



LIFENET INSURANCE COMPANY

Question and Answer Summary at Financial Results Briefing for the Fiscal Year Ended March 2025

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[Answerers]

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Question & Answer

Question: Regarding the premium rates for group credit life insurance on [page 13 of the presentation material](#), it was explained that these were updated in April 2025. Did this update have a positive or negative impact compared to FY2024?

Kawasaki: While we refrain from disclosing specific levels, there have been no major changes from FY2024.

Question: Regarding "assumption changes" for EEV on [page 51 of the presentation material](#), please tell us what contributed positively.

Matsubara: Regarding the inflation rate, the reflection of an increase based on recent trends had a negative impact. However, a reduction in the incidence rate for medical insurance based on actual results contributed positively, resulting in an overall positive outcome. Furthermore, regarding the change in mortality rate assumptions, which had been reviewed annually based on industry performance and other factors, no significant improvement was observed this fiscal year and has not been reflected.

Question: Regarding the change in the management team on [page 28 of the presentation material](#), what are your expectations for the successor, new President Mr. Yokozawa?

Mori: The Nomination and Compensation Committee has discussed this for several years, and we announced the change in management team in March. I believe that Mr. Yokozawa and I have significantly different leadership styles. I have high expectations that the new management team will concentrate management resources on transforming the industry by further promoting the use of technology and providing even more convenient life insurance services for customers, directly linking this to growth in business performance, IFRS profit, and Comprehensive Equity.

Question: Regarding investment in AI on [page 20 of the presentation material](#), isn't there a limit to the scale of IT investment that Lifenet can make on its own? Are there any expectations for the new management team regarding the possibility of collaboration with partner companies?

Mori: As you recognize, there is an aspect to the AI domain where investment becomes substantial if everything is built in-house from scratch. While we want to firmly develop core areas that are directly linked to a greater competitive advantage in-house, we believe that in non-core areas, we will be able to proactively incorporate excellent solutions from external business partners without hesitation. We expect the new management team to transform our business model with a sense of speed.

Question: Regarding the expansion of marketing investment for individual insurance in FY2025 on [page 22 of the presentation material](#), please tell us about the scale and measures of this investment.

Kawasaki: After suppressing investment levels for the past two years, we plan to make a certain scale of investment in FY2025. While we refrain from disclosing specific investment amounts, as stated in the business forecasts on [page 23 of the presentation material](#), we plan to increase the net increase in annualized premium of policies-in-force in individual life from approximately 1.45 billion yen in FY2024 to approximately 1.6 billion yen in FY2025.

Over the past two years, even as the recovery in demand for protection-type products for individual insurance has been weak, we have been preparing for future investment. As specific measures, first, in the partner business, we have expanded the reach to the customer bases of important partners such as KDDI Corporation and Sumitomo Mitsui Card Company, Limited, so we would like to make further investments to connect this to business performance. In addition, in direct business, we have been selling term medical insurance since October 2024, and we will further promote initiatives that contribute to the priority area of "Rebranding," and advance measures to increase the conversion rate, such as leading customers who visit our website to apply. We would like to make investments to further expand the initiatives we have advanced over the past two years.

Question: Regarding [page 28 of the presentation material](#), it was explained that further utilization of technology was one motivation for changing the management team. Do you have any specific ideas for expanding policy performance with technology?

Mori: While the utilization of technology itself may directly link to policy performance in some cases, we believe there is also ample room for utilizing IT investment to make marketing activities easier to reach customers. We hope you will also have expectations for such growth strategies.

[END]