

Financial Results for the Six Months Ended September 30, 2025

Fukoku Mutual Life Insurance Company (President: Takehiko Watabe) announces financial results for the six months ended September 30, 2025.

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Attached: Supplementary Materials for the Six Months Ended September 30, 2025

1. Business Highlights

(1) Policies in Force, New Policies and Surrendered and Lapsed Policies

(i) Policies in Force

| | | As of March 31, 2025 | | As of September 30, 2025 | | | |
|-----------------|----------------------|-----------------------------------|---------------------------------|-----------------------------------|-------------------------|---------------------------------|-------------------------|
| | | Number of policies (Thousands) | Amount (100 millions of yen) | Number of policies (Thousands) | Changes (%, Pre-FYE) | Amount (100 millions of yen) | Changes (%, Pre-FYE) |
| | Individual insurance | 3,094 | 212,248 | 3,098 | 100.1 | 211,801 | 99.8 |
| | Individual annuities | 542 | 20,869 | 540 | 99.6 | 20,791 | 99.6 |
| Subtotal | | 3,636 | 233,117 | 3,638 | 100.0 | 232,593 | 99.8 |
| Group insurance | | — | 174,482 | — | — | 175,094 | 100.4 |
| Group annuities | | — | 23,228 | — | — | 23,420 | 100.8 |

Notes: 1. Policy amounts for individual annuities are equal to (a) the funds to be held at the time annuity payments are to commence for an annuity for which annuity payments have not yet commenced and (b) the amount of policy reserve for an annuity for which payments have commenced and (c) special riders for term insurance attached to individual annuities.

2. Policy amount in force for group annuities is equal to the amount of outstanding policy reserve.

(ii) New Policies

| Six months ended September 30, 2024 | | Total | | New business | Net increase by conversion |
|--|----------------------|-----------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | | Number of policies (Thousands) | Amount (100 millions of yen) | Amount (100 millions of yen) | Amount (100 millions of yen) |
| | Individual insurance | 160 | 5,619 | 5,461 | 158 |
| | Individual annuities | 22 | 869 | 875 | (6) |
| Subtotal | | 183 | 6,489 | 6,336 | 152 |
| Group insurance | | — | 60 | 60 | — |
| Group annuities | | — | 0 | 0 | — |

| Six months ended September 30, 2025 | | Total | | | | New business | | Net increase by conversion | |
|--|----------------------|-----------------------------------|---------------------|---------------------------------|---------------------|---------------------------------|---------------------|---------------------------------|---------------------|
| | | Number of policies (Thousands) | Changes (%, YoY) | Amount (100 millions of yen) | Changes (%, YoY) | Amount (100 millions of yen) | Changes (%, YoY) | Amount (100 millions of yen) | Changes (%, YoY) |
| | Individual insurance | 164 | 102.0 | 6,579 | 117.1 | 6,424 | 117.6 | 155 | 98.1 |
| | Individual annuities | 13 | 61.3 | 512 | 58.9 | 516 | 59.0 | (4) | — |
| Subtotal | | 177 | 97.0 | 7,092 | 109.3 | 6,941 | 109.5 | 151 | 99.2 |
| Group insurance | | — | — | 100 | 167.7 | 100 | 167.7 | — | — |
| Group annuities | | — | — | 0 | 521.5 | 0 | 521.5 | — | — |

Notes: 1. Number of new policies is the sum of new business and policies after conversion.

2. Amount of new policies for individual annuities, both new business and net increase by conversion, is equal to the funds to be held at the time annuity payments are to commence and special riders for term insurance attached to individual annuities.

3. Amount for group annuities is equal to the initial premium payment.

(iii) Surrendered and Lapsed Policies (Individual Insurance and Individual Annuities)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 | |
|---|--|--|---------------------|
| | | | Changes (%, YoY) |
| Amount of surrender and lapse (100 millions of yen) | 5,729 | 5,194 | 90.7 |
| Surrender and lapse ratio (%) | 2.41 | 2.23 | (0.18) |

Notes: 1. The amount of lapse is not offset by the amount of reinstatement which was once lapsed.

2. The column of "Changes" of surrender and lapse ratio is increase-decrease points over year.

(2) Annualized Premiums

(i) Policies in Force

(100 millions of yen, %)

| | As of March 31, 2025 | As of September 30, 2025 | |
|--------------------------------------|----------------------|--------------------------|----------------------|
| | | | Changes (%, Pre-FYE) |
| Individual insurance | 2,572 | 2,582 | 100.4 |
| Individual annuities | 1,029 | 1,021 | 99.2 |
| Total | 3,601 | 3,603 | 100.1 |
| Medical coverage and living benefits | 1,171 | 1,175 | 100.4 |

(ii) New Policies

(100 millions of yen, %)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 | |
|--------------------------------------|-------------------------------------|-------------------------------------|------------------|
| | | | Changes (%, YoY) |
| Individual insurance | 61 | 80 | 131.8 |
| Individual annuities | 23 | 14 | 60.3 |
| Total | 84 | 94 | 112.0 |
| Medical coverage and living benefits | 32 | 32 | 98.7 |

- Notes: 1. Annualized premiums are calculated by using coefficients based on the premium payment method. (For single premium contracts, the amount is calculated by dividing the premium by the coverage period.)
2. Figures for medical coverage and living benefits represent portion of annualized premium corresponding to the medical benefits (hospitalization benefits and surgery benefits, etc.), living benefits (nursing care benefits, etc.) and premium waiver benefits, in which disability cause is excluded but causes such as specific illness are included.
3. New policies include net increase by conversion.

2. Investment Results of General Account Assets

(1) Asset Composition

(Millions of yen, %)

| | As of March 31, 2025 | | As of September 30, 2025 | |
|-------------------------------------|----------------------|------------|--------------------------|------------|
| | Amount | % of total | Amount | % of total |
| Cash, deposits, and call loans | 282,135 | 3.9 % | 477,082 | 6.4 % |
| Money held in trust | 23,812 | 0.3 | 24,377 | 0.3 |
| Securities | 6,074,460 | 84.4 | 6,324,654 | 84.2 |
| Domestic bonds | 2,824,372 | 39.2 | 3,266,217 | 43.5 |
| Domestic stocks | 962,949 | 13.4 | 1,150,852 | 15.3 |
| Foreign securities | 2,064,263 | 28.7 | 1,684,392 | 22.4 |
| Foreign bonds | 1,406,359 | 19.5 | 920,726 | 12.3 |
| Foreign stocks and other securities | 657,903 | 9.1 | 763,666 | 10.2 |
| Other securities | 222,875 | 3.1 | 223,192 | 3.0 |
| Loans | 472,157 | 6.6 | 336,711 | 4.5 |
| Policy loans | 43,775 | 0.6 | 43,575 | 0.6 |
| Ordinary loans | 428,381 | 6.0 | 293,136 | 3.9 |
| Real estate | 257,599 | 3.6 | 257,327 | 3.4 |
| Others | 89,365 | 1.2 | 87,446 | 1.2 |
| Allowance for possible loan losses | (508) | (0.0) | (556) | (0.0) |
| Total | 7,199,022 | 100.0 | 7,507,043 | 100.0 |
| Foreign currency denominated assets | 2,055,828 | 28.6 | 1,653,076 | 22.0 |

Note: The amount of real estate is equal to the amounts of land, buildings, and construction in progress.

(2) Changes (Increase/Decrease) in Assets

(Millions of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|-------------------------------------|-------------------------------------|-------------------------------------|
| Cash, deposits, and call loans | 40,745 | 194,947 |
| Money held in trust | (181) | 565 |
| Securities | (134,524) | 250,194 |
| Domestic bonds | (132,668) | 441,845 |
| Domestic stocks | (17,464) | 187,903 |
| Foreign securities | 10,834 | (379,870) |
| Foreign bonds | 522 | (485,633) |
| Foreign stocks and other securities | 10,312 | 105,762 |
| Other securities | 4,773 | 317 |
| Loans | (18,466) | (135,445) |
| Policy loans | (936) | (200) |
| Ordinary loans | (17,530) | (135,245) |
| Real estate | 4,515 | (271) |
| Others | 4,920 | (1,919) |
| Allowance for possible loan losses | 61 | (48) |
| Total | (102,928) | 308,021 |
| Foreign currency denominated assets | (14,575) | (402,752) |

Note: The amount of real estate is equal to the amounts of land, buildings, and construction in progress.

(3) Investment Income

(Millions of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|--|-------------------------------------|-------------------------------------|
| Interest, dividends and other income | 90,285 | 98,576 |
| Interest on deposits | 14 | 147 |
| Interest and dividends on securities | 75,358 | 82,710 |
| Interest on loans | 4,282 | 4,349 |
| Income from real estate for rent | 10,379 | 10,943 |
| Other interest and dividends | 250 | 425 |
| Gains on money held in trust, net | — | 604 |
| Gains on trading securities, net | 0 | — |
| Gains on sales of securities | 48,569 | 88,886 |
| Gains on sales of domestic bonds | 1,903 | 5,248 |
| Gains on sales of domestic stocks | 19,505 | 15,865 |
| Gains on sales of foreign securities | 27,159 | 67,772 |
| Gains on redemption of securities | 3,011 | 3,511 |
| Reversal of allowance for possible loan losses | 51 | — |
| Other investment income | 76 | 86 |
| Total | 141,993 | 191,666 |

(4) Investment Expenses

(Millions of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|---|-------------------------------------|-------------------------------------|
| Interest expenses | 2,312 | 2,304 |
| Losses on money held in trust, net | 137 | — |
| Losses on trading securities, net | — | 3 |
| Losses on sales of securities | 32,515 | 70,415 |
| Losses on sales of domestic bonds | 31,822 | 58,994 |
| Losses on sales of domestic stocks | 198 | 571 |
| Losses on sales of foreign securities | 494 | 10,849 |
| Losses on valuation of securities | 752 | 95 |
| Losses on valuation of domestic stocks | 83 | 95 |
| Losses on valuation of foreign securities | 668 | — |
| Losses on derivative instruments, net | 745 | 922 |
| Foreign exchange losses, net | 628 | 346 |
| Provision of allowance for possible loan losses | — | 52 |
| Depreciation of real estate for rent and other assets | 2,869 | 2,974 |
| Other investment expenses | 6,551 | 19,650 |
| Total | 46,512 | 96,765 |

(5) Net Investment Income

(Millions of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|-----------------------|-------------------------------------|-------------------------------------|
| Net investment income | 95,481 | 94,901 |

(6) Net Valuation Gains/Losses on Trading Securities

(Millions of yen)

| | As of March 31, 2025 | | As of September 30, 2025 | |
|--------------------|-------------------------------------|--|-------------------------------------|--|
| | Carrying value on the balance sheet | Net valuation gains/losses included in the statement of operations | Carrying value on the balance sheet | Net valuation gains/losses included in the statement of operations |
| Trading securities | 22,812 | (0) | 23,377 | 58 |

Note: The table above includes money held in trust for trading purpose.

(7) Fair Value Information on Securities (other than trading securities)

(Millions of yen)

| | As of March 31, 2025 | | | | | As of September 30, 2025 | | | | |
|--|----------------------|------------|--------------|---------|---------|--------------------------|------------|--------------|-----------|---------|
| | Book value | Fair value | Gains/Losses | | | Book value | Fair value | Gains/Losses | | |
| | | | | Gains | Losses | | | | Gains | Losses |
| Held-to-maturity debt securities | 645,682 | 666,692 | 21,010 | 21,010 | — | 625,391 | 640,889 | 15,498 | 15,498 | — |
| Domestic bonds | 645,682 | 666,692 | 21,010 | 21,010 | — | 625,391 | 640,889 | 15,498 | 15,498 | — |
| Foreign bonds | — | — | — | — | — | — | — | — | — | — |
| Policy-reserve-matching bonds | 627,193 | 568,591 | (58,601) | — | 58,601 | 1,190,149 | 1,046,258 | (143,890) | — | 143,890 |
| Domestic bonds | 627,193 | 568,591 | (58,601) | — | 58,601 | 1,190,149 | 1,046,258 | (143,890) | — | 143,890 |
| Foreign bonds | — | — | — | — | — | — | — | — | — | — |
| Investments in subsidiaries and affiliates | — | — | — | — | — | — | — | — | — | — |
| Available-for-sale securities | 3,952,840 | 4,676,064 | 723,223 | 911,702 | 188,478 | 3,470,962 | 4,373,314 | 902,352 | 1,069,565 | 167,213 |
| Domestic bonds | 1,663,797 | 1,551,497 | (112,300) | 41,982 | 154,283 | 1,560,312 | 1,450,677 | (109,634) | 31,897 | 141,531 |
| Domestic stocks | 377,840 | 894,051 | 516,210 | 521,429 | 5,218 | 393,455 | 1,081,959 | 688,503 | 690,156 | 1,653 |
| Foreign securities | 1,759,222 | 2,035,649 | 276,427 | 302,858 | 26,431 | 1,376,303 | 1,650,233 | 273,930 | 296,972 | 23,041 |
| Foreign bonds | 1,315,509 | 1,406,359 | 90,849 | 111,631 | 20,781 | 898,812 | 920,726 | 21,913 | 41,288 | 19,374 |
| Foreign stocks and other securities | 443,712 | 629,290 | 185,577 | 191,226 | 5,649 | 477,491 | 729,507 | 252,016 | 255,683 | 3,667 |
| Other securities | 151,979 | 194,865 | 42,886 | 45,431 | 2,545 | 140,890 | 190,443 | 49,552 | 50,539 | 986 |
| Money held in trust | — | — | — | — | — | — | — | — | — | — |
| Monetary claims bought | — | — | — | — | — | — | — | — | — | — |
| Negotiable certificate of deposits | — | — | — | — | — | — | — | — | — | — |
| Others | — | — | — | — | — | — | — | — | — | — |
| Total | 5,225,715 | 5,911,347 | 685,632 | 932,713 | 247,080 | 5,286,502 | 6,060,462 | 773,959 | 1,085,063 | 311,104 |
| Domestic bonds | 2,936,672 | 2,786,781 | (149,891) | 62,993 | 212,884 | 3,375,852 | 3,137,825 | (238,026) | 47,395 | 285,422 |
| Domestic stocks | 377,840 | 894,051 | 516,210 | 521,429 | 5,218 | 393,455 | 1,081,959 | 688,503 | 690,156 | 1,653 |
| Foreign securities | 1,759,222 | 2,035,649 | 276,427 | 302,858 | 26,431 | 1,376,303 | 1,650,233 | 273,930 | 296,972 | 23,041 |
| Foreign bonds | 1,315,509 | 1,406,359 | 90,849 | 111,631 | 20,781 | 898,812 | 920,726 | 21,913 | 41,288 | 19,374 |
| Foreign stocks and other securities | 443,712 | 629,290 | 185,577 | 191,226 | 5,649 | 477,491 | 729,507 | 252,016 | 255,683 | 3,667 |
| Other securities | 151,979 | 194,865 | 42,886 | 45,431 | 2,545 | 140,890 | 190,443 | 49,552 | 50,539 | 986 |
| Money held in trust | — | — | — | — | — | — | — | — | — | — |
| Monetary claims bought | — | — | — | — | — | — | — | — | — | — |
| Negotiable certificate of deposits | — | — | — | — | — | — | — | — | — | — |
| Others | — | — | — | — | — | — | — | — | — | — |

Notes: 1. The table above includes assets which are considered appropriate to deem as securities under the Financial Instruments and Exchange Law.

2. The securities and investment partnerships without fair value are not included in the table above.

• Book value of securities and investment partnerships without fair value are as follows:

(Millions of yen)

| | As of March 31, 2025 | As of September 30, 2025 |
|--|----------------------|--------------------------|
| Investments in subsidiaries and affiliates | 64,787 | 64,787 |
| Available-for-sale securities | 54,333 | 63,011 |
| Domestic stocks | 5,668 | 5,662 |
| Foreign stocks | — | — |
| Others | 48,665 | 57,348 |
| Total | 119,120 | 127,798 |

Note: In this table, domestic and overseas investment partnerships are included in “Others” within “Available-for-sale securities.” However, unrealized gains on available-for-sale securities corresponding to these holdings by domestic and overseas investment partnerships (¥6,400 million as of March 31, 2025 and ¥8,001 million as of September 30, 2025) are included in their balance sheet carrying amounts.

(8) Fair Value Information on Money Held in Trust

(Millions of yen)

| | As of March 31, 2025 | | | | | As of September 30, 2025 | | | | |
|---------------------|---|------------|--------------|-------|--------|---|------------|--------------|-------|--------|
| | Carrying value on the balance sheet | Fair value | Gains/losses | | | Carrying value on the balance sheet | Fair value | Gains/losses | | |
| | | | | Gains | Losses | | | | Gains | Losses |
| Money held in trust | 23,812 | 23,812 | — | — | — | 24,377 | 24,377 | — | — | — |

• Money held in trust for trading purpose

(Millions of yen)

| | As of March 31, 2025 | | As of September 30, 2025 | |
|---|--|---|--|---|
| | Carrying value on the balance sheet | Net valuation gains/losses included in the statements of operations | Carrying value on the balance sheet | Net valuation gains/losses included in the statements of operations |
| Money held in trust for trading purpose | 22,812 | (0) | 23,377 | 58 |

• Money held in trust classified as held-to-maturity, policy-reserve-matching and available-for-sale

(Millions of yen)

| | As of March 31, 2025 | | | | | As of September 30, 2025 | | | | |
|---|----------------------|------------|--------------|-------|--------|--------------------------|------------|--------------|-------|--------|
| | Book value | Fair value | Gains/losses | | | Book value | Fair value | Gains/losses | | |
| | | | | Gains | Losses | | | | Gains | Losses |
| Money held in trust for held-to-maturity | — | — | — | — | — | — | — | — | — | — |
| Money held in trust for policy-reserve-matching | — | — | — | — | — | — | — | — | — | — |
| Money held in trust for available-for-sale | — | — | — | — | — | — | — | — | — | — |

Reference: Fair Value Information on Derivative Instruments (General Account)

(i) Gains and Losses on Derivatives

(Millions of yen)

| As of March 31, 2025 | Interest-related | Currency-related | Stock-related | Bond-related | Others | Total |
|------------------------------|------------------|------------------|---------------|--------------|--------|-------|
| Hedge accounting applied | — | — | — | — | — | — |
| Hedge accounting not applied | — | 300 | — | — | — | 300 |
| Total | — | 300 | — | — | — | 300 |
| As of September 30, 2025 | Interest-related | Currency-related | Stock-related | Bond-related | Others | Total |
| Hedge accounting applied | — | — | — | — | — | — |
| Hedge accounting not applied | — | (497) | — | — | — | (497) |
| Total | — | (497) | — | — | — | (497) |

Note: Gains and losses with hedge accounting not applied are reported in the statements of operations.

(ii) Interest-related Transactions

No ending balance as of March 31, 2025 and September 30, 2025.

(iii) Currency-related Transactions

(Millions of yen)

| | As of March 31, 2025 | | | | As of September 30, 2025 | | | |
|--------------------------------------|------------------------------------|-------------|-------------------|------|------------------------------------|-------------|-------------------|-------|
| | Notional amount/ contract value | Fair value | Gains (Losses) | | Notional amount/ contract value | Fair value | Gains (Losses) | |
| | | | | | | | | |
| | | Over 1 year | | | | Over 1 year | | |
| Over-the-counter transactions | | | | | | | | |
| Currency forward contracts | | | | | | | | |
| Sold | 21,975 | — | 21,743 | 231 | 30,655 | — | 31,140 | (484) |
| U.S. dollar | 11,111 | — | 11,021 | 89 | 14,134 | — | 14,244 | (109) |
| Australian dollar | 8,979 | — | 8,786 | 192 | 12,988 | — | 13,337 | (349) |
| British pound | 1,884 | — | 1,934 | (50) | 1,966 | — | 1,995 | (29) |
| Euro | — | — | — | — | 1,566 | — | 1,563 | 3 |
| Bought | — | — | — | — | 295 | — | 294 | (0) |
| U.S. dollar | — | — | — | — | 295 | — | 294 | (0) |
| Currency options | | | | | | | | |
| Sold | | | | | | | | |
| Call | — | — | — | — | 760 | — | — | — |
| U.S. dollar | [—] | — | — | — | [6] | — | 5 | 0 |
| Put | — | — | — | — | 760 | — | — | — |
| U.S. dollar | [—] | — | — | — | [6] | — | 5 | 0 |
| Bought | | | | | | | | |
| Call | — | — | — | — | — | — | — | — |
| U.S. dollar | [—] | — | — | — | [—] | — | — | — |
| Put | 70,760 | — | — | — | 2,175 | — | — | — |
| U.S. dollar | [1,124] | — | 1,192 | 68 | [31] | — | 19 | (12) |
| Total | [1,124] | — | 1,192 | 68 | [31] | — | 19 | (12) |

Notes: 1. Forward exchange rates are used for exchange rates as of September 30, 2025.

2. Figures in [] are option premiums which are included in the balance sheet.

3. Regarding assets and liabilities which are denominated in foreign currencies but have fixed settlement in yen under currency forward contracts and are reported in yen amounts in the balance sheet, those currency forward contracts are excluded from the table above.

(iv) Stock-related Transactions

No ending balance as of March 31, 2025 and September 30, 2025.

(v) Bond-related Transactions

No ending balance as of March 31, 2025 and September 30, 2025.

Reference: Fair Value of Real Estate (Land and Leaseholds)

(Millions of yen)

| As of March 31, 2025 | | | As of September 30, 2025 | | |
|--|------------|----------------|--|------------|----------------|
| Carrying value on the balance sheet | Fair value | Gains (Losses) | Carrying value on the balance sheet | Fair value | Gains (Losses) |
| 153,062 | 340,652 | 187,590 | 153,051 | 342,059 | 189,007 |

Note: Fair value is based on the appraisal value by the real-estate appraiser, the appraisal value for property tax and the road rate.

3. Non-consolidated Balance Sheets

(Millions of yen)

| | As of March 31, 2025 | As of September 30, 2025 |
|--|----------------------|--------------------------|
| Assets: | | |
| Cash and deposits | 185,154 | 266,089 |
| Call loans | 97,000 | 211,000 |
| Money held in trust | 23,812 | 24,377 |
| Securities | 6,202,664 | 6,459,548 |
| [Government bonds] | [2,277,386] | [2,730,249] |
| [Local government bonds] | [83,522] | [74,893] |
| [Corporate bonds] | [494,223] | [494,804] |
| [Stocks] | [996,730] | [1,187,660] |
| [Foreign securities] | [2,127,924] | [1,748,748] |
| Loans: | 472,157 | 336,711 |
| Policy loans | 43,775 | 43,575 |
| Ordinary loans | 428,381 | 293,136 |
| Tangible fixed assets | 262,651 | 261,990 |
| Intangible fixed assets | 24,720 | 25,955 |
| Agency receivables | 181 | 50 |
| Reinsurance receivables | 75 | 11 |
| Other assets | 57,913 | 52,965 |
| Prepaid pension cost | 3,980 | 4,672 |
| Allowance for possible loan losses | (508) | (556) |
| Total assets | 7,329,802 | 7,642,817 |
| | | |
| | As of March 31, 2025 | As of September 30, 2025 |
| Liabilities: | | |
| Policy reserves: | 5,958,401 | 6,054,004 |
| Reserve for outstanding claims | 24,893 | 23,814 |
| Policy reserve | 5,869,389 | 5,938,562 |
| Reserve for dividends to policyholders | 64,117 | 91,626 |
| Reinsurance payables | 38 | 61 |
| Subordinated bonds | 267,260 | 308,480 |
| Other liabilities: | 46,920 | 54,820 |
| Corporate income tax payable | 102 | 1,743 |
| Asset retirement obligations | 4,486 | 4,533 |
| Rest of the other liabilities | 42,331 | 48,542 |
| Reserve for employees' retirement benefits | 26,836 | 26,693 |
| Reserve for price fluctuation | 188,566 | 175,617 |
| Deferred tax liabilities | 24,268 | 79,444 |
| Deferred tax liabilities for land revaluation | 14,600 | 14,597 |
| Total liabilities | 6,526,893 | 6,713,718 |
| Net assets: | | |
| Foundation funds | 8,000 | 8,000 |
| Accumulated foundation funds redeemed | 128,000 | 128,000 |
| Reserve for revaluation | 112 | 112 |
| Surplus: | 142,527 | 140,241 |
| Legal reserve for future losses | 3,660 | 3,800 |
| Other surplus: | 138,867 | 136,441 |
| Reserve for redemption of foundation funds | — | 1,600 |
| Reserve for dividend allowances | 20,000 | 20,000 |
| Accumulated fund for price fluctuation | 41,000 | 41,000 |
| Reserve for employee returns | — | 3,402 |
| Reserve for advanced depreciation of real estate for tax purpose | 202 | 199 |
| Other reserves | 767 | 767 |
| Unappropriated surplus | 76,897 | 69,472 |
| Total foundation funds, surplus and others | 278,640 | 276,354 |
| Net unrealized gains (losses) on available-for-sale securities, net of tax | 520,242 | 648,726 |
| Revaluation reserve for land, net of tax | 4,025 | 4,018 |
| Total valuation and translation adjustments | 524,268 | 652,744 |
| Total net assets | 802,908 | 929,098 |
| Total liabilities and net assets | 7,329,802 | 7,642,817 |

4. Non-consolidated Statements of Operations

(Millions of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|---|--|--|
| Ordinary revenues: | | |
| Premium and other income | 256,190 | 289,129 |
| [Premium income] | [256,175] | [288,995] |
| Investment income | 141,993 | 205,019 |
| [Interest, dividends and other income] | [90,285] | [98,576] |
| [Gains on money held in trust, net] | [—] | [604] |
| [Gains on trading securities, net] | [0] | [—] |
| [Gains on sales of securities] | [48,569] | [88,886] |
| [Gains on separate accounts, net] | [—] | [13,352] |
| Other ordinary revenues | 6,040 | 6,744 |
| [Reversal of reserve for outstanding claims] | [375] | [1,078] |
| Total ordinary revenues | 404,224 | 500,892 |
| Ordinary expenses: | | |
| Claims and other payments | 234,203 | 225,454 |
| [Claims] | [54,079] | [44,765] |
| [Annuities] | [74,245] | [73,154] |
| [Benefits] | [60,449] | [61,500] |
| [Surrenders] | [33,233] | [30,489] |
| [Other payments] | [12,093] | [15,438] |
| Provision of policy reserve and others: | 7,133 | 69,268 |
| Provision of policy reserves | 7,127 | 69,173 |
| Provision of interest portion of reserve for dividends to policyholders | 6 | 95 |
| Investment expenses | 46,649 | 96,765 |
| [Interest expenses] | [2,312] | [2,304] |
| [Losses on money held in trust, net] | [137] | [—] |
| [Losses on trading securities, net] | [—] | [3] |
| [Losses on sales of securities] | [32,515] | [70,415] |
| [Losses on valuation of securities] | [752] | [95] |
| [Losses on derivative instruments, net] | [745] | [922] |
| [Foreign exchange losses, net] | [628] | [346] |
| [Losses on separate accounts, net] | [136] | [—] |
| Operating expenses | 48,672 | 54,633 |
| Other ordinary expenses | 12,714 | 13,377 |
| Total ordinary expenses | 349,374 | 459,499 |
| Ordinary profits | 54,850 | 41,393 |
| Extraordinary gains: | | |
| Gains on disposal of fixed assets | 0 | — |
| Reversal of reserve for price fluctuation | — | 12,948 |
| Total extraordinary gains | 0 | 12,948 |
| Extraordinary losses: | | |
| Losses on disposal of fixed assets | 19 | 212 |
| Impairment losses | 2 | 10 |
| Provision of reserve for price fluctuation | 1,736 | — |
| Employee returns special expenses | — | 1,597 |
| Total extraordinary losses | 1,757 | 1,820 |
| Surplus before income taxes | 53,092 | 52,522 |
| Income taxes: | | |
| Current | 11,465 | 5,486 |
| Deferred | (1,693) | 2,926 |
| Total income taxes | 9,772 | 8,412 |
| Net surplus for the period | 43,320 | 44,109 |

5. Non-consolidated Statements of Changes in Net Assets

[For the six months ended September 30, 2024]

(Millions of yen)

(millions of yen)

| | Foundation funds, surplus and others | | | | | | | | | | | |
|--|--------------------------------------|---------------------------------------|-------------------------|---------------------------------|--|---------------------------------|--|--|----------------|------------------------|---------------|--|
| | Foundation funds | Accumulated foundation funds redeemed | Reserve for revaluation | Surplus | | | | | | | | Total foundation funds, surplus and others |
| | | | | Legal reserve for future losses | Other surplus | | | | | | Total surplus | |
| | | | | | Reserve for redemption of foundation funds | Reserve for dividend allowances | Accumulated fund for price fluctuation | Reserve for advanced depreciation of real estate for tax purpose | Other reserves | Unappropriated surplus | | |
| Balance at the beginning of the current period | 12,000 | 116,000 | 112 | 3,548 | 9,600 | 20,000 | 41,000 | 204 | 767 | 63,509 | 138,628 | 266,740 |
| Changes in the current period | | | | | | | | | | | | |
| Financing of additional foundation funds | 8,000 | | | | | | | | | | | 8,000 |
| Additions to reserve for dividends to policyholders | | | | | | | | | | (37,138) | (37,138) | (37,138) |
| Additions to legal reserve for future losses | | | | 112 | | | | | | (112) | — | — |
| Additions to accumulated foundation funds redeemed | | 12,000 | | | | | | | | | | 12,000 |
| Payment of interest on foundation funds | | | | | | | | | | (102) | (102) | (102) |
| Net surplus for the current period | | | | | | | | | | 43,320 | 43,320 | 43,320 |
| Redemption of foundation funds | (12,000) | | | | | | | | | | | (12,000) |
| Additions to reserve for redemption of foundation funds | | | | | 2,400 | | | | | (2,400) | — | — |
| Reversal of reserve for redemption of foundation funds | | | | | (12,000) | | | | | | (12,000) | (12,000) |
| Reversal of reserve for advanced depreciation of real estate for tax purpose | | | | | | | | (1) | | 1 | — | — |
| Net changes, excluding foundation funds, surplus and others | | | | | | | | | | | | |
| Total changes in the current period | (4,000) | 12,000 | — | 112 | (9,600) | — | — | (1) | — | 3,569 | (5,920) | 2,079 |
| Balance at the end of the current period | 8,000 | 128,000 | 112 | 3,660 | — | 20,000 | 41,000 | 202 | 767 | 67,078 | 132,708 | 268,820 |

| | Valuation and translation adjustments | | | Total net assets |
|--|---|--|---|------------------|
| | Net unrealized gains (losses) on available- for-sale securities, net of tax | Revaluation reserve for land, net of tax | Total valuation and translation adjustments | |
| Balance at the beginning of the current period | 659,808 | 4,500 | 664,308 | 931,049 |
| Changes in the current period | | | | |
| Financing of additional foundation funds | | | | 8,000 |
| Additions to reserve for dividends to policyholders | | | | (37,138) |
| Additions to legal reserve for future losses | | | | — |
| Additions to accumulated foundation funds redeemed | | | | 12,000 |
| Payment of interest on foundation funds | | | | (102) |
| Net surplus for the current period | | | | 43,320 |
| Redemption of foundation funds | | | | (12,000) |
| Additions to reserve for redemption of foundation funds | | | | — |
| Reversal of reserve for redemption of foundation funds | | | | (12,000) |
| Reversal of reserve for advanced depreciation of real estate for tax purpose | | | | — |
| Net changes, excluding foundation funds, surplus and others | (93,750) | — | (93,750) | (93,750) |
| Total changes in the current period | (93,750) | — | (93,750) | (91,670) |
| Balance at the end of the current period | 566,057 | 4,500 | 570,558 | 839,378 |

[For the six months ended September 30, 2025]

(Millions of yen)

| | Foundation funds, surplus and others | | | | | | | | | | | | |
|--|--------------------------------------|---------------------------------------|-------------------------|---------------------------------|--|---------------------------------|--|------------------------------|--|----------------|------------------------|---------------|--|
| | Foundation funds | Accumulated foundation funds redeemed | Reserve for revaluation | Surplus | | | | | | | | | Total foundation funds, surplus and others |
| | | | | Other surplus | | | | | | | | Total surplus | |
| | | | | Legal reserve for future losses | Reserve for redemption of foundation funds | Reserve for dividend allowances | Accumulated fund for price fluctuation | Reserve for employee returns | Reserve for advanced depreciation of real estate for tax purpose | Other reserves | Unappropriated surplus | | |
| Balance at the beginning of the current period | 8,000 | 128,000 | 112 | 3,660 | — | 20,000 | 41,000 | — | 202 | 767 | 76,897 | 142,527 | 278,640 |
| Changes in the current period | | | | | | | | | | | | | |
| Additions to reserve for dividends to policyholders | | | | | | | | | | | (46,273) | (46,273) | (46,273) |
| Additions to legal reserve for future losses | | | | 140 | | | | | | | (140) | — | — |
| Payment of interest on foundation funds | | | | | | | | | | | (129) | (129) | (129) |
| Net surplus for the current period | | | | | | | | | | | 44,109 | 44,109 | 44,109 |
| Additions to reserve for redemption of foundation funds | | | | | 1,600 | | | | | | (1,600) | — | — |
| Additions to reserve for employee returns | | | | | | | | 5,000 | | | (5,000) | — | — |
| Reversal of reserve for employee returns | | | | | | | | (1,597) | | | 1,597 | — | — |
| Reversal of reserve for advanced depreciation of real estate for tax purpose | | | | | | | | | (3) | | 3 | — | — |
| Reversal of revaluation reserve for land, net of tax | | | | | | | | | | | 7 | 7 | 7 |
| Net changes, excluding foundation funds, surplus and others | | | | | | | | | | | | | |
| Total changes in the current period | — | — | — | 140 | 1,600 | — | — | 3,402 | (3) | — | (7,425) | (2,285) | (2,285) |
| Balance at the end of the current period | 8,000 | 128,000 | 112 | 3,800 | 1,600 | 20,000 | 41,000 | 3,402 | 199 | 767 | 69,472 | 140,241 | 276,354 |

| | Valuation and translation adjustments | | | |
|--|--|--|---|------------------|
| | Net unrealized gains (losses) on available-for-sale securities, net of tax | Revaluation reserve for land, net of tax | Total valuation and translation adjustments | Total net assets |
| Balance at the beginning of the current period | 520,242 | 4,025 | 524,268 | 802,908 |
| Changes in the current period | | | | |
| Additions to reserve for dividends to policyholders | | | | (46,273) |
| Additions to legal reserve for future losses | | | | — |
| Payment of interest on foundation funds | | | | (129) |
| Net surplus for the current period | | | | 44,109 |
| Additions to reserve for redemption of foundation funds | | | | — |
| Additions to reserve for employee returns | | | | — |
| Reversal of reserve for employee returns | | | | — |
| Reversal of reserve for advanced depreciation of real estate for tax purpose | | | | — |
| Reversal of revaluation reserve for land, net of tax | | | | 7 |
| Net changes, excluding foundation funds, surplus and others | 128,483 | (7) | 128,476 | 128,476 |
| Total changes in the current period | 128,483 | (7) | 128,476 | 126,190 |
| Balance at the end of the current period | 648,726 | 4,018 | 652,744 | 929,098 |

Notes to the Non-consolidated Financial Statements

I. Presentation of the Non-consolidated Financial Statements

1. Basis of presentation

The accompanying non-consolidated financial statements have been prepared from the accounts maintained by Fukoku Mutual Life Insurance Company (the “Company”) in accordance with the provisions set forth in the Insurance Business Act of Japan and its related rules and regulations and in conformity with accounting principles generally accepted in Japan, which are different in certain respects from accounting principles generally accepted in countries and jurisdictions other than Japan.

In addition, the notes to the non-consolidated financial statements include information which is not required under accounting principles generally accepted in Japan but is presented herein as additional information.

Amounts of less than one million yen have been rounded down. As a result, the totals do not add up.

II. Notes to the Non-consolidated Balance Sheets

1. (1) The valuation of securities, including cash and deposits and monetary claims bought which are equivalent to securities, and securities managed as trust assets in money held in trust, is as follows:
 - i) Trading securities are stated at fair market value. Costs of their sales are determined by the moving average method.
 - ii) Held-to-maturity debt securities are stated at amortized cost under the straight-line method, cost being determined by the moving average method.
 - iii) Policy-reserve-matching bonds are stated at amortized cost under the straight-line method, cost being determined by the moving average method in accordance with “Temporary Treatment of Accounting and Auditing Concerning Policy-Reserve-Matching Bonds in the Insurance Industry” (Industry Audit Committee Report No. 21, issued by the Japanese Institute of Certified Public Accountants (JICPA) on November 16, 2000).
 - iv) Investments in subsidiaries and affiliates are stated at cost, cost being determined by the moving average method.
 - v) Available-for-sale securities are stated at fair market value based on the market prices at the end of the current period. Costs of their sales are determined by the moving average method. Public and corporate bonds (including foreign bonds) with differences between their acquisition costs and fair values that are considered as adjustments of interest are stated at amortized cost (straight-line method) determined by the moving average method. However, stocks and other securities without quoted market prices are stated at cost, as determined using the moving average method. Net unrealized gains or losses on these available-for-sale securities, net of taxes, are recorded as a separate component of net assets.
- (2) Derivative instruments are stated at fair market value.
- (3) The Company revalued the land used in the operations based on the Act for Revaluation of Land (Act No.34 promulgated on March 31, 1998). The difference between fair value and book value resulting from the revaluation, net of related taxes, is recorded as revaluation reserve for land as a separate component of net assets and the related tax is recorded as deferred tax liabilities for land revaluation.
 - Date of revaluation: March 31, 2002
 - Method of revaluation as prescribed for in Article 3 Paragraph 3 of the said Act:

Calculation is based on the appraisal value for property tax set forth in Article 2 item 3 of the Enforcement Ordinance of the Act for Revaluation of Land (Government Ordinance No.119 promulgated on March 31, 1998) and the road rate set forth in Article 2 item 4 of the said Ordinance with certain reasonable adjustments.

(4) Depreciation of tangible fixed assets is calculated by the following methods.

- Tangible fixed assets (excluding lease assets): Declining-balance method
However, buildings (excluding building attachments and structures acquired on or before March 31, 2016) acquired on or after April 1, 1998 are depreciated using Straight-line method.
- Lease assets related to finance lease transactions that do not transfer ownership: Straight-line method over the lease term with no residual value.

Other tangible fixed assets acquired for ¥100,000 or more but less than ¥200,000 are depreciated equally over three years.

(5) Assets and liabilities denominated in foreign currencies, except for investments in subsidiaries and affiliates, are translated into Japanese yen at the effective exchange rate prevailing at the balance sheet date. Investments in subsidiaries and affiliates are translated into Japanese yen at the exchange rate on the date of acquisition.

(6) Allowance for possible loan losses is provided in accordance with the Company's standards of self-assessment and write-offs and reserves on credit quality:

- i) For the credits of borrowers who are legally bankrupt such as being in the proceedings of bankruptcy or civil rehabilitation (hereinafter called "legally bankrupt borrowers") and who are substantially bankrupt (hereinafter called "substantially bankrupt borrowers"), the Company provides the remaining amounts of credits after the direct write-off described below and the deductions of the amount expected to be collected through the disposal of collateral or the execution of guarantees.
- ii) For the credits of borrowers who are not currently bankrupt but have a high possibility of bankruptcy (hereinafter called "not currently bankrupt borrowers"), the Company provides the amounts deemed as necessary considering the borrowers' ability to pay, within the amounts after deductions of the amounts expected to be collected through the disposal of collateral or the execution of guarantees.
- iii) For the credits of borrowers other than the above, the Company provides the amounts calculated by multiplying the borrowers' balance by the actual ratio of bad debt losses on defaults during a certain past period.

All credits are assessed by the relevant departments in accordance with the Company's standards of self-assessment on credit quality. The results of the assessment are reviewed by the audit department, which is independent of business-related divisions. Subsequently, the allowance for possible loan losses is provided based on the results of these assessments.

For the credits of legally bankrupt borrowers and substantially bankrupt borrowers, the amounts remaining after deductions of collateral value or the amounts collectible through the execution of guarantees are written-off directly from the borrowers' balances as the estimated uncollectible amounts. The amount written-off as of September 30, 2025 was ¥1 million.

(7) Reserve for employees' retirement benefits and prepaid pension costs are presented based on projected benefit obligations and pension plan assets at the balance sheet date.

The Company uses the following methods for amortizing retirement benefit obligations and retirement benefit expenses:

- Method for allocation of projected retirement benefits Benefit formula basis
- Amortization period of actuarial gains and losses..... 10 years
- Amortization period of prior service cost..... 10 years

(8) Reserve for price fluctuation is calculated in accordance with Article 115 of the Insurance Business Act.

(9) Hedge accounting is based on “Accounting Standards for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019). The Company applies a designated hedge accounting (“Furiate shori”) for foreign currency swaps as a hedge against the risk of foreign exchange fluctuation in relation to bonds denominated in foreign currencies issued by the Company.

For assessing the effectiveness of hedge used, ratio analysis of comparing the fluctuations in the fair value or cash flows of hedged items and hedging instruments is mainly applied.

(10) Accounting of unrecognized actuarial differences and unrecognized prior service costs related to employees’ retirement benefits is different to the methods used for these items in the consolidated financial statements.

(11) The Company accounts for consumption taxes by the tax-exclusion method. The consumption taxes on certain assets, which are not deductible from consumption taxes withheld and that are stipulated to be deferred under the Tax Act, are deferred as prepaid expenses and amortized equally over five years. Consumption taxes other than deferred consumption taxes are recognized as an expense when incurred.

(12) Initial premium incomes are recorded by the relevant amounts received when the premium incomes have been received and the responsibilities on the insurance contract have been commenced, in principal.

Subsequent premium incomes are also recorded as the amount of payments that have been received.

Of premium incomes that have been received, the portion corresponding to the period that has yet to pass as of September 30, 2025 is accumulated as policy reserve in accordance with Article 116 of the Insurance Business Act and Article 69 Paragraph 1 Item 2 of the Enforcement Regulation of the Insurance Business Act.

Premium incomes associated with the acceptance of group annuities are recorded as amounts equivalent to the policy reserve received when accepting the transfers of these group annuities.

(13) Claims and other payments (excluding reinsurance premiums) are recorded by the relevant amounts paid when the cause for payment under the policy conditions is occurred and the calculated amounts are paid based on the policy conditions.

In accordance with Article 117 of the Insurance Business Act and Article 72 of the Enforcement Regulation of the Insurance Business Act, reserve for outstanding claims are accumulated as for claims for which the Company has a payment due but has not paid, or for which the occurrence of cause for payment has not been reported but the Company recognizes that insured payment has already occurred as of September 30, 2025.

Regarding claims for which the occurrence of cause for payment has not been reported but the Company recognizes that insured payment has already occurred (“IBNR reserves”), the special treatment providing payment of hospitalization benefits with respect to those diagnosed with COVID-19 and were under the care of a doctor or the like at an lodging facility or at home (“deemed hospitalization”) was discontinued on May 8, 2023. As a result of this change, an appropriate amount of reserves cannot be obtained with the calculation method set forth in the main rules in Article 1, Paragraph 1 of the Notification of the Minister of Finance No.234, 1998 (“IBNR Notification”). The Company therefore records the amount that was calculated using the following method, pursuant to provisions in the proviso of Article 1, Paragraph 1 of IBNR Notification (the “Proviso”).

(Overview of the calculation method)

The Company first deducts an amount pertaining to deemed hospitalization of policy holders from a required amount of IBNR reserves and the amount of claim payments for all the fiscal years, as set forth in the main rules in Article 1, Paragraph 1 of IBNR Notification, and then calculates in the same manner as in the main rules in Article 1, Paragraph 1 of IBNR Notification.

Claims and other payments associated with the outgoing transfer of group annuities are recorded as amounts equivalent to the policy reserve transferred when recognizing the transfers of these group annuities.

- (14) Policy reserve of the Company is accumulated in accordance with the methods stated in the statement of calculation procedures for Insurance Premiums and Policy Reserves (Article 4 Paragraph 2 Item 4 of the Insurance Business Act) pursuant to Article 116 Paragraph 1 of the Insurance Business Act to prepare for the future performance of obligations under the insurance contracts for which the insurer's responsibilities have started as of September 30, 2025.

Premium reserves, one of the components of policy reserve, are calculated by the following method.

- i) In regard to the policies subject to the standard policy reserve, the method as prescribed by the Commissioner of Financial Services Agency (Ministry of Finance Ordinance No.48, 1996) is applied.
- ii) In regard to the policies not subject to the standard policy reserve, the net level premium method is applied.

In regard to the policy reserve accumulated pursuant to Article 69 Paragraphs 1, 2, and 4 of the Enforcement Regulation of the Insurance Business Act, when the actual assumptions for long-term future cash flows (such as assumed incidence rate and assumed interest rate) deviate from those assumptions set in the "statement of calculation procedures for Insurance Premiums and Policy Reserves" and policy reserve is considered to be possibly insufficient to cover the future performance of obligations, additional policy reserve is required to accumulate in accordance with Article 69 Paragraph 5 of the Enforcement Regulation of the Insurance Business Act. The following reserves have been established in compliance with this regulation.

- Among individual annuity insurance policies with an assumed interest rate of 5.00% or higher, for policies that have begun paying annuities (excluding wife's annuity insurance additional rider), the Company has reduced the assumed interest rate to 1.00% and funded additional policy reserves. As of September 30, 2025, the balance of these policy reserves was ¥65,657 million.
- Among whole life insurance policies with assumed interest rates of 5.00% or higher, the Company has reduced assumed interest rates for policies with premiums that have been paid in full (excluding policies that have been converted into paid-up or extended policies, single premium policies, and policies for which premiums have been waived) to 1.00% and funded additional policy reserves. As of September 30, 2025, the balance of these policy reserves was ¥103,929 million.
- The Company has also funded additional policy reserves for certain new cancer riders and highly advanced medical riders. As of September 30, 2025, the balance of these policy reserves was ¥90 million.

Contingency reserves, one of the components of policy reserve, are accumulated pursuant to Article 116 of the Insurance Business Act and Article 69 Paragraph 1 Item 3 of the Enforcement Regulation of the Insurance Business Act to cover risks that may accrue in the future in order to ensure performing future obligations under the insurance contracts.

- (15) Depreciation of intangible fixed assets is calculated by the following methods.

- Software: Straight-line method over the estimated useful lives.
- Lease assets related to finance lease transactions that do not transfer ownership: Straight-line method over the lease term with no residual value.

- (16) Of the bonds corresponding to the sub-groups of individual insurance, individual annuities, and group annuities which are set by insurance types and investment policies, the bonds that are held to match the duration of liabilities are classified as policy-reserve-matching bonds in accordance with “Temporary Treatment of Accounting and Auditing Concerning Policy-reserve-matching Bonds in Insurance Industry” (Industry Audit Committee Report No. 21 issued by JICPA on November 16, 2000).

2. The carrying amounts, fair values and their related differences of major financial assets and liabilities in the general account as of September 30, 2025 were as follows:

| | (Millions of yen) | | |
|------------------------------------|-------------------|------------|------------|
| | Carrying amount | Fair value | Difference |
| Money held in trust: | | | |
| Trading securities..... | ¥23,377 | ¥23,377 | ¥— |
| Total money held in trust..... | 23,377 | 23,377 | — |
| Securities: | | | |
| Held-to-maturity debt bonds..... | 625,391 | 640,889 | 15,498 |
| Policy-reserve-matching bonds..... | 1,190,149 | 1,046,258 | (143,890) |
| Available-for-sale securities..... | 4,373,314 | 4,373,314 | — |
| Total securities..... | 6,188,854 | 6,060,462 | (128,392) |
| Loans: | | | |
| Policy loans..... | 43,575 | 43,575 | (0) |
| Ordinary loans..... | 293,136 | 294,086 | 950 |
| Total loans..... | 336,711 | 337,662 | 950 |
| Assets total..... | 6,548,943 | 6,421,501 | (127,441) |
| Subordinated bonds*1..... | 308,480 | 301,662 | (6,817) |
| Liabilities total..... | 308,480 | 301,662 | (6,817) |
| Derivative instruments*2: | | | |
| Hedge accounting not applied..... | (497) | (497) | — |
| Total derivative instruments..... | ¥(497) | ¥(497) | ¥— |

*1 The fair value of derivative instruments that are currency swaps under designated hedge accounting is included in the fair value of subordinated bonds because it is accounted for as an integral part of the subordinated bonds that are the hedge items.

*2 Assets and liabilities generated by derivative instruments are offset and presented net. Net liabilities in total are presented in parentheses.

Notes: 1. Stocks without market prices, such as unlisted stocks, are not included in Securities of the above table.

The amount of these stocks on the balance sheet as of September 30, 2025 was ¥73,450 million.

2. In accordance with Paragraph 24-16 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31, June 17, 2021. Hereinafter called "Implementation Guidance on Accounting Standard for Fair Value Measurement"), investments in partnerships are not included in Securities of the above table. As of September 30, 2025, the amount of investments in partnerships included on the balance sheet was ¥62,349 million.

3. Investment trusts with real estate as investment trust properties which have applied Paragraph 24-9 of the Implementation Guidance on Accounting Standard for Fair Value Measurement are included in Securities.

3. Matters concerning the breakdown of financial instruments by fair value level are as follows.

The fair values of financial instruments are classified into the following three levels according to the observability and materiality of inputs used to measure fair value.

Fair Value Level 1: Fair values measured using (unadjusted) quoted prices in active markets for identical assets or liabilities

Fair Value Level 2: Fair values measured using directly or indirectly observable inputs other than Level 1 inputs

Fair Value Level 3: Fair values measured using material unobservable inputs

When multiple inputs with material impact are used to measure fair value, the resulting fair value is classified into the lowest fair value level into which any of these inputs can be categorized.

(1) Financial assets and liabilities with fair values recorded on the balance sheet as of September 30, 2025

(Millions of yen)

| Classification | Fair value | | | Total |
|--|------------|-----------|---------|-----------|
| | Level 1 | Level 2 | Level 3 | |
| Money held in trust: | | | | |
| Trading securities..... | ¥— | ¥23,377 | ¥— | ¥23,377 |
| Total money held in trust..... | — | 23,377 | — | 23,377 |
| Securities: | | | | |
| Available-for-sale securities: | | | | |
| Government bonds..... | 964,191 | — | — | 964,191 |
| Local government bonds..... | — | 66,736 | — | 66,736 |
| Corporate bonds..... | — | 419,750 | — | 419,750 |
| Stocks..... | 1,081,959 | — | — | 1,081,959 |
| Foreign securities..... | 719,626 | 906,374 | 24,232 | 1,650,233 |
| Other securities..... | 44,212 | 135,765 | — | 179,978 |
| Total available-for-sale securities..... | 2,809,990 | 1,528,625 | 24,232 | 4,362,848 |
| Total securities..... | 2,809,990 | 1,528,625 | 24,232 | 4,362,848 |
| Assets total..... | 2,809,990 | 1,552,003 | 24,232 | 4,386,226 |
| Derivative instruments*: | | | | |
| Currency-related..... | (0) | (496) | — | (497) |
| Total derivative instruments..... | ¥ (0) | ¥(496) | ¥— | ¥(497) |

* Assets and liabilities generated by derivative instruments are offset and presented net. Net liabilities in total are presented in parentheses.

Note: Investment trusts with real estate as investment trust properties that have applied Paragraph 24-9 of the Implementation Guidance on Accounting Standard for Fair Value Measurement are not included in the figures above. The amount of the investment trusts on the balance sheet as of September 30, 2025 was ¥10,465 million. Reconciliation of balances from the beginning of the current fiscal year to balances as of September 30, 2025 for the investment trusts were as follows:

(Millions of yen)

| | |
|--|---------|
| Balance at the beginning of the current period.... | ¥10,302 |
| Changes in net unrealized gains or losses..... | 162 |
| Balance at the end of the current period | ¥10,465 |

(2) Financial assets and liabilities with fair values not recorded on the balance sheet as of September 30, 2025

| Classification | Fair value | | | |
|---|------------|----------|---------|-----------|
| | Level 1 | Level 2 | Level 3 | Total |
| (Millions of yen) | | | | |
| Securities: | | | | |
| Held-to-maturity debt bonds: | | | | |
| Government bonds..... | ¥627,617 | ¥— | ¥— | ¥627,617 |
| Local government bonds..... | — | 6,270 | — | 6,270 |
| Corporate bonds..... | — | 7,001 | — | 7,001 |
| Total held-to-maturity debt securities... | 627,617 | 13,272 | — | 640,889 |
| Policy-reserve-matching bonds: | | | | |
| Government bonds..... | 997,989 | — | — | 997,989 |
| Local government bonds..... | — | 1,696 | — | 1,696 |
| Corporate bonds..... | — | 46,572 | — | 46,572 |
| Total policy-reserve-matching bonds... | 997,989 | 48,268 | — | 1,046,258 |
| Total securities..... | 1,625,607 | 61,540 | — | 1,687,148 |
| Loans: | | | | |
| Policy loans..... | — | — | 43,575 | 43,575 |
| Ordinary loans..... | — | — | 294,086 | 294,086 |
| Total loans..... | — | — | 337,662 | 337,662 |
| Assets total..... | 1,625,607 | 61,540 | 337,662 | 2,024,810 |
| Subordinated bonds | — | 301,662 | — | 301,662 |
| Liabilities total..... | ¥— | ¥301,662 | ¥— | ¥301,662 |

(3) Explanation of valuation techniques and inputs used to measure fair value

- i) Securities (including deposits and monetary claims bought which are treated as securities based on “Accounting Standards for Financial Instruments” [ASBJ Statement No.10, July 4, 2019])

The fair values of securities for which unadjusted quoted market prices in active markets are available (primarily listed stocks and government bonds [including some foreign securities]) are classified as Fair Value Level 1. Meanwhile, the fair values of securities for which quoted market prices are available, but are not available in active markets, are classified as Fair Value Level 2 (This category primarily includes local government bonds and corporate bonds [including some foreign securities]). When quoted market prices are not available for securities, prices obtained from third parties (mainly from information vendors and financial institutions with which the Company conducts business) and determined to have been measured in accordance with prescribed accounting standards are used to measure the fair values of these securities. If the inputs used to measure the fair value of a given security are material but unobservable, the resulting fair value is classified as Fair Value Level 3.

- ii) Money held in trust

In principle, the fair values of securities managed as trust assets and classified as money held in trust are measured using the Company's prescribed method for determining the value of securities. These fair values are categorized as Fair Value Level 2.

- iii) Loans

The fair values of policy loans are deemed to approximate book values, considering estimated repayment period and interest rate conditions since their repayment deadlines have not been set up due to the characteristics that the loans are limited to the amount of cash surrender values. Therefore, the book values are used as the fair values of policy loans.

The fair values of floating interest rate loans among the ordinary loans approximate the book values because the market interest rates are reflected in future cash flows in a short period. Therefore, the fair

values of floating interest rate loans are used as their book values. The fair values of fixed interest rate loans are primarily calculated by discounting the future cash flows to the present values.

The fair values of loans from legally bankrupt borrowers, substantially bankrupt borrowers and not currently bankrupt borrowers are computed by deducting the amount of the allowance for possible loan losses from the book values before direct write-offs.

Because significant unobservable inputs used to measure the fair values of loans, the resulting fair values are classified as Fair Value Level 3.

iv) Subordinated bonds

The fair values of corporate bonds issued by the Company are classified as Fair Value Level 2 and are measured using the same method applied to securities.

v) Derivative instruments

The fair values of derivative instruments for which unadjusted quoted market prices in active markets are available (primarily exchange-traded futures and options) are classified as Fair Value Level 1. However, most derivative instruments are traded over the counter and have no quoted market prices. Accordingly, prices obtained from third parties (mainly from information vendors and financial institutions with which the Company conducts business) and determined to have been measured in accordance with prescribed accounting standards are used to measure the fair values of these derivative instruments. Fair values of derivative instruments that were measured using only observable inputs or with unobservable inputs considered to be immaterial are classified as Fair Value Level 2. Meanwhile, fair values of derivative instruments that have been measured using material unobservable inputs are categorized as Fair Value Level 3.

(4) Information concerning fair values of financial assets and liabilities that have been recorded on the balance sheet as of September 30, 2025 and classified as Fair Value Level 3

i) Quantitative information regarding material unobservable inputs

When measuring fair value, the Company does not adjust quoted prices obtained from third parties and does not make estimates related to inputs that it cannot observe. Accordingly, quantitative information regarding material unobservable inputs have been omitted.

ii) Reconciliation of balances from the beginning of the current fiscal year to balances as of September 30, 2025, and valuation gains or losses recognized in the statements of operations for the six months ended September 30, 2025.

| | (Millions of yen) | |
|---|---|---------|
| | Securities, Available-for-sale securities, Foreign securities | Total |
| Balance at the beginning of the current period..... | ¥24,304 | ¥24,304 |
| Gains or losses during the current period..... | (5) | (5) |
| Values recognized as gains or losses* | (5) | (5) |
| Changes in net unrealized gains or losses..... | (66) | (66) |
| Balance at the end of the current period..... | ¥24,232 | ¥24,232 |

* These amounts are included in investment income and investment expenses in the non-consolidated statements of operations for the six months ended September 30, 2025.

iii) Explanation of the valuation process for fair value

The Company's asset management division is responsible for the formulation of policies and procedures related to the measurement of fair value and the actual measurement of fair value. These fair values are subsequently checked by the risk management department to ensure their appropriateness and compliance with relevant policies and procedures.

The Company verifies the appropriateness of the fair values it measures using a variety of suitable methods, which include comparing quoted market prices obtained from different third parties; confirming

techniques and inputs utilized for calculation; and further comparing measured fair values with the fair values of similar financial instruments.

iv) Explanation of the impact on fair value in case of change in material unobservable inputs

When measuring fair value, the Company does not adjust quoted prices obtained from third parties and does not make estimates related to inputs that it cannot observe. Accordingly, it has omitted information concerning impact on fair value stemming from changes in material unobservable inputs.

4. Notes related to the fair value of investment and rental properties are omitted as no significant change has occurred since the previous fiscal year-end.

5. The amount of securities lent under lending agreements was ¥439,278 million as of September 30, 2025.

6. The total amount of claims against bankrupt and quasi-bankrupt obligors, claims with collection risk, delinquent loans past three months or more, and restructured loans was ¥599 million as of September 30, 2025. The details are as follows.

i) The balance of claims against bankrupt and quasi-bankrupt obligors was ¥102 million as of September 30, 2025.

Of which, the estimated uncollectible amount written-off was ¥1 million as of September 30, 2025.

Claims against bankrupt and quasi-bankrupt obligors are loans to borrowers who are subject to bankruptcy, corporate reorganization or rehabilitation or other similar proceedings and other borrowers in serious financial difficulties.

ii) The balance of claims with collection risk was ¥300 million as of September 30, 2025.

Claims with collection risk are loans to obligors (other than claims against bankrupt and quasi-bankrupt obligors) with deteriorated financial condition and results of operations from which it is unlikely that the principal and interest on the loans will be recovered.

iii) There was no balance of delinquent loans past three months or more as of September 30, 2025.

Delinquent loans past three months or more are loans for which interest payments or repayments of principal are delinquent for three months or more from the due date under the terms of the related loan agreements, excluding those loans classified as claims against bankrupt and quasi-bankrupt obligors, claims with collection risk.

iv) The balance of restructured loans was ¥196 million as of September 30, 2025.

Restructured loans are loans for which certain concessions favorable to borrowers, such as interest reduction or exemption, rescheduling of due date for repayments of principal or interest payment, waiver of claim or other terms, have been negotiated for the purpose of assisting and supporting the borrowers in the restructuring of their business. This category excludes loans classified as claims against bankrupt and quasi-bankrupt obligors, claims with collection risk, and delinquent loans past three months or more.

7. Accumulated depreciation of tangible fixed assets were ¥191,337 million as of September 30, 2025.

8. Total assets in separate accounts provided for in Article 118 of the Insurance Business Act were ¥140,728 million as of September 30, 2025. The amounts of separate account liabilities were the same as separate account assets.

9. Changes in reserve for dividends to policyholders for the six months ended September 30, 2025 were as follows:

| | (Millions of yen) |
|---|-------------------|
| Balance at the beginning of the current period..... | ¥64,117 |
| Transfer from surplus in the previous fiscal year..... | 46,273 |
| Dividend payments to policyholders during the current period..... | (18,860) |
| Increase in interest..... | 95 |
| Balance at the end of the current period..... | <u>¥91,626</u> |

10. The amount of stocks of subsidiaries was ¥64,787 million as of September 30, 2025.

11. Assets pledged as collateral as of September 30, 2025 were ¥102,878 million of securities.

Secured debts as of September 30, 2025, were ¥5,956 million.

12. Reserve for outstanding claims for the reinsurance contracts provided in accordance with Article 71 Paragraph 1 of the Enforcement Regulation of the Insurance Business Act (hereinafter called “reserve for outstanding claims for ceded reinsurance”) was ¥0 million as of September 30, 2025.

Policy reserve for the reinsurance contracts provided in accordance with Article 71 Paragraph 1 of the Enforcement Regulation of the Insurance Business Act (hereinafter called “policy reserve for ceded reinsurance”) was ¥18 million as of September 30, 2025.

13. There were unused commitment line agreements under which the Company is the lender of ¥18,953 million as of September 30, 2025.

14. Repayments of subordinated bonds are subordinated to other obligations.

III. Notes to the Non-consolidated Statements of Operations

1. The details of gains on sales of securities for the six months ended September 30, 2025 were as follows:

| | (Millions of yen) |
|---------------------------------|-------------------|
| Domestic bonds..... | ¥5,248 |
| Domestic stocks and others..... | 15,865 |
| Foreign securities..... | ¥67,772 |

2. The details of losses on sales of securities for the six months ended September 30, 2025 were as follows:

| | (Millions of yen) |
|---------------------------------|-------------------|
| Domestic bonds..... | ¥58,994 |
| Domestic stocks and others..... | 571 |
| Foreign securities..... | ¥10,849 |

3. The details of losses on valuation of securities for the six months ended September 30, 2025 were as follows:

| | (Millions of yen) |
|---------------------------------|-------------------|
| Domestic stocks and others..... | ¥95 |

4. For the six months ended September 30, 2025, in calculating the reversal of reserve for outstanding claims, a reversal of reserve for outstanding claims for ceded reinsurance of ¥40 million was deducted. In calculating the provision of policy reserves, a provision of policy reserve for ceded reinsurance of ¥0 million was deducted.

5. Breakdown of interest, dividends and other income for the six months ended September 30, 2025 were as follows:

| | (Millions of yen) |
|---|-------------------|
| Interest on deposits..... | ¥147 |
| Interest and dividends on securities..... | 82,710 |
| Interest on loans..... | 4,349 |
| Income from real estate for rent..... | 10,943 |
| Other interest and dividends..... | 425 |
| Total..... | <u>¥98,576</u> |

6. Breakdown of Ordinary Profits (Fundamental Profit)

(Millions of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|--|--|--|
| Fundamental profit A | 44,766 | 38,845 |
| Capital gains | 51,662 | 92,916 |
| Gains on money held in trust, net | — | 517 |
| Gains on trading securities, net | 0 | — |
| Gains on sales of securities | 48,569 | 88,886 |
| Gains on derivative instruments, net | — | — |
| Foreign exchange gains, net | — | — |
| Other capital gains | 3,093 | 3,511 |
| Capital losses | 34,861 | 84,585 |
| Losses on money held in trust, net | 220 | — |
| Losses on trading securities, net | — | 3 |
| Losses on sales of securities | 32,515 | 70,415 |
| Losses on valuation of securities | 752 | 95 |
| Losses on derivative instruments, net | 745 | 922 |
| Foreign exchange losses, net | 628 | 346 |
| Other capital losses | — | 12,802 |
| Net capital gains (losses) B | 16,801 | 8,330 |
| Fundamental profit plus net capital gains (losses) A+B | 61,567 | 47,176 |
| Non-recurring gains | — | — |
| Reinsurance income | — | — |
| Reversal of contingency reserve | — | — |
| Reversal of specific allowance for possible loan losses | — | — |
| Others | — | — |
| Non-recurring losses | 6,716 | 5,782 |
| Reinsurance premiums | — | — |
| Provision for contingency reserve | 1,364 | 996 |
| Provision of specific allowance for possible loan losses | 9 | 9 |
| Provision of allowance for specified overseas loans | — | — |
| Write-offs of loans | — | — |
| Others | 5,343 | 4,776 |
| Non-recurring gains (losses) C | (6,716) | (5,782) |
| Ordinary profits A+B+C | 54,850 | 41,393 |

Note: Other items break down as follows.

(Millions of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|--|--|--|
| Fundamental profit | (3,010) | 9,378 |
| Interest, dividends, and other income from gains/losses on money held in trust | 82 | 87 |
| Interest, dividends, and other investment expenses from gains/losses on cancellation of investment trusts | (82) | — |
| Portion of gains/losses on redemption of securities attributable to foreign exchange fluctuations | (3,011) | (3,511) |
| Losses on receivables liquidation within other investment expenses | — | 12,802 |
| Other capital gains | 3,093 | 3,511 |
| Interest, dividends, and other investment expenses from gains/losses on cancellation of investment trusts | 82 | — |
| Portion of gains/losses on redemption of securities attributable to foreign exchange fluctuations | 3,011 | 3,511 |
| Other capital losses | — | 12,802 |
| Losses on receivables liquidation within other investment expenses | — | 12,802 |
| Non-recurring losses | 5,343 | 4,776 |
| Provision of policy reserves in accordance with Article 69, Paragraph 5 of the Enforcement Regulations of the Insurance Business Act | 5,343 | 4,776 |

7. Disclosed Claims Based on Insurance Business Act

(Millions of yen)

| | As of March 31, 2025 | As of September 30, 2025 |
|---|----------------------|--------------------------|
| Claims against bankrupt and quasi-bankrupt obligors | 110 | 102 |
| Claims with collection risk | 372 | 300 |
| Delinquent loans past three months or more | — | — |
| Restructured loans | 244 | 196 |
| Subtotal [Percentage of total] | 727 [0.08%] | 599 [0.08%] |
| Claims against normal obligors | 942,940 | 779,205 |
| Total | 943,668 | 779,805 |

- Notes: 1. Claims against bankrupt and quasi-bankrupt obligors are loans to borrowers who are subject to bankruptcy, corporate reorganization or rehabilitation or other similar proceedings and other borrowers in serious financial difficulties.
2. Claims with collection risk are loans to obligors (other than claims against bankrupt and quasi-bankrupt obligors) with deteriorated financial condition and results of operations from which it is unlikely that the principal and interest on the loans will be recovered.
3. Delinquent loans past three months or more are loans for which interest payments or repayments of principal are delinquent for three months or more from the due date under the terms of the related loan agreements, excluding those loans classified as claims against bankrupt and quasi-bankrupt obligors, claims with collection risk.
4. Restructured loans are loans for which certain concessions favorable to borrowers, such as interest reduction or exemption, rescheduling of due date for repayments of principal or interest payment, waiver of claim or other terms, have been negotiated for the purpose of assisting and supporting the borrowers in the restructuring of their business. This category excludes loans classified as claims against bankrupt and quasi-bankrupt obligors, claims with collection risk, and delinquent loans past three months or more.
5. Claims against normal obligors are all other loans.

8. Solvency Margin Ratio

(Millions of yen)

| | As of March 31, 2025 | As of September 30, 2025 |
|--|-------------------------|-----------------------------|
| Total solvency margin (A) | 2,147,628 | 2,384,846 |
| Foundation funds and surplus | 229,196 | 249,140 |
| Reserve for price fluctuation | 188,566 | 175,617 |
| Contingency reserve | 219,910 | 220,906 |
| General allowance for possible loan losses | 267 | 309 |
| (Net unrealized gains (losses) on securities (before tax) and deferred hedge gains (losses) (before tax)) × 90% | 656,661 | 819,318 |
| Net unrealized gains on real estate × 85% | 175,284 | 176,479 |
| Excess amount of policy reserve based on full-time Zillmer method | 407,968 | 421,918 |
| Qualifying subordinated debt | 267,260 | 308,480 |
| The amount of “excess amount of policy reserve based on full-time Zillmer method” and “qualifying subordinated debt” excluded from the calculation of solvency margin | — | — |
| Deductible items | (46,783) | (46,783) |
| Others | 49,297 | 59,459 |
| Total amount of risk $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B) | 387,643 | 403,243 |
| Insurance risk R_1 | 20,614 | 20,481 |
| 3rd sector insurance risk R_8 | 10,172 | 10,217 |
| Assumed investment yield risk R_2 | 19,017 | 18,574 |
| Minimum guarantee risk R_7 | — | — |
| Investment risk R_3 | 359,194 | 374,987 |
| Business risk R_4 | 8,179 | 8,485 |
| Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$ | 1,108.0% | 1,182.8% |

Notes: 1. Above figures are calculated based on the provisions of Articles 86 and 87 of the Enforcement Regulation of the Insurance Business Act and Ministry of Finance Notification No. 50, 1996.

2. “Deductible items” represent the capital increase to the subsidiary, Fukokushinrai Life Insurance Co., Ltd.

Reference: Economic Solvency Ratio

| | As of March 31, 2025 | As of September 30, 2025 |
|-------------------------|-------------------------|-----------------------------|
| Economic Solvency Ratio | 241.6% | 258.4% |

Note: Economic solvency ratio (ESR) is an indicator of an insurance company’s soundness and indicates whether or not a company has sufficient capital to cover its risks based on market-value assessment of its assets and liabilities. The Company calculates its ESR according to European methodology. Figures for some insurance liabilities and risks current as of September 30, 2025 have been calculated using simplified methods.

9. Status of Separate Account

(1) Separate Account Assets by Products

(Millions of yen)

| | As of March 31, 2025 | As of September 30, 2025 |
|-------------------------------|----------------------|--------------------------|
| | Amount | Amount |
| Individual variable insurance | — | — |
| Individual variable annuities | — | — |
| Group annuities | 136,390 | 140,728 |
| Total | 136,390 | 140,728 |

(2) Individual Variable Insurance (Separate Account)

The Company has not sold the individual variable insurance.

(3) Individual Variable Annuities (Separate Account)

(i) Policies in Force

(Millions of yen except number of policies)

| | As of March 31, 2025 | | As of September 30, 2025 | |
|-------------------------------|----------------------|--------|--------------------------|--------|
| | Number of policies | Amount | Number of policies | Amount |
| Individual variable annuities | — | — | — | — |
| Total | — | — | — | — |

(ii) Breakdown of Separate Account Assets for Individual Variable Annuities

(Millions of yen)

| | As of March 31, 2025 | | As of September 30, 2025 | |
|-------------------------------------|----------------------|------------|--------------------------|------------|
| | Amount | Percentage | Amount | Percentage |
| Cash, deposits, call loans | — | —% | — | —% |
| Securities | — | — | — | — |
| Domestic bonds | — | — | — | — |
| Domestic stocks | — | — | — | — |
| Foreign securities | — | — | — | — |
| Foreign bonds | — | — | — | — |
| Foreign stocks and other securities | — | — | — | — |
| Other securities | — | — | — | — |
| Loans | — | — | — | — |
| Others | — | — | — | — |
| Allowance for possible loan losses | — | — | — | — |
| Total | — | — | — | — |

(iii) Investment Income and Expenses of Separate Account for Individual Variable Annuities

(Millions of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|--------------------------------------|--|--|
| | Amount | Amount |
| Interest, dividends and other income | — | — |
| Gains on sales of securities | — | — |
| Gains on valuation of securities | — | — |
| Gains on redemption of securities | — | — |
| Gains on derivative instruments | — | — |
| Foreign exchange gains, net | — | — |
| Other investment income | — | — |
| Losses on sales of securities | — | — |
| Losses on valuation of securities | — | — |
| Losses on redemption of securities | — | — |
| Losses on derivative instruments | — | — |
| Foreign exchange losses, net | — | — |
| Other investment expenses | — | — |
| Net investment income | — | — |

(iv) Fair Value Information on Securities in Separate Account for Individual Variable Annuities

• Net Valuation Gains/Losses on Trading Securities

(Millions of yen)

| | As of March 31, 2025 | | As of September 30, 2025 | |
|--------------------|---|---|---|---|
| | Carrying value on the balance sheet | Net valuation gains/losses included in the statements of operations | Carrying value on the balance sheet | Net valuation gains/losses included in the statements of operations |
| Trading securities | — | — | — | — |

Note: The Company had no balances of money held in trust and derivative instruments.

Reference: Fair Value Information on Securities (Total of General Account and Separate Account)
Net Valuation Gains/Losses on Trading Securities

(Millions of yen)

| | As of March 31, 2025 | | As of September 30, 2025 | |
|--------------------|-------------------------------------|--|-------------------------------------|--|
| | Carrying value on the balance sheet | Net valuation gains/losses included in the statement of operations | Carrying value on the balance sheet | Net valuation gains/losses included in the statement of operations |
| Trading securities | 151,015 | (7,498) | 158,270 | 7,665 |

Note: The table above includes money held in trust for trading purpose.

Fair Value Information on Securities (other than trading securities)

(Millions of yen)

| | As of March 31, 2025 | | | | | As of September 30, 2025 | | | | |
|--|----------------------|------------|--------------|---------|---------|--------------------------|------------|--------------|-----------|---------|
| | Book value | Fair value | Gains/Losses | | | Book value | Fair value | Gains/Losses | | |
| | | | Gains | Losses | | | | Gains | Losses | |
| Held-to-maturity debt securities | 645,682 | 666,692 | 21,010 | 21,010 | — | 625,391 | 640,889 | 15,498 | 15,498 | — |
| Domestic bonds | 645,682 | 666,692 | 21,010 | 21,010 | — | 625,391 | 640,889 | 15,498 | 15,498 | — |
| Foreign bonds | — | — | — | — | — | — | — | — | — | — |
| Policy-reserve-matching bonds | 627,193 | 568,591 | (58,601) | — | 58,601 | 1,190,149 | 1,046,258 | (143,890) | — | 143,890 |
| Domestic bonds | 627,193 | 568,591 | (58,601) | — | 58,601 | 1,190,149 | 1,046,258 | (143,890) | — | 143,890 |
| Foreign bonds | — | — | — | — | — | — | — | — | — | — |
| Investments in subsidiaries and affiliates | — | — | — | — | — | — | — | — | — | — |
| Available-for-sale securities | 3,952,840 | 4,676,064 | 723,223 | 911,702 | 188,478 | 3,470,962 | 4,373,314 | 902,352 | 1,069,565 | 167,213 |
| Domestic bonds | 1,663,797 | 1,551,497 | (112,300) | 41,982 | 154,283 | 1,560,312 | 1,450,677 | (109,634) | 31,897 | 141,531 |
| Domestic stocks | 377,840 | 894,051 | 516,210 | 521,429 | 5,218 | 393,455 | 1,081,959 | 688,503 | 690,156 | 1,653 |
| Foreign securities | 1,759,222 | 2,035,649 | 276,427 | 302,858 | 26,431 | 1,376,303 | 1,650,233 | 273,930 | 296,972 | 23,041 |
| Foreign bonds | 1,315,509 | 1,406,359 | 90,849 | 111,631 | 20,781 | 898,812 | 920,726 | 21,913 | 41,288 | 19,374 |
| Foreign stocks and other securities | 443,712 | 629,290 | 185,577 | 191,226 | 5,649 | 477,491 | 729,507 | 252,016 | 255,683 | 3,667 |
| Other securities | 151,979 | 194,865 | 42,886 | 45,431 | 2,545 | 140,890 | 190,443 | 49,552 | 50,539 | 986 |
| Money held in trust | — | — | — | — | — | — | — | — | — | — |
| Monetary claims bought | — | — | — | — | — | — | — | — | — | — |
| Negotiable certificate of deposits | — | — | — | — | — | — | — | — | — | — |
| Others | — | — | — | — | — | — | — | — | — | — |
| Total | 5,225,715 | 5,911,347 | 685,632 | 932,713 | 247,080 | 5,286,502 | 6,060,462 | 773,959 | 1,085,063 | 311,104 |
| Domestic bonds | 2,936,672 | 2,786,781 | (149,891) | 62,993 | 212,884 | 3,375,852 | 3,137,825 | (238,026) | 47,395 | 285,422 |
| Domestic stocks | 377,840 | 894,051 | 516,210 | 521,429 | 5,218 | 393,455 | 1,081,959 | 688,503 | 690,156 | 1,653 |
| Foreign securities | 1,759,222 | 2,035,649 | 276,427 | 302,858 | 26,431 | 1,376,303 | 1,650,233 | 273,930 | 296,972 | 23,041 |
| Foreign bonds | 1,315,509 | 1,406,359 | 90,849 | 111,631 | 20,781 | 898,812 | 920,726 | 21,913 | 41,288 | 19,374 |
| Foreign stocks and other securities | 443,712 | 629,290 | 185,577 | 191,226 | 5,649 | 477,491 | 729,507 | 252,016 | 255,683 | 3,667 |
| Other securities | 151,979 | 194,865 | 42,886 | 45,431 | 2,545 | 140,890 | 190,443 | 49,552 | 50,539 | 986 |
| Money held in trust | — | — | — | — | — | — | — | — | — | — |
| Monetary claims bought | — | — | — | — | — | — | — | — | — | — |
| Negotiable certificate of deposits | — | — | — | — | — | — | — | — | — | — |
| Others | — | — | — | — | — | — | — | — | — | — |

Notes: 1. The table above includes assets which are considered appropriate to deem as securities under the Financial Instruments and Exchange Law.

2. The securities and investment partnerships without fair value are not included in the table above.

[Held-to-maturity Debt Securities]

(Millions of yen)

| | As of March 31, 2025 | | | As of September 30, 2025 | | |
|---|-------------------------------------|------------|-------------|-------------------------------------|------------|-------------|
| | Carrying value on the balance sheet | Fair value | Differences | Carrying value on the balance sheet | Fair value | Differences |
| Securities whose fair value exceeds the carrying value on the balance sheet | 645,682 | 666,692 | 21,010 | 625,391 | 640,889 | 15,498 |
| Domestic bonds | 645,682 | 666,692 | 21,010 | 625,391 | 640,889 | 15,498 |
| Foreign bonds | — | — | — | — | — | — |
| Securities whose fair value does not exceed the carrying value on the balance sheet | — | — | — | — | — | — |
| Domestic bonds | — | — | — | — | — | — |
| Foreign bonds | — | — | — | — | — | — |

[Policy-reserve-matching Bonds]

(Millions of yen)

| | As of March 31, 2025 | | | As of September 30, 2025 | | |
|--|-------------------------------------|------------|-------------|-------------------------------------|------------|-------------|
| | Carrying value on the balance sheet | Fair value | Differences | Carrying value on the balance sheet | Fair value | Differences |
| Bonds whose fair value exceeds the carrying value on the balance sheet | — | — | — | — | — | — |
| Domestic bonds | — | — | — | — | — | — |
| Foreign bonds | — | — | — | — | — | — |
| Bonds whose fair value does not exceed the carrying value on the balance sheet | 627,193 | 568,591 | (58,601) | 1,190,149 | 1,046,258 | (143,890) |
| Domestic bonds | 627,193 | 568,591 | (58,601) | 1,190,149 | 1,046,258 | (143,890) |
| Foreign bonds | — | — | — | — | — | — |

[Available-for-sale Securities]

(Millions of yen)

| | As of March 31, 2025 | | | As of September 30, 2025 | | |
|---|----------------------|-------------------------------------|-------------|--------------------------|-------------------------------------|-------------|
| | Book value | Carrying value on the balance sheet | Differences | Book value | Carrying value on the balance sheet | Differences |
| Securities whose carrying value on the balance sheet exceeds the book value | 2,419,174 | 3,330,877 | 911,702 | 2,104,499 | 3,174,065 | 1,069,565 |
| Domestic bonds | 785,897 | 827,880 | 41,982 | 723,983 | 755,880 | 31,897 |
| Domestic stocks | 334,237 | 855,666 | 521,429 | 381,063 | 1,071,220 | 690,156 |
| Foreign securities | 1,190,445 | 1,493,303 | 302,858 | 881,987 | 1,178,959 | 296,972 |
| Foreign bonds | 809,607 | 921,238 | 111,631 | 448,768 | 490,057 | 41,288 |
| Foreign stocks | 380,838 | 572,065 | 191,226 | 433,218 | 688,901 | 255,683 |
| Other securities | 108,594 | 154,026 | 45,431 | 117,466 | 168,005 | 50,539 |
| Money held in trust | — | — | — | — | — | — |
| Monetary claims bought | — | — | — | — | — | — |
| Negotiable certificate of deposits | — | — | — | — | — | — |
| Others | — | — | — | — | — | — |
| Securities whose carrying value on the balance sheet does not exceed the book value | 1,533,665 | 1,345,186 | (188,478) | 1,366,462 | 1,199,248 | (167,213) |
| Domestic bonds | 877,899 | 723,616 | (154,283) | 836,328 | 694,797 | (141,531) |
| Domestic stocks | 43,603 | 38,384 | (5,218) | 12,392 | 10,739 | (1,653) |
| Foreign securities | 568,777 | 542,345 | (26,431) | 494,316 | 471,274 | (23,041) |
| Foreign bonds | 505,902 | 485,120 | (20,781) | 450,043 | 430,668 | (19,374) |
| Foreign stocks | 62,874 | 57,224 | (5,649) | 44,273 | 40,605 | (3,667) |
| Other securities | 43,385 | 40,839 | (2,545) | 23,424 | 22,437 | (986) |
| Money held in trust | — | — | — | — | — | — |
| Monetary claims bought | — | — | — | — | — | — |
| Negotiable certificate of deposits | — | — | — | — | — | — |
| Others | — | — | — | — | — | — |

- Book value of securities and investment partnerships without fair value are as follows:

(Millions of yen)

| | As of March 31, 2025 | As of September 30, 2025 |
|--|----------------------|--------------------------|
| Investments in subsidiaries and affiliates | 64,787 | 64,787 |
| Available-for-sale securities | 54,333 | 63,011 |
| Domestic stocks | 5,668 | 5,662 |
| Foreign stocks | — | — |
| Others | 48,665 | 57,348 |
| Total | 119,120 | 127,798 |

Note: In this table, domestic and overseas investment partnerships are included in “Others” within “Available-for-sale securities.” However, unrealized gains on available-for-sale securities corresponding to these holdings by domestic and overseas investment partnerships (¥6,400 million as of March 31, 2025 and ¥8,001 million as of September 30, 2025) are included in their balance sheet carrying amounts.

Reference: Fair Value Information on Derivative Instruments (Total of General Account and Separate Account)

(i) Gains and Losses on Derivatives

(Millions of yen)

| As of March 31, 2025 | Interest- related | Currency- related | Stock- related | Bond- related | Others | Total |
|------------------------------|-------------------|-------------------|----------------|---------------|--------|-------|
| Hedge accounting applied | — | — | — | — | — | — |
| Hedge accounting not applied | — | 300 | — | — | — | 300 |
| Total | — | 300 | — | — | — | 300 |
| As of September 30, 2025 | Interest- related | Currency- related | Stock- related | Bond- related | Others | Total |
| Hedge accounting applied | — | — | — | — | — | — |
| Hedge accounting not applied | — | (499) | — | — | — | (499) |
| Total | — | (499) | — | — | — | (499) |

Note: Gains and losses with hedge accounting not applied are reported in the statements of operations.

(ii) Hedge Accounting not Applied

[Interest-related Transactions]

No ending balance as of March 31, 2025 and September 30, 2025.

[Currency-related Transactions]

(Millions of yen)

| | As of March 31, 2025 | | | | As of September 30, 2025 | | | |
|-------------------------------|------------------------------------|-------------|------------|-------------------|------------------------------------|-------------|------------|-------------------|
| | Notional amount/ contract value | Over 1 year | Fair value | Gains (Losses) | Notional amount/ contract value | Over 1 year | Fair value | Gains (Losses) |
| | | | | | | | | |
| Over-the-counter transactions | | | | | | | | |
| Currency forward contracts | | | | | | | | |
| Sold | 21,975 | — | 21,743 | 231 | 30,655 | — | 31,140 | (484) |
| U.S. dollar | 11,111 | — | 11,021 | 89 | 14,134 | — | 14,244 | (109) |
| Australian dollar | 8,979 | — | 8,786 | 192 | 12,988 | — | 13,337 | (349) |
| British pound | 1,884 | — | 1,934 | (50) | 1,966 | — | 1,995 | (29) |
| Euro | — | — | — | — | 1,566 | — | 1,563 | 3 |
| Canadian dollar | — | — | — | — | 0 | — | 0 | 0 |
| Bought | — | — | — | — | 563 | — | 560 | (2) |
| U.S. dollar | — | — | — | — | 563 | — | 560 | (2) |
| Currency options | | | | | | | | |
| Sold | | | | | | | | |
| Call | — | — | — | — | 760 | — | 5 | 0 |
| U.S. dollar | [—] | — | — | — | [6] | — | 5 | 0 |
| Put | — | — | — | — | — | — | — | — |
| U.S. dollar | [—] | — | — | — | [—] | — | — | — |
| Bought | | | | | | | | |
| Call | — | — | — | — | — | — | — | — |
| U.S. dollar | [—] | — | — | — | [—] | — | — | — |
| Put | 70,760 | — | 1,192 | 68 | 2,175 | — | 19 | (12) |
| U.S. dollar | [1,124] | — | 1,192 | 68 | [31] | — | 19 | (12) |
| Total | [1,124] | | 1,192 | 68 | [31] | | 19 | (12) |
| Total | | | | 300 | | | | (499) |

Notes: 1. Forward exchange rates are used for exchange rates as of September 30, 2025.

2. Figures in [] are option premiums which are included in the balance sheet.

[Stock-related Transactions]

No ending balance as of March 31, 2025 and September 30, 2025.

[Bond-related Transactions]

No ending balance as of March 31, 2025 and September 30, 2025.

(iii) Hedge Accounting Applied

[Interest-related Transactions]

No ending balance as of March 31, 2025 and September 30, 2025.

[Currency-related Transactions]

No ending balance as of March 31, 2025 and September 30, 2025.

[Stock-related Transactions]

No ending balance as of March 31, 2025 and September 30, 2025.

[Bond-related Transactions]

No ending balance as of March 31, 2025 and September 30, 2025.

10. Status of the Company, Subsidiaries and Affiliates

(1) Selected Financial Data

(100 million of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|--|--|--|
| Ordinary revenues | 5,667 | 6,430 |
| Ordinary profits | 577 | 448 |
| Net surplus attributable to the parent company | 443 | 453 |
| Comprehensive income | (513) | 1,736 |

| | As of March 31, 2025 | As of September 30, 2025 |
|-----------------------|----------------------|--------------------------|
| Total assets | 92,313 | 95,951 |
| Solvency margin ratio | 1,147.4% | 1,215.3% |

(2) Scope of Consolidation and Application of Equity Method

Number of consolidated subsidiaries: 6

Number of unconsolidated subsidiaries accounted for under the equity method: 0

Number of affiliates accounted for under the equity method: 0

(3) Consolidated Balance Sheets

(Millions of yen)

| | As of March 31, 2025 | As of September 30, 2025 |
|------------------------------------|----------------------|--------------------------|
| Assets: | | |
| Cash and deposits | 238,322 | 336,792 |
| Call loans | 97,000 | 211,000 |
| Money held in trust | 23,812 | 24,377 |
| Securities | 8,019,332 | 8,310,039 |
| Loans | 475,424 | 339,669 |
| Tangible fixed assets | 263,480 | 262,748 |
| Intangible fixed assets | 26,202 | 27,416 |
| Agency receivables | 0 | 0 |
| Reinsurance receivables | 120 | 12 |
| Other assets | 65,107 | 60,291 |
| Net defined benefit assets | 15,163 | 15,530 |
| Deferred tax assets | 7,907 | 7,846 |
| Allowance for possible loan losses | (508) | (556) |
| Total assets | 9,231,364 | 9,595,169 |

| | As of March 31, 2025 | As of September 30, 2025 |
|--|----------------------|--------------------------|
| Liabilities: | | |
| Policy reserves: | 7,809,032 | 7,952,146 |
| Reserve for outstanding claims | 30,104 | 28,740 |
| Policy reserve | 7,714,518 | 7,831,502 |
| Reserve for dividends to policyholders | 64,117 | 91,626 |
| Reserve for dividends to policyholders (subsidiary) | 291 | 277 |
| Agency payables | 507 | 599 |
| Reinsurance payables | 48 | 66 |
| Subordinated bonds | 267,260 | 308,480 |
| Other liabilities | 52,811 | 61,760 |
| Net defined benefit liabilities | 10,424 | 11,092 |
| Reserve for price fluctuation | 205,681 | 192,938 |
| Deferred tax liabilities | 36,766 | 92,078 |
| Deferred tax liabilities for land revaluation | 14,600 | 14,597 |
| Total liabilities | 8,397,132 | 8,633,760 |
| Net assets: | | |
| Foundation funds | 8,000 | 8,000 |
| Accumulated foundation funds redeemed | 128,000 | 128,000 |
| Reserve for revaluation | 112 | 112 |
| Consolidated surplus | 148,280 | 147,194 |
| Total foundation funds, surplus and others | 284,393 | 283,306 |
| Net unrealized gains (losses) on available-for-sale securities, net of tax | 517,928 | 646,857 |
| Revaluation reserve for land, net of tax | 4,025 | 4,018 |
| Foreign currency translation adjustment | 629 | 484 |
| Accumulated remeasurements of defined benefit plans | 19,667 | 18,905 |
| Total accumulated other comprehensive income | 542,251 | 670,265 |
| Non-controlling interests | 7,587 | 7,836 |
| Total net assets | 834,231 | 961,408 |
| Total liabilities and net assets | 9,231,364 | 9,595,169 |

(4) Consolidated Statements of Operations and Comprehensive Income

[Consolidated Statements of Operations]

(Millions of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|--|--|--|
| Ordinary revenues: | | |
| Premium and other income | 407,002 | 417,099 |
| Investment income | 153,155 | 218,421 |
| [Interest, dividends and other income] | [101,236] | [111,670] |
| [Gains on money held in trust, net] | [—] | [604] |
| [Gains on trading securities, net] | [0] | [—] |
| [Gains on sales of securities] | [48,783] | [89,198] |
| [Gains on separate accounts, net] | [—] | [13,352] |
| Other ordinary revenues | 6,595 | 7,504 |
| [Reversal of reserve for outstanding claims] | [803] | [1,364] |
| Total ordinary revenues | 566,753 | 643,024 |
| Ordinary expenses: | | |
| Claims and other payments | 321,646 | 304,425 |
| [Claims] | [61,609] | [54,106] |
| [Annuities] | [133,534] | [116,537] |
| [Benefits] | [62,208] | [62,873] |
| [Surrenders] | [51,974] | [55,199] |
| [Other payments] | [12,177] | [15,565] |
| Provision of policy reserve and others: | 69,111 | 117,079 |
| Provision of policy reserves | 69,104 | 116,984 |
| Provision of interest portion of reserve for dividends to policyholders | 6 | 95 |
| Provision of interest portion of reserve for dividends to policyholders (subsidiary) | 0 | 0 |
| Investment expenses | 47,500 | 98,575 |
| [Interest expenses] | [2,323] | [2,316] |
| [Losses on money held in trust, net] | [137] | [—] |
| [Losses on trading securities, net] | [—] | [3] |
| [Losses on sales of securities] | [34,016] | [73,025] |
| [Losses on valuation of securities] | [752] | [95] |
| [Losses on derivative instruments, net] | [745] | [922] |
| [Foreign exchange losses, net] | [627] | [343] |
| [Losses on separate accounts, net] | [136] | [—] |
| Operating expenses | 55,979 | 62,824 |
| Other ordinary expenses | 14,773 | 15,270 |
| Total ordinary expenses | 509,010 | 598,176 |
| Ordinary profits | 57,742 | 44,848 |
| Extraordinary gains: | | |
| Gains on disposal of fixed assets | 0 | — |
| Reversal of reserve for price fluctuation | — | 12,742 |
| Total extraordinary gains | 0 | 12,742 |
| Extraordinary losses: | | |
| Losses on disposal of fixed assets | 27 | 212 |
| Impairment losses | 2 | 10 |
| Provision of reserve for price fluctuation | 1,928 | — |
| Employee returns special expenses | — | 1,697 |
| Total extraordinary losses | 1,958 | 1,921 |
| Provision of reserve for dividends to policyholders (subsidiary) | 86 | 87 |
| Surplus before income taxes | 55,698 | 55,581 |
| Income taxes: | | |
| Current | 12,611 | 6,786 |
| Deferred | (1,495) | 3,222 |
| Total income taxes | 11,116 | 10,008 |
| Net surplus for the period | 44,581 | 45,572 |
| Net surplus attributable to non-controlling interests | 210 | 263 |
| Net surplus attributable to the parent company | 44,371 | 45,309 |

(4) Consolidated Statements of Operations and Comprehensive Income (Continued)

[Consolidated Statements of Comprehensive Income]

(Millions of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|--|--|--|
| Net surplus | 44,581 | 45,572 |
| Other comprehensive income: | (95,949) | 128,073 |
| Net unrealized gains (losses) on available-for-sale securities, net of tax | (95,625) | 128,980 |
| Foreign currency translation adjustments | 454 | (145) |
| Remeasurements of defined benefit plan, net of tax | (778) | (761) |
| Comprehensive income: | (51,367) | 173,646 |
| Comprehensive income attributable to the parent company | (51,382) | 173,330 |
| Comprehensive income attributable to non-controlling interests | 15 | 315 |

(5) Consolidated Statements of Cash Flows

(Millions of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|---|--|--|
| Cash flows from operating activities: | | |
| Surplus before income taxes | 55,698 | 55,581 |
| Depreciation of real estate for rent and other assets | 2,869 | 2,974 |
| Depreciation | 5,426 | 5,696 |
| Impairment losses | 2 | 10 |
| Increase (decrease) in reserve for outstanding claims | (803) | (1,364) |
| Increase (decrease) in policy reserve | 69,104 | 116,984 |
| Provision of interest portion of reserve for dividends to policyholders | 6 | 95 |
| Provision of interest portion of reserve for dividends to policyholders (subsidiary) | 0 | 0 |
| Provision of reserve for dividends to policyholders (subsidiary) | 86 | 87 |
| Increase (decrease) in allowance for possible loan losses | (61) | 48 |
| Increase (decrease) in net defined benefit liabilities | (605) | (770) |
| Increase (decrease) in reserve for price fluctuation | 1,928 | (12,742) |
| Interest, dividends and other income | (101,236) | (111,670) |
| Losses (gains) on securities, net | (16,005) | (32,621) |
| Interest expenses | 2,323 | 2,316 |
| Foreign exchange losses (gains), net | 627 | 334 |
| Losses (gains) on tangible fixed assets, net | 22 | 209 |
| Others | 13,933 | 25,957 |
| Subtotal | 33,317 | 51,127 |
| Interest, dividends and other income received | 99,572 | 105,997 |
| Interest expenses paid | (2,309) | (2,311) |
| Dividends to policyholders paid | (16,836) | (18,860) |
| Dividends to policyholders paid (subsidiary) | (111) | (101) |
| Corporate income tax (paid) refunded | (11,414) | (820) |
| Net cash provided by (used in) operating activities [a] | 102,218 | 135,030 |
| Cash flows from investing activities: | | |
| Net decrease (increase) in deposits | (3,193) | (12,756) |
| Increase in money held in trust | (1,396) | — |
| Decrease in money held in trust | 1,396 | — |
| Payments for purchase of securities | (569,749) | (1,083,036) |
| Proceeds from sales and redemption of securities | 503,990 | 1,016,276 |
| Payments for additions to loans | (24,276) | (22,877) |
| Proceeds from collections of loans | 37,239 | 142,539 |
| Proceeds from and payments for settlements of derivatives, net | (1,493) | 1,913 |
| Increase (decrease) in cash received as collateral under securities lending transactions | (2,830) | — |
| Others | (5,151) | (5,214) |
| Subtotal [b] | (65,465) | 36,844 |
| [a + b] | 36,753 | 171,874 |
| Payments for purchase of tangible fixed assets | (10,242) | (3,944) |
| Proceeds from sales of tangible fixed assets | 0 | — |
| Payments for purchase of intangible fixed assets | (4,910) | (6,617) |
| Net cash provided by (used in) investing activities | (80,618) | 26,283 |
| Cash flows from financing activities: | | |
| Proceeds from issuance of subordinated bonds | — | 102,029 |
| Redemption of subordinated bonds | — | (62,065) |
| Proceeds from financing of additional foundation funds | 8,000 | — |
| Payments for redemption of foundation funds | (12,000) | — |
| Payment of interest on foundation funds | (102) | (129) |
| Dividends paid to non-controlling interests | (66) | (66) |
| Payments for lease obligations | (589) | (435) |
| Net cash provided by (used in) financing activities | (4,757) | 39,333 |
| Effect of exchange rate changes on cash and cash equivalents | 469 | (924) |
| Net increase (decrease) in cash and cash equivalents | 17,312 | 199,722 |
| Cash and cash equivalents at the beginning of the period | 506,141 | 321,312 |
| Cash and cash equivalents at the end of the period | 523,453 | 521,035 |

(6) Consolidated Statements of Changes in Net Assets

[For the six months ended September 30, 2024]

(Millions of yen)

| | Foundation funds, surplus and others | | | | |
|---|--------------------------------------|---------------------------------------|-------------------------|----------------------|--|
| | Foundation funds | Accumulated foundation funds redeemed | Reserve for revaluation | Consolidated surplus | Total foundation funds, surplus and others |
| Balance at the beginning of the current period | 12,000 | 116,000 | 112 | 143,344 | 271,456 |
| Changes in the current period | | | | | |
| Financing of additional foundation funds | 8,000 | | | | 8,000 |
| Additions to reserve for dividends to policyholders | | | | (37,138) | (37,138) |
| Additions to accumulated foundation funds redeemed | | 12,000 | | | 12,000 |
| Payment of interest on foundation funds | | | | (102) | (102) |
| Net surplus attributable to the parent company for the current period | | | | 44,371 | 44,371 |
| Redemption of foundation funds | (12,000) | | | | (12,000) |
| Reversal of reserve for redemption of foundation funds | | | | (12,000) | (12,000) |
| Net changes, excluding foundation funds, surplus and others | | | | | |
| Total changes in the current period | (4,000) | 12,000 | — | (4,869) | 3,130 |
| Balance at the end of the current period | 8,000 | 128,000 | 112 | 138,475 | 274,587 |

| | Accumulated other comprehensive income | | | | | Non-controlling interests | Total net assets |
|---|---|--|--|---|--|---------------------------|------------------|
| | Net unrealized gains (losses) on available- for-sale securities, net of tax | Revaluation reserve for land, net of tax | Foreign currency translation adjustments | Accumulated remeasurements of defined benefit plans | Total accumulated other comprehensive income | | |
| Balance at the beginning of the current period | 663,271 | 4,500 | 257 | 21,087 | 689,116 | 8,104 | 968,677 |
| Changes in the current period | | | | | | | |
| Financing of additional foundation funds | | | | | | | 8,000 |
| Additions to reserve for dividends to policyholders | | | | | | | (37,138) |
| Additions to accumulated foundation funds redeemed | | | | | | | 12,000 |
| Payment of interest on foundation funds | | | | | | | (102) |
| Net surplus attributable to the parent company for the current period | | | | | | | 44,371 |
| Redemption of foundation funds | | | | | | | (12,000) |
| Reversal of reserve for redemption of foundation funds | | | | | | | (12,000) |
| Net changes, excluding foundation funds, surplus and others | (95,430) | — | 454 | (778) | (95,754) | (51) | (95,805) |
| Total changes in the current period | (95,430) | — | 454 | (778) | (95,754) | (51) | (92,674) |
| Balance at the end of the current period | 567,841 | 4,500 | 711 | 20,308 | 593,362 | 8,053 | 876,003 |

[For the six months ended September 30, 2025]

(Millions of yen)

| | Foundation funds, surplus and others | | | | |
|---|--------------------------------------|---------------------------------------|-------------------------|----------------------|--|
| | Foundation funds | Accumulated foundation funds redeemed | Reserve for revaluation | Consolidated surplus | Total foundation funds, surplus and others |
| Balance at the beginning of the current period | 8,000 | 128,000 | 112 | 148,280 | 284,393 |
| Changes in the current period | | | | | |
| Additions to reserve for dividends to policyholders | | | | (46,273) | (46,273) |
| Payment of interest on foundation funds | | | | (129) | (129) |
| Net surplus attributable to the parent company for the current period | | | | 45,309 | 45,309 |
| Reversal of revaluation reserve for land, net of tax | | | | 7 | 7 |
| Net changes, excluding foundation funds, surplus and others | | | | | |
| Total changes in the current period | — | — | — | (1,086) | (1,086) |
| Balance at the end of the current period | 8,000 | 128,000 | 112 | 147,194 | 283,306 |

| | Accumulated other comprehensive income | | | | | Non-controlling interests | Total net assets |
|---|---|--|--|---|--|---------------------------|------------------|
| | Net unrealized gains (losses) on available- for-sale securities, net of tax | Revaluation reserve for land, net of tax | Foreign currency translation adjustments | Accumulated remeasurements of defined benefit plans | Total accumulated other comprehensive income | | |
| Balance at the beginning of the current period | 517,928 | 4,025 | 629 | 19,667 | 542,251 | 7,587 | 834,231 |
| Changes in the current period | | | | | | | |
| Additions to reserve for dividends to policyholders | | | | | | | (46,273) |
| Payment of interest on foundation funds | | | | | | | (129) |
| Net surplus attributable to the parent company for the current period | | | | | | | 45,309 |
| Reversal of revaluation reserve for land, net of tax | | | | | | | 7 |
| Net changes, excluding foundation funds, surplus and others | 128,929 | (7) | (145) | (761) | 128,014 | 248 | 128,262 |
| Total changes in the current period | 128,929 | (7) | (145) | (761) | 128,014 | 248 | 127,176 |
| Balance at the end of the current period | 646,857 | 4,018 | 484 | 18,905 | 670,265 | 7,836 | 961,408 |

Notes to the Consolidated Financial Statements

I. Presentation of the Consolidated Financial Statements

1. Basis of Presentation

The accompanying consolidated financial statements have been prepared from the accounts maintained by Fukoku Mutual Life Insurance Company (the “Company”) and its consolidated subsidiaries in accordance with the provisions set forth in the Insurance Business Act of Japan and its related rules and regulations and in conformity with accounting principles generally accepted in Japan, which are different in certain respects from accounting principles generally accepted in countries and jurisdictions other than Japan.

In addition, the notes to the consolidated financial statements include information which is not required under accounting principles generally accepted in Japan but is presented herein as additional information.

Amounts of less than one million yen have been rounded down. As a result, the totals do not add up.

2. Principles of Consolidation

(1) Scope of Consolidation

Consolidated subsidiaries as of September 30, 2025 are listed below:

Fukoku Capital Management, Inc.

Fukokushinrai Life Insurance Co., Ltd.

Fukoku Information Systems Co., Ltd.

Fukoku Life International (U.K.) Ltd.

Fukoku Life International (America) Inc.

Fukoku Life Investments Singapore Pte. Ltd.

Major unconsolidated subsidiary is Fukoku Business Service Company Limited.

Four subsidiaries are excluded from the scope of consolidation, as each one of them is small in its total assets, amount of sales, net surplus for the period and surplus and are sufficiently insignificant to reasonable judgement on their impact on the financial position and results of operation of the Company’s group.

(2) Application of Equity Method

Unconsolidated subsidiaries (such as Fukoku Business Service Company Limited, etc.) are insignificant in their impact on net surplus attributable to the parent company and consolidated surplus, and also immaterial as a whole, therefore, application of equity method is not applied.

There are no affiliates for the six months ended September 30, 2025.

(3) Interim Closing Dates of Consolidated Subsidiaries

Among the subsidiaries to be consolidated, interim closing dates of overseas subsidiaries are June 30. For the preparation of consolidated financial statements, financial statements as of that date are used and concerning any important transaction taking place in between June 30 and the consolidated closing date, necessary adjustments for consolidation are made.

II. Notes to the Consolidated Balance Sheets

1. (1) The valuation of securities, including cash and deposits and monetary claims bought which are equivalent to securities, and securities managed as trust assets in money held in trust, is as follows:
 - i) Trading securities are stated at fair market value. Costs of their sales are determined by the moving average method.
 - ii) Held-to-maturity debt securities are stated at amortized cost under the straight-line method, cost being determined by the moving average method.
 - iii) Policy-reserve-matching bonds are stated at amortized cost under the straight-line method, cost being determined by the moving average method in accordance with “Temporary Treatment of Accounting and Auditing Concerning Policy-Reserve-Matching Bonds in the Insurance Industry” (Industry Audit Committee Report No. 21, issued by the Japanese Institute of Certified Public Accountants (JICPA) on November 16, 2000).
 - iv) Investments in unconsolidated subsidiaries and affiliates which are not accounted for under the equity method are stated at cost, cost being determined by the moving average method.
 - v) Available-for-sale securities are stated at fair market value based on the market prices at the end of the current period. Costs of their sales are determined by the moving average method. Public and corporate bonds (including foreign bonds) with differences between their acquisition costs and fair values that are considered as adjustments of interest are stated at amortized cost (straight-line method) determined by the moving average method. However, stocks and other securities without quoted market prices are stated at cost, as determined using the moving average method. Net unrealized gains or losses on these available-for-sale securities, net of taxes, are recorded as a separate component of net assets.
- (2) Derivative instruments are stated at fair market value.
- (3) The Company revalued the land used in the operations based on the Act for Revaluation of Land (Act No.34 promulgated on March 31, 1998). The difference between fair value and book value resulting from the revaluation, net of related taxes, is recorded as revaluation reserve for land as a separate component of net assets and the related tax is recorded as deferred tax liabilities for land revaluation.
 - Date of revaluation: March 31, 2002
 - Method of revaluation as prescribed for in Article 3 Paragraph 3 of the said Act:
Calculation is based on the appraisal value for property tax set forth in Article 2 item 3 of the Enforcement Ordinance of the Act for Revaluation of Land (Government Ordinance No.119 promulgated on March 31, 1998) and the road rate set forth in Article 2 item 4 of the said Ordinance with certain reasonable adjustments.
- (4) Depreciation of the Company’s tangible fixed assets is calculated by the following methods.
 - Tangible fixed assets (excluding lease assets): Declining-balance method
However, buildings (excluding building attachments and structures acquired on or before March 31, 2016) acquired on or after April 1, 1998 are depreciated using Straight-line method.
 - Lease assets related to finance lease transactions that do not transfer ownership: Straight-line method over the lease term with no residual value.

Other tangible fixed assets acquired for ¥100,000 or more but less than ¥200,000 are depreciated equally over three years.

(5) Assets and liabilities denominated in foreign currencies, except for investments in unconsolidated subsidiaries and affiliates, are translated into Japanese yen at the effective exchange rate prevailing at the balance sheet date. Investments in unconsolidated subsidiaries and affiliates are translated into Japanese yen at the exchange rate on the date of acquisition.

(6) Allowance for possible loan losses for the Company is provided in accordance with the standards of self-assessment and write-offs and reserves on credit quality:

- i) For the credits of borrowers who are legally bankrupt such as being in the proceedings of bankruptcy or civil rehabilitation (hereinafter called “legally bankrupt borrowers”) and who are substantially bankrupt (hereinafter called “substantially bankrupt borrowers”), the Company provides the remaining amounts of credits after the direct write-off described below and the deductions of the amount expected to be collected through the disposal of collateral or the execution of guarantees.
- ii) For the credits of borrowers who are not currently bankrupt but have a high possibility of bankruptcy (hereinafter called “not currently bankrupt borrowers”), the Company provides the amounts deemed as necessary considering the borrowers’ ability to pay, within the amounts after deductions of the amounts expected to be collected through the disposal of collateral or the execution of guarantees.
- iii) For the credits of borrowers other than the above, the Company provides the amounts calculated by multiplying the borrowers’ balance by the actual ratio of bad debt losses on defaults during a certain past period.

All credits are assessed by the relevant departments in accordance with the Company’s standards of self-assessment on credit quality. The results of the assessment are reviewed by the audit department, which is independent of business-related divisions. Subsequently, the allowance for possible loan losses is provided based on the results of these assessments.

For the credits of legally bankrupt borrowers and substantially bankrupt borrowers, the amounts remaining after deductions of collateral value or the amounts collectible through the execution of guarantees are written-off directly from the borrowers’ balances as the estimated uncollectible amounts. The amount written-off as of September 30, 2025 was ¥1 million.

(7) Net defined benefit liabilities and assets, which are provided for employees’ retirement benefits, are calculated by deducting the amount of pension assets from the amount of retirement benefit obligations incurred as of the balance sheet date based on the projected retirement benefits as of the current fiscal year end.

The Company uses the following methods of accounting in relation to retirement benefits:

- | | |
|--|-----------------------|
| • Method for allocation of projected retirement benefits | Benefit formula basis |
| • Amortization period of actuarial gains and losses..... | 10 years |
| • Amortization period of prior service cost..... | 10 years |

(8) Reserve for price fluctuation is calculated in accordance with Article 115 of the Insurance Business Act.

(9) Hedge accounting is based on “Accounting Standards for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019). The Company applies a designated hedge accounting (“Furiate shori”) for foreign currency swaps as a hedge against the risk of foreign exchange fluctuation in relation to bonds denominated in foreign currencies issued by the Company.

For assessing the effectiveness of hedge used, ratio analysis of comparing the fluctuations in the fair value or cash flows of hedged items and hedging instruments is mainly applied.

(10) The Company accounts for consumption taxes by the tax-exclusion method. The consumption taxes on certain assets, which are not deductible from consumption taxes withheld and that are stipulated to be deferred under the Tax Act, are deferred as prepaid expenses and amortized equally over five years. Consumption taxes other than deferred consumption taxes are recognized as an expense when incurred.

(11) Initial premium incomes are recorded by the relevant amounts received when the premium incomes have been received and the responsibilities on the insurance contract have been commenced, in principal.

Subsequent premium incomes are also recorded as the amount of payments that have been received.

Of premium incomes that have been received, the portion corresponding to the period that has yet to pass as of September 30, 2025 is accumulated as policy reserve in accordance with Article 116 of the Insurance Business Act and Article 69 Paragraph 1 Item 2 of the Enforcement Regulation of the Insurance Business Act.

Premium incomes associated with the acceptance of group annuities are recorded as amounts equivalent to the policy reserve received when accepting the transfers of these group annuities.

(12) Claims and other payments (excluding reinsurance premiums) are recorded by the relevant amounts paid when the cause for payment under the policy conditions is occurred and the calculated amounts are paid based on the policy conditions.

In accordance with Article 117 of the Insurance Business Act and Article 72 of the Enforcement Regulation of the Insurance Business Act, reserve for outstanding claims are accumulated as for claims for which the Company has a payment due but has not paid, or for which the occurrence of cause for payment has not been reported but the Company recognizes that insured payment has already occurred as of September 30, 2025.

Regarding claims for which the occurrence of cause for payment has not been reported but the Company recognizes that insured payment has already occurred (“IBNR reserves”), the special treatment providing payment of hospitalization benefits with respect to those diagnosed with COVID-19 and were under the care of a doctor or the like at an lodging facility or at home (“deemed hospitalization”) was discontinued on May 8, 2023. As a result of this change, an appropriate amount of reserves cannot be obtained with the calculation method set forth in the main rules in Article 1, Paragraph 1 of the Notification of the Minister of Finance No.234, 1998 (“IBNR Notification”). The Company therefore records the amount that was calculated using the following method, pursuant to provisions in the proviso of Article 1, Paragraph 1 of IBNR Notification (the “Proviso”).

(Overview of the calculation method)

The Company first deducts an amount pertaining to deemed hospitalization of policy holders from a required amount of IBNR reserves and the amount of claim payments for all the consolidated fiscal years, as set forth in the main rules in Article 1, Paragraph 1 of IBNR Notification, and then calculates in the same manner as in the main rules in Article 1, Paragraph 1 of IBNR Notification.

Claims and other payments associated with the outgoing transfer of group annuities are recorded as amounts equivalent to the policy reserve transferred when recognizing the transfers of these group annuities.

(13) Policy reserve of the Company is accumulated in accordance with the methods stated in the statement of calculation procedures for Insurance Premiums and Policy Reserves (Article 4 Paragraph 2 Item 4 of the Insurance Business Act) pursuant to Article 116 Paragraph 1 of the Insurance Business Act to prepare for the future performance of obligations under the insurance contracts for which the insurer’s responsibilities have started as of September 30, 2025.

Premium reserves, one of the components of policy reserve, are calculated by the following method.

- i) In regard to the policies subject to the standard policy reserve, the method as prescribed by the Commissioner of Financial Services Agency (Ministry of Finance Ordinance No.48, 1996) is applied.

ii) In regard to the policies not subject to the standard policy reserve, the net level premium method is applied.

In regard to the policy reserve accumulated pursuant to Article 69 Paragraphs 1, 2, and 4 of the Enforcement Regulation of the Insurance Business Act, when the actual assumptions for long-term future cash flows (such as assumed incidence rate and assumed interest rate) deviate from those assumptions set in the “statement of calculation procedures for Insurance Premiums and Policy Reserves” and policy reserve is considered to be possibly insufficient to cover the future performance of obligations, additional policy reserve is required to accumulate in accordance with Article 69 Paragraph 5 of the Enforcement Regulation of the Insurance Business Act. The following reserves have been established in compliance with this regulation.

- Among individual annuity insurance policies with an assumed interest rate of 5.00% or higher, for policies that have begun paying annuities (excluding wife’s annuity insurance additional rider), the Company has reduced the assumed interest rate to 1.00% and funded additional policy reserves. As of September 30, 2025, the balance of these policy reserves was ¥65,657 million.
- Among whole life insurance policies with assumed interest rates of 5.00% or higher, the Company has reduced assumed interest rates for policies with premiums that have been paid in full (excluding policies that have been converted into paid-up or extended policies, single premium policies, and policies for which premiums have been waived) to 1.00% and funded additional policy reserves. As of September 30, 2025, the balance of these policy reserves was ¥103,929 million.
- The Company has also funded additional policy reserves for certain new cancer riders and highly advanced medical riders. As of September 30, 2025, the balance of these policy reserves was ¥90 million.

Contingency reserves, one of the components of policy reserve, are accumulated pursuant to Article 116 of the Insurance Business Act and Article 69 Paragraph 1 Item 3 of the Enforcement Regulation of the Insurance Business Act to cover risks that may accrue in the future in order to ensure performing future obligations under the insurance contracts.

(14) Depreciation of intangible fixed assets is calculated by the following methods.

- Software: Straight-line method over the estimated useful lives.
- Lease assets related to finance lease transactions that do not transfer ownership: Straight-line method over the lease term with no residual value.

(15) Of the bonds corresponding to the sub-groups of individual insurance, individual annuities, and group annuities which are set by insurance types and investment policies, the bonds that are held to match the duration of liabilities are classified as policy-reserve-matching bonds in accordance with “Temporary Treatment of Accounting and Auditing Concerning Policy-reserve-matching Bonds in Insurance Industry” (Industry Audit Committee Report No. 21 issued by JICPA on November 16, 2000).

2. The carrying amounts, fair values and their related differences of major financial assets and liabilities in the general account as of September 30, 2025 were as follows:

| | (Millions of yen) | | |
|---------------------------------------|-------------------|------------|------------|
| | Carrying amount | Fair value | Difference |
| Money held in trust: | | | |
| Trading securities..... | ¥ 23,377 | ¥23,377 | ¥— |
| Total money held in trust..... | 23,377 | 23,377 | — |
| Securities: | | | |
| Held-to-maturity debt securities..... | 1,120,815 | 1,112,131 | (8,684) |
| Policy-reserve-matching bonds..... | 2,335,349 | 2,051,906 | (283,443) |
| Available-for-sale securities..... | 4,647,562 | 4,647,562 | — |
| Total securities..... | 8,103,728 | 7,811,600 | (292,127) |
| Loans: | | | |
| Policy loans..... | 46,732 | 46,732 | (0) |
| Ordinary loans..... | 293,136 | 294,086 | 950 |
| Total loans..... | 339,869 | 340,819 | 950 |
| Assets total..... | 8,466,974 | 8,175,797 | (291,177) |
| Subordinated bonds*1..... | 308,480 | 301,662 | (6,817) |
| Liabilities total..... | 308,480 | 301,662 | (6,817) |
| Derivative instruments*2: | | | |
| Hedge accounting not applied..... | (497) | (497) | — |
| Total derivative instruments..... | ¥(497) | ¥(497) | ¥— |

*1. The fair value of derivative instruments that are currency swaps under designated hedge accounting is included in the fair value of subordinated bonds because it is accounted for as an integral part of the subordinated bonds that are the hedge items.

*2. Assets and liabilities generated by derivative instruments are offset and presented net. Net liabilities in total are presented in parentheses.

Notes: 1. Stocks without market prices, such as unlisted stocks, are not included in Securities of the above table.

The amount of these stocks on the balance sheet as of September 30, 2025 was ¥9,068 million.

2. In accordance with Paragraph 24-16 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31, June 17, 2021. Hereinafter called "Implementation Guidance on Accounting Standard for Fair Value Measurement"), investments in partnerships are not included in Securities of the above table. As of September 30, 2025, the amount of investments in partnerships included on the balance sheet was ¥62,349 million.

3. Investment trusts with real estate as investment trust properties which have applied Paragraph 24-9 of the Implementation Guidance on Accounting Standard for Fair Value Measurement are included in Securities.

3. Matters concerning the breakdown of financial instruments by fair value level are as follows.

The fair values of financial instruments are classified into the following three levels according to the observability and materiality of inputs used to measure fair value.

Fair Value Level 1: Fair values measured using (unadjusted) quoted prices in active markets for identical assets or liabilities

Fair Value Level 2: Fair values measured using directly or indirectly observable inputs other than Level 1 inputs

Fair Value Level 3: Fair values measured using material unobservable inputs

When multiple inputs with material impact are used to measure fair value, the resulting fair value is classified into the lowest fair value level into which any of these inputs can be categorized.

(1) Financial assets and liabilities with fair values recorded on the balance sheet as of September 30, 2025

| Classification | (Millions of yen) | | | |
|--|-------------------|-----------|---------|-----------|
| | Fair value | | | Total |
| | Level 1 | Level 2 | Level 3 | |
| Money held in trust: | | | | |
| Trading securities..... | ¥— | ¥23,377 | ¥— | ¥ 23,377 |
| Total money held in trust..... | — | 23,377 | — | 23,377 |
| Securities: | | | | |
| Available-for-sale securities: | | | | |
| Government bonds..... | 1,015,769 | — | — | 1,015,769 |
| Local government bonds..... | — | 85,987 | — | 85,987 |
| Corporate bonds..... | — | 591,291 | — | 591,291 |
| Stocks..... | 1,082,047 | — | — | 1,082,047 |
| Foreign securities..... | 719,626 | 908,326 | 24,232 | 1,652,186 |
| Other securities..... | 70,652 | 139,162 | — | 209,815 |
| Total available-for-sale securities..... | 2,888,096 | 1,724,768 | 24,232 | 4,637,097 |
| Total securities..... | 2,888,096 | 1,724,768 | 24,232 | 4,637,097 |
| Assets total..... | 2,888,096 | 1,748,145 | 24,232 | 4,660,474 |
| Derivative instruments*: | | | | |
| Currency-related..... | (0) | (496) | — | (497) |
| Total derivative instruments..... | ¥(0) | ¥(496) | ¥— | ¥(497) |

* Assets and liabilities generated by derivative instruments are offset and presented net. Net liabilities in total are presented in parentheses.

Note: Investment trusts with real estate as investment trust properties that have applied Paragraph 24-9 of the Implementation Guidance on Accounting Standard for Fair Value Measurement are not included in the figures above. The amount of the investment trusts on the balance sheet as of September 30, 2025 was ¥10,465 million. Reconciliation of balances from the beginning of the current fiscal year to balances as of September 30, 2025 for the investment trusts were as follows:

| | (Millions of yen) |
|---|-------------------|
| Balance at the beginning of the current period..... | ¥10,302 |
| Gains or losses and other comprehensive income during the current period..... | 162 |
| Values recognized as other comprehensive income*..... | 162 |
| Balance at the end of the current period..... | ¥10,465 |

* These amounts are included in net unrealized gains (losses) on available-for-sale securities, net of tax under other comprehensive income in the consolidated statements of comprehensive income for the six months ended September 30, 2025.

(2) Financial assets and liabilities with fair values not recorded on the balance sheet as of September 30, 2025

| Classification | Fair value | | | |
|---|------------|----------|---------|-----------|
| | Level 1 | Level 2 | Level 3 | Total |
| Securities: | | | | |
| Held-to-maturity debt securities: | | | | |
| Government bonds..... | ¥955,519 | ¥— | ¥— | ¥955,519 |
| Local government bonds..... | — | 81,610 | — | 81,610 |
| Corporate bonds..... | — | 75,002 | — | 75,002 |
| Total held-to-maturity debt securities... | 955,519 | 156,612 | — | 1,112,131 |
| Policy-reserve-matching bonds: | | | | |
| Government bonds..... | 1,608,835 | — | — | 1,608,835 |
| Local government bonds..... | — | 91,174 | — | 91,174 |
| Corporate bonds..... | — | 351,896 | — | 351,896 |
| Total policy-reserve-matching bonds... | 1,608,835 | 443,070 | — | 2,051,906 |
| Total securities..... | 2,564,355 | 599,682 | — | 3,164,037 |
| Loans: | | | | |
| Policy loans..... | — | — | 46,732 | 46,732 |
| Ordinary loans..... | — | — | 294,086 | 294,086 |
| Total loans..... | — | — | 340,819 | 340,819 |
| Assets total..... | 2,564,355 | 599,682 | 340,819 | 3,504,857 |
| Subordinated bonds..... | — | 301,662 | — | 301,662 |
| Liabilities total..... | ¥— | ¥301,662 | ¥— | ¥301,662 |

(3) Explanation of valuation techniques and inputs used to measure fair value

- i) Securities (including deposits and monetary claims bought which are treated as securities based on “Accounting Standards for Financial Instruments” [ASBJ Statement No.10, July 4, 2019])

The fair values of securities for which unadjusted quoted market prices in active markets are available (primarily listed stocks and government bonds [including some foreign securities]) are classified as Fair Value Level 1. Meanwhile, the fair values of securities for which quoted market prices are available, but are not available in active markets, are classified as Fair Value Level 2 (This category primarily includes local government bonds and corporate bonds [including some foreign securities]). When quoted market prices are not available for securities, prices obtained from third parties (mainly from information vendors and financial institutions with which the Company conducts business) and determined to have been measured in accordance with prescribed accounting standards are used to measure the fair values of these securities. If the inputs used to measure the fair value of a given security are material but unobservable, the resulting fair value is classified as Fair Value Level 3.

- ii) Money held in trust

In principle, the fair values of securities managed as trust assets and classified as money held in trust are measured using the Company's prescribed method for determining the value of securities. These fair values are categorized as Fair Value Level 2.

- iii) Loans

The fair values of policy loans are deemed to approximate book values, considering estimated repayment period and interest rate conditions since their repayment deadlines have not been set up due to the characteristics that the loans are limited to the amount of cash surrender values. Therefore, the book values are used as the fair values of policy loans.

The fair values of floating interest rate loans among the ordinary loans approximate the book values because the market interest rates are reflected in future cash flows in a short period. Therefore, the fair values of floating interest rate loans are used as their book values. The fair values of fixed interest rate loans

are primarily calculated by discounting the future cash flows to the present values.

The fair values of loans from legally bankrupt borrowers, substantially bankrupt borrowers and not currently bankrupt borrowers are computed by deducting the amount of the allowance for possible loan losses from the book values before direct write-offs.

Because significant unobservable inputs used to measure the fair values of loans, the resulting fair values are classified as Fair Value Level 3.

iv) Subordinated bonds

The fair values of corporate bonds issued by the Company are classified as Fair Value Level 2 and are measured using the same method applied to securities.

v) Derivative instruments

The fair values of derivative instruments for which unadjusted quoted market prices in active markets are available (primarily exchange-traded futures and options) are classified as Fair Value Level 1. However, most derivative instruments are traded over the counter and have no quoted market prices. Accordingly, prices obtained from third parties (mainly from information vendors and financial institutions with which the Company conducts business) and determined to have been measured in accordance with prescribed accounting standards are used to measure the fair values of these derivative instruments. Fair values of derivative instruments that were measured using only observable inputs or with unobservable inputs considered to be immaterial are classified as Fair Value Level 2. Meanwhile, fair values of derivative instruments that have been measured using material unobservable inputs are categorized as Fair Value Level 3.

(4) Information concerning fair values of financial assets and liabilities that have been recorded on the balance sheet as of September 30, 2025 and classified as Fair Value Level 3

i) Quantitative information regarding material unobservable inputs

When measuring fair value, the Company does not adjust quoted prices obtained from third parties and does not make estimates related to inputs that it cannot observe. Accordingly, quantitative information regarding material unobservable inputs have been omitted.

ii) Reconciliation of balances from the beginning of the current fiscal year to balances as of September 30, 2025, and valuation gains or losses recognized in the statements of operations for the six months ended September 30, 2025.

| | (Millions of yen) | |
|--|---|---------|
| | Securities, Available-for-sale securities, Foreign securities | Total |
| Balance at the beginning of the current period..... | ¥24,304 | ¥24,304 |
| Gains or losses and other comprehensive income during the current period..... | (71) | (71) |
| Values recognized as gains or losses*1..... | (5) | (5) |
| Values recognized as other comprehensive income*2..... | (66) | (66) |
| Balance at the end of the current period..... | ¥24,232 | ¥24,232 |

*1. These amounts are included in investment income and investment expenses in the consolidated statements of operations for the six months ended September 30, 2025.

*2. These amounts are included in net unrealized gains (losses) on available-for-sale securities, net of tax under other comprehensive income in the consolidated statements of comprehensive income for the six months ended September 30, 2025.

iii) Explanation of the valuation process for fair value

The Company's asset management division is responsible for the formulation of policies and procedures related to the measurement of fair value and the actual measurement of fair value. These fair values are subsequently checked by the risk management department to ensure their appropriateness and compliance with relevant policies and procedures.

The Company verifies the appropriateness of the fair values it measures using a variety of suitable methods, which include comparing quoted market prices obtained from different third parties; confirming techniques and inputs utilized for calculation; and further comparing measured fair values with the fair values of similar financial instruments.

iv) Explanation of the impact on fair value in case of change in material unobservable inputs

When measuring fair value, the Company does not adjust quoted prices obtained from third parties and does not make estimates related to inputs that it cannot observe. Accordingly, it has omitted information concerning impact on fair value stemming from changes in material unobservable inputs.

4. Notes related to the fair value of investment and rental properties are omitted as no significant change has occurred since the previous fiscal year-end.

5. The amount of securities lent under lending agreements was ¥439,278 million as of September 30, 2025.

6. The total amount of claims against bankrupt and quasi-bankrupt obligors, claims with collection risk, delinquent loans past three months or more, and restructured loans was ¥620 million as of September 30, 2025. The details are as follows.

i) The balance of claims against bankrupt and quasi-bankrupt obligors was ¥123 million as of September 30, 2025.

Of which, the estimated uncollectible amount written-off was ¥1 million as of September 30, 2025.

Claims against bankrupt and quasi-bankrupt obligors are loans to borrowers who are subject to bankruptcy, corporate reorganization or rehabilitation or other similar proceedings and other borrowers in serious financial difficulties.

ii) The balance of claims with collection risk was ¥300 million as of September 30, 2025.

Claims with collection risk are loans to obligors (other than claims against bankrupt and quasi-bankrupt obligors) with deteriorated financial condition and results of operations from which it is unlikely that the principal and interest on the loans will be recovered.

iii) There was no balance of delinquent loans past three months or more as of September 30, 2025.

Delinquent loans past three months or more are loans for which interest payments or repayments of principal are delinquent for three months or more from the due date under the terms of the related loan agreements, excluding those loans classified as claims against bankrupt and quasi-bankrupt obligors, claims with collection risk.

iv) The balance of restructured loans was ¥196 million as of September 30, 2025.

Restructured loans are loans for which certain concessions favorable to borrowers, such as interest reduction or exemption, rescheduling of due date for repayments of principal or interest payment, waiver of claim or other terms, have been negotiated for the purpose of assisting and supporting the borrowers in the

restructuring of their business. This category excludes loans classified as claims against bankrupt and quasi-bankrupt obligors, claims with collection risk, and delinquent loans past three months or more.

7. Accumulated depreciation of tangible fixed assets were ¥192,212 million as of September 30, 2025.

8. Total assets in separate accounts provided for in Article 118 of the Insurance Business Act were ¥140,728 million as of September 30, 2025. The amounts of separate account liabilities were the same as separate account assets.

9. Changes in reserve for dividends to policyholders for the six months ended September 30, 2025 were as follows:

| | (Millions of yen) |
|---|-------------------|
| Balance at the beginning of the current period..... | ¥64,117 |
| Transfer from surplus in the previous fiscal year..... | 46,273 |
| Dividend payments to policyholders during the current period..... | (18,860) |
| Increase in interest..... | 95 |
| Balance at the end of the current period..... | <u>¥91,626</u> |

10. Changes in reserve for dividends to policyholders (Fukokushinrai Life Insurance Co., Ltd.) for the six months ended September 30, 2025 were as follows:

| | (Millions of yen) |
|---|-------------------|
| Balance at the beginning of the current period..... | ¥291 |
| Dividend payments to policyholders during the current period..... | (101) |
| Increase in interest..... | 0 |
| Provision of reserve for dividends to policyholders..... | 87 |
| Balance at the end of the current period..... | <u>¥277</u> |

11. The amount of stocks of unconsolidated subsidiaries was ¥404 million as of September 30, 2025.

12. Assets pledged as collateral as of September 30, 2025 were ¥102,878 million of securities.

Secured debts as of September 30, 2025, were ¥5,956 million.

13. Reserve for outstanding claims for the reinsurance contracts provided in accordance with Article 71 Paragraph 1 of the Enforcement Regulation of the Insurance Business Act (hereinafter called “reserve for outstanding claims for ceded reinsurance”) was ¥0 million as of September 30, 2025.

Policy reserve for the reinsurance contracts provided in accordance with Article 71 Paragraph 1 of the Enforcement Regulation of the Insurance Business Act (hereinafter called “policy reserve for ceded reinsurance”) was ¥28 million as of September 30, 2025.

14. There were unused commitment line agreements under which the Company is the lender of ¥8,953 million as of September 30, 2025.
15. Repayments of subordinated bonds are subordinated to other obligations.

III. Notes to the Consolidated Statements of Operations

1. For the six months ended September 30, 2025, in calculating the reversal of reserve for outstanding claims, a reversal of reserve for outstanding claims for ceded reinsurance of ¥40 million was deducted. In calculating the provision of policy reserves, a reversal of policy reserve for ceded reinsurance of ¥2 million was added.

IV. Notes to the Consolidated Statements of Cash Flows

1. Cash and cash equivalents as of September 30, 2025 consist of “Cash,” “Deposits in transfer account,” “Current deposits,” “Ordinary deposits,” “Notice deposits,” “Time deposits maturing within 3 months of the date of acquisition,” “Foreign currency deposits maturing within 3 months of the date of acquisition,” “Negotiable certificate of deposits maturing within 3 months of the date of acquisition,” “Call loans” and “Monetary claims bought maturing within 3 months of the date of acquisition.”
2. Reconciliations of cash and cash equivalents in the consolidated statements of cash flows to the consolidated balance sheet accounts as of September 30, 2025 were as follows:

| | (Millions of yen) |
|--|-------------------|
| Cash and deposits..... | ¥336,792 |
| Call loans..... | 211,000 |
| Time deposits maturing over 3 months of the date of acquisition..... | (25,020) |
| Foreign currency deposits maturing over 3 months of the date of acquisition..... | (1,737) |
| Cash and cash equivalents..... | <u>¥521,035</u> |

(7) Status of Insurance Claims Paying Ability of the Company and Insurance Subsidiaries
(Consolidated Solvency Margin Ratio)

(Millions of yen)

| | As of March 31, 2025 | As of September 30, 2025 |
|---|-------------------------|-----------------------------|
| Total solvency margin (A) | 2,261,410 | 2,501,272 |
| Foundation funds and surplus | 242,655 | 264,079 |
| Reserve for price fluctuation | 205,681 | 192,938 |
| Contingency reserve | 223,180 | 224,494 |
| Catastrophe loss reserve | — | — |
| General allowance for possible loan losses | 267 | 309 |
| (Net unrealized gains (losses) on securities (before tax) and deferred hedge gains (losses) (before tax)) × 90% | 654,586 | 817,834 |
| Net unrealized gains on real estate × 85% | 175,284 | 176,479 |
| Sum of unrecognized actuarial differences and unrecognized prior service cost | 27,672 | 26,601 |
| Excess amount of policy reserve based on full-time Zillmer method | 410,517 | 424,602 |
| Qualifying subordinated debt | 267,260 | 308,480 |
| The amount of “excess amount of policy reserve based on full-time Zillmer method” and “qualifying subordinated debt” excluded from the calculation of solvency margin | — | — |
| Deductible items | — | — |
| Others | 54,305 | 65,450 |
| Total amount of risk $\sqrt{(\sqrt{R_1^2 + R_5^2 + R_8 + R_9})^2 + (R_2 + R_3 + R_7)^2} + R_4 + R_6$ (B) | 394,158 | 411,598 |
| Insurance risk R_1 | 20,993 | 20,859 |
| General insurance risk R_5 | — | — |
| Catastrophe risk R_6 | — | — |
| 3rd sector insurance risk R_8 | 10,323 | 10,369 |
| Small amount and short-term insurance risk R_9 | — | — |
| Assumed investment yield risk R_2 | 19,388 | 19,051 |
| Minimum guarantee risk R_7 | — | — |
| Investment risk R_3 | 365,178 | 382,675 |
| Business risk R_4 | 8,317 | 8,659 |
| Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$ | 1,147.4% | 1,215.3% |

Note: Above figures are calculated based on the provisions of Articles 86-2 and 88 of the Enforcement Regulation of the Insurance Business Act and the Financial Services Agency Notification No. 23, 2011.

Reference: Consolidated Economic Solvency Ratio

| | As of March 31, 2025 | As of September 30, 2025 |
|-------------------------|-------------------------|-----------------------------|
| Economic Solvency Ratio | 247.2% | 260.9% |

Note: Economic solvency ratio (ESR) is an indicator of an insurance company's soundness and indicates whether or not a company has sufficient capital to cover its risks based on market-value assessment of its assets and liabilities. The Company calculates its ESR according to European methodology. Figures for some insurance liabilities and risks current as of September 30, 2025 have been calculated using simplified methods.