August 6, 2026

Financial Results for the Three Months Ended June 30, 2026

Fukoku Mutual Life Insurance Company (President: Takehiko Watabe) announces financial results for the three months ended June 30, 2026.

[Contents]

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1. Business Highlights

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

(i) Policies in Force

	As of March 31, 2026		As of June 30, 2026			
	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	3,096	211,055	3,100	100.2	212,383	100.6
Individual annuities	537	20,628	535	99.6	20,517	99.5
Subtotal	3,633	231,684	3,636	100.1	232,901	100.5
Group insurance	—	174,813	—	—	175,354	100.3
Group annuities	—	23,526	—	—	23,816	101.2

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

Three months ended June 30, 2025	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	88	3,581	3,475	106
Individual annuities	7	278	280	(2)
Subtotal	96	3,859	3,755	103
Group insurance	—	84	84	—
Group annuities	—	0	0	—

Three months ended June 30, 2026	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	90	101.8	4,680	130.7	4,116	118.5	563	528.8
Individual annuities	5	74.9	200	71.9	202	72.1	(2)	—
Subtotal	95	99.7	4,880	126.4	4,319	115.0	561	539.8
Group insurance	—	—	22	26.4	22	26.4	—	—
Group annuities	—	—	0	211.4	0	211.4	—	—

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)

	Three months ended June 30, 2025	Three months ended June 30, 2026	
			Changes (%, YoY)
Amount of surrender and lapse (100 millions of yen)	2,669	2,526	94.7
Surrender and lapse ratio (%)	1.15	1.09	(0.06)

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, 2026	As of June 30, 2026	
				Changes (%, Pre-FYE)
Individual insurance		2,579	2,581	100.1
Individual annuities		1,016	1,011	99.6
Total		3,595	3,593	99.9
	Medical coverage and living benefits	1,180	1,185	100.4

(ii) New Policies

(100 millions of yen, %)

		Three months ended June 30, 2025	Three months ended June 30, 2026	
				Changes (%, YoY)
Individual insurance		43	36	83.3
Individual annuities		7	5	71.0
Total		51	41	81.5
	Medical coverage and living benefits	17	18	105.3

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, 2026		As of June 30, 2026	
	Amount	% of total	Amount	% of total
Cash, deposits, and call loans	428,247	5.5 %	395,331	4.9 %
Money held in trust	25,317	0.3	27,116	0.3
Securities	6,628,317	85.2	6,915,859	86.2
Domestic bonds	3,333,898	42.9	3,348,218	41.7
Domestic stocks	1,288,939	16.6	1,448,644	18.0
Foreign securities	1,776,793	22.8	1,875,779	23.4
Foreign bonds	951,930	12.2	974,463	12.1
Foreign stocks and other securities	824,863	10.6	901,316	11.2
Other securities	228,685	2.9	243,215	3.0
Loans	343,953	4.4	331,014	4.1
Policy loans	42,616	0.5	42,375	0.5
Ordinary loans	301,337	3.9	288,638	3.6
Real estate	257,243	3.3	257,051	3.2
Others	97,060	1.2	100,628	1.3
Allowance for possible loan losses	(607)	(0.0)	(545)	(0.0)
Total	7,779,532	100.0	8,026,456	100.0
Foreign currency denominated assets	1,756,548	22.6	1,857,146	23.1

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

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

(Millions of yen)

	As of March 31, 2026					As of June 30, 2026				
	Book value	Fair value	Gains/Losses			Book value	Fair value	Gains/Losses		
				Gains	Losses				Gains	Losses
Held-to-maturity debt securities	625,104	627,439	2,335	3,380	1,044	624,960	625,621	660	2,965	2,304
Domestic bonds	625,104	627,439	2,335	3,380	1,044	624,960	625,621	660	2,965	2,304
Foreign bonds	—	—	—	—	—	—	—	—	—	—
Policy-reserve-matching bonds	1,334,207	1,058,541	(275,666)	—	275,666	1,349,657	1,025,568	(324,089)	2	324,091
Domestic bonds	1,334,207	1,058,541	(275,666)	—	275,666	1,349,657	1,025,568	(324,089)	2	324,091
Foreign bonds	—	—	—	—	—	—	—	—	—	—
Investments in subsidiaries and affiliates	—	—	—	—	—	—	—	—	—	—
Available-for-sale securities	3,486,290	4,518,631	1,032,341	1,266,739	234,397	3,547,990	4,821,954	1,273,963	1,521,109	247,145
Domestic bonds	1,560,786	1,374,586	(186,199)	27,932	214,131	1,574,245	1,373,600	(200,644)	28,507	229,152
Domestic stocks	399,437	1,220,076	820,639	822,213	1,574	400,542	1,379,824	979,282	980,302	1,020
Foreign securities	1,386,536	1,731,487	344,950	362,832	17,881	1,435,154	1,863,402	428,247	444,097	15,849
Foreign bonds	894,826	951,930	57,103	69,528	12,425	903,593	974,463	70,869	82,215	11,346
Foreign stocks and other securities	491,710	779,557	287,847	293,303	5,456	531,560	888,939	357,378	361,881	4,502
Other securities	139,529	192,481	52,951	53,761	810	138,048	205,126	67,078	68,202	1,123
Money held in trust	—	—	—	—	—	—	—	—	—	—
Monetary claims bought	—	—	—	—	—	—	—	—	—	—
Negotiable certificate of deposits	—	—	—	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—	—	—	—
Total	5,445,602	6,204,612	759,010	1,270,119	511,109	5,522,609	6,473,144	950,535	1,524,077	573,541
Domestic bonds	3,520,098	3,060,567	(459,530)	31,313	490,843	3,548,863	3,024,790	(524,073)	31,475	555,548
Domestic stocks	399,437	1,220,076	820,639	822,213	1,574	400,542	1,379,824	979,282	980,302	1,020
Foreign securities	1,386,536	1,731,487	344,950	362,832	17,881	1,435,154	1,863,402	428,247	444,097	15,849
Foreign bonds	894,826	951,930	57,103	69,528	12,425	903,593	974,463	70,869	82,215	11,346
Foreign stocks and other securities	491,710	779,557	287,847	293,303	5,456	531,560	888,939	357,378	361,881	4,502
Other securities	139,529	192,481	52,951	53,761	810	138,048	205,126	67,078	68,202	1,123
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, 2026	As of June 30, 2026
Investments in subsidiaries and affiliates	64,787	64,787
Available-for-sale securities	73,734	50,720
Domestic stocks	5,633	5,589
Foreign stocks	—	—
Others	68,101	45,130
Total	138,521	115,507

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 (¥11,852 million as of March 31, 2026 and ¥3,778 million as of June 30, 2026) are included in their balance sheet carrying amounts.

(3) Fair Value Information on Money Held in Trust

(Millions of yen)

	As of March 31, 2026					As of June 30, 2026				
	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	25,317	25,317	—	—	—	27,116	27,116	—	—	—

• Money held in trust for trading purpose

(Millions of yen)

	As of March 31, 2026		As of June 30, 2026	
	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	24,317	(0)	26,116	1,187

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

(Millions of yen)

	As of March 31, 2026					As of June 30, 2026				
	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 of Real Estate (Land and Leaseholds)

(Millions of yen)

As of March 31, 2026			As of June 30, 2026		
Carrying value on the balance sheet	Fair value	Gains (Losses)	Carrying value on the balance sheet	Fair value	Gains (Losses)
153,050	359,814	206,764	153,155	360,487	207,331

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, 2026	As of June 30, 2026
Assets:		
Cash and deposits	115,257	115,347
Call loans	313,000	280,000
Money held in trust	25,317	27,116
Securities:	6,755,394	7,055,403
[Government bonds]	[2,793,547]	[2,873,778]
[Local government bonds]	[72,626]	[53,358]
[Corporate bonds]	[497,034]	[450,976]
[Stocks]	[1,327,951]	[1,493,449]
[Foreign securities]	[1,835,548]	[1,940,624]
Loans:	343,953	331,014
Policy loans	42,616	42,375
Ordinary loans	301,337	288,638
Tangible fixed assets	263,716	263,881
Intangible fixed assets	35,150	35,104
Agency receivables	55	136
Reinsurance receivables	64	5
Other assets	51,981	53,994
Prepaid pension cost	5,360	6,056
Allowance for possible loan losses	(607)	(545)
Total assets	**7,908,643**	**8,167,514**

	As of March 31, 2026	As of June 30, 2026
Liabilities:		
Policy reserves:	6,062,282	6,148,541
Reserve for outstanding claims	24,098	22,372
Policy reserve	5,965,857	6,002,060
Reserve for dividends to policyholders	72,326	124,108
Reinsurance payables	33	45
Subordinated bonds	308,480	308,480
Other liabilities:	84,519	71,994
Corporate income tax payable	17,611	2,638
Asset retirement obligations	4,565	4,581
Rest of the other liabilities	62,343	64,775
Reserve for employees’ retirement benefits	26,501	25,679
Reserve for price fluctuation	190,830	191,616
Deferred tax liabilities	111,477	176,654
Deferred tax liabilities for land revaluation	14,596	14,596
Total liabilities	**6,798,721**	**6,937,608**
Net assets:		
Foundation funds	8,000	8,000
Accumulated foundation funds redeemed	128,000	128,000
Reserve for revaluation	112	112
Surplus:	225,906	179,903
Legal reserve for future losses	3,800	4,070
Other surplus:	222,106	175,833
Reserve for redemption of foundation funds	1,600	3,200
Reserve for dividend allowances	20,000	40,000
Accumulated fund for price fluctuation	41,000	41,000
Reserve for employee returns	3,402	10,000
Reserve for enhancing the growth foundation	—	33,920
Reserve for advanced depreciation of real estate for tax purpose	199	180
Other reserves	767	—
Unappropriated surplus	155,137	47,532
Total foundation funds, surplus and others	362,018	316,015
Net unrealized gains (losses) on available-for-sale securities, net of tax	743,885	909,873
Revaluation reserve for land, net of tax	4,017	4,017
Total valuation and translation adjustments	747,902	913,890
Total net assets	**1,109,921**	**1,229,906**
Total liabilities and net assets	**7,908,643**	**8,167,514**

4. Non-consolidated Statements of Operations

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Ordinary revenues:		
Premium and other income	151,959	156,735
[Premium income]	[151,836]	[156,729]
Investment income	105,390	86,988
[Interest, dividends and other income]	[43,057]	[50,859]
[Gains on money held in trust, net]	[304]	[1,839]
[Gains on sales of securities]	[53,902]	[21,064]
[Gains on derivative instruments, net]	[330]	[—]
[Foreign exchange gains, net]	[—]	[556]
[Gains on separate accounts, net]	[6,100]	[12,111]
Other ordinary revenues	4,468	5,851
[Reversal of reserve for outstanding claims]	[1,705]	[1,725]
Total ordinary revenues	**261,818**	**249,576**
Ordinary expenses:		
Claims and other payments	118,728	126,803
[Claims]	[26,213]	[30,697]
[Annuities]	[38,827]	[39,343]
[Benefits]	[33,452]	[35,466]
[Surrenders]	[14,677]	[15,843]
[Other payments]	[5,514]	[5,406]
Provision of policy reserve and others:	37,958	36,304
Provision of policy reserves	37,941	36,203
Provision of interest portion of reserve for dividends to policyholders	16	101
Investment expenses	38,890	23,511
[Interest expenses]	[1,157]	[1,586]
[Losses on trading securities, net]	[3]	[—]
[Losses on sales of securities]	[31,283]	[16,179]
[Losses on valuation of securities]	[142]	[—]
[Losses on derivative instruments, net]	[—]	[844]
[Foreign exchange losses, net]	[944]	[—]
Operating expenses	26,306	28,701
Other ordinary expenses	6,835	7,025
Total ordinary expenses	**228,718**	**222,346**
Ordinary profits	**33,100**	**27,230**
Extraordinary gains:		
Reversal of reserve for price fluctuation	9,795	—
Total extraordinary gains	**9,795**	**—**
Extraordinary losses:		
Losses on disposal of fixed assets	2	2
Impairment losses	10	—
Provision of reserve for price fluctuation	—	786
Total extraordinary losses	**13**	**788**
Surplus before income taxes	**42,882**	**26,442**
Income taxes:		
Current	8,172	5,045
Deferred	700	(2,384)
Total income taxes	**8,872**	**2,661**
Net surplus for the period	**34,009**	**23,781**

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. The Company has applied the revised Transferred Guidance No. 9, Practical Guidelines on Accounting for Financial Instruments (issued on March 11, 2025; hereinafter, the Revised Practical Guidelines on Accounting for Financial Instruments) from the beginning of the first quarter of the current fiscal year. Accordingly, pursuant to paragraph 132-2 of the Revised Practical Guidelines on Accounting for Financial Instruments, shares without a market price that are included in the underlying assets of partnerships and similar entities that satisfy the requirements prescribed in such paragraph are measured at fair value, and such fair value is used as the basis for the accounting treatment of investments in partnerships and similar entities.

   In addition, the Revised Practical Guidelines on Accounting for Financial Instruments have been applied in accordance with the transitional treatment prescribed in paragraph 205-2. As a result, surplus at the beginning of the first quarter of the current fiscal year decreased by ¥6 million.

2. As the proposal for appropriation of unappropriated surplus for the fiscal year ended March 31, 2026 was approved by the Board of Representative Member of Policyholders on July 2, 2026, it is included in the non-consolidated balance sheet as of June 30, 2026.

3. The amount of securities lent under lending agreements was ¥493,029 million as of June 30, 2026.

4. Changes in reserve for dividends to policyholders for the three months ended June 30, 2026 were as follows:

	(Millions of yen)
Balance at the beginning of the current period…...	¥72,326
Transfer from surplus in the previous fiscal year...	69,647
Dividend payments to policyholders during the current period…..…………....	(17,967)
Increase in interest...…………………….........	101
Balance at the end of the current period..	¥124,108

5. Breakdown of Ordinary Profits (Fundamental Profit)

(Millions of yen)

		Three months ended June 30, 2025	Three months ended June 30, 2026
Fundamental profit	A	**12,370**	**22,910**
Capital gains		56,166	23,829
Gains on money held in trust, net		271	1,763
Gains on trading securities, net		—	—
Gains on sales of securities		53,902	21,064
Gains on derivative instruments, net		330	—
Foreign exchange gains, net		—	556
Other capital gains		1,661	446
Capital losses		32,373	17,023
Losses on money held in trust, net		—	—
Losses on trading securities, net		3	—
Losses on sales of securities		31,283	16,179
Losses on valuation of securities		142	—
Losses on derivative instruments, net		—	844
Foreign exchange losses, net		944	—
Other capital losses		—	—
Net capital gains (losses)	B	23,792	6,806
Fundamental profit plus net capital gains (losses)	A+B	36,163	29,717
Non-recurring gains		—	115
Reinsurance income		—	—
Reversal of contingency reserve		—	—
Reversal of specific allowance for possible loan losses		—	—
Others		—	115
Non-recurring losses		3,063	2,603
Reinsurance premiums		—	—
Provision for contingency reserve		726	851
Provision of specific allowance for possible loan losses		0	—
Provision of allowance for specified overseas loans		—	—
Write-offs of loans		—	—
Others		2,336	1,751
Non-recurring gains (losses)	C	(3,063)	(2,487)
Ordinary profits	A+B+C	33,100	27,230

Note: Other items break down as follows.

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Fundamental profit	(1,628)	(485)
Interest, dividends, and other income from gains/losses on money held in trust	32	76
Portion of gains/losses on redemption of securities attributable to foreign exchange fluctuations	(1,661)	(446)
Gains (losses) on reinsurance	—	(115)
Other capital gains	1,661	446
Portion of gains/losses on redemption of securities attributable to foreign exchange fluctuations	1,661	446
Other non-recurring gains	—	115
Gains (losses) on reinsurance	—	115
Other non-recurring losses	2,336	1,751
Provision of policy reserves in accordance with Article 69, Paragraph 5 of the Enforcement Regulations of the Insurance Business Act.	2,336	1,751

6. Status of Separate Account

(1) Separate Account Assets by Products

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
	Amount	Amount
Individual variable insurance	—	—
Individual variable annuities	—	—
Group annuities	132,705	144,621
Total	132,705	144,621

(2) Policies in Force

(i) Individual Variable Insurance

The Company has not sold the individual variable insurance.

(ii) Individual Variable Annuities

(Millions of yen except number of policies)

	As of March 31, 2026		As of June 30, 2026	
	Number of policies	Amount	Number of policies	Amount
Individual variable annuities	—	—	—	—
Total	—	—	—	—

7. Status of the Company, Subsidiaries and Affiliates

(1) Selected Financial Data

(100 millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Ordinary revenues	3,412	3,148
Ordinary profits	353	279
Net surplus attributable to the parent company	347	237
Comprehensive income	485	1,894

	As of March 31, 2026	As of June 30, 2026
Total assets	98,746	101,496

(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, 2026	As of June 30, 2026
Assets:		
Cash and deposits	180,950	177,325
Call loans	313,000	280,000
Money held in trust	25,317	27,116
Securities	8,599,975	8,920,250
Loans	346,946	333,977
Tangible fixed assets	264,458	264,733
Intangible fixed assets	36,672	36,693
Agency receivables	0	0
Reinsurance receivables	96	6
Other assets	59,453	61,702
Net defined benefit assets	38,360	38,532
Deferred tax assets	9,995	9,881
Allowance for possible loan losses	(607)	(545)
Total assets	**9,874,620**	**10,149,673**

	As of March 31, 2026	As of June 30, 2026
Liabilities:		
Policy reserves:	7,955,068	8,055,736
Reserve for outstanding claims	29,530	27,635
Policy reserve	7,852,920	7,903,749
Reserve for dividends to policyholders	72,326	124,108
Reserve for dividends to policyholders (subsidiary)	290	243
Agency payables	295	564
Reinsurance payables	42	50
Subordinated bonds	308,480	308,480
Other liabilities	89,131	77,941
Net defined benefit liabilities	8,265	8,381
Reserve for price fluctuation	209,859	210,751
Deferred tax liabilities	131,409	196,152
Deferred tax liabilities for land revaluation	14,596	14,596
Total liabilities	**8,717,149**	**8,872,656**
Net assets:		
Foundation funds	8,000	8,000
Accumulated foundation funds redeemed	128,000	128,000
Reserve for revaluation	112	112
Consolidated surplus	233,188	187,173
Total foundation funds, surplus and others	369,300	323,285
Net unrealized gains (losses) on available-for-sale securities, net of tax	739,352	905,875
Revaluation reserve for land, net of tax	4,017	4,017
Foreign currency translation adjustment	770	808
Accumulated remeasurements of defined benefit plans	36,470	35,434
Total accumulated other comprehensive income	780,610	946,134
Non-controlling interests	7,560	7,597
Total net assets	**1,157,470**	**1,277,017**
Total liabilities and net assets	**9,874,620**	**10,149,673**

(4) Consolidated Statements of Operations and Comprehensive Income

[Consolidated Statements of Operations]

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Ordinary revenues:		
Premium and other income	225,035	215,285
Investment income	111,203	93,491
[Interest, dividends and other income]	[48,872]	[57,219]
[Gains on money held in trust, net]	[304]	[1,839]
[Gains on sales of securities]	[53,902]	[21,210]
[Gains on derivative instruments, net]	[330]	[—]
[Foreign exchange gains, net]	[—]	[554]
[Gains on separate accounts, net]	[6,100]	[12,111]
Other ordinary revenues	5,031	6,046
[Reversal of reserve for outstanding claims]	[2,136]	[1,895]
Total ordinary revenues	**341,271**	**314,823**
Ordinary expenses:		
Claims and other payments	152,543	171,654
[Claims]	[31,216]	[35,801]
[Annuities]	[55,520]	[58,299]
[Benefits]	[34,191]	[36,070]
[Surrenders]	[25,979]	[35,957]
[Other payments]	[5,580]	[5,468]
Provision of policy reserve and others:	76,396	50,930
Provision of policy reserves	76,379	50,829
Provision of interest portion of reserve for dividends to policyholders	16	101
Provision of interest portion of reserve for dividends to policyholders (subsidiary)	0	0
Investment expenses	38,531	23,948
[Interest expenses]	[1,164]	[1,596]
[Losses on trading securities, net]	[3]	[—]
[Losses on sales of securities]	[31,311]	[17,120]
[Losses on valuation of securities]	[142]	[—]
[Losses on derivative instruments, net]	[—]	[844]
[Foreign exchange losses, net]	[943]	[—]
Operating expenses	30,602	32,396
Other ordinary expenses	7,847	7,953
Total ordinary expenses	**305,920**	**286,883**
Ordinary profits	**35,350**	**27,940**
Extraordinary gains:		
Reversal of reserve for price fluctuation	9,692	—
Total extraordinary gains	**9,692**	**—**
Extraordinary losses:		
Losses on disposal of fixed assets	2	2
Impairment losses	10	—
Provision of reserve for price fluctuation	—	891
Total extraordinary losses	**13**	**893**
Provision of reserve for dividends to policyholders (subsidiary)	**44**	**43**
Surplus before income taxes	**44,984**	**27,003**
Income taxes:		
Current	9,123	5,719
Deferred	909	(2,530)
Total income taxes	**10,033**	**3,188**
Net surplus for the period	**34,951**	**23,814**
Net surplus (loss) attributable to non-controlling interests	**210**	**46**
Net surplus attributable to the parent company	**34,740**	**23,767**

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

[Consolidated Statements of Comprehensive Income]

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net surplus	34,951	23,814
Other comprehensive income:	13,606	165,586
Net unrealized gains (losses) on available-for-sale securities, net of tax	14,149	166,584
Foreign currency translation adjustments	(162)	37
Remeasurements of defined benefit plan, net of tax	(380)	(1,035)
Comprehensive income:	48,557	189,401
Comprehensive income attributable to the parent company	48,275	189,291
Comprehensive income attributable to non-controlling interests	281	109

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.

II. Notes to the Consolidated Balance Sheets

1. (1) The Company has applied the revised Transferred Guidance No. 9, Practical Guidelines on Accounting for Financial Instruments (issued on March 11, 2025; hereinafter, the Revised Practical Guidelines on Accounting for Financial Instruments) from the beginning of the first quarter of the current fiscal year. Accordingly, pursuant to paragraph 132-2 of the Revised Practical Guidelines on Accounting for Financial Instruments, shares without a market price that are included in the underlying assets of partnerships and similar entities that satisfy the requirements prescribed in such paragraph are measured at fair value, and such fair value is used as the basis for the accounting treatment of investments in partnerships and similar entities.

In addition, the Revised Practical Guidelines on Accounting for Financial Instruments have been applied in accordance with the transitional treatment prescribed in paragraph 205-2. As a result, consolidated surplus at the beginning of the first quarter of the current fiscal year decreased by ¥6 million.

(2) Fukoku Life International (U.K.) Ltd. has applied Section 20, Leases, of Financial Reporting Standard 102 (revised on March 27, 2024; hereinafter, the Revised FRS 102), the local accounting standard in the United Kingdom, from the beginning of the first quarter of the current fiscal year. Under the lessee accounting requirements, operating leases are, in principle, recognized on the balance sheet as right-of-use assets. In addition, the Revised FRS 102 has been applied in accordance with the transitional provisions set forth in Section 1. As a result, consolidated surplus at the beginning of the first quarter of the current fiscal year increased by ¥1 million. Compared with the previous accounting method, ordinary profit and surplus before income taxes for the first quarter of the current fiscal year decreased by ¥1 million, respectively.

2. As the proposal for appropriation of unappropriated surplus for the fiscal year ended March 31, 2026 was approved by the Board of Representative Member of Policyholders on July 2, 2026, it is included in the consolidated balance sheet as of June 30, 2026.

3. The amount of securities lent under lending agreements was ¥493,029 million as of June 30, 2026.

4. Changes in reserve for dividends to policyholders for the three months ended June 30, 2026 were as follows:

	(Millions of yen)
Balance at the beginning of the current period	¥72,326
Transfer from surplus in the previous fiscal year	69,647
Dividend payments to policyholders during the current period	(17,967)
Increase in interest	101
Balance at the end of the current period	¥124,108

5. Changes in reserve for dividends to policyholders (Fukokushinrai Life Insurance Co., Ltd.) for the three months ended June 30, 2026 were as follows:

	(Millions of yen)
Balance at the beginning of the current period…...	¥290
Dividend payments to policyholders during the current period…..…………...	(91)
Increase in interest...…………………….........	0
Provision of reserve for dividends to policyholders………………………….	43
Balance at the end of the current period..	¥243

III. Notes to the Consolidated Statements of Operations

1. For the three months ended June 30, 2026, the total amount of depreciation, including depreciation of real estate for rent, was ¥ 4,417 million.