

Securities Code:7157
TSE Mothers



LIFENET

LIFENET INSURANCE COMPANY

Reference Data
for
First Quarter
Fiscal 2013

LIFENET INSURANCE COMPANY

August 9, 2013

Overview of First Quarter Results

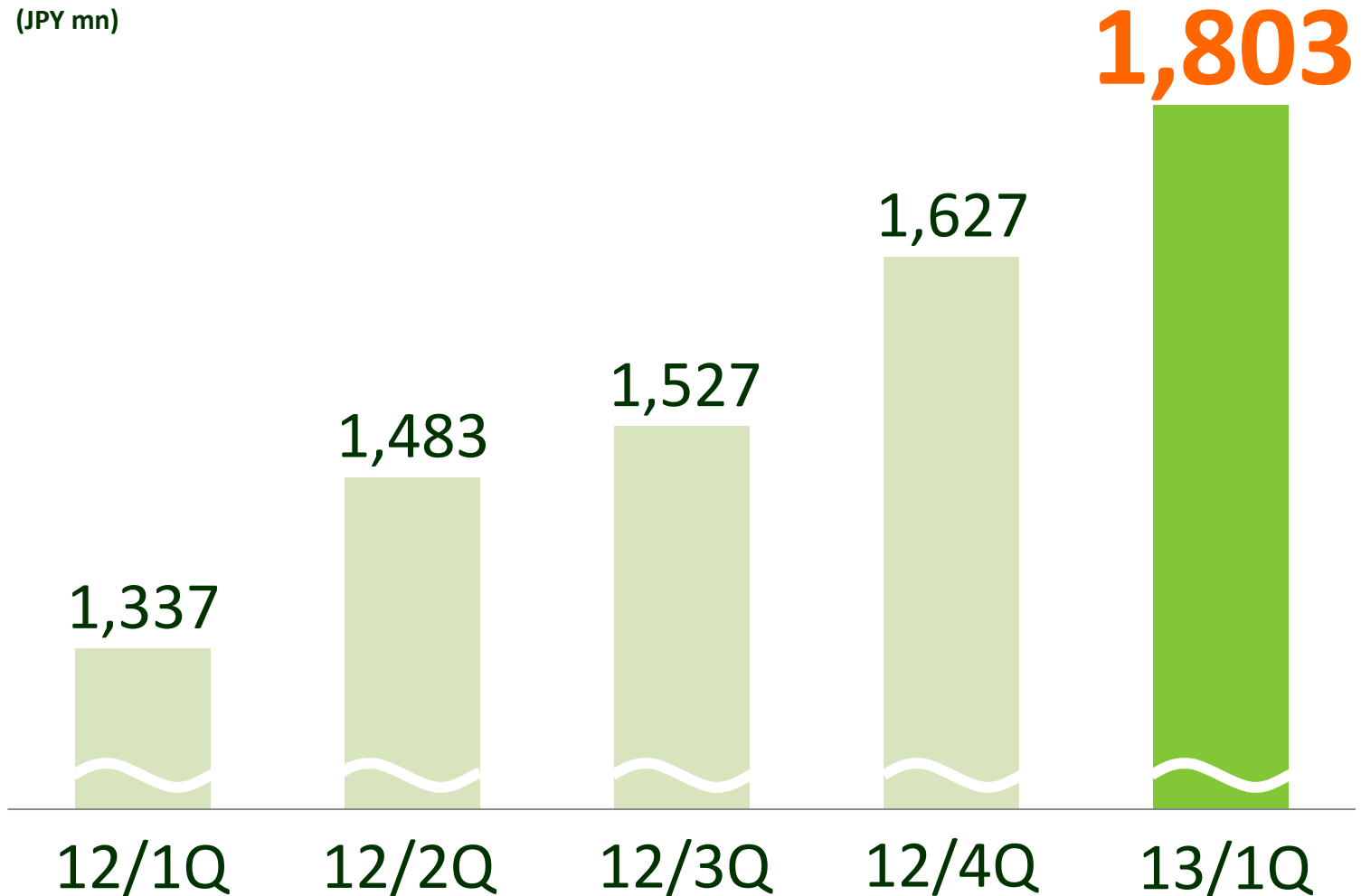


- Increase in Ordinary Income
- Decline in New Business
- Improved Operating Expenses
- Amortization of Deferred Assets
- Steadily Recording Mortality Margin
- Remaining Positive Cash Flows from Operating Activities

Ordinary Income (Quarterly)

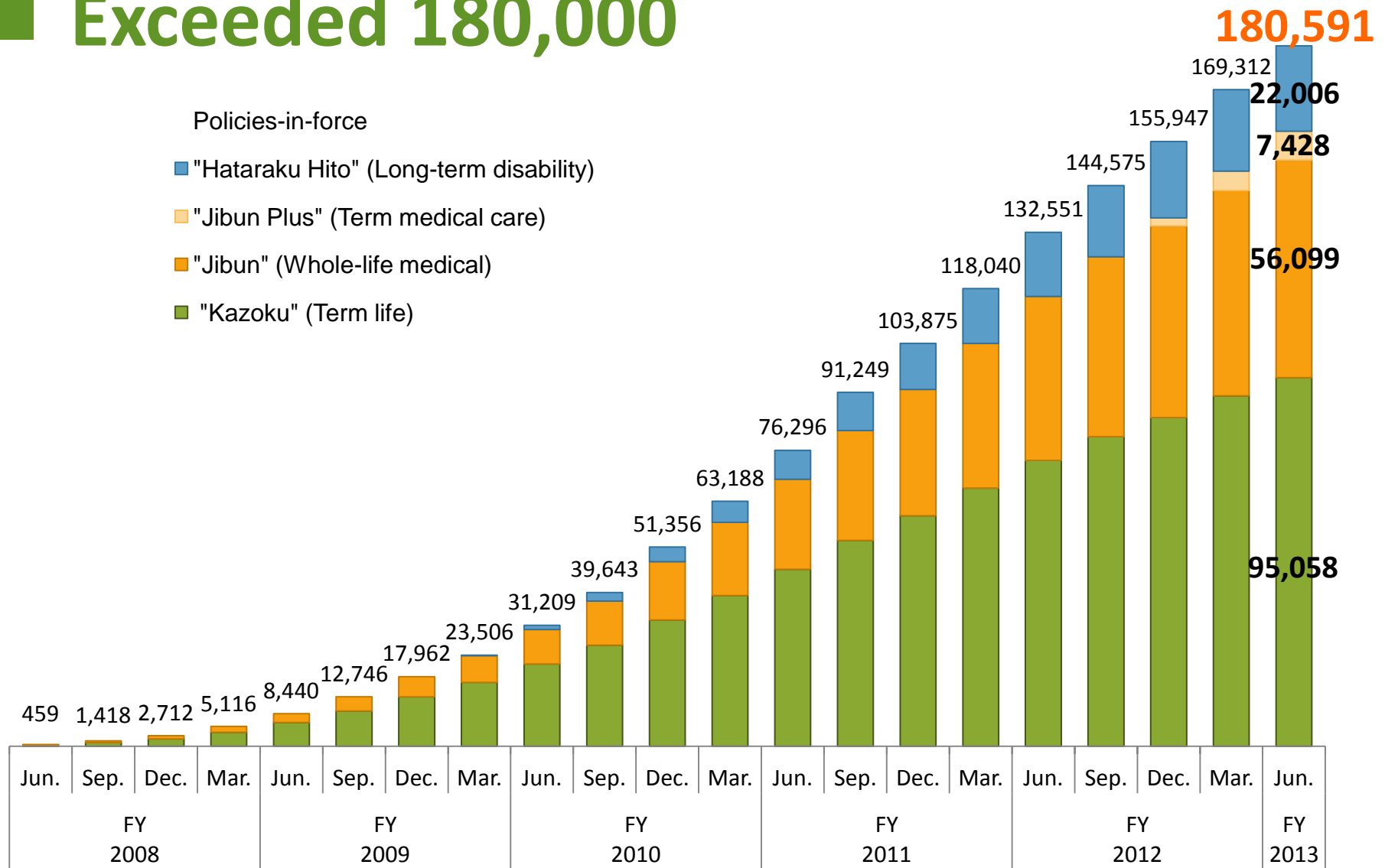
■ Increased 35% from 1Q FY2012

(JPY mn)



Number of Policies-in-Force (Quarterly)

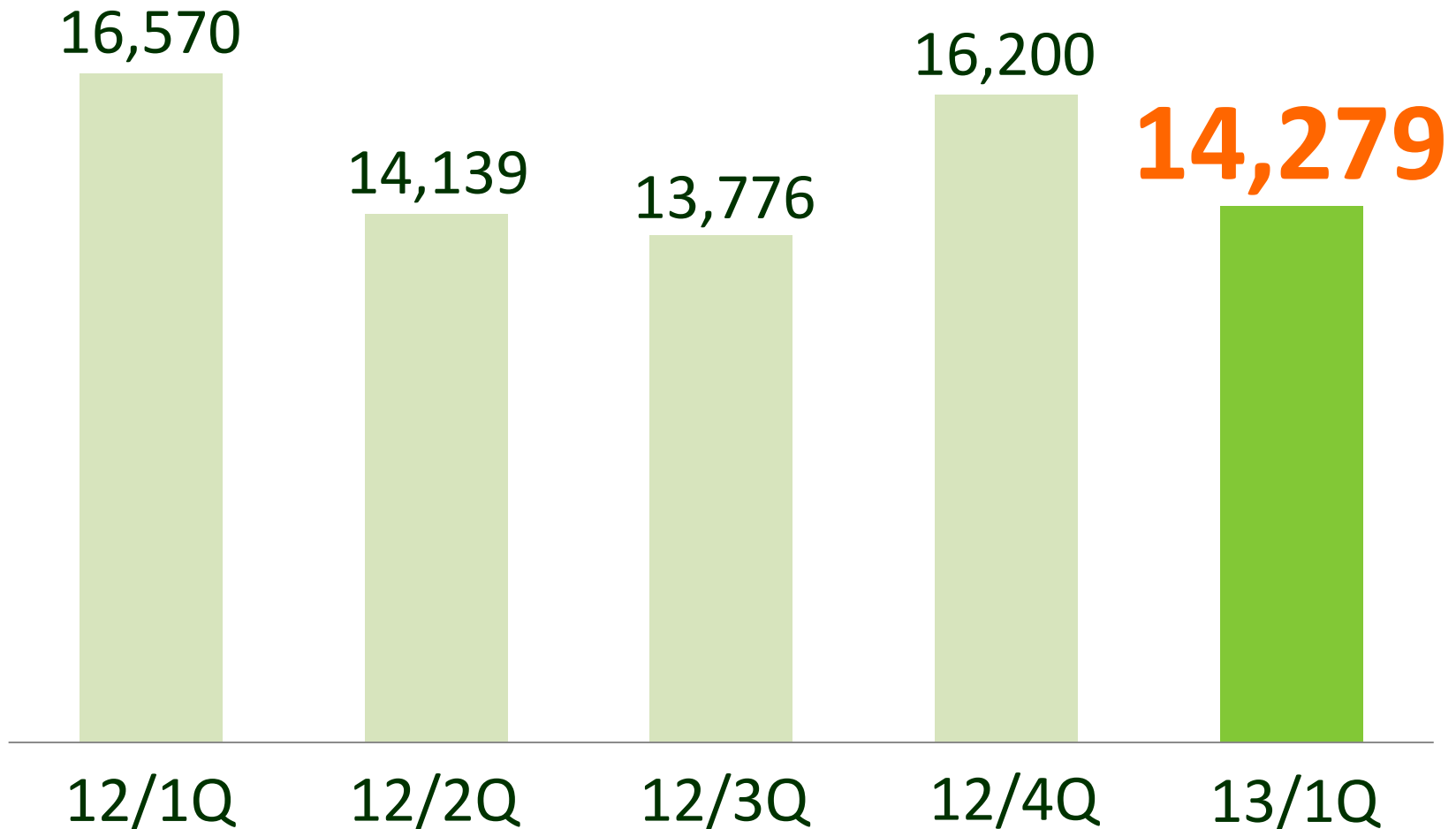
Exceeded 180,000



Number of New Business (Quarterly)



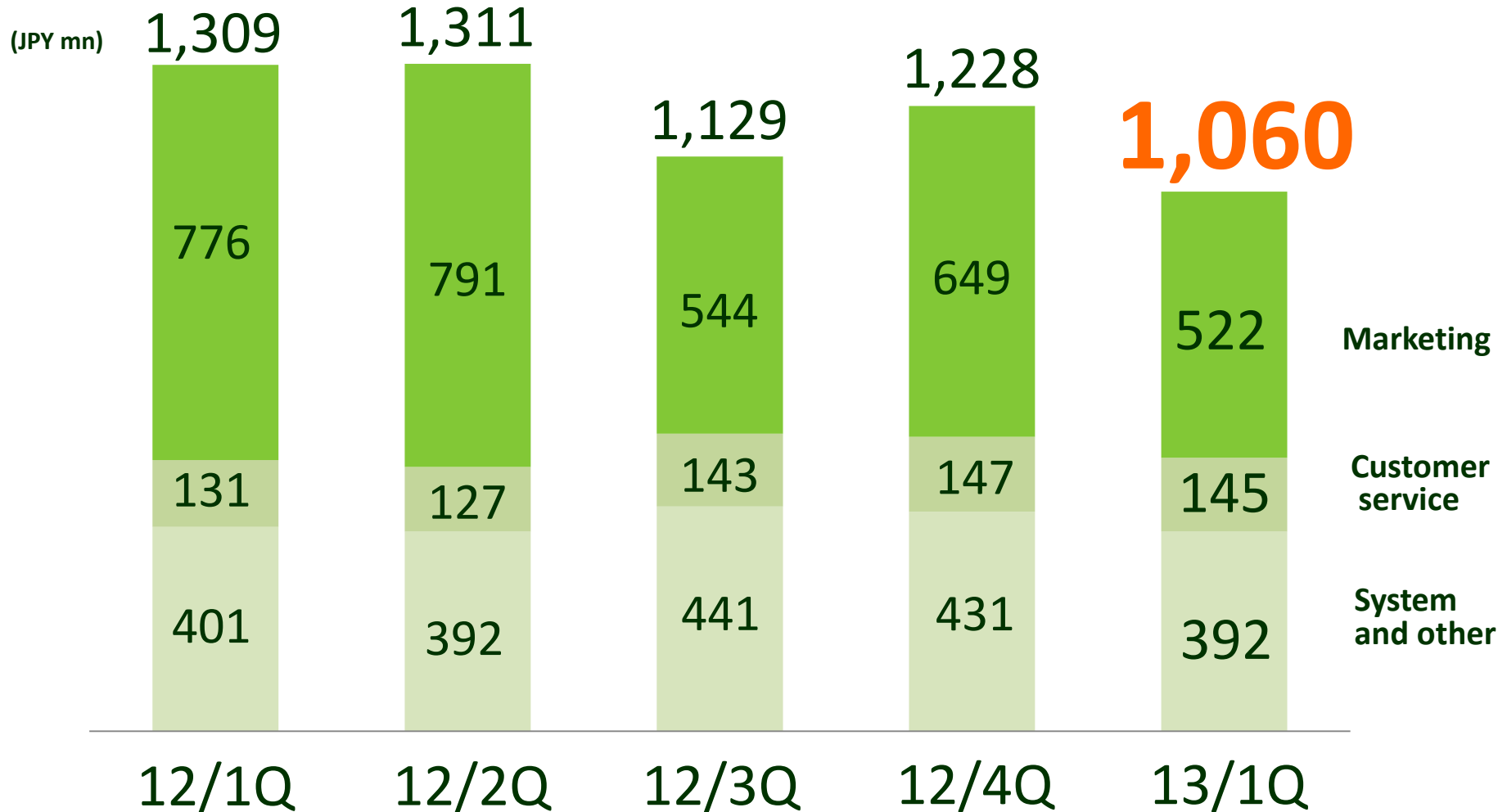
■ Decreased 12% from 4Q FY 2012



Operating Expenses (Quarterly)



■ Improved Operating Expenses

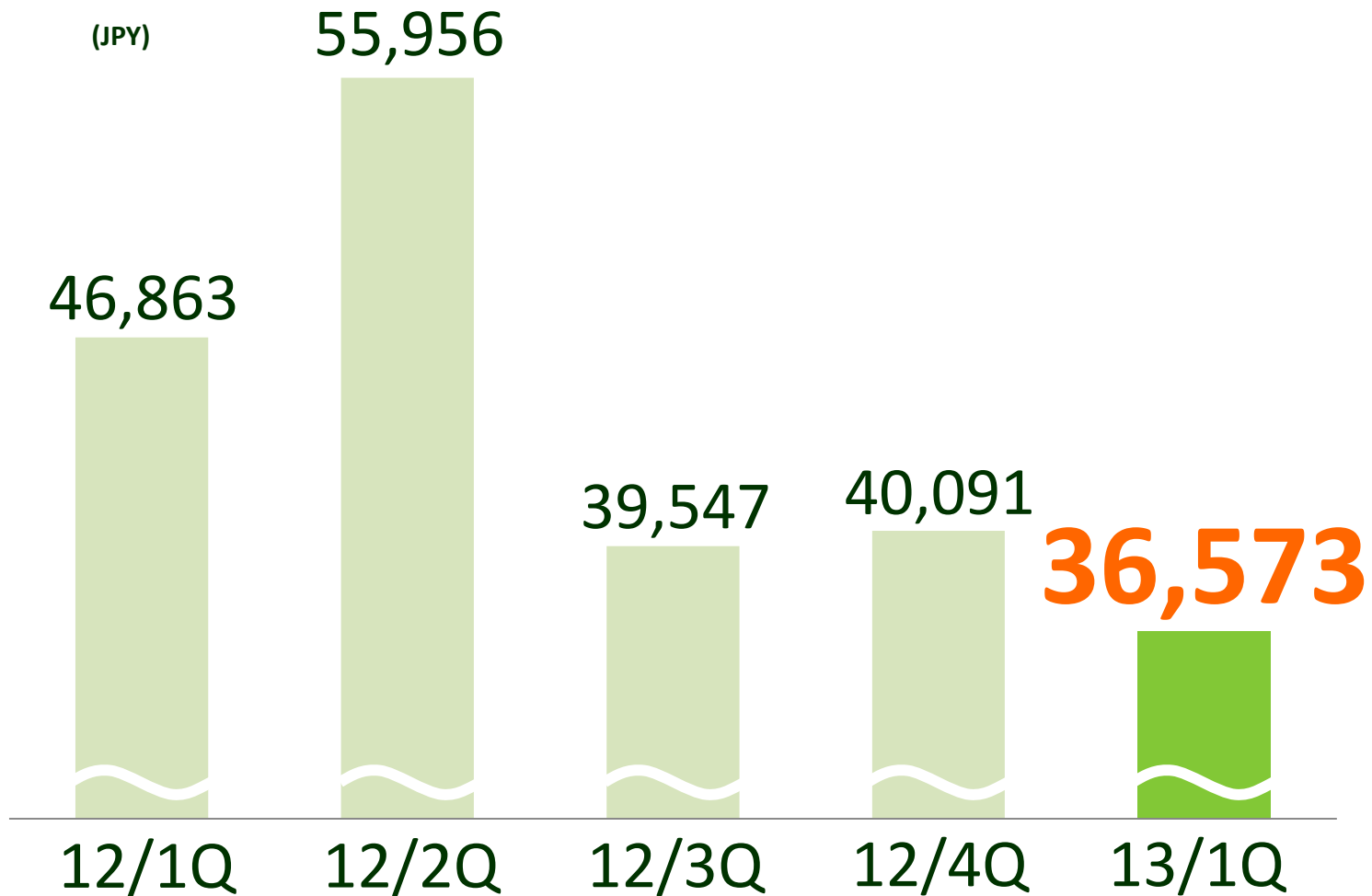


1. Lifenet has reclassified the figures of operating expenses in Customer Services (137 mn→147 mn) and System and Other (442 mn→431mn) of 12/4Q

Marketing Expenses per New Business (Quarterly)



■ Improved to mid 30,000 yen



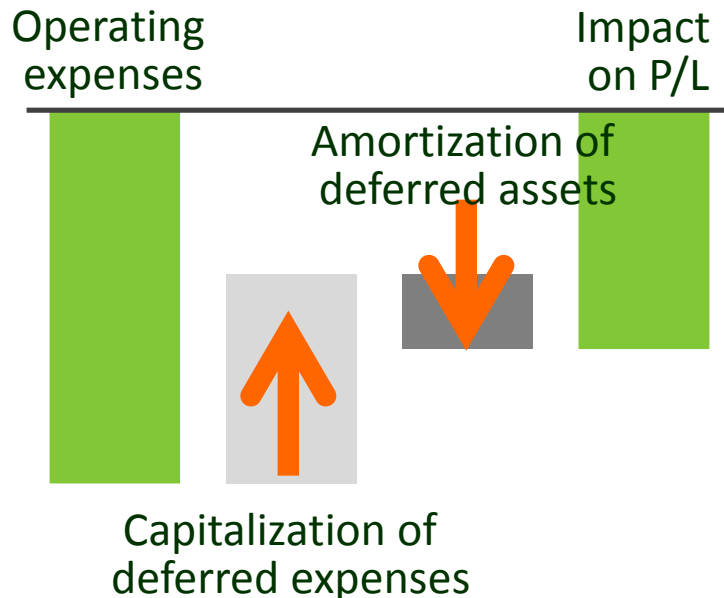
Deferred Assets under Article 113 of the IBA¹

- Insurance companies are allowed to capitalize deferred expenses under Article 113 of the IBA¹ for the first 5 years after business commencement (until FY2012)

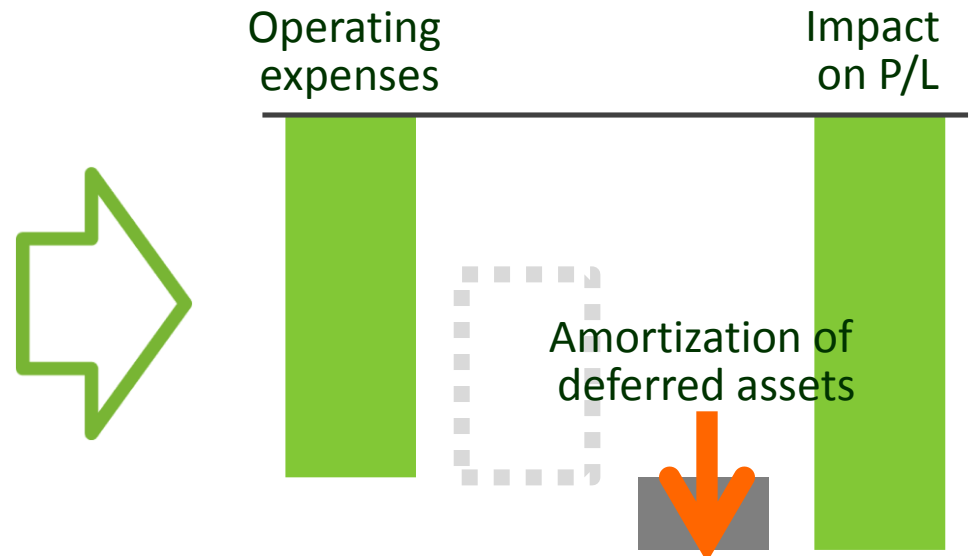
Illustrative image of impact on P/L

(Relationship between operating expenses and deferred assets)

Until FY2012



From FY2013 to FY2017



Note: Due to IBA¹, Lifenet is not allowed to pay dividend until FY2017 because it is expected to amortize of deferred assets of JPY 1,060 million yen every fiscal year.

1. IBA: Insurance Business Act

Ordinary Profit / Loss (Quarterly)

- More Ordinary Loss due to amortization cost of deferred assets, less Ordinary Loss before deferred expenses and amortization due to control operating expenses

(JPY mn)

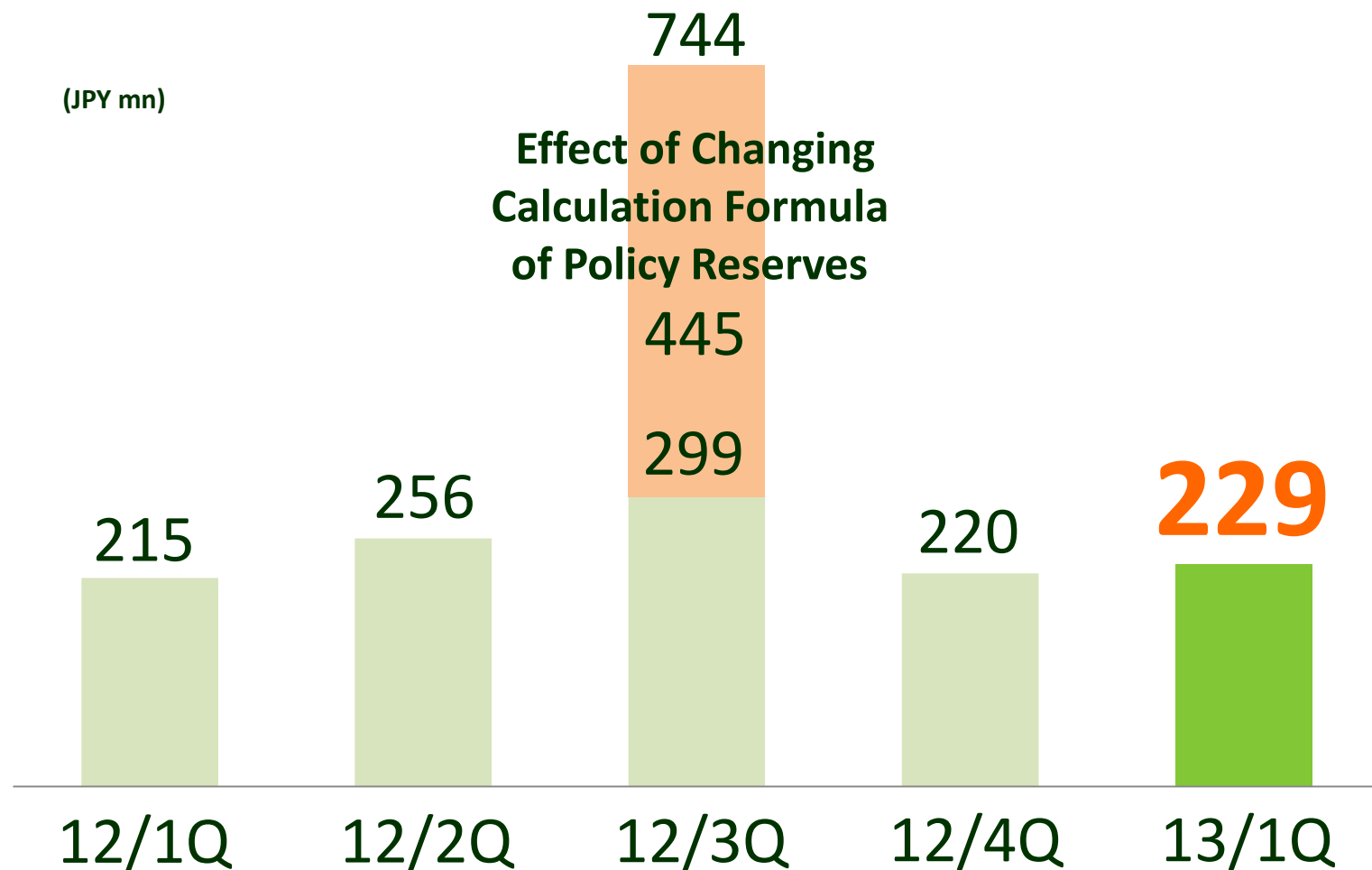
	12/1Q	12/2Q	12/3Q ¹	12/4Q	13/1Q
Ordinary loss before deferred expenses and amortization	(646)	(546)	(353)	(563)	(356)
Deferred expenses	760	775	533	631	-
Amortization cost	(184)	(227)	(271)	(377)	(265)
Ordinary profit (loss)	(69)	1	(91)	(308)	(622)

1. Excluding the effect of changing calculation formula of policy reserves on provision, 445 million yen.

Mortality Margin (Quarterly)



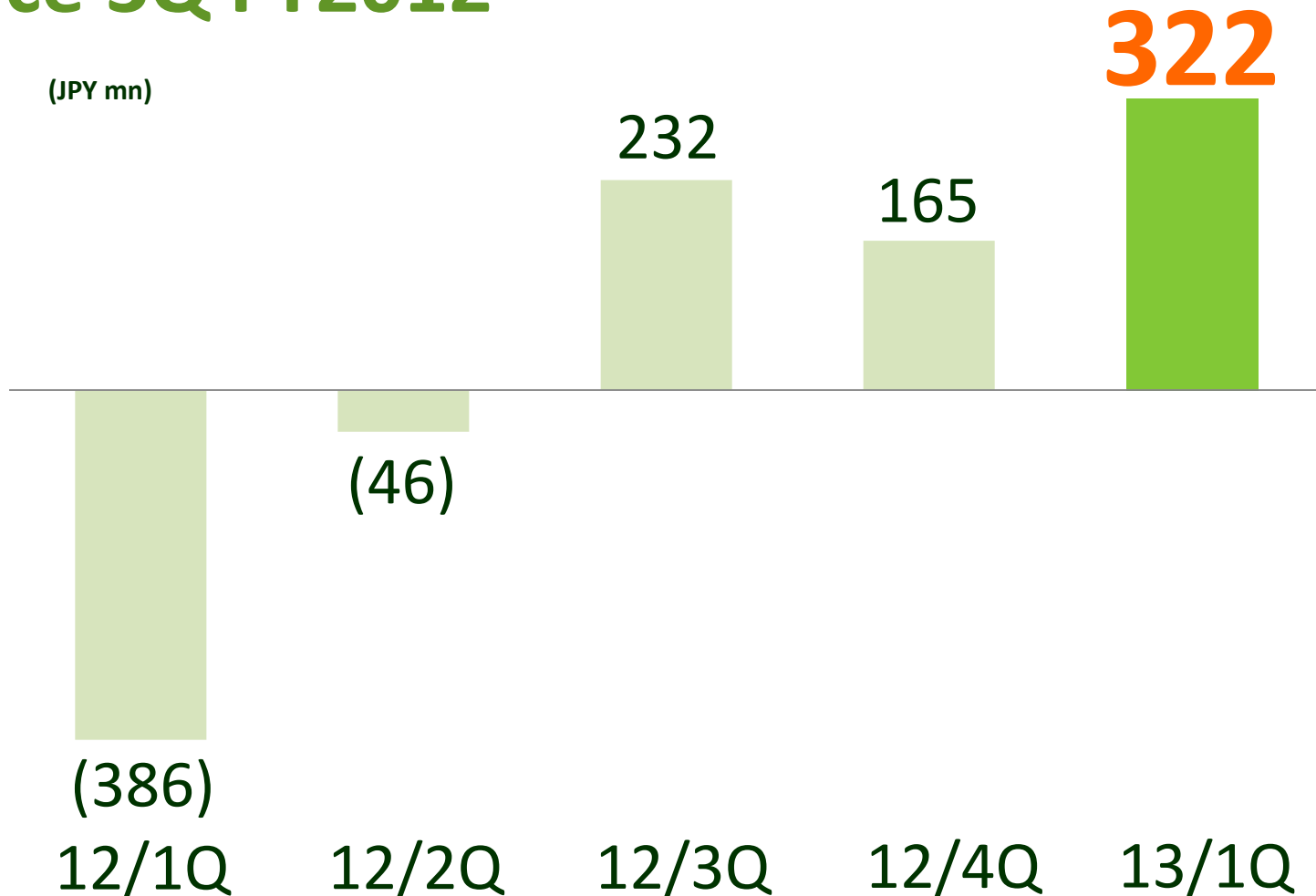
Steadily Recording Mortality Margin



Cash Flows from Operating Activities (Quarterly)



■ Continuously Recording Positive Cash Flows Since 3Q FY2012



Started New TV Commercial from August 1

■ First Commercial Using Public Figures





LIFENET

LIFENET INSURANCE COMPANY

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