

Securities Code: 7157
TSE Prime



Presentation Material for Investors Second Quarter for Fiscal 2025

LIFENET INSURANCE COMPANY
November 13, 2025

1. Main Initiatives for 1H of FY2025

2. Financial Results for 1H of FY2025

3. For Improvement of Market Evaluation

1H for Fiscal 2025 Key Highlights

Key indicators

Corporate Value

Comprehensive Equity¹

¥ **175,566**mn

(YoY 106.4%)

Growth

Annualized premium² of policies-in-force

¥ **35,805**mn

(YoY 110.0%)

Profitability

Insurance service results

¥ **6,089**mn

(YoY 133.4%)

Notable achievements

- Transforming UX through service enhancements using technology
- Establishing a unique position with the launch of new "Term Cancer Insurance"
- Expanding future potential of GCL business through a new partnership with THE KYOTO SHINKIN BANK in Nov. 2025

1. Comprehensive Equity is an indicator defined by the Group. It is the sum of "Equity (attributable to owners of the Company)" on the IFRS consolidated statement of financial position (B/S), "CSM", a liability representing unearned profit that the Group expects to earn as it provides insurance services (insurance contracts and reinsurance contracts are aggregated and tax-adjusted), and "GCL contracts value", which is the value of future IFRS earnings, including future renewals for GCL policies-in-force.

2. The amount of money is 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 (for GCL, expected premium income for the next month based on the in-force business) by 12. (The same will apply hereafter)

For Further Improvement of CX

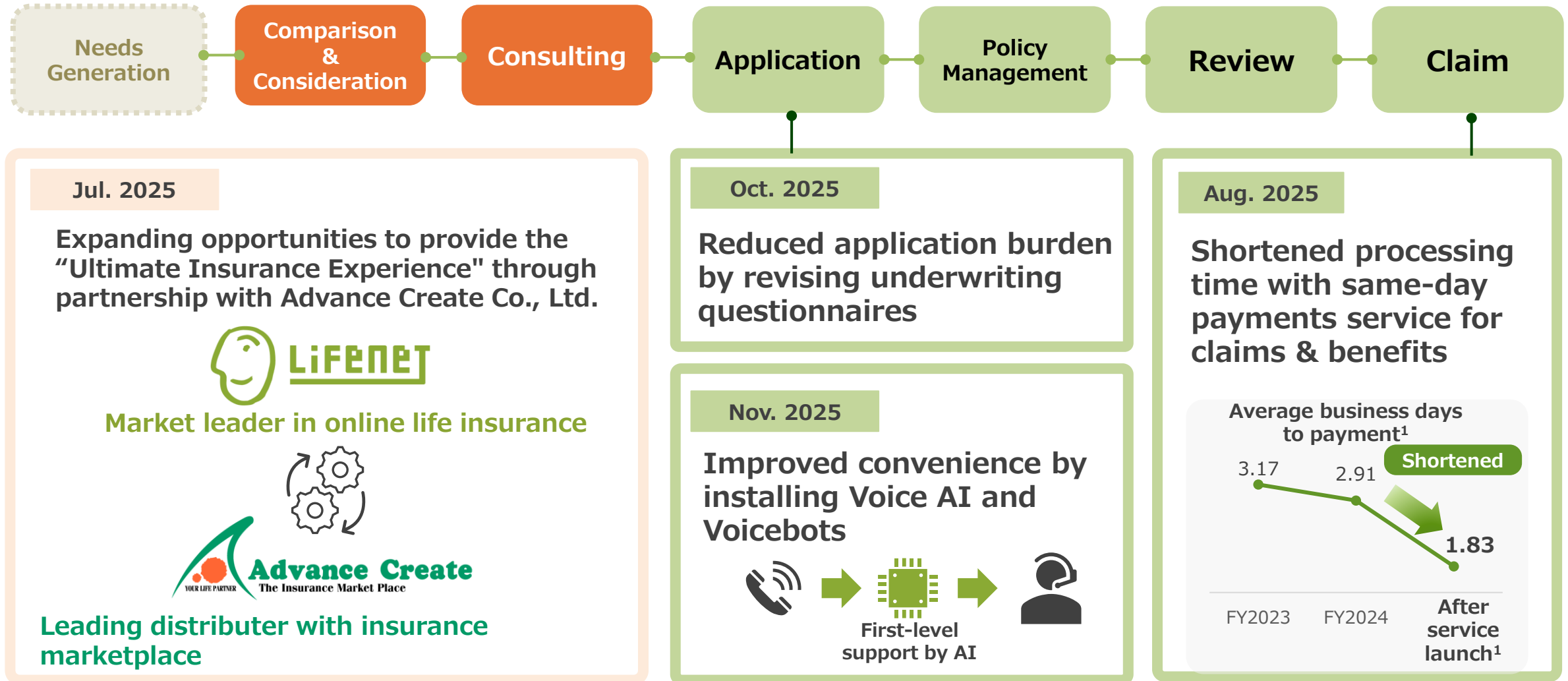
Rebranding

Tech & Services

Embedded



■ Transforming CX with highly convenient services



1. Average business days from document receipt to payment. Excludes cases requiring confirmation, incomplete documents, or GCL. "After service launch" figure based on data from Aug 6 - Sep 30, 2025.

For Building Unique Position

Rebranding

Tech & Services

Embedded



- Establishing competitive advantage by leveraging online model, meeting customer needs for affordable premiums with "term" series

Unique brand for the "term" product Lineup

Cancer

Sales start Dec. 2025

ライフネット生命の
定期がん保険

Term Cancer

Death

Flagship product since opening

定期死亡保険
かぞくへの保険

Term Life

Medical

Supporting rational choices
for the younger generation

定期医療保険
じぶんへの保険

Term Medical

Renewal of whole-life cancer insurance

Sales start Dec. 2025

ライフネット生命の
終身がん保険

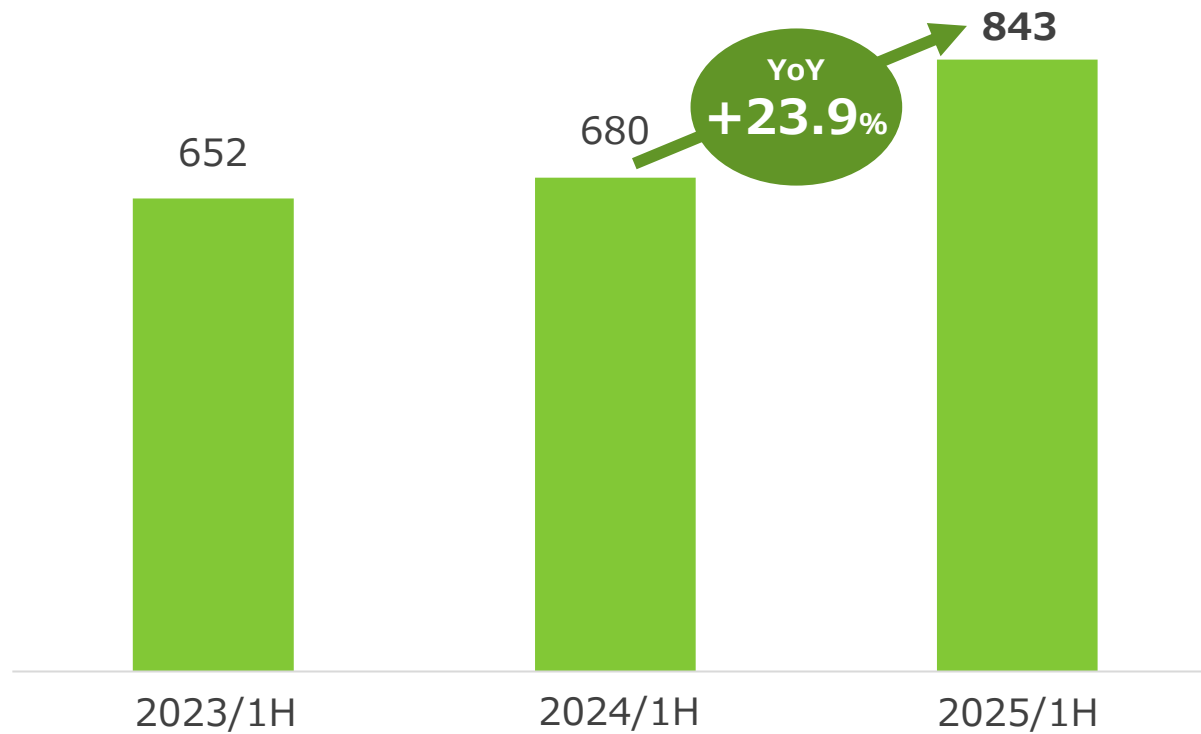
Whole-life Cancer

Discontinuing the current
whole-life cancer; "Double Yell"
renewed with enhanced coverage

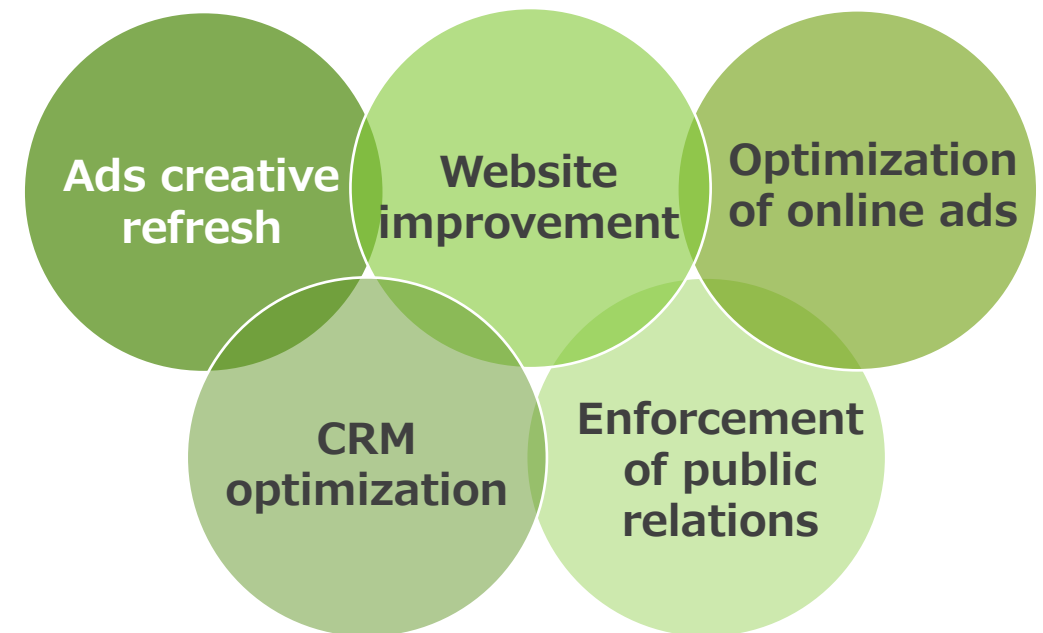
■ Sales efforts leading to a strong turnaround towards growth in individual life

Net increase of annualized premium of policies-in-force for individual life

(JPY millions)



Multiple initiatives led to success



New Growth Stage for GCL business

Rebranding

Tech & Services

Embedded



- Agreed on new partnership with Kyoto Shinkin Bank
- **Expanding the GCL business** based on our first alliance achievement outside the existing collaboration group

Support mortgage loan competitiveness

NEW

Second partner bank



- New business alliance agreement with Kyoto Shinkin Bank
- Service launch scheduled for Jul. 2026(planned)

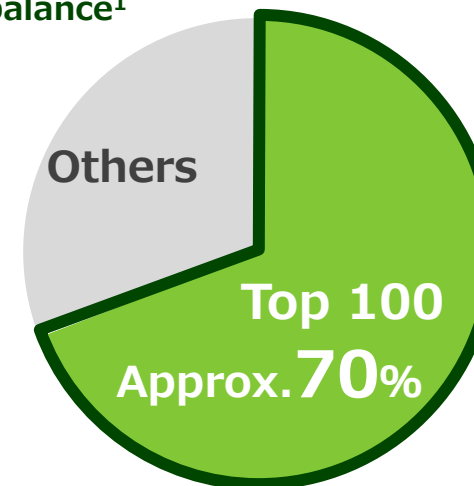


- Service started Jul. 2023
- Supporting home purchases for dual-income households

Direction of future expansion

Promote switching to our GCL through competitive premium and DX support to ones with a certain level of outstanding loan balances

Market share among financial institutions by mortgage loan balance¹



Lifenet's core target

Total outstanding mortgage loan balance²

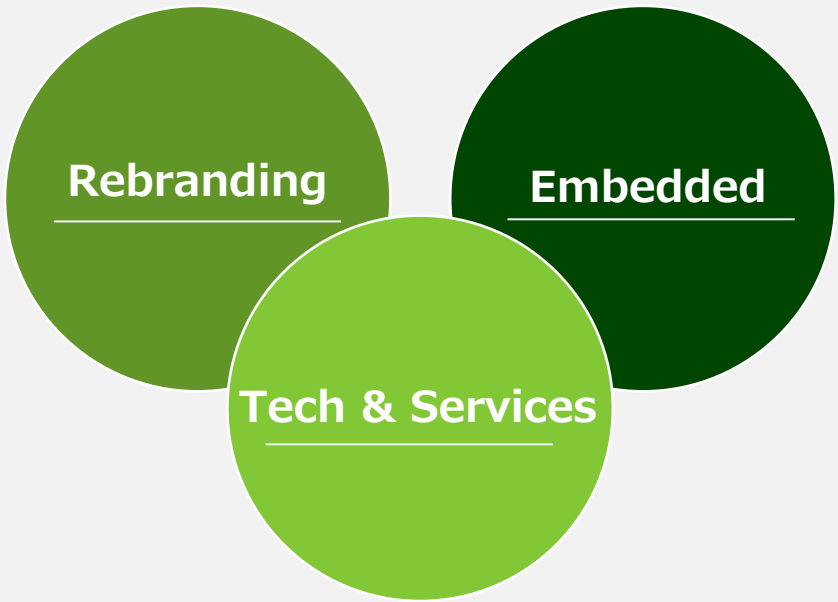
¥227tn

1. Compiled by Lifenet based on the Japan Housing Finance Agency (JHF) "Survey Results on New Housing Loan Lending Amounts and Outstanding Loan Balance by Business Category" and disclosure reports from respective companies. The top 100 institutions cover domestic banks and shinkin banks.

2. Source: Japan Housing Finance Agency (JHF), "Survey Results on New Housing Loan Lending Amounts and Outstanding Loan Balance by Business Category," Q1 2025 (Jan-Mar 2025).

Growth Strategy

Priority Areas



Human Resources Strategy

- Promote organizational transition to focus on priority areas
- Create a virtuous cycle of employee growth and business growth
- Maintain and strengthen an organizational culture based on the LIFENET Manifesto

Goals in Fiscal 2028

Management Goal

Comprehensive Equity (CE) : **¥200-240bn**

Financial Targets

Stock price : **¥3,000+**

Annual growth rate of CE per share :
approx. **10%**

Non-financial Targets (Human capital)

Overall engagement score: **continuous improvement**

Diversity

Ratio of decision-makers :
Women **30%+**, Under 30s **15%+**

Growth Opportunities

Engagement score (growth):
continuous improvement

1. Main Initiatives for 1H of FY2025

2. Financial Results for 1H of FY2025

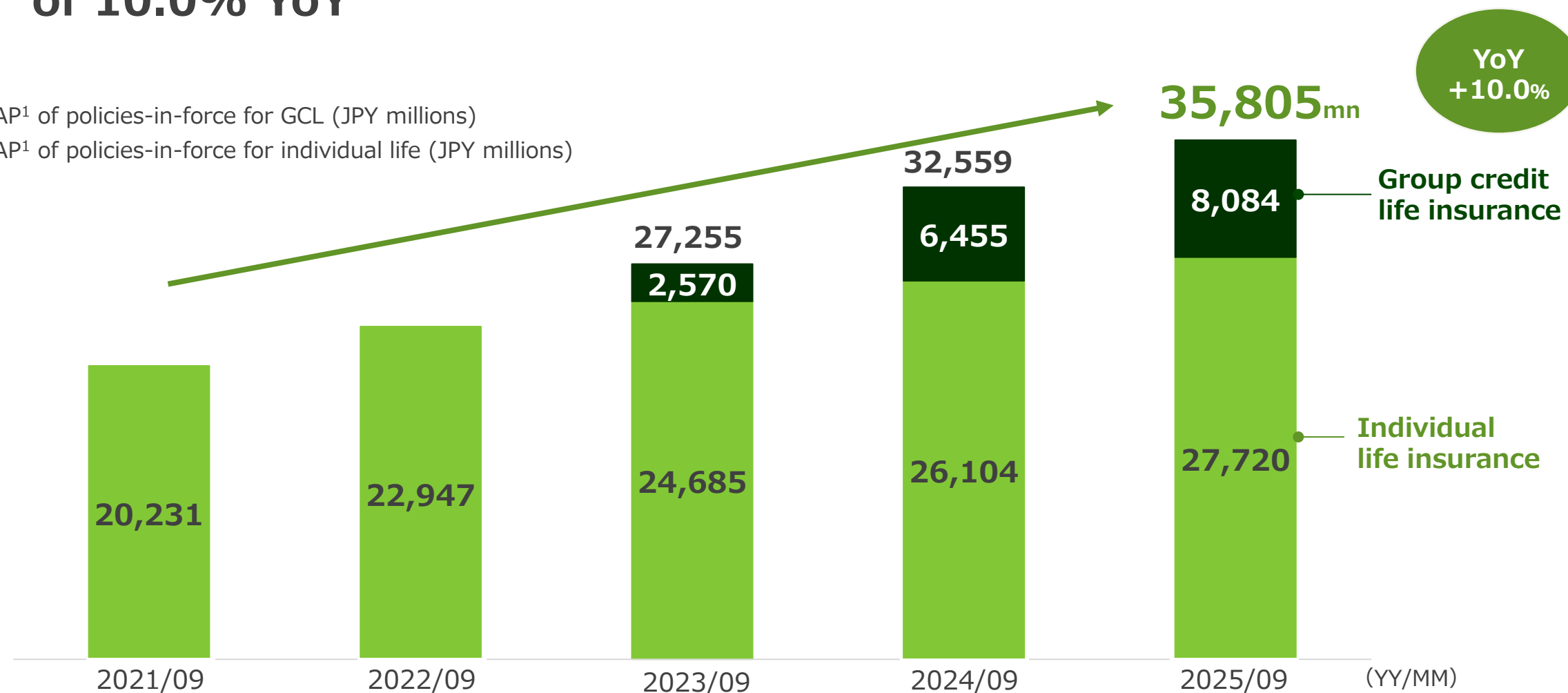
3. For Improvement of Market Evaluation

Annualized Premium of Policies-in-Force

■ Resulted in ¥35,805mn and **continued significant growth of 10.0% YoY**

■ :AP¹ of policies-in-force for GCL (JPY millions)

■ :AP¹ of policies-in-force for individual life (JPY millions)

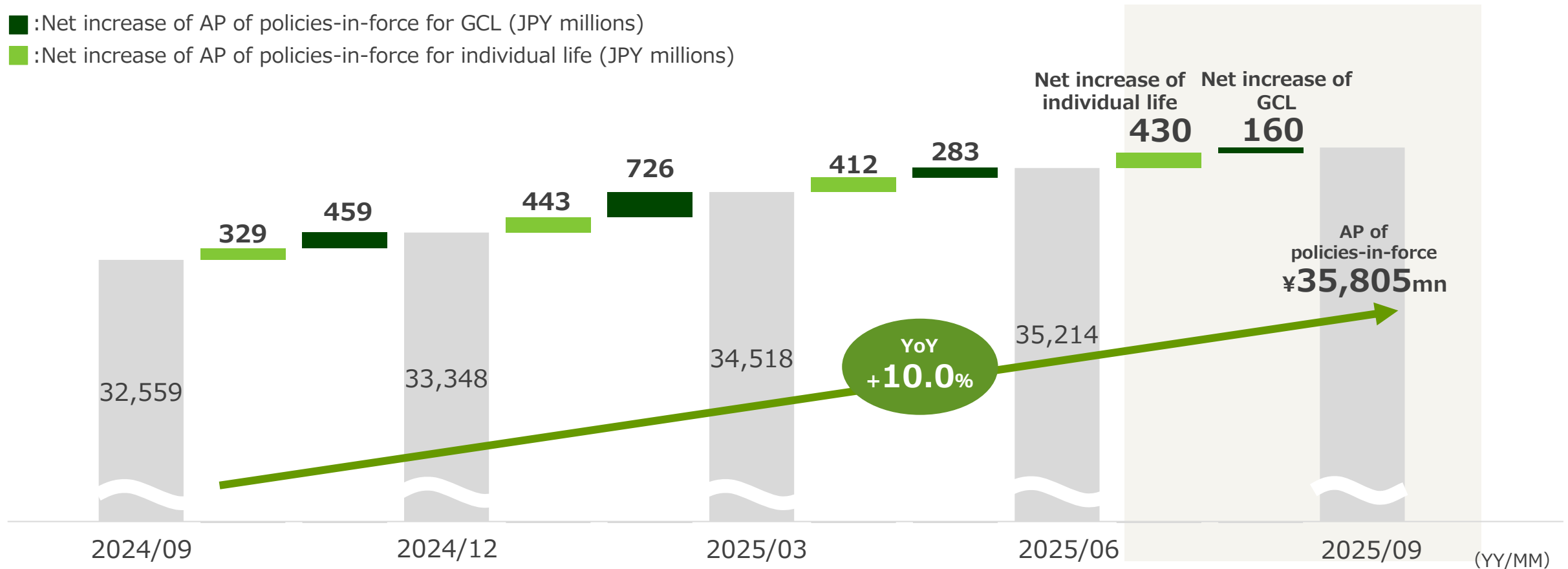


Policies-in-Force Movement

- Individual life **continued strong recovery**
- GCL growth pace slowed by external factors but steadily accumulated

■ :Net increase of AP of policies-in-force for GCL (JPY millions)

■ :Net increase of AP of policies-in-force for individual life (JPY millions)



- Insurance service results and net income resulted in **¥6,089mn** and **¥4,478mn**, respectively

(JPY millions)

Items	FY2024/1H	FY2025/1H	Change
Insurance service results	4,565	6,089	1,523
Financial results ¹	(57)	388	445
Other results	(129)	(176)	(46)
Profit before tax	4,378	6,301	1,922
Net income attributable to owners of the Company	3,152	4,478	1,325

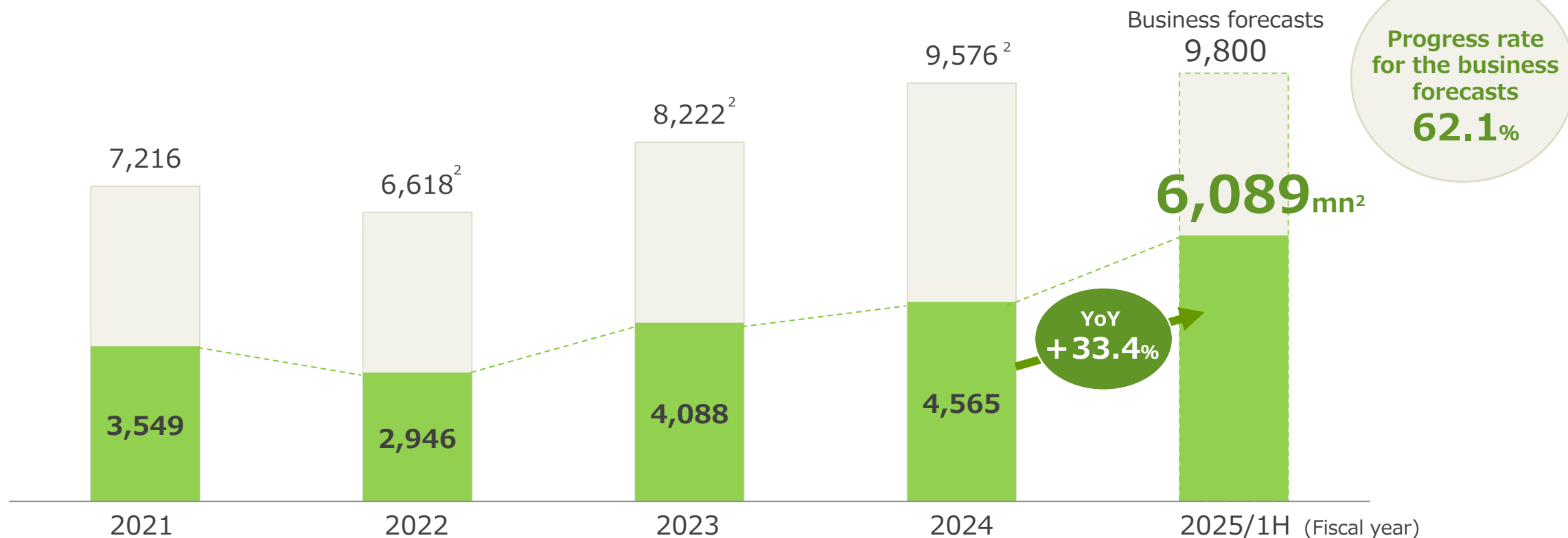
1. Total of investment results from financial assets, insurance finance income or expense and reinsurance finance income or expense

Insurance Service Results¹

■ Achieved significant growth of 33.4% YoY and 62.1% progress rate for business forecasts

■ :Insurance service results (fiscal year, JPY millions)

■ :Insurance service results (1H, JPY millions)



1. Figure for FY2021 is for reference use only as it is before date of transition to IFRS

2. COVID-19 related claims was ¥1,378mn in FY2022 and ¥36mn in FY2023. It is also included in FY2024 onward, but detailed calculation has not been performed

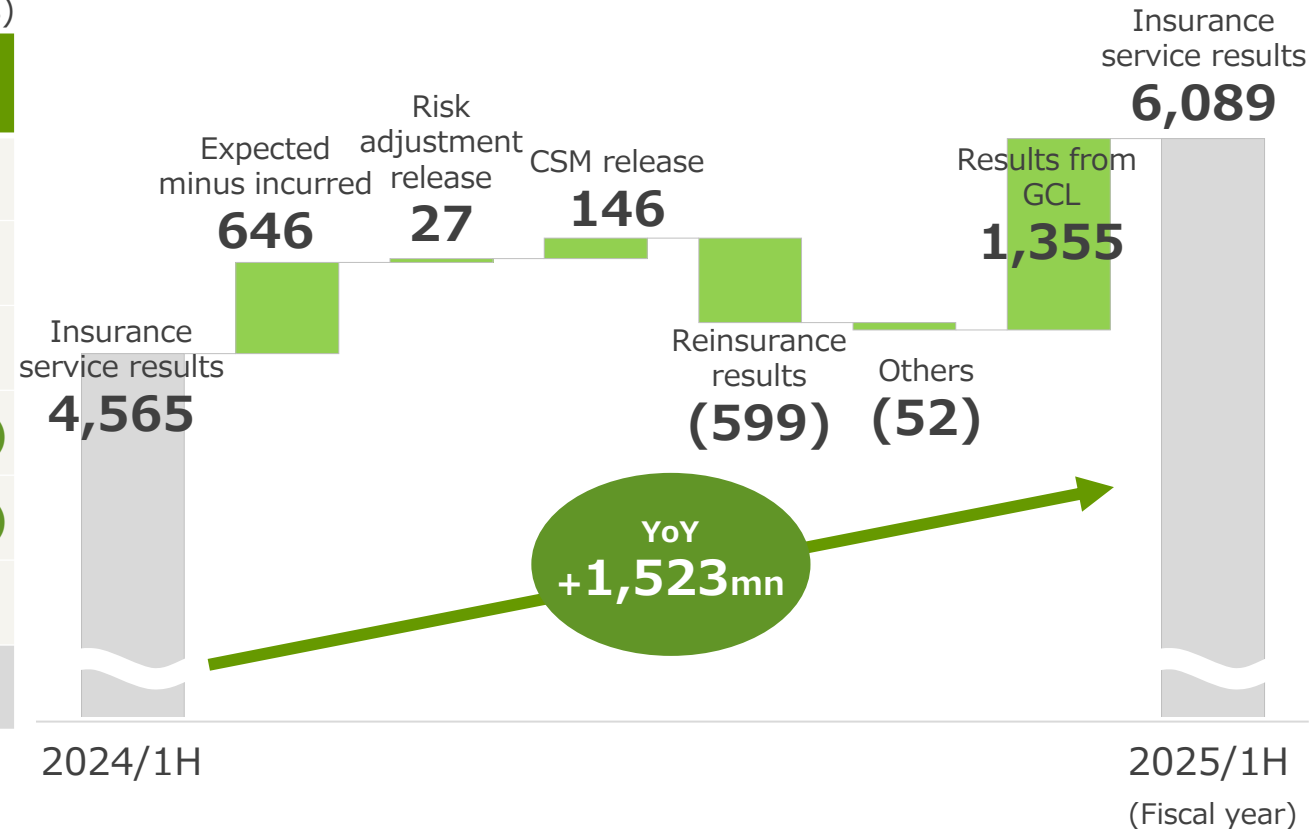
Insurance Service Results Analysis



- Grew strongly **driven by lower-than-expected incurred claims of individual life and GCL**

(JPY millions)

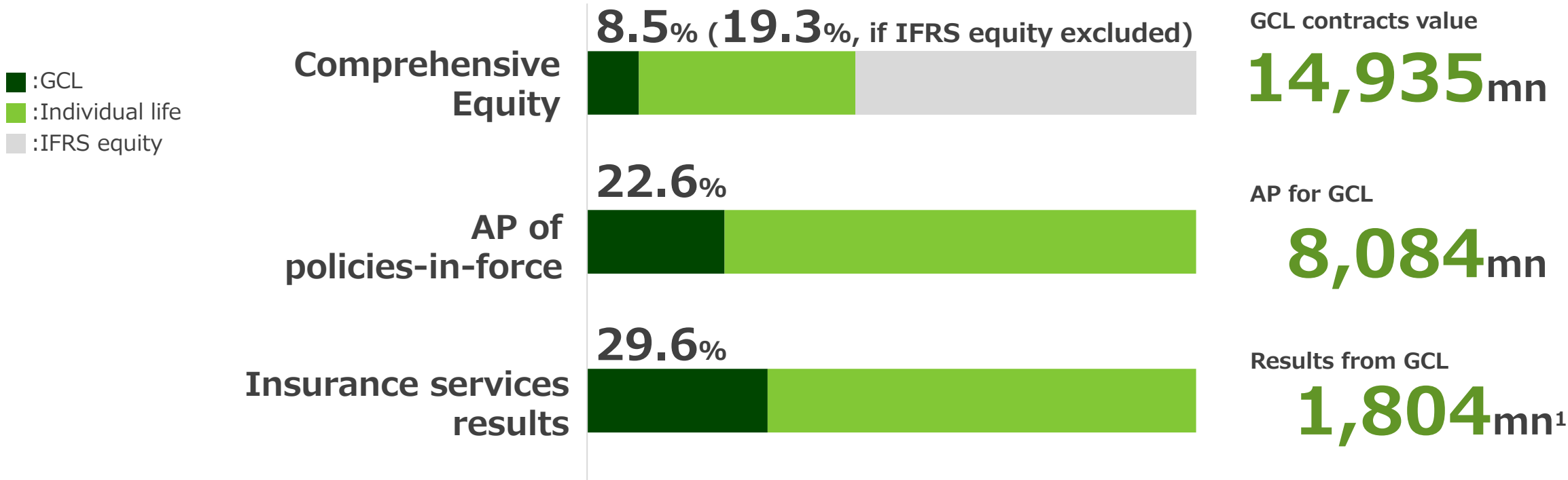
Items	FY2024/1H	FY2025/1H	Change
Expected claims minus incurred claims	26	672	646
Risk adjustment release	797	824	27
CSM release	3,699	3,845	146
Reinsurance results	(283)	(883)	(599)
Others	(122)	(174)	(52)
Results from GCL ¹	448	1,804	1,355
Insurance service results	4,565	6,089	1,523



1. Insurance service results related to contracts measured under the Premium Allocation Approach (Excluding reinsurance results)

■ Sales through au Jibun Bank are **strongly contributing key indicators**

Our key indicator results
(as of Sep. 2025)



1. Insurance service results related to contracts measured under the Premium Allocation Approach (Excluding reinsurance results)

Movement of Management Indicators

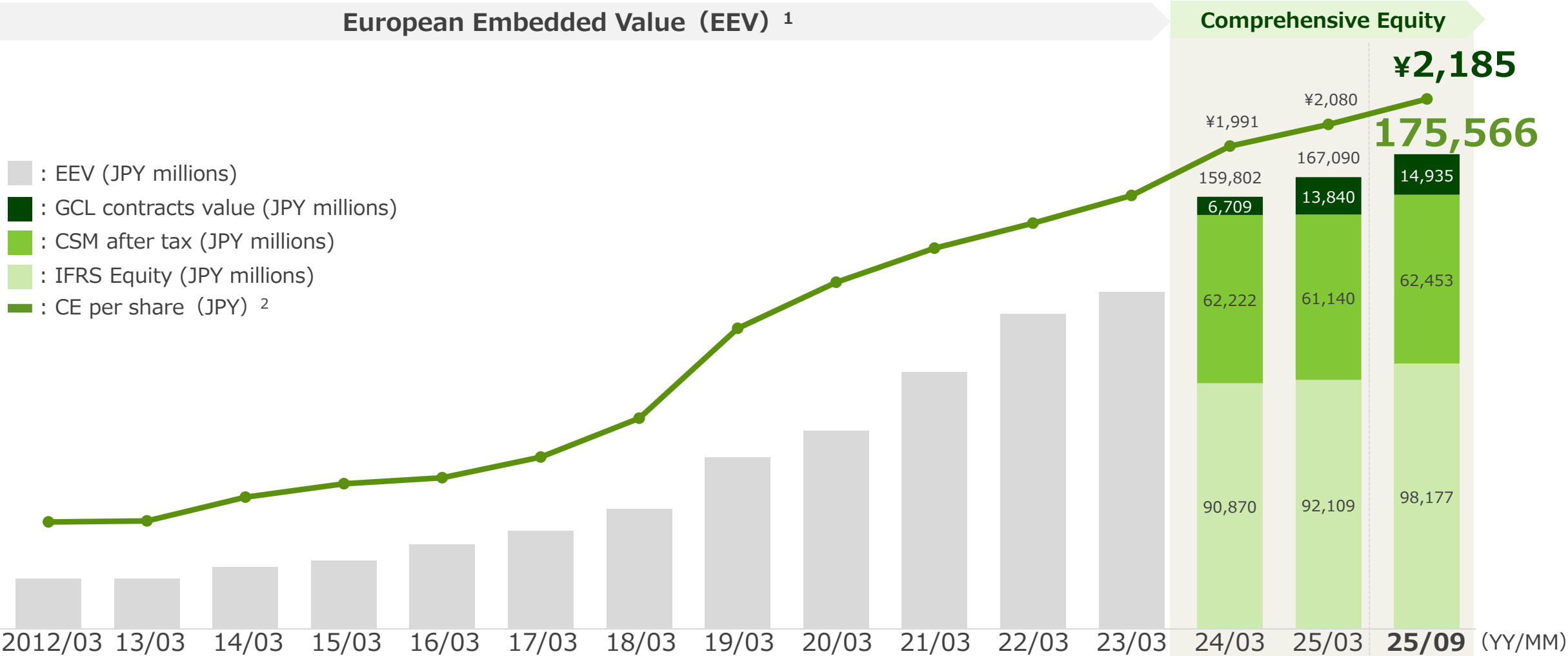


■ Strongly growing at a CAGR of 18% since IPO

European Embedded Value (EEV) ¹

Comprehensive Equity

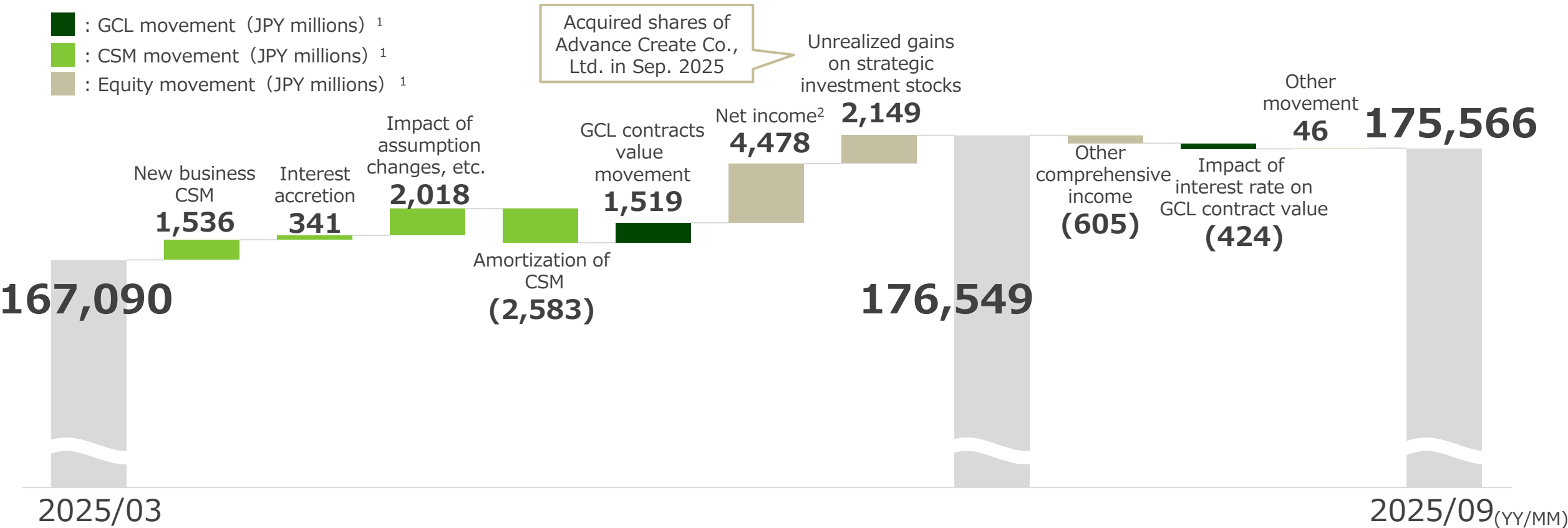
- : EEV (JPY millions)
- : GCL contracts value (JPY millions)
- : CSM after tax (JPY millions)
- : IFRS Equity (JPY millions)
- : CE per share (JPY) ²



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.

2. EEV per share before March 2023

■ Increased mainly due to unrealized gains on strategic investment stocks and assumption changes

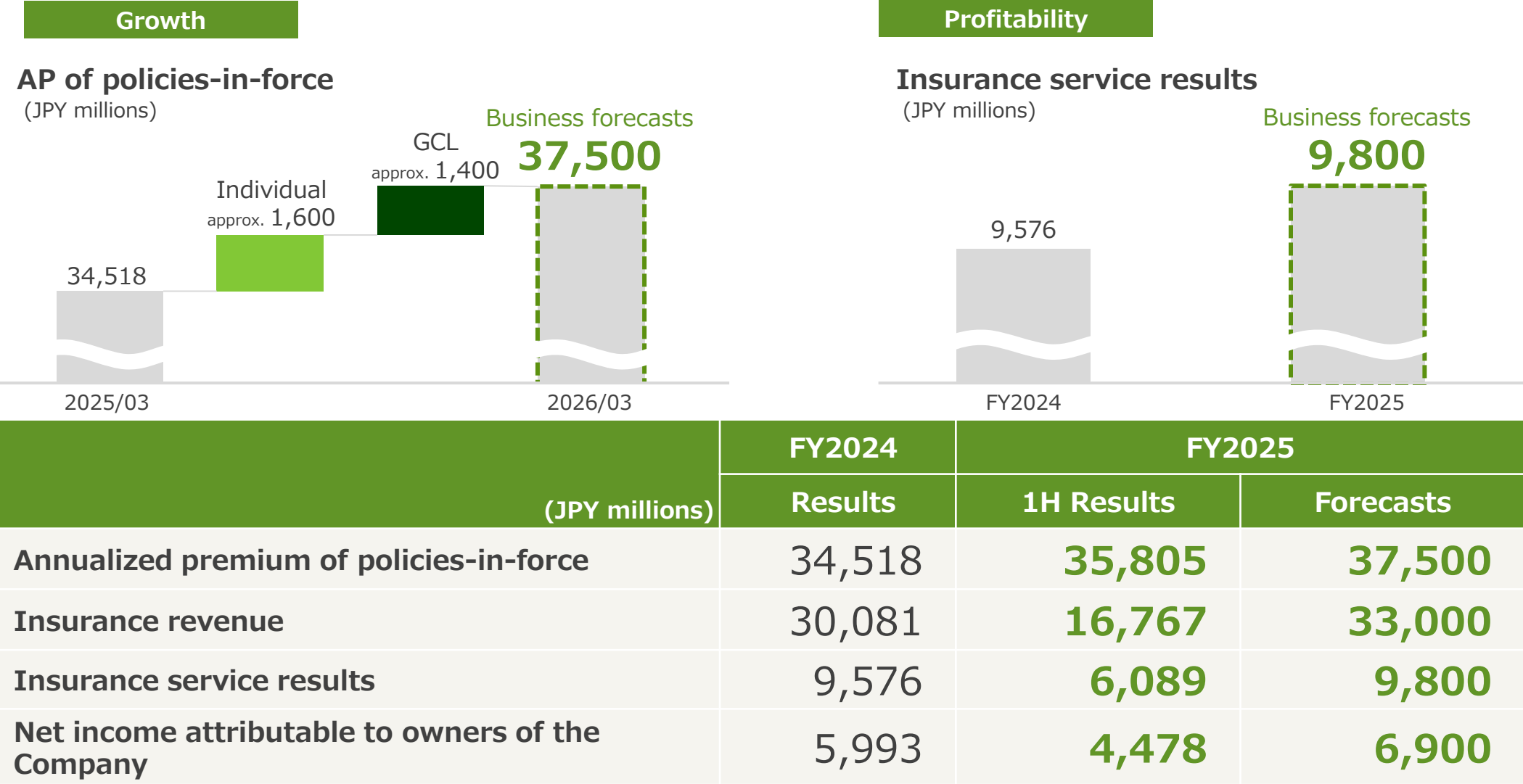


1. Tax effect (28.9%) before the introduction of the special defense corporation tax adjusted
2. Net income attributable to owners of the Company

Consolidated Business Forecasts for FY2025



■ Remains unchanged since May 2025



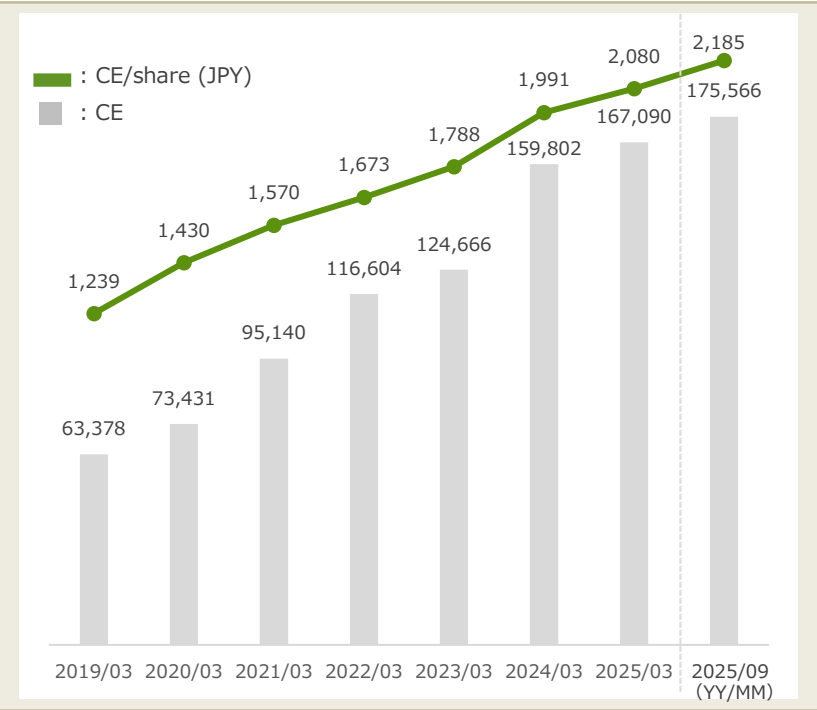
1. Main Initiatives for 1H of FY2025

2. Financial Results for 1H of FY2025

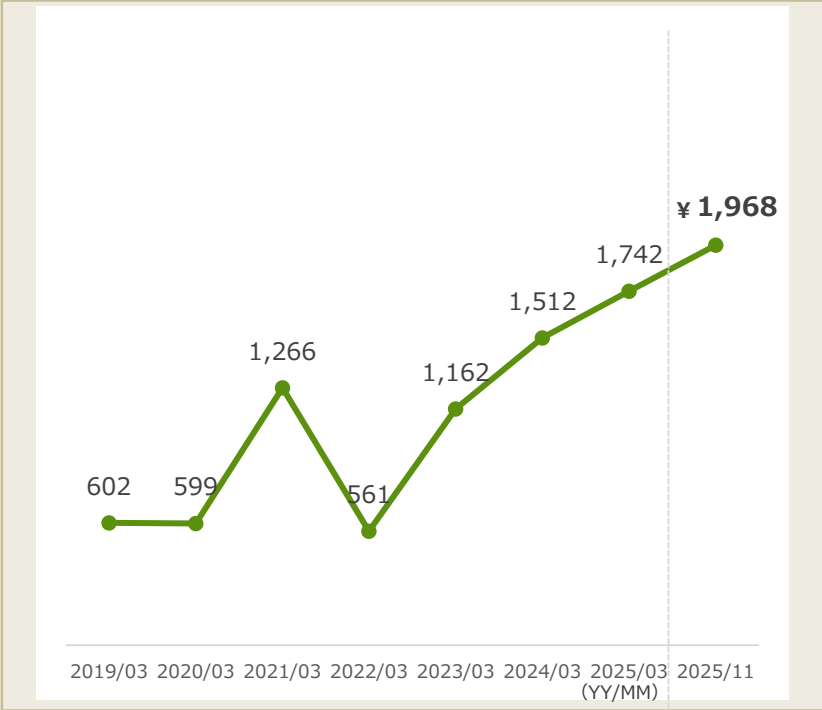
3. For Improvement of Market Evaluation

■ While the PCE ratio shows an improving trend, it remains below 1x, indicating room for further improvement

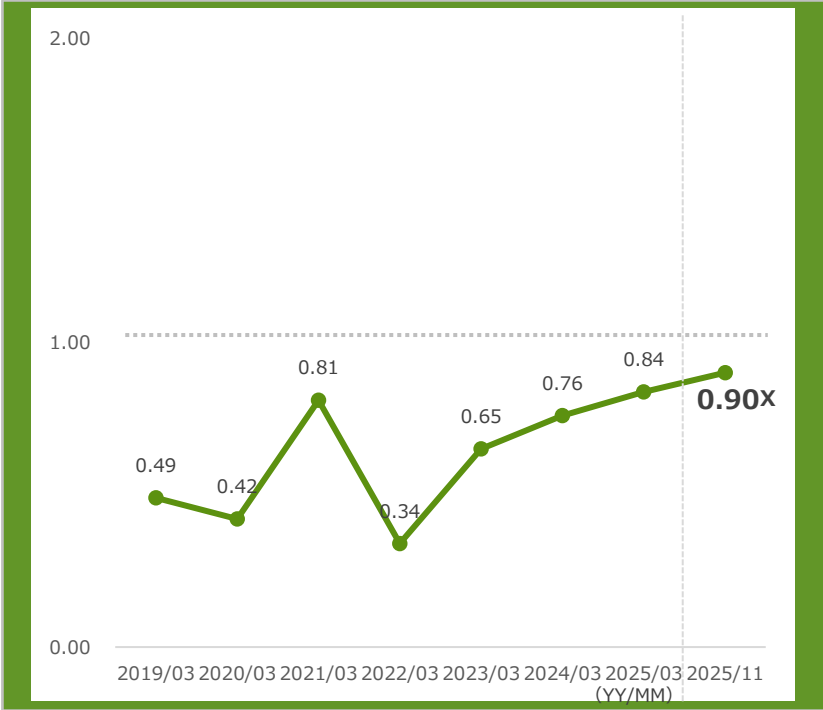
CE and CE per Share¹



Stock Price²



PCE(Price/CE per Share¹) Ratio



1. EEV, EV per share and Price/EEV per share ratio before the end of March 2023
2. Closing price. For 2025/11, closing price on November 12, 2025

Initiatives to Improve PCE Ratio

■ Targeting PCE of 1.0x+ by enhancing corporate value with individual life & GCL businesses and market valuation

Enhancement of corporate value

Scale expansion

Growth in individual & GCL businesses based on priority areas

- Individual life: Re-grow via accumulated sales initiatives
- GCL: Drive expansion by acquiring new partner banks

Profitability improvement

Increase CSM by IACF & opex efficiency improvement

- Build foundation for mid-term sales efficiency improvement
- Improve running cost per policy through higher productivity



Improvement of market evaluation

Open and active dialogue with investors

- Promote understanding of "Comprehensive Equity"
- Disclose 6-8% cost of capital
- Disclose appropriate risk-taking

Strong commitment to shareholder value

- Set the stock price and CE per share as mid-term business plan targets

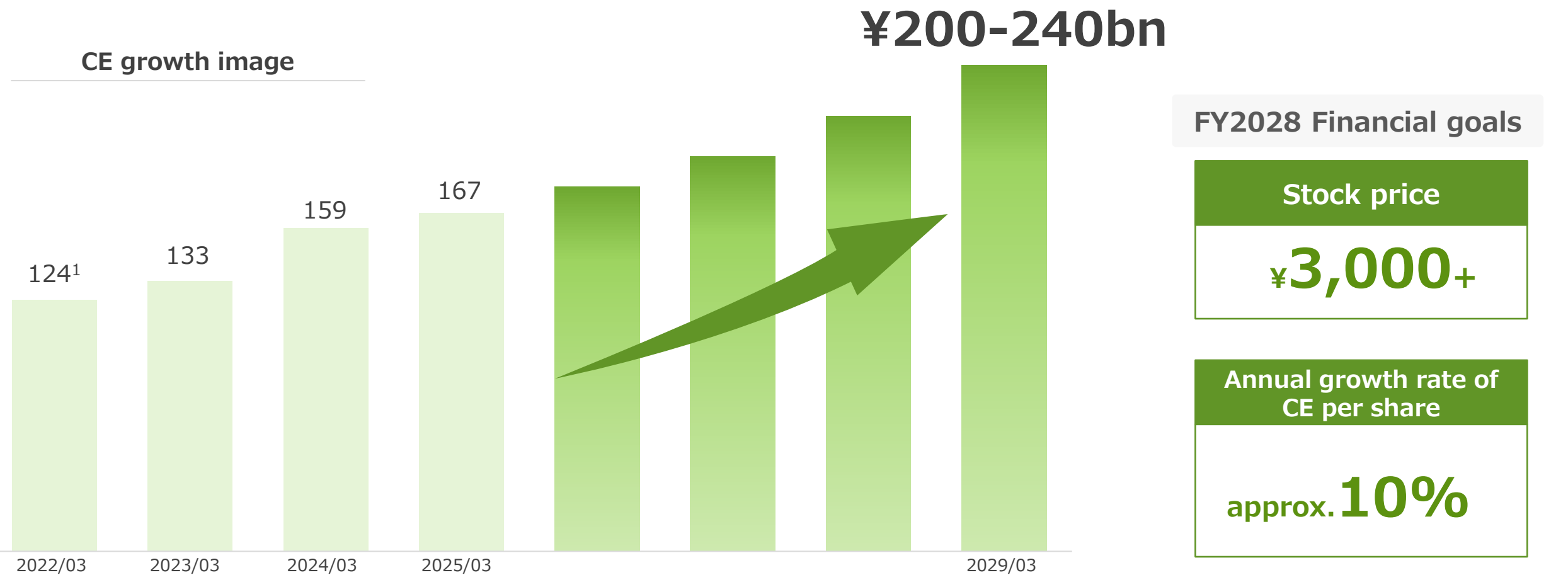
Improve market liquidity

- Cultivate new investors leveraging Prime Market listing
- Promote initiatives for individual investors

Strengthen corporate governance

- Enhance Board functions for better oversight & effectiveness

- Aim to achieve FY2028 management goal by realizing sustainable growth through investment in priority areas



1. For reference use only as it is before date of transition to IFRS



All information on this document that is not historical fact constitutes forward-looking information and is based on assumptions and forecasts available to the company at the time of preparation. The company cannot guarantee the accuracy of these assumptions and forecasts. Earnings projections and other information on this may differ materially from actual performance due to various risks and uncertainties. This is a translation of the original Japanese document, prepared and provided solely for readers' convenience. In case of any discrepancy or dispute, the Japanese document prevails.

<https://ir.lifenet-seimei.co.jp/en/>



Catch the latest information on Lifenet
Subscribe to the IR email magazine

Receive the Lifenet news releases and IR website updates

 E-mail Notices

Sincere, Easy-to-understand, Affordable and Convenient

I. Our Guiding Principles

- (1) Creating the future of the life insurance without losing sight of its original premise: “an ounce of prevention is worth more than a pound of cure.”
- (2) Listening to what our customers are saying. Recognizing their needs and acting accordingly. Allowing our actions to be borne out of their voices and needs.
- (3) Delivering the caliber of products and services that we would feel confident recommending to our own friends and families.
- (4) Being a “straight-shooter”. Committing to transparency. Communicating openly about our management team, our products, and our employees.
- (5) Embracing diversity and dialogue to keep us abreast of changing needs and preferences. Delivering peace of mind that we’ll be around in 100 years.
- (6) Acting in good faith means always taking the high road when it comes to compliance and ethics.

III. Making Life Insurance Accessible Again - Affordable

- (1) Giving the customer what he/she needs. No more, no less at a fair price.
- (2) Staying vigilant as to how we can provide our products more cost-efficiently.
- (3) Always putting ourselves in our customers’ shoes in thinking about how to minimize their premiums.

II. Making Life Insurance Accessible Again - Headache-free

- (1) Helping the customers help themselves. By making our materials easy to understand, customers can determine which coverage is truly the best fit.
- (2) Turning “clauses” in the insurance contract into succinct points that your grandmother could grasp.
- (3) Making all touch points headache-free. Beyond the application process, ensuring the claims and billing processes are also easy to understand.

IV. Making Life Insurance Accessible Again - Convenient

- (1) Thinking about our customers’ convenience from every angle and every touch point along the way.
- (2) Forming alliances with like-minded partners who can add value above and beyond our products and services to our customers.
- (3) Providing health and wellness tips beyond the framework of life insurance to create value in our policyholders’ lives.
- (4) Creating a precedent for future generations as to what life insurance is (and should be) all about.

We wish to be a company that help our customers embrace life more fully through management with integrity, and offering easy-to-understand, affordable, convenient products and services.



LIFENET
LIFENET INSURANCE COMPANY

Appendix

Glossary 1

Glossary	Explanation
Insurance revenue	Revenue accrued for fulfillment of insurance services. Mainly, expected claims, expected maintenance expenses, risk adjustment release, CSM release and recovery of insurance acquisition cash flows. Investment components which will be paid regardless of insurance event are excluded from expected claims.
Insurance service expenses	Expenses incurred related to insurance service. Mainly, incurred claims, incurred maintenance expenses, amortization of insurance acquisition cash flows and losses on onerous contracts. Investment components which will be paid regardless of insurance event are excluded from incurred claims.
Insurance service results	Insurance revenue less insurance service expenses, plus reinsurance results.
Financial results	Total of investment results from financial assets, insurance finance income or expenses from insurance contract liabilities (or assets) and reinsurance finance income or expenses from reinsurance contract liabilities (or assets).
Other results	Expenses not directly related to insurance services such as product development costs and income/loss on other than insurance businesses such as results of subsidiaries.
CSM (Contractual Service Margin)	A component of insurance contract liabilities (or assets), which represents the unearned profit that the company will recognize as it provides services over the coverage period. Accumulation of CSM is important for future profit growth.
New business CSM	CSM at the time of acquisition of new contracts during the period.
Risk adjustment	A component of insurance contract liabilities (or assets), which is the adjustment for uncertainty of future cash flows (addition on liabilities).

Glossary 2

Glossary	Explanation
Comprehensive Equity (CE)	An indicator defined by the Group. It is the sum of “Equity (attributable to owners of the Company)” on the IFRS balance sheets, “CSM”, a liability representing unearned profit that the Group expects to earn as it provides insurance services (insurance contracts and reinsurance contracts are aggregated and tax-adjusted), and "GCL contracts value". We have defined it as the indicator that represents the corporate value of the Group as it includes the value of future profits of policies-in-force.
Group Credit Life Insurance (GCL) contracts value	An indicator defined by the Group. It is the value of future IFRS earnings for GCL policies-in-force including future renewals as of the valuation date.
Premium Allocation Approach (PAA)	A simplified approach which can be applied for measuring insurance contracts with short coverage periods which is defined under IFRS17. We applied it for GCL contracts which have 1 year insurance period.
Insurance acquisition cash flows (IACF)	Cash flows from expenses which are directly attributable to acquisition of insurance contracts. Advertising expenses for new business, agency commissions and administrative expenses for underwriting new business are included. The difference from marketing expenses we had used for J-GAAP is addition of administrative expenses for underwriting.
Maintenance expenses	Expenses directly related to fulfillment of insurance contracts other than insurance acquisition cash flows. Administrative expenses for the maintenance of contracts and overhead expenses for the provision of insurance services are included.
Economic Solvency Ratio(ESR)	ESR is the indicator to assess the soundness of insurers. Based on the economic valuation of assets and liabilities of insurance companies, ESR is calculated as the ratio of the eligible capital against the required capital which is evaluated as the risk amount for the losses. Regulatory ESR is the administrative indicator which will be disclosed for the closing from March 2026 onwards. It assesses the capital adequacy of insurers in place of existing SMR. Internal ESR is the ESR which the Group uniquely calculates as an internal indicator.
Eligible capital	The numerator of ESR as the capital that insurers hold. Based on the value of the net asset on the economic-value based balance sheet under a market consistent approach, necessary adjustments are made regarding the eligibility as the capital for the risk.
Required capital	The denominator of ESR as the risk amount that insurers take. For each risk category, the risk amount is calculated at a certain level and then the amounts are aggregated with the prescribed methodology. In many of the risk categories, the required capital is defined as the changes in the value of (economic value-based) net assets under prescribed stresses.

Breakdown of Policies-in-Force

	2024/09	2025/09	Component ratio
Number of policies-in-force	618,039	659,078	100%
- Term Life	301,426	318,080	48%
- Whole-life Medical & Term Medical	168,639	181,730	28%
- Long-term Disability	70,713	73,447	11%
- Cancer	70,157	78,613	12%
- Other ¹	7,104	7,208	1%
Sum insured of policies-in-force² (JPY millions)	3,882,078	4,062,019	
Number of policyholders	391,284	413,667	

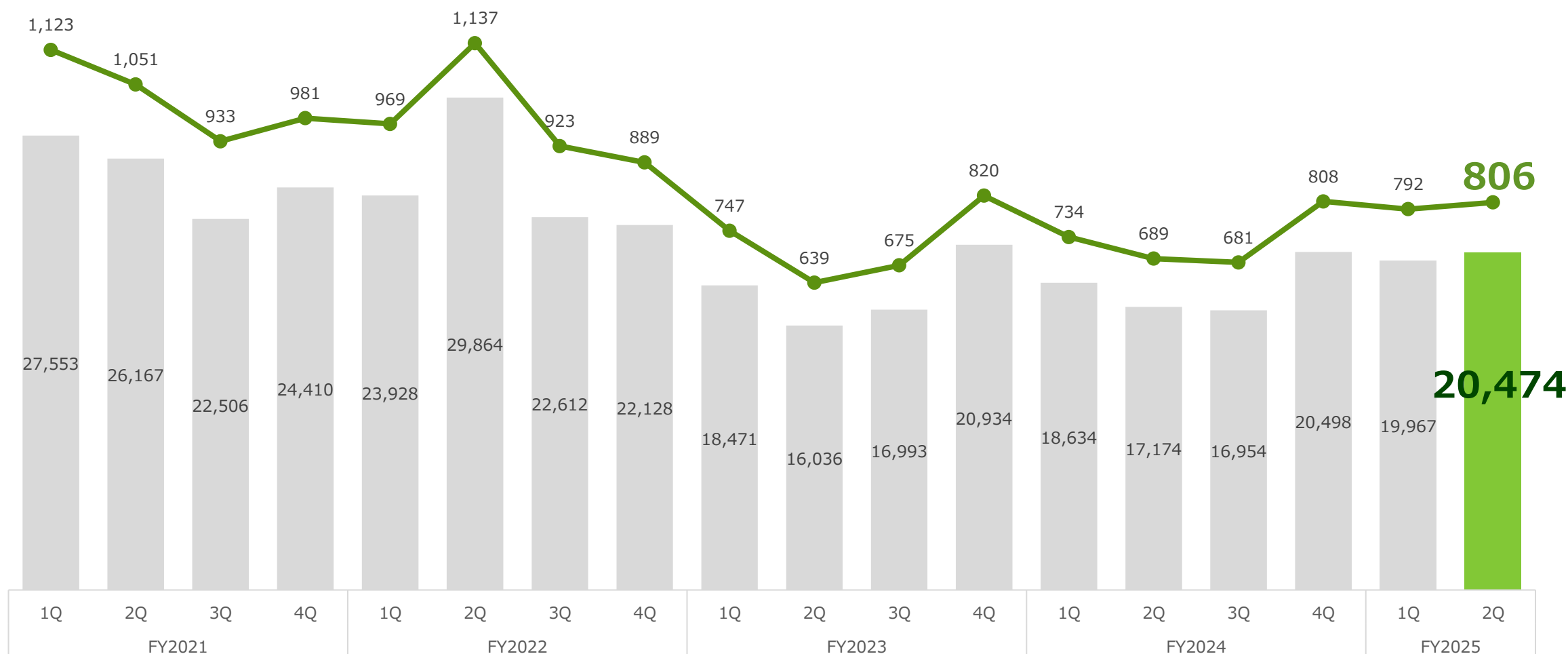
1. Term Medical Care and Dementia

2. Sum insured of policies-in-force are the sum of death coverage, and do not include third-sector insurance.

Annualized Premium / Number of New Business

— :AP¹ of new business (JPY millions)

■ :Number of new business

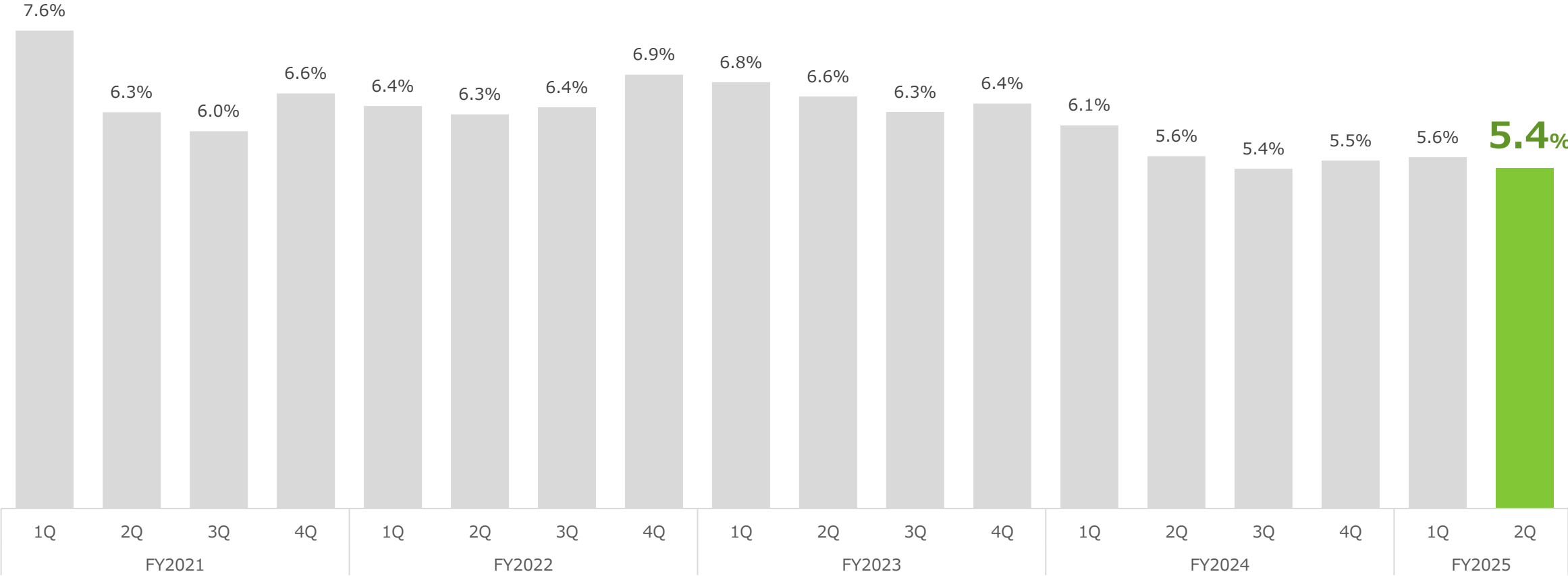


1. The amount of money equivalent to what is to be paid to have the insurance coverage for one year. All payments are monthly installments, thus the annualized premium is calculated as multiplying the monthly premium by 12.

Surrender and Lapse Ratio



 : Surrender and lapse ratio¹ (%)



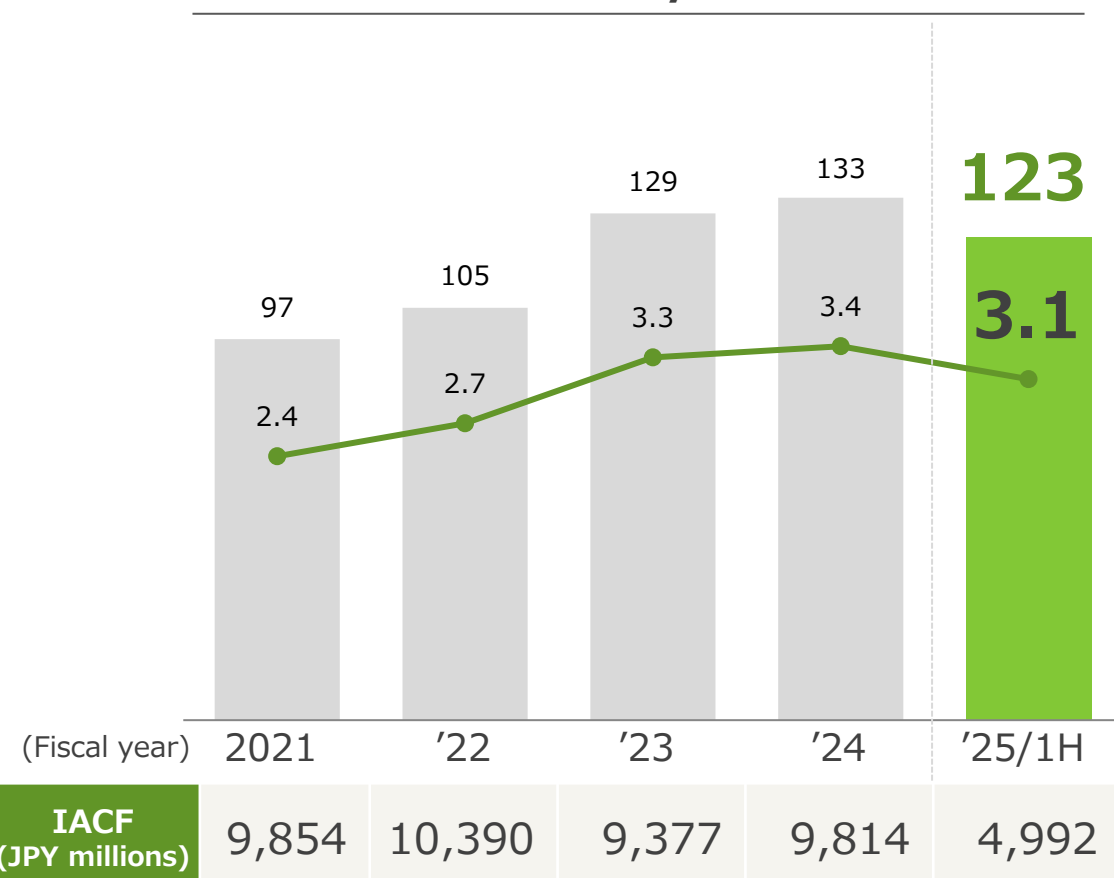
1. The surrender and lapse ratio is the annual equivalent of the monthly number of policies surrendered and/or lapsed divided by the monthly average number of policies-in-force.

Insurance Acquisition Cash Flows (IACF) Efficiency

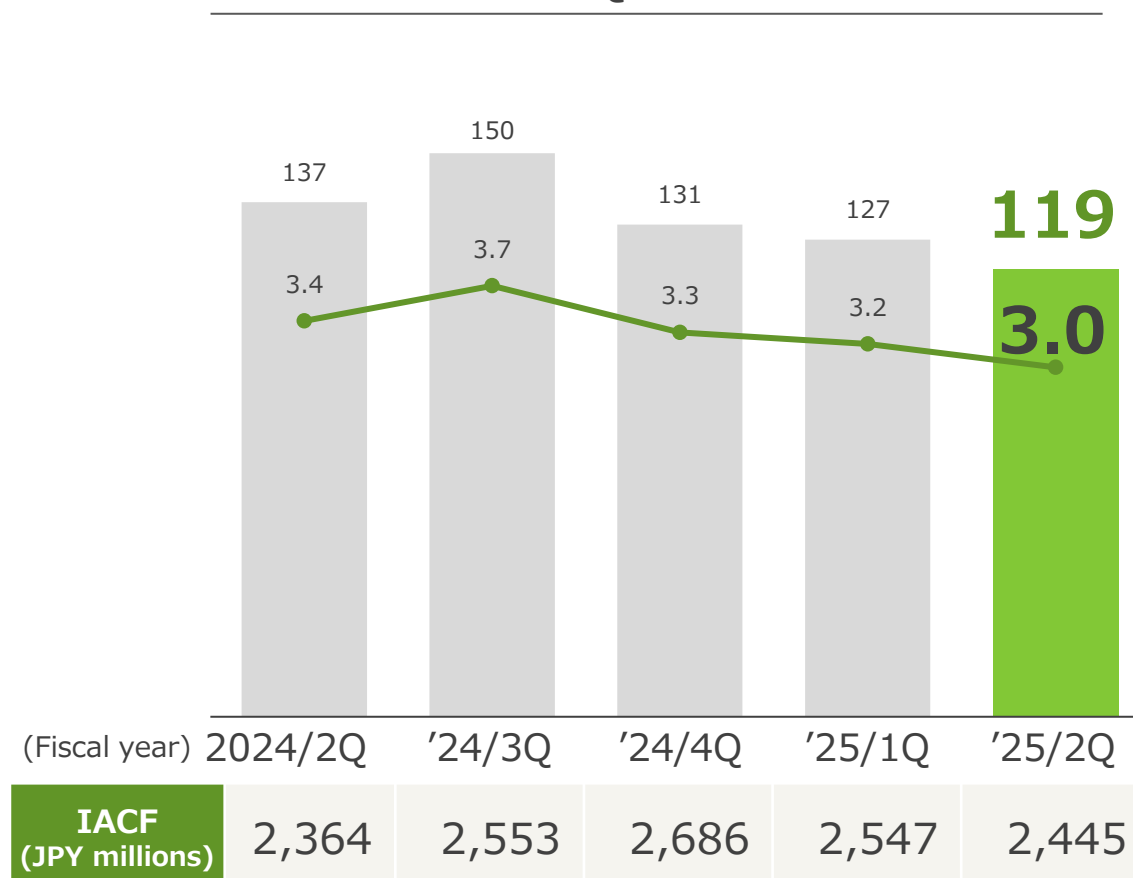
■ : Insurance acquisition cash flows / AP of new business

■ : Insurance acquisition cash flows per new business (JPY thousands)

Fiscal year¹



Quarter



1. Figure for FY2021 is for reference use only as it is before date of transition to IFRS.

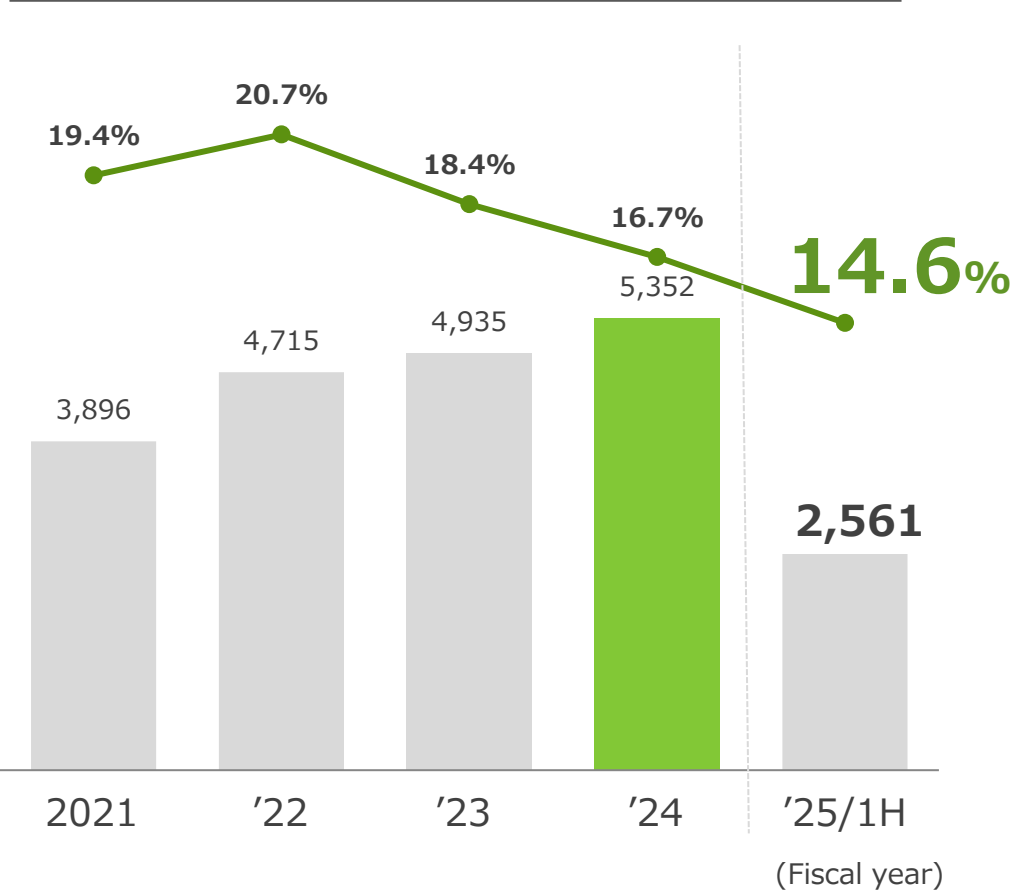
Operating Expenses Ratio¹



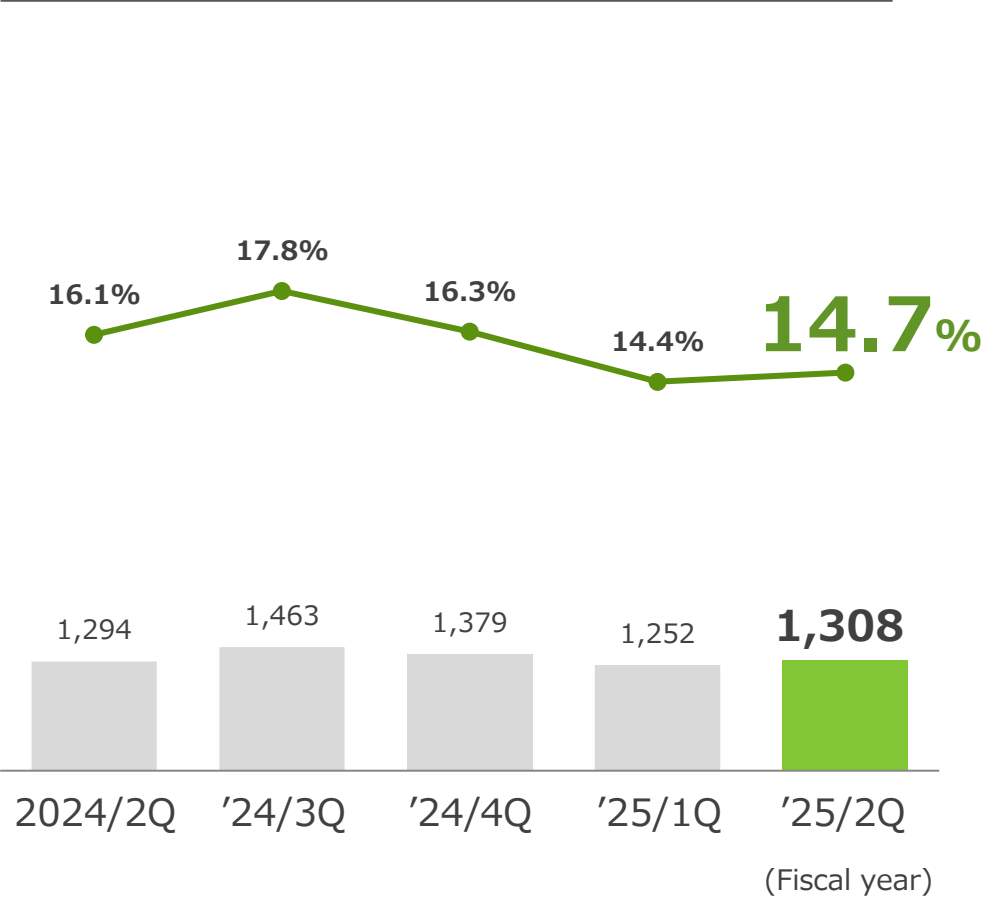
■ :Operating Expenses Ratio (%)

■ :Operating expenses excl. insurance acquisition cash flows (JPY millions)

Fiscal year²



Quarter



1. Ratio of operating expenses excluding IACF divided by average in-force annualized premium for the period (annualized).

2. Figure for FY2021 is for reference use only as it is before date of transition to IFRS.

(JPY millions)

Items	2024/2Q	2024/3Q	2024/4Q	2025/1Q	2025/2Q	Notes on QonQ change
Insurance service results	2,224	2,628	2,383	2,945	3,143	
Expected claims minus incurred claims ¹	(19)	153	12	364	308	
Risk adjustment release	405	399	416	404	420	
CSM release	1,834	1,842	1,898	1,871	1,974	
Reinsurance results	(72)	(354)	(291)	(368)	(515)	Due to decrease in individual life and GCL claim payments
Results from GCL ²	175	651	475	730	1,073	Due to increase in premium and decrease in claim payments
Financial results³	(395)	(10)	33	183	205	
Other results	(71)	(112)	(121)	(65)	(111)	
Profit before tax	1,757	2,505	2,294	3,063	3,237	Due to increase in insurance service results
Net income attributable to owners of the Company	1,265	1,804	1,036	2,177	2,300	

1. Applied only for individual life

2. Insurance service results related to contracts measured under the premium allocation approach (excluding reinsurance results)

3. Total of investment results from financial assets, insurance finance income or expense and reinsurance finance income or expense

Breakdown of Insurance Service Results

Items	FY2024		FY2025
	(Ref.) Fiscal year	1 H	1H
Insurance revenue	30,081	14,297	16,767
Expected claims	11,170	5,447	5,957
Risk adjustment release	1,612	797	824
CSM release	7,440	3,699	3,845
Recovery of IACF	4,143	2,008	2,276
Others	(83)	(40)	(51)
Premium income of GCL ¹	5,797	2,385	3,913
Insurance service expenses	19,575	9,448	9,795
Incurred claims (Individual life)	10,978	5,421	5,285
Incurred claims (GCL)	4,221	1,937	2,109
Amortization of IACF	4,143	2,008	2,276
Others	231	81	123
Reinsurance results	(929)	(283)	(883)
Insurance service results	9,576	4,565	6,089

1. Insurance revenue related to contracts measured under the premium allocation approach

Breakdown of Financial Results

- Increase due to higher interest income from purchases of corporate bonds, and recovery from foreign exchange losses

(JPY millions)

Items	FY2024/1H	FY2025/1H	Change
Investment results	(9)	386	396
Interest income	467	596	129
Impairment losses on financial assets, net	(3)	(1)	2
Other investment income	(473)	(207)	265
Insurance finance income (expense)	(56)	(6)	49
Reinsurance finance income (expense)	9	8	(0)
Financial results	(57)	388	445

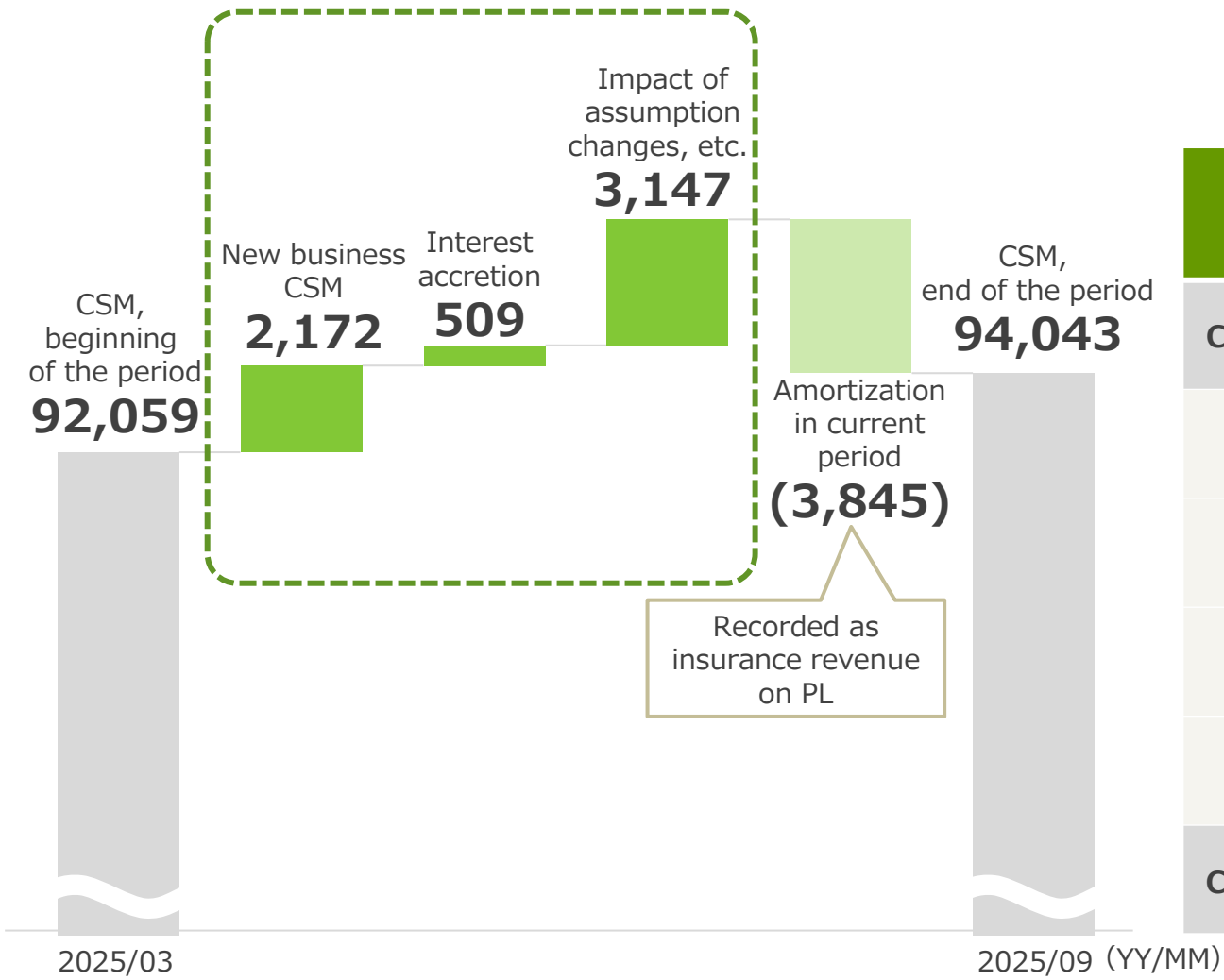
Detail of Bond Portfolio¹



As of September 30, 2025		(JPY millions)	
	Available-for-Sale	Held-to-Maturity	Total
JPY Bonds	15,778	38,961	54,740
Duration ²	4 years	6 years	5 years
Foreign Currency Bonds	13,675	—	13,675
Duration ²			4 years
Non-Currency Hedged	2,052	—	2,052
Currency Hedged	11,622	—	11,622

1. Based on J-GAAP balance sheet
2. Calculated by Lifenet

CSM Movement



(JPY millions)

Items	FY2024	FY2025/1H
CSM, beginning of the period	92,173	92,059
New business CSM	3,486	2,172
Interest accretion	952	509
Assumption changes, etc.	2,887	3,147
Amortization of CSM	(7,440)	(3,845)
CSM, end of the period	92,059	94,043

CSM Future Allocation

- Stable profits will be realized over long period from in-force CSM
- Aim for CSM release growth by adding CSM generated from future acquired new business

Future allocation of CSM

(JPY billions)

			Amount	Expected timing when CSM is recognized in PL					
				A+year 1	A+year 2	A+year 3	A+year 4	A+year 5	A+year 6 and more
Actual	In-force CSM	As of Sep. 2025 (A)	94.0	7.5	7.1	6.8	6.5	6.1	59.8
Fore-cast	New Business CSM (B)	A + year 1	XX	X	X	X	X	X	XX
		A + year 2	XX		X	X	X	X	XX
		A + year 3	XX			X	X	X	XX
		A + year 4	XX				X	X	XX
		A + year 5	XX					X	XX
	CSM release (A+B)			XX	XX	XX	XX	XX	XXX

Comprehensive Equity Sensitivity Analysis¹

■ Impacts of changes in assumptions (sensitivities)

	Changes in Comprehensive Equity (CE) as of Sep. 30, 2025		
	Changes in CE (JPY millions)	% changes	Of which changes in CSM ²
Comprehensive Equity as of Sep. 30, 2025	175,566	—	62,453
1.0% increase in risk-free rate ³	(8,631)	(4.9%)	—
1.0% decrease in risk-free rate ³	9,389	5.3%	—
0.5% increase in risk-free rate ³	(4,407)	(2.5%)	—
0.5% decrease in risk-free rate ³	4,588	2.6%	—
10% decrease in equity and real estate value and other	(459)	(0.3%)	—
10% decrease in operating expenses rate	6,214	3.5%	5,193
10% decrease in surrender and lapse rate	2,059	1.2%	1,770
5% decrease in claim incidence rates for life business	6,871	3.9%	6,876
10% decrease in non-renewal rate	6,103	3.5%	6,103

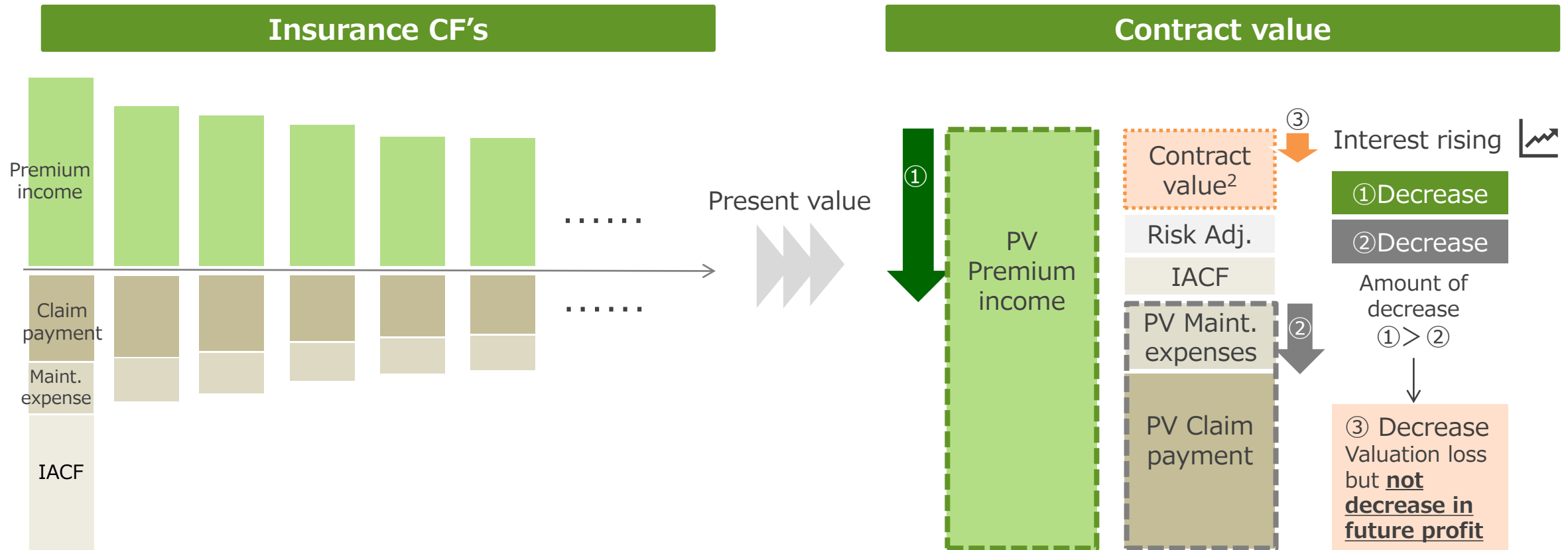
1. For each sensitivity, only one specific assumption is changed and other assumptions remain unchanged. It should be noted that the effect of the change of more than one assumption at a time is likely to be different from the sum of sensitivities carried out separately.

2. Aggregation of insurance contracts and reinsurance contracts with tax effect (28.9%) adjusted.

3. Impact of a parallel upward or downward shift for all duration in interest rates

Impact on CE by Rising Interest Rates

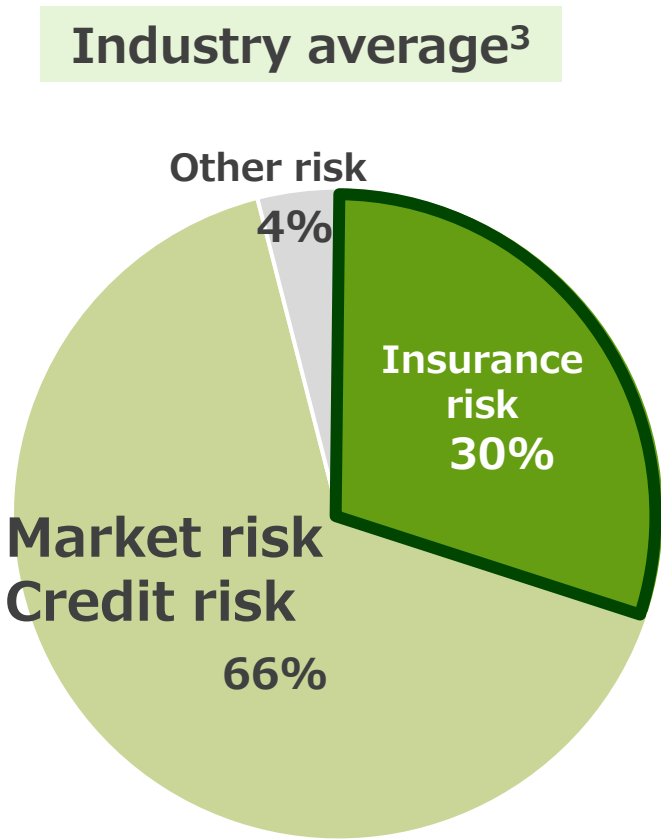
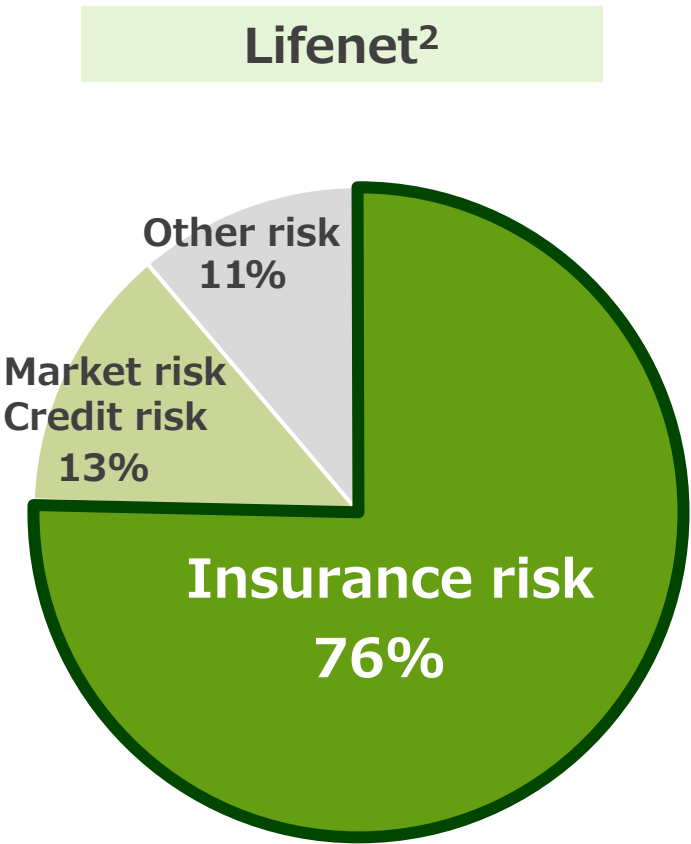
- Due to product characteristics, future revenue surpasses expenditures in insurance CF's, positive on CE as contract value
- CE would be decreased through valuation losses with rising interest rates but the impact would be limited¹



1. Impact of a parallel upward or downward shift for all duration in interest rates

2. Before tax adjustment

- Due to our focus on protection products, insurance risk constitutes majority of the risk profile



1. Ratio to the total risk before diversifying effect and tax effect

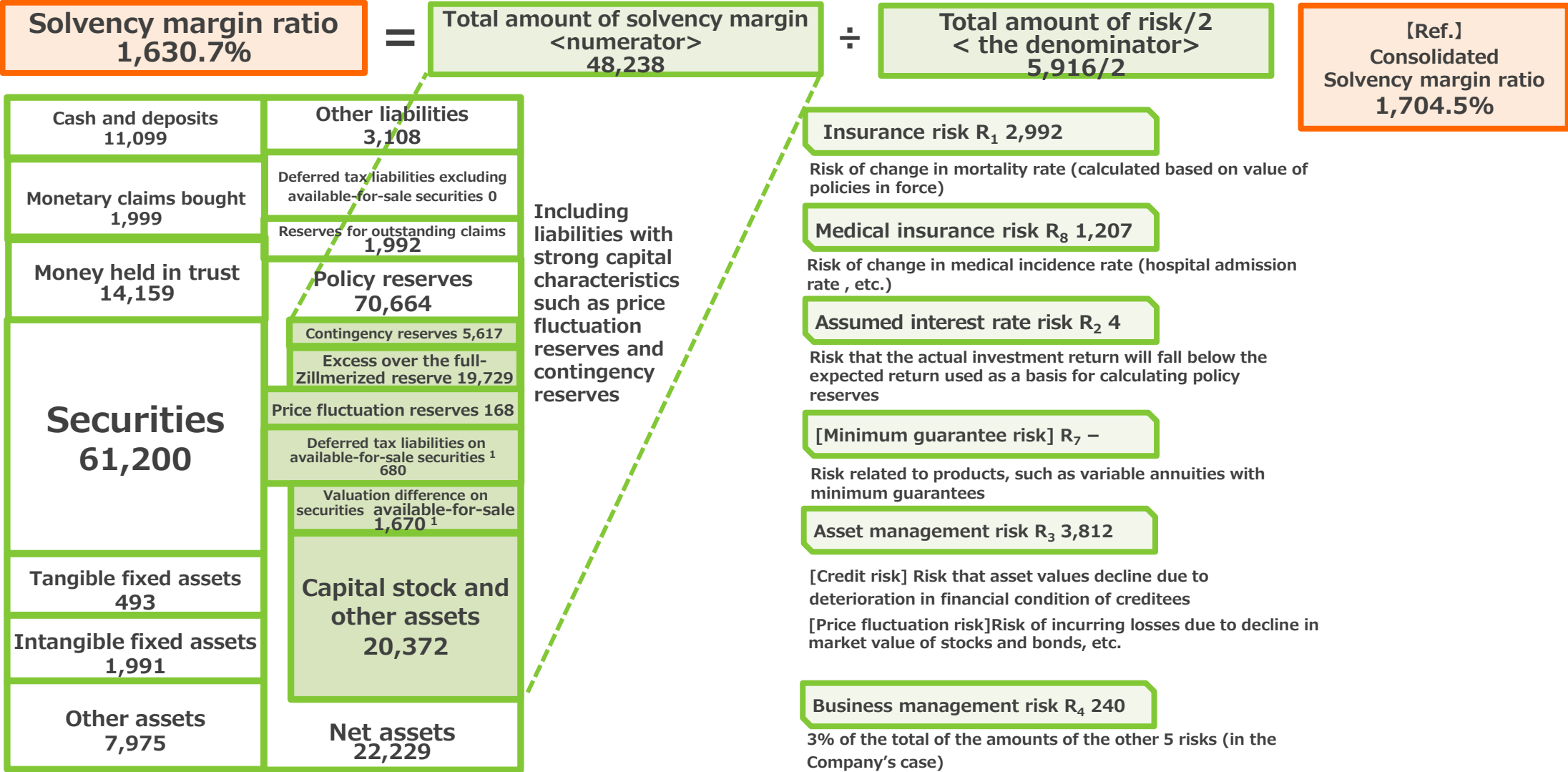
2. As of March 2025

3. FY2023 data of life insurance (Non-consolidated basis)









Source: Overview of the Results of the 2024 Field Test on Economic Value-based Evaluation and Supervisory Methods (Japan Financial Services Agency, June 2025)

As of September 30, 2025

$$\frac{\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4}{2}$$
(JPY millions)



- IFRS adoption better presents periodic performance and profitability from policies-in-force
- Capital adequacy and dividends are regulated by statutory accounting standards (J-GAAP)

	IFRS 17	Statutory Accounting (J-GAAP)	Comprehensive Equity (CE)
Important perspective	Recognition of revenue based on the retention of in-force business	Financial soundness for policyholder protection	Economic value of insurance policies including future profit
Timing of profit recognition	<p>The expected profit is allocated <u>over the term of the policy</u>.</p> <p>Year1 Year2 Year3 Year4 </p> <p>profit    </p>	<p><u>Acquisition expense is recognized at the time of acquisition.</u></p> <p>Year1 Year2 Year3 Year4 </p> <p>    </p>	<p>The expected profit for the policy period is <u>immediately</u> recognized.</p> <p>Year1</p> <p> present value of profit</p>

Summary J-GAAP P/L & B/S

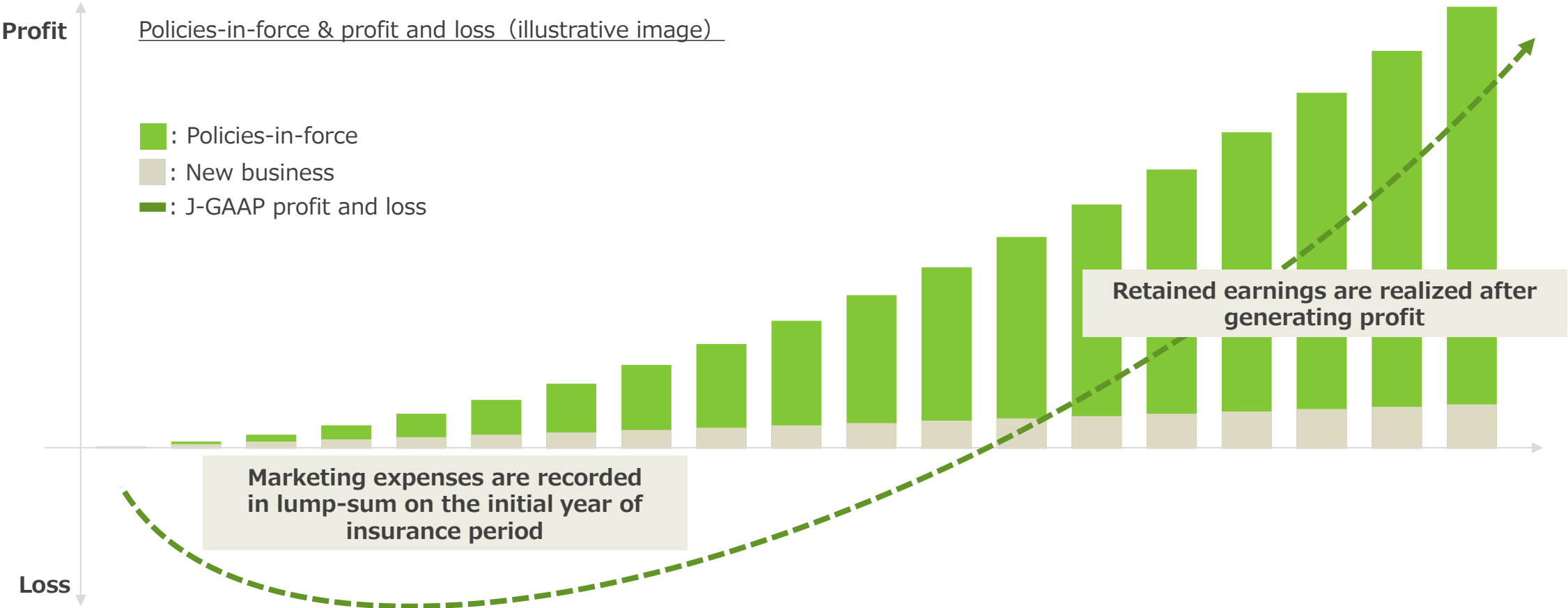
- Strengthen modified co-insurance in FY2025 to mitigate the decline in capital and aim to improve the financial condition

(JPY millions)

Items	FY2024	FY2024/1H	FY2025/1H
Ordinary income	41,994	20,291	25,558
Insurance premiums and other	41,438	19,942	24,924
Ordinary expenses	45,022	22,074	23,158
Insurance claims and other	20,569	10,079	11,667
Provision for policy reserves and other	8,551	4,131	3,860
Operating expenses	13,296	6,278	6,641
Ordinary profit (loss)	(3,027)	(1,782)	2,400
Net income (loss)	(3,052)	(1,793)	1,717

Items	FY2024	FY2025/1H
Total assets	89,866	98,920
Cash and deposits	16,044	11,099
Money held in trust	13,202	14,159
Securities	52,045	61,200
Total liabilities	71,796	76,690
Policy reserves and other	69,020	72,657
Total net assets	18,069	22,229
Retained earnings	(34,696)	(32,978)

■ Aim for the increase in total shareholder return **by capital gain**¹



1. Lifenet has yet to determine its specific dividend policies and dates for the start of distributing retained earnings, as we prioritize strengthening our growth base to increase mid to long term profitability.