

May 11, 2023

Ryosuke Mori, President

LIFENET INSURANCE COMPANY

(Securities Code: 7157, TSE Growth)

Lifenet to Offer Group Credit Life Insurance for au Jibun Bank's Mortgage Loan Borrowers

Expand business domain to group credit life insurance in July 2023

TOKYO, May 11, 2023 – LIFENET INSURANCE COMPANY (TSE Growth 7157, President Ryosuke Mori, URL: <https://ir.lifenet-seimei.co.jp/en/>, hereafter, “Lifenet”) announces that the Board of Directors has decided to start offering a group credit life insurance for mortgage loan borrowers of au Jibun Bank Corporation (hereafter, “au Jibun Bank”) from July 1, 2023 (planned), as its first group credit life insurance business since business commencement.



■Background and Outline of the Group Credit Life Insurance Business

Lifenet has been focusing on “innovation of customer experience” and “enhancement of promotion capabilities” and aims to provide customers with new value in life insurance. As part of such initiatives, Lifenet has concluded a three-company business alliance agreement with KDDI CORPORATION (hereafter, “KDDI”), and au Financial Holdings Corporation (hereafter, “au Financial Holdings”), an intermediate financial holding company that is a wholly owned subsidiary of KDDI. Through this alliance, we have focused on offering insurance products and services utilizing the brand power and broad customer base of the KDDI Group.

As part of these efforts, in August 2022, Lifenet concluded a business alliance agreement in the group credit life insurance with au Jibun Bank, a member of the KDDI Group, and both companies have been preparing to provide products and services.

About the group credit life insurance policy, the creditor of the mortgage loan including bank is a policyholder and an insurance beneficiary, and the borrower receiving the mortgage loan from the bank is an insured person. From July 2023, Lifenet will become the underwriting insurance company of the group credit life insurance in the mortgage loan business of au Jibun Bank. In the event of the death of mortgage loan borrowers, Lifenet will pay insurance claims equivalent to their outstanding balance of mortgage to au Jibun bank on behalf of them.

For Lifenet, this new business represents a new challenge and a new step toward further enhancement of corporate value through the expansion of our business domains.

In addition, au Jibun Bank was the first Japanese bank*1 which started providing the online mortgage loans in 2015. It has been steadily growing, and cumulative amount of mortgage loans exceeded 2.5 trillion yen in November 2022, mainly as a result of attractive interest rates.

We will strive to deliver attractive insurance products and services to as many customers as possible by taking advantage of the strengths of both companies, which conduct financial business on the Internet.

■Reference

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|--------------------------------|---------------------------------------|
| Policyholder | au Jibun Bank Corporation |
| Insured person | au Jibun Bank mortgage loan borrowers |
| Underwriting insurance company | LIFENET INSURANCE COMPANY |
| Insurance product | Group credit life insurance |

■Starting Date

July 1, 2023 (planned)

■Future Prospects

We project expenditures of around 590 million yen from this business. The consolidated business forecasts for fiscal 2023 are disclosed including the impact of this initiative. For details, please refer to the “Announcement of IFRS-based Consolidated Business Forecasts for Fiscal 2023 Ending March 31, 2024” released today.

*1 Based on au Jibun Bank research

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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