

Disclosure of European Embedded Value (summary) as of March 31, 2025

This is the summarized translation of disclosure of the European Embedded Value (“EEV”) of Sumitomo Life Group (hereinafter “Group”). The group EEV includes EEV of Sumitomo Life Insurance Company (hereinafter “Sumitomo Life”), Medicare Life Insurance Co. (hereinafter “Medicare Life”) , Symetra Financial Corporation (hereinafter “Symetra”) and Singapore Life Holdings Pte. Ltd. (hereinafter “Singlife”) as of March 31, 2025

We calculate EV based on European Embedded Value Principles. In the calculation of EEV, the Group has mainly adopted a market-consistent approach. More specifically, the EEV for Sumitomo Life and Medicare Life are calculated based on a market-consistent approach, while the EEV for Symetra and Singlife are calculated based on a top-down approach. Both approaches are permitted under the EEV Principles.

Additionally, for the calculation of the EEV as of March 31, 2025, the calculation method for Singlife has transitioned from a traditional approach to an approach based on EEV Principles. Furthermore, the EEV as of March 31, 2024, has also been restated using the same method.

As a mutual life insurance company, Sumitomo Life regarded the surplus after policyholder dividends as the value attributable to the company in calculating its EEV. Also, foundation funds, classified as net assets in the statutory financial report, were classified as liabilities in the calculation of EEV.

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1. Results

a. EEV Results of the Group

(1) EEV Results

(billions of yen)			
	March 31, 2024(Restated)	March 31, 2025	increase (decrease)
EEV	5,665.0	5,784.8	119.8
Adjusted net worth	2,556.2	1,638.4	(917.7)
Value of in-force business	3,108.7	4,146.4	1,037.6

	Year ended March 31,2024	Year ended March 31,2025	increase (decrease)
Value of new business	56.0	109.2	53.2

(Note1) The Group EEV is calculated as follows: Sumitomo Life's EEV plus Medicare Life's EEV, Symetra's EEV, and Singlife's EEV less Sumitomo Life's carrying amount of equity of Medicare Life, Symetra and Singlife.

(Note2) Sumitomo Life's carrying amount of Medicare Life's equity was ¥160.0 billion as of March 31, 2024 and as of March 31, 2025. Sumitomo Life's carrying amount of Symetra's equity was ¥466.5 billion as of March 31, 2024 and ¥566.9 billion as of March 31, 2025. Sumitomo Life's carrying amount of Singlife's equity was ¥432.4 billion as of March 31, 2024 and as of March 31, 2025.

(Note3) The Group EEV as of March 31, 2024 and as of March 31, 2025 includes Symetra's EEV as of December 31, 2023 and as of December 31, 2024, respectively, in accordance with Symetra's closing date for the Group's consolidated financial statements.
The Group's value of new business for the year ended March 31, 2024 and the year ended March 31, 2025 includes Symetra's value of new business for the year ended December 31, 2023 and the year ended December 31, 2024, respectively.

(Note4) Singlife has become a wholly owned subsidiary of Sumitomo Life on March 18, 2024. The Group EEV as of March 31, 2024 and as of March 31, 2025 includes Singlife's EEV as of December 31, 2023 and as of December 31, 2024, respectively, in accordance with Singlife's closing date for the Group's consolidated financial statements. The Group's value of new business for the year ended March 31, 2025 includes Singlife's value of new business for the year ended December 31, 2024. The Group's value of new business for the year ended March 31, 2024 does not include Singlife's value of new business.

(Reference)

As life insurance products are long term liabilities, Sumitomo Life is investing primarily in yen-denominated interest-bearing assets such as long-term bonds and loans in our ALM strategy.

When interest rates reduce, value of in-force business is decreased reflecting lower expected future prospects of investment return. On the other hand, adjusted net worth is increased by unrealized gains on assets.

The sum of unrealized gains and value of in-force business represents expected future profits from in-force business.

Breakdown of Group EEV based on this idea is as follows.

(billions of yen)

	March 31, 2024(Restated)	March 31, 2025	increase (decrease)
EEV	5,665.0	5,784.8	119.8
Total net asset on the balance sheet +Retained earnings in liabilities (Note1)	1,384.4	1,465.5	81.0
Value of in-force business +Unrealized gains (losses) on Yen-denominated interest-bearing assets and others (Note2)	2,584.6	2,727.8	143.2
Unrealized gains (losses) of assets other than Yen-denominated interest-bearing assets and others (Note3)	1,695.9	1,591.4	(104.4)

(Note1) The sum of the total net assets on balance sheet, the retained earnings in liabilities (after tax) of Group, consolidation adjustment regarding Medicare Life, Symetra and Singlife, adjustment of deferred tax assets of Symetra, and adjustment of intangible assets of Singlife is reported.

(Note2) The sum of value of in-force business of Group and unrealized gains (losses) on yen-denominated interest-bearing assets and others (after tax) of Sumitomo Life and Medicare Life is reported. Yen-denominated interest-bearing assets and others (after tax) include yen-denominated bonds, loans and hedged foreign bonds corresponding to yen-denominated insurance, and foreign currency-denominated bonds corresponding to foreign currency-denominated insurance.

(Note3) The sum of unrealized gains (losses) on securities and loans (after tax) (excluding yen-denominated interest-bearing assets and others), unrealized gains (losses) on real estate and liabilities (after tax), unfunded retirement benefit obligations (after tax) of Sumitomo Life and Medicare Life is reported.

(2) Adjusted Net Worth

(billions of yen)

	March 31, 2024(Restated)	March 31, 2025	increase (decrease)
Adjusted net worth (Note1)	2,556.2	1,638.4	(917.7)
Total net asset on the balance sheet (Note2)	1,237.9	1,367.4	129.4
Retained earnings in liabilities (after tax)	1,302.0	1,364.8	62.7
Unrealized gains (losses) on securities and miscellaneous items (after tax)	997.3	(16.1)	(1,013.5)
Unrealized gains (losses) on loans (after tax)	(23.1)	(75.2)	(52.0)
Unrealized gains (losses) on real estate (after tax)	125.8	137.0	11.2
Unrealized gains (losses) on liabilities (after tax)	8.0	20.9	12.8
Unfunded retirement benefit obligation (after tax)	63.6	106.2	42.6
Consolidation adjustment regarding Medicare Life (Note3)	(160.0)	(160.0)	0.0
Adjustment for deferred tax assets in Symetra and miscellaneous items	(9.5)	(14.9)	(5.4)
Consolidation adjustment regarding Symetra (Note3)	(466.5)	(566.9)	(100.4)
Adjustment for intangible assets in Singlife and miscellaneous items	(87.1)	(92.3)	(5.2)
Consolidation adjustment regarding Singlife (Note3)	(432.4)	(432.4)	0.0

(Note1) For the calculation of the adjusted net worth as of March 31, 2025, the calculation method for Singlife has transitioned from a traditional approach to an approach based on EEV Principles. Furthermore, the adjusted net worth as of March 31, 2024, has also been restated using the same method.

(Note2) Figures do not include foundation funds, net unrealized gains (losses) on available-for-sale securities and expected disbursements from capital outside the company.

(Note3) Deduction consists of the carrying amounts of the equity of Medicare Life, Symetra and Singlife held by Sumitomo Life, which are recorded under "Total net assets on the balance sheets" in the table above.

(3) Value of In-force Business (VIF)

(billions of yen)

	March 31, 2024(Restated)	March 31, 2025	increase (decrease)
Value of in-force business (Note1)	3,108.7	4,146.4	1,037.6
Present value of future profits (Note2)	3,889.2	5,020.6	1,131.3
Time value of financial options and guarantees	(74.1)	(53.0)	21.1
Cost of holding required capital (Note3)	(280.5)	(362.0)	(81.4)
Cost of non-hedgeable risks	(425.7)	(459.1)	(33.4)

(Note1) For the calculation of the value of in-force business as of March 31, 2025, the calculation method for Singlife has transitioned from a traditional approach to an approach based on EEV Principles. Furthermore, the value of in-force business as of March 31, 2024, has also been restated using the same method.

(Note2) Includes the certainty equivalent present value of future profits for business valued using a market-consistent approach and present value of future profits for business valued using a top-down approach.

(Note3) Includes the cost of holding required capital for business valued using a market-consistent approach and the cost of capital for business valued using a top-down approach.

(4) Value of New Business (VNB)

(billions of yen)

	Year ended March 31,2024	Year ended March 31,2025	increase (decrease)
Value of new business	56.0	109.2	53.2
Present value of future profits	117.6	200.6	83.0
Time value of financial options and guarantees	(3.0)	(3.0)	0.0
Cost of holding required capital	(31.9)	(60.0)	(28.0)
Cost of non-hedgeable risks	(26.5)	(28.3)	(1.8)

The new business margin (the ratio of the value of new business to the present value of premium income) is as follows:

(billions of yen)

	Year ended March 31,2024	Year ended March 31,2025	increase (decrease)
Value of new business (a)	56.0	109.2	53.2
Present value of premium income (b) (Note)	2,955.6	3,809.3	853.6
New business Margin (a) ÷ (b)	1.9 %	2.9 %	1.0 points

(Note) Future premium income (as for Symetra and Singlife, based on the statutory accounting) is discounted by the risk-free rate or the risk discount rate used for the calculation of the value of new business.

(Reference)

The value of new business (VNB) is calculated based on a market consistent method using risk neutral valuation techniques, where the expected excess return of investments over risk free rates is offset by allowing for the price that market participants require for taking on the investment risks. This is achieved by assuming the investment return for all assets will be equal to the risk free rates.

However, Japanese insurance companies actually invest in corporate bonds, foreign bonds, and equities, in addition to Japanese government bonds, and expects to achieve investment returns in excess of risk-free returns. If they achieve investment returns in excess of risk-free returns, their EEV will increase over the term of the policy.

When Sumitomo Life and Medicare Life assume excess returns on investments over risk-free rates, Group's VNB, on the reference basis, will be as set out in the following table. In order to reflect some uncertainty of realizing the expected excess return, discount rates are assumed to be the same as the return on investments.

Please note that this reference basis differs from the risk neutral valuation which is used for EEV and VNB of Sumitomo Life and Medicare Life, respectively. Further, the VNB in following table is not the VNB which forms part of each EEV.

(billions of yen)	
	Year ended March 31,2025
Value of new business assuming excess return, on the reference basis (Note)	138.0

(Note) The excess rate of return compared to the risk-free rate is 0.2% in Sumitomo Life and 0.0% in Medicare Life.

b. EEV Results by company

(1) Sumitomo Life

(billions of yen)

	March 31, 2024	March 31, 2025	increase (decrease)
EEV (Note)	5,731.0	5,793.0	61.9
Adjusted net worth	3,209.2	2,263.0	(946.2)
Total net asset on the balance sheet	824.3	824.0	(0.2)
Retained earnings in liabilities (after tax)	1,210.3	1,245.9	35.5
Unrealized gains (losses) on securities and miscellaneous items (after tax)	1,000.2	4.0	(996.2)
Unrealized gains (losses) on loans (after tax)	(23.1)	(75.2)	(52.0)
Unrealized gains (losses) on real estate (after tax)	125.8	137.0	11.2
Unrealized gains (losses) on liabilities (after tax)	8.0	20.9	12.8
Unfunded retirement benefit obligation (after tax)	63.5	106.1	42.6
Value of in-force business	2,521.7	3,530.0	1,008.2
Certainty equivalent present value of future profits	3,100.5	4,158.5	1,058.0
Time value of financial options and guarantees	(56.0)	(36.4)	19.6
Cost of holding required capital	(158.1)	(192.3)	(34.2)
Cost of non-hedgeable risks	(364.5)	(399.7)	(35.2)

(billions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025	increase (decrease)
Value of new business	9.7	25.8	16.1
Certainty equivalent present value of future profits	31.8	50.5	18.7
Time value of financial options and guarantees	(0.4)	0.0	0.5
Cost of holding required capital	(6.3)	(7.2)	(0.9)
Cost of non-hedgeable risks	(15.3)	(17.5)	(2.2)

(Note) The shares of Medicare Life, Symetra and Singlife held by Sumitomo Life are valued on a book value basis for purposes of calculating the embedded value of Sumitomo Life on a stand-alone basis. For purposes of calculating the embedded value of the Group, consolidation adjustments are required.

The new business margin (the ratio of the value of new business to the present value of premium income) is as follows:

(billions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025	increase (decrease)
Value of new business (a)	9.7	25.8	16.1
Present value of premium income (b)	1,395.5	1,369.3	(26.1)
New business Margin (a) ÷ (b)	0.7 %	1.9 %	1.2 points

(2) Medicare Life

(billions of yen)

	March 31, 2024	March 31, 2025	increase (decrease)
EEV	372.2	404.2	32.0
Adjusted net worth	33.5	19.9	(13.6)
Total net asset on the balance sheet	32.8	34.8	1.9
Retained earnings in liabilities (after tax)	3.4	5.1	1.6
Unrealized gains (losses) on securities and miscellaneous items (after tax)	(2.9)	(20.1)	(17.2)
Unrealized gains (losses) on loans (after tax)	-	-	-
Unrealized gains (losses) on real estate (after tax)	-	-	-
Unrealized gains (losses) on liabilities (after tax)	-	-	-
Unfunded retirement benefit obligation (after tax)	0.0	0.1	0.0
Value of in-force business	338.7	384.3	45.6
Certainty equivalent present value of future profits	401.7	445.9	44.1
Time value of financial options and guarantees	(0.1)	0.0	0.1
Cost of holding required capital	(1.7)	(2.2)	(0.4)
Cost of non-hedgeable risks	(61.2)	(59.3)	1.8

(billions of yen)

	Year ended March 31,2024	Year ended March 31,2025	increase (decrease)
Value of new business	28.8	30.8	1.9
Certainty equivalent present value of future profits	40.2	41.8	1.6
Time value of financial options and guarantees	-	-	-
Cost of holding required capital	(0.2)	(0.2)	(0.0)
Cost of non-hedgeable risks	(11.1)	(10.8)	0.3

The new business margin (the ratio of the value of new business to the present value of premium income) is as follows:

(billions of yen)

	Year ended March 31,2024	Year ended March 31,2025	increase (decrease)
Value of new business (a)	28.8	30.8	1.9
Present value of premium income (b)	274.1	275.2	1.1
New business Margin (a) ÷ (b)	10.5 %	11.2 %	0.7 points

(3) Symetra

(billions of yen)

	December 31, 2023	December 31, 2024	increase (decrease)
EEV	361.2	475.0	113.7
Adjusted net worth	319.5	463.5	144.0
Total net asset on the balance sheet (Note)	240.8	364.7	123.9
Retained earnings in liabilities (after tax)	88.2	113.7	25.5
Adjustment for deferred tax assets and miscellaneous items	(9.5)	(14.9)	(5.4)
Value of in-force business	41.7	11.4	(30.2)
Present value of future profits	158.8	165.9	7.0
Time value of financial options and guarantees	(15.9)	(15.1)	0.8
Cost of capital	(101.1)	(139.3)	(38.1)

(billions of yen)

	Year ended December 31,2023	Year ended December 31,2024	increase (decrease)
Value of new business	17.4	10.5	(6.8)
Present value of future profits	45.5	62.4	16.9
Time value of financial options and guarantees	(2.6)	(2.8)	(0.2)
Cost of capital	(25.4)	(49.0)	(23.5)

(Note) The sum of net assets based on statutory capital and surplus in U.S. life insurance subsidiary, value of other subsidiaries and holding company's equity.

The new business margin (the ratio of the value of new business to the present value of premium income) is as follows:

(billions of yen)

	Year ended December 31,2023	Year ended December 31,2024	increase (decrease)
Value of new business (a)	17.4	10.5	(6.8)
Present value of premium income (b)	1,286.0	1,647.9	361.9
New business Margin (a) ÷ (b)	1.4%	0.6 %	(0.7) points

(Reference) Symetra's EEV in US Dollar

(millions of USD)

	December 31, 2023	December 31, 2024	increase (decrease)
EEV	2,547	3,003	455
Adjusted net worth	2,252	2,930	677
Total net asset on the balance sheet	1,697	2,306	608
Retained earnings in liabilities (after tax)	622	719	97
Adjustment for deferred tax assets and miscellaneous items	(67)	(94)	(27)
Value of in-force business	294	72	(221)
Present value of future profits	1,120	1,049	(70)
Time value of financial options and guarantees	(112)	(95)	16
Cost of capital	(713)	(880)	(167)

(millions of USD)

	Year ended December 31,2023	Year ended December 31,2024	increase (decrease)
Value of new business	123	66	(56)
Present value of future profits	320	394	73
Time value of financial options and guarantees	(18)	(18)	0
Cost of capital	(179)	(309)	(130)

(4) Singlife (Note1)

(billions of yen)

	December 31, 2023(Restated)	December 31, 2024	increase (decrease)
EEV	259.3	271.8	12.4
Adjusted net worth	52.8	51.3	(1.4)
Total net asset on the balance sheet (Note2)	139.9	143.6	3.7
Adjustment for intangible assets and miscellaneous items	(87.1)	(92.3)	(5.2)
Value of in-force business	206.5	220.5	13.9
Present value of future profits	228.1	250.1	21.9
Time value of financial options and guarantees	(2.0)	(1.4)	0.5
Cost of capital	(19.5)	(28.1)	(8.5)

(billions of yen)

	Year ended December 31,2024
Value of new business	41.9
Present value of future profits	45.7
Time value of financial options and guarantees	(0.2)
Cost of capital	(3.5)

(Note1) For the calculation of the EEV as of March 31, 2025, the calculation method for Singlife has transitioned from a traditional approach to an approach based on EEV Principles. Furthermore, the EEV as of March 31, 2024, has also been restated using the same method.

(Note2) The sum of net assets based on statutory capital and surplus in Singapore life insurance subsidiary, value of other subsidiaries and holding company's equity.

The new business margin (the ratio of the value of new business to the present value of premium income) is as follows:

(billions of yen)

	Year ended December 31,2024
Value of new business (a)	41.9
Present value of premium income (b)	516.6
New business Margin (a) ÷ (b)	8.1 %

(Reference) Singlife's EEV in Singapore Dollar

(millions of SGD)

	December 31, 2023(Restated)	December 31, 2024	increase (decrease)
EEV	2,413	2,333	(79)
Adjusted net worth	491	440	(50)
Total net asset on the balance sheet	1,302	1,233	(68)
Adjustment for intangible assets and miscellaneous items	(810)	(792)	18
Value of in-force business	1,921	1,892	(29)
Present value of future profits	2,122	2,146	24
Time value of financial options and guarantees	(18)	(12)	6
Cost of capital	(181)	(241)	(59)

(millions of SGD)

	Year ended December 31,2024
Value of new business	360
Present value of future profits	392
Time value of financial options and guarantees	(1)
Cost of capital	(30)

2. Statement of changes in EEV

a. Statement of changes in EEV of the Group

(billions of yen)

	Adjusted net worth	Value of in- force business	EEV
Values as of March 31, 2024	2,556.4	3,092.5	5,649.0
EEV transition in Singlife ^(Note1)	(0.2)	16.2	15.9
Restated values as of March 31, 2024	2,556.2	3,108.7	5,665.0
Adjustments to the values as of March 31, 2024 ^(Note2)	43.6	22.1	65.8
Adjusted values as of March 31, 2024	2,599.8	3,130.9	5,730.8
Value of new business	-	109.2	109.2
Expected existing business contribution (market-consistent approach)	42.6	352.7	395.3
Risk-free rate	1.2	27.5	28.8
In excess of risk-free rate	41.3	325.1	366.5
Expected existing business contribution (top-down approach)	2.9	62.1	65.0
Expected transfer from VIF to adjusted net worth	222.6	(222.6)	-
on in-force at beginning of year	407.0	(407.0)	-
on new business	(184.4)	184.4	-
Non-economic experience variances	(82.2)	24.2	(57.9)
Non-economic assumptions changes	(4.4)	(63.8)	(68.2)
Economic variances	(1,145.7)	808.8	(336.8)
Change of effective tax rate	2.5	(55.3)	(52.7)
Values as of March 31, 2025	1,638.4	4,146.4	5,784.8

(Note1) This item represents the impact of the transition of the calculation method for Singlife from a traditional approach to an approach based on EEV Principles. Please note that this change does not affect the EEV of Sumitomo Life, Medicare or Symetra.

(Note2) This item represents the foreign exchange variance due to yen conversion of EEV of Symetra and Singlife.

b. Statement of changes in EEV by company

(1) Sumitomo Life

(billions of yen)

	Adjusted net worth	Value of in- force business	EEV
Values as of March 31, 2024	3,209.2	2,521.7	5,731.0
Value of new business	-	25.8	25.8
Expected existing business contribution (market-consistent approach)	42.4	347.7	390.2
Risk-free rate	1.2	24.1	25.4
In excess of risk-free rate	41.2	323.6	364.8
Expected transfer from VIF to adjusted net worth	133.9	(133.9)	-
on in-force at beginning of year	327.9	(327.9)	-
on new business	(194.0)	194.0	-
Non-economic experience variances	(43.2)	66.4	23.2
Non-economic assumptions changes	-	(3.8)	(3.8)
Economic variances	(1,081.7)	757.1	(324.6)
Change of effective tax rate	2.3	(51.1)	(48.8)
Values as of March 31, 2025	2,263.0	3,530.0	5,793.0

(2) Medicare Life

		(billions of yen)	
	Adjusted net worth	Value of in- force business	EEV
Values as of March 31, 2024	33.5	338.7	372.2
Value of new business	-	30.8	30.8
Expected existing business contribution (market-consistent approach)	0.1	4.9	5.1
Risk-free rate	0.0	3.4	3.4
In excess of risk-free rate	0.1	1.5	1.7
Expected transfer from VIF to adjusted net worth	5.8	(5.8)	-
on in-force at beginning of year	14.6	(14.6)	-
on new business	(8.7)	8.7	-
Non-economic experience variances	(2.9)	10.3	7.3
Non-economic assumptions changes	-	(4.7)	(4.7)
Economic variances	(16.9)	14.2	(2.7)
Change of effective tax rate	0.2	(4.1)	(3.8)
Values as of March 31, 2025	19.9	384.3	404.2

(3) Symetra

(billions of yen)

	Adjusted net worth	Value of in- force business	EEV
Values as of December 31, 2023	319.5	41.7	361.2
Adjustments to the values as of December 31, 2023	34.4	4.8	39.3
for shareholder dividends (Note1)	(4.7)	-	(4.7)
of the foreign exchange variance	39.2	4.8	44.0
Adjusted values as of December 31, 2023	354.0	46.5	400.5
Value of new business	-	10.5	10.5
Expected existing business contribution (top-down approach)	(2.8)	48.3	45.5
Expected transfer from VIF to adjusted net worth	51.8	(51.8)	-
on in-force as of December 31, 2023	41.8	(41.8)	-
on new business	10.0	(10.0)	-
Non-economic experience variances	(4.5)	(51.0)	(55.5)
Non-economic assumptions changes	-	(33.8)	(33.8)
Economic variances	(35.3)	42.7	7.3
Capital injection by SUMITOMO LIFE (Note2)	100.4	-	100.4
Values as of December 31, 2024	463.5	11.4	475.0

(Note1) This item represents an adjustment for shareholder dividends Symetra paid to Sumitomo Life during the year ended December 31, 2024.

(Note2) During the year ended December 31, 2024, Symetra received ¥100.4 billion as additional capital from Sumitomo Life. The capital injection represents an intragroup transaction, thus has no impact on the Group EEV.

(4) Singlife

(billions of yen)

	Adjusted net worth	Value of in- force business	EV
Values (TEV) as of December 31, 2023 (Note)	53.0	190.3	243.4
EEV transition	(0.2)	16.2	15.9
Restated values as of December 31, 2023	52.8	206.5	259.3
Adjustments to the values as of December 31, 2023	4.4	17.3	21.7
Adjusted values as of December 31, 2023	57.2	223.9	281.1
Value of new business	-	41.9	41.9
Expected existing business contribution (top-down approach)	5.8	13.7	19.5
Expected transfer from VIF to adjusted net worth	31.0	(31.0)	-
on in-force as of December 31, 2023	22.7	(22.7)	-
on new business	8.2	(8.2)	-
Non-economic experience variances	(31.4)	(1.5)	(33.0)
Non-economic assumptions changes	(4.4)	(21.3)	(25.7)
Economic variances	(6.8)	(5.2)	(12.1)
Values as of December 31, 2024	51.3	220.5	271.8

(Note) This item represents Traditional Embedded Value.

3. Sensitivity Analysis

a. Sensitivity Analysis of EEV of the Group and the Group's value of new business

(1) Sensitivity analysis of EEV of the Group

(billions of yen)		
	EEV	increase (decrease)
EEV as of March 31, 2025	5,784.8	-
Sensitivity 1: 50bp upward parallel shift in risk-free yield curve	5,732.9	(51.8)
Sensitivity 2: 50bp downward parallel shift in risk-free yield curve	5,804.5	19.6
Sensitivity 3: 10% decline in equity and real estate values	5,415.2	(369.5)
Sensitivity 4: 10% decline in maintenance expenses	5,918.0	133.2
Sensitivity 5: 10% decline in surrender and lapse rate	5,930.1	145.3
Sensitivity 6: 5% decline in mortality and morbidity rates for life insurance products	6,071.7	286.8
Sensitivity 7: 5% decline in mortality and morbidity rates for annuities	5,780.2	(4.6)
Sensitivity 8: Setting required capital at statutory minimum level	5,991.4	206.5
Sensitivity 9: 25% increase in implied volatilities of equity and real estate values	5,783.1	(1.6)
Sensitivity 10: 25% increase in implied volatilities of swaptions	5,752.9	(31.9)

The following table shows the effect of sensitivities 1 through 8 on adjusted net worth. Only the value of in-force business is affected in sensitivities 9 and 10 in the above table.

		(billions of yen)
		increase (decrease)
Sensitivity 1:	50bp upward parallel shift in risk-free yield curve	(806.2)
Sensitivity 2:	50bp downward parallel shift in risk-free yield curve	878.9
Sensitivity 3:	10% decline in equity and real estate values	(353.6)
Sensitivity 4:	10% decline in maintenance expenses	1.6
Sensitivity 5:	10% decline in surrender and lapse rate	(5.5)
Sensitivity 6:	5% decline in mortality and morbidity rates for life insurance products	4.4
Sensitivity 7:	5% decline in mortality and morbidity rates for annuities	(0.0)
Sensitivity 8:	Setting required capital at statutory minimum level	(24.2)

(2) Sensitivity analysis of the Group's value of new business

(billions of yen)

	Value of new business	increase (decrease)
Value of new business for the fiscal year ended March 31,2025	109.2	-
Sensitivity 1: 50bp upward parallel shift in risk-free yield curve	127.6	18.3
Sensitivity 2: 50bp downward parallel shift in risk-free yield curve	87.3	(21.8)
Sensitivity 3: 10% decline in equity and real estate values	108.8	(0.3)
Sensitivity 4: 10% decline in maintenance expenses	119.7	10.4
Sensitivity 5: 10% decline in surrender and lapse rate	122.7	13.4
Sensitivity 6: 5% decline in mortality and morbidity rates for life insurance products	127.7	18.4
Sensitivity 7: 5% decline in mortality and morbidity rates for annuities	109.2	(0.0)
Sensitivity 8: Setting required capital at statutory minimum level	129.8	20.5
Sensitivity 9: 25% increase in implied volatilities of equity and real estate values	109.2	0.0
Sensitivity 10: 25% increase in implied volatilities of swaptions	109.2	0.0

b. Sensitivity Analysis by company

(1) Sumitomo Life

i . Sensitivity Analysis of EEV

		(billions of yen)	
		EEV	increase (decrease)
EEV as of March 31, 2025		5,793.0	-
Sensitivity 1:	50bp upward parallel shift in risk-free yield curve	5,738.1	(54.8)
Sensitivity 2:	50bp downward parallel shift in risk-free yield curve	5,825.3	32.3
Sensitivity 3:	10% decline in equity and real estate values	5,438.8	(354.2)
Sensitivity 4:	10% decline in maintenance expenses	5,885.3	92.3
Sensitivity 5:	10% decline in surrender and lapse rate	5,920.4	127.3
Sensitivity 6:	5% decline in mortality and morbidity rates for life insurance products	6,003.0	210.0
Sensitivity 7:	5% decline in mortality and morbidity rates for annuities	5,788.8	(4.1)
Sensitivity 8:	Setting required capital at statutory minimum level	5,920.9	127.8
Sensitivity 9:	25% increase in implied volatilities of equity and real estate values	5,791.3	(1.6)
Sensitivity 10:	25% increase in implied volatilities of swaptions	5,761.1	(31.8)

The following table shows the effect of sensitivities 1 through 3 on adjusted net worth.
Only the value of in-force business is affected in sensitivities 4 through 10 in the above table.

		(billions of yen)
		increase (decrease)
Sensitivity 1:	50bp upward parallel shift in risk-free yield curve	(799.9)
Sensitivity 2:	50bp downward parallel shift in risk-free yield curve	874.3
Sensitivity 3:	10% decline in equity and real estate values	(352.2)

ii . Sensitivity analysis of the value of new business

(billions of yen)

	Value of new business	increase (decrease)
Value of new business for the fiscal year ended March 31,2025	25.8	-
Sensitivity 1: 50bp upward parallel shift in risk-free yield curve	44.2	18.3
Sensitivity 2: 50bp downward parallel shift in risk-free yield curve	6.6	(19.2)
Sensitivity 3: 10% decline in equity and real estate values	25.8	-
Sensitivity 4: 10% decline in maintenance expenses	29.6	3.7
Sensitivity 5: 10% decline in surrender and lapse rate	34.0	8.1
Sensitivity 6: 5% decline in mortality and morbidity rates for life insurance products	35.4	9.5
Sensitivity 7: 5% decline in mortality and morbidity rates for annuities	25.8	0.0
Sensitivity 8: Setting required capital at statutory minimum level	30.6	4.7
Sensitivity 9: 25% increase in implied volatilities of equity and real estate values	25.8	0.0
Sensitivity 10: 25% increase in implied volatilities of swaptions	25.8	0.0

(2) Medicare Life

i . Sensitivity Analysis of EEV

		(billions of yen)	
		EEV	increase (decrease)
EEV as of March 31, 2025		404.2	-
Sensitivity 1:	50bp upward parallel shift in risk-free yield curve	403.5	(0.6)
Sensitivity 2:	50bp downward parallel shift in risk-free yield curve	403.0	(1.2)
Sensitivity 3:	10% decline in equity and real estate values	404.2	-
Sensitivity 4:	10% decline in maintenance expenses	413.7	9.4
Sensitivity 5:	10% decline in surrender and lapse rate	408.4	4.1
Sensitivity 6:	5% decline in mortality and morbidity rates for life insurance products	428.5	24.2
Sensitivity 7:	5% decline in mortality and morbidity rates for annuities	404.2	-
Sensitivity 8:	Setting required capital at statutory minimum level	405.4	1.1
Sensitivity 9:	25% increase in implied volatilities of equity and real estate values	404.2	-
Sensitivity 10:	25% increase in implied volatilities of swaptions	404.2	(0.0)

The following table shows the effect of sensitivities 1 through 2 on adjusted net worth. Only the value of in-force business is affected in sensitivities 3 through 10 in the above table.

		(billions of yen)
		increase (decrease)
Sensitivity 1:	50bp upward parallel shift in risk-free yield curve	(11.8)
Sensitivity 2:	50bp downward parallel shift in risk-free yield curve	13.0

ii . Sensitivity analysis of the value of new business

(billions of yen)

	Value of new business	increase (decrease)
Value of new business for the fiscal year ended March 31,2025	30.8	-
Sensitivity 1: 50bp upward parallel shift in risk-free yield curve	31.1	0.3
Sensitivity 2: 50bp downward parallel shift in risk-free yield curve	30.0	(0.7)
Sensitivity 3: 10% decline in equity and real estate values	30.8	-
Sensitivity 4: 10% decline in maintenance expenses	32.3	1.5
Sensitivity 5: 10% decline in surrender and lapse rate	32.5	1.7
Sensitivity 6: 5% decline in mortality and morbidity rates for life insurance products	35.4	4.6
Sensitivity 7: 5% decline in mortality and morbidity rates for annuities	30.8	-
Sensitivity 8: Setting required capital at statutory minimum level	30.9	0.1
Sensitivity 9: 25% increase in implied volatilities of equity and real estate values	30.8	-
Sensitivity 10: 25% increase in implied volatilities of swaptions	30.8	-

(3) Symetra

i . Sensitivity Analysis of EEV

		(billions of yen)	
		EEV	increase (decrease)
EEV as of December 31, 2024		475.0	-
Sensitivity 1:	50bp upward parallel shift in risk-free yield curve	475.8	0.8
Sensitivity 2:	50bp downward parallel shift in risk-free yield curve	472.3	(2.7)
Sensitivity 3:	10% decline in equity and real estate values	462.1	(12.8)
Sensitivity 4:	10% decline in maintenance expenses	498.0	23.0
Sensitivity 5:	10% decline in surrender and lapse rate	491.5	16.4
Sensitivity 6:	5% decline in mortality and morbidity rates for life insurance products	495.0	20.0
Sensitivity 7:	5% decline in mortality and morbidity rates for annuities	474.6	(0.3)
Sensitivity 8:	Setting required capital at statutory minimum level	542.9	67.9
Sensitivity 9:	1% increase in equity and real estate yield	499.8	24.7
Sensitivity 10:	50bp upward shift in risk discount rate	456.4	(18.6)
Sensitivity 11:	50bp downward shift in risk discount rate	494.6	19.5

The following table shows the effect on the adjusted net worth of sensitivities 1, 2 and 8. Only the value of in-force business is affected in sensitivities 3 through 7 and 9 through 11 in the above table.

		(billions of yen)
		increase (decrease)
Sensitivity 1:	50bp upward parallel shift in risk-free yield curve	4.7
Sensitivity 2:	50bp downward parallel shift in risk-free yield curve	(4.9)
Sensitivity 8:	Setting required capital at statutory minimum level	(24.2)

ii . Sensitivity analysis of the value of new business

(billions of yen)

	Value of new business	increase (decrease)
Value of new business for the year ended December 31,2024	10.5	-
Sensitivity 1: 50bp upward parallel shift in risk-free yield curve	8.9	(1.6)
Sensitivity 2: 50bp downward parallel shift in risk-free yield curve	10.8	0.2
Sensitivity 3: 10% decline in equity and real estate values	10.1	(0.3)
Sensitivity 4: 10% decline in maintenance expenses	14.6	4.0
Sensitivity 5: 10% decline in surrender and lapse rate	13.4	2.9
Sensitivity 6: 5% decline in mortality and morbidity rates for life insurance products	13.0	2.4
Sensitivity 7: 5% decline in mortality and morbidity rates for annuities	10.5	(0.0)
Sensitivity 8: Setting required capital at statutory minimum level	24.8	14.2
Sensitivity 9: 1% increase in equity and real estate yield	14.2	3.6
Sensitivity 10: 50bp upward shift in risk discount rate	8.4	(2.1)
Sensitivity 11: 50bp downward shift in risk discount rate	11.9	1.3

Sensitivity 1 and 2 are calculated based on simultaneous upward/downward parallel shift of 50bp in both the investment yields of the future reinvestment and the risk discount rate.

Sensitivity 10 and 11 represent the effect on EEV of an upward/downward shift of 50bp of the risk discount rate.

(4) Singlife

i . Sensitivity Analysis of EEV

		(billions of yen)	
		EEV	increase (decrease)
EEV as of December 31, 2024		271.8	-
Sensitivity 1:	50bp upward parallel shift in risk-free yield curve	274.7	2.8
Sensitivity 2:	50bp downward parallel shift in risk-free yield curve	263.2	(8.6)
Sensitivity 3:	10% decline in equity and real estate values	269.3	(2.4)
Sensitivity 4:	10% decline in maintenance expenses	280.2	8.4
Sensitivity 5:	10% decline in surrender and lapse rate	269.2	(2.6)
Sensitivity 6:	5% decline in mortality and morbidity rates for life insurance products	304.4	32.5
Sensitivity 7:	5% decline in mortality and morbidity rates for annuities	271.7	(0.0)
Sensitivity 8:	Setting required capital at statutory minimum level	281.4	9.6
Sensitivity 9:	1% increase in equity and real estate yield	276.0	4.1
Sensitivity 10:	50bp upward shift in risk discount rate	254.3	(17.5)
Sensitivity 11:	50bp downward shift in risk discount rate	293.0	21.1

The following table shows the effect on the adjusted net worth of sensitivities 1 through 7 and 9. Only the value of in-force business is affected in sensitivities 8 and 10 through 11 in the above table.

		(billions of yen)
		increase (decrease)
Sensitivity 1:	50bp upward parallel shift in risk-free yield curve	0.7
Sensitivity 2:	50bp downward parallel shift in risk-free yield curve	(3.5)
Sensitivity 3:	10% decline in equity and real estate values	(1.3)
Sensitivity 4:	10% decline in maintenance expenses	1.6
Sensitivity 5:	10% decline in surrender and lapse rate	(5.5)
Sensitivity 6:	5% decline in mortality and morbidity rates for life insurance products	4.4
Sensitivity 7:	5% decline in mortality and morbidity rates for annuities	(0.0)
Sensitivity 9:	1% increase in equity and real estate yield	0.7

ii . Sensitivity analysis of the value of new business

(billions of yen)		
	Value of new business	increase (decrease)
Value of new business for the year ended December 31,2024	41.9	-
Sensitivity 1: 50bp upward parallel shift in risk-free yield curve	43.2	1.2
Sensitivity 2: 50bp downward parallel shift in risk-free yield curve	39.7	(2.1)
Sensitivity 3: 10% decline in equity and real estate values	41.9	-
Sensitivity 4: 10% decline in maintenance expenses	43.1	1.1
Sensitivity 5: 10% decline in surrender and lapse rate	42.6	0.6
Sensitivity 6: 5% decline in mortality and morbidity rates for life insurance products	43.8	1.8
Sensitivity 7: 5% decline in mortality and morbidity rates for annuities	41.9	-
Sensitivity 8: Setting required capital at statutory minimum level	43.3	1.3
Sensitivity 9: 1% increase in equity and real estate yield	43.9	1.9
Sensitivity 10: 50bp upward shift in risk discount rate	38.8	(3.1)
Sensitivity 11: 50bp downward shift in risk discount rate	45.9	3.9

Sensitivity 1 and 2 are calculated based on simultaneous upward/downward parallel shift of 50bp in both long term investment return rates and the risk discount rate.

Sensitivity 10 and 11 represent the effect on EEV of an upward/downward shift of 50bp of the risk discount rate.

4. Note

The calculation of EEV requires numerous assumptions regarding future projections that are subject to risks and uncertainties. Future results may differ from those assumptions used in the calculation of EEV.

Appendix A: Principal EEV Assumptions (Sumitomo Life and Medicare Life)

1. Economic assumptions

a. Risk-free rate

In the certainty equivalent calculation and the interest rate model calibration, the Japanese, U.S. and Australian Government Bond are used as proxies for risk-free rates.

As the term of life insurance policies is generally longer than financial instruments in the market, the ultra-long term rate data which is not available in the market should be set. Because of low liquidity of long-term Japanese, U.S. and Australian Government Bond in the market, we extrapolated the risk-free rates.

In the extrapolation method using an ultimate forward rate, interest rate for ultra-long term, which is not available in the market, converges to an ultimate forward rate which is future forward rate based on macro-economic analysis. The extrapolation method using an ultimate forward rate is used in the Insurance Capital Standard (ICS) being developed by the International Association of Insurance Supervisors, and is also permitted in the MCEV Principles and used in EU Solvency II.

For risk-free rates (forward rates) of each currency, the ultimate forward rate, last point of liquidity and convergence point are set as below in consideration of the ICS Version 2.0, etc. We extrapolate the yield curve to the ultimate forward rate by using the Smith-Wilson method.

	JPY		USD		AUD	
	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025
ultimate forward rate	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%
last point of liquidity	30 years	30 years	30 years	30 years	30 years	30 years
convergence point	60 years	60 years	60 years	60 years	60 years	60 years

The table below shows, for selected terms, the risk-free rates (spot rates) which are used in the calculations.

Term	JPY		USD		AUD	
	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025
1 year	0.054%	0.641%	5.081%	4.081%	3.962%	3.762%
2 year	0.189%	0.857%	4.622%	3.879%	3.705%	3.661%
3 year	0.202%	0.893%	4.396%	3.869%	3.590%	3.674%
4 year	0.277%	1.023%	4.282%	3.913%	3.588%	3.745%
5 year	0.358%	1.114%	4.222%	3.971%	3.651%	3.867%
10 year	0.758%	1.521%	4.188%	4.262%	4.023%	4.472%
15 year	1.167%	1.957%	4.280%	4.544%	4.261%	4.792%
20 year	1.561%	2.322%	4.584%	4.809%	4.454%	5.065%
25 year	1.696%	2.413%	4.537%	4.868%	4.486%	5.223%
30 year	1.929%	2.688%	4.285%	4.604%	4.433%	5.147%
35 year	2.130%	2.897%	4.118%	4.400%	4.373%	5.023%
40 year	2.310%	3.033%	4.040%	4.289%	4.317%	4.900%
45 year	2.462%	3.128%	3.997%	4.220%	4.267%	4.790%
50 year	2.590%	3.200%	3.971%	4.171%	4.224%	4.696%

(Source : Ministry of Finance(JPY) and bloomberg(the others) (after interpolation/extrapolation))

b. Principal dynamic assumption

(1) Interest rate model

As an interest rate model, Sumitomo Life has adopted a SABR LIBOR Market model, in which interest rates associated with Japanese yen, U.S. dollars, Euros, British pounds and Australian dollars are calculated. The model has been adjusted to be in line with a risk-neutral approach in which Japanese yen is set as a base currency, and correlations between the interest rates have also been taken into account. The interest rate model has been calibrated to be consistent with the market environment as of each reporting date, and parameters used are estimated from the yield curve and implied volatilities of interest rate swaptions with various maturities. 5,000 scenarios are used in calculating the time value of financial options and guarantees through the stochastic method.

A summary of implied volatilities of interest rate swaptions used to calibrate the scenarios is as follows:

Interest rate swaptions

(bp)

		March 31,2024					March 31,2025				
Option Term	Swap Term	JPY	USD	EUR	GBP	AUD	JPY	USD	EUR	GBP	AUD
5 year	10 year	41.9	90.5	81.7	92.3	81.2	45.7	92.8	76.4	95.3	80.3
7 year	10 year	41.3	85.8	77.9	86.7	75.0	45.2	89.8	74.3	93.3	76.4
10 year	10 year	41.2	78.5	72.2	81.1	68.3	44.6	84.5	71.9	90.5	72.8
15 year	10 year	40.3	68.7	64.2	76.5	-	44.3	76.8	66.8	86.0	-
20 year	10 year	38.3	61.4	58.7	73.2	-	43.9	70.0	62.7	82.0	-

(Source: Bloomberg (adjusted))

(2) Implied volatilities of equities and currencies

Volatilities of major equity indices and currencies are calibrated based on implied volatilities of options traded in the market. Implied volatilities used to calibrate the scenarios are as follows:

Stock options

Currency	Underlying Asset	Option Term	Volatility	
			March 31, 2024	March 31, 2025
JPY	Nikkei225	3 year	19.4%	20.1%
		4 year	19.5%	20.0%
		5 year	19.6%	20.0%
USD	S&P 500	3 year	18.3%	18.9%
		4 year	19.1%	19.6%
		5 year	19.9%	20.2%
EUR	Euro Stoxx50	3 year	16.2%	16.9%
		4 year	16.3%	17.0%
		5 year	16.5%	17.1%
GBP	FTSE 100	3 year	13.9%	13.8%
		4 year	14.3%	14.1%
		5 year	14.8%	14.4%

(Source : Markit (after interpolation/extrapolation))

Currency options

Currency	Option Term	Volatility	
		March 31, 2024	March 31, 2025
USD	5 year	7.9%	8.8%
EUR	5 year	9.3%	10.8%
GBP	5 year	10.2%	10.9%
AUD	5 year	11.0%	11.3%

(Source : Bloomberg)

(3) Correlations

In addition to the implied volatilities described above, each company has calculated implied volatilities reflecting its asset portfolio and correlation factors. The share of each asset is assumed to be unchanged over the projection periods.

With regard to correlation factors, market-consistent data from exotic options with sufficient liquidity have not been observed in the market. Therefore, Sumitomo Life estimated correlation factors based on historical market data. Specifically, the monthly data from March 31, 2015 to March 31, 2025 have been used. The following table shows correlation factors between major variables.

	1year Rate /JPY	1year Rate /USD	1year Rate /EUR	1year Rate /GBP	1year Rate /AUD	USD/JPY	EUR/JPY	GBP/JPY	AUD/JPY	NIKKEI 225	S&P500	EuroStoxx 50	FTSE100
1year Rate /JPY	1.00	0.48	0.59	0.41	0.51	0.27	0.27	0.25	0.20	0.06	(0.16)	(0.07)	0.00
1year Rate /USD	0.48	1.00	0.76	0.74	0.78	0.66	0.47	0.44	0.42	0.22	(0.13)	(0.01)	0.02
1year Rate /EUR	0.59	0.76	1.00	0.78	0.72	0.42	0.53	0.33	0.33	0.06	(0.28)	(0.13)	(0.08)
1year Rate /GBP	0.41	0.74	0.78	1.00	0.68	0.46	0.40	0.33	0.24	0.09	(0.27)	(0.14)	(0.19)
1year Rate /AUD	0.51	0.78	0.72	0.68	1.00	0.51	0.47	0.37	0.54	0.10	(0.15)	(0.10)	(0.01)
USD/JPY	0.27	0.66	0.42	0.46	0.51	1.00	0.69	0.68	0.52	0.37	(0.08)	0.06	(0.05)
EUR/JPY	0.27	0.47	0.53	0.40	0.47	0.69	1.00	0.82	0.69	0.45	0.13	0.19	0.05
GBP/JPY	0.25	0.44	0.33	0.33	0.37	0.68	0.82	1.00	0.66	0.58	0.33	0.40	0.10
AUD/JPY	0.20	0.42	0.33	0.24	0.54	0.52	0.69	0.66	1.00	0.61	0.48	0.44	0.39
NIKKEI 225	0.06	0.22	0.06	0.09	0.10	0.37	0.45	0.58	0.61	1.00	0.71	0.71	0.51
S&P500	(0.16)	(0.13)	(0.28)	(0.27)	(0.15)	(0.08)	0.13	0.33	0.48	0.71	1.00	0.79	0.65
EuroStoxx 50	(0.07)	(0.01)	(0.13)	(0.14)	(0.10)	0.06	0.19	0.40	0.44	0.71	0.79	1.00	0.78
FTSE100	0.00	0.02	(0.08)	(0.19)	(0.01)	(0.05)	0.05	0.10	0.39	0.51	0.65	0.78	1.00

(Source: Ministry of Finance (1year Rate/JPY) and bloomberg(the others))

c. Assumed investment yield used for the calculation of expected returns

Assumed investment yields on major asset categories used for the calculation of “Expected existing business contribution (the sum of risk-free rate and excess of risk-free rate)” in “2. Statement of changes in EEV” are as follows. The Weighted-average assumed investment yield (annual rate) is based on the asset portfolio at the beginning of the year. The yield for Sumitomo Life is 1.8% and, for Medicare Life, is 0.7%.

	Assumed investment yield (annual rate)
Fixed income assets (excl. Super long-term bonds)	0.7%
Super long-term bonds(Note)	1.5%
Foreign bonds (excl. Currency-hedged foreign bonds)	3.0%
Currency-hedged foreign bonds	1.2%
Domestic stocks	4.3%
Foreign stocks	5.5%
Others	2.1%

(Note) Bonds with a maturity of more than 10 years

2. Non-economic assumptions

All cash flows (premiums, operating expenses, benefits and claims, cash surrender value, tax, etc.) are projected applying the best estimate assumptions, by product, referring to past, current and expected future experience.

a. Operating expenses

Operating expenses are set based on the experience of each company. The look-through basis is applied in terms of operating expenses of insurance business.

Future inflation rates are set as follows.

Up to the 30th year: The inflation rate is set at 1.13% with reference to the breakeven inflation rate incorporated in the inflation-linked government bonds.

After the 31st year: The inflation rate was gradually adjusted to converge to 2.00% (the inflation rate incorporated in the terminal level of the risk-free rate) in the 60th year.

b. Policyholder dividends

(1) Sumitomo Life

Policyholder dividend rates are based on the current dividend policy, and set according to market-consistent, risk-neutral scenarios.

(2) Medicare Life

No assumption of policyholder dividend rate is set, as it sells only non-participating policies.

c. Effective tax rate

In the projection of future profits, effective tax rate is set at the following rates, based on the recent corporate tax rates and establishment of the Special Defense Corporate Tax

Sumitomo Life:	-FY 2025	27.96%
	FY 2026-	28.88%
Medicare Life :	-FY 2025	28.00%
	FY 2026-	28.93%

Appendix B: Principal EEV Assumptions (Symetra)

1. Economic Assumptions and Risk Discount Rate

a. Economic assumptions

Investment cash flows for the top-down approach are based on current and expected asset allocations and the economic environment on the reporting date. Key economic assumptions include the level of government bond rates, credit spreads, default rates and investment expenses. Government bond rates and credit spreads were set equal to the levels of the reporting date.

Existing yields are as follows:

	Current yield (%)	
	December 31,2023	December 31,2024
Corporate Bonds	3.96%	4.27%
Grand Total	4.71%	4.64%

(Note) Statutory basis, before default, excluding investment costs

Reinvestment yields vary by liability group, in accordance with the characteristics of the liabilities and actual practice, and are determined based on the current and expected future reinvestment strategy.

Reinvestment rates by main liability group are as follows:

Main Products	Reinvestment rates (Note3,4)	
	December 31,2023	December 31,2024
Life	5.43-6.37%	5.76-6.18%
Annuities (Note1)	5.45-5.60%	5.14-5.68%
Benefits	5.38%	5.40%
VA (Note2)	7.50%	7.50%

(Note1) VA is not included

(Note2) Separate account

(Note3) Before default, excluding investment costs

(Note4) Rates vary by product type

Default rates, which apply to existing assets and reinvestments, are determined by asset type and rating, where applicable, based on historical studies.

Expected default cost net of recovery are as follows:

	Default cost (bp)	
	December 31,2023	December 31,2024
Existing Assets		
AAA-A	4	5
BBB	17	14
Reinvestment Assets		
AAA-A	0-12	2-12
BBB	9-21	7-21

b. Risk discount rates

Risk discount rates are set using a weighted average cost of capital approach (WACC) taking into account the cost of equity and cost of debt.

Risk discount rates are as follows:

	In-force business	
	December 31,2023	December 31,2024
Risk discount rate	7.75%	8.25%
Risk-free rate (Note)	3.88%	4.58%
Risk margin	3.87%	3.67%

	New business			
	Six months ended June 30, 2023	Six months ended December 31, 2023	Six months ended June 30, 2024	Six months ended December 31, 2024
Risk discount rate	7.75%	7.75%	8.00%	8.25%
Risk-free rate (Note)	3.81%	3.88%	4.36%	4.58%
Risk margin	3.94%	3.87%	3.64%	3.67%

(Note)10 year U.S. government bond yield

2. Non-economic assumptions

All cash flows (premium, operating expense, benefits and claims, cash surrender value, tax, etc.) are projected each insurance, applying the best estimate assumptions into the future, by product, referring to past, current and expected future experience.

For interest sensitive business, future credited rates are based on current credited rate setting methods and are consistent with the projected economic assumptions. Dynamic policyholder behavior is applied where appropriate.

The future inflation rate is set with reference to the Consumer Price Index (individual insurance and individual annuity are 2.50%).

The tax rate applied to the projected taxable income is 21.00%.

3. Exchange rate

The EEV of Symetra is calculated in local currency and converted into JPY using the following rate:

	December 31,2023	December 31,2024
USD1.00	JPY141.83	JPY158.18

Appendix C: Principal EEV Assumptions (Singlife)

1. Economic Assumptions and Risk Discount Rate

a. Economic assumptions

Investment cash flows for the top-down approach are based on long-term expectations of rate of returns on the reporting date. Key economic assumptions include long-term investment return rates and investment expenses.

long-term investment return rates are as follows.

	December 31,2023 (Restated)	December 31,2024
Long-term investment return rate	4.20%-6.42%	4.20%-6.26%

(Note) Statutory basis, implicitly reflect expected default costs, excluding investment costs.

b. Risk discount rates

Risk discount rates are set as risk-free rate plus risk margin. Risk margin includes market risk and non-hedgeable non-financial risk.

Risk discount rates are as follows:

	In-force business	
	December 31,2023 (Restated)	December 31,2024
Risk discount rate	6.05%	6.30%
Risk-free rate (Note)	2.75%	3.00%
Risk margin	3.30%	3.30%

(Note)10 year Singapore government bond yield

2. Non-economic assumptions

All cash flows (premium, operating expense, benefits and claims, cash surrender value, tax, etc.) are projected, applying the best estimate assumptions into the future, by product, referring to past, current and expected future experience. Policyholder bonuses or dividends are set based on current practice.

The future inflation rate, 2.3% is set with reference to the Consumer Price Index and wage inflation.

The tax rate applied to the projected taxable income is 17.00%.

3. Exchange rate

The EEV of Singlife is calculated in local currency and converted into JPY using the following rate:

	December 31,2023 (Restated)	December 31,2024
SGD1.00	JPY107.48	JPY116.51