

Question and Answer Summary at 1Q Financial Results Briefing
for the Fiscal Year Ending March 2027

August 12, 2026

LIFENET INSURANCE COMPANY

This document provides a summary of the Q&A session held during the financial results briefing on the first quarter of fiscal 2026 ending March 2027.

<Presenters>

Junpei Yokozawa	President and Representative Director
Takeshi Kawasaki	Director, Executive Vice President, CFO
Kota Matsubara	Head of Accounting and Actuarial Department

Question: Incurred claims and benefits have significantly exceeded expectations. You mentioned this is within the range of incidental occurrences for a single quarter, but were there impacts such as payments for large-coverage policies or changes in the product mix?

Kawasaki: Claim payments in the first quarter of the previous fiscal year were favorable, but they have increased in the first quarter of this fiscal year. We are conducting a factor analysis, but there was no skew toward products with large coverage amounts or special payments based on specific attributes. This is within the range of quarter-to-quarter fluctuations.

Question: Regarding the insurance acquisition cash flows efficiency on [page 31 of the presentation material](#), please explain the background behind the increase in the insurance acquisition cash flows per new business compared to the previous quarter (the fourth quarter of fiscal 2025). Considering that the first quarter of the previous fiscal year was also relatively high, is this due to seasonal factors?

Yokozawa: As you recognized, while the fourth quarter is a strong period in terms of both quantity and quality, we recognize the increase in the first quarter is due to seasonal factors. Since it has improved year-on-year, we intend to continue our efforts while closely monitoring both the volume and efficiency of new business acquisition.

Question: Regarding the alliance with Japan Airlines Co., Ltd. (hereinafter "JAL"), when do you expect to start selling insurance products with miles? Also, what are your expectations for the economics and financial impacts related to granting miles?

Yokozawa: We are currently discussing products and services with JAL targeting their highly engaged customers, and specific product details have not yet been decided. Both companies will work together to announce this as early as possible.

Question: Regarding the number of new business for individual life insurance on [page 29 of the presentation material](#), although it has increased year-on-year, it decreased quarter-on-quarter, and the recent performance in July shows a slowing trend. It gives the impression that momentum has somewhat weakened. How do you evaluate this? Do you recognize any fluctuations by channel or product?

Yokozawa: In the first quarter of this fiscal year, although new business acquisition from web agents was slightly sluggish, both the direct business and partner business contributed to the acquisition of new business. We believe the factors for the July performance are primarily due to the impact of short-term media market conditions, as well as the steady emergence of changes in customer behavior driven by the spread of AI search. Going forward, we believe that adapting to customer purchasing behavior predicated on AI will become our future competitive advantage, and we aim to catch up early.

Question: Regarding the acquisition of new business for individual life insurance from web agents, is a specific agent affecting this? Also, does Lifenet have any countermeasures against the spread of AI search?

Yokozawa: We recognize that web agents overall are being affected. With the spread of "AI modes" and the like, customers can gather information without going through comparison sites, and it is possible that AI is causing significant changes to the customer journey. Therefore, it is important, for example, to properly train AI through high external evaluations from third parties and provide products and services that are recommended within AI responses. In addition, through initiatives in the priority area of "Tech & Services," we want to strengthen our branding and create a situation where customers search directly for "Lifenet" and choose us.

Question: Regarding group credit life insurance, following the collaboration with THE KYOTO SHINKIN BANK that started in July, on what timeline do you plan to expand alliances with new partners in the future?

Yokozawa: During the period of the mid-term business plan up to fiscal 2028, we are actively conducting sales activities with the aim of forming alliances with about two additional banks.

Question: Do you feel threatened by PayPay Corporation's full-scale entry into the life insurance business? How do you view a player with a massive customer base entering the market by acquiring a life insurance company at a valuation exceeding Lifenet's current market capitalization? Also, is there a risk that this entry will cause restrictions or inconveniences in Lifenet's alliances with partner companies?

Yokozawa: We recognize that the acquisition price was set at a level of PEV multiple of 1x, which served as an example reaffirming the validity of our policy to aim for a PCE multiple of 1x or more. We will continue our efforts to ensure our corporate value is appropriately evaluated. While PayPay Corporation's entry could be a threat to our business, we also view them as a partner in jointly pioneering the online life insurance market. We intend to closely monitor their trends and draw insights from their approach for our service rollout in partner business channels, such as with KDDI CORPORATION and Sumitomo Mitsui Card Company, Limited, while aiming to expand the online life insurance market together. Furthermore, at this point, we recognize that there are absolutely no concerns regarding our initiatives with partner companies due to this entry.

Question: With the entry of competing life insurers into the online channel, I feel that Lifenet's competitive advantage of "simple products and affordable premiums" is fading. Moving forward, what strengths will you leverage to build your growth story for individual life insurance?

Yokozawa: We are aware of the issue that price competition has intensified due to the entry of competitors, and our traditional strengths have relatively weakened. Therefore, it is necessary to provide products that go beyond mere price appeal. Moreover, we must create innovative services unique to online life insurance ourselves. As a concept, we envision fully automated life insurance combining Individual Number (My Number) information and AI. For example, at the time of application, we aim to utilize My Number information to realize simpler and more convenient procedures. At the time of claiming insurance benefits, rather than having the policyholder actively make a claim, we aim to build a system where we proactively

check for unfiled claims and promptly pay the benefits. We believe this kind of insurance experience will be a clear differentiating factor not found in existing life insurers. By providing such unique value, we aim to be chosen by customers and AI.

In both the direct and partner business channels, the room for cultivating individual life insurance remains extremely large. We are not satisfied with our current market share, and just as other online financial transactions such as banking and securities have expanded, the trend of the option to "buy insurance online" becoming the standard in purchasing behavior is a major tailwind. On the other hand, since the online market tends to consolidate around specific strong players, we will accelerate our initiatives to ensure that while promoting the expansion of the overall market pie, we remain a leading major player at the forefront.

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