and income tax effect	After income taxes and income tax effect	Before income taxes and income tax effect	Income taxes and income tax effect	After income taxes and income tax effect
Net unrealized (losses) gains on available-for-sale securities	¥3,709,699	¥(1,080,829)	¥2,628,870	$23,203	$(6,760)	$16,442
Deferred (losses) gains on derivatives under hedge accounting	(855,959)	252,011	(603,948)	(5,353)	1,576	(3,777)
Foreign currency translation adjustments	116,659	–	116,659	729	–	729
Remeasurement of defined benefit plans	31,442	(9,180)	22,262	196	(57)	139
Valuation difference on policy reserves and other reserves of overseas subsidiaries and affiliates	39,359	(2,264)	37,095	246	(14)	232
Share of other comprehensive income of affiliates accounted for under the equity method	56,172	–	56,172	351	–	351
Total other comprehensive (loss) income	¥3,097,374	¥ (840,262)	¥2,257,111	$19,373	$(5,255)	$14,117

For the fiscal year ended March 31, 2025

	Millions of Yen		
	Before income taxes and income tax effect	Income taxes and income tax effect	After income taxes and income tax effect
Net unrealized (losses) gains on available-for-sale securities	¥(2,379,826)	¥ 557,303	¥(1,822,522)
Deferred (losses) gains on derivatives under hedge accounting	(336,727)	107,198	(229,528)
Land revaluation losses	–	(3,474)	(3,474)
Foreign currency translation adjustments	7,853	–	7,853
Remeasurement of defined benefit plans	82,034	(23,770)	58,263
Share of other comprehensive income of affiliates accounted for under the equity method	12,563	–	12,563
Total other comprehensive (loss) income	¥(2,614,101)	¥637,257	¥(1,976,844)

	Millions of Yen		
	Before income tax effect	Income tax effect	After income tax effect
Net unrealized gains (losses) on available-for-sale securities	¥ 5,593,057	¥(1,549,121)	¥4,043,936
Deferred (losses) gains on derivatives under hedge accounting	(1,061,673)	296,179	(765,493)
Foreign currency translation adjustments	39,641	–	39,641
Remeasurement of defined benefit plans	19,180	(5,352)	13,828
Share of other comprehensive income of affiliates accounted for under the equity method	32,533	–	32,533
Total other comprehensive income (loss)	¥ 4,622,739	¥(1,258,293)	¥3,364,445

31. Reinsurance Receivables, Reinsurance Payables, and Policy Reserves related to Modified Coinsurance Agreements

For the fiscal year ended March 31, 2026, the Company's consolidated subsidiaries TAIJU LIFE INSURANCE COMPANY LIMITED, Nippon Wealth Life Insurance Company Limited, and HANASAKU LIFE INSURANCE Co., Ltd. were as follows:

TAIJU LIFE INSURANCE COMPANY LIMITED has concluded a modified coinsurance agreement covering foreign currency-denominated single premium endowment insurance (U.S. dollar/ Australian dollar) and foreign currency-denominated single premium whole life insurance (U.S. dollar/Australian dollar).

HANASAKU LIFE INSURANCE Co., Ltd. has concluded a modified coinsurance agreement covering whole life medical insurance, etc. For modified coinsurance agreements involving non-cash transactions, HANASAKU LIFE INSURANCE Co., Ltd. records as reinsurance revenue the amount received as a portion of equivalent new policy expenses related to the original insurance policy based on the reinsurance agreement. Concurrently, the same amount is recorded as unamortized ceding commissions under reinsurance receivables and is amortized over the term of the reinsurance policy.

Following the abolition of the Ministry of Finance Public Notice No. 50 of 1996 due to the enforcement of the Financial Services Agency Public Notice No. 74, unamortized ceding commissions related to reinsurance agreements as prescribed in Article 1, Paragraph 5 of the Ministry of Finance Public Notice No. 50 of 1996 are as follows.

Unamortized ceding commissions related to certain reinsurance agreements (excluding those related to the reinsurance defined in Article 71, Paragraph 3 of the Ordinance for Enforcement of the Insurance Business Act; hereinafter "surplus relief and similar reinsurance agreements") that fall under 1) and 2) below based on the terms and conditions of the agreements (which represent commissions received from reinsurers that are payable to the reinsurers from future profits or profits in relation to the reinsured portion under the relevant reinsurance agreements):

1) The agreement stipulates that unamortized ceding commissions, together with any associated expenses or similar items, will be paid to the reinsurer in the future.

2) Among the risks associated with the underlying insurance agreement, a portion of the risks associated with the portion ceded under the reinsurance agreement will be transferred.

The outstanding balance of reinsurance receivables, reinsurance payables and policy reserves as of March 31, 2026 includes the following amounts:

1)	Reinsurance receivables	¥4,730,575 million (U.S. $29,588 million)
	(Nippon Wealth Life Insurance Company Limited)	
	Reinsurance receivables related to modified coinsurance agreements	¥443,554 million (U.S. $2,774 million)
	Unamortized ceding commissions related to surplus relief and similar reinsurance agreements	¥443,554 million (U.S. $2,774 million)
	(HANASAKU LIFE INSURANCE Co., Ltd.)	
	Unamortized ceding commissions related to surplus relief and similar reinsurance agreements	¥46,142 million (U.S. $288 million)
2)	Reinsurance payables	¥142,815 million (U.S. $893 million)
	(TAIJU LIFE INSURANCE COMPANY LIMITED)	
	Reinsurance payables related to modified coinsurance agreements	¥6,825 million (U.S. $42 million)
3)	Policy reserves	¥89,312,921 million (U.S. $558,624 million)
	(TAIJU LIFE INSURANCE COMPANY LIMITED)	
	Policy reserves related to modified coinsurance agreements	¥1,524,224 million (U.S. $9,533 million)
	(Nippon Wealth Life Insurance Company Limited)	
	Policy reserves related to modified coinsurance agreements	¥5,052,268 million (U.S. $31,600 million)
	(HANASAKU LIFE INSURANCE Co., Ltd.)	
	Policy reserves related to modified coinsurance agreements	¥16,565 million (U.S. $103 million)

For the fiscal year ended March 31, 2025, the Company's consolidated subsidiaries TAIJU LIFE INSURANCE COMPANY LIMITED, Nippon Wealth Life Insurance Company Limited, and HANASAKU LIFE INSURANCE Co., Ltd. have concluded modified coinsurance agreements.

TAIJU LIFE INSURANCE COMPANY LIMITED has concluded a modified coinsurance agreement covering foreign currency-denominated single-premium endowment insurance (U.S. dollar/ Australian dollar) and foreign currency-denominated single-premium whole life insurance (U.S. dollar/ Australian dollar).

HANASAKU LIFE INSURANCE Co., Ltd. has concluded a modified coinsurance agreement covering whole life medical insurance. For modified coinsurance agreement transactions in which no cash is exchanged, the amount received as part of the policy acquisition cost equivalent for the original insurance policy is recorded as revenue from reinsurance according to the reinsurance agreement, and the same amount is recorded as an unamortized ceding commission under reinsurance loans and amortized over the term of the reinsurance policy.

The balance of reinsurance receivables, reinsurance payables, and policy reserves as of March 31, 2025, includes the amounts below.

1)	Reinsurance receivables	¥224,252 million
	(Nippon Wealth Life Insurance Company Limited)	
	Reinsurance receivables related to modified coinsurance agreements	¥194,411 million
	Unamortized reinsurance commissions related to reinsurance contracts as defined in Article 1, Paragraph 5 of Ministry of Finance Public Notice No. 50 of 1996	¥194,411 million
	(HANASAKU LIFE INSURANCE Co., Ltd.)	
	Unamortized reinsurance commissions related to reinsurance contracts as defined in Article 1, Paragraph 5 of Ministry of Finance Public Notice No. 50 of 1996	¥26,518 million
2)	Reinsurance payables	¥17,731 million
	(TAIJU LIFE INSURANCE COMPANY LIMITED)	
	Reinsurance payables related to modified coinsurance agreements	¥7,699 million
3)	Policy reserves	¥73,897,294 million
	(TAIJU LIFE INSURANCE COMPANY LIMITED)	
	Policy reserves related to modified coinsurance agreements	¥1,387,349 million
	(Nippon Wealth Life Insurance Company Limited)	
	Policy reserves related to modified coinsurance agreements	¥1,528,807 million
	(HANASAKU LIFE INSURANCE Co., Ltd.)	
	Policy reserves related to modified coinsurance agreements	¥5,187 million

TAIJU LIFE INSURANCE COMPANY LIMITED has concluded a modified coinsurance agreement covering foreign currency-denominated single premium endowment insurance (U.S. dollar/ Australian dollar) and foreign currency-denominated single premium whole life insurance (U.S. dollar/ Australian dollar).

Through this modified coinsurance agreement, insurance risk has been transferred, and items including additional policy reserves or reversals associated with market value adjustments upon interest rate fluctuations are recorded as revenues from reinsurance. However, in cases where revenues from reinsurance related to this modified coinsurance agreement is negative, the items are recorded as reinsurance premiums.

The outstanding balance of reinsurance payables related to this modified coinsurance agreement stood at ¥9,335 million as of March 31, 2024. The balance of the policy reserve component associated with the modified coinsurance agreement stood at ¥1,318,532 million as of March 31, 2024.

At Nippon Wealth Life Insurance Company Limited, revenues from reinsurance are recorded at the time of benefits and other payments and the share ceded in reinsurance for the original products covered under the reinsurance agreement. Reinsurance commissions and portions corresponding to policy reserves according to the target periods and share ceded in reinsurance specified in the reinsurance agreement are also recorded. Reinsurance premiums are recorded at the time of insurance premium payments and share ceded in reinsurance, etc., for the original

products covered under the reinsurance agreement. The balance of unamortized reinsurance commissions related to reinsurance contracts as defined in Article 1, Paragraph 5 of the Ministry of Finance Public Notice No. 50 of 1996 as of the end of March 2024 is ¥114,677 million. The outstanding balances of reinsurance receivables related to the modified coinsurance agreement as of the end of March 2024 are ¥114,677 million, and the policy reserves include the reinsurance company's received policy reserves of ¥875,986 million based on the modified coinsurance agreement.

HANASAKU LIFE INSURANCE Co., Ltd. has concluded a modified coinsurance agreement covering whole life medical insurance, etc. Revenues from reinsurance are recorded at the time of benefits and other payments and the share ceded in reinsurance for the original insurance policy covered under the reinsurance agreement. For modified coinsurance agreement transactions in which no cash is exchanged, the amount received as part of the policy acquisition cost equivalent for the original insurance policy is recorded as revenue from reinsurance according to the reinsurance agreement, and the same amount is recorded as an unamortized reinsurance commissions under reinsurance receivables and amortized over the term of the reinsurance policy. Reinsurance premiums are recorded at the time of insurance premium payments and share ceded in reinsurance, etc., for the original insurance policy subject to the reinsurance policies, based on the reinsurance agreement. The balance of unamortized reinsurance commissions related to reinsurance contracts as defined in Article 1, Paragraph 5 of the Ministry of Finance Public Notice No. 50 of 1996 as of March 2024 is ¥8,389 million. Moreover, policy reserves also include the reinsurance company's received policy reserves of ¥680 million based on the modified coinsurance agreement.

32. Share Acquisition Rights

As of March 31, 2026

Classification	Breakdown of share acquisition rights	Millions of Yen	Millions of U.S. Dollars
Nippon Life India Asset Management Limited	Share acquisition rights provided as stock options	¥2,246	$14

As of March 31, 2025

Classification	Breakdown of share acquisition rights	Millions of Yen
Nippon Life India Asset Management Limited	Share acquisition rights provided as stock options	¥1,863

As of March 31, 2024

Classification	Breakdown of share acquisition rights	Millions of Yen
Nippon Life India Asset Management Limited	Share acquisition rights provided as stock options	¥1,509

33. Others

The following items are disclosed in the nonconsolidated financial statements and not required to be disclosed in the consolidated financial statements by the Japanese Insurance Business Act.

- Net Assets Provided for in the Ordinance for Enforcement of the Insurance Business Act
- Policy Reserves for Reinsurance Contracts Provided in Accordance with Article 71, Paragraph 1 of the Ordinance for Enforcement of the Insurance Business Act

- Investment Income and Expenses
- Provision for Policy Reserves for Ceded Reinsurance

34. Subsequent Events

(1) On April 2, 2026, the Company issued corporate bonds as follows:

a US dollar-denominated senior notes due 2031

Issue price	100% of par value
Total amount issued	U.S. $1,100 million
Interest rate	A fixed rate of 4.748% per annum
Maturity	April 2031
Collateral and guarantees	The corporate bonds are not secured or guaranteed, and there are no specific assets pledged for them.
Use of funds	General working capital

b. US dollar-denominated senior notes due 2033

Issue price	100% of par value
Total amount issued	U.S. $750 million
Interest rate	A fixed rate of 5.046% per annum
Maturity	April 2033
Collateral and guarantees	The corporate bonds are not secured or guaranteed, and there are no specific assets pledged for them.
Use of funds	General working capital

Designated hedge accounting (“*Furiate-shori”)* has been applied to the bonds referred to in a. using the currency swap as a hedging instrument.

(2) On April 27, 2026, the Company redeemed corporate bonds early as follows:

The amount of interest expenses recorded for the corporate bonds redeemed early was ¥658 million (U.S. $4 million) for the fiscal year ended March 31, 2026.

Name	2nd series of JPY-denominated subordinated and unsecured corporate bonds with interest deferral options (the corporate bonds were first issued to qualified institutional investors and a small number of investors in domestic securities market)
Issue date	April 27, 2016
Early redemption value	100% of par value
Total amount redeemed early	¥70.0 billion (U.S. $437 million)
Method of early redemption	Early redemption of the entire unredeemed balance

(3) On July 2, 2026 and July 25, 2026, taking into account economic rationality and other factors, TAIJU LIFE INSURANCE COMPANY LIMITED, a consolidated subsidiary of the Company, redeemed domestic unsecured subordinated corporate bonds (dated subordinated debt) early. In addition, on June 1, 2026, TAIJU LIFE INSURANCE COMPANY

LIMITED notified the lender, in accordance with the agreement, of its intention to make a voluntary repayment on August 10, 2026, of loans payable under an existing subordinated lending agreement.

The interest expenses recorded for the corporate bonds that were redeemed early were ¥726 million (U.S. $4 million) in the fiscal year ended March 31, 2026. In addition, the interest expenses recorded for the loans payable that will be repaid voluntarily were ¥73 million (U.S. $0 million) in the fiscal year ended March 31, 2026.

a. Early redemption of domestic unsecured subordinated corporate bonds (dated subordinated debt)

Redemption date	July 2, 2026
Total amount redeemed	¥40.0 billion (U.S. $250 million)
Method of redemption	Early redemption of the entire unredeemed balance

b. Early redemption of domestic unsecured subordinated corporate bonds (dated subordinated debt)

Redemption date	July 25, 2026
Total amount redeemed	¥50.0 billion (U.S. $312 million)
Method of redemption	Early redemption of the entire unredeemed balance

c. Voluntary repayment of loans payable under a subordinated loan agreement

Notification date	June 1, 2026
Redemption date	August 10, 2026
Total amount redeemed	¥10.0 billion (U.S. $62 million)
Method of repayment	Voluntary repayment of the entire unredeemed balance

(4) In accordance with the proposed appropriations of surplus for the fiscal year ended March 31, 2026, the Company credited ¥50,000 million (U.S. $312 million) to the reserve for redemption of foundation funds as prescribed in Article 56 of the Insurance Business Act and amortized the same amount of foundation funds on August 3, 2026.

Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Nippon Life Insurance Company:

Opinion

We have audited the nonconsolidated financial statements of Nippon Life Insurance Company (the "Company"), which comprise the nonconsolidated balance sheets as of March 31, 2026, 2025 and 2024, and the nonconsolidated statements of income, nonconsolidated statements of changes in net assets and nonconsolidated proposed appropriations of surplus for the years then ended, and notes to the nonconsolidated financial statements, including a summary of significant accounting policies, all expressed in Japanese yen.

In our opinion, the accompanying nonconsolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2026, 2025 and 2024, and its financial performance for the years then ended in accordance with the Insurance Business Act and the related rules and regulations applicable to the mutual life insurance industry and accounting principles generally accepted in Japan.

Convenience Translation

Our audits also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in accordance with the basis stated in Note 1. "Basis of Presenting the Nonconsolidated Financial Statements, (2) U.S. dollar amounts" to the nonconsolidated financial statements. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, including the ethical requirements that are relevant to audits of the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

As explained in Note 1. "Basis of Presenting the Nonconsolidated Financial Statements, (1) Accounting principles and presentation" to the nonconsolidated financial statements, the information provided in the nonconsolidated financial statements including notes to the nonconsolidated financial statements is limited to information required by the Insurance Business Act and the related rules and regulations applicable to the mutual life insurance industry and disclosed as additional information. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation and fair presentation of the nonconsolidated financial statements in accordance with the Insurance Business Act and the related rules and

regulations applicable to the mutual life insurance industry and accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of the nonconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the nonconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Audit & Supervisory Committee members and the Audit & Supervisory Committee are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the nonconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the nonconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the nonconsolidated financial statements are in accordance with the Insurance Business Act and the related rules and regulations applicable to the mutual life insurance industry and accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the

nonconsolidated financial statements, including the disclosures, and whether the nonconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Deloitte Touche Tohmatsu LLC

August 5, 2026

Nippon Life Insurance Company

Nonconsolidated Balance Sheets

As of March 31	Millions of Yen 2026	2025	2024	Millions of U.S. Dollars (Note 1) 2026
ASSETS:				
Cash and deposits:				
Cash	¥ 30	¥ 243	¥ 45	$ 0
Deposits	578,215	507,070	638,182	3,616
Subtotal	**578,246**	**507,314**	**638,228**	**3,616**
Call loans	**788,726**	**765,505**	**522,863**	**4,933**
Monetary claims bought	**120,444**	**100,718**	**118,792**	**753**
Investments in securities:				
National government bonds	26,458,875	28,334,096	28,111,291	165,492
Local government bonds	699,119	749,834	876,418	4,372
Corporate bonds	1,814,763	1,758,336	1,955,106	11,350
Domestic stocks	15,841,142	13,235,887	14,617,481	99,081
Foreign securities	25,239,368	22,164,720	22,020,172	157,864
Other securities	2,947,846	2,792,396	3,377,666	18,437
Subtotal	**73,001,116**	**69,035,272**	**70,958,137**	**456,599**
Loans:				
Policy loans	380,769	402,998	422,943	2,381
Industrial and consumer loans	7,401,757	7,463,043	7,625,333	46,295
Subtotal	**7,782,526**	**7,866,042**	**8,048,276**	**48,677**
Tangible fixed assets:				
Land	1,122,635	1,126,575	1,127,336	7,021
Buildings	600,369	586,815	579,721	3,755
Lease assets	3,486	3,293	2,724	21
Construction in progress	14,840	25,426	35,869	92
Other tangible fixed assets	24,506	14,249	12,771	153
Subtotal	**1,765,838**	**1,756,360**	**1,758,423**	**11,044**
Intangible fixed assets:				
Software	134,827	96,732	79,105	843
Other intangible fixed assets	95,512	118,369	116,605	597
Subtotal	**230,339**	**215,102**	**195,710**	**1,440**
Reinsurance receivables	**191**	**306**	**287**	**1**
Other assets:				
Accounts receivable	107,587	119,083	122,588	672
Prepaid expenses	26,318	24,560	22,129	164
Accrued income	401,089	374,213	351,831	2,508
Money on deposit	33,514	33,191	32,298	209
Deposits for futures transactions	59,640	72,910	154,158	373
Futures transactions variation margin	925	5	7	5
Derivative financial instruments	113,763	93,503	126,489	711
Suspense	13,139	13,649	8,712	82
Other assets	764,310	614,369	461,792	4,780
Subtotal	**1,520,288**	**1,345,485**	**1,280,007**	**9,508**
Customers' liability for acceptances and guarantees	**47,911**	**51,697**	**59,958**	**299**
Allowance for doubtful accounts	**(3,790)**	**(4,273)**	**(9,948)**	**(23)**
Allowance for investment loss	**–**	**(24,125)**	**(21,572)**	**–**
Total assets	**¥ 85,831,839**	**¥ 81,615,406**	**¥ 83,549,165**	**$ 536,851**

Nippon Life Insurance Company

Nonconsolidated Balance Sheets (continued)

As of March 31	Millions of Yen 2026	2025	2024	Millions of U.S. Dollars (Note 1) 2026
LIABILITIES:				
Policy reserves and other reserves:				
Reserve for outstanding claims	¥ 198,405	¥ 209,835	¥ 203,995	$ 1,240
Policy reserves	61,486,775	61,182,984	60,764,665	384,580
Reserve for dividends to policyholders	1,174,282	1,126,878	1,088,964	7,344
Subtotal	**62,859,464**	**62,519,697**	**62,057,625**	**393,166**
Reinsurance payables	**3,168**	**399**	**450**	**19**
Corporate bonds	**1,487,436**	**1,438,541**	**1,400,719**	**9,303**
Other liabilities:				
Payables under repurchase agreements	3,451,183	2,877,862	2,962,898	21,586
Loans payable	1,076,000	1,076,000	1,005,133	6,730
Income taxes payable	15,029	6,478	4,595	94
Accounts payable	217,197	171,929	161,602	1,358
Accrued expenses	65,590	62,303	60,588	410
Deferred income	18,155	17,341	17,572	113
Deposits received	118,413	121,889	123,532	740
Guarantee deposits received	90,026	89,190	87,040	563
Futures transactions variation margin	156	442	1,285	0
Derivative financial instruments	2,884,297	1,980,367	1,853,948	18,040
Cash collateral received for financial instruments	–	10,233	–	–
Lease obligations	3,096	3,224	2,825	19
Asset retirement obligations	7,708	7,604	7,491	48
Suspense receipts	15,388	9,469	12,065	96
Other liabilities	2	–	1,742	0
Subtotal	**7,962,247**	**6,434,336**	**6,302,322**	**49,801**
Accrued bonuses for directors	**453**	**427**	**425**	**2**
Accrued retirement benefits	**358,646**	**379,563**	**381,307**	**2,243**
Provision for loyalty program points	**—**	**6,192**	**8,356**	**–**
Reserve for price fluctuations in investments in securities	**1,200,302**	**1,673,007**	**1,625,673**	**7,507**
Deferred tax liabilities	**1,319,913**	**623,965**	**1,366,338**	**8,255**
Deferred tax liabilities for land revaluation	**99,734**	**100,413**	**98,340**	**623**
Acceptances and guarantees	**47,911**	**51,697**	**59,958**	**299**
Total liabilities	**75,339,278**	**73,228,243**	**73,301,518**	**471,223**
NET ASSETS:				
Foundation funds	**50,000**	**50,000**	**100,000**	**312**
Reserve for redemption of foundation funds	**1,400,000**	**1,400,000**	**1,350,000**	**8,756**
Reserve for revaluation	**651**	**651**	**651**	**4**
Surplus:				
Legal reserve for deficiencies	24,804	23,390	21,855	155
Other surplus reserves:	1,231,664	958,859	809,035	7,703
Equalized reserve for dividends to policyholders	10,000	–	–	62
Reserve for social public welfare assistance	2,041	718	351	12
Reserve for financial stability	571,917	411,917	221,917	3,577
Reserve for reduction entry of real estate	79,811	77,279	76,815	499
Other reserves	170	170	170	1
Unappropriated surplus	567,725	468,775	509,780	3,550
Total surplus	**1,256,468**	**982,249**	**830,890**	**7,858**
Total foundation funds and others	**2,707,119**	**2,432,900**	**2,281,541**	**16,932**
Net unrealized gains on available-for-sale securities	**9,779,130**	**7,377,817**	**9,158,865**	**61,165**
Deferred losses on derivatives under hedge accounting	**(1,937,941)**	**(1,366,998)**	**(1,141,792)**	**(12,121)**
Land revaluation losses	**(55,747)**	**(56,555)**	**(50,967)**	**(348)**
Total valuations, conversions, and others	**7,785,440**	**5,954,262**	**7,966,105**	**48,695**
Total net assets	**10,492,560**	**8,387,163**	**10,247,646**	**65,627**
Total liabilities and net assets	**¥ 85,831,839**	**¥ 81,615,406**	**¥ 83,549,165**	**$ 536,851**

The accompanying notes are an integral part of the nonconsolidated financial statements.

Nippon Life Insurance Company

Nonconsolidated Statements of Income

For the fiscal years ended March 31	Millions of Yen			Millions of U.S. Dollars (Note 1)
	2026	2025	2024	2026
Ordinary income:				
Revenues from insurance and reinsurance:				
Insurance premiums	¥5,400,527	¥4,793,437	¥5,296,086	$33,778
Reinsurance revenue	1,813	1,174	1,312	11
Subtotal	**5,402,341**	**4,794,612**	**5,297,399**	**33,789**
Investment income:				
Interest, dividends, and other income:	1,936,910	1,826,960	1,607,616	12,114
Interest on deposits and savings	11,882	12,564	9,032	74
Interest on securities and dividends	1,626,972	1,517,084	1,312,643	10,176
Interest on loans	164,963	169,135	160,146	1,031
Real estate rental income	116,996	116,130	113,658	731
Other income	16,095	12,044	12,135	100
Gain on sales of securities	1,087,156	388,331	315,349	6,799
Foreign exchange gains, net	141,418	–	158,236	884
Reversal of allowance for doubtful accounts	933	–	–	5
Reversal of allowance for investment loss	24,125	–	6,930	150
Other investment income	2,011	1,033	842	12
Gain from separate accounts, net	92,715	–	127,915	579
Subtotal	**3,285,271**	**2,216,324**	**2,216,890**	**20,548**
Other ordinary income:				
Income from annuity riders	2,988	3,501	3,975	18
Income from deferred benefits	59,054	63,601	67,934	369
Reversal of reserve for outstanding claims	11,429	–	–	71
Other ordinary income	63,008	44,836	42,176	394
Subtotal	**136,480**	**111,938**	**114,085**	**853**
Total ordinary income	**8,824,093**	**7,122,875**	**7,628,376**	**55,191**
Ordinary expenses:				
Benefits and other payments:				
Death and other claims	1,021,576	1,056,882	1,080,315	6,389
Annuity payments	900,339	867,051	844,888	5,631
Health and other benefits	816,055	795,529	755,761	5,104
Surrender benefits	2,204,375	1,402,601	1,398,537	13,787
Other refunds	349,285	330,234	274,458	2,184
Reinsurance premiums	5,897	1,872	1,934	36
Subtotal	**5,297,531**	**4,454,171**	**4,355,896**	**33,134**
Provision for policy reserves:				
Provision for reserve for outstanding claims	–	5,839	212	–
Provision for policy reserves	303,791	418,319	1,089,128	1,900
Provision for interest on reserve for dividends to policyholders	20,972	20,648	20,975	131
Subtotal	**324,763**	**444,807**	**1,110,317**	**2,031**
Investment expenses:				
Interest expenses	71,765	55,838	42,900	448
Loss on sales of securities	1,729,210	502,010	275,812	10,815
Loss on valuation of securities	74,853	2,508	6,549	468
Loss on derivative financial instruments, net	231,699	217,412	288,339	1,449
Foreign exchange losses, net	–	30,593	–	–
Provision for allowance for doubtful accounts	–	595	614	–
Provision for allowance for investment loss	–	2,553	–	–
Depreciation of rental real estate and other assets	21,990	21,583	20,320	137
Other investment expenses	69,344	67,275	62,446	433
Loss from separate accounts, net	–	13,632	–	–
Subtotal	**2,198,864**	**914,003**	**696,982**	**13,753**

Nippon Life Insurance Company

Nonconsolidated Statements of Income (continued)

For the fiscal years ended March 31	Millions of Yen			Millions of U.S. Dollars (Note 1)
	2026	2025	2024	2026
Operating expenses	**¥ 602,580**	**¥ 584,236**	**¥ 564,342**	**$ 3,768**
Other ordinary expenses:				
Deferred benefit payments	102,349	104,939	109,799	640
Taxes	57,605	53,232	55,765	360
Depreciation	57,442	48,476	52,688	359
Provision for retirement benefits	–	–	2,973	–
Other ordinary expenses	27,370	26,348	25,048	171
Subtotal	**244,767**	**232,997**	**246,274**	**1,530**
Total ordinary expenses	**8,668,507**	**6,630,217**	**6,973,813**	**54,218**
Ordinary profit	**155,585**	**492,658**	**654,562**	**973**
Extraordinary gains:				
Gain on disposals of fixed assets	7,783	12,438	5,549	48
Reversal of reserve for price fluctuations in investments in securities	472,705	–	–	2,956
Subtotal	**480,488**	**12,438**	**5,549**	**3,005**
Extraordinary losses:				
Loss on disposals of fixed assets	6,424	5,377	8,396	40
Impairment losses	9,246	10,093	9,506	57
Provision for reserve for price fluctuations in investments in securities	–	47,334	41,245	–
Loss on reduction entry of real estate	12	28	36	0
Contributions for assisting social public welfare	1,677	2,633	3,000	10
Other extraordinary losses	353	47	–	2
Subtotal	**17,713**	**65,514**	**62,184**	**110**
Surplus before income taxes	**618,360**	**439,582**	**597,927**	**3,867**
Income taxes:				
Current	(33,580)	111,278	49,675	(210)
Deferred	85,084	(135,723)	36,174	532
Total income taxes	**51,504**	**(24,445)**	**85,849**	**322**
Net surplus	**¥ 566,856**	**¥ 464,027**	**¥ 512,077**	**$ 3,545**

The accompanying notes are an integral part of the nonconsolidated financial statements.

Nippon Life Insurance Company

Nonconsolidated Statements of Changes in Net Assets

Millions of Yen

For the fiscal year ended March 31, 2024	Foundation funds and others											
					Surplus							
					Other surplus reserves							
	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Legal reserve for deficiencies	Reserve for social public welfare assistance	Reserve for financial stability	Reserve for reduction entry of real estate	Reserve for reduction entry of real estate to be purchased	Other reserves	Unappropriated surplus	Total surplus	Total foundation funds and others
Beginning balance	**¥100,000**	**¥1,350,000**	**¥651**	**¥21,282**	**¥ 351**	**¥221,917**	**¥73,248**	**¥2,961**	**¥170**	**¥186,354**	**¥506,285**	**¥1,956,936**
Increase/decrease:												
Additions to reserve for dividends to policyholders										(181,910)	(181,910)	(181,910)
Additions to legal reserve for deficiencies				573						(573)	–	–
Interest on foundation funds										(265)	(265)	(265)
Net surplus										512,077	512,077	512,077
Additions to reserve for social public welfare assistance					3,000					(3,000)	–	–
Reversal of reserve for social public welfare assistance					(3,000)					3,000	–	–
Additions to reserve for reduction entry of real estate							4,927			(4,927)	–	–
Reversal of reserve for reduction entry of real estate							(1,359)			1,359	–	–
Reversal of reserve for reduction entry of real estate to be purchased								(2,961)		2,961	–	–
Reversal of land revaluation losses										(5,297)	(5,297)	(5,297)
Net change, excluding foundation funds and others												
Net change	**–**	**–**	**–**	**573**	**–**	**–**	**3,567**	**(2,961)**	**–**	**323,426**	**324,605**	**324,605**
Ending balance	**¥100,000**	**¥1,350,000**	**¥651**	**¥21,855**	**¥ 351**	**¥221,917**	**¥76,815**	**¥ –**	**¥170**	**¥509,780**	**¥830,890**	**¥2,281,541**

Nippon Life Insurance Company

Nonconsolidated Statements of Changes in Net Assets (continued)

Millions of Yen

For the fiscal year ended March 31, 2024	Valuations, conversions, and others				
	Net unrealized gains on available-for-sale securities	Deferred losses on derivatives under hedge accounting	Land revaluation losses	Total valuations, conversions, and others	Total net assets
Beginning balance	**¥5,297,929**	**¥ (376,317)**	**¥(56,264)**	**¥4,865,347**	**¥ 6,822,283**
Increase/decrease:					
Additions to reserve for dividends to policyholders					(181,910)
Additions to legal reserve for deficiencies					–
Interest on foundation funds					(265)
Net surplus					512,077
Additions to reserve for social public welfare assistance					–
Reversal of reserve for social public welfare assistance					–
Additions to reserve for reduction entry of real estate					–
Reversal of reserve for reduction entry of real estate					–
Reversal of reserve for reduction entry of real estate to be purchased					–
Reversal of land revaluation losses					(5,297)
Net change, excluding foundation funds and others	3,860,936	(765,475)	5,297	3,100,757	3,100,757
Net change	**3,860,936**	**(765,475)**	**5,297**	**3,100,757**	**3,425,362**
Ending balance	**¥9,158,865**	**¥(1,141,792)**	**¥(50,967)**	**¥7,966,105**	**¥10,247,646**

Nippon Life Insurance Company

Nonconsolidated Statements of Changes in Net Assets (continued)

Millions of Yen

For the fiscal year ended March 31, 2025	Foundation funds and others										
				Surplus							
					Other surplus reserves						
	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Legal reserve for deficiencies	Reserve for social public welfare assistance	Reserve for financial stability	Reserve for reduction entry of real estate	Other reserves	Unappropriated surplus	Total surplus	Total foundation funds and others
Beginning balance	**¥100,000**	**¥1,350,000**	**¥651**	**¥21,855**	**¥ 351**	**¥221,917**	**¥76,815**	**¥170**	**¥509,780**	**¥830,890**	**¥2,281,541**
Increase/decrease:											
Additions to reserve for dividends to policyholders									(264,517)	(264,517)	(264,517)
Additions to legal reserve for deficiencies				1,535					(1,535)	–	–
Additions to reserve for redemption of foundation funds		50,000							(50,000)	(50,000)	–
Interest on foundation funds									(265)	(265)	(265)
Net surplus									464,027	464,027	464,027
Redemption of foundation funds	(50,000)										(50,000)
Additions to reserve for social public welfare assistance					3,000				(3,000)	–	–
Reversal of reserve for social public welfare assistance					(2,633)				2,633	–	–
Additions to reserve for financial stability						190,000			(190,000)	–	–
Additions to reserve for reduction entry of real estate							2,260		(2,260)	–	–
Reversal of reserve for reduction entry of real estate							(1,797)		1,797	–	–
Reversal of land revaluation losses									2,114	2,114	2,114
Net change, excluding foundation funds and others											
Net change	**(50,000)**	**50,000**	**–**	**1,535**	**366**	**190,000**	**463**	**–**	**(41,005)**	**151,359**	**151,359**
Ending balance	**¥ 50,000**	**¥1,400,000**	**¥651**	**¥23,390**	**¥ 718**	**¥411,917**	**¥77,279**	**¥170**	**¥468,775**	**¥982,249**	**¥2,432,900**

Nippon Life Insurance Company

Nonconsolidated Statements of Changes in Net Assets (continued)

Millions of Yen

For the fiscal year ended March 31, 2025	Valuations, conversions, and others				
	Net unrealized gains on available-for-sale securities	Deferred losses on derivatives under hedge accounting	Land revaluation losses	Total valuations, conversions, and others	Total net assets
Beginning balance	**¥ 9,158,865**	**¥(1,141,792)**	**¥(50,967)**	**¥ 7,966,105**	**¥10,247,646**
Increase/decrease:					
Additions to reserve for dividends to policyholders					(264,517)
Additions to legal reserve for deficiencies					–
Additions to reserve for redemption of foundation funds					–
Interest on foundation funds					(265)
Net surplus					464,027
Redemption of foundation funds					(50,000)
Additions to reserve for social public welfare assistance					–
Reversal of reserve for social public welfare assistance					–
Additions to reserve for financial stability					–
Additions to reserve for reduction entry of real estate					–
Reversal of reserve for reduction entry of real estate					–
Reversal of land revaluation losses					2,114
Net change, excluding foundation funds and others	(1,781,047)	(225,206)	(5,588)	(2,011,842)	(2,011,842)
Net change	**(1,781,047)**	**(225,206)**	**(5,588)**	**(2,011,842)**	**(1,860,483)**
Ending balance	**¥ 7,377,817**	**¥(1,366,998)**	**¥(56,555)**	**¥ 5,954,262**	**¥ 8,387,163**

Nippon Life Insurance Company

Nonconsolidated Statements of Changes in Net Assets (continued)

Millions of Yen

For the fiscal year ended March 31, 2026	Foundation funds and others											
					Surplus							
					Other surplus reserves							
	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Legal reserve for deficiencies	Equalized reserve for dividends to policyholders	Reserve for social public welfare assistance	Reserve for financial stability	Reserve for reduction entry of real estate	Other reserves	Unappropriated surplus	Total surplus	Total foundation funds and others
Beginning balance	**¥50,000**	**¥1,400,000**	**¥651**	**¥23,390**	**¥ –**	**¥ 718**	**¥411,917**	**¥77,279**	**¥170**	**¥468,775**	**¥ 982,249**	**¥2,432,900**
Increase/decrease:												
Additions to reserve for dividends to policyholders										(291,689)	(291,689)	(291,689)
Additions to legal reserve for deficiencies				1,414						(1,414)	–	–
Interest on foundation funds										(140)	(140)	(140)
Net surplus										566,856	566,856	566,856
Additions to equalized reserve for dividends to policyholders					10,000					(10,000)	–	–
Additions to reserve for social public welfare assistance						3,000				(3,000)	–	–
Reversal of reserve for social public welfare assistance						(1,677)				1,677	–	–
Additions to reserve for financial stability							160,000			(160,000)	–	–
Additions to reserve for reduction entry of real estate								5,061		(5,061)	–	–
Reversal of reserve for reduction entry of real estate								(2,529)		2,529	–	–
Reversal of land revaluation losses										(807)	(807)	(807)
Net change, excluding foundation funds and others												
Net change	**–**	**–**	**–**	**1,414**	**10,000**	**1,323**	**160,000**	**2,531**	**–**	**98,950**	**274,218**	**274,218**
Ending balance	**¥50,000**	**¥1,400,000**	**¥651**	**¥24,804**	**¥10,000**	**¥2,041**	**¥571,917**	**¥79,811**	**¥170**	**¥567,725**	**¥1,256,468**	**¥2,707,119**

Nippon Life Insurance Company

Nonconsolidated Statements of Changes in Net Assets (continued)

Millions of Yen

For the fiscal year ended March 31, 2026	Valuations, conversions, and others				
	Net unrealized gains on available-for-sale securities	Deferred losses on derivatives under hedge accounting	Land revaluation losses	Total valuations, conversions, and others	Total net assets
Beginning balance	**¥7,377,817**	**¥(1,366,998)**	**¥(56,555)**	**¥5,954,262**	**¥ 8,387,163**
Increase/decrease:					
Additions to reserve for dividends to policyholders					(291,689)
Additions to legal reserve for deficiencies					–
Interest on foundation funds					(140)
Net surplus					566,856
Additions to equalized reserve for dividends to policyholders					–
Additions to reserve for social public welfare assistance					–
Reversal of reserve for social public welfare assistance					–
Additions to reserve for financial stability					–
Additions to reserve for reduction entry of real estate					–
Reversal of reserve for reduction entry of real estate					–
Reversal of land revaluation losses					(807)
Net change, excluding foundation funds and others	2,401,312	(570,942)	807	1,831,178	1,831,178
Net change	**2,401,312**	**(570,942)**	**807**	**1,831,178**	**2,105,397**
Ending balance	**¥9,779,130**	**¥(1,937,941)**	**¥(55,747)**	**¥7,785,440**	**¥10,492,560**

Nippon Life Insurance Company

Nonconsolidated Statements of Changes in Net Assets (continued)

Millions of U.S. Dollars (Note 1)

For the fiscal year ended March 31, 2026	Foundation funds and others											
				Surplus								
					Other surplus reserves							
	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Legal reserve for deficiencies	Equalized reserve for dividends to policyholders	Reserve for social public welfare assistance	Reserve for financial stability	Reserve for reduction entry of real estate	Other reserves	Unappropriated surplus	Total surplus	Total foundation funds and others
Beginning balance	**$312**	**$8,756**	**$4**	**$146**	**$ –**	**$ 4**	**$2,576**	**$483**	**$1**	**$2,932**	**$6,143**	**$15,217**
Increase/decrease:												
Additions to reserve for dividends to policyholders										(1,824)	(1,824)	(1,824)
Additions to legal reserve for deficiencies				8						(8)	–	–
Interest on foundation funds										(0)	(0)	(0)
Net surplus										3,545	3,545	3,545
Additions to equalized reserve for dividends to policyholders					62					(62)	–	–
Additions to reserve for social public welfare assistance						18				(18)	–	–
Reversal of reserve for social public welfare assistance						(10)				10	–	–
Additions to reserve for financial stability							1,000			(1,000)	–	–
Additions to reserve for reduction entry of real estate								31		(31)	–	–
Reversal of reserve for reduction entry of real estate								(15)		15	–	–
Reversal of land revaluation losses										(5)	(5)	(5)
Net change, excluding foundation funds and others												
Net change	**–**	**–**	**–**	**8**	**62**	**8**	**1,000**	**15**	**–**	**618**	**1,715**	**1,715**
Ending balance	**$312**	**$8,756**	**$4**	**$155**	**$62**	**$12**	**$3,577**	**$499**	**$1**	**$3,550**	**$7,858**	**$16,932**

Nippon Life Insurance Company

Nonconsolidated Statements of Changes in Net Assets (continued)

For the fiscal year ended March 31, 2026	Millions of U.S. Dollars (Note 1)				
		Valuations, conversions, and others			
	Net unrealized gains on available-for-sale securities	Deferred losses on derivatives under hedge accounting	Land revaluation losses	Total valuations, conversions, and others	Total net assets
Beginning balance	**$46,145**	**$ (8,550)**	**$(353)**	**$37,242**	**$52,459**
Increase/decrease:					
Additions to reserve for dividends to policyholders					(1,824)
Additions to legal reserve for deficiencies					–
Interest on foundation funds					(0)
Net surplus					3,545
Additions to equalized reserve for dividends to policyholders					–
Additions to reserve for social public welfare assistance					–
Reversal of reserve for social public welfare assistance					–
Additions to reserve for financial stability					–
Additions to reserve for reduction entry of real estate					–
Reversal of reserve for reduction entry of real estate					–
Reversal of land revaluation losses					(5)
Net change, excluding foundation funds and others	15,019	(3,571)	5	11,453	11,453
Net change	**15,019**	**(3,571)**	**5**	**11,453**	**13,168**
Ending balance	**$61,165**	**$(12,121)**	**$(348)**	**$48,695**	**$65,627**

The accompanying notes are an integral part of the nonconsolidated financial statements.

Nippon Life Insurance Company

Nonconsolidated Proposed Appropriations of Surplus

For the fiscal years ended March 31	Thousands of Yen			Thousands of U.S. Dollars (Note 1)
	2026	2025	2024	2026
Unappropriated surplus	**¥567,725,290**	**¥468,775,282**	**¥509,780,820**	**$3,550,946**
Reversal from voluntary surplus reserves:				
Reversal of equalized reserve for dividends to policyholders	10,000,000	–	–	62,546
Reversal of reserve for reduction entry of real estate	1,596,138	2,529,973	1,797,499	9,983
Subtotal	**11,596,138**	**2,529,973**	**1,797,499**	**72,530**
Total	**¥579,321,429**	**¥471,305,255**	**¥511,578,320**	**$3,623,476**
Appropriations:	**¥579,321,429**	**¥471,305,255**	**¥511,578,320**	**$3,623,476**
Reserve for dividends to policyholders	373,278,554	291,689,442	264,517,435	2,334,742
Net surplus	206,042,874	179,615,812	247,060,884	1,288,734
Legal reserve for deficiencies	1,708,000	1,414,000	1,535,000	10,683
Reserve for redemption of foundation funds	50,000,000	–	50,000,000	312,734
Interest on foundation funds	140,000	140,000	265,000	875
Voluntary surplus reserves:				
Equalized reserve for dividends to policyholders	–	10,000,000	–	–
Reserve for social public welfare assistance	3,000,000	3,000,000	3,000,000	18,764
Reserve for financial stability	150,000,000	160,000,000	190,000,000	938,203
Reserve for reduction entry of real estate	1,194,874	5,061,812	2,260,884	7,473
Subtotal	**154,194,874**	**178,061,812**	**195,260,884**	**964,441**
Surplus carried forward	**–**	**–**	**–**	**–**

Of the surplus available for disposition, a minimum ratio for the reserve for dividends to policyholders needs to be established in the Articles of Incorporation.

Nippon Life applies mutatis mutandis Article 30-6 of the Ordinance for Enforcement of the Insurance Business Act in the Articles of Incorporation and has established the ratio (20/100) stipulated in said Article 30-6 as the minimum ratio in the Articles of Incorporation. The ratio of provision of the appropriation of surplus in the fiscal year ended March 31, 2026 was 70.64%.

Amounts of less than one thousand yen and one thousand U.S. dollars have been eliminated in the table above.

Nippon Life Insurance Company

Notes to the Nonconsolidated Financial Statements

1. Basis of Presenting the Nonconsolidated Financial Statements

(1) Accounting principles and presentation

The accompanying nonconsolidated financial statements have been prepared from the accounts and records maintained by NIPPON LIFE INSURANCE COMPANY ("Nippon Life" or the "Company") in accordance with the provisions set forth in the Insurance Business Act and the related rules and regulations applicable to the mutual life insurance industry, and in accordance with accounting principles generally accepted in Japan, which are different in certain respects from the application and disclosure requirements of International Financial Reporting Standards. Certain accounting and reporting practices required to be followed by the industry are regulated by the Financial Services Agency and the related ministry by means of ministerial ordinances and guidance. The accompanying nonconsolidated financial statements of Nippon Life are in compliance with such requirements. However, while the business report and supporting schedules have been prepared by the management of Nippon Life as a part of the disclosures required by the Company's Act and the Insurance Business Act, they are not provided herein. The information provided in the nonconsolidated financial statements including the Notes to the Nonconsolidated Financial Statements is limited to information required by the Insurance Business Act and the related rules and regulations applicable to the mutual life insurance industry and disclosed as additional information. Amounts of less than one million yen and one million U.S. dollars have been eliminated for nonconsolidated financial statement presentation. As a result, totals may not add up exactly. As consolidated statements of cash flows and certain disclosures are presented in the consolidated financial statements of the Company, nonconsolidated statements of cash flows and certain disclosures are not presented herein in accordance with accounting principles generally accepted in Japan.

(2) U.S. dollar amounts

Nippon Life prepares its nonconsolidated financial statements in Japanese yen. The U.S. dollar amounts included in the nonconsolidated financial statements and notes thereto represent the arithmetical results of translating Japanese yen to U.S. dollars on the basis of ¥159.88=U.S. $1, the effective rate of exchange at the balance sheet date of March 31, 2026. The inclusion of such U.S. dollar amounts is solely for convenience and is not intended to imply that Japanese yen amounts have been or could be readily converted, realized or settled in U.S. dollars at ¥159.88=U.S. $1 or at any other rate.

2. Summary of Significant Accounting Policies

(1) Securities and hedging activities

1) Securities (including items such as deposits and monetary claims bought which are treated as securities based on the "Accounting Standard for Financial Instruments" (ASBJ* Statement No. 10) are valued as follows:

   i) Trading securities are stated at fair value on the balance sheet date. The moving average method is used for calculating the cost basis.

   ii) Held-to-maturity debt securities are stated using the moving average method, net of accumulated amortization (straight-line).

   iii) Policy-reserve-matching bonds are stated using the moving average method, net of accumulated amortization (straight-line), 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).

iv) Investments in subsidiaries and affiliates (stocks issued by subsidiaries prescribed in Article 2, Paragraph 12 of the Insurance Business Act or subsidiaries prescribed in Article 13-5-2, Paragraph 3 of the Order for Enforcement of the Insurance Business Act and stocks issued by affiliates prescribed in Article 13-5-2, Paragraph 4 of the Order for Enforcement of the Insurance Business Act) are stated at cost using the moving average method.

v) Available-for-sale securities

a. Fair value based on the market price, etc., at the end of the fiscal year (the cost basis is calculated using the moving average method, and public corporate bonds (including foreign bonds) for which the difference between the purchase price and face value is due to an interest rate adjustment are stated using the moving average method, net of accumulated amortization (straight-line method)).

b. Stocks and other securities without market prices are stated at cost using the moving average method.

** ASBJ: Accounting Standards Board of Japan*

2) Unrealized gains/losses, net of applicable taxes for available-for-sale securities, are recorded as a separate component of net assets.

Hedge accounting is applied based on the following methods:

1) The hedge accounting methods that are applied are mainly as follows: an exceptional accounting treatment ("*Tokurei-shori*") of interest rate swaps as a cash flow hedge for certain foreign currency-denominated loans; interest-rate-swap-based deferred hedging in accordance with "Handling Accounting and Auditing Related to the Application of Financial Instrument Accounting Standards in the Insurance Business" (report No. 26 of the Japanese Institute of Certified Public Accountants (JICPA) Industry-Specific Auditing Committee) as an interest-rate-fluctuation risk hedge for certain insurance policies; currency-swap-based deferred hedging and designated hedge accounting ("*Furiate-shori*") as an exchange-rate-fluctuation-related cash flow hedge for certain foreign currency-denominated bonds, certain foreign currency-denominated loans, and foreign currency-denominated corporate bonds (including forecasted transactions); exchange-contract-based fair value hedging and deferred hedging as an exchange-rate-fluctuation-related price fluctuation risk hedge for certain foreign currency-denominated bonds, etc. and foreign currency-denominated stocks (forecasted transactions); currency-option-based fair value hedging as an exchange-rate-fluctuation-related price fluctuation risk hedge for certain foreign currency-denominated bonds; and equity forward-based fair value hedging as a price fluctuation risk hedge for certain domestic stocks.

2) Hedging instruments and hedged items

(Hedging instruments)	(Hedged items)
Interest rate swaps	Foreign currency-denominated loans, and insurance policies
Currency swaps	Foreign currency-denominated bonds, foreign currency-denominated loans, and foreign currency-denominated corporate bonds (including forecasted transactions)
Foreign exchange forward contracts	Foreign currency-denominated bonds, etc. Foreign currency-denominated stocks (forecasted transactions)
Currency option	Foreign currency-denominated bonds
Equity forward contracts	Domestic stocks

Accompanying the replacement of interest rate benchmarks, an exceptional accounting treatment for interest rate swaps and certain currency swaps has been applied for the fiscal year ended March 31, 2024, based on the "Practical Solution on the Treatment of Hedge Accounting for Financial Instruments that Reference LIBOR" (ASBJ PITF* No. 40, March 17, 2022).
**PITF: Practical Issues Task Force*

3) Effectiveness of hedging activities is mainly evaluated by performing a ratio analysis of fair value movement comparisons based on the hedging instruments and hedged items taken, which is in accordance with the Company's internal risk management policies.

4) Derivative financial instruments are stated at fair value based on market prices, etc.

(2) Policy-reserve-matching bonds

Securities that are held for the purpose of matching the duration of outstanding liabilities within the subgroups classified by insurance type, payment method, maturity period, currency, and investment policy are classified as 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 JICPA.

The Company has specified and subcategorized the following insurance policies:

1) All insurance policies for products other than single premium products and group annuities

2) All insurance policies for single premium products (denominated in yen) other than variable assumed rate-type insurance

3) All insurance policies for group annuities other than guaranteed fixed-term rate products

4) All single premium products (denominated in U.S. dollars) other than the foregoing

5) All single premium products (denominated in Australian dollars) other than the foregoing

6) All single premium products (denominated in euros) other than the foregoing

(3) Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated into Japanese yen using the "Accounting Standards for Foreign Currency Transactions" (Business Accounting Council).

Foreign currency-denominated available-for-sale securities of the Company, with exchange rates that have significantly fluctuated and where recovery is not expected, are converted to Japanese yen using either the rate on the balance sheet date or the average one-month rate prior to the balance sheet date, whichever indicates a weaker yen. This translation difference is recorded as a loss on valuation of securities.

(4) Tangible fixed assets

1) Tangible fixed assets are depreciated based on the following methods:

   a. Tangible fixed assets (except for lease assets)

      (i) Buildings

      Straight-line method.

(ii) Assets other than the above

Declining-balance method.

Certain other tangible fixed assets with an acquisition price of less than ¥200,000 are depreciated over a three-year period on a straight-line basis.

b. Lease assets

(i) Lease assets related to financial leases that transfer ownership of the leased property to the lessee

The same depreciation method applied to fixed assets owned by the Company.

(ii) Lease assets related to financial leases that do not transfer ownership of the leased property to the lessee

Straight-line method based on lease period.

The estimated useful lives of major items are as follows:

Buildings	2 to 60 years
Other tangible fixed assets	2 to 20 years

Tangible fixed assets are stated at cost, net of accumulated depreciation and impairment losses.

2) Revaluation of land used in the operations is performed based on the Act on Revaluation of Land. The tax effect of the amount related to the valuation difference between carrying amount and the revalued amount for land revaluation is recognized as a deferred tax liabilities for land revaluation within the liability section. The valuation differences, excluding tax, are recognized as land revaluation losses within the net assets section.

Revaluation date	March 31, 2002
Revaluation methodology	The amount is calculated using the listed value of the land and road rate as prescribed by Article 2, Items 1 and 4, respectively, of the Order for Enforcement of the Act on Revaluation of Land.

(5) Software

Capitalized software for internal use, which is included within intangible fixed assets, is amortized using the straight-line method over its estimated useful lives as internally determined (5 years).

(6) Allowance for doubtful accounts

1) An allowance for doubtful accounts is recognized in accordance with the Company's internal Asset Valuation Regulation and Write-Off/Provision Rule.

i) An allowance for loans to borrowers who are legally or substantially bankrupt, such as being bankrupt or being in the process of civil rehabilitation proceedings, is recognized based on the amount of credit remaining after directly deducting amounts expected to be collected through the disposal of collateral or the execution of guarantees from the balance of loans (as mentioned at 3) below).

ii) An allowance for loans to borrowers who are not currently legally bankrupt, but have a significant possibility of bankruptcy is recognized at the amounts deemed necessary considering an assessment of the borrowers' overall solvency and the amounts remaining after deduction of amounts expected to be collected through the disposal of collateral or the execution of guarantees.

iii) An allowance for loans to borrowers other than the above is provided based on the borrowers' balance multiplied by the historical average (of a certain period) percentage of bad debt.

2) All credits are assessed by responsible sections in accordance with the Company's internal Asset Valuation Regulation. The assessments are verified by the independent Asset Auditing Department. The results of the assessments are reflected in the calculation of the allowance for doubtful accounts.

3) The estimated uncollectible amount calculated by subtracting the amount of collateral value or the amount collectible by the execution of guarantees from the balance of loans is directly deducted from the balance of loans (including loans with credits secured and/or guaranteed) made to legally or substantially bankrupt borrowers, etc. The estimated uncollectible amounts were ¥67 million (U.S. $0 million) (including ¥35 million (U.S. $0 million) of credits secured and/or guaranteed), ¥2,935 million (including ¥42 million of credits secured and/or guaranteed), ¥85 million (including ¥45 million of credits secured and/or guaranteed) as of March 31, 2026, 2025 and 2024, respectively.

(7) Allowance for investment loss

To provide for losses on investments, an allowance for investment loss is recognized for the stocks and other securities without market prices, and measured at the amount of the estimated losses that could arise in the future in accordance with the Company's internal Asset Valuation Regulation and Write-off/Provision Rule.

(8) Accrued bonuses for directors

Accrued bonuses for directors are recognized based on amounts estimated to be paid.

(9) Accrued retirement benefits

1) Accrued retirement benefits are recognized based on the estimated amount of projected benefit obligations in excess of the fair value of pension plan assets for future severance payments to employee on the balance sheet date as of March 31, 2026, 2025 and 2024.

2) The accounting methods used for retirement benefits as of March 31, 2026, 2025 and 2024, are as follows:

i) Attribution method for estimated retirement benefits: Benefit formula basis

ii) Period of amortizing actuarial gains/losses: 5 years

iii) Period of amortizing prior service costs: 5 years

(10) Provision for loyalty program points

Provision for loyalty program points is recognized based on the amount projected to be incurred for expenses from the use of points granted to policyholders.

(11) Reserve for price fluctuations in investments in securities

Reserve for price fluctuations in investments in securities is recognized based on Article 115 of the Insurance Business Act.

(12) Accounting for consumption taxes

Consumption taxes and local consumption taxes are accounted for by the tax exclusion method. However, consumption taxes paid on certain asset transactions, which are not deductible from consumption taxes withheld and are stipulated to be deferred under the Consumption Tax Act, are deferred as prepaid expenses and amortized over a five-year period on a straight-line basis. Consumption taxes other than deferred consumption taxes are expensed as incurred.

(13) Group Tax Sharing System

The Company has applied the Group Tax Sharing System, with the Company serving as the tax sharing parent company. As a result, the accounting treatment for corporate tax and local corporate tax, as well as the accounting treatment for tax effect accounting related to these taxes, is in accordance with the "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (ASBJ PITF No. 42).

(14) Policy reserves

1) Policy reserves are reserves set forth in accordance with Article 116 of the Insurance Business Act. These reserves are accumulated in order to prepare for payments of future obligations based on insurance policies. Insurance premiums reserves are recognized based on the following methodology. In accordance with Article 69, Paragraph 5 of the Ordinance for Enforcement of the Insurance Business Act, policy reserves include those that are reserved for certain individual annuity policies and for certain whole life insurance policies.

    i) Reserves for policies subject to the standard policy reserve are computed in accordance with the method prescribed by the Commissioner of the Financial Services Agency (Ordinance No. 48 issued by the Ministry of Finance in 1996).

    ii) Reserves for other policies are computed based on the net level premium method.

Matters concerning additional policy reserves for the fiscal year ended March 31, 2026, are as follows:

Effective from the fiscal year ended March 31, 2020, the Company has provided additional policy reserves for paid-up insurance policies and similar policies among certain whole life insurance policies (including single premium policies). In addition, effective from the fiscal year ended March 31, 2026, the Company has expanded the scope of whole life insurance policies (including single premium policies) for which additional policy reserves are provided. For policies that are already paid-up (including single-premium policies), the Company provides such additional policy reserves progressively over a nine-year period. As a result, policy reserves increased by ¥201,047 million (U.S. $1,257 million), while ordinary profit and surplus before income taxes decreased by ¥201,047 million (U.S. $1,257 million), compared with amounts that would have been recorded otherwise if the additional policy reserves had not been provided in the fiscal year ended March 31, 2026.

Matters concerning additional policy reserves for the fiscal year ended March 31, 2025, are as follows:

Effective from the fiscal year ended March 31, 2020, the Company has provided additional policy reserves for paid-up insurance policies and similar policies among certain whole life insurance policies (including single premium policies). In addition, the Company provides the following in a lump sum for the fiscal year ended March 31, 2025: whole life insurance policy (including single premium policies) policy reserves added starting in the fiscal year ended March 31, 2022 and progressively provided over a five-year period, as well as whole life insurance policy (including single premium policies) policy reserves added starting in the fiscal year ended March 31, 2025. Note that, when additional policy reserves are provided for the fiscal year ended March 31, 2025, certain contingency reserves recorded based on Article 69-1-3 of the Regulation for Enforcement of the Insurance Business Act are allocated to the additional policy reserves after performing a reversal not in accordance with the standard of reversal specified by the Commissioner of the Financial Services Agency, as per Article 69-7 of the same Regulation. As a result, policy reserves increased by ¥301,138 million, while ordinary profit and surplus before income taxes decreased by ¥301,138 million, compared with amounts that would have been recorded otherwise if the additional policy reserves had not been provided and contingency reserves had not been reversed in the fiscal year ended March 31, 2025.

Matters concerning additional policy reserves for the fiscal year ended March 31, 2024, are as follows:

Effective from the fiscal year ended March 31, 2020, the Company has provided additional policy reserves for paid-up insurance policies and similar policies among certain whole life insurance policies (including single premium policies). In addition, effective from the fiscal year ended March 31, 2022, the Company has expanded the scope of whole life insurance policies (including single premium policies) for which additional policy reserves are provided. For policies that are already paid-up (including single-premium policies), the Company provides such additional policy reserves progressively over a five-year period. As a result, the policy reserves increased by ¥52,235 million, while ordinary profit and surplus before income taxes decreased by ¥52,235 million, compared with amounts that would have been recorded otherwise if the additional policy reserves had not been provided in the fiscal years ended March 31, 2024.

(15) Revenues from insurance and reinsurance and benefits and other payments

The accounting policies for revenues from insurance and reinsurance and benefits and other payments are as follows:

1) Revenues from insurance and reinsurance (excluding revenues from reinsurance) are, in principle, recorded based on the amount for which insurance premium has been received.

   Unearned insurance premiums are recognized as policy reserves.

2) Benefits and other payments (excluding reinsurance premiums) are recorded as the amount of payments made with respect to policies for which an event that is a reason for payment of claims or benefits has occurred based on the policy clauses and the amount determined based on those policy clauses was paid.

(16) Policy acquisition costs

Policy acquisition costs are recorded to expense as incurred.

(17) Income taxes

The provision for income taxes is computed based on the pretax income included in the nonconsolidated statements of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying the enacted statutory tax rates to the temporary differences.

Starting in the fiscal year ended March 31, 2025, the Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022, called "the revised 2022 accounting standard" below), and the Company has therefore revised the accounting classifications of income taxes on income earned in the fiscal year ended March 31, 2025, which are levied on items such as valuation differences arising from the revaluation of assets and liabilities. In terms of applying the revised 2022 accounting standard, the Company followed the transitional measures specified by the proviso in Paragraph 20-3 of the standard, and the new accounting policy specified by the standard was applied starting at the beginning of the fiscal year ended March 31, 2025.

3. Incurred But Not Reported (IBNR) Claims

In the fiscal years ended March 31, 2026, 2025 and 2024, an appropriate amount of the reserve for incurred but not reported (IBNR) claims (insurance claims and benefits whose reasons for payment have not yet been reported, but whose reasons for payment stipulated by insurance policies are deemed to have already occurred) cannot be calculated pursuant to the calculation based on Article 1, Paragraph 1, Principles of the Ministry of Finance Public Notice No. 234 of 1998 (hereinafter, "the IBNR Notice") due to the termination on May 8, 2023 of the special handling of payment for hospitalization and related benefits in cases such as where the insured is diagnosed with COVID-19 and recuperates at a lodging facility or at home under the super-vision of a physician or other medical personnel (hereinafter, "deemed hospitalization"). Therefore, the Company recorded an amount based on the provision in the proviso of Article 1, Paragraph 1 of the IBNR Notice calculated using the method described below.

(Calculation method)

The reserve for IBNR claims is calculated using the same method as that set forth in Article 1, Paragraph 1, Principles of the IBNR Notice, after excluding the amounts related to deemed hospitalization from the required amount of provisions to reserve for IBNR claims over all periods under Article 1, Paragraph 1, Principles of the IBNR Notice and the amount of payments for insurance claims and benefits under said notice. As of March 31, 2023, the Company has calculated reserve amounts by classifying them as a reserve for IBNR claims related to deemed hospitalization and a reserve for IBNR claims related to reasons other than deemed hospitalization. However, due to the termination of the special handling of hospitalization benefits for deemed hospitalization in the fiscal year ended March 31, 2024, the calculation method has been revised to calculate the reserve for IBNR claims related to deemed hospitalization as zero.

4. Reclassification of the Nonconsolidated Financial Statements

Previously, the Company recorded gains from the cancellation of investment trusts as interest, dividends, and other income under investment income. However, since these are the same in nature as gain on sales of securities such as stocks and bonds, they were included in gain on sales of securities under investment income from the fiscal year ended March 31, 2024 after system improvements were completed, in order to present operating performance more appropriately.

5. Significant Accounting Estimates

The significant accounting estimates identified based on the "Accounting Standard for Disclosure of Accounting Estimates" (ASBJ Statement No. 31) comprise valuations of investments in subsidiaries and affiliates.

The value of investments in subsidiaries and affiliates recorded in the balance sheet as of March 31, 2026, is ¥4,890,671 million (U.S. $30,589 million), and ¥3,376,600 million as of March 31, 2025, and ¥2,195,159 million as of March 31, 2024. If the net realizable value of the investments in subsidiaries and affiliates without market prices decreases sharply due to a deterioration in their financial condition, the Company would need to record a considerable reduction. For the valuation of investments in subsidiaries and affiliates that are life insurance companies, the Company uses the corporate valuation amounts for such subsidiaries and other entities as the net realizable value.

For the fiscal years ended March 31, 2026, 2025 and 2024, the calculation of the corporate valuation amount includes assumptions about the future performance of subsidiaries, etc. Therefore, any changes to these assumptions could potentially have a significant impact on the amounts for subsidiaries and affiliates.

For details, refer to Note 26 Impairment Losses in the Notes to the Consolidated Financial Statements.

6. Matters Concerning Accounting Standards That Have Not Been Applied

Major accounting standards that have not been applied by the Company include the "Accounting Standard for Leases" (ASBJ Statement No. 34, September 13, 2024) and the "Implementation Guidance on Accounting Standard for Leases" (ASBJ Guidance No. 33, September 13, 2024), both of which are described below.

1) Overview

These accounting standards, etc. are part of initiatives by the Accounting Standards Board of Japan to make Japanese standards more consistent with the international standards, and the Accounting Standard for Leases was specifically developed to record assets and liabilities related to all leases held by lessees.

In terms of the accounting treatment of lessees, right-of-use assets are recorded on the balance sheet by regarding all leases as acquisitions of the right of use. Meanwhile, regarding the lease cost allocation method, a single lessee model similar to that used in IFRS 16 is applied. Under this model, depreciation expenses related to right-of-use assets as well as interest-equivalent amounts related to lease liabilities are recorded regardless of whether the leases are finance or operating leases.

2) Planned application date

These standards, etc. will be applied starting at the beginning of the fiscal year ending March 31, 2028.

3) Impact of applying these accounting standards, etc.

The impact amount resulting from applying these accounting standards, etc. is currently being assessed.

7. Financial Instruments

Regarding the investment of general accounts (except separate accounts as provided in Article 118, Paragraph 1 of the Insurance Business Act), in light of the characteristics of life insurance policies, the Company has built a portfolio geared towards mid- to long-term investment and formulated an investment plan considering the outlook of the investment environment.

Based on this, in order to reliably pay benefits and other payments in the future, the Company has positioned yen-denominated assets that can be expected to provide stable income, such as bonds and loans, as the Company's core assets, and from the viewpoint of improving profit in the mid- to long-term, the Company invests in domestic stocks and foreign securities. Also, the Company mainly uses derivative transactions for controlling asset or liability risks. Specifically, the Company uses interest rate swaps and interest rate swaptions as interest rate-related; foreign exchange forward contracts, currency options, and currency swaps as currency-related; and equity forward contracts, equity index futures, and equity options as equity-related. The Company applies hedge accounting to certain derivative transactions above.

Securities are mainly exposed to market risk and credit risk, loans are exposed to credit risk, and derivative transactions are exposed to market risk and credit risk. Market risk refers to the risk of incurring losses when the fair value of investment assets declines due to factors such as fluctuations in interest rates, exchange rates, or stock prices. Credit risk refers to the risk of incurring losses when the value of assets, primarily loans and corporate bonds, declines due to deterioration of the financial condition of the party to whom credit has been extended. It includes country risk. These risks are managed according to rules and regulations regarding investment risks.

To manage market risk, the Company has implemented investment limits based on the nature of the assets in order to avoid excessive losses from financing and investment transactions. In addition, the Company monitors and regularly reports on the status of compliance to the Risk Management Committee, the advisory body of the Management Committee, and has developed a system to manage risk within acceptable levels in the event of a breach of the internal rules. Also, to manage market risk in the Company's portfolio, the Company uses a statistical analysis method to rationally calculate the market value-at-risk of the portfolio as a whole and conducts appropriate asset allocation within acceptable boundaries of risk.

To manage credit risk, the Company has built a system to perform credit analysis, including strict assessment of individual counterparties by the Assessment Management Department, which is independent of the departments handling investment and finance activities. The Company also continues to build a sound portfolio through the establishment and monitoring of interest guidelines to ensure the returns the Company obtains are commensurate with the risk, a system of internal ratings for classifying the creditworthiness of borrowers, and credit ceilings to ensure that credit risk is not excessively concentrated in a particular company, group, or country.

In addition, the Company calculates credit value-at-risk as a measurement of the magnitude of credit risk across the Company's portfolio as a whole, and monitors whether the magnitude of risk stays within an appropriate range.

Notes to the Consolidated Financial Statements (continued)

Matters concerning the fair value, etc., of financial instruments are as follows:

Notes are omitted for financial instruments whose carrying amount approximates fair value due to their short-term settlement.

(1) Balance sheet amounts and fair values for major financial instruments and their differences are as follows:

As of March 31	Millions of Yen									Millions of U.S. Dollars		
	2026			2025			2024			2026		
	Balance sheet amount(*1)	Fair value(*2)	Difference	Balance sheet amount(*1)	Fair value(*2)	Difference	Balance sheet amount(*1)	Fair value(*2)	Difference	Balance sheet amount(*1)	Fair value(*2)	Difference
Financial assets												
Monetary claims bought:	¥ 120,444	¥ 115,244	¥ (5,199)	¥ 100,718	¥ 98,977	¥ (1,741)	¥ 118,792	¥ 119,242	¥ 450	$ 753	$ 720	$ (32)
Policy-reserve-matching bonds	68,637	63,438	(5,199)	79,636	77,895	(1,741)	93,535	93,985	450	429	396	(32)
Available-for-sale securities	51,806	51,806	–	21,082	21,082	–	5,256	25,256	–	324	324	–
Investments in securities(*3,*4,*5):	68,723,046	63,972,493	(4,750,553)	66,226,498	63,248,901	(2,977,597)	68,744,600	68,067,143	(677,456)	429,841	400,128	(29,713)
Trading securities	835,003	835,003	–	820,276	820,276	–	865,153	865,153	–	5,222	5,222	–
Policy-reserve-matching bonds	25,386,742	20,213,457	(5,173,284)	27,451,435	24,111,397	(3,340,037)	27,519,415	26,529,187	(990,228)	158,786	126,428	(32,357)
Investments in subsidiaries and affiliates	751,119	1,173,851	422,731	716,398	1,078,839	362,440	128,615	441,387	312,771	4,698	7,342	2,644
Available-for-sale securities	41,750,181	41,750,181	–	37,238,388	37,238,388	–	40,231,415	40,231,415	–	261,134	261,134	–
Loans(*6):	7,780,137	7,243,036	(537,100)	7,863,133	7,546,278	(316,854)	8,039,662	7,953,523	(86,139)	48,662	45,302	(3,359)
Policy loans	380,639	380,639	–	402,865	402,865	–	422,798	422,798	–	2,380	2,380	–
Industrial and consumer loans	7,399,497	6,862,396	(537,100)	7,460,268	7,143,413	(316,854)	7,616,864	7,530,725	(86,139)	46,281	42,922	(3,359)
Derivative financial instruments(*7):	(2,770,534)	(2,770,534)	–	(1,886,863)	(1,886,863)	–	(1,727,459)	(1,727,459)	–	(17,328)	(17,328)	–
Hedge accounting not applied	24,775	24,775	–	16,649	16,649	–	(8,364)	(8,364)	–	154	154	–
Hedge accounting applied	(2,795,309)	(2,795,309)	–	(1,903,513)	(1,903,513)	–	(1,719,094)	(1,719,094)	–	(17,483)	(17,483)	–
Financial liabilities												
Corporate bonds(*6)	1,487,436	1,368,130	(119,305)	1,438,541	1,380,962	(57,579)	1,400,719	1,384,468	(16,250)	9,303	8,557	(746)
Loans payable	1,076,000	1,011,091	(64,908)	1,076,000	1,024,550	(51,449)	1,005,133	974,804	(30,328)	6,730	6,324	(405)

*(*1) For transactions for which an allowance for doubtful accounts was recorded, the amount of the allowance is deducted.*

*(*2) For securities for which impairment losses were recognized in the fiscal year, the fair value is the balance sheet amount after the impairment losses are deducted.*

*(*3) Stocks and other securities without market prices, such as unlisted equity securities, are not included. The balance sheet amounts of these by holding purpose were ¥30,080,212 million (U.S. $188,142 million) for stocks of subsidiaries and affiliates and ¥51,139 million (U.S. $319 million) for available-for-sale securities as of March 31, 2026, ¥1,566,058 million for stocks of subsidiaries and affiliates and ¥57,153 million for available-for-sale securities as of March 31, 2025, ¥1,273,548 million for stocks of subsidiaries and affiliates and ¥55,892 million for available-for-sale securities as of March 31, 2024.*

*(*4) Paragraph 24-16 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31) is applied, and the investment balances to partnerships, etc., are not included. The balance sheet amounts for said partnerships, etc., were ¥1,146,717 million (U.S. $7,172 million), ¥1,185,560 million and ¥884,096 million, respectively, in the fiscal years ended March 31, 2026, 2025 and 2024.*

*(*5) Investment trusts that applied either Paragraph 24-3 or Paragraph 24-9 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement" are included.*

*(*6) The fair values of derivative financial instruments that are interest rate swaps under exceptional accounting treatment ("Tokurei-shori") or currency swaps under designated hedge accounting ("Furiate-shori") are included in the fair values of loans and corporate bonds because they are accounted for as an integral part of the loans and corporate bonds that are the hedged items.*

*(*7) Assets and liabilities generated by derivative financial instruments are offset and presented net. Net liabilities in total are presented in parentheses.*

(2) Matters regarding securities and others by holding purpose are as follows:

1) Trading securities

Investments in securities related to separate accounts are classified as trading securities. Net valuation gains/losses included in profit or loss were gains of ¥64,280 million (U.S. $402 million), losses of ¥26,641 million, and gains of ¥69,396 million for the fiscal years ended March 31, 2026, 2025 and 2024, respectively.

2) Held-to-maturity debt securities

No ending balance.

3) Policy-reserve-matching bonds

Balance sheet amounts, fair values, and their differences by type are as follows:

As of March 31	Millions of Yen									Millions of U.S. Dollars		
	2026			2025			2024			2026		
Type	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference
Fair value exceeds the balance sheet amount:												
Monetary claims bought	¥ 4,228	¥ 4,243	¥ 14	¥ 29,012	¥ 29,242	¥ 229	¥ 74,477	¥ 75,778	¥ 1,300	$ 26	$ 26	$ 0
Bonds	4,017,220	4,062,489	45,268	8,170,807	8,482,848	312,040	12,930,000	13,968,406	1,038,405	25,126	25,409	283
Foreign securities	47,735	48,064	328	49,368	49,926	557	39,857	40,510	652	298	300	2
Subtotal	4,069,185	4,114,796	45,611	8,249,188	8,562,017	312,828	13,044,336	14,084,695	1,040,358	25,451	25,736	285
Fair value does not exceed the balance sheet amount:												
Monetary claims bought	64,408	59,194	(5,214)	50,623	48,652	(1,971)	19,057	18,207	(849)	402	370	(32)
Bonds	21,229,023	16,014,676	(5,214,347)	19,159,252	15,511,645	(3,647,606)	14,413,334	12,395,754	(2,017,580)	132,780	100,166	(32,614)
Foreign securities	92,762	88,227	(4,534)	72,007	66,977	(5,029)	136,222	124,516	(11,706)	580	551	(28)
Subtotal	21,386,195	16,162,098	(5,224,096)	19,281,883	15,627,275	(3,654,607)	14,568,614	12,538,477	(2,030,136)	133,764	101,088	(32,675)
Total	¥25,455,380	¥20,276,895	¥(5,178,484)	¥27,531,071	¥24,189,292	¥(3,341,779)	¥27,612,950	¥26,623,172	¥(989,777)	$159,215	$126,825	$(32,389)

4) Available-for-sale securities

Acquisition cost or amortized cost, balance sheet amounts, and their differences by type are as follows:

As of March 31	Millions of Yen									Millions of U.S. Dollars		
	2026			2025			2024			2026		
Type	Acquisition cost or amortized cost	Balance sheet amount	Difference	Acquisition cost or amortized cost	Balance sheet amount	Difference	Acquisition cost or amortized cost	Balance sheet amount	Difference	Acquisition cost or amortized cost	Balance sheet amount	Difference
Balance sheet amount exceeds acquisition cost or amortized cost:												
Monetary claims bought	¥ 38,193	¥ 38,886	¥ 693	¥ 8,034	¥ 8,538	¥ 504	¥ 6,055	¥ 6,488	¥ 432	$ 238	$ 243	$ 4
Bonds	577,359	676,980	99,621	820,829	899,736	78,906	1,280,940	1,395,667	114,727	3,611	4,234	623
Domestic stocks	3,660,741	14,454,395	10,793,654	3,798,990	11,791,725	7,992,734	3,849,418	13,454,386	9,604,968	22,896	90,407	67,510
Foreign securities	11,919,229	15,928,729	4,009,500	10,840,723	14,042,420	3,201,696	12,346,154	15,739,496	3,393,341	74,551	99,629	25,078
Other securities	584,993	842,468	257,474	645,881	826,895	181,014	877,799	1,106,420	228,620	3,658	5,269	1,610
Subtotal	16,780,517	31,941,461	15,160,944	16,114,459	27,569,316	11,454,856	18,360,368	31,702,458	13,342,090	104,956	199,783	94,827
Balance sheet amount does not exceed acquisition cost or amortized cost:												
Monetary claims bought	12,957	12,919	(37)	12,590	12,543	(47)	19,386	18,768	(617)	81	80	(0)
Bonds	3,436,125	2,776,527	(659,597)	2,626,729	2,287,828	(338,901)	1,979,276	1,832,100	(147,175)	21,491	17,366	(4,125)
Domestic stocks	158,838	132,466	(26,371)	284,631	232,777	(51,854)	184,365	157,226	(27,139)	993	828	(164)
Foreign securities	5,840,137	5,377,877	(462,259)	6,218,765	5,724,764	(494,001)	5,069,708	4,693,880	(375,827)	36,528	33,636	(2,891)
Other securities	1,868,572	1,560,735	(307,837)	1,674,002	1,432,240	(241,761)	1,993,094	1,852,238	(140,856)	11,687	9,761	(1,925)
Subtotal	11,316,630	9,860,526	(1,456,103)	10,816,720	9,690,154	(1,126,566)	9,245,831	8,554,214	(691,617)	70,782	61,674	(9,107)
Total	¥28,097,147	¥41,801,987	¥13,704,840	¥26,931,179	¥37,259,470	¥10,328,290	¥27,606,199	¥40,256,672	¥12,650,473	$175,738	$261,458	$85,719

* *For the fiscal year ended March 31, 2026, stocks and other securities without market prices totaling ¥51,139 million (U.S. $319 million) and investment balances to partnerships, etc., totaling ¥87,378 million (U.S. $546 million) are not included.*

* *For the fiscal year ended March 31, 2025, stocks and other securities without market prices totaling ¥57,153 million and investment balances to partnerships, etc., totaling ¥91,417 million are not included.*

* *For the fiscal year ended March 31, 2024, stocks and other securities without market prices totaling ¥55,892 million and investment balances to partnerships, etc., totaling ¥91,100 million are not included.*

5) Securities for which impairment losses were recognized

Impairment losses of ¥74,125 million (U.S. $463 million), ¥1,198 million, and ¥4,274 million were recognized in the fiscal years ended March 31, 2026, 2025 and 2024, respectively.

Regarding domestic bonds and domestic/foreign stocks, impairment losses are recognized for securities whose fair value has declined significantly from the acquisition cost based on the market prices and other valuations on the balance sheet date.

The criteria by which the fair value of a domestic bond is deemed to have declined significantly are as follows:

a. A security for which the fair value as of the balance sheet date is 50% or less of the acquisition cost.

b. A security that meets both of the following criteria:

   (i) The fair value as of the balance sheet date exceeds 50% but is less than 100% of the acquisition cost.

   (ii) The business conditions of the issuing company, and other aspects are subject to certain requirements.

The criteria by which the fair value of a stock is deemed to have declined significantly are as follows:

a. A security for which the average fair value in the last month of the fiscal year is 50% or less of the acquisition cost.

b. A security that meets both of the following criteria:

   (i) Average fair value in the last month of the fiscal year is between 50% and 70% of its acquisition cost.

   (ii) The historical fair value, the business conditions of the issuing company, and other aspects are subject to certain requirements.

(3) Scheduled repayment amounts for the main monetary claims and liabilities and redemption amounts for securities with maturities are as follows:

As of March 31	Millions of Yen												Millions of U.S. Dollars			
	2026				2025				2024				2026			
	1 year or Under	Over 1 year under 5 years	Over 5 years under 10 years	Over 10 Years	1 year or Under	Over 1 year under 5 years	Over 5 years under 10 years	Over 10 Years	1 year or Undue	Over 1 year under 5 years	Over 5 years under 10 years	Over 10 years	1 year or under	Over 1 year under 5 years	Over 5 years under 10 years	Over 10 Years
Monetary claims bought:	¥ 8,000	¥ 6,299	¥ 10,169	¥ 97,302	¥ 10,000	¥ 6,709	¥11,125	¥74,361	¥8,033	¥6,758	¥25,180	¥80,936	$50	$39	$63	$608
Policy-reserve-matching bonds	–	6,299	9,623	52,662	–	6,709	10,506	62,367	33	6,758	17,985	68,701	–	39	60	329
Available-for-sale securities	8,000	–	546	44,640	10,000	–	619	11,994	8,000	–	7,195	12,235	50	–	3	279
Investments in securities:	1,883,198	8,688,717	7,946,759	34,173,709	1,592,945	8,210,765	7,387,637	35,825,854	1,292,526	8,163,615	9,175,068	35,193,178	11,778	54,345	49,704	213,745
Policy-reserve-matching bonds	883,932	3,083,282	1,975,795	20,136,004	737,487	3,390,843	2,256,483	21,565,520	671,053	3,020,776	3,058,242	21,116,225	5,528	19,284	12,357	125,944
Available-for-sale securities	999,265	5,605,434	5,970,963	14,037,705	855,457	4,819,922	5,131,154	14,260,334	621,472	5,142,838	6,116,825	14,076,952	6,250	35,060	37,346	87,801
Loans	1,144,369	2,530,831	2,022,324	1,703,083	985,428	2,542,726	2,042,336	1,890,395	978,765	2,472,935	2,025,215	2,142,427	7,157	15,829	12,649	10,652
Corporate bonds	–	–	–	1,487,436	–	–	–	1,438,541	–	–	–	1,400,719	–	–	–	9,303
Loans payable	–	–	–	1,076,000	–	–	–	1,076,000	4,133	–	–	1,001,000	–	–	–	6,730

* *Loans such as policy loans that do not have a stated maturity date are not included. Also,¥1,033 million (U.S. $6 million) for the fiscal year ended March 31, 2026 and ¥4,808 million for the fiscal year ended March 31, 2025 and ¥5,685 million for the fiscal year ended March 31, 2024 in loans to legally or substantially bankrupt borrowers or borrowers who are not currently legally bankrupt but have a high probability of bankruptcy are not included.*

(4) Matters concerning the breakdown at each level of fair value for financial instruments are as follows:

Fair values of financial instruments are classified into the following three levels according to the observability and significance of inputs used in fair value measurement.

Level 1: Fair value measured based on the quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Fair value measured based on directly or indirectly observable inputs other than Level 1 inputs

Level 3: Fair value measured based on significant unobservable inputs

Notes to the Consolidated Financial Statements (continued)

In cases of using multiple inputs with significant influence in fair value measurement, the fair value is classified to the lowest priority level of fair value measurement in which each input belongs.

a. Financial instruments whose balance sheet amount is measured at fair value

As of March 31	Millions of Yen												Millions of U.S. Dollars			
	2026				2025				2024				2026			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Monetary claims bought:	¥ –	¥ 7,994	¥ 43,812	¥ 51,806	¥ –	¥ 9,995	¥ 11,087	¥ 21,082	¥ –	¥ 13,955	¥ 11,301	¥ 25,256	$ –	$ 50	$ 274	$ 324
Available-for-sale securities	–	7,994	43,812	51,806	–	9,995	11,087	21,082	–	13,955	11,301	25,256	–	50	274	324
Investments in securities(*1):	21,321,310	18,714,920	219,378	40,255,610	18,142,246	17,844,979	236,842	36,224,067	20,110,782	18,896,103	392,575	39,399,461	133,358	117,056	1,372	251,786
Trading securities	380,892	454,110	–	835,003	369,598	450,678	–	820,276	397,498	467,655	–	865,153	2,382	2,840	–	5,222
Available-for-sale securities	20,940,418	18,260,809	219,378	39,420,607	17,772,647	17,394,300	236,842	35,403,790	19,713,284	18,428,447	392,575	38,534,307	130,975	114,215	1,372	246,563
Bonds	2,229,192	1,224,315	–	3,453,507	2,174,317	1,013,246	–	3,187,564	2,177,885	1,049,881	–	3,227,767	13,942	7,657	–	21,600
National government bonds	2,229,192	–	–	2,229,192	2,174,317	–	–	2,174,317	2,177,885	–	–	2,177,885	13,942	–	–	13,942
Local government bonds	–	91,926	–	91,926	–	69,629	–	69,629	–	71,182	–	71,182	–	574	–	574
Corporate bonds	–	1,132,389	–	1,132,389	–	943,617	–	943,617	–	978,699	–	978,699	–	7,082	–	7,082
Domestic stocks	14,437,604	149,258	–	14,586,862	11,915,893	108,608	–	12,024,502	13,493,201	118,411	–	13,611,613	90,302	933	–	91,236
Foreign securities	4,261,013	14,513,419	219,378	18,993,812	3,682,436	14,046,487	236,842	17,965,766	4,042,196	14,328,960	392,575	18,763,732	26,651	90,776	1,372	118,800
Foreign bonds	2,988,846	8,906,261	216,577	12,111,685	2,595,018	8,116,940	235,720	10,947,679	2,883,588	8,373,909	392,575	11,650,072	18,694	55,705	1,354	75,754
Foreign stocks and other securities	1,272,167	5,607,158	2,801	6,882,127	1,087,417	5,929,547	1,122	7,018,087	1,158,608	5,955,051	–	7,113,660	7,957	35,071	17	43,045
Other securities	12,608	2,373,816	–	2,386,424	–	2,225,956	–	2,225,956	–	2,931,193	–	2,931,193	78	14,847	–	14,926
Derivative financial instruments(*2):	(2,273)	(2,768,260)	–	(2,770,534)	(597)	(1,886,266)	–	(1,886,863)	2,897	(1,730,356)	–	(1,727,459)	(14)	(17,314)	–	(17,328)
Interest rate-related	–	(614,776)	–	(614,776)	–	(454,837)	–	(454,837)	–	(312,258)	–	(312,258)	–	(3,845)	–	(3,845)
Currency-related	–	(2,153,488)	–	(2,153,488)	–	(1,431,696)	–	(1,431,696)	–	(1,414,973)	–	(1,414,973)	–	(13,469)	–	(13,469)
Others	(2,273)	4	–	(2,269)	(597)	267	–	(329)	2,897	(3,124)	–	(227)	(14)	0	–	(14)

*(*1) Investment trusts that applied either Paragraph 24-3 or Paragraph 24-9 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement" are not included. The nonconsolidated balance sheet amounts for said investment trusts were ¥2,295,576 million (U.S. $14,358 million) for investment trusts where the investment trust assets are financial instruments and ¥34,927 million (U.S. $218 million) for investment trusts where the investment trust assets are real estate in the fiscal year ended March 31, 2026, and ¥1,785,995 million for investment trusts where the investment trust assets are financial instruments and ¥49,531 million for investment trusts where the investment trust assets are real estate in the fiscal year ended March 31, 2025, and ¥1,652,225 million for investment trusts where the investment trust assets are financial instruments and ¥45,813 million for investment trusts where the investment trust assets are real estate in the fiscal year ended March 31, 2024. Reconciliation between the beginning and ending balances of the fiscal year is as follows.*

*(*2) Net claims and liabilities generated by derivative financial instruments are presented in net amounts. Net liabilities in total are presented in parentheses.*

As of March 31	Millions of Yen									Millions of U.S. Dollars		
	2026			2025			2024			2026		
	Investment trusts where the investment trust assets are financial instruments(*3)	Investment trusts where the investment trust assets are real estate	Total	Investment trusts where the investment trust assets are financial instruments(*3)	Investment trusts where the investment trust assets are real estate	Total	Investment trusts where the investment trust assets are financial instruments(*3)	Investment trusts where the investment trust assets are real estate	Total	Investment trusts where the investment trust assets are financial instruments (*3)	Investment trusts where the investment trust assets are real estate	Total
Beginning balance	¥1,785,995	¥ 49,531	¥1,835,527	¥1,652,225	¥45,813	¥1,698,038	¥1,379,977	¥39,600	¥1,419,577	$11,170	$309	$11,480
Profit (loss)	267,638	2,303	269,941	1,144	(1,404)	(260)	150,984	1,705	152,689	1,673	14	1,688
Recorded as net income (loss)(*4)	36,885	3,781	40,667	7,763	(485)	7,277	28,315	1,037	29,352	230	23	254
Recorded as total valuations, conversions, and others(*5)	230,753	(1,478)	229,274	(6,619)	(919)	(7,538)	122,668	667	123,336	1,443	(9)	1,434
Purchases, sales and redemptions	241,942	(16,907)	225,035	132,625	5,123	137,749	121,263	4,507	125,771	1,513	(105)	1,407
Transactions that started applying Paragraph 24-3 or Paragraph 24-9 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement"	–	–	–	–	–	–	–	–	–	–	–	–
Transactions that stopped applying Paragraph 24-3 or Paragraph 24-9 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement"	–	–	–	–	–	–	–	–	–	–	–	–
Ending balance	2,295,576	34,927	2,330,503	1,785,995	49,531	1,835,527	1,652,225	45,813	1,698,038	14,358	218	14,576
Valuation gains/losses of investment trusts held at the end of the fiscal year, included in profit/loss amounts for the fiscal year (*4)	–	–	–	–	–	–	–	–	–	–	–	–

*(*3) They have restrictions mainly on cancellations beyond one month, and the balance sheet amount of the investment trusts is ¥2,268,820 million (U.S. $14,190 million) for the fiscal year ended March 31, 2026, and ¥1,762,031 million for the fiscal year ended March 31, 2025, and ¥1,628,966 million for the fiscal year ended March 31, 2024.*

*(*4) Included in investment income and investment expenses in the statement of income.*

*(*5) Included in net unrealized gains (losses) on available-for-sale securities of total valuations, conversions, and others on the balance sheet.*

b. Financial instruments whose balance sheet amount is not measured at fair value

As of March 31	Millions of Yen												Millions of U.S. Dollars			
	2026				2025				2024				2026			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Monetary claims bought:	¥ –	¥ –	¥ 63,438	¥ 63,438	¥ –	¥ –	¥ 77,895	¥ 77,895	¥ –	¥ –	¥ 93,985	¥ 93,985	$ –	$ –	$ 396	$ 396
Policy-reserve-matching bonds	–	–	63,438	63,438	–	–	77,895	77,895	–	–	93,985	93,985	–	–	396	396
Investments in securities:	19,511,632	1,874,270	167	21,386,070	23,317,146	1,871,609	281	25,189,037	24,823,002	2,145,980	408	26,969,391	122,039	11,722	1	133,763
Policy-reserve-matching bonds:	19,046,401	1,166,888	167	20,213,457	22,741,470	1,369,645	281	24,111,397	24,823,002	1,705,775	408	26,529,187	119,129	7,298	1	126,428
Bonds	18,945,460	1,131,537	167	20,077,165	22,659,182	1,335,029	281	23,994,493	24,729,968	1,633,783	408	26,364,160	118,497	7,077	1	125,576
Foreign securities	100,941	35,350	–	136,292	82,288	34,615	–	116,903	93,034	71,992	–	165,026	631	221	–	852
Investments in subsidiaries and affiliates	465,231	707,381	–	1,172,612	575,675	501,964	–	1,077,640	–	440,204	–	440,204	2,909	4,424	–	7,334
Loans:	–	–	7,243,036	7,243,036	–	–	7,546,278	7,546,278	–	–	7,953,523	7,953,523	–	–	45,302	45,302
Policy loans	–	–	380,639	380,639	–	–	402,865	402,865	–	–	422,798	422,798	–	–	2,380	2,380
Industrial and consumer loans	–	–	6,862,396	6,862,396	–	–	7,143,413	7,143,413	–	–	7,530,725	7,530,725	–	–	42,922	42,922
Corporate bonds	–	1,368,130	–	1,368,130	–	1,380,962	–	1,380,962	–	1,384,468	–	1,384,468	–	8,557	–	8,557
Loans payable	–	938,724	72,366	1,011,091	–	949,278	75,271	1,024,550	–	894,173	80,630	974,804	–	5,871	452	6,324

(5) Descriptions of the valuation techniques and inputs used in fair value measurement of the major financial instruments are as follows:

1) Securities and monetary claims bought that are treated as securities based on the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10)

The following applies to the fiscal years ended March 31, 2026, 2025 and 2024.

Securities and monetary claims bought for which the unadjusted quoted price in an active market can be used are classified as Level 1 fair value. Listed stocks, national government bonds, and listed investment trusts are primarily included here. Cases where the market is not active even though the published quoted price was used are classified as Level 2 fair value. Local government bonds and corporate bonds are primarily included here. In cases where the published quoted price was not obtainable, the fair value is measured based on the valuation amount obtained through external information vendors or standard prices, etc. calculated by the management company. The fair value is classified as Level 2 when the valuation amount does not use unobservable inputs or the impact is not significant. The fair value is classified as Level 3 when significant unobservable inputs are used.

2) Loans

a. Policy loans

Fair value is measured at the carrying amount of policy loans as the carrying amount approximates fair value due to expected repayment periods, interest rate requirements, and other conditions. These loans have no repayment date based on characteristics, such as the loan amount being limited to the extent of the surrender benefit, and are classified as Level 3.

b. Industrial and consumer loans

In cases where the borrower's credit status is not significantly different after executing the loan, carrying amount approximates fair value because market interest rates are reflected in future cash flows in the short term. Thus, carrying amount is used as fair value for variable interest rate loans. Fair value of fixed interest rate loans is measured by discounting cash flows to the present value using a discount rate reflecting credit and other risks to market interest for each classification based on the type of loan, internal rating, and period. This fair value is reflected for loans subject to designated hedge accounting ("*Furiate-shori*") for currency swaps and exceptional accounting treatment ("*Tokurei-shori*") for interest rate swaps.

Fair value of loans to legally or substantially bankrupt borrowers or borrowers who are not currently legally bankrupt but have a high probability of bankruptcy is measured by deducting the estimated uncollectible amount from the carrying amount prior to direct write-offs based on the present value of future cash flows or the amount expected to be collected based on collateral and guarantees.

All measured fair values are classified as Level 3.

3) Derivative financial instruments

Fair value for which the unadjusted quoted price in an active market can be used is classified as Level 1. Bond futures and equity index futures are primarily included

here. When the published quoted price cannot be used, a valuation amount obtained from external information vendors is primarily used. The fair value is classified as Level 2 when the valuation amount does not use unobservable inputs or the impact is not significant. The fair value is classified as Level 3 when significant unobservable inputs are used.

4) Corporate bonds

Fair value of corporate bonds issued by the Company is the market price, and is classified as Level 2. This fair value is reflected for corporate bonds subject to designated hedge accounting (*"Furiate-shori"*) of currency swaps.

5) Loans payable

The carrying amount approximates fair value because market interest rates are reflected in future cash flows in the short term, and because the Company's credit status is not significantly different after executing the loans. Thus, carrying amount is used as fair value for variable interest rate loans, and their fair value is classified as Level 3. Fair value of fixed interest rate loans payable is measured, in principle, by discounting future cash flows to the present value using the expected rate in similar loans payable factoring in the Company's credit risk, and is classified as Level 3. However, loans payable financed by means of public offerings employing securitization schemes are measured at the market price of the corporate bonds issued to back the loans payable, and their fair value is classified as Level 2.

(6) Information on Level 3 fair value of financial instruments whose balance sheet amount is measured at fair value is as follows:

1) Quantitative information concerning significant unobservable inputs used in fair value measurement Notes are omitted as unobservable inputs are not estimated.

2) Reconciliation between the beginning and ending balances, respectively, net unrealized gains (losses) recognized as gains (losses), respectively.

As of March 31	Millions of Yen							Millions of U.S. Dollars	
	2026		2025		2024			2026	
	Monetary claims bought: Available-for-sale securities	Investments in securities: Available-for-sale securities	Monetary claims bought: Available-for-sale securities	Investments in securities: Available-for-sale securities	Monetary claims bought: Available-for-sale securities	Investments in securities: Available-for-sale securities	Derivative financial instruments: Interest rate-related	Monetary claims bought: Available-for-sale securities	Investments in securities: Available-for-sale securities
Beginning balance	¥11,087	¥236,842	¥11,301	¥392,575	¥765	¥182,698	¥112	$69	$1,481
Profit (loss):	3,021	16,182	(52)	(1,473)	720	33,646	(112)	18	101
Recorded as net income (loss)(*1)	2,822	15,468	(146)	3,555	359	31,269	(112)	17	96
Recorded as total valuations, conversions, and others(*2)	198	714	94	(5,028)	361	2,376	–	1	4
Purchased, sold, issued, and settled	29,704	(33,646)	(162)	(154,259)	9,816	176,230	–	185	(210)
Replaced with Level 3 fair value	–	–	–	–	–	–	–	–	–
Replaced from Level 3 fair value	–	–	–	–	–	–	–	–	–
Ending balance	43,812	219,378	11,087	236,842	11,301	392,575	–	274	1,372
Valuation gains/losses of financial instruments held at the end of the fiscal year, included in profit/loss amounts for the fiscal year(*1)	–	–	–	–	–	–	–	–	–

*(*1) Included in investment income and investment expenses in nonconsolidated statements of income.*

*(*2) Included in net unrealized gains (losses) on available-for-sale securities of total valuations, conversions, and others on the balance sheet.*

3) Description of fair value valuation process

The Company measures fair value based on internally decided policies concerning fair value measurement, and has confirmed the validity of valuation techniques and inputs used in fair value measurement established in said policies as well as the appropriateness of fair value level classifications.

In measuring fair value, the valuation models able to most appropriately reflect the nature, characteristics, and risk of individual financial instruments are used. When using quoted prices obtained from third parties, the valuation techniques and inputs used are confirmed, and the validity of the prices is verified using appropriate techniques including comparison with fair value presented by other vendors.

4) Explanation concerning impacts on fair value when significant unobservable inputs are changed Notes are omitted, as unobservable inputs are not estimated by the Company.

8. Disclosures about Fair Value of Investment and Rental Properties

The balance sheet amounts for investment and rental properties were ¥1,261,838 million (U.S. $7,892 million), ¥1,284,090 million and ¥1,283,436 million, with a fair value of ¥1,912,938 million (U.S. $11,964 million), ¥1,894,652 million and ¥1,861,435 million as of March 31, 2026, 2025 and 2024, respectively. The Company owns rental office buildings and commercial facilities, the fair value of which at year-end is the amount measured based mainly on the "Real Estate Appraisal Standards." The amounts corresponding to asset retirement obligations that were included in the balance sheet amounts of investment and rental properties were ¥4,818 million (U.S. $30 million), ¥4,941 million and ¥5,067 million as of March 31, 2026, 2025 and 2024, respectively.

9. Securities Loaned and Borrowed

The amounts of securities lent under lending agreements were ¥1,943,602 million (U.S. $12,156 million), ¥1,901,840 million and ¥1,648,643 million as of March 31, 2026, 2025 and 2024, respectively.

Assets that can be sold or resecured are marketable securities borrowed under lending agreements. These assets were held without being sold or resecured and totaled ¥139,749 million (U.S. $874 million), ¥146,141 million and ¥148,977 million at fair value as of March 31, 2026, 2025 and 2024, respectively.

10. Accumulated Depreciation

The amounts of accumulated depreciation of tangible fixed assets were ¥1,287,254 million (U.S. $8,051 million), ¥1,276,287 million and ¥1,254,913 million as of March 31, 2026, 2025 and 2024, respectively.

11. Separate Accounts

Separate account assets as provided for in Article 118, Paragraph 1 of the Insurance Business Act were ¥1,123,555 million (U.S. $7,027 million), ¥1,144,870 million and ¥1,225,873 million as of March 31, 2026, 2025 and 2024, respectively, and a corresponding liability is recorded in the same amount.

These amounts are recorded on the balance sheet as separate account assets and separate account liabilities.

12. Monetary Receivables from and Monetary Liabilities to Subsidiaries and Affiliates

The total amounts of credits and debits to subsidiaries and affiliates as of March 31, 2026, 2025 and 2024, were as follows:

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Monetary receivables	¥76,324	¥71,204	¥67,798	$477
Monetary liabilities	9,061	5,549	5,013	56

13. Reserve for Dividends to Policyholders

Changes in the reserve for dividends to policyholders for the fiscal years ended March 31, 2026, 2025 and 2024, were as follows:

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Balance at the beginning of the fiscal year	¥1,126,878	¥1,088,964	¥1,071,945	$ 7,048
Transfer to reserve from surplus in the previous fiscal year	291,689	264,517	181,910	1,824
Dividends paid to policyholders during the fiscal year	(265,257)	(247,252)	(185,866)	(1,659)
Increase in interest	20,972	20,648	20,975	131
Balance at the end of the fiscal year	¥1,174,282	¥1,126,878	¥1,088,964	$ 7,344

14. Corporate Bonds

Corporate bonds within liabilities are subordinated corporate bonds with special provisions that subordinate the fulfillment of obligations on the bonds to all other debt obligations.

The corporate bonds are callable at the discretion of the Company, subject to the approval of the regulatory authority and other conditions.

The corporate bond issue dates and callable dates for currency swaps under designated hedge accounting are as follows:

Issue date	Callable date
September 2017	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
January 2020	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
January 2021	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
September 2021	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
September 2023	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
April 2024	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter

Issue date	Callable date
January 2025	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
April 2025	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter
September 2025	Tenth anniversary date after the issue date and on each fifth anniversary date thereafter

15. Other Liabilities

Other liabilities include subordinated loans payable of ¥1,076,000 million (U.S. $6,730 million), ¥1,076,000 million and ¥1,001,000 million as of March 31, 2026, 2025 and 2024, respectively, which are subordinate to the fulfillment of all other debt obligations.

16. Net Assets Provided for in the Ordinance for Enforcement of the Insurance Business Act

The amounts per Article 30, Paragraph 2 of the Ordinance for Enforcement of the Insurance Business Act were ¥7,841,840 million (U.S. $49,048 million), ¥6,011,469 million and ¥8,017,723 million as of March 31, 2026, 2025 and 2024, respectively.

17. Accrued Retirement Benefits

(1) Summary of retirement benefit plans

The Company, in terms of defined benefit plans, has a defined benefit corporate pension plan and a lump-sum retirement payment plan for its non-sales managerial track, sales managerial track, etc. In terms of defined contribution plans, the Company has a defined contribution pension plan. The Company also has a defined benefit plan for sales representatives, etc., in the form of a lump-sum retirement payment plan and an in-house pension plan.

(2) Defined benefit plan

1) Reconciliation of retirement benefit obligations at the beginning and end of the fiscal year

For the fiscal years ended March 31, 2026, 2025 and 2024

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Retirement benefit obligations at the beginning of the year	¥516,396	¥608,436	¥615,636	$3,229
Service costs	19,053	25,562	26,300	119
Interest cost	9,811	3,650	3,693	61
Actuarial losses accrued during the year	(33,969)	(83,059)	(2,313)	(212)
Retirement benefit payments	(35,948)	(35,137)	(34,880)	(224)
Prior service costs accrued during the year	(3,101)	(3,056)	–	(19)
Retirement benefit obligations at the end of the year	¥472,242	¥516,396	¥608,436	$2,953

2) Reconciliation of pension plan assets at the beginning and end of the fiscal year

For the fiscal years ended March 31, 2026, 2025 and 2024

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Pension plan assets at the beginning of the year	¥230,835	¥239,156	¥231,267	$1,443
Expected return on plan assets	3,300	2,869	2,775	20
Actuarial gains (losses) accrued during the year	8,483	(3,260)	12,986	53
Contributions by business proprietor	3,128	5,434	5,606	19
Retirement benefit payments	(13,072)	(13,365)	(13,478)	(81)
Pension plan assets at the end of the year	¥232,675	¥230,835	¥239,156	$1,455

3) Reconciliation of retirement benefit obligations, pension plan assets, and accrued retirement benefits on the nonconsolidated balance sheets

For the fiscal years ended March 31, 2026, 2025 and 2024

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Retirement benefit obligations for funded plans	¥ 147,492	¥ 155,783	¥ 230,036	$ 922
Pension plan assets	(232,675)	(230,835)	(239,156)	(1,455)
Subtotal	(85,182)	(75,052)	(9,120)	(532)
Retirement benefit obligations for nonfunded plans	324,749	360,612	378,399	2,031
Unrecognized actuarial gains	113,532	90,946	10,710	710
Unrecognized prior service costs	5,546	3,056	1,317	34
Accrued retirement benefits	¥ 358,646	¥ 379,563	¥ 381,307	$ 2,243

4) Losses (gains) relating to retirement benefits

For the fiscal years ended March 31, 2026, 2025 and 2024

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Service costs	¥ 19,053	¥25,562	¥26,300	$ 119
Interest cost	9,811	3,650	3,693	61
Expected return on plan assets	(3,300)	(2,869)	(2,775)	(20)
Amortization of actuarial losses for the period	(19,866)	437	4,080	(124)
Prior service costs accrued during the year	(611)	(1,317)	(1,317)	(3)
Benefit cost for defined benefit plans	¥ 5,086	¥25,462	¥29,982	$ 31

5) Pension plan assets consist of the following:

	2026	2025	2024
General account of Nippon Life	65.5%	65.1%	60.1%
Domestic stocks	15.5%	7.5%	10.1%
Bonds	10.6%	13.9%	14.2%
Foreign securities	6.2%	10.8%	14.6%
Cash and deposits	2.2%	2.8%	1.0%
Total	100.0%	100.0%	100.0%

6) Calculation method for long-term expected rate of return on plan assets

To determine the long-term expected rate of return on pension plan assets, the Company takes into consideration present and forecasted allocation of the pension plan assets, and present and long-term rates of return that are expected from the portfolio of assets that comprise the pension plan assets.

7) Matters relating to the basis for actuarial calculations

The main items in the basis for actuarial calculations as of March 31, 2026, 2025 and 2024, are as follows:

	2026	2025	2024
Discount rate	1.9%	1.9%	0.6%
Long-term expected rate of return on plan assets	1.4%	1.2%	1.2%

(3) Defined contribution plans

The Company contributed ¥2,937 million (U.S. $18 million), ¥2,219 million and ¥2,243 million to defined contribution plans during the fiscal years ended March 31, 2026, 2025 and 2024, respectively.

18. Foundation Funds

Foundation funds serve as the primary source of capital for Japanese mutual life insurance companies. These funds are similar to loans, as interest payments, maturity dates and other items must be established at the time of the offering. In the event of a bankruptcy or similar development, repayment of the principal and interest on foundation funds is subordinated to the repayment of amounts owed to ordinary creditors and insurance claims and benefit payments owed to policyholders. Upon redemption of foundation funds, mutual companies are required to make an addition to the reserve for redemption of foundation funds, which serves as retained earnings, equal to the amount redeemed. As a result, the full amount of foundation funds remains in net assets even after redemption. Foundation funds are therefore positioned as a mutual company's core capital, which is equivalent to the stated capital of a joint-stock company.

The Company redeemed ¥50,000 million of foundation funds and credited the same amount to the reserve for redemption of foundation funds as prescribed in Article 56 of the Insurance Business Act for the fiscal year ended March 31, 2025.

19. Pledged Assets

Assets pledged as collateral in the form of investments in securities as of March 31, 2026, were ¥7,526,063 million (U.S. $47,073 million). The total amount of liabilities covered by the aforementioned assets was ¥3,451,183 million (U.S. $21,586 million).

These amounts included ¥3,739,660 million (U.S. $23,390 million) of the sale of securities under repurchase agreements and ¥3,451,183 million (U.S. $21,586 million) of payables under repurchase agreements, as of March 31, 2026.

Assets pledged as collateral in the form of investments in securities as of March 31, 2025 were ¥5,971,228 million. The total amount of liabilities covered by the aforementioned assets was ¥2,877,862 million.

These amounts included ¥2,997,369 million of the sale of securities under repurchase agreements and ¥2,877,862 million of payables under repurchase agreements, as of March 31, 2025.

Assets pledged as collateral in the form of investments in securities as of March 31, 2024 were ¥5,384,929 million. The total amount of liabilities covered by the aforementioned assets was ¥2,964,640 million.

These amounts included ¥2,810,519 million of the sale of securities under repurchase agreements and ¥2,962,898 million of payables under repurchase agreements, as of March 31, 2024.

20. Investments in Subsidiaries and Affiliates

The total amounts of stocks and investments in subsidiaries and affiliates were ¥4,890,671 million (U.S. $30,589 million), ¥3,376,600 million and ¥2,195,159 million as of March 31, 2026, 2025 and 2024, respectively.

21. Receivables and Loans

(1) Of the loans, the total amount of bankrupt and quasi-bankrupt loans, doubtful loans, loans that are delinquent for over three months, and restructured loans were ¥21,712 million (U.S. $135 million), ¥23,121 million and ¥28,814 million as of March 31, 2026, 2025 and 2024, respectively. The breakdown is as follows:

1) The amounts of bankrupt and quasi-bankrupt loans were ¥8,748 million (U.S. $54 million), ¥9,302 million and ¥9,526 million as of March 31, 2026, 2025 and 2024, respectively.

Bankrupt and quasi-bankrupt loans are loans to borrowers that have fallen into bankruptcy due to reasons including initiation of bankruptcy proceedings, start of reorganization proceedings, or submission of an application to start rehabilitation proceedings.

2) The amounts of doubtful loans were ¥11,669 million (U.S. $72 million), ¥12,652 million and ¥17,684 million as of March 31, 2026, 2025 and 2024, respectively.

Doubtful loans are loans that are not applicable to bankrupt and quasi-bankrupt loans, with a strong likelihood that loan principal cannot be recovered or interest cannot be received according to the contract because of the difficulties in the financial condition and business performance of the debtor, who has not yet entered into bankruptcy.

3) As of March 31, 2026, 2025 and 2024, there were no delinquent receivables outstanding for three months or more.

Loans that are delinquent for over three months are loans that are not applicable to bankrupt and quasi-bankrupt loans and doubtful loans, and have principal or interest being unpaid for over three months following the due date based on the loan agreement.

4) The amounts of restructured loans were ¥1,294 million (U.S. $8 million), ¥1,166 million and ¥1,604 million as of March 31, 2026, 2025 and 2024, respectively.

Restructured loans are loans that are not applicable to bankrupt and quasi-bankrupt loans, doubtful loans, and loans delinquent for over three months, and that provide

concessions favorable to the borrower with the intent of supporting the borrowers' restructuring, such as by reducing or exempting interest, postponing principal or interest payments, releasing credits, or providing other benefits to the borrowers.

(2) After directly deducting the estimated uncollectible amount, bankrupt and quasi-bankrupt losses and other loan losses decreased by ¥67 million (U.S. $0 million), ¥2,935 million and ¥85 million as of March 31, 2026, 2025 and 2024, respectively.

22. Loan Commitments

The amounts of commitments related to loans and loans outstanding were ¥312,696 million (U.S. $1,955 million), ¥276,328 million and ¥351,135 million as of March 31, 2026, 2025 and 2024, respectively.

23. Policy Reserves for Reinsurance Contracts Provided in Accordance with Article 71, Paragraph 1 of the Ordinance for Enforcement of the Insurance Business Act

The amounts of policy reserves provided for the portion of reinsurance (hereafter referred to as "policy reserves for ceded reinsurance") as defined in Article 71, Paragraph 1 of the Ordinance for Enforcement of the Insurance Business Act were ¥124 million (U.S. $0 million), ¥161 million and ¥170 million as of March 31, 2026, 2025 and 2024, respectively.

24. Investment Income and Expenses

The major components of gain on sales of securities were as follows:

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Bonds including national government bonds	¥ 8,892	¥ 30,312	¥ 39,499	$ 55
Domestic stocks and other securities	868,130	263,541	103,121	5,429
Foreign securities	210,133	94,476	172,728	1,314

The major components of loss on sales of securities were as follows:

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Bonds including national government bonds	¥1,365,365	¥323,427	¥155,934	$8,539
Domestic stocks and other securities	147,541	59,964	49,424	922
Foreign securities	216,303	118,618	70,453	1,352

The major components of loss on valuation of securities were as follows:

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Bonds including national government bonds	¥70,475	¥ –	¥ –	$440
Domestic stocks and other securities	4,310	2,197	2,967	26
Foreign securities	67	311	3,581	0

Loss on derivative financial instruments, net included net valuation gains of ¥34,302 million (U.S. $214 million), ¥61,835 million and ¥48,065 million for the fiscal years ended March 31, 2026, 2025 and 2024, respectively.

25. Reversal of Policy Reserves for Ceded Reinsurance

Reversal of policy reserves for ceded reinsurance that were added from the calculation of provision for policy reserves were ¥37 million (U.S. $0 million), ¥9 million and ¥4 million for the fiscal years ended March 31, 2026, 2025 and 2024.

26. Impairment Losses

(1) Method for grouping the assets

Rental real estate and idle real estate are classified as one asset group per property. Assets utilized for insurance business operations are classified into one asset group.

(2) Circumstances causing impairment losses

The Company observed a marked decrease in profitability or fair value in some of the fixed asset groups. The carrying amount of fixed assets was reduced to the recoverable amount and impairment losses were recognized as extraordinary losses for the fiscal years ended March 31, 2026, 2025 and 2024.

(3) Breakdown of asset groups that recognized impairment losses:

For the fiscal year ended March 31, 2026

				Millions of Yen
Purpose of use	Land	Leasehold interests in land	Buildings	Total
Rental real estate	¥ –	¥6,793	¥ 174	¥6,967
Idle real estate	1,352	–	925	2,278
Total	¥1,352	¥6,793	¥1,100	¥9,246

For the fiscal year ended March 31, 2025

			Millions of Yen
Purpose of use	Land	Buildings	Total
Rental real estate	¥ 676	¥4,350	¥ 5,026
Idle real estate	3,766	1,299	5,066
Total	¥4,443	¥5,649	¥10,093

For the fiscal year ended March 31, 2024

				Millions of Yen
Purpose of use	Land	Leasehold interests in land	Buildings	Total
Rental real estate	¥1,755	¥630	¥2,470	¥4,857
Idle real estate	3,146	–	1,503	4,649
Total	¥4,901	¥630	¥3,974	¥9,506

For the fiscal year ended March 31, 2026

	Millions of U.S. Dollars			
Purpose of use	Land	Leasehold interests in land	Buildings	Total
Rental real estate	$–	$42	$1	$43
Idle real estate	8	–	5	14
Total	$8	$42	$6	$57

(4) Calculation method of recoverable amount

The recoverable amount used for the measurement of impairment losses is based on the net realizable value upon sales of the assets or the value in use.

The value in use is calculated discounting future cash flows at 3.0% in principle for the fiscal years ended March 31, 2026, 2025 and 2024. Net realizable values are determined based on appraisals performed in accordance with the "Real Estate Appraisal Standards" or standard prices.

27. Deferred Tax Assets and Liabilities

(1) Deferred tax assets/liabilities consisted of the following:

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Deferred tax assets	¥ 2,768,924	¥ 2,492,587	¥ 2,383,005	$ 17,318
Valuation allowance for deferred tax assets	(66,528)	(72,143)	(67,642)	(416)
Subtotal	2,702,396	2,420,443	2,315,362	16,902
Deferred tax liabilities	(4,022,309)	(3,044,409)	(3,681,701)	(25,158)
Net deferred tax liabilities	¥(1,319,913)	¥ (623,965)	¥(1,366,338)	$ (8,255)

The major components resulting in deferred tax assets/liabilities were as follows:

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Deferred tax assets:				
Policy reserves and other reserves	¥1,396,384	¥1,376,198	¥1,280,634	$ 8,733
Deferred losses on derivatives under hedge accounting	788,168	420,677	442,836	4,929
Reserve for price fluctuations in investments in securities	346,887	482,418	453,563	2,169
Deferred tax liabilities:				
Net unrealized gains on available-for-sale securities	¥3,938,383	¥2,961,055	¥3,502,755	$24,633

(2) The statutory tax rate was 27.9% for the fiscal years ended March 31, 2026, 2025 and 2024, respectively. The main factors for the difference between the statutory tax rates and the effective income tax rates were as follows:

	2026	2025	2024
Reserve for dividends to policyholders	(16.8)%	(18.5)%	(12.3)%
Due to the impact of tax rate change	–	(14.3)%	–

(3) For the fiscal year ended March 31, 2025, due to the promulgation of the "Act on Partial Revision of the Income Tax Act, etc." (Act No. 13 of 2025), the statutory tax rate used to calculate deferred tax assets and deferred tax liabilities was changed from 27.9% to 28.9% in cases where the expected collection or payment period is on or after April 1, 2026.

Due to this change, as of March 31, 2025, deferred tax liabilities increased by ¥26,391 million, deferred tax liabilities for land revaluation increased by ¥3,474 million. Net unrealized gains on available-for-sale securities decreased by ¥102,447 million, deferred losses on derivatives under hedge accounting increased by ¥13,339 million, and land revaluation losses decreased by ¥3,474 million. In addition, deferred income taxes decreased by ¥62,716 million.

28. Transactions with Subsidiaries and Affiliates

The total income and expenses from transactions with subsidiaries and affiliates for the fiscal years ended March 31, 2026, 2025 and 2024, were as follows:

	Millions of Yen			Millions of U.S. Dollars
	2026	2025	2024	2026
Total income	¥103,400	¥95,426	¥69,280	$646
Total expenses	49,709	45,884	41,387	310

29. Income Taxes Related to the Global Minimum Tax

The amount of income taxes related to the global minimum tax included in income taxes (current) was ¥108 million (U.S. $0 million) for the fiscal year ended March 31, 2026.

30. Subsequent Events

(1) On April 2, 2026, the Company issued corporate bonds as follows:

1) US dollar-denominated senior unsecured notes due 2031

Issue price	100% of par value
Total amount issued	U.S. $1,100 million
Interest rate	A fixed rate of 4.748% per annum
Maturity	April 2031
Collateral and guarantees	The corporate bonds are not secured or guaranteed, and there are no specific assets pledged for them.
Use of funds	General working capital

2) US dollar-denominated senior unsecured notes due 2031

Issue price	100% of par value
Total amount issued	U.S. $750 million
Interest rate	A fixed rate of 5.046% per annum
Maturity	April 2033
Collateral and guarantees	The corporate bonds are not secured or guaranteed, and there are no specific assets pledged for them.
Use of funds	General working capital

Designated hedge accounting ("*Furiate-shori*") has been applied to the bonds referred to in 1) using the currency swap as a hedging instrument.

(2) On April 27, 2026, the Company redeemed corporate bonds early as follows:

The amount of interest expenses recorded for the corporate bonds redeemed early was ¥658 million (U.S. $4 million) for the fiscal year ended March 31, 2026.

Name	2nd series of JPY-denominated subordinated and unsecured corporate bonds with interest deferral options (the corporate bonds were first issued to qualified institutional investors and a small number of investors in domestic securities market)
Issue date	April 27, 2016
Early redemption value	100% of par value
Total amount redeemed early	¥70.0 billion (U.S. $437 million)
Method of early redemption	Early redemption of the entire unredeemed balance

(3) In accordance with the proposed appropriations of surplus for the fiscal year ended March 31, 2026, the Company credited ¥50,000 million (U.S. $312 million) to the reserve for redemption of foundation funds as prescribed in Article 56 of the Insurance Business Act and amortized the same amount of foundation funds on August 3, 2026.

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Consolidated Balance Sheets

	(Million Yen)	
	As of June 30, 2026	As of March 31, 2026
Assets:		
Cash and deposits	1,618,163	1,672,747
Call loans	869,811	1,011,726
Monetary receivables purchased	999,907	932,235
Investments in securities	94,178,386	91,607,445
Loans	9,505,696	9,588,553
Tangible fixed assets	2,001,057	2,004,649
Intangible fixed assets	2,935,292	2,877,366
Reinsurance receivables	4,809,685	4,730,575
Other assets	4,200,202	4,282,503
Net defined benefit asset	1,656	1,652
Deferred tax assets	124,491	116,028
Customers' liability for acceptances and guarantees	47,043	48,420
Allowance for doubtful accounts	(11,591)	(11,166)
Total assets	121,279,804	118,862,738
Liabilities:		
Policy reserves and other reserves:	92,099,704	91,041,610
Reserve for outstanding claims	887,297	873,875
Policy reserves	89,738,721	88,939,517
Reserve for dividends to policyholders (mutual company)	1,419,544	1,174,282
Reserve for dividends to policyholders (limited company)	54,140	53,934
Reinsurance payables	155,387	142,815
Corporate bonds	2,169,328	1,935,676
Other liabilities	10,693,363	11,162,198
Accrued bonuses for directors, and audit and supervisory board members	686	453
Net defined benefit liability	287,260	288,187
Accrued retirement benefits for directors, and audit and supervisory board members	294	298
Reserve for price fluctuations	1,210,080	1,319,259
Deferred tax liabilities	2,147,097	1,615,096
Deferred tax liabilities for land revaluation	99,269	99,734
Acceptances and guarantees	47,043	48,420
Total liabilities	108,909,515	107,653,751

Consolidated Balance Sheets (Continued)

	(Million Yen)	
	As of June 30, 2026	As of March 31, 2026
Net assets:		
Foundation funds	50,000	50,000
Reserve for redemption of foundation funds	1,450,000	1,400,000
Reserve for revaluation	651	651
Consolidated surplus	881,393	1,211,876
Total foundation funds and others	2,382,044	2,662,527
Net unrealized gains on available-for-sale securities	11,527,678	10,082,267
Deferred losses on derivatives under hedge accounting	(2,172,835)	(1,972,981)
Land revaluation losses	(56,856)	(55,747)
Foreign currency translation adjustments	317,460	256,052
Remeasurement of defined benefit plans	82,682	87,779
Valuation difference on policy reserves and other reserves of overseas subsidiaries and affiliates	124,904	5,771
Total accumulated other comprehensive income	9,823,033	8,403,139
Share acquisition rights	2,253	2,251
Noncontrolling interests	162,957	141,068
Total net assets	12,370,288	11,208,987
Total liabilities and net assets	121,279,804	118,862,738

Notes to the Consolidated Balance Sheets as of June 30, 2026

1. As the proposed appropriation of surplus of the Company for the fiscal year ended March 31, 2026 was approved at the Meeting of Representatives held on July 2, 2026, it is included in the consolidated balance sheet as of June 30, 2026. Details of the appropriation of surplus approved at the Meeting of Representatives are as follows:

	Million Yen
a. Unappropriated surplus as of March 31, 2026	567,725
b. Reversal from voluntary surplus reserves	11,596
c. Appropriations:	579,321
Reserve for dividends to policyholders (mutual company)	373,278
Legal reserve for deficiencies	1,708
Reserve for redemption of foundation funds	50,000
Interest on foundation funds	140
Voluntary surplus reserves	154,194
d. Surplus carried forward (a+b-c)	—

2. The corporate tax, inhabitant tax, and income tax adjustments of the Company for the three months ended June 30, 2026, are calculated based on the assumption of accumulations and reversals of the reserve for reduction entry of real estate and the reserve for dividends to policyholders (mutual company) due to the appropriation of surplus in the current fiscal year.

3. The Company and its certain consolidated life insurance companies in Japan provided additional policy reserves in the three months ended June 30, 2026. As a result, policy reserves increased by ¥23,627 million, while ordinary loss increased by ¥23,627 million and surplus before income taxes decreased by ¥23,627 million.

   a) The Company

   Effective from the fiscal year ended March 31, 2020, the Company has provided additional policy reserves to cover a possible deficiency in the reserve for paid-up insurance policies and similar policies among certain whole life insurance policies (including single premium policies). Moreover, effective from the fiscal year ended March 31, 2026, the Company has expanded the scope of whole life insurance policies (including single premium policies) for which additional policy reserves will be provided. For such policies with premiums that have been paid and similar policies (including single premium policies), the Company has decided to successively provide these additional policy reserves over the next nine years. As a result, policy reserves increased by ¥21,380 million, while ordinary loss increased by ¥21,380 million and surplus before income taxes decreased by ¥21,380 million, compared with amounts that would have been recorded if the additional policy reserve amounts had not been reserved in the three months ended June 30, 2026.

   b) TAIJU LIFE INSURANCE COMPANY LIMITED

   TAIJU LIFE INSURANCE COMPANY LIMITED has provided additional policy reserves to cover a possible deficiency in the reserve for certain individual annuity policyholders. As a result, policy reserves increased by ¥2,247 million, while ordinary loss increased by ¥2,247 million and surplus before income taxes decreased by ¥2,247 million, compared with amounts that would have been recorded had the additional policy reserve amounts not been provided in the three months ended June 30, 2026.

4. The Company and its certain consolidated subsidiaries cannot calculate an appropriate amount of the reserve for incurred but not reported (IBNR) claims (insurance claims and benefits whose reasons for payment have not yet been reported, but whose reasons for payment stipulated by insurance policies are deemed to have already occurred) pursuant to the calculation based on Article 1, Paragraph 1, Principles of the Ministry of Finance Public Notice No. 234 of 1998 (hereinafter, "the IBNR Notice") due to the end of special treatment from May 8, 2023. Under this special treatment, payment was made for hospitalization and related benefits in cases where the insured was diagnosed with

COVID-19 and recuperated at a lodging facility or at home under the supervision of a physician or other medical personnel (hereinafter, "deemed hospitalization"). Accordingly, the Company and its certain subsidiaries have recorded an amount calculated using the following method under the provision of Article 1, Paragraph 1, of the IBNR Notice.

(Outline of calculation method)

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

5. Changes in the reserve for dividends to policyholders (mutual company) for the three months ended June 30, 2026 were as follows:

	Million Yen
	Three months ended June 30, 2026
a. Balance at the beginning of the current fiscal year	1,174,282
b. Transfer to reserve based on the proposed appropriation of surplus for the previous fiscal year	373,278
c. Dividends paid to policyholders (mutual company) during the current three-month period	133,668
d. Increase in interest	5,651
e. Balance at the end of the current three-month period (a+b-c+d)	1,419,544

6. Changes in the reserve for dividends to policyholders (limited company) for the three months ended June 30, 2026 were as follows:

	Million Yen
	Three months ended June 30, 2026
a. Balance at the beginning of the current fiscal year	53,934
b. Dividends paid to policyholders (limited company) during the current three-month period	3,275
c. Increase in interest	538
d. Provision for reserve for dividends to policyholders (limited company)	2,688
e. Adjustment for foreign currency translation	254
f. Balance at the end of the current three-month period (a-b+c+d+e)	54,140

7. Based on the proposed appropriation of surplus for the fiscal year ended March 31, 2026, the Company credited ¥50,000 million to the reserve for redemption of foundation funds as prescribed in Article 56 of the Insurance Business Act and redeemed the same amount of foundation funds on August 3, 2026.

8. On December 15, 2025, the Company decided to acquire the shares and other instruments of Medical Data Vision Co., Ltd. (hereinafter, "Medical Data Vision") by means of a tender offer (hereinafter, "the Tender Offer") under the Financial Instruments and Exchange Act, and executed the Tender Offer during the period between December 16, 2025 and February 3, 2026. Following the completion of the settlement of the Tender Offer, Medical Data Vision implemented a stock consolidation (hereinafter, "the Stock Consolidation"), effective April 28, 2026, as a squeeze-out procedure to make Medical Data Vision a wholly owned subsidiary of the Company. Subsequently, Medical Data Vision acquired treasury shares held by SBI Holdings, Inc. on May 14, 2026 (hereinafter, "the Treasury Share Acquisition"). As a result of this series of transactions (hereinafter, "the Transactions"), the Company made Medical Data Vision a wholly owned subsidiary.

(Background and Aims of the Transaction)

The Company aims to establish health data and health-data analysis capabilities, among others, as a new business foundation for the Company group and to enhance both healthcare and insurance businesses. In addition, by integrating AI and digital technologies, the Company will also pursue the creation of new customer value propositions, including preventive medicine and health support services.

Matters concerning the business integration through share acquisition are as follows:

(Acquisition of Shares of Medical Data Vision)

On February 9, 2026 (the date on which the settlement of the Tender Offer starts), the Company acquired 53% of the shares of Medical Data Vision. As a result, it became a subsidiary of the Company. Further, Medical Data Vision has become a wholly owned subsidiary of the Company through the Stock Consolidation on April 28, 2026 and the Treasury Share Acquisition on May 14, 2026.

1) Summary of business combination

   a. Name and business of the acquiree

      Name of the acquiree: Medical Data Vision Co., Ltd.

      Business: Development, production, sales, and maintenance of medical information integration systems; analysis, research, and consulting services for various medical data; business consulting services for medical institutions; operations and service provision of various medical data; planning, design, development, and operation of portal websites.

   b. Business combination date

      Acquisition of control: February 9, 2026 (Deemed acquisition date: March 31, 2026)

      Acquisition of additional shares: May 14, 2026 (Deemed acquisition date: April 1, 2026)

   c. Legal form of the business combination

      Share acquisition for cash consideration

   d. Voting rights acquired

      February 9, 2026: 53.0%

      May 14, 2026: 100%

   e. Financing method for payment

      Own funds

   f. Main reason for determining the acquiree

      Due to the acquisition of 53% of voting rights through share acquisition for cash consideration

2) Overview of the applied accounting treatment

   The Transactions were accounted for based on the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21) and the "Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10). The additional acquisition of equity interests through the Stock Consolidation and the Treasury Share Acquisition was treated as a transaction integrated with the acquisition of shares through the Tender Offer. Accordingly, goodwill associated with the equity interests additionally acquired after obtaining control was calculated as if it had been recorded when control was obtained.

3) Period for which the acquiree's business results were included in the consolidated financial statements

From April 1, 2026 to June 30, 2026.

4) Matters concerning calculation of acquisition cost

a. Acquisition cost and breakdown by type of consideration

At the time of obtaining control:

Consideration for share acquisition:	Cash	¥33,999 million
Acquisition cost:		¥33,999 million

At the time of acquiring additional shares:

Consideration for share acquisition:	Cash	¥22,780 million
Acquisition cost:		¥22,780 million

b. Description and amount of main acquisition-related costs

Advisory fees and others:	¥1,081 million

5) Matters concerning the allocation of acquisition cost

a. Amounts of and reasons for recognizing goodwill, and amortization method and period

(i) Amount of goodwill: ¥53,618 million

The allocation of acquisition cost was not completed as of June 30, 2026. Therefore, provisional accounting treatment was applied based on the reasonable information currently available.

(ii) Reasons for goodwill

Goodwill was recognized because future excess earning capacity is expected to be generated through future business development.

(iii) Amortization method and period

Amortized on a straight-line basis over 10 years.

b. Amounts of assets acquired and liabilities assumed and their main components

Total assets:	¥4,511	million
(including deposits of)	¥1,586	million
Total liabilities:	¥1,344	million
(including accounts payable of)	¥1,103	million

9. TAIJU LIFE INSURANCE COMPANY LIMITED, a consolidated subsidiary of the Company, conducted the early redemption of domestic subordinated and unsecured corporate bonds (subordinated term bonds) on July 2, 2026 and July 25, 2026, taking into account economic rationality and other factors. In addition, on June 1, 2026, TAIJU LIFE INSURANCE COMPANY LIMITED provided a lender with contractually required notices of intent to conduct optional repayment of loans payable on August 10, 2026, based on an existing subordinated loan agreement.

Interest expenses recorded for the corporate bonds redeemed early amounted to ¥726 million in the previous fiscal year and ¥181 million in the three months ended June 30, 2026. Additionally, interest expenses recorded for the loans payable to be optionally repaid amounted to ¥73 million in the previous fiscal year and ¥18 million in the three months ended June 30, 2026.

Redemption date..... July 2, 2026
Redemption amount .... ¥40.0 billion
Redemption method .... Early redemption of the full amount of the unredeemed balance

2) Early redemption of domestic subordinated and unsecured corporate bonds (subordinated term bonds)

Redemption date..... July 25, 2026
Redemption amount .... ¥50.0 billion
Redemption method .... Early redemption of the full amount of the unredeemed balance

3) Optional repayment of loans payable based on subordinated loan agreement

Notice date ..... June 1, 2026
Repayment date..... August 10, 2026
Repayment amount ..... ¥10.0 billion
Repayment method ..... Optional repayment of the full amount of the unrepaid balance

10. On March 26, 2026, Corebridge Financial, Inc. (hereinafter, "Corebridge"), the Company's affiliate accounted for under the equity method, announced that it had entered into an agreement with Equitable Holdings, Inc. (hereinafter, "Equitable"), which operates pension and asset management businesses in the United States, to execute a business integration through a share transfer. This business integration is intended to combine complementary capabilities and scale, among other objectives. It will be executed by establishing a new holding company, with both companies becoming its subsidiaries, and is expected to be completed by the end of December 2026. 1.0000 shares of the common stock of the new holding company will be issued for each outstanding share of Corebridge common stock, and 1.55516 shares of common stock of the new holding company will be issued for each outstanding share of Equitable common stock. As a result, the ownership ratio of the new holding company is expected to be approximately 51% for Corebridge shareholders and approximately 49% for Equitable shareholders.

11. The amount of securities lent under lending agreements was ¥3,050,326 million as of June 30, 2026.

12. Modified coinsurance agreements executed by TAIJU LIFE INSURANCE COMPANY LIMITED, Nippon Wealth Life Insurance Company Limited, and HANASAKU LIFE INSURANCE Co., Ltd., which are the Company's consolidated subsidiaries, are as described hereinafter.

TAIJU LIFE INSURANCE COMPANY LIMITED has executed a modified coinsurance agreement covering foreign currency-denominated single premium endowment insurance (U.S. dollar/Australian dollar) and foreign currency-denominated single premium whole life insurance (U.S. dollar/Australian dollar).

HANASAKU LIFE INSURANCE Co., Ltd. has executed modified coinsurance agreements covering whole life medical insurance and related insurance products. For modified coinsurance agreements involving non-cash transactions, HANASAKU LIFE INSURANCE Co., Ltd. records as reinsurance revenue the amount received as a portion of equivalent new policy expenses related to the original insurance policy based on the reinsurance agreement. Concurrently, the same amount is recorded as unamortized ceding commissions under reinsurance receivables and is amortized over the term of the reinsurance policy.

Following the abolition of the Ministry of Finance Public Notice No. 50 of 1996 due to the enforcement of the Financial Services Agency Public Notice No. 74, unamortized ceding commissions related to reinsurance agreements as prescribed in Article 1, Paragraph 5 of the Ministry of Finance Public Notice No. 50 of 1996 are as follows:

Unamortized ceding commissions related to certain reinsurance agreements (excluding those related to the reinsurance defined in Article 71, Paragraph 3 of the Ordinance for

Enforcement of the Insurance Business Act; hereinafter "surplus relief and similar reinsurance agreements") that fall under 1) and 2) below based on the terms and conditions of the agreements (which represent commissions received from reinsurers that are payable to the reinsurers from future profits or profits in relation to the reinsured portion under the relevant reinsurance agreements):

1) The agreement stipulates that unamortized ceding commissions, together with any associated expenses or similar items, will be paid to the reinsurer in the future.

2) Among the risks associated with the underlying insurance agreement, a portion of the risks associated with the portion ceded under the reinsurance agreement will be transferred.

The outstanding balance of reinsurance receivables, reinsurance payables and policy reserves as of June 30, 2026 includes the following amounts:

1)	Reinsurance receivables	¥4,809,685 million
	(Nippon Wealth Life Insurance Company Limited)	
	Reinsurance receivables related to modified coinsurance agreements	¥508,434 million
	Unamortized ceding commissions related to surplus relief and similar reinsurance agreements	¥508,434 million
	(HANASAKU LIFE INSURANCE Co., Ltd.)	
	Unamortized ceding commissions related to surplus relief and similar reinsurance agreements	¥49,375 million
2)	Reinsurance payables	¥155,387 million
	(TAIJU LIFE INSURANCE COMPANY LIMITED)	
	Reinsurance payables related to modified coinsurance agreements	¥9,852 million
3)	Policy reserves	¥89,738,721 million
	(TAIJU LIFE INSURANCE COMPANY LIMITED)	
	Policy reserves related to modified coinsurance agreements	¥1,527,385 million
	(Nippon Wealth Life Insurance Company Limited)	
	Policy reserves related to modified coinsurance agreements	¥5,422,399 million
	(HANASAKU LIFE INSURANCE Co., Ltd.)	
	Policy reserves related to modified coinsurance agreements	¥21,075 million

Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

[Consolidated Statements of Income]

	(Million Yen)	
	Three months ended June 30, 2026	Three months ended June 30, 2025
Ordinary income:	3,945,846	2,973,249
Revenues from insurance and reinsurance	2,692,618	2,139,482
Investment income:	1,097,297	693,155
Interest, dividends, and other income	675,295	461,465
Gains on trading securities	—	7,151
Gains on sales of securities	151,551	193,626
Foreign exchange gains, net	163,054	—
Gains on separate accounts, net	93,507	30,480
Other ordinary income	155,930	140,611
Ordinary expenses:	3,959,159	2,928,638
Benefits and other payments:	2,391,402	1,728,941
Death and other claims	406,735	319,292
Annuity payments	335,053	271,544
Health and other benefits	307,670	289,863
Surrender benefits	680,660	391,657
Other refunds	65,529	49,039
Provision for policy reserves:	568,959	319,177
Provision for reserve for outstanding claims	121,686	19,033
Provision for policy reserves	441,599	294,983
Provision for interest on reserve for dividends to policyholders (mutual company)	5,651	5,159
Provision for interest on reserve for dividends to policyholders (limited company)	22	1
Investment expenses:	557,905	492,456
Interest expenses	36,381	20,813
Losses on sales of securities	231,317	249,521
Losses on valuation of securities	60,083	846
Losses on derivative financial instruments, net	106,385	93,063
Foreign exchange losses, net	—	102,306
Operating expenses	355,912	289,419
Other ordinary expenses	84,979	98,642
Ordinary profit (loss)	(13,313)	44,610
Extraordinary gains:	113,836	81,526
Gains on disposals of fixed assets	4,647	1,135
Gains on reversal of share acquisition rights	10	0
Reversal of provision for reserve for price fluctuations	109,178	80,390
Extraordinary losses:	3,740	1,816
Losses on disposals of fixed assets	1,308	1,251
Impairment losses	2,368	564
Other extraordinary losses	62	—
Provision for reserve for dividends to policyholders (limited company)	3,375	2,902
Surplus before income taxes	93,407	121,418
Income taxes – current	66,755	50,118
Income taxes – deferred	(67,544)	(36,198)
Total income taxes	(789)	13,919
Net surplus	94,196	107,498
Net surplus attributable to noncontrolling interests	2,794	1,387
Net surplus attributable to the parent company	91,402	106,111

Notes to the Consolidated Statements of Income for the three months ended June 30, 2026

1. Certain expenses related to asset management business had previously been presented within operating expenses and other ordinary expenses. For the three months ended June 30, 2026, these expenses are presented within investment expenses to more appropriately reflect their relationship with revenues from asset management business, which are included in investment income. As a result, ¥2,314 million previously included in operating expenses and ¥400 million previously included in other ordinary expenses in the consolidated statement of income for the three months ended June 30, 2025 have been reclassified to investment expenses.

2. The following is a breakdown of ordinary income and ordinary expenses for the three months ended June 30, 2026.

(Million Yen)

Ordinary income items		Ordinary expenses items	
Revenues from insurance and reinsurance	2,692,618	Benefits and other payments	2,391,402
Premiums	2,218,618	Death and other claims	406,735
Reinsurance revenue	473,999	Annuity payments	335,053
		Health and other benefits	307,670
		Surrender benefits	680,660
		Other refunds	65,529
		Reinsurance premiums	594,808
		Others	944

Certain overseas consolidated subsidiaries have applied the accounting standard "Insurance Contracts" issued by the Australian Accounting Standards Board (hereinafter, "AASB No.17"). Based on the "Comprehensive Guidelines for Supervision of Insurance Companies" announced by the Financial Services Agency, insurance revenue recognized under AASB No.17 is reclassified as a written amount and recorded in revenues from insurance and reinsurance. Insurance service expenses and other items recognized under AASB No.17 at certain overseas consolidated subsidiaries were previously included and presented within others under benefits and other payments. As these items have become more material, for the three months ended June 30, 2026, they are presented within reinsurance premiums and others under benefits and other payments, provision for policy reserves under provision for policy reserves, and reversal of reserve for outstanding claims included in other ordinary income. As a result, ¥20,595 million that had been included and presented within others under benefits and other payments in the consolidated statement of income for the three months ended June 30, 2025 has been reclassified to reinsurance premiums, others, provision for reserve for outstanding claims, and provision for policy reserves.
The effects of the reclassification on the consolidated statement of income for the three months ended June 30, 2026 are as follows:

(Million Yen)

Ordinary income items	Before reclassification	After reclassification	Effects of reclassification
Other ordinary income	161,207	140,611	(20,595)
Reversal of reserve for outstanding claims	20,595	—	(20,595)

(Million Yen)

Ordinary expenses items	Before reclassification	After reclassification	Effects of reclassification
Benefits and other payments	1,764,593	1,728,941	(35,652)
Reinsurance premiums	391,620	404,885	13,264
Others	51,575	2,658	(48,916)
Provision for policy reserves	304,121	319,177	15,056
Provision for reserve for outstanding claims	—	19,033	19,033
Provision for policy reserves	298,960	294,983	(3,977)

Previously, ¥373,404 million had been included and presented within policy reserves under policy reserves and other reserves in the consolidated balance sheet as of March 31, 2026. This has been reclassified to reserve for outstanding claims under policy reserves and other reserves in the current period.

3. Impairment losses are as follows:

   1) Method for grouping the assets

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

   2) Recognition of impairment losses

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

   3) Breakdown of asset groups for which impairment losses were recognized for the three months ended June 30, 2026 is as follows:

	(Million Yen)		
Purpose of use	Land	Buildings	Total
Idle properties	1,458	910	2,368
Total	1,458	910	2,368

   4) Measurement of recoverable amount

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

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

4. The total amount of depreciation of real estate for rental use and other assets for the three months ended June 30, 2026 was ¥29,586 million. Amortization of goodwill for the three months ended June 30, 2025 was ¥ 17,023 million.

5. In accordance with paragraph 7 of the Practical Solution on the Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules, etc. (ASBJ Practical Solution No. 46, March 22, 2024), the Company has not recorded any income taxes related to the global minimum tax rules for the relevant fiscal years, including the three months ended June 30, 2026.

6. TAIJU LIFE INSURANCE COMPANY LIMITED, Nippon Wealth Life Insurance Company Limited, and HANASAKU LIFE INSURANCE Co., Ltd., which are the Company's consolidated subsidiaries, have executed modified coinsurance agreements as follows:

   1) TAIJU LIFE INSURANCE COMPANY LIMITED

      It has executed a modified coinsurance agreement covering foreign currency-denominated single premium endowment insurance (U.S. dollar/Australian dollar) and foreign currency-denominated single premium whole life insurance (U.S. dollar/ Australian dollar).

      a. Reinsurance revenue

         Through this modified coinsurance agreement, insurance risk has been transferred, and items including additional policy reserves or reversals associated with market value adjustments upon interest rate fluctuations are recorded as reinsurance revenue and presented in revenues from insurance and reinsurance.

      b. Reinsurance premiums

         In cases where reinsurance revenue related to this modified coinsurance agreement is negative, the items are recorded as reinsurance premiums and presented as benefits and other payments.

   2) Nippon Wealth Life Insurance Company Limited

      a. Reinsurance revenue

         It is recorded according to the timing of recognition of benefits and other payments for covered insurance products and to the ceding ratio for those products based on

the reinsurance agreement. In addition, the ceding commission and policy reserve components are recorded according to the covered period and ceding ratio stipulated by the reinsurance agreement.

b. Reinsurance premiums

These are recorded according to factors such as the timing of recognition of premiums for covered insurance premiums and the ceding ratio for those products based on the reinsurance agreement.

3) HANASAKU LIFE INSURANCE Co., Ltd.

It has executed modified coinsurance agreements covering whole life medical insurance and related insurance products.

a. Reinsurance revenue

It is recorded according to the timing of recognition of benefits and other payments for the covered insurance policy and to the ceding ratio for such policy, based on the reinsurance agreement.

b. Reinsurance premiums

These are recorded according to factors such as the timing of recognition of premiums received from the original insurance policy covered by the reinsurance agreement and the ceding ratio for such policy, based on the reinsurance agreement.

Reinsurance revenue and reinsurance premiums include the following amounts:

4) Reinsurance revenue	¥473,999 million
(TAIJU LIFE INSURANCE COMPANY LIMITED)	
Reinsurance revenue related to modified coinsurance agreements	¥10,868 million
Adjustment to policy reserves for ceded reinsurance (excluding additional policy reserves (reversals) associated with market value adjustments and related items	¥(17,328) million
Additional policy reserves (reversals) associated with market value adjustments and related items	¥(2,856) million
(Nippon Wealth Life Insurance Company Limited)	
Reinsurance revenue related to modified coinsurance agreements	¥397,504 million
Ceding commission	¥455 million
Increase in the policy reserve component	¥307,262 million
Increase equivalent to additional provisions related to the standard policy reserve system	¥59,932 million
Additional policy reserves (reversals) associated with market value adjustments and related items	¥(206) million
Increase in unamortized ceding commissions related to surplus relief and similar reinsurance agreements	¥64,879 million
(HANASAKU LIFE INSURANCE Co., Ltd.)	
Increase in unamortized ceding commissions related to surplus relief and similar reinsurance agreements	¥11,437 million
5) Reinsurance premiums	¥594,808 million
(Nippon Wealth Life Insurance Company Limited)	
Reinsurance premiums related to modified coinsurance agreements	¥339,280 million
(HANASAKU LIFE INSURANCE Co., Ltd.)	
Decrease in unamortized ceding commissions related to surplus relief and similar reinsurance agreements	¥8,204 million

Through these reinsurance items, ordinary loss decreased by ¥58,285 million, while surplus before income taxes increased by ¥58,285 million.

[Consolidated Statements of Comprehensive Income]

	(Million Yen)	
	Three months ended June 30, 2026	Three months ended June 30, 2025
Net surplus	94,196	107,498
Other comprehensive income:	1,440,776	375,324
Net unrealized gains on available-for-sale securities	1,575,998	350,710
Deferred gains (losses) on derivatives under hedge accounting	(196,495)	49,490
Foreign currency translation adjustments	48,306	(23,914)
Remeasurement of defined benefit plans	(5,097)	(3,557)
Valuation difference on policy reserves and other reserves of overseas subsidiaries and affiliates	54,984	—
Share of other comprehensive gains (losses) of affiliates accounted for under the equity method	(36,919)	2,594
Comprehensive income:	1,534,973	482,823
Comprehensive income attributable to the parent company	1,511,913	479,393
Comprehensive income attributable to noncontrolling interests	23,059	3,430

(6) Segment Information

For the three months ended June 30, 2026, the Company and its consolidated subsidiaries engaged in insurance business and insurance-related businesses (including asset management-related business and general administration-related business) in Japan and overseas. Segment information and its related information are omitted because there are no other significant segments to be reported.

Nonconsolidated Balance Sheets

	(Million Yen)	
	As of June 30, 2026	As of March 31, 2026
Assets:		
Cash and deposits	528,992	578,246
Call loans	699,811	788,726
Monetary receivables purchased	136,048	120,444
Investments in securities:	74,931,291	73,001,116
National government bonds	25,873,342	26,458,875
Local government bonds	675,517	699,119
Corporate bonds	1,821,270	1,814,763
Domestic stocks	17,284,633	15,841,142
Foreign securities	26,165,515	25,239,368
Loans:	7,680,665	7,782,526
Policy loans	375,586	380,769
Industrial and consumer loans	7,305,079	7,401,757
Tangible fixed assets	1,766,168	1,765,838
Intangible fixed assets	234,076	230,339
Reinsurance receivables	60	191
Other assets	1,434,604	1,520,288
Customers' liability for acceptances and guarantees	46,534	47,911
Allowance for doubtful accounts	(3,644)	(3,790)
Total assets	87,454,609	85,831,839
Liabilities:		
Policy reserves and other reserves:	63,286,118	62,859,464
Reserve for outstanding claims	186,157	198,405
Policy reserves	61,680,415	61,486,775
Reserve for dividends to policyholders	1,419,544	1,174,282
Reinsurance payables	3,540	3,168
Corporate bonds	1,714,327	1,487,436
Other liabilities:	7,482,485	7,962,247
Income taxes payable	15,478	15,029
Lease obligations	2,966	3,096
Asset retirement obligations	7,763	7,708
Other liabilities	7,456,277	7,936,413
Accrued bonuses for directors, and audit and supervisory board members	679	453
Accrued retirement benefits	350,799	358,646
Reserve for price fluctuations	1,090,062	1,200,302
Deferred tax liabilities	1,827,904	1,319,913
Deferred tax liabilities for land revaluation	99,269	99,734
Acceptances and guarantees	46,534	47,911
Total liabilities	75,901,721	75,339,278

Nonconsolidated Balance Sheets (Continued)

	(Million Yen)	
	As of June 30, 2026	As of March 31, 2026
Net assets:		
Foundation funds	50,000	50,000
Reserve for redemption of foundation funds	1,450,000	1,400,000
Reserve for revaluation	651	651
Surplus:	952,940	1,256,468
Legal reserve for deficiencies	26,512	24,804
Other surplus reserves:	926,428	1,231,664
Equalized reserve for dividends to policyholders	—	10,000
Reserve for social public welfare assistance	5,041	2,041
Reserve for financial stability	721,917	571,917
Reserve for reduction entry of real estate	79,409	79,811
Other reserves	170	170
Unappropriated surplus	119,891	* 567,725
Total foundation funds and others	2,453,592	2,707,119
Net unrealized gains on available-for-sale securities	11,276,432	9,779,130
Deferred losses on derivatives under hedge accounting	(2,120,280)	(1,937,941)
Land revaluation losses	(56,856)	(55,747)
Total valuations, conversions, and others	9,099,295	7,785,440
Total net assets	11,552,887	10,492,560
Total liabilities and net assets	87,454,609	85,831,839

Note: * Unappropriated surplus on the condensed balance sheet as of March 31, 2026 represents the current-year unappropriated surplus.

Notes to the Nonconsolidated Balance Sheet as of June 30, 2026

1. As the proposed appropriation of surplus for the fiscal year ended March 31, 2026 was approved at the Meeting of Representatives held on July 2, 2026, it is included in the nonconsolidated balance sheet as of June 30, 2026. Details of the appropriation of surplus approved at the Meeting of Representatives are as follows:

	Million Yen
a. Unappropriated surplus as of March 31, 2026	567,725
b. Reversal from voluntary surplus reserves	11,596
c. Appropriations:	579,321
Reserve for dividends to policyholders	373,278
Legal reserve for deficiencies	1,708
Reserve for redemption of foundation funds	50,000
Interest on foundation funds	140
Voluntary surplus reserves	154,194
d. Surplus carried forward (a+b-c)	—

2. The corporate tax, inhabitant tax, and income tax adjustments for the three months ended June 30, 2026 are calculated based on the assumption of accumulations and reversals of the reserve for reduction entry of real estate and the reserve for dividends to policyholders due to the appropriation of surplus in the current fiscal year.

3. Effective from the fiscal year ended March 31, 2020, the Company has provided additional policy reserves to cover a possible deficiency in the reserve for paid-up insurance policies and similar policies among certain whole life insurance policies (including single premium policies). Moreover, effective from the fiscal year ended March 31, 2026, the Company has expanded the scope of whole life insurance policies (including single premium policies) for which additional policy reserves will be provided. For such policies with premiums that have been paid and similar policies (including single premium policies), the Company has decided to successively provide these additional policy reserves over the next nine years. As a result, the policy reserves increased by ¥21,380 million, while ordinary profit and surplus before income taxes decreased by ¥21,380 million, compared with amounts that would have been recorded had the additional policy reserves not been provided in the three months ended June 30, 2026.

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

   (Outline of calculation method)

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

5. Changes in the reserve for dividends to policyholders for the three months ended June 30, 2026 were as follows:

	Million Yen
	Three months ended June 30, 2026
a. Balance at the beginning of the current fiscal year	1,174,282
b. Transfer to reserve based on the proposed appropriation of surplus for the previous fiscal year	373,278
c. Dividends paid to policyholders during the current three-month period	133,668
d. Increase in interest	5,651
e. Balance at the end of the current three-month period (a+b-c+d)	1,419,544

6. Based on the proposed appropriation of surplus for the fiscal year ended March 31, 2026, the Company credited ¥50,000 million to the reserve for redemption of foundation funds as prescribed in Article 56 of the Insurance Business Act and redeemed the same amount of foundation funds on August 3, 2026.

7. The amount of securities lent under lending agreements was ¥2,512,346 million as of June 30, 2026.

Nonconsolidated Statements of Income

	(Million Yen)	
	Three months ended June 30, 2026	Three months ended June 30, 2025
Ordinary income:	2,184,752	1,723,499
Revenues from insurance and reinsurance:	1,472,558	1,115,730
Insurance premiums	1,472,013	1,115,452
Investment income:	668,784	560,218
Interest, dividends, and other income	436,167	386,995
Gains on sales of securities	133,778	150,503
Gains on separate accounts, net	73,821	22,514
Other ordinary income	43,408	47,550
Ordinary expenses:	2,152,211	1,663,284
Benefits and other payments:	1,353,093	1,107,036
Death and other claims	257,665	269,425
Annuity payments	239,543	222,524
Health and other benefits	223,217	222,773
Surrender benefits	575,002	342,872
Other refunds	56,459	48,222
Provision for policy reserves:	199,291	20,761
Provision for policy reserves	193,639	15,601
Provision for interest on reserve for dividends to policyholders	5,651	5,159
Investment expenses:	384,022	331,118
Interest expenses	20,719	16,494
Losses on sales of securities	223,100	197,212
Losses on valuation of securities	60,051	814
Losses on derivative financial instruments, net	52,169	85,564
Operating expenses	158,176	147,777
Other ordinary expenses	57,627	56,590
Ordinary profit	32,540	60,215
Extraordinary gains:	110,265	83,512
Gains on disposals of fixed assets	25	1,134
Reversal of reserve for price fluctuations	110,240	82,378
Extraordinary losses:	3,351	1,775
Losses on disposals of fixed assets	977	1,210
Impairment losses	2,368	564
Other extraordinary losses	5	—
Surplus before income taxes	139,454	141,952
Income taxes – current	47,869	40,567
Income taxes – deferred	(27,196)	(26,167)
Total income taxes	20,672	14,400
Net surplus	118,782	127,552

Notes to the Nonconsolidated Statement of Income for the Three Months Ended June 30, 2026

1. Certain expenses related to overseas and asset management businesses had previously been presented within operating expenses and other ordinary expenses. For the three months ended June 30, 2026, these expenses are presented within investment expenses to more appropriately reflect their relationship with revenues from overseas and asset management businesses, which are included in investment income. As a result, ¥5,789 million previously included in operating expenses and ¥499 million previously included in other ordinary expenses in the nonconsolidated statement of income for the three months ended June 30, 2025, have been reclassified to investment expenses.

2. Impairment losses are as follows:

   1) Method for grouping the assets

      Real estate for rental use and idle properties are classified as a single asset group per property. Assets utilized for insurance business operations are classified into a single asset group.

   2) Recognition of impairment losses

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

   3) Breakdown of asset groups for which impairment losses were recognized for the three months ended June 30, 2026 is as follows:

	(Million Yen)		
Purpose of use	Land	Buildings	Total
Idle properties	1,458	910	2,368
Total	1,458	910	2,368

   4) Measurement of recoverable amount

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

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

3. In accordance with paragraph 7 of the Practical Solution on the Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules, etc. (ASBJ Practical Solution No. 46), the Company has not recorded any income taxes related to the global minimum tax rules for the relevant fiscal years, including the three months ended June 30, 2026.

Details of Ordinary Profit (Core Operating Profit)

	(Million Yen)	
	Three months ended June 30, 2026	Three months ended June 30, 2025
Core operating profit (A)	211,449	164,108
Capital gains:	201,027	230,221
Gains on proprietary trading securities	—	—
Gains from assets held in trust, net	—	—
Gains on trading securities	—	—
Gains on sales of securities	133,778	150,503
Gains on derivative financial instruments, net	—	—
Foreign exchange gains, net	24,052	—
Other capital gains	43,196	79,718
Capital losses:	355,051	284,029
Losses on proprietary trading securities	—	—
Losses from assets held in trust, net	—	—
Losses on trading securities	—	—
Losses on sales of securities	223,100	197,212
Losses on valuation of securities	60,051	814
Losses on derivative financial instruments, net	52,169	85,564
Foreign exchange losses, net	—	437
Other capital losses	19,729	—
Net capital gains (losses) (B)	(154,024)	(53,807)
Core operating profit, including net capital gains (losses) (A+B)	57,425	110,300
Nonrecurring gains:	53	1,382
Reinsurance revenue	—	—
Reversal of contingency reserve	—	1,283
Reversal of specific allowance for doubtful accounts	53	99
Other nonrecurring gains	—	—
Nonrecurring losses:	24,937	51,467
Reinsurance premiums	—	—
Provision for contingency reserve	3,557	—
Provision for specific allowance for doubtful accounts	—	—
Provision for allowance for specific overseas loans	—	—
Write-offs of loans	—	—
Other nonrecurring losses	21,380	51,467
Net nonrecurring losses (C)	(24,884)	(50,085)
Ordinary profit (A+B+C)	32,540	60,215

(Reference) Breakdown of "Other" items

	(Million Yen)	
	Three months ended June 30, 2026	Three months ended June 30, 2025
Core operating profit	(23,466)	(79,718)
Interest income and expenses related to swap transactions for foreign currency-denominated insurance products and swap transactions for hedging purposes	(1,172)	(131)
Impact of market exchange rate movements related to foreign currency-denominated insurance policies	19,663	(36,563)
Impact of movements in surrender benefits related to market value adjustment	(1,775)	(1,347)
Hedge cost related to foreign exchange	(40,248)	(41,675)
Impact of factors other than interest rate movements on gains (losses) on redemptions of securities	65	—
Other capital gains	43,196	79,718
Interest income related to swap transactions for foreign currency-denominated insurance products and swap transactions for hedging purposes	1,172	131
Impact of market exchange rate movements related to foreign currency-denominated insurance policies	—	36,563
Impact of movements in surrender benefits related to market value adjustment	1,775	1,347
Hedge cost related to foreign exchange	40,248	41,675
Impact of factors other than interest rate movements on gains (losses) on redemptions of securities	—	—
Other capital losses	19,729	—
Interest expenses related to swap transactions for foreign currency-denominated insurance products and swap transactions for hedging purposes	—	—
Impact of market exchange rate movements related to foreign currency-denominated insurance policies	19,663	—
Impact of movements in surrender benefits related to market value adjustment	—	—
Hedge cost related to foreign exchange	—	—
Impact of factors other than interest rate movements on gains (losses) on redemptions of securities	65	—
Other nonrecurring gains	—	—
Reversal of allowance for investment losses	—	—
Other nonrecurring losses	21,380	51,467
Provision for allowance for investment losses	—	2,188
Provision for policy reserves pursuant to Article 69 Paragraph 5 of the Ordinance for Enforcement of the Insurance Business Act in Japan	21,380	49,279

Status of Separate Accounts

(1) Balance of Separate Account Assets

	(Million Yen)	
	As of June 30, 2026	As of March 31, 2026
Individual variable insurance	125,521	114,605
Individual variable annuities	11,010	10,101
Group annuities	1,012,345	998,847
Separate account total	1,148,877	1,123,555

(2) Policies in Force

- Individual Variable Insurance

	As of June 30, 2026		As of March 31, 2026	
	Number of policies	Amount of policies (million yen)	Number of policies	Amount of policies (million yen)
Variable insurance (defined term type)	8,538	13,820	8,641	10,789
Variable insurance (whole life type)	26,161	365,520	26,413	368,786
Total	34,699	379,341	35,054	379,576

- Individual Variable Annuities

	As of June 30, 2026		As of March 31, 2026	
	Number of policies	Amount of policies (million yen)	Number of policies	Amount of policies (million yen)
Individual variable annuities	2,638	11,009	2,781	10,101

Status of the Company, Subsidiaries, and Affiliates

(1) Selected Financial Data for Major Operations

	(100 Million Yen)	
	Three months ended June 30, 2026	Three months ended June 30, 2025
Ordinary income	39,458	29,732
Ordinary profit (loss)	(133)	446
Net surplus attributable to the parent company	914	1,061
Comprehensive income	15,349	4,828

	As of June 30, 2026	As of March 31, 2026
Total assets	1,212,798	1,188,627

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

	As of June 30, 2026
Number of consolidated subsidiaries	84
Number of subsidiaries not consolidated but accounted for under the equity method	0
Number of affiliates accounted for under the equity method	16
Changes in significant subsidiaries and affiliates during the period	None

(3) Policies for Preparing the Consolidated Financial Statements for the Three Months Ended June 30, 2026

There are no material changes.

GLOSSARY OF CERTAIN TERMS

Administrative expense margin	Administrative expense margin is the difference between the administrative expenses related to the relevant policy assumed by the insurer with respect to a given year in calculating premiums and the actual administrative expenses for that year.
Annuity	A product that provides periodic, typically annual, benefits from a designated time in the future until the death of the insured or for a specific period. A single-premium benefit payment is made upon the death of the insured prior to commencement of annuity payments. If the death of the insured occurs after annuity payments have commenced and prior to the end of the fixed annuity payment term, the remainder of the annuity payments may either be accelerated or may continue to be paid in accordance with the schedule outlined in the policy. Annuity products include both fixed return products and variable return products for which the return reflects the results of investment made in separate accounts.
Assumed yield	The rate of assumed investment yield, with respect to a given policy, used in pricing premiums of products and in calculation of policy reserves.
Capital	The total of foundation fund (*kikin*) and other reserve funds and subordinated debt.
Cash value	The amount of cash available to a policyholder on the surrender or lapse of a life insurance policy or annuity contract.
Contingency reserve	A reserve included as part of the policy reserves to account for (1) the risk of insurance payment events occurring at a higher than expected rate due to higher than expected mortality and morbidity rates and (2) the risk of actual yield on investments being lower than the assumed yields related to outstanding policies, etc.
Foundation fund (*kikin*) and other reserve funds	The total of foundation funds and others, reserve for price fluctuations in investments in securities, contingency reserve, general allowance for doubtful accounts and others.
Distributable interest surplus	The amount of surplus a Japanese mutual life insurance company is permitted to distribute with respect to interest payments on foundation funds obligations in any given fiscal year as provided for in Article 55, paragraph 1 of the Insurance Business Act, which amount is therein described as net assets reflected in the balance sheet, less • foundation funds; • legal reserve for deficiency (*sonshitsu-tenpo-junbi-kin*) and statutory reserve for redemption of foundation funds (*kikin-shokyaku-tsumitate-kin*) (including any amount from the reserve for redemption of foundation funds used to cover losses in excess of the reserve for losses pursuant to Article 59, paragraph 2 of the Insurance Business Act); and • certain amounts including increased amount of capital pursuant to a market price evaluation, etc.

Distributable principal surplus . . . . . The amount of surplus a Japanese mutual life insurance company is permitted to distribute with respect to principal payments on foundation funds obligations in any given fiscal year as provided for in Article 55, paragraph 2 of the Insurance Business Act, which amount is therein described as net assets reflected in the balance sheet, less

- foundation funds;
- legal reserve for deficiency (*sonshitsu-tenpo-junbi-kin*) and statutory reserve for redemption of foundation funds (*kikin-shokyaku-tsumitate-kin*) (including any amount from the reserve for redemption of foundation funds used to cover losses in excess of the reserve for losses pursuant to Article 59, paragraph 2 of the Insurance Business Act);
- interest payment on foundation funds;
- legal reserve for deficiency (*sonshitsu-tenpo-junbi-kin*) required to be provided in the year;
- deferred expenses for research and development booked as assets on the balance sheet; and
- certain amounts including increased amount of capital pursuant to a market price evaluation, etc.

Endowment . . . . . Life insurance payable to the policyholder, if living, on the maturity date stated in the policy, or to a beneficiary if the insured dies before that date.

General account . . . . . The aggregate of a life insurer's assets, other than those allocated to separate accounts. General account assets are invested by the insurer to meet fixed assumed yield for policyholders, and the insurer bears the investment risk on such assets.

In force . . . . . A policy that is shown on records to be in force on a given date and that has not matured by death or otherwise or been surrendered or otherwise terminated. "In force" refers to the period of coverage, i.e., the period during which the occurrence of insured events can result in liabilities.

Investment yield margin . . . . . Investment yield margin is the difference, with respect to a given year, between the actual yield for that year and the assumed yield used in calculating premiums.

Lapse . . . . . The termination or temporary discontinuance of an insurance policy due to non-payment of premiums within a specified time period.

Morbidity . . . . . The relative incidence of disability due to disease or physical impairment.

Mortality rate . . . . . Rates of death, varying by such parameters as age, gender and health, used in pricing premiums of products and in calculation of policy reserves.

Mortality rate margin . . Mortality rate margin is the difference between the mortality and morbidity rate assumed by the insurer, with respect to a given year, in calculating premiums and the actual mortality rate and morbidity for that year.

Negative spread	Negative spread = Investment income included in core operating profit - (assumed yield amount + provision for accumulated interest on policyholder dividends)
Net level premium method	Under the net level premium method, insurers must set aside policy reserves assuming that the ratio of net premium to total assumed yield premium paid remains constant over the term of the policy. The net level premium method increases an insurer's administrative expense burden in the early years of a policy, when actual administrative expenses exceed the portion of the premium received in such early years covering administrative expenses. Under an alternate method of calculating policy reserves, known as Zillmer's method, the net premium portion is reduced in the first year of the policy, allowing, in effect, policy acquisition costs to be deferred.
Net premium	The portion of the premium covering insurance underwriting risk, based on factors such as mortality rates, assumed yield and policy surrender and lapse ratio, excluding the portion covering administrative expenses.
Non-participating policy	Policies under which the policyholder receives no policyholder dividends. Non-participating policies generally feature lower premiums than participating policies and semi-participating policies.
Participating policy	Policies under which the policyholder is eligible to share in the divisible surplus of the insurer—calculated based on mortality rate margin, investment yield margin and administrative expense margin—through the receipt of annual policyholder dividends.
Policy reserves	Reserves established for the fulfillment of benefits and other payments related to the insurer's outstanding policies that are expected to be paid in the future. The policy reserves consist of a premium reserve, an unearned premium reserve, a reserve for refund and a contingency reserve. The insurer uses the net level premium method to calculate the amount it sets aside each year as policy reserves. The policy reserve is one of the three reserves composing the reserve for policy and other reserves.
Premium reserve	A reserve included in the policy reserves to account for the payment of future payment obligations, other than with respect to unearned premiums.
Premiums	Payments and considerations received with respect to insurance policies issued or reinsured by an insurer.
Real net assets	Real net assets are calculated by subtracting non-capital real liabilities from real assets. For this purpose, real assets are equal to an amount calculated based on assets reflected in the balance sheet (including, but not limited to, assets such as marketable securities and real estate with readily obtainable fair value) in accordance with the method promulgated by the Ordinance of the Cabinet Office and the Ministry of Finance, while non-capital real liabilities are equal to an amount calculated based on liabilities reflected in the balance sheet (excluding certain amounts such as the reserve for price fluctuations in investments in securities and the contingency reserve) in accordance with the method promulgated by the FSA and the Ministry of Finance.

Reinsurance	The acceptance by one or more insurers of a portion of risk underwritten by another insurer (ceding insurer) that has directly written the coverage of a policy in return for a portion of the premium related thereto. The legal rights of the policyholder generally are not affected by the reinsurance transaction, and the insurer issuing the insurance contract remains liable to the policyholder for payment of policy benefits.
Reserve for dividends to policyholders	A reserve used to fund the payment of policyholder dividends. The reserve for policyholder dividends is one of the three reserves composing the reserve for policy and other reserves. For a mutual life insurance company, transfer to reserve for policyholder dividends is treated as dispositions of net surplus.
Reserve for outstanding claims	A reserve used to fund payments that are due, but have not yet been paid, on outstanding claims existing as of the end of the year and expected to be paid in the following fiscal year. The reserve for outstanding claims is one of the three reserves composing the reserve for policy and other reserves.
Reserve for price fluctuations in investments in securities	Pursuant to provisions of the Insurance Business Act, Japanese insurers are required to maintain a reserve to cover losses due to price fluctuations in assets subject to market price volatility, particularly investments in stock, bonds and foreign currency-denominated investments. This reserve may be used only to reduce deficits arising from price fluctuations of those assets unless otherwise approved by the Commissioner of the FSA.
Retention rate	A rate calculated by dividing the number of employees remaining with a company at the end of a certain period of time following their initial employment.
Semi-participating policy	Policies under which the insurer does not distribute yearly policyholder dividends to its policyholders, but instead distributes a portion of the net positive return on investments in excess of the assumed yield as calculated at the end of every five-year period. Semi-participating policies generally feature lower premiums than participating policies and generally distribute smaller distributions relative to participating policies.
Separate account	Assets related to the insurer's individual variable insurance and group variable annuity products, including group employee pension fund insurance and national pension fund insurance, are allocated to the insurer's separate account. Separate account assets and liabilities represent funds that are administered and invested by the insurer to meet specific investment objectives of policyholders. The investments in each separate account are maintained separately from those in other separate accounts and an insurer's general account and are generally not subject to the general liabilities of the insurer.

	The investment results of the separate account assets generally pass through to the separate account policyholders, less management fees, so that an insurer bears limited or no investment risk on such assets.
Surrender	The surrender of a policy by a policyholder. The policyholder generally receives the "cash value" of the policy, an amount available in cash upon surrender of a policy before it becomes payable upon death or maturity, minus a surrender fee reflecting expenses incurred by the insurer in placing the policy on its books. After a "surrender period" (usually several years) has elapsed, there is generally no charge for ending the contract.
Surrender and lapse ratio	Surrender and lapse ratio = surrender and lapse amount ÷ policy amount at the beginning of the relevant fiscal year.
Third-sector insurance (also known as supplemental insurance)	In the Japanese insurance industry, life insurance products and non-life insurance products are called "first-sector" and "second-sector" insurance products, respectively, and insurance products which have intermediate characteristics of both products are called "third-sector" insurance products. Third-sector insurance products consist of "third-sector life insurance products", which are similar in nature to first-sector insurance products and include medical, cancer and nursing-care insurance products, and "third-sector non-life insurance products", which are similar in nature to second-sector insurance products and include personal accident insurance and insurance for medical expenses.
Underwriting	The process of examining, accepting and rejecting insurance risks, and classifying those accepted, in order to charge an appropriate premium for each accepted risk.
Unearned premium reserve	A reserve included in the policy reserves to account for the payment of future obligations based on the portion of premiums received by the insurer for which protection has not yet been provided.
Variable annuity	Annuities in which the return to holders is variable, rather than fixed, and reflects the results of investments made in the insurer's separate accounts.
Yield on investments . . .	Investment return earned by the insurer on its invested assets.
Zillmer's method	A method by which insurers may calculate policy reserves, which, in effect, allows policy acquisition costs to be deferred. Under this method, the net premium portion used in the calculation of policy reserves is reduced in the first year of the policy. This reduction makes the policy reserve provisions smaller than those under the net level premium method. In years following the first year, the reduction in policy reserve provisions in the first year are gradually adjusted to eliminate the difference between the net level premium method and Zillmer's method over a predetermined term of, for example, five or ten years.

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