



[Unofficial Translation]

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President and Representative Director  
Dai-ichi Life Holdings, Inc.  
Code: 8750 (TSE Prime section)

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**Supplementary Materials for the Fiscal Year Ended March 31, 2023**  
**(The Neo First Life Insurance Company, Limited)**

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## Financial Results for the Fiscal Year Ended March 31, 2023

The Neo First Life Insurance Company, Limited (the “Company”; President: Yuji Tokuoka) announces its financial results for the fiscal year ended March 31, 2023.

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\* Please note that this is an unofficial translation of the original disclosure in Japanese.

# 1. Business Highlights

## (1) Annualized Net Premiums

Policies in Force		(millions of yen except percentages)			
		As of March 31, 2022		As of March 31, 2023	
		% of March 31, 2021 total		% of March 31, 2022 total	
Individual insurance	139,008	98.9	124,809	89.8	
Individual annuities	20	145.0	29	142.3	
Total	139,028	98.9	124,839	89.8	
Medical and survival benefits	36,448	135.6	42,678	117.1	

New Policies		(millions of yen except percentages)			
		Year ended March 31, 2022		Year ended March 31, 2023	
		% of March 31, 2021 total		% of March 31, 2022 total	
Individual insurance	14,246	117.8	12,034	84.5	
Individual annuities	—	—	—	—	
Total	14,246	117.8	12,034	84.5	
Medical and survival benefits	11,726	122.3	9,069	77.3	

Notes: 1. Annualized net premiums are calculated by using multipliers for various premium payment terms to the premium per payment.

2. Annualized net premium for medical and survival benefits includes (a) premiums related to medical benefits such as hospitalization and surgery benefits, (b) premiums related to survival benefits such as specific illness, and (c) premiums related to premium waiver benefits.

(2) Sum Insured of Policies in Force and New Policies

Policies in Force

	As of March 31, 2022				As of March 31, 2023			
	Number of policies (thousands)		Amount (billions of yen)		Number of policies (thousands)		Amount (billions of yen)	
		% of March 31, 2021 total		% of March 31, 2021 total		% of March 31, 2022 total		% of March 31, 2022 total
Individual insurance	625	129.6	1,629.7	112.4	744	119.0	1,783.1	109.4
Individual annuities	0	150.0	0.3	150.4	0	144.4	0.4	132.9
Group insurance	—	—	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—	—	—

Note: The amount of individual annuities shows policy reserves for policies after the commencement of annuities.

New Policies

	Year ended March 31, 2022						Year ended March 31, 2023					
	Number of policies (thousands)		Amount (billions of yen)				Number of policies (thousands)		Amount (billions of yen)			
		% of March 31, 2021 total	% of March 31, 2021 total	New Business	Net increase by conversions		% of March 31, 2022 total	% of March 31, 2022 total	New Business	Net increase by conversions		
Individual insurance	175	117.1	244.2	97.4	244.2	—	162	92.6	210.7	86.3	210.7	—
Individual annuities	—	—	—	—	—	—	—	—	—	—	—	—
Group insurance	—	—	—	—	—	—	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—	—	—	—	—	—	—

(3) Profit and Loss Items

(millions of yen except percentages)

	Year ended March 31, 2022		Year ended March 31, 2023	
		% of March 31, 2021 total		% of March 31, 2022 total
Premium and other income	191,371	120.0	232,333	121.4
Investment income	412	155.7	540	130.9
Benefits and claims	95,453	179.0	201,707	211.3
Investment expenses	4	37.2	12	262.5
Ordinary profit (loss)	(8,094)	57.3	24,730	—

(4) Total Assets

(millions of yen except percentages)

	As of March 31, 2022		As of March 31, 2023	
		% of March 31, 2021 total		% of March 31, 2022 total
Total assets	415,192	117.7	410,304	98.8

## 2. Policies in Force as of March 31, 2023 by Benefit

(thousands, millions of yen)

		Individual insurance		Individual annuities		Group insurance		Total	
		Number of policies	Amount	Number of policies	Amount	Number of policies	Amount	Number of policies	Amount
Death benefits	General	596	1,783,174	—	—	—	—	596	1,783,174
	Accidental	23	2,296,745	—	—	—	—	23	2,296,745
	Others	—	—	—	—	—	—	—	—
Survival benefits		0	46	0	464	—	—	0	510
Hospitalization benefits	Accidental	819	4,349	—	—	—	—	819	4,349
	Illness	819	4,349	—	—	—	—	819	4,349
	Others	386	6,229	—	—	—	—	386	6,229
Injury benefits		—	—	—	—	—	—	—	—
Surgery benefits		981	—	—	—	—	—	981	—
Disability benefits		4	715	—	—	—	—	4	715
Others		485	246,812	—	—	—	—	485	246,812

Notes: 1. For individual annuities, amounts in “Survival benefits” show policy reserves after the commencement of payment of annuities.

2. Amounts in “Hospitalization benefits” show the amount of hospitalization benefit to be paid per day.

3. Amounts in “Disability benefits” show the amount of disability benefits paid per month

4. Amounts in “Others” show the amount of the diagnosis benefits of the cancer medical treatment rider, etc.

## 3. Policyholder Dividends based on Financial Results for the Fiscal Year Ended March 31, 2023

As the Company deals only with nonparticipating individual insurance, there is no applicable item.

## 4. Investment of General Account Assets for the Fiscal Year Ended March 31, 2023

### (1) Investment of Assets for the Fiscal Year Ended March 31, 2023

#### (i) Operational environment

In FY2022, While the recovery from the Novel COVID-19 crisis continued, the pace of recovery remained moderate due to the effects by soaring global energy and food prices and global economic slowdown. Overseas economies slowed significantly as central banks accelerated monetary tightening due to drastic global inflation. Towards the end of the fiscal year, financial instability expanded globally; it changes in the financial market environment, such as rapidly rising interest rates, caused bankruptcies and business instability in the banking sector in the United States and Europe.

Amid these economic conditions, the operational environment was as follows.

#### <Domestic interest rates>

The yield on 10-year JGBs rose as the Bank of Japan (BOJ) announced to target the fluctuation range of its yield curve control (YCC) from "about  $\pm 0.25\%$ " to "about  $\pm 0.5\%$ ". On the other hand, since the beginning of the year, JGB yields declined as financial instability in the US and Europe spread, driven by significant monetary tightening by central banks abroad.

Yield on ten-year government bonds:	April 1, 2022	0.210%
	March 31, 2023	0.320%

#### <Domestic stocks>

The Nikkei 225 Stock Average held firm on the back of the economic recovery following the COVID-19 and expectations of improved performance by exporters due to the weak yen.

Nikkei 225 Stock Average:	April 1, 2022	27,821
	March 31, 2023	28,041
TOPIX:	April 1, 2022	1,946
	March 31, 2023	2,003

#### <Currency>

In the case of the JPY/USD exchange rate, the yen depreciated rapidly as the gap between Japanese and US interest rates widened against the backdrop of monetary tightening by the Federal Reserve. In the second half of the fiscal year, the yen remained strong as a result of foreign exchange intervention by the Government of Japan and the Bank of Japan and changes in YCC.

The JPY/EUR exchange rate rose after the summer as the European Central Bank (ECB) began to tighten monetary policy.

JPY /USD:	April 1, 2022	¥122.39
	March 31 2023	¥133.53
JPY/EUR:	April 1, 2022	¥136.70
	March 31, 2023	¥145.72

#### (ii) Investment Policies of the Company

The Company invests mainly in fixed income assets such as bonds with the aim of securing stable investment income.

#### (iii) Investment Results

The balance of general account assets at the end of the fiscal year ended March 31, 2023 was ¥410,304 million. The balance of assets under management included deposits of ¥262,681 million, bonds of ¥99,136 million, and stocks of ¥1,452 million.

In addition, investment income was ¥540 million, and investment expenses were ¥12 million.

## (2) Asset Composition

(millions of yen except percentages)

	As of March 31, 2022		As of March 31, 2023	
	Carrying amount	%	Carrying amount	%
Cash, deposits, and call loans	269,244	64.8	262,681	64.0
Securities repurchased under resale agreements	—	—	—	—
Deposit paid for securities borrowing transactions	—	—	—	—
Monetary claims bought	—	—	—	—
Trading account securities	—	—	—	—
Money held in trust	19,997	4.8	—	—
Securities	82,304	19.8	100,589	24.5
Domestic bonds	68,125	16.4	91,134	22.2
Domestic stocks	1,460	0.4	1,452	0.4
Foreign securities	12,718	3.1	8,002	2.0
Foreign bonds	12,718	3.1	8,002	2.0
Foreign stocks and other securities	—	—	—	—
Other securities	—	—	—	—
Loans	1,797	0.4	1,956	0.5
Real estate	169	0.0	156	0.0
Deferred tax assets	1,309	0.3	1,317	0.3
Others	40,371	9.7	43,606	10.6
Reserve for possible loan losses	(2)	(0.0)	(2)	(0.0)
Total	415,192	100.0	410,304	100.0
Foreign currency-denominated assets	—	—	—	—

## (3) Changes (Increase/Decrease) in Assets

(millions of yen)

	Year ended March 31, 2022	Year ended March 31, 2023
Cash, deposits, and call loans	20,289	(6,563)
Securities repurchased under resale agreements	—	—
Deposit paid for securities borrowing transactions	—	—
Monetary claims bought	—	—
Trading account securities	—	—
Money held in trust	19,997	(19,997)
Securities	19,431	18,285
Domestic bonds	16,117	23,009
Domestic stocks	211	(7)
Foreign securities	3,102	(4,716)
Foreign bonds	3,102	(4,716)
Foreign stocks and other securities	—	—
Other securities	—	—
Loans	483	158
Real estate	72	(12)
Deferred tax assets	1,309	7
Others	760	3,234
Reserve for possible loan losses	5	(0)
Total	62,350	(4,888)
Foreign currency-denominated assets	—	—

## (4) Investment Income

(millions of yen)

	Year ended March 31, 2022	Year ended March 31, 2023
Interest and dividends	398	540
Interest from bank deposits	—	—
Interest and dividends from securities	356	488
Interest from loans	41	51
Rental income	—	—
Other interest and dividends	—	—
Gains on trading account securities	—	—
Gains on money held in trust	—	—
Gains on investment in trading securities	—	—
Gains on sale of securities	9	—
Gains on sale of domestic bonds	—	—
Gains on sale of domestic stocks	9	—
Gains on sale of foreign securities	—	—
Others	—	—
Gains on redemption of securities	—	—
Derivative transaction gains	—	—
Foreign exchange gains	—	—
Reversal of reserve for possible loan losses	5	—
Other investment income	—	—
Total	412	540

## (5) Investment Expense

(millions of yen)

	Year ended March 31, 2022	Year ended March 31, 2023
Interest expenses	2	4
Losses on trading account securities	—	—
Losses on money held in trust	2	8
Losses on investments in trading securities	—	—
Losses on sale of securities	—	—
Losses on sale of domestic bonds	—	—
Losses on sale of domestic stocks	—	—
Losses on sale of foreign securities	—	—
Others	—	—
Losses on valuation of securities	—	—
Losses on valuation of domestic bonds	—	—
Losses on valuation of domestic stocks	—	—
Losses on valuation of foreign securities	—	—
Others	—	—
Losses on redemption of securities	—	—
Derivative transaction losses	—	—
Foreign exchange losses	—	—
Provision for reserve for possible loan losses	—	0
Write-down of loans	—	—
Depreciation of real estate for rent and others	—	—
Other investment expenses	0	—
Total	4	12



## (6) Other Information on Investments

## (i) Rates of Return

(%)

	Year ended March 31, 2022	Year ended March 31, 2023
Cash, deposits, and call loans	—	—
Securities repurchased under resale agreements	—	—
Deposit paid for securities borrowing transactions	—	—
Monetary claims bought	—	—
Trading account securities	—	—
Money held in trust	(0.02)	(0.06)
Securities	0.48	0.52
Domestic bonds	0.43	0.49
Domestic stocks	2.91	2.59
Foreign securities	0.45	0.46
Loans	2.93	2.84
Real estate	—	—
Total of general account	0.11	0.13
Foreign investments	0.45	0.46

Note: The rates of return above are calculated by dividing the net investment income included in ordinary profit by the average daily balance on a book value basis.

Note: Foreign investments are yen-denominated assets.

## (ii) Valuation Gains and Losses on Trading Securities

(millions of yen)

	As of March 31, 2022		As of March 31, 2023	
	Value on Balance Sheet	Valuation gains or losses included in the statement of earnings	Value on Balance Sheet	Valuation gains or losses included in the statement of earnings
Investment in trading securities	19,997	(2)	—	—
Money held in trust	19,997	(2)	—	—

## (iii) Fair Value Information on Securities (other than trading securities)

(millions of yen)

	As of March 31, 2022					As of March 31, 2023				
	Book value	Fair value	Gains (losses)		Book value	Fair value	Gains (losses)			
			Gains	Losses			Gains	Losses		
Held-to-maturity bonds	80,745	79,776	(969)	36	1,005	99,041	95,817	(3,223)	159	3,383
Policy-reserve-matching bonds	—	—	—	—	—	—	—	—	—	—
Stocks of subsidiaries and affiliated companies	—	—	—	—	—	—	—	—	—	—
Available-for-sale securities	1,706	1,558	(147)	58	205	1,706	1,548	(158)	150	308
Domestic bonds	—	—	—	—	—	—	—	—	—	—
Domestic stocks	1,606	1,460	(145)	58	203	1,606	1,452	(153)	150	303
Foreign securities	100	98	(1)	—	1	100	95	(4)	—	4
Foreign bonds	100	98	(1)	—	1	100	95	(4)	—	4
Foreign stocks and other securities	—	—	—	—	—	—	—	—	—	—
Other securities	—	—	—	—	—	—	—	—	—	—
Monetary claims bought	—	—	—	—	—	—	—	—	—	—
Certificates of deposit	—	—	—	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—	—	—	—
Total	82,451	81,334	(1,116)	94	1,210	100,747	97,365	(3,382)	309	3,692
Domestic bonds	68,125	67,170	(954)	26	980	91,134	87,943	(3,190)	158	3,349
Domestic stocks	1,606	1,460	(145)	58	203	1,606	1,452	(153)	150	303
Foreign securities	12,720	12,703	(16)	9	26	8,006	7,969	(37)	1	39
Foreign bonds	12,720	12,703	(16)	9	26	8,006	7,969	(37)	1	39
Foreign stocks and other securities	—	—	—	—	—	—	—	—	—	—
Other securities	—	—	—	—	—	—	—	—	—	—
Monetary claims bought	—	—	—	—	—	—	—	—	—	—
Certificates of deposit	—	—	—	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—	—	—	—

Note: The table above includes assets which are considered appropriate to handle as securities as defined in the Financial Instruments and Exchange Act.

Book value of stocks without market value and associations, etc.:  
Not applicable.

## (iv) Fair Value Information on Money Held in Trust

(millions of yen)

	As of March 31, 2022					As of March 31, 2023				
	Value on Balance Sheet	Fair value	Gains (losses)		Value on Balance Sheet	Fair value	Gains (losses)			
			Gains	Losses			Gains	Losses		
Money held in trust	19,997	19,997	(2)	—	2	—	—	—	—	—

## Money held in trust for investment purposes

(millions of yen)

	As of March 31, 2022			As of March 31, 2023		
	Value on Balance Sheet	Valuation gains or losses included in the statement of earnings		Value on Balance Sheet	Valuation gains or losses included in the statement of earnings	
Money held in trust for investment purposes	19,997	(2)		—	—	

The Company does not have any held-to-maturity or policy-reserve-matching money held in trust, or other money held in trust.

## 5. Unaudited Non-Consolidated Balance Sheet

(millions of yen)

	As of March 31, 2022	As of March 31, 2023		As of March 31, 2022	As of March 31, 2023
	Amount	Amount		Amount	Amount
<b>(ASSETS)</b>			<b>(LIABILITIES)</b>		
<b>Cash and deposits</b>	<b>269,244</b>	<b>262,681</b>	<b>Policy reserves and others</b>	<b>396,143</b>	<b>366,378</b>
Deposits	269,244	262,681	Reserves for outstanding claims	3,285	5,072
<b>Money held in trust</b>	<b>19,997</b>	<b>—</b>	Policy reserves	392,857	361,306
<b>Securities</b>	<b>82,304</b>	<b>100,589</b>	<b>Reinsurance payable</b>	<b>462</b>	<b>405</b>
Government bonds	—	6,095	<b>Other liabilities</b>	<b>6,437</b>	<b>6,651</b>
Corporate bonds	68,125	85,038	Corporate income tax payable	8	8
Domestic stocks	1,460	1,452	Accounts payable	1,520	2,400
Foreign securities	12,718	8,002	Accrued expenses	4,801	4,201
<b>Loans</b>	<b>1,797</b>	<b>1,956</b>	Deposits received	1	1
Policy loans	1,797	1,956	Suspense receipt	106	40
<b>Tangible fixed assets</b>	<b>337</b>	<b>287</b>	<b>Reserve for price fluctuations</b>	<b>10</b>	<b>12</b>
Buildings	169	156	<b>Total liabilities</b>	<b>403,053</b>	<b>373,448</b>
Other	167	130			
<b>Intangible fixed assets</b>	<b>6,306</b>	<b>9,643</b>	<b>(NET ASSETS)</b>		
Software	6,301	9,637	<b>Capital stock</b>	<b>47,599</b>	<b>47,599</b>
Other	5	6	<b>Capital surplus</b>	<b>39,599</b>	<b>39,599</b>
<b>Reinsurance receivables</b>	<b>23,359</b>	<b>23,885</b>	Legal capital surplus	39,599	39,599
<b>Other assets</b>	<b>10,537</b>	<b>9,946</b>	<b>Retained earnings</b>	<b>(74,949)</b>	<b>(50,225)</b>
Accounts receivable	7,511	7,287	Other retained earnings	(74,949)	(50,225)
Prepaid expenses	2,293	1,801	Retained earnings brought forward	(74,949)	(50,225)
Accrued revenue	123	157	<b>Total shareholders' equity</b>	<b>12,248</b>	<b>36,973</b>
Deposits	275	308	<b>Net unrealized gains (losses) on securities, net of tax</b>	<b>(109)</b>	<b>(117)</b>
Suspense payments	3	6	<b>Total of valuation and translation adjustments, etc.</b>	<b>(109)</b>	<b>(117)</b>
Other assets	329	386	<b>Total net assets</b>	<b>12,139</b>	<b>36,855</b>
<b>Deferred tax assets</b>	<b>1,309</b>	<b>1,317</b>			
<b>Reserve for possible loan losses</b>	<b>(2)</b>	<b>(2)</b>			
<b>Total assets</b>	<b>415,192</b>	<b>410,304</b>	<b>Total liabilities and net assets</b>	<b>415,192</b>	<b>410,304</b>

(Notes to Balance Sheet as of March 31, 2023)

1. In terms of evaluation of securities, held-to-maturity bonds are evaluated by the amortized cost method (straight-line method) based on the moving average method. Available-for-sale securities, except stocks, etc. without market value, are evaluated by the market value method (costs are calculated by the moving average method) based on the market price, etc. on the last day of March.  
Net unrealized gains or losses on these available-for-sale securities are presented as a separate component of net assets and not in the non-consolidated statement of earnings.

2. Depreciation of Depreciable Assets

(i) Depreciation of Tangible Fixed Assets Excluding Leased Assets

Depreciation of tangible fixed assets excluding leased assets and buildings is calculated by the declining balance method. (Depreciation of buildings is calculated by the straight-line method.)

(ii) Depreciation of Leased Assets

Depreciation of leased assets with regard to finance leases whose ownership does not transfer to the lessees is computed under the straight-line method assuming zero remaining value.

(iii) Amortization of Intangible Fixed Assets Excluding Leased Assets

Amortization of intangible fixed assets excluding leased assets is calculated by the straight-line method. Amortization of software is calculated by the straight-line method based on the estimated useful life of the software.

3. Reserve for Possible Loan Losses

To prepare for possible loan losses, the reserve for possible loan losses is calculated based on the asset quality assessment regulations, the internal rules for self-assessment, the write-offs and reserves recording regulations, and the internal rules for write-offs and reserves that have been established by the Company. For loans to and claims on obligors for which the Company has serious concerns over their recoverability or whose value is assessed by the Company to have been damaged materially as a result of the assessment of individual loans or claims, the amount that is deemed necessary is provided.

4. Reserve for Price Fluctuations

A reserve for price fluctuations is calculated in accordance with the provisions of Article 115 of the Insurance Business Act.

5. Calculation of National and Local Consumption Tax

The Company accounts for national and local consumption tax by the tax-exclusion method. However, the tax-inclusion method is employed for operating expenses and other expenses. Of the non-deductible consumption tax, etc. related to assets, deferred consumption tax, etc. provided for in tax law is posted in prepaid expenses and is amortized evenly in five years. The non-deductible consumption tax, etc. other than deferred consumption tax, etc. is recorded as an expense in the fiscal year under review.

6. Policy Reserves

Policy reserves of the Company are calculated and set aside in accordance with the method specified in the statement of calculation procedures (Article 4, Paragraph 2, Item 4 of the Insurance Business Act) pursuant to the provisions of Article 116 of the Insurance Business Act for contracts in which the liability under insurance contracts have begun as of the end of the fiscal year in preparation for performance of future obligations under insurance contracts.

Of the policy reserves, insurance premium reserves are calculated as follows:

(i) Reserves for policies subject to the standard policy reserve rules are calculated based on the methods stipulated by the Commissioner of the Financial Services Agency (Notification of the Minister of Finance No. 48, 1996).

(ii) Reserves for other policies are established based on the net level premium method.

Of the policy reserves, contingency reserves are set aside for covering risks that may accrue in the future, so as to secure the performance of future obligations under the insurance contracts in accordance with Article 69, Paragraph 1, Item 3 of the Regulation for Enforcement of the Insurance Business Act.

7. As for already occurred but not yet reported reserves for outstanding claims (meaning insurance proceeds, etc. for which the grounds for payment stipulated in insurance policies are deemed to have already occurred although they are not yet reported. The same applies hereafter), given that it is not possible to calculate the appropriate level of the amount by the calculation based on the main clause of Article 1, Paragraph 1 of the Public Notice No. 234 of the Ministry of Finance of 1998 (hereinafter referred to as the "IBNR Notice") because the payment targets of hospitalization benefits, etc., which are provided if a

patient is diagnosed with COVID-19 and is treated under the supervision of a physician or other health care provider at an accommodation facility or at home (hereinafter referred to as “Deemed Hospitalization”), were changed during the fiscal year under review, the amount calculated based on the following method is recorded in accordance with the proviso of Article 1, Paragraph 1 of the IBNR Notice (hereinafter referred to as the “Proviso”).

(Overview of the calculation method)

Calculation is made in the same manner as the main clause of Article 1, Paragraph 1 of the IBNR Notice after excluding the amount for the Deemed Hospitalization of patients other than those at high risk of serious illness (“Class 4”) from the amount required for accumulating already occurred but not yet reported reserves for outstanding claims and claims paid for all fiscal years listed in the main clause of Article 1, Paragraph 1 of the IBNR Notice.

In addition, the amount for the Deemed Hospitalizations in Class 4 used to estimate the amount for the Deemed Hospitalizations other than Class 4 with a diagnosis date of September 25, 2022 or earlier was estimated by multiplying the amount for the Deemed Hospitalization paid to patients with a diagnosis date of September 25, 2022 or earlier by the ratio obtained by dividing the percentage of the new COVID-19 patients nationwide on or after September 26, 2022 accounted for by the number of the Deemed Hospitalizations in Class 4 in the Company by the percentage of new COVID-19 patients nationwide on or before September 25, 2022 accounted for by the number of the Deemed Hospitalizations paid by the Company.

## 8. Matters Related to Financial Instruments, Etc.

### (1) Status of financial instruments

The basic policy of the Company is to aim for effective asset management conforming to the diversification of the investment environment and asset management by conducting appropriate income and risk management and working to strengthen risk management from the perspective of maintaining the soundness of business in asset management. Based on this policy, the Company manages assets by paying attention to their safety and cashability (liquidity). As major financial products, securities are exposed to market risk and credit risk. The Company manages the market risk by measuring its amount based on value-at-risk (VaR), which is a typical method of measurement. The Company also manages the credit risk by regularly surveying the credit standing of individual investments.

### (2) Fair values, etc. of financial instruments

The values on the Balance Sheet and the fair values of financial instruments and differences between them are as follows.

	Value on Balance Sheet	Fair Value	Difference
(i) Securities			
a. Held-to-maturity bonds	99,041	95,817	(3,223)
b. Available-for-sale securities	1,548	1,548	—
(ii) Loans	1,956	1,956	—
Total assets	102,545	99,322	(3,223)

Note: The information on deposits is omitted because they have no maturity dates and their fair value is close to their book value.

### (3) Breakdown of financial instruments by level of fair value

The fair values of financial instruments are classified into the following three levels according to the observability and importance of inputs used in the calculation of fair values.

Level 1 fair value: fair value calculated using market prices, on an active market, of assets or liabilities whose fair value is calculated of the observable inputs related to the calculation of fair value

Level 2 fair value: fair value calculated using inputs other than the inputs used for Level 1 of the observable inputs related to fair value

Level 3 fair value: fair value calculated using significant inputs that are not observable related to the calculation of fair value

If more than one input that has a significant effect on the calculation of fair value is used, the fair value is classified to the level of inputs whose priority is lowest in the calculation of fair value.

1) Financial instruments whose fair values are posted in the Balance Sheet

	Fair Value (millions of yen)			
	Level 1	Level 2	Level 3	Total
Securities				
Available-for-sale securities				
Domestic stocks	1,452	—	—	1,452
Foreign bonds	—	95	—	95
Total assets	1,452	95	—	1,548

2) Financial instruments other than those whose fair values are posted in the Balance Sheet

	Fair Value (millions of yen)			
	Level 1	Level 2	Level 3	Total
Securities				
Held-to-maturity bonds				
Government bonds	6,179	—	—	6,179
Corporate bonds	—	81,764	—	81,764
Foreign bonds	—	7,873	—	7,873
Loans	—	—	1,956	1,956
Total assets	6,179	89,638	1,956	97,774

Note: Explanations about assessment techniques used in the calculation of fair value and inputs related to the calculation of fair value

(i) Securities

The securities for which market prices on an active market can be used without adjustment are classified as Level 1. The Level 1 securities are primarily domestic stocks and government bonds. If published market prices of securities on a market that is not active are used, the securities are classified to Level 2.

(ii) Loans

Loans do not have a repayment deadline due to their characteristics, e.g. the loan limit is within the value of collateral, and their fair value is assumed to be close to their book value based on the expected time of repayment, interest rate conditions, etc., and the book value is used as their fair value. Loans are classified as Level 3.

9. The claims do not include any claims provable in bankruptcy, claims provable in rehabilitation and claims equivalent to these, doubtful claims, delinquent claims of three months or more, and restructured claims.

10. The accumulated depreciation of property, plant and equipment as of March 31, 2023 was ¥331 million.

11. The total amount of receivables from affiliated companies was ¥1 million, and the total amount of payables to affiliated companies was ¥3 million.

12. The total amount of deferred tax assets was ¥12,431 million, and the total amount of deferred tax liabilities was ¥5 million. The amount of deferred tax assets subtracted as valuation allowances is ¥11,108 million.

The major components of deferred tax assets were insurance policy reserves of ¥909 million, the amount of excess depreciation of ¥200 million and tax losses carried forward of ¥10,955 million.

Of the amount deducted from deferred tax assets as the amount of valuation allowances, the amount of valuation allowance pertaining to tax losses carried forward is ¥10,955 million, and the amount of valuation allowance pertaining to future deductible temporary differences is ¥153 million.

The major component of deferred tax liabilities was stock dividends receivable of ¥4 million.

The main reason for changes in the amount deducted from deferred tax assets as the amount of valuation allowances was the decrease in the retained losses due to the recording of net profit.

Amounts of tax losses carried forward and deferred tax assets by the losses carry-forward period are as follows.

(millions of yen)

	Within a year	More than a year and within five years	More than five years	Total
Tax losses carried forward (*1)	—	—	10,955	10,955
Amount of valuation allowances	—	—	(10,955)	(10,955)
Deferred tax assets	—	—	—	—

(\*1) The tax losses carried forward is an amount obtained by multiplying the effective statutory tax rate.

The actual effective tax rate for the fiscal year ended March 31, 2023 was 0.01%, and the major component of the difference from the statutory tax rate of 28.00% was -28.03% for valuation allowances.

From the fiscal year ended March 31, 2023, the Company is applying the Group Tax Sharing System, with Dai-ichi Life Holdings, Inc. being the parent company under the system. The Company is carrying out accounting and disclosure related to national and local corporate income tax and tax effect accounting in line with the Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System (Accounting Standards Board of Japan (ASBJ) Practical Solution No. 42 issued August 12, 2021).

13. The amount of policy reserves provided for the reinsured parts defined in Article 71, Paragraph 1 of the Enforcement Regulations of the Insurance Business Act (hereinafter “policy reserves reinsured”) was ¥33,910 million.
14. The amount of net assets per share of the Company was ¥8,881.07.
15. The balance of unamortized outwards reinsurance commissions at the end of the fiscal year under review pertaining to reinsurance contracts stipulated in Article 1, Paragraph 5 of the Public Notice No. 50 of the Ministry of Finance of 1996 was ¥27,041 million.
16. Amounts are rounded off to the unit stated.

## 6. Unaudited Non-Consolidated Statement of Earnings

(millions of yen)

	Year ended March 31, 2022	Year ended March 31, 2023
	Amount	Amount
<b>ORDINARY REVENUES</b>	<b>191,801</b>	<b>264,470</b>
<b>Premium and other income</b>	<b>191,371</b>	<b>232,333</b>
Premium income	141,765	131,280
Reinsurance income	49,606	101,052
<b>Investment income</b>	<b>412</b>	<b>540</b>
Interest and dividends	398	540
Interest and dividends from securities	356	488
Interest from loans	41	51
Gains on sale of securities	9	—
Reversal of reserve for possible loan losses	5	—
<b>Other ordinary revenues</b>	<b>17</b>	<b>31,595</b>
Reversal of policy reserves	—	31,550
Other	17	45
<b>ORDINARY EXPENSES</b>	<b>199,896</b>	<b>239,739</b>
<b>Benefits and claims</b>	<b>95,453</b>	<b>201,707</b>
Claims	2,061	2,812
Annuities	303	364
Benefits	7,414	17,027
Surrender values	30,713	75,033
Other refunds	4,184	8,393
Ceding reinsurance commissions	50,776	98,075
<b>Provision for policy reserves and others</b>	<b>68,455</b>	<b>1,786</b>
Provision for reserves for outstanding claims	1,329	1,786
Provision for policy reserves	67,126	—
<b>Investment expenses</b>	<b>4</b>	<b>12</b>
Interest expenses	2	4
Losses on money held in trust	2	8
Provision for reserve for possible loan losses	—	0
Other investment expenses	0	—
<b>Operating expenses</b>	<b>34,313</b>	<b>33,359</b>
<b>Other ordinary expenses</b>	<b>1,669</b>	<b>2,874</b>
National and local taxes	536	510
Depreciation	1,132	1,852
Other ordinary expenses	0	510
<b>ORDINARY PROFIT (LOSS)</b>	<b>(8,094)</b>	<b>24,730</b>
<b>EXTRAORDINARY LOSSES</b>	<b>37</b>	<b>2</b>
Losses on disposal of fixed assets	34	0
Provision for reserve for price fluctuations	3	2
<b>Income (loss) before income taxes</b>	<b>(8,132)</b>	<b>24,728</b>
<b>Corporate income taxes – current</b>	<b>8</b>	<b>8</b>
<b>Corporate income taxes – deferred</b>	<b>(1,271)</b>	<b>(4)</b>
<b>Total of corporate income taxes</b>	<b>(1,263)</b>	<b>3</b>
<b>Net income (loss) for the year</b>	<b>(6,868)</b>	<b>24,724</b>



(Notes to Statement of Earnings)

1. The standards for recording of premium and other income and benefits and claims are as follows.
  - (1) Premium income  
For premium income, the amount of insurance premiums received for which the liability under insurance contracts has begun is recorded. Of the insurance premiums received, the portion corresponding to the unexpired period as of the end of the fiscal year is transferred to policy reserves in accordance with Article 69, Paragraph 1, Item 2 of the Regulation for Enforcement of the Insurance Business Act.
  - (2) Reinsurance income  
For reinsurance income, the reinsured amount of the amount paid as insurance proceeds, etc. pertaining to the primary insurance contracts based on the reinsurance agreement is recorded in reinsurance income at the time of the payment of the insurance proceeds, etc.  
Of modified coinsurance, in some transactions that do not give or receive cash, the amount received as part of the amount equivalent to new contract expenses pertaining to the primary insurance contracts based on the reinsurance agreement is recorded in reinsurance income, and the same amount is recorded in the total amount of claims against reinsurance companies as unamortized outwards reinsurance commissions and amortized over the reinsurance contract period.
  - (3) Benefits and claims (excluding ceding reinsurance commissions)  
Benefits and claims (excluding ceding reinsurance commissions) are recorded for contracts in which the amount calculated based on the policy conditions was paid due to the occurrence of the grounds for payment under the policy conditions, using the said amount.  
Based on Article 117 of the Insurance Business Act, reserves for outstanding claims are transferred for insurance proceeds, etc. for which payment is not made although the claims, etc. are due and payable as of the end of the fiscal year, or the grounds for payment are deemed to have already occurred although they are not reported.
  - (4) Ceding reinsurance commissions  
Reinsurance premiums agreed based on the reinsurance agreement are recorded in ceding reinsurance commissions at the time of receiving insurance premiums pertaining to the primary insurance contracts.  
That part of policy reserves corresponding to insurance contracts which have been reinsured is not set aside in accordance with Article 71, Paragraph 1 of Enforcement Regulations of the Insurance Business Act.
2. Total amount of expenses arising from transactions with subsidiaries and affiliated companies was ¥82 million.
3. In the calculation of the provision for policy reserves, the amount of reversal of policy reserves corresponding to the reinsured parts that are tallied is ¥33,910 million.
4. Interest and dividends include interest and dividends from securities of ¥488 million and interest from loans of ¥51 million.
5. The amount of profit per share was ¥5,957.86.
6. Reinsurance income includes ¥19,621 million, the amount of increase in unamortized outwards reinsurance commissions for reinsurance contracts stipulated in Article 1, Paragraph 5 of the Public Notice No. 50 of the Ministry of Finance of 1996.
7. Ceding reinsurance commissions include ¥7,127 million, the amount of decrease in unamortized outwards reinsurance commissions for reinsurance contracts stipulated in Article 1, Paragraph 5 of the Public Notice No. 50 of the Ministry of Finance of 1996.

8. Transactions with related parties are as follows.

(millions of yen)

Type	Name of company, etc.	Percentage of voting rights (held)	Relationship with related parties	Details of transaction	Amount of transaction	Account title	Closing balance
Subsidiary of the parent company	Dai-ichi Life Reinsurance Bermuda Ltd.	—	Reinsurance counterparty	Reinsurance income	661	Reinsurance receivable	625
				Ceded reinsurance commissions	37	Reinsurance payable	1
				Reversal of policy reserve	33,910	—	—

Note: The terms and conditions of the above transactions are determined based on market interest rates or market values.

9. Amounts are rounded off to the unit stated.

## 7. Breakdown of Ordinary Profit (Fundamental Profit)

(millions of yen)

	Year ended March 31, 2022	Year ended March 31, 2023
Fundamental profit (loss) A	(7,940)	(9,691)
Capital gains	9	—
Gains on money held in trust	—	—
Gains on investment in trading securities	—	—
Gains on sale of securities	9	—
Derivative transaction gains	—	—
Foreign exchange gains	—	—
Others	—	—
Capital losses	2	8
Losses on money held in trust	2	8
Losses on investment in trading securities	—	—
Losses on sale of securities	—	—
Losses on valuation of securities	—	—
Derivative transaction losses	—	—
Foreign exchange losses	—	—
Others	—	—
Net capital gains (losses) B	7	(8)
Fundamental profit plus net capital gains (losses) A + B	(7,933)	(9,699)
Other one-time gains	5	34,479
Reinsurance income	—	—
Reversal of contingency reserve	—	568
Reversal of specific reserve for possible loan losses	5	—
Others	—	33,910
Other one-time losses	166	49
Ceding reinsurance commissions	—	—
Provision for contingency reserve	166	—
Provision for specific reserve for possible loan losses	—	0
Provision for specific reserve for loans to refinancing countries	—	—
Write-down of loans	—	—
Others	—	49
Other one-time profits (losses) C	(161)	34,430
Ordinary profit (loss) A + B + C	(8,094)	24,730

## 8. Unaudited Non-Consolidated Statement of Changes in Net Assets

Year ended March 31, 2022

(millions of yen)

	Shareholders' equity			
	Capital stock	Capital surplus	Retained earnings	Total shareholders' equity
		Legal capital surplus	Other retained earnings Retained earnings brought forward	
Balance at the beginning of the year	47,599	39,599	(68,081)	19,117
Changes for the year				
Net loss for the year			6,868	6,868
Net changes of items other than shareholders' equity				
Total changes for the year	—	—	(6,868)	(6,868)
Balance at the end of the year	47,599	39,599	(74,949)	12,248

	Valuation and translation adjustments		Total net assets
	Net unrealized gains (losses) on securities, net of tax	Total of valuation and translation adjustments, etc.	
Balance at the beginning of the year	170	170	19,287
Changes for the year			
Net loss for the year			6,868
Net changes of items other than shareholders' equity	(280)	(280)	(280)
Total changes for the year	(280)	(280)	(7,148)
Balance at the end of the year	(109)	(109)	12,139

Year ended March 31, 2023

(millions of yen)

	Shareholders' equity			
	Capital stock	Capital surplus	Retained earnings	Total shareholders' equity
		Legal capital surplus	Other retained earnings Retained earnings brought forward	
Balance at the beginning of the year	47,599	39,599	(74,949)	12,248
Changes for the year				
Net income for the year			24,724	24,724
Net changes of items other than shareholders' equity				
Total changes for the year	—	—	24,724	24,724
Balance at the end of the year	47,599	39,599	(50,225)	36,973

	Valuation and translation adjustments		Total net assets
	Net unrealized gains (losses) on securities, net of tax	Total of valuation and translation adjustments, etc.	
Balance at the beginning of the year	(109)	(109)	12,139
Changes for the year			
Net income for the year			24,724
Net changes of items other than shareholders' equity	(7)	(7)	(7)
Total changes for the year	(7)	(7)	24,716
Balance at the end of the year	(117)	(117)	36,855

(Notes to Statement of Changes in Net Assets)

1. Type and Number of Shares Outstanding

	At the beginning of the fiscal year ended March 31, 2023	Increase	Decrease	As of March 31, 2023
Shares outstanding				
Common stock	4,149	—	—	4,149

2. Stock Acquisition Rights and Own Stock Acquisition Rights

Not applicable.

3. Dividends Paid

Not applicable.

4. Amounts are rounded off to the unit stated.

## 9. Status of Claims Based on Insurance Business Act

(millions of yen except percentages)

	As of March 31, 2022	As of March 31, 2023
Claims provable in bankruptcy, claims provable in rehabilitation and claims equivalent to these	—	—
Doubtful claims	—	—
Delinquent claims of three months or more	—	—
Restructured claims	—	—
Subtotal	—	—
(Ratio to total)	(—%)	(—%)
Performing loans	1,813	1,977
Total	1,813	1,977

- Notes:
1. Claims provable in bankruptcy, claims provable in rehabilitation, and claims equivalent to these refer to those loans to debtors who are bankrupt for a reason such as commencement of bankruptcy proceedings, commencement of rehabilitation proceedings, and filing a petition for the commencement of rehabilitation proceedings and claims equivalent to such loans.
  2. Doubtful claims refer to those loans whose principal and interest are likely not collectible based on the contract due to the deterioration of the financial condition and business performance of the debtor despite not being bankrupt. (Excludes claims listed in Note 1.)
  3. Delinquent claims of three months or more refer to those loans whose principal and interest payment is three months or more overdue reckoned from the day following the scheduled payment date. (Excludes claims listed in Note 1 and Note 2.)
  4. Restructured claims refers to those loans for which terms more favorable to the borrower, such as reduction or waiver of interest, rescheduling of interest payments or principal repayments, or debt writeoff, has been agreed for purpose of reorganizing the debtor's management or supporting the debtor. (Excludes claims listed in Notes 1 through 3.)
  5. Performing loans refer to those loans that are classified into categories other than those described in Note 1 through Note 4 for not having particular problems in the financial position and operating results of the debtor.

## 10. Solvency Margin Ratio

(millions of yen)

	As of March 31, 2022	As of March 31, 2023
Total solvency margin (A)	14,057	49,368
Common stock, etc.	12,248	36,973
Reserve for price fluctuations	10	12
Contingency reserve	1,945	1,376
General reserve for possible loan losses	—	—
(Net unrealized gains (losses) on securities (before tax) and deferred hedge gains (losses) (before tax)) × 90% (Multiplied by 100% if losses)	(147)	(158)
Net unrealized gains (losses) on real estate × 85% (Multiplied by 100% if losses)	—	—
Policy reserves in excess of surrender values	53,066	34,942
Qualifying subordinated debt	—	—
Excluded portion of policy reserve in excess of surrender values and qualifying subordinated debt	(53,066)	(23,779)
Excluded items	—	—
Others	—	—
Total risk		
$\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	2,528	2,280
Insurance risk R <sub>1</sub>	595	608
3rd sector insurance risk R <sub>8</sub>	1,329	757
Assumed investment yield risk R <sub>2</sub>	8	8
Guaranteed minimum benefit risk R <sub>7</sub>	—	—
Investment risk R <sub>3</sub>	1,468	1,701
Business risk R <sub>4</sub>	102	92
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	1,111.8%	4,329.0%

Note: The figures above are calculated based on Articles 86 and 87 of the Enforcement Regulations of the Insurance Business Act, and Announcement No. 50, Ministry of Finance, 1996.

## 11. Status of Separate Account for the Fiscal Year Ended March 31, 2023

Not applicable.

## 12. Consolidated Financial Summary

Not applicable.