



## **LIFENET INSURANCE COMPANY**

Q1 Financial Results Briefing for the Fiscal Year Ending March 2022

August 11, 2021

**[Speaker]**

Ryosuke Mori

Representative Director and President

## Presentation

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**Mori:** Thank you very much for taking time out of your busy schedules to participate in today's financial results briefing. At 3:30 PM today, we announced our financial results for the first quarter of FY2021. The presentation materials are available on our [IR website](#). Today, I would like to explain the outline of the financial results using the financial results presentation materials, and then move on to the Q&A session.

# Overview of 1Q for Fiscal 2021



Annualized premium<sup>1</sup> of policies-in-force

**19,473** million yen  
(104.1% vs end of FY2020)

Annualized premium<sup>1</sup> of new business

**1,123** million yen  
(Y-on-Y 96.2%)

EEV (European Embedded Value)

**97,015** million yen  
(102.0% vs end of FY2020)

Adjusted incremental EV<sup>2</sup>

**1,630** million yen  
(Y-on-Y 76.8%)

## Notable Achievements

Launched a new product



Long-term Disability  
*Hataraku-Hito 3*

Expanded the White Label business



Money Forward

Transformation to an online platform



betterChoice

1. The amount of money equivalent to what is to be paid to have the insurance coverage for one year. All payments are monthly installments, thus the annualized premium is calculated as multiplying the monthly premium by 12 months.

2. Adjusted incremental EV consisted of components adequately reflecting our business growth for fiscal 2020, see page 14 and 40 for details.

First, please look at page2.

Here is the main performance for the first quarter of FY2021. The in-force business grew strongly. Annualized premiums of policies-in-force, which is equivalent to the annual recurring revenue increased 4.1% to JPY19.473 billion, compared to end of FY2019. In addition, annualized premiums of new business amounted to JPY1.123 billion.

Although slightly below the level of the same period last year, when there was a temporary impact from the spread of the COVID-19, this was the second-best quarterly performance ever when it comes to new business.

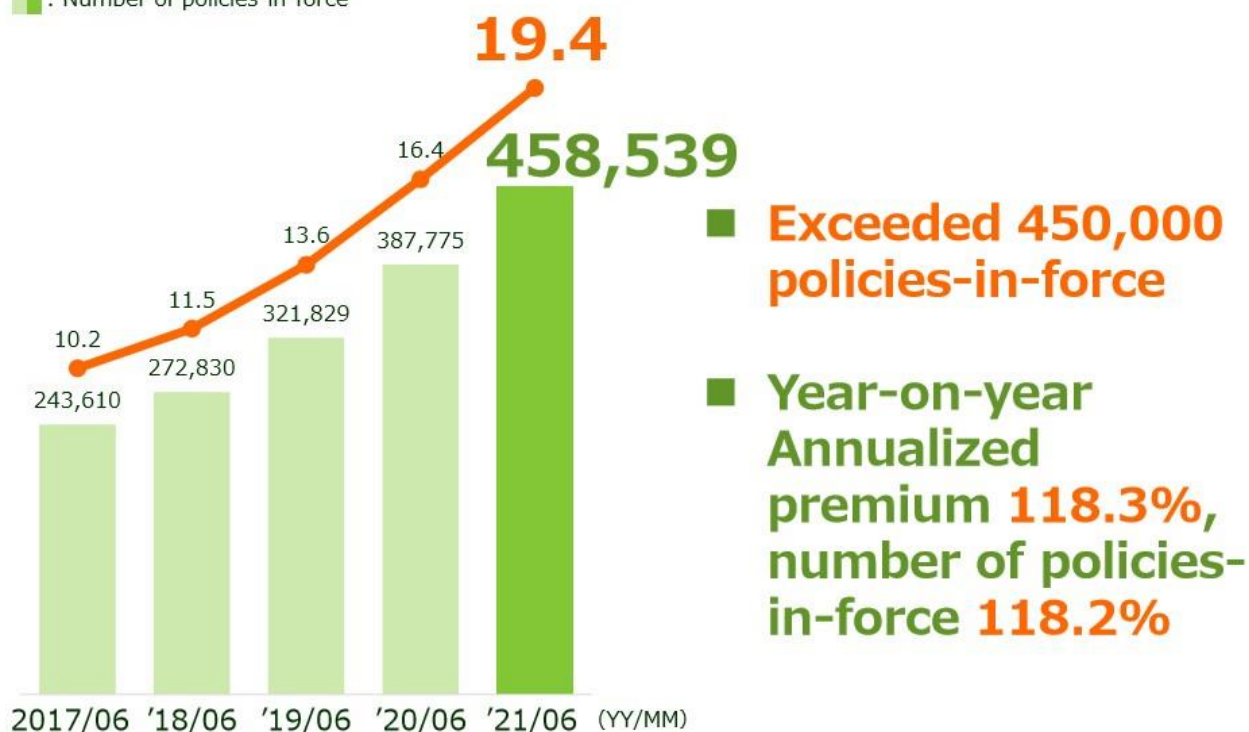
European embedded value, which is the most important management indicator in our management policy, increased by 2% from the end of the previous fiscal year to JPY97.015 billion. Of the increase from the end of the previous fiscal year, the adjusted incremental EV, which indicates the growth in performance for the period, was JPY1.63 billion.

The notable achievements will be explained later.

# Annualized Premium / Number of Policies-in-Force



■ : Annualized premium of policies-in-force<sup>1</sup> (JPY billions)  
■ : Number of policies-in-force



1. The amount of money equivalent to what is to be paid to have the insurance coverage for one year. All payments are monthly installments, thus the annualized premium is calculated as multiplying the monthly premium by 12 months.

Page 3 shows changes in the performance of policies-in-force.

Annualized premium of policies in-force totaled JPY19.4 billion and the number of policies-in-force was 458,539, each marking a strong growth of more than 18% in a year.

# Changing Factors of Policies-in-Force



Number / Fiscal Year	FY2020/1Q	FY2021/1Q
<b>Number of policies-in-force (BOP)</b>	365,171	<b>439,945</b>
+ ) Number of new business	28,136	<b>27,553</b>
- ) Decreased number of policies <sup>1</sup>	(5,532)	<b>(8,959)</b>
<b>Non-recurring record of lapsed policies</b> ※	—	<b>(527)</b>
<b>Number of policies-in-force (EOP)</b>	387,775	<b>458,539</b>

※Lifenet has extended grace period for insurance premium payment as one of the special measures in the COVID-19 pandemic. Decreased number of policies includes the impact of extended policies that were recorded as lapsed policies in a lump sum.

1. Decreased number of policies include death, expiration and others in addition to surrender and lapse.

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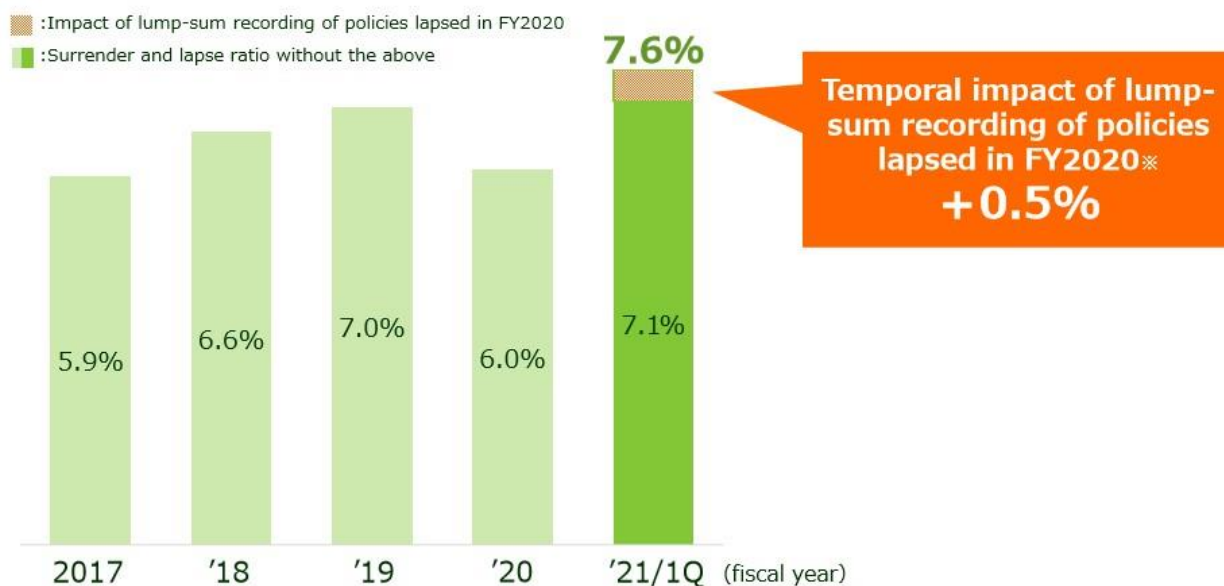
Page 4 describes the factors that caused changes in the policies-in-force.

As you can see, the number of new policies was continuously strong in the first quarter, while the decreased number of policies raised. This was due to the fact that in May and June of this year, 527 policies were recorded as lapsed policies, because Lifenet has extended grace period for insurance premium payment as one of the special measures in the COVID-19 pandemic.

# Surrender and Lapse Ratio



## ■ Increased partly due to the temporal impact of lapsed policies



※Lifenet has extended grace period for insurance premium payment as one of the special measures in the COVID-19 pandemic. Surrender and lapse ratio includes the impact of extended policies that were recorded as lapsed policies in a lump sum.  
 1. The surrender and lapse ratio is the annual equivalent of the monthly number of policies surrendered and/or lapsed divided by the monthly average number of policies-in-force.

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Page 5 shows lapse and surrender ratio.

The surrender and lapse ratio for the first quarter of FY2021 was 7.6%. Of this amount, 0.5% is due to the lapsed policies by extending the grace period for premium payment, which I explained earlier.

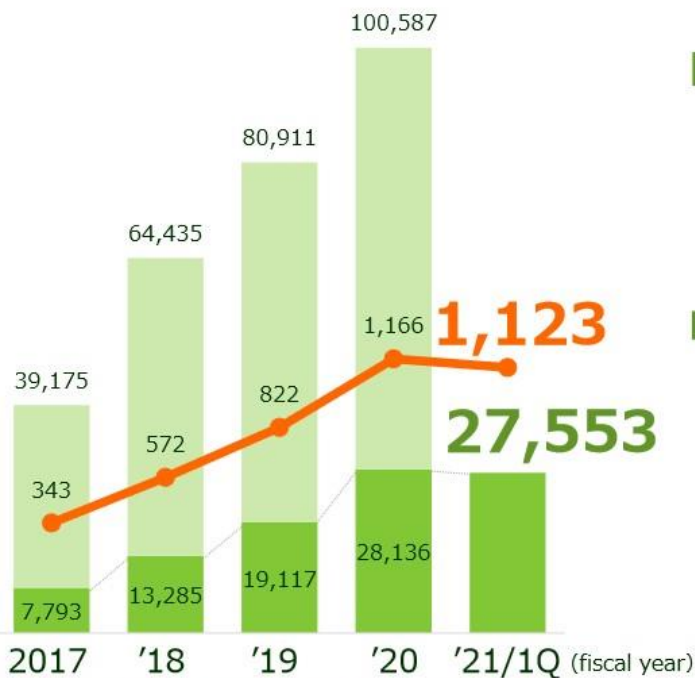
These measures are not unique to us. Life insurance companies are taking similar measures to a certain extent in the current situation of COVID-19. Because this is the temporal impact, we do not currently anticipate that lapsed policies will occur on a similar scale in the future.

In addition, with the fact that surrender and lapse ratio has decreased in July, we aim to improve it in the second half of the fiscal year.

# Annualized Premium / Number of New Business



- : Annualized premium of new business<sup>1</sup> (1Q of fiscal year, JPY millions)
- : Number of new business (fiscal year)
- : Number of new business (1Q of fiscal year)



- Exceeded **27,000** in new business
- Year-on-Year annualized premium **96.2%**, number of new business **97.9%**

1. The amount of money equivalent to what is to be paid to have the insurance coverage for one year. All payments are monthly installments, thus the annualized premium is calculated as multiplying the monthly premium by 12 months.

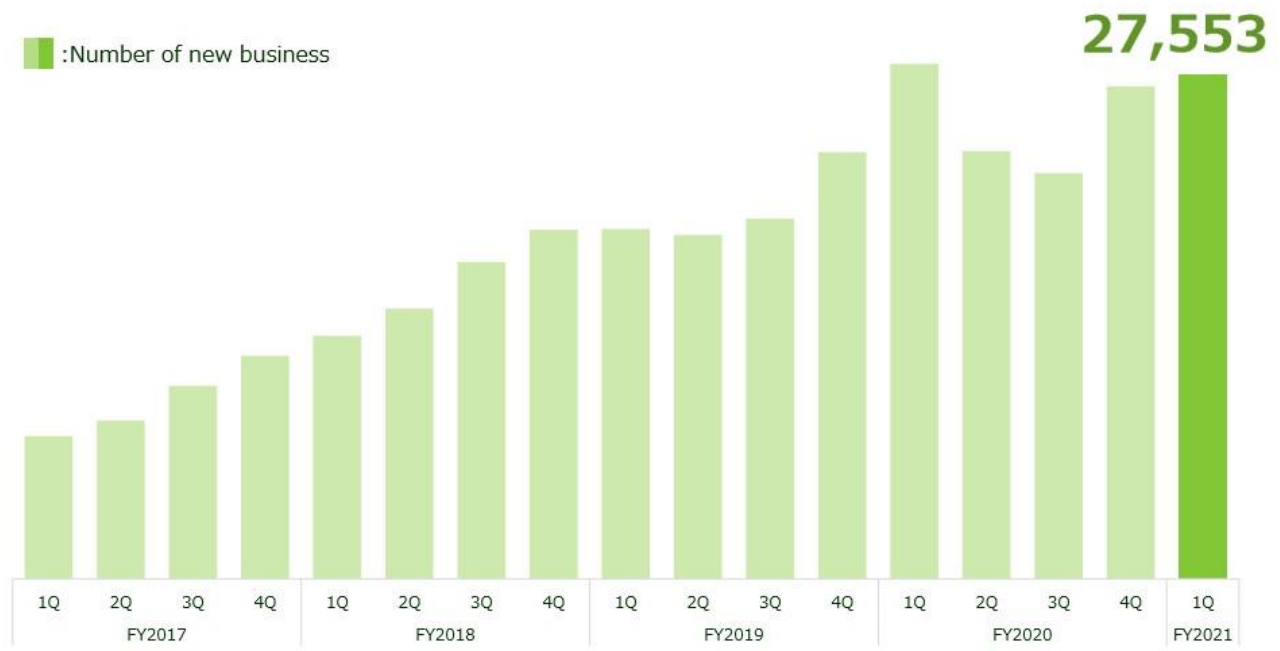
Page 6 shows the trend of our new business performance.

Annualized premiums of new business totaled JPY1.123 billion and the number of policies was 27,553, which is slightly below the quarterly record high of the same period last year, but the second-best performance in new business ever.

# Number of New Business (Quarter)



- **The second highest level** after 1Q of FY2020



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Please see page 7. You can see the quarterly trends in detail.

Looking at the quarterly trend of new business, you can see that we have been able to achieve continuous growth over the past several years.

In the first quarter of fiscal 2020, the first wave of the spread of the COVID-19 caused a sharp increase in the life insurance needs, which temporarily boosted the number of new businesses significantly. However, at the same time the issue was how to keep the sustainable growth.

In the first quarter of the current fiscal year of 2021, we achieved a strong performance in new business. This is not because of the impact of the external environment, but a result of business efforts through sales activities. In this quarter, we felt that we could maintain a certain level of growth in the future.



# Marketing Efficiency



- : Marketing expenses per new business (JPY thousands)
- : Marketing expenses / Annualized premium of new business<sup>1</sup> (JPY)



■ Aggressively invested in marketing for further growth

1. The amount of money equivalent to what is to be paid to have the insurance coverage for one year. All payments are monthly installments, thus the annualized premium is calculated as multiplying the monthly premium by 12 months.

Page 8 shows marketing efficiency.

The table on the lower left shows the marketing expenses that we invested. Figures from FY2017 to FY2020 are for the full fiscal year, and that of FY2021 is for the first quarter. In light of the current business environment, we have continued to invest aggressively since the fourth quarter of FY2020, and the marketing expenses used in the first quarter of FY2021 amounted to JPY2.033 billion.

On the other hand, marketing expenses per new business, as shown in the bar graph, resulted in JPY73,000.

We believe that we could improve our capability steadily, as we demonstrated significantly higher performance in new business with better marketing efficiency than in FY2019 when there was not the special factors of the COVID-19.

# Operating Expenses Ratio



- : Operating expenses ratio<sup>1</sup> (%)
- : Insurance premiums (JPY millions)
- : Operating expenses excl. marketing expenses (JPY millions)



■ Maintained below 20%

■ Aim to improve operational efficiency by further business expansion in mid-term

1. Operating expenses ratio is calculated by dividing operating expenses excluding marketing expenses by insurance premium.

Next, I will explain the efficiency of operating expenses excluding marketing expenses.

Operating expenses excluding marketing expenses amounted to JPY929 million, and the operating expenses ratio to insurance premium was 19.8%, maintaining below 20% as in the fiscal 2020.

As our in-force business has been growing, we kept improving operational efficiency steadily. An improvement in the operating expense ratio means a decrease in unit costs, which is an important factor contributing to improved profitability and increased European embedded value. Therefore, we will continue our efforts for improvement.

# Profit Structure under Current Statutory Accounting



- **Time lag is caused between the recognition of costs and revenue** as marketing expenses is recognized at the time of acquisition, and revenue is collected gradually over a long period.

## Insurance policy profit structure



1. Costs for policy management, payment of insurance claims and benefit claims, etc.

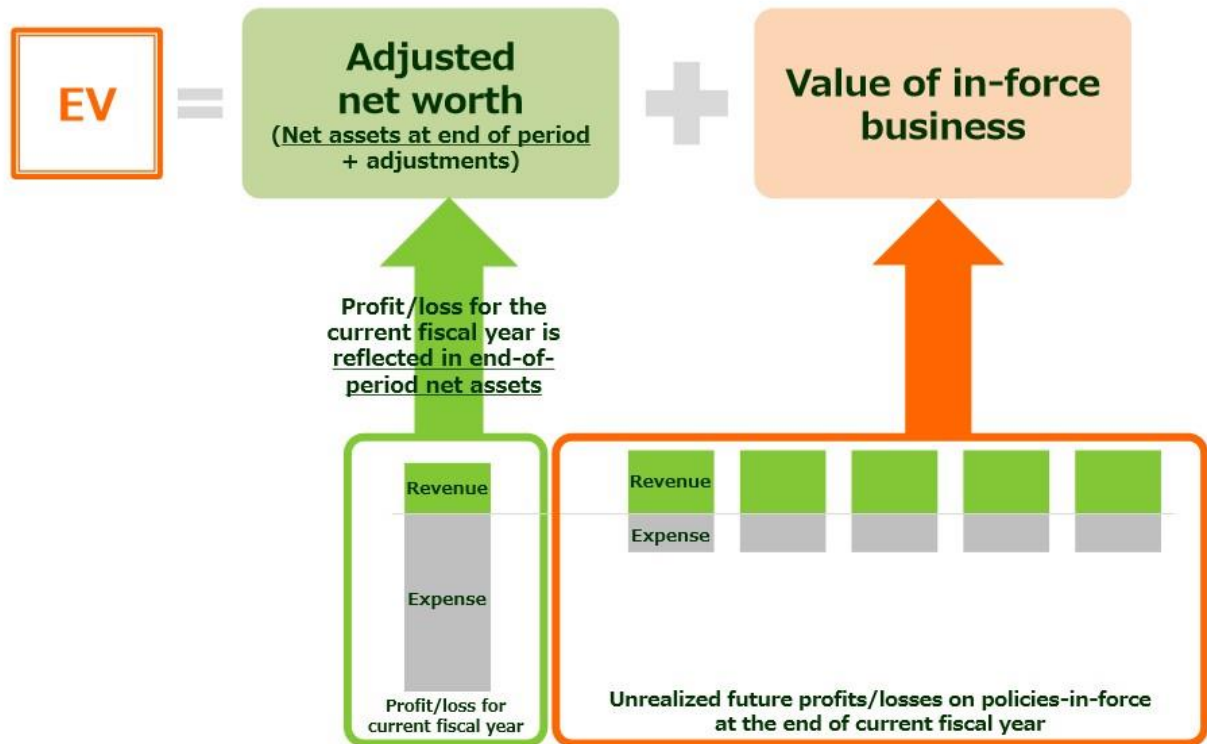
Page 10 shows the accounting structure of life insurance companies.

This is important for you to properly understand our profitability.

Under the current statutory accounting on the profit and loss statement, the entire cost associated with the acquisition of new business is recognized as a current period expense. Meanwhile, the income from insurance premiums, which is the revenue, is recognized over a long period of time. This causes the structural mismatch of recognition between revenue and expense.

Consequently, the more new business grows, the greater the profit decline during the current period, due to the growth in costs posted during the current fiscal year. Therefore strong growth in the in-force business which is not sufficient enough gives negative impact on the ordinary net income on the current statutory accounting.

# Structure of Embedded Value



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Page 11 is regarding the structure of embedded value.

European Embedded Value is a net asset that considers the after-tax value of unrealized future profits under the statutory accounting that the in-force business will generate in the future, so it is regarded as the present value of our net assets. We have been focusing on the growth of European Embedded Value as an important management index. Please refer to this as it is important for you to properly understand our growth potential and long-term profitability.

# EEV (European Embedded Value)



- Characteristics of Lifenet's EEV are as follows:

## Strong growth

- **Maintaining increase** in EEV since listing in March 2012
- **Steadily growing** even in a low interest rate environment

## Resilience to interest rate changes

- **Limited sensitivity** to interest rate and stock fluctuations

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The two main characteristics of our European Embedded Value are strong growth and resilience to interest rate changes. We will explain more in the next pages.

# Strong EEV<sup>1</sup> Growth



- EEV and value of in-force business have been growing at a CAGR of **20%<sup>2</sup>** and **34%**, respectively since IPO



1. Lifenet's EEV is calculated following the EEV Principles and Guidance and in terms of allowance for risk, MCEV Principles (The European Insurance CFO Forum Market Consistent Embedded Value Principles©) is referred. From fiscal 2016 onward, a predetermined ultimate forward rate has been used to extrapolate the level of ultra-long-term interest rates past the last liquid data point. This method of extrapolation has also been used to restate EEV as of March 31, 2016. EEV as of June 30, 2021 is calculated applying the same operating assumptions as those used for March 31, 2021, and is not reviewed by third-party specialists.

2. The calculation includes 3,040 million yen in proceeds from a third-party allotment in May 2015 and 9,005 million yen from overseas public offering in July 2020.

Page 13 describes the strong growth trend of EEV.

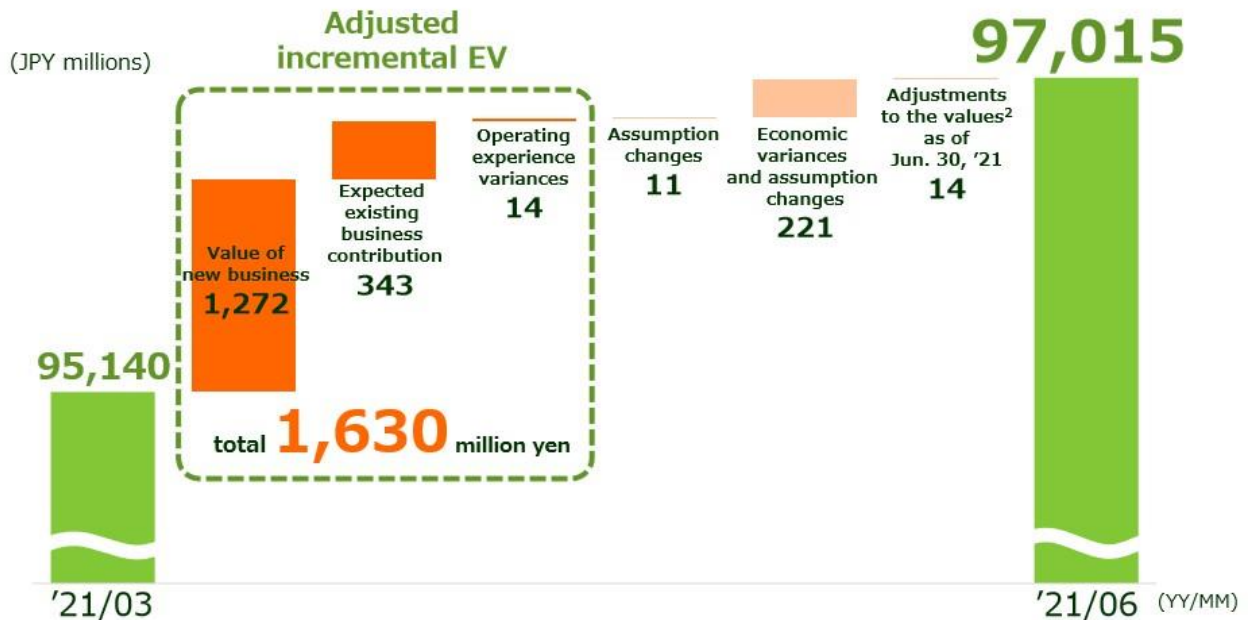
As of the end of June 2021, European embedded value was JPY97.015 billion.

Since our listing in March 2012, EEV has grown steadily at CAGR of 20%. In particular, CAGR of the present value of future profits from policies-in-force, which are unrealized profits on accounting, has been 34%, strongly driving the growth of EEV.

# Changing Factors of EEV<sup>1</sup>



- EEV growth driven by increase in adjusted incremental EV, mainly due to **value of new business**



1. Lifenet's EEV is calculated following the EEV Principles and Guidance and in terms of allowance for risk, MCEV Principles (The European Insurance CFO Forum Market Consistent Embedded Value Principles®) is referred. EEV as of June 30, 2021 is calculated applying the same operating assumptions as those used for March 31, 2021, and is not reviewed by third-party specialists.  
 2. Item for change in capital

Page 14 shows the analysis of the factors causing changes in EEV from the end of March to the end of June 2021.

Among the changes in EEV, the Company defines the sum of the three items, the value of new business, the expected existing business contribution, and the operating experience variance, all of which are circled by the green dotted line on the slide you see, as the adjusted incremental EV, and considers it to be an indicator showing our performance for the period.

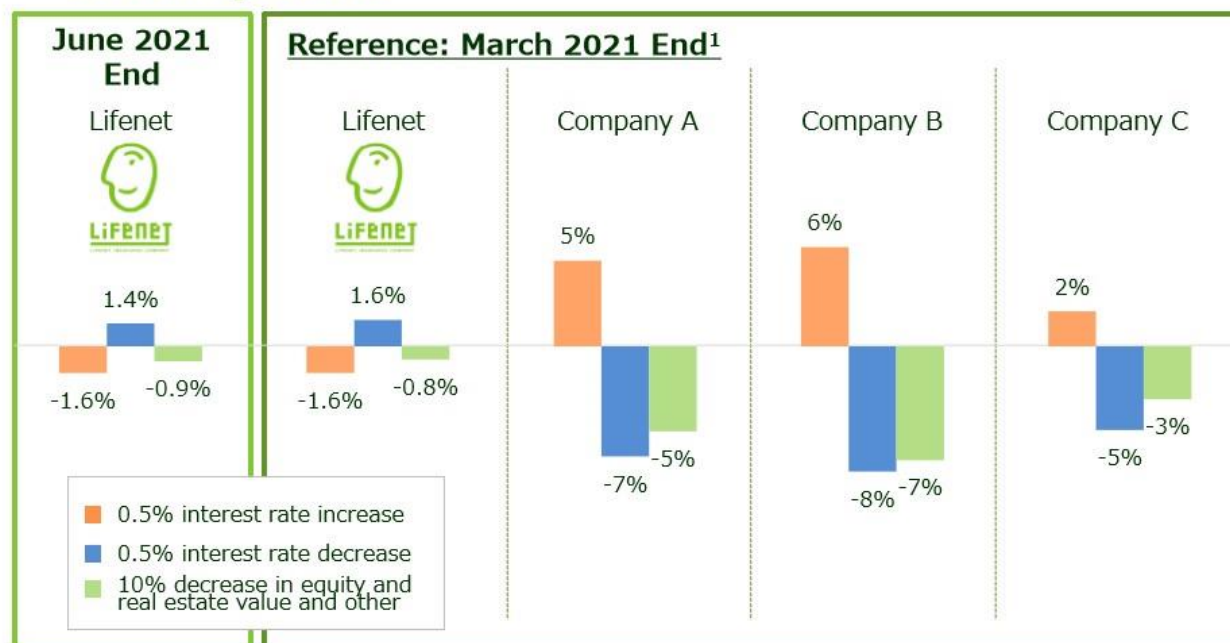
The adjusted incremental EV for the first quarter of FY2021 was JPY1.63 billion. Of this amount, the value of new business was JPY1.272 billion, with strong new business performance driving the increase in adjusted incremental EV.

Since the Lifenet reviews its assumptions every 6 months, no changes have been made as of the end of June 2021.

# EV Resilience to Financial Changes



## ■ Limited sensitivity to interest rates and stock prices



1. Prepared by Lifenet based on disclosed information of domestic public life insurance companies.

Page 15 shows the sensitivity of EV to changes in interest rates, stock prices and other factors for the company and domestic listed life insurance companies.

As you can see, the sensitivity of our EV to changes in interest rates and other factors is extremely limited, as our asset management and product lineup are relatively less susceptible to changes in interest rates, stock prices and other factors.

Generally speaking, EV is a long-term performance indicator that is easily affected by interest rates, but as you can see, the impact of interest rates on our EV is limited, so we believe that uncertainty in investment decisions is relatively small as our financial characteristics.

There are various drivers for EV growth, we aim to achieve sustainable EV growth through organic growth in our business, such as expansion of in-force business and improvements in business efficiency.



# 【Ref.】 Life Time Value and Customer Acquisition Cost



## Key Metrics for a SaaS Company and Lifenet

	FY2019	FY2020	FY2021/1Q
<b>ARR per Contract</b> (Annual Recurring Revenue)	Annualized Premiums per Policy-in-force <b>JPY 42,486</b> ×	Annualized Premiums per Policy-in-force <b>JPY 42,536</b> ×	Annualized Premiums per Policy-in-force <b>JPY 42,468</b> ×
<b>Life Time<sup>1</sup></b> (Term of Contract)	Average Policy Term <b>14.3 years</b> ×	Average Policy Term <b>16.7 years</b> ×	Average Policy Term <b>13.9 years<sup>2</sup></b> ×
<b>Gross Profit Margin<sup>3</sup></b>	<b>45%</b> 	<b>43%</b> 	<b>46%</b> 
<b>Life Time Value</b> (Annualized Premiums per Policy * Life Time * Gross Profit Margin)	<b>JPY 273,397</b>	<b>JPY 305,451</b>	<b>JPY 271,540</b>
<b>Customer Acquisition Cost<sup>4</sup></b> (Marketing Expenses per New Policy)	<b>JPY 75,970</b>	<b>JPY 66,737</b>	<b>JPY 73,811</b>

1. 1 / Churn rate. Churn rate represents the percentage of users who cancelled out their insurance policies.
2. Exclude the impact of lump-sum recording for lapsed policies in FY2020.
3. (Insurance premiums - Insurance claims and benefits - Provision for policy reserves and others) / Insurance premiums.
4. Marketing expenses / Number of new business.

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Please see page 16.

For your reference, we have replaced our financial performance with key metrics for a SaaS company, and show them using lifetime value (LTV) and customer acquisition cost (CAC) from the perspective of unit economics.

An important factor in identifying the performance of our business is how much customer acquisition cost (CAC) is to obtain lifetime value (LTV) based on long-term premium income.

In the first quarter of FY2021, excluding the impact of lapsed policies for the extension of the grace period for premium payments in FY2020, the unit economics are that LTV of about JPY271,000 is acquired with a CAC of about JPY73,000.

Compared to FY2019, which was not affected by the external factors of the COVID-19, both LTV and CAC were at a similar level in the first quarter of FY2021, and we were able to increase the number of new business, which is the number of units, by approximately 40% compared to FY2019.

As long as we maintain and improve this unit economics, increased number of units, or in other words, growth in in-force business, will directly lead to increased corporate value, so we will continue to focus on increasing the number of policies-in-force for the time being.

# Financial Condition



(JPY millions)	(YY/MM)	'21/03	'21/06
<b>Total assets</b>		<b>54,501</b>	<b>55,333</b>
Cash and deposits		2,059	2,158
Monetary claims bought		999	–
Money held in trust		5,895	5,890
<b>Securities</b>		<b>40,007</b>	<b>41,458</b>
Government bonds		9,004	9,006
Municipal bonds		1,482	1,484
Corporate bonds		21,301	22,144
Stocks		397	391
Foreign securities		0	100
Other securities <sup>1</sup>		7,821	8,331
<b>Total liabilities</b>		<b>38,694</b>	<b>40,282</b>
Policy reserves and other		36,639	38,231
<b>Total net assets</b>		<b>15,806</b>	<b>15,050</b>
<b>Solvency margin ratio<sup>2</sup></b>		<b>2,647%</b>	<b>2,599%</b>
<b>Modified duration (year)</b>		<b>11.1</b>	<b>10.8</b>

■ Maintained prudent investment management policy

■ Maintained sufficient soundness in terms of solvency margin ratio<sup>2</sup>

1. Investment trust including foreign bonds and others.

2. The solvency margin ratio is a key benchmark for industry regulators. It measures a life insurance company's ability to pay out claims when unforeseen events occur.

Page 17 is a summary of the balance sheet.

As of the end of June 2021, total assets were JPY55.333 billion, liabilities were JPY40.282 billion, and net assets were JPY15.050 billion.

The solvency margin ratio, an indicator of solvency, was 2,599%, which maintains a sufficient level.

# Launched a New Long-term Disability Product in June 2021



## ■ Added the industry-first coverage<sup>1</sup>



Support for “living expenses” when one is unable to work due to disease or injury, as well as “medical expenses” or “decrease in income” after returning to work



1. Coverage for support to come back to work. Industry-first full-scale long-term disability insurance for individuals (Lifenet Research as of the end of April, 2021)

From here on page 18, I would like to briefly explain the main initiatives.

First, we launched a new long-term disability insurance in June. The new product, *HatarakuHito-3*, is a new and innovative concept that supports not only the disability to work but also their return to work afterwards.

We believe that this coverage is necessary for the future, and we will offer it to many customers in the future.

## ■ Plan to implement a new service by September



Part of the data that the customer has recorded in Money Forward ME<sup>1</sup> is automatically reflected in the information needed for the review of life insurance contracts

1. Money Forward ME is Personal Financial Management app in Japan.

Please see page 19.

We are aiming to expand our white-label business in order to bring the value of online life insurance to more customers.

In February this year, we signed a business alliance agreement with Money Forward, Inc. as the first technology company to partner with our white-label business. We are pleased to announce that our white label with Money Forward started in July.

As we thought quick launch is important, we provided the service as Phase I with limited functions that propose the minimum necessary coverage plan for the customers in July. We are planning to provide a tool with new functions to meet a wider range of needs as Phase II by September. We will continue to add more functions speedy.

# Established Subsidiary in May 2021



- Meet various needs and drive growth of the online life insurance market

New company

## LIFENET MIRAI Inc.

Comparison of insurance products

Proposal for insurance review

Policy maintenance

Support for insurance claims



(Investment ratio: 80%)

- Create a stress-free CX
- Generate website traffic
- Bring expertise in life insurance area



(Investment ratio: 20%)

- Build data infrastructure
- Utilize AI technologies such as machine learning, OCR and others
- Bring expertise in financial engineering

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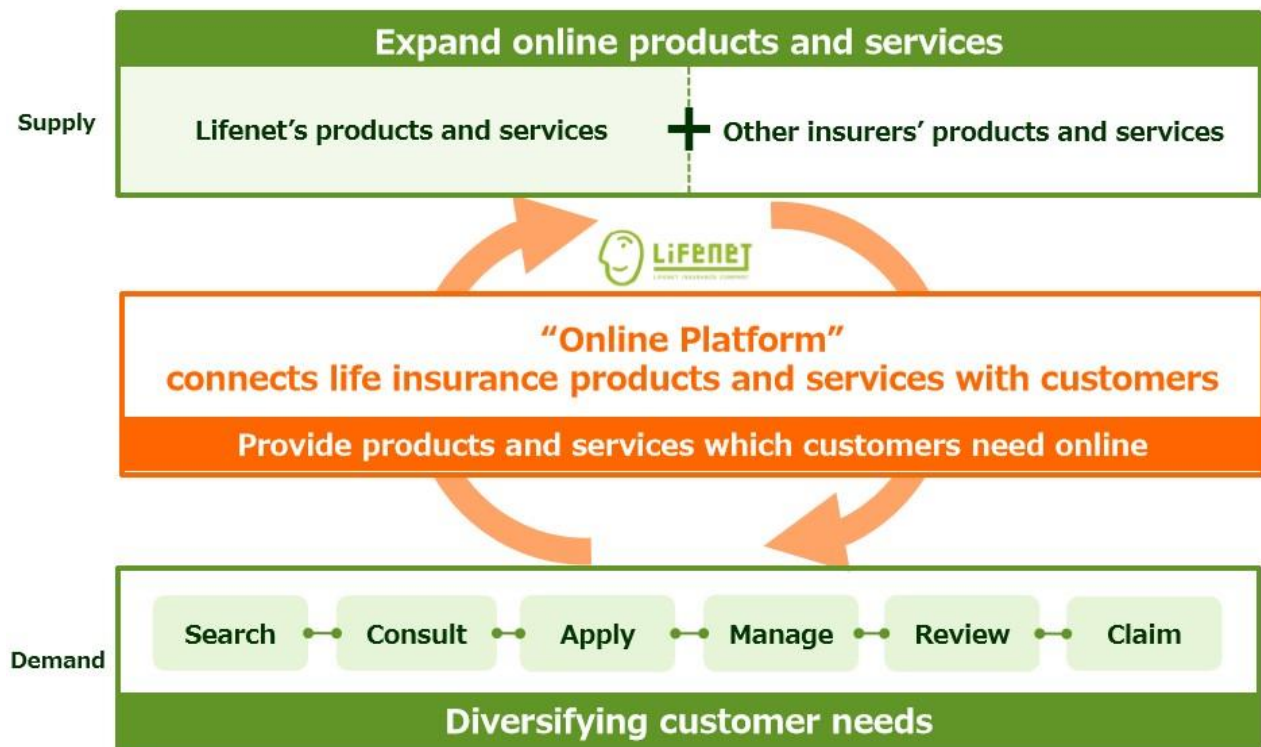
Next, please see page 20.

In May of this year, we established our first subsidiary, LIFENET MIRAI Inc.

Our partner company, MILIZE Inc.'s strength is to build data infrastructure and AI technologies. By combining the strengths of both companies, we believe that we will be able to proactively engage in areas that have been difficult for life insurance companies to tackle in the past.

The background of this establishment is explained in detail in the next page.

# Develop Online Life Insurance Platform



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In the past, online life insurance players, including our company, have been more focused on creating good products and services as insurance companies, and as a result, we have not been able to adequately meet the diverse needs of our customers. We believe that this is one of the reasons why the growth of the online life insurance market has been moderate.

In order to meet the growing expectations of customers and accelerate the expansion of the online life insurance market, it is important to provide appropriate products and services online to meet the diversifying concerns and issues of customers.

By building an online life insurance platform and acting as a bridge between customers and products/services online, the LIFENET Group will lead the future expansion of the online life insurance market.

# Transformation to an Online Life Insurance Platform



## ■ Started online insurance agency business



<https://www.better-choice.com/> ※Japanese Version Only

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Please see page 22.

LIFENET MIRAI Inc., a subsidiary established in May this year, started its operation on July 20.

The first is an online insurance agency business for prospective customers, and the service brand name is *betterChoice*.

At first, we will focus on offering life insurance products on the website, and then we plan to expand our product lineup to include P&C insurance products. This year, we will focus on the product lineup.

# Transformation to an Online Life Insurance Platform



## ■ Started to offer insurance policy management service



### Manage policies



### Assess current insurance



### Support a claim



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The second is an insurance policy management service.

Please see page 23.

This is a web service that allows you to manage the insurance policies and the contact information of their underwriting companies by taking pictures of your insurance policies with your smartphone.

We believe that it can help customers who have already purchased insurance to review their insurance policies, because it allows them to show not only the contents of each insurance product, but also the total premiums paid and cash surrender value.

In the future, we also plan to implement a function that will suggest excesses and deficiencies of the coverage based on the information that the users registered. It also can suggest the switching of coverage in line with one's request.



# Business Environment surrounding Online Life Insurance Market



- Financial digitalization is proceeding driven by COVID-19, and structural growth of online life insurance is expected in the future



1. Nationwide Report on the Life Insurance Industry (2018) by the Japan Institute of Life Insurance

Page 24 shows the future business environment of the online life insurance market.

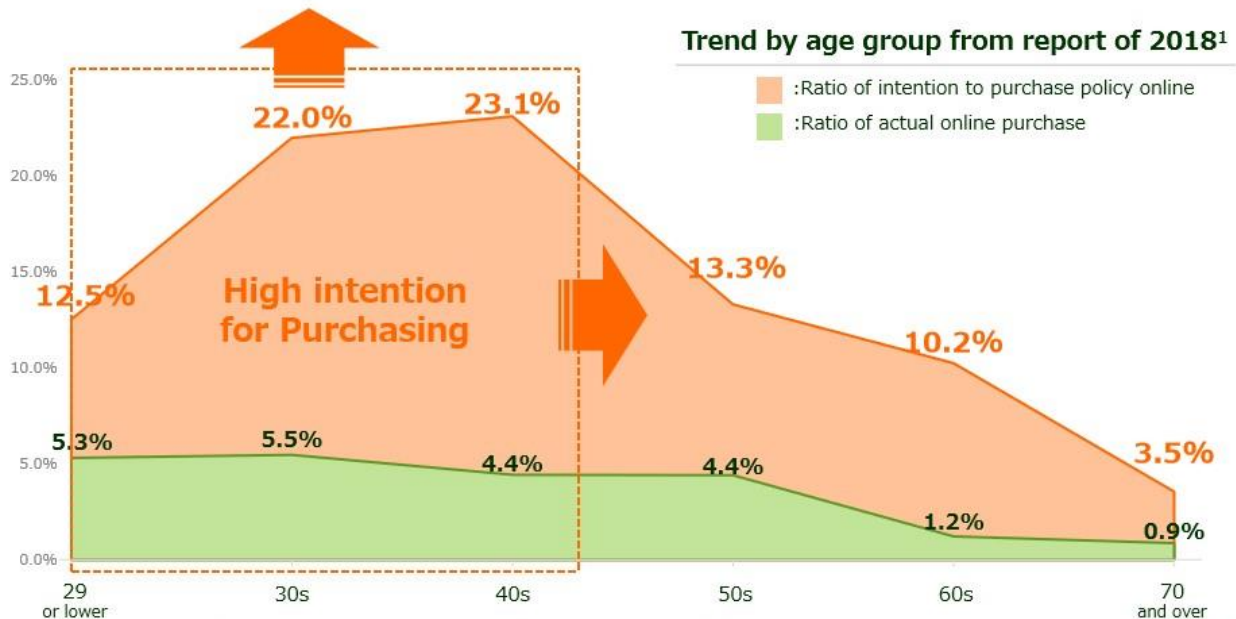
Even before the COVID-19 pandemic, the digitization of finance has been a structural megatrend, and various financial services have already made significant changes into online. With the outbreak of the COVID-19 last year, the digitalization of finance has been further advanced. In addition, customers irreversibly change their needs or behaviors from offline to online when they purchase. Thus, the online life insurance market is expected to grow continuously.

As we have shown, we believe that the difference between the 3.3% share of actual online purchase and the 12.5% of intention to purchase online is the room for growth. We would like to explain this point more clearly on the next page.

# Structural Growth Potential of Online Insurance Market



## Assumed expansion driven by people grown up in the digital age



1. Based on a Nationwide Report on the Life Insurance Industry (2018) by the Japan Institute of Life Insurance

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Page 25 shows the ratio of intention to purchase policy online and that of actual purchase by age group.

As you can see, the younger generation has almost double share of intention compared to the average for all age groups. As of 2018, we have already seen a certain level of emerging intention to join, and we believe the number of people who prefer digital financial services will increase over time, which will further expand the users of online life insurance and lead to a sustainable growth of the market.

Therefore, the company plans to establish the absolute position in the online life insurance market by transforming itself into both a life insurance company and a platformer.

# Management Policy



- **Our commitment to the current Management Policy remains unchanged to aim for further growth**



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Then, please see page 26.

I would also like to explain the about the change of management goal and its rationale which was announced in May 2021.

This management policy was made in November 2018, and it is sure that its achievement will be increasingly important in the future, even under the drastically changing business environment caused by the COVID-19.

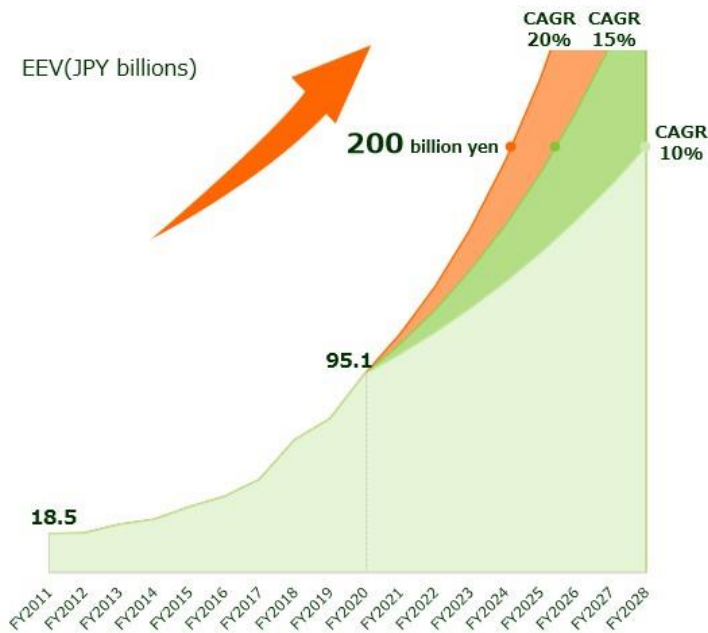
Therefore, as we put greater emphasis on business operations that prioritizes medium- to long-term growth in profitability, we have changed our management goal of European embedded value from JPY100 billion, which we were close to achieving, to JPY200 billion.

In the next page, we will explain the timescale for achieving the new management goals.

# Time Scale for the New Management Goal



## ■ Aim to achieve **double-digit growth of EEV**



■ **Become the leading company driving the growth of the online insurance market**

■ **Double policies-in-force and significantly improve operating expenses ratio (excl. marketing)**

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The reason why we aim for early achievement of JPY200 billion EEV as a management goal is to show that we will prioritize the expansion of the in-force policy over the recording of profits for statutory accounting purposes. We will continue to actively promote this policy at least until EEV reaches JPY200 billion.

The following chart shows a range of growth rates.

We aim to achieve over double-digit percent growth in in-force-policies and accelerate the timing of reaching JPY200 billion in EEV by increasing the growth rate of EEV by one more step through improvement of operating expenses ratio and incident ratio.

While JPY200 billion in EEV is a milestone, by the time we reach JPY200 billion, the online life insurance market will expand significantly beyond the current level, and we would like to be in a dominant position as a leading company.

It is not an easy target to achieve but given the growth potential of the online life insurance market and our position and strategy, we believe it is a level worth striving to achieve.

# Business Forecast FY 2021



- **Aim for double-digit growth in in-force policy performance** through record-high in new business

(JPY millions)

	FY 2021 Forecast		FY 2020 Results	
Annualized premium <sup>1</sup> of policies-in-force	<b>21,800</b>		18,713	
Annualized premium <sup>1</sup> of new business	<b>4,400</b>		4,197	
		Of which: impact of modified co-insurance		Of which: impact of modified co-insurance
Ordinary income	<b>25,500</b>	<b>4,400</b>	20,789	2,778
Ordinary profit (loss)	<b>(3,800)</b>	<b>700</b>	(3,089)	804
Net income (loss)	<b>(3,800)</b>	<b>700</b>	(3,114)	804

1. The amount of money equivalent to what is to be paid to have the insurance coverage for one year. All payments are monthly installments, thus the annualized premium is calculated as multiplying the monthly premium by 12 months.

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Lastly, I will announce business forecast.

There is no change in the forecast for FY2021 which we disclosed May.

In FY2021, we will continue to respond swiftly to changes in the business environment and customer behavior, and at the same time, we will proactively challenge to transform ourselves into an internet company for life insurance. While focusing on these efforts, we aim for double-digit growth in in-force policy through record-high in new business performance.

This concludes the explanation of the financial results for the first quarter of FY2021.

Thank you very much for your attention.