

November 12, 2019  
 Ryosuke Mori, President  
 LIFENET INSURANCE COMPANY  
 (Securities Code: 7157, TSE Mothers)

**Revision of Business Forecast  
 for Fiscal 2019 Ending March 31, 2020**  
**Aim to succeed record of new business in two consecutive years**

TOKYO, November 12, 2019 - LIFENET INSURANCE COMPANY (TSE Mothers 7157, President Ryosuke Mori, URL: <https://ir.lifenet-seimei.co.jp/en/>) announces a revision of its business forecast for fiscal 2019 ended March 31, 2020, which was announced on May 13, 2019.

**1. Business Forecast for Fiscal 2019**

(In millions of yen)

	Ordinary income	Ordinary profit (loss)	Net income (loss)
Previous forecast (A)	16,200	(2,000)	(2,000)
<b>Revised forecast (B)</b>	<b>16,500</b>	<b>(2,500)</b>	<b>(2,500)</b>
Difference (B) – (A)	300	(500)	(500)
Change (%)	1.9%	–	–
(Ref.) Business results for FY2018	12,560	(1,719)	(1,735)

Note: The above business forecast for fiscal 2019 includes the financial impact of modified co-insurance introduced from fiscal 2019. Additional information is on the next page.

(Reference)

(In millions of yen)

	Previous forecast (May 13, 2019)	<b>Revised forecast (Nov. 12, 2019)</b>	(Ref.) Business results for FY2018
Annualized premium <sup>1</sup> of new business	3,000	<b>3,300</b>	2,773

**2. Reasons for Revision**

Lifenet's efforts to further increase our business performance through the pursuit of the two priority areas stated in the management policy – the innovation of customer experience and enhancement of promotion capabilities – continues in fiscal 2019. Lifenet has made regular improvements to the websites, especially the smartphone site, and continues to actively invest in marketing and promotional activities with the purpose of increasing traffic to our website. As a result, Lifenet's business performance has been stronger than initially forecasted at the beginning of the fiscal year, and determines that the steady investment in marketing costs will contribute to the further growth of the company and increase in brand recognition, thus leading

to the revision of the business forecast for fiscal 2019 ending March 31, 2020.

Subsequently, the revised forecast for annualized premium of new business will be 3,300 million yen from the forecasted 3,000 million yen at the beginning of this fiscal year as Lifenet aims to succeed the record of new business in two consecutive years.

It should be noted that the current profit and loss statement by statutory accounting recognizes spending to gain new business as expenses for the current year and tabulates them as a lump sum in the first year of the policy. However, the insurance premiums that bring in revenue will be collected and booked in our accounting procedures over the long term.

Therefore, as an insurer with a comparatively small number of policies-in-force and a relatively small amount of insurance premium revenues, the amount of growth in new policy business will trend toward a negative impact on profitability over the short-term and will have a limited effect on ordinary income, while expenses will rise. Accordingly, ordinary loss and net loss are expected to be lower than original forecast at the beginning of this fiscal year.

We are participating in reinsurance transactions from fiscal 2019 by modified co-insurance on part of new business to achieve strong growth continuously. By utilizing reinsurance appropriately, we will ease the temporary burden imposed on statutory capital by expenses associated with new business and maintain fiscal soundness.

We expect the impact of reinsurance on fiscal 2019 results forecasts to increase ordinary income by around 2,000 million yen, ordinary profit by around 1,400 million yen and net income by around 1,400 million yen.

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.

Note: The financial results forecasts for fiscal 2019 and other figures mentioned above are based on the information available as of the date of this release and certain assumptions deemed rational. The actual results to be disclosed in the future may differ from the forecasted figures due to various factors.

**About LIFENET** URL: <https://ir.lifenet-seimei.co.jp/en/>

Remembering the original purpose of life insurance - mutual support - LIFENET INSURANCE COMPANY was founded with the goal of offering simple, convenient and competitively priced products and services based on the highest levels of business integrity. We sell these products and services directly to customers over the Internet. We aim to be the leading company driving the growth of the online life insurance market.

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