
**Financial Results for the Six Months Ended September 30, 2024
(With Notes to the Unaudited Consolidated Financial Statements)**

Sumitomo Life Insurance Company announces financial results for the six months ended September 30, 2024.

[Contents]

1. Unaudited Consolidated Financial Statements	P.2
a. Unaudited Consolidated Balance Sheets	P.2
b. Unaudited Consolidated Statements of Income	P.3
c. Unaudited Consolidated Statements of Comprehensive Income	P.4
d. Unaudited Consolidated Statements of Cash Flows	P.5
e. Unaudited Consolidated Statements of Changes in Net Assets	P.6
2. Solvency Margin Ratio on a Consolidated Basis	P.29
3. Non-Consolidated Financial Information (General Account)	P.30
a. Overall Composition of Investments (General Account)	P.30
b. Fair Value Information of Securities (General Account)	P.31
c. Fair Value Information of Derivative Transactions (General Account)	P.33
d. Disclosed Claims Based on Insurance Business Act	P.36

[Notes]

The Financial Results are summarized English translations of the original disclosure in Japanese.
Notes to the Unaudited Consolidated Financial Statements are not included in these translations.
The International Accounting Standards Board (IASB) has issued the accounting standard Insurance Contracts (hereinafter, "IFRS 17"). IFRS 17 has been applied to Singapore Life Holdings Pte. Ltd. from the beginning of the fiscal year ended March 31, 2024. The relevant changes are retrospectively applied. Therefore, the consolidated financial statements for for the Six Months Ended September 30, 2023 have been retrospectively restated.

1. Unaudited Consolidated Financial Statements

a. Unaudited Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2024	As of September 30, 2024
ASSETS:		
Cash and deposits	1,102,612	1,385,140
Call loans	834,182	780,946
Monetary claims bought	479,404	483,994
Money held in trust	24,345	33,525
Securities	38,852,266	38,888,017
Loans	3,322,067	3,483,811
Tangible fixed assets	660,619	665,301
Intangible fixed assets	693,863	739,296
Due from agents	113	202
Reinsurance receivables	32,601	41,591
Other assets	1,821,437	2,106,625
Net defined benefit assets	108,311	106,696
Deferred tax assets	282,554	441,341
Allowance for possible loan losses	(4,486)	(5,319)
Total assets	48,209,893	49,151,172
LIABILITIES:		
Policy reserves and other reserves	37,723,230	39,227,637
Reserve for outstanding claims	228,310	252,961
Policy reserves	37,281,381	38,734,384
Policyholders' dividend reserves	213,538	240,291
Reinsurance payables	21,144	22,810
Corporate bonds	539,766	551,747
Other liabilities	7,216,973	6,707,227
Payables under repurchase agreements	4,760,283	4,278,041
Other	2,456,689	2,429,186
Net defined benefit liabilities	2,440	2,546
Accrued retirement benefits for directors	1	1
Reserve for price fluctuation	908,100	985,115
Deferred tax liabilities	964	1,626
Deferred tax liabilities for land revaluation	12,430	12,365
Total liabilities	46,425,050	47,511,079
NET ASSETS:		
Foundation funds	50,000	50,000
Reserve for redemption of foundation funds	639,000	639,000
Reserve for revaluation	2	2
Surplus	229,119	192,683
Total funds, reserve and surplus	918,122	881,685
Net unrealized gains (losses) on available-for-sale securities	864,260	646,710
Deferred gains (losses) on derivatives under hedge accounting	(36,360)	(46,408)
Land revaluation differences	(56,600)	(56,768)
Foreign currency translation adjustments	38,740	162,518
Remeasurements of defined benefit plans	57,188	53,182
Total accumulated other comprehensive income	867,227	759,234
Non-controlling interests	(507)	(827)
Total net assets	1,784,843	1,640,092
Total liabilities and net assets	48,209,893	49,151,172

b. Unaudited Consolidated Statements of Income

(Millions of Yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Ordinary income	2,163,699	2,589,404
Insurance premiums and other	1,280,096	1,701,564
Investment income	839,004	843,109
Interest, dividends and other income	542,446	626,846
Gains on money held in trust	2,374	-
Gains on trading securities	15,033	52,911
Gains on sales of securities	55,230	147,468
Investment gains on separate accounts	43,501	-
Other ordinary income	44,598	44,730
Ordinary expenses	2,097,491	2,480,829
Benefits and other payments	1,087,162	1,234,092
Claims paid	292,679	328,304
Annuity payments	201,977	228,028
Benefits payments	228,083	256,493
Surrender benefits	248,910	326,987
Provision for policy reserves and other reserves	460,210	433,216
Provision for reserve for outstanding claims	11,144	9,254
Provision for policy reserves	449,053	423,859
Provision for interest on policyholders' dividend reserves	12	101
Investment expenses	217,646	396,353
Interest expenses	27,530	33,662
Losses on money held in trust	-	324
Losses on sales of securities	51,301	79,203
Losses on valuation of securities	2,911	9,851
Investment losses on separate accounts	-	3,777
Operating expenses	249,418	325,696
Other ordinary expenses	83,053	91,469
Ordinary profit	66,208	108,575
Extraordinary gains	185	17
Gains on disposals of fixed assets	185	17
Extraordinary losses	36,078	81,093
Losses on disposals of fixed assets	71	3,225
Impairment losses	128	258
Provision for reserve for price fluctuation	35,312	77,015
Payments to social responsibility reserve	565	592
Surplus (loss) before income taxes	30,315	27,499
Income taxes		
Current	1,741	76,438
Deferred	1,038	(70,824)
Total income taxes	2,779	5,614
Net surplus (loss)	27,536	21,885
Net surplus (loss) attributable to non-controlling interests	2	(223)
Net surplus (loss) attributable to the Parent Company	27,534	22,108

c. Unaudited Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net surplus (loss)	27,536	21,885
Other comprehensive income (loss)	166,547	(107,921)
Net unrealized gains (losses) on available-for-sale securities	137,625	(217,852)
Deferred gains (losses) on derivatives under hedge accounting	(24,800)	(10,047)
Land revaluation differences	837	-
Foreign currency translation adjustments	41,607	118,878
Remeasurements of defined benefit plans	(116)	(4,005)
Share of other comprehensive income (loss) of associates under the equity method	11,393	5,105
Comprehensive income (loss)	194,083	(86,036)
Comprehensive income (loss) attributable to the Parent Company	194,081	(85,716)
Comprehensive income (loss) attributable to non-controlling interests	2	(320)

d. Unaudited Consolidated Statements of Cash Flows

(Millions of Yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
I Cash flows from operating activities:		
Surplus (loss) before income taxes	30,315	27,499
Depreciation	24,372	24,383
Impairment losses	128	258
Amortization of goodwill	4,081	21,274
Increase (Decrease) in reserve for outstanding claims	11,720	21,554
Increase (Decrease) in policy reserves	503,991	354,810
Provision for interest on policyholders' dividend reserves	12	101
Increase (Decrease) in allowance for possible loan losses	(26)	334
Increase (Decrease) in net defined benefit liabilities	1,731	(3,850)
Increase (Decrease) in reserve for price fluctuation	35,312	77,015
Interest, dividends and other income	(542,446)	(626,846)
Losses (Gains) on securities	(59,170)	(84,253)
Interest expenses	27,530	33,662
Losses (Gains) on tangible fixed assets	(129)	462
Others, net	(94,398)	3,487
Subtotal	(56,973)	(150,103)
Interest, dividends and other income received	529,018	670,194
Interest paid	(27,521)	(34,787)
Policyholders' dividends paid	(30,733)	(31,704)
Others, net	(565)	(592)
Income taxes (paid) refund	19,978	(11,666)
Net cash provided by operating activities	433,202	441,338
II Cash flows from investing activities:		
Net decrease (increase) in deposits	16,777	(167,382)
Purchase of monetary claims bought	(1,097,605)	(1,465,225)
Proceeds from sales and redemption of monetary claims bought	1,170,371	1,460,860
Purchase of money held in trust	(1,439)	(10,190)
Proceeds from sales of money held in trust	-	510
Purchase of securities	(3,840,648)	(4,606,103)
Proceeds from sales and redemption of securities	2,670,439	5,065,523
Loans made	(525,555)	(262,476)
Proceeds from collection of loans	356,477	273,229
Others, net	893,846	(712,091)
Total investment activities (II a)	(357,337)	(423,346)
[I + II a]	[75,865]	[17,992]
Purchase of tangible fixed assets	(70,425)	(8,808)
Proceeds from sales of tangible fixed assets	1,323	32
Others, net	(11,295)	(9,568)
Net cash used in investing activities	(437,734)	(441,691)
III Cash flows from financing activities:		
Proceeds from issuance of debt	-	100,000
Repayments of debt	-	(50,008)
Proceeds from issuance of corporate bonds	-	40,267
Redemption of corporate bonds	(99,480)	(40,267)
Proceeds from issuance of foundation funds	50,000	-
Payment of interest on foundation funds	-	(357)
Others, net	(1,074)	26,779
Net cash provided by (used in) financing activities	(50,554)	76,413
IV Effect of foreign exchange rate changes on cash and cash equivalents	10,739	38,549
V Net increase (decrease) in cash and cash equivalents	(44,347)	114,610
VI Cash and cash equivalents at the beginning of the period	546,546	419,835
VII Cash and cash equivalents at the end of the period	502,199	534,446

e. Unaudited Consolidated Statements of Changes in Net Assets

Six months ended September 30, 2023

(Millions of Yen)

	Funds, reserve and surplus				
	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Surplus	Total funds, reserve and surplus
Beginning balance	-	639,000	2	125,036	764,039
Changes in the period					
Issuance of foundation funds	50,000				50,000
Additions to policyholders' dividend reserves				(57,067)	(57,067)
Net surplus attributable to the Parent Company				27,534	27,534
Reversal of land revaluation differences				(92)	(92)
Net changes, excluding funds, reserve and surplus					
Net changes in the period	50,000	-	-	(29,625)	20,374
Ending balance	50,000	639,000	2	95,410	784,413

	Accumulated other comprehensive income (loss)						Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Deferred gains(losses) on derivatives under hedge accounting	Land revaluation differences	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income (loss)		
Beginning balance	5,564	(13,063)	(59,645)	28,216	5,005	(33,921)	147	730,264
Changes in the period								
Issuance of foundation funds								50,000
Additions to policyholders' dividend reserves								(57,067)
Net surplus attributable to the Parent Company								27,534
Reversal of land revaluation differences								(92)
Net changes, excluding funds, reserve and surplus	141,164	(24,800)	930	49,462	(116)	166,639	1	166,641
Net changes in the period	141,164	(24,800)	930	49,462	(116)	166,639	1	187,015
Ending balance	146,728	(37,864)	(58,715)	77,679	4,889	132,717	148	917,279

Six months ended September 30, 2024

(Millions of Yen)

	Funds, reserve and surplus				
	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Surplus	Total funds, reserve and surplus
Beginning balance	50,000	639,000	2	229,119	918,122
Changes in the period					
Additions to policyholders' dividend reserves				(58,355)	(58,355)
Payment of interest on foundation funds				(357)	(357)
Net surplus attributable to the Parent Company				22,108	22,108
Reversal of land revaluation differences				168	168
Net changes, excluding funds, reserve and surplus					
Net changes in the period	-	-	-	(36,436)	(36,436)
Ending balance	50,000	639,000	2	192,683	881,685

	Accumulated other comprehensive income (loss)						Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Deferred gains(losses) on derivatives under hedge accounting	Land revaluation differences	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income (loss)		
Beginning balance	864,260	(36,360)	(56,600)	38,740	57,188	867,227	(507)	1,784,843
Changes in the period								
Additions to policyholders' dividend reserves								(58,355)
Payment of interest on foundation funds								(357)
Net surplus attributable to the Parent Company								22,108
Reversal of land revaluation differences								168
Net changes, excluding funds, reserve and surplus	(217,549)	(10,047)	(168)	123,777	(4,005)	(107,993)	(320)	(108,313)
Net changes in the period	(217,549)	(10,047)	(168)	123,777	(4,005)	(107,993)	(320)	(144,750)
Ending balance	646,710	(46,408)	(56,768)	162,518	53,182	759,234	(827)	1,640,092

Notes to the Unaudited Consolidated Financial Statements

Policies of Presenting the Unaudited Consolidated Financial Statements for the Six Months Ended September 30, 2024

1. Consolidated subsidiaries

The number of consolidated subsidiaries was 37 as of September 30, 2024.

The major subsidiaries as of September 30, 2024 are listed as follows:

Medicare Life Insurance Co., Ltd. (Japan)
Sumisei Building Management Co., Ltd. (Japan)
Sumisei Bussan K.K. (Japan)
Sumisei Business Service Co., Ltd. (Japan)
Shinjuku Green Building Kanri K.K. (Japan)
SUMISEI Harmony K.K. (Japan)
Sumitomo Life Information Systems Co., Ltd. (Japan)
CSS Co., Ltd. (Japan)
SUMISEI Insurance Service Corporation (Japan)
Izumi Life Designers Co., Ltd. (Japan)
SUMISEI-Support & Consulting Co., Ltd. (Japan)
INSURANCE DESIGN (Japan)
AIARU Small Amount & Short Term Insurance Co., Ltd. (Japan)
Sumisei Asset Management Company (Japan)
PREVENT Inc. (Japan)
Symetra Financial Corporation (U.S.)
Singapore Life Holdings Pte. Ltd. (Singapore)

One subsidiary of Symetra Financial Corporation was included in the scope of the consolidation as a result of its establishment in the period ended September 30, 2024.

The major unconsolidated subsidiary is SUMISEI-SBI Limited Partnership.

The unconsolidated subsidiaries are excluded from the scope of consolidation, because its effect is immaterial, individually and in aggregate on the consolidated total assets, revenues, net income and surplus. These exclusions from the scope of consolidation would not prevent a reasonable understanding of the consolidated financial position and the results of the group operations.

2. Affiliates

The number of unconsolidated subsidiaries under the equity method was 0 as of September 30, 2024.

The number of affiliates under the equity method was 7 as of September 30, 2024.

The major affiliates as of September 30, 2024 are listed as follows:

Nippon Building Fund Management Ltd. (Japan)
Japan Pension Navigator Co., Ltd. (Japan)
Mycommunication Co., Ltd. (Japan)

Agent Insurance Group, Inc. (Japan)
Baoviet Holdings (Vietnam)
PT BNI Life Insurance (Indonesia)

The unconsolidated subsidiaries (SUMISEI-SBI Limited Partnership and others) and affiliates (Japan Pension Service Co., Ltd.) are excluded from the scope of affiliates under the equity method because its effect is immaterial, individually and in aggregate, on the consolidated net income and consolidated surplus.

3. Interim closing date of consolidated subsidiaries

The interim closing date of foreign subsidiaries is June 30, 2024. The consolidated financial statements include the accounts of the subsidiaries as of their interim closing dates, with appropriate adjustments made for material transactions between their interim closing dates and the consolidated balance sheet date.

Notes to the Unaudited Consolidated Balance Sheet as of September 30, 2024

1. Securities held by SUMITOMO LIFE INSURANCE COMPANY ("the Company") are classified and accounted for as follows:

Trading securities are stated at the market value on the balance sheet date. The cost of these securities sold is calculated using the moving average method.

Held-to-maturity debt securities are stated at amortized cost and the cost of these securities sold is calculated using the moving average method. Amortization is calculated using the straight-line method. Policy-reserve-matching bonds (defined in Note 2 below) are stated at amortized cost in accordance with Industry Audit Committee Report No. 21, "Temporary Treatment of Accounting and Auditing Concerning Policy-Reserve-Matching Bonds in the Insurance Industry," issued by the Japanese Institute of Certified Public Accountants. The cost of the bonds sold is calculated using the moving average method and amortization is calculated using the straight-line method.

Investments in unconsolidated subsidiaries and affiliated companies (defined in Article 110, Paragraph 2 of the Insurance Business Act) are stated at cost.

Others classified as available-for-sale securities are stated at the market value on the balance sheet date. Stocks with no market prices are stated mainly at cost. The cost of these securities sold is calculated using the moving average method.

Certain demand deposits, monetary claims bought and securities in money held in trust deemed equivalent to investment in securities are stated using the same methods described above.

Unrealized gains and losses on available-for-sale securities are reported net of income taxes, as a separate component of net assets in the consolidated balance sheet.

2. The Company classifies debt securities held in order to match their duration to the duration of the liabilities within the corresponding subsections - segregated by type of insurance and investment policy - as policy-reserve-matching bonds in accordance with Industry Audit Committee Report No. 21, "Temporary Treatment of Accounting and Auditing Concerning Policy-Reserve-Matching Bonds in the Insurance Industry," issued by the Japanese Institute of Certified Public Accountants.

The subsections are as follows:

Individual life insurance and individual annuity (certain types of insurance and a certain percentage of cash flows are excluded)

Primary policy of 3-year variable accumulation rate insurance with guaranteed minimum interest rates

Defined benefit corporate pension plan and new corporate pension plan (only cash flows expected within the next certain period of years are identified)

Insured contributory pension plans (only cash flows expected within the next certain period of years are identified)

Defined contribution pension plans and interest rate-setting rider by new unit account

Single premium endowment insurance (certain types of insurance are excluded)

Interest rate variable whole life insurance (single premium)

Individual life insurance and individual annuity denominated in U.S. dollars

Individual life insurance and individual annuity denominated in Australian dollars (certain types of insurance are excluded)

3. The Company revalued certain parcels of land owned for business use as of March 31, 2001, as permitted by the Act on Revaluation of Land.

The difference in value before and after the revaluation is directly included in net assets and presented as land revaluation differences, net of deferred tax liabilities for land revaluation in the consolidated balance sheet.

The revaluation method is stipulated in Article 3, Paragraph 3 of the Act on Revaluation of Land.

Pursuant to the Article, the Company used the publicly announced appraisal value with certain adjustments (detailed in Article 2, Paragraph 1 of the Order for Enforcement of the Act on Revaluation of Land (the "Order")) and appraisal value (detailed in Article 2, Paragraph 5 of the Order) for the revaluation.

4. Tangible fixed assets owned by the Company are depreciated as follows:

- 1) Buildings

Calculated using the straight-line method.

- 2) Lease assets related to financial leases where ownership is not transferred

Calculated using the straight-line method over the lease period.

- 3) Other tangible fixed assets

Calculated using the declining-balance method.

5. The Company's assets and liabilities denominated in foreign currencies, except for investments in subsidiaries and affiliates, are translated into Japanese yen at the exchange rate on the balance sheet date. Investments in subsidiaries and affiliates are translated into Japanese yen at the exchange rates on the dates of acquisition.

6. The Company's allowance for possible loan losses is provided pursuant to its standards for self-assessment of asset quality and internal rules for write-offs of loans and allowance for possible loan losses. For loans to borrowers that are legally bankrupt ("bankrupt borrowers") and for loans to borrowers that are not yet legally bankrupt but substantially bankrupt ("substantially bankrupt borrowers"), an allowance is provided based on the total amount of the loans after deduction of charge-offs and any amounts expected to be collected through disposal of collaterals and execution of guarantees. For loans to borrowers that are likely to become bankrupt ("borrowers likely to become bankrupt"), an allowance is provided at the amount deemed necessary based on an overall solvency assessment, net of the expected collection through disposal of collaterals and execution of guarantees. For the other loans, an allowance is provided by multiplying the claim amount by an anticipated default rate calculated based on the Company's actual default experience for a certain period in the past. All loans are assessed based on the Company's standards for the self-assessment of asset quality and the assessment results are reviewed by a department independent of the department that

performs and is responsible for the self-assessment. The allowance for possible loan losses is provided based on the assessment results.

For loans to bankrupt borrowers and substantially bankrupt borrowers, the amount of loans exceeding the value of estimated recovery through disposal of collaterals and execution of guarantees is deemed uncollectible and written off. The amount of loans written off amounted to ¥27 million for the period ended September 30, 2024.

An allowance for possible loan losses of the consolidated subsidiaries is provided mainly pursuant to their standards for self-assessment of asset quality and internal rules for write-offs of loans and allowance for possible loan losses which each consolidated subsidiary sets and maintains consistently with those of the Company.

7. Net defined benefit liabilities are provided based on the projected benefit obligations and plan assets as of March 31, 2025.

Assumptions used in accounting for the defined benefit plans for the period ended September 30, 2024 were mainly as follows:

Method of attributing benefits to period of service	Benefits formula basis
Amortization period for actuarial losses	8 years
(Commencing in the following fiscal year after they are incurred)	

8. Under accounting principles generally accepted in Japan ("Japanese GAAP"), the deferred hedge method and the fair value hedge method are fundamental hedge accounting methods allowed.

Under the fair value hedge method, which is allowed only when available-for-sale securities are hedged items, hedging instruments' gains and losses on changes in the fair value are recognized in earnings together with hedged items' corresponding gains and losses attributable to risks being hedged.

In addition, for certain derivative instruments, exceptional hedge accounting methods are allowed under Japanese GAAP as follows:

Assets and liabilities denominated in foreign currencies and hedged by foreign exchange forward contracts and currency swaps are allowed to be translated at the foreign exchange rates stipulated in the forward contract agreements and the currency swap agreements. Accordingly, the foreign exchange forward contracts and the currency swaps used as hedging instruments are not recognized as an asset or liability measured at the fair value either on initial recognition or subsequent reporting dates (the allocation method).

Interest rate swaps that qualify for hedge accounting and meet specific matching criteria are not remeasured at the fair value, but the net amounts paid or received under the swap agreements are recognized and included in interest expense or income of the hedged items (the exceptional method). The Company mainly adopts the fair value hedge method and the allocation method to hedge foreign currency risks of assets and liabilities denominated in foreign currencies.

In addition, the deferred hedge method using interest rate swaps is used for hedges against interest rate fluctuations in certain policy reserves in order to appropriately control interest rate fluctuations, in accordance with Industry Audit Committee Practical Guideline No. 26, "Accounting and Auditing Treatment of Application of Accounting Standard for Financial Instruments in the Insurance Industry," issued by the Japanese Institute of Certified Public Accountants.

The Company also adopts the exceptional method to hedge interest rate risk primarily of floating rate

loans.

Hedge effectiveness is assessed by comparing the cumulative changes in the fair values or cash flows of the hedged items and the hedging instruments.

9. Derivatives are stated at the fair value.
10. Reserve for price fluctuation is calculated pursuant to Article 115 of the Insurance Business Act.
11. National and local consumption taxes are accounted for using the tax-excluded method. Non-deductible consumption taxes are recognized as expenses for the period, except for those relating to purchases of depreciable fixed assets which are not charged to expense but deferred as other assets and amortized over a five-year period on the straight-line basis pursuant to the Corporation Tax Act.
12. Policy reserves of the Company are calculated and accumulated by the method in accordance with 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 of the Insurance Business Act to prepare for future performance of future obligations under its insurance contracts.
Premium reserves, one of the components of policy reserves, are calculated, based on the Article 116 of the Insurance Business Act and Article 69, Paragraph 1, Item 1 of the Ordinance for Enforcement of the Insurance Business Act according to the following methods:
 - 1) For contracts which are subject to the standard policy reserve requirements, premium reserves are calculated using the method stipulated by the Commissioner of Financial Services Agency (Ministry of Finance Notification No. 48 in 1996).
 - 2) For contracts which are not subject to the standard policy reserve requirements, premium reserves are calculated using the net level premium method.

The Company adopted its accounting policy for premium reserves for existing individual annuity contracts whose annuity payments commenced on or after April 1, 2006, effective from the fiscal year ended March 31, 2007, as follows:

For individual annuity contracts which commenced on or after April 1, 2006, the Company has regarded their commencement dates of annuity payments as the contract dates, and applied the calculation basis stipulated by the Commissioner of Financial Services Agency (Ministry of Finance Notification No. 48 in 1996). (For the contracts which annuity payments commenced during fiscal year of 2006, assumed mortality rates on the 2007 life insurance standard life table have been used.)

Unearned premiums are accumulated as policy reserves pursuant to Article 116 of the Insurance Business Act and Article 69, Paragraph 1, Item 2 of the Ordinance for Enforcement of the Insurance Business Act.

Contingency reserves, one of the components of policy reserves, are accumulated pursuant to Article 116 of the Insurance Business Act and Article 69, Paragraph 1, Item 3 of the Ordinance for Enforcement of the Insurance Business Act to ensure performing future obligations under its insurance contracts.

Additional policy reserves need to be recognized based on Article 69, Paragraph 5 of the Ordinance

for Enforcement of the Insurance Business Act if the policy reserves set aside pursuant to Article 69, Paragraphs 1, 2 and 4 of the Ordinance for Enforcement of the Insurance Business Act are found to be likely insufficient to cover the performance of the future obligations due to a large deviation in the estimated future cash flows based on the statement of calculation procedures with assumed incidents rates, interest rates and others, compared to recent actual results.

Policy reserves of the consolidated foreign subsidiaries are provided pursuant to accounting principles generally accepted in the U.S. or International Financial Reporting Standards.

13. Regarding reserve for incurred but not reported (IBNR) claims for individual life insurance and individual annuity contracts, the Company recognized claims with which incidents prescribed in policy clauses already incurred but were not reported to the Company. After May 8, 2023, the Company ceased the special treatment of paying hospitalized benefits to those who were diagnosed with COVID-19 and recovering at designated hotels or home under medical observations (hereafter "deemed hospitalization"). As a result, the Company calculated the relevant reserve for IBNR claims at the end of the period using the proviso, instead of the main clause of Article 1, Paragraph 1 of Ministry of Finance Notification No. 234 in 1998 (hereafter "IBNR Notification"), because the reserve amount could not be calculated at an appropriate level based on the main clause of that article due to ending of the special treatment described above.

The Company excluded the amounts which were related to deemed hospitalization from the reserve for IBNR claims and benefit payments for all fiscal years stipulated by the main clause of Article 1, Paragraph 1 of the IBNR Notification, and then calculated the reserve for IBNR claims using the same calculation method as the main clause of Article 1, Paragraph 1 of the IBNR Notification.

14. Capitalized software for internal use owned by the Company (included in intangible fixed assets) is amortized using the straight-line method over the estimated useful lives.
15. The corporate income taxes and inhabitant taxes of the Company for the period are calculated based on the assumption of provisions to policyholders' dividend reserves and payments of interest on foundation funds due to appropriation of surplus in the current fiscal year.
16. Fair value of financial instruments and matters concerning fair value of financial instruments and breakdown by input level:

1) Fair value of financial instruments

The following tables show the carrying amounts in the consolidated balance sheet, the fair values and their differences of financial instruments as of September 30, 2024.

The amounts shown in the following tables do not include stocks with no market prices and investments in partnership. Cash and deposits (except Negotiable certificates of deposit), Call loans and Payables under repurchase agreements are excluded in the following tables since they are mostly short-term, and their fair values approximate their book values.

Millions of Yen			
	Balance sheet amount	Fair value	Difference
Cash and deposits	289,903	289,903	—
(Negotiable certificates of deposit)			
[Available-for-sale securities] *1	[289,903]	[289,903]	—
Monetary claims bought	483,994	479,716	(4,278)
[Available-for-sale securities] *1	[385,823]	[385,823]	—
Money held in trust	33,525	33,525	—
Securities	38,283,594	37,841,936	(441,658)
Trading securities	2,751,333	2,751,333	—
Held-to-maturity debt securities	2,037,709	2,131,271	93,562
Policy-reserve-matching bonds	13,746,651	13,215,012	(531,639)
Investments in subsidiaries and affiliated companies	45,649	42,067	(3,581)
Available-for-sale securities *2	19,702,250	19,702,250	—
Loans	3,483,811		
Allowance for possible loan losses *3	(4,717)		
	3,479,094	3,289,578	(189,515)
Corporate bonds	551,747	545,575	(6,172)
Derivative transactions *4	200,951	200,951	—
Hedge accounting not applied	140,226	140,226	—
Hedge accounting applied	60,725	60,725	—

*1 Available-for-sale securities are shown in [].

*2 The amount of the investment trusts applied net asset value as fair value is included in accordance with Item 24-3 and 24-9 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (Application Guidance of Corporate Accounting standards, No. 31).

*3 The allowance for possible loan losses earmarked for loans is deducted from the carrying amount of loans.

*4 Debits and credits arising from derivative transactions are netted, and the net credit positions are shown in ().

Note 1: Matters related to securities, including certain deposits regarded as securities pursuant to "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10)

The following tables show the carrying amounts in the consolidated balance sheet, the fair values and their differences of held-to-maturity debt securities and policy-reserve-matching bonds as of September 30, 2024.

a) Held-to-maturity debt securities

Millions of Yen				
	Type	Balance sheet amount	Fair value	Difference
Fair value exceeds the balance sheet amount	Bonds	229,985	240,929	10,943
	Foreign securities (bonds)	1,165,800	1,314,416	148,616
Fair value does not exceed the balance sheet amount	Bonds	141,923	128,693	(13,230)
	Foreign securities (bonds)	500,000	447,232	(52,767)
Total		2,037,709	2,131,271	93,562

b) Policy-reserve-matching bonds

Millions of Yen				
	Type	Balance sheet amount	Fair value	Difference
Fair value exceeds the balance sheet amount	Bonds	7,355,178	7,886,848	531,669
	Foreign securities (bonds)	624,504	651,083	26,578
Fair value does not exceed the balance sheet amount	Bonds	4,678,919	3,692,908	(986,011)
	Foreign securities (bonds)	1,088,049	984,172	(103,876)
Total		13,746,651	13,215,012	(531,639)

The following table shows the acquisition costs or amortized costs, the carrying amounts in the consolidated balance sheet and their differences of available-for-sale securities as of September 30, 2024.

c) Available-for-sale securities

		Millions of Yen		
	Type	Acquisition cost or amortized cost	Balance sheet amount	Difference
Balance sheet amount exceeds acquisition cost or amortized cost	Negotiable certificates of deposit	—	—	—
	Monetary claims bought	38,894	39,781	886
	Bonds	394,313	405,142	10,828
	Stocks	1,174,135	2,818,032	1,643,896
	Foreign securities	6,007,799	6,355,266	347,466
	Foreign bonds	4,836,066	5,004,748	168,682
	Other foreign securities	1,171,733	1,350,517	178,783
	Other securities	213,860	266,718	52,857
Balance sheet amount does not exceed acquisition cost or amortized cost	Negotiable certificates of deposit	290,000	289,903	(96)
	Monetary claims bought	356,474	346,042	(10,432)
	Bonds	2,097,581	1,717,095	(380,486)
	Stocks	174,862	154,074	(20,788)
	Foreign securities	8,728,848	7,881,697	(847,150)
	Foreign bonds	7,587,863	6,900,247	(687,616)
	Other foreign securities	1,140,985	981,450	(159,534)
	Other securities	115,616	104,222	(11,393)
Total		19,592,390	20,377,977	785,587

Note 2: Consolidated balance sheet amounts of stocks with no market prices and investments in partnership are as follows:

The amount are excluded in the table in "1) Fair value of financial instruments: "

	Millions of Yen
	Balance sheet amount
Stocks with no market prices* ¹	132,894
Investments in partnership* ²	471,528

*1 Stocks with no market prices includes unlisted securities.

*2 Investments in partnership includes those for limited partnerships. In accordance with Item 24-16 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (Application Guidance of Corporate Accounting standards, No. 31), these amounts are excluded in the fair value disclosure.

2) Matters concerning fair value of financial instruments and breakdown by input level

The fair values of financial instruments are classified into the following three levels depending on the observability and significance of the input used in the fair value measurement.

Level 1: Fair value determined based on the (unadjusted) quoted price in an active market for the same asset or liability

Level 2: Fair value determined based on directly or indirectly observable inputs other than Level 1 inputs

Level 3: Fair value determined based on significant unobservable inputs

If multiple inputs with a significant impact are used for the fair value measurement of a financial instrument, the financial instrument is classified to the lowest priority level of fair value measurement in which each input belongs.

a) Financial assets and liabilities at the fair value on the consolidated balance sheet

Millions of Yen				
	Fair value			Total
	Level 1	Level 2	Level 3	
Negotiable certificates of deposit	—	289,903	—	289,903
Monetary claims bought	—	243,960	141,862	385,823
Money held in trust	—	—	33,525	33,525
Securities	7,698,804	12,612,856	1,500,086	21,811,747
Trading securities	1,850,311	813,239	87,782	2,751,333
Available-for-sale securities	5,848,492	11,799,616	1,412,303	19,060,413
National government bonds	952,310	—	—	952,310
Local government bonds	—	37,130	—	37,130
Corporate bonds	—	1,132,797	—	1,132,797
Domestic stocks	2,972,107	—	—	2,972,107
Foreign securities	1,765,161	10,434,492	1,412,303	13,611,957
Foreign bonds	1,198,493	9,519,916	1,186,585	11,904,995
Other foreign securities	566,668	914,575	225,717	1,706,961
Other securities	158,913	195,197	—	354,110
Loans	—	—	129,076	129,076
Derivative transactions	1,160	389,077	23,258	413,496
Currency-related	—	210,156	5,952	216,108
Interest-rate-related	—	17,794	—	17,794
Stock-related	681	154,637	17,305	172,623
Other	479	6,490	—	6,969
Total assets	7,699,964	13,535,798	1,827,809	23,063,572

Derivative transactions	1,044	211,093	407	212,544
Currency-related	—	119,324	33	119,357
Interest-rate-related	—	77,624	—	77,624
Stock-related	566	7,928	374	8,870
Other	477	6,216	—	6,693
Total liabilities	1,044	211,093	407	212,544

Net asset value of investment trusts is excluded in the table above in accordance with Item 24-3 and 24-9 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (Application Guidance of Corporate Accounting standards, No. 31(June 17 2021, revised on)).

The consolidated balance sheet amount of these investment trusts was ¥641,837 million as of September 30, 2024.

The reconciliation between the beginning and ending balances is below:

	Millions of Yen
	Net asset value of investment trusts
Beginning balance	590,444
Gains (losses) for the period/ other comprehensive income	(21,416)
Recorded to gains (losses) for the period *1	(7,050)
Recorded to other comprehensive income *2	(14,365)
Net amount of purchase, sale, issuance and settlement, etc.	72,809
The amount of the investment trusts applied net asset value as fair value in the earnings of the period	—
The amount of the investment trusts not applied net asset value as fair value in the earnings of the period	—
Ending balance	641,837
Net unrealized gains (losses) on financial assets and liabilities held at consolidated balance sheet date among the amount recognized in the earnings of the period	—

*1 Included in "Investment income" and "Investment expenses" of the consolidated statements of income.

*2 Included in "Net unrealized gains (losses) on available for sale securities" under "Other comprehensive income (loss)." of the consolidated statements of comprehensive income.

These investment trusts with the restrictions of redemption mainly consisted of the investment trusts with the restriction that voluntary cancellation is not permitted, and the consolidated balance sheet amount of these investment trusts was ¥448,103 million as of September 30, 2024.

b) Financial assets and liabilities which are not stated at the fair value on the consolidated balance sheet

Millions of Yen				
	Fair value			Total
	Level 1	Level 2	Level 3	
Monetary claims bought	—	—	93,892	93,892
Securities	10,024,940	5,361,407	2,003	15,388,351
Held-to-maturity debt securities	145,787	1,985,484	—	2,131,271
National government bonds	145,787	—	—	145,787
Local government bonds	—	15,137	—	15,137
Corporate bonds	—	208,698	—	208,698
Foreign securities	—	1,761,648	—	1,761,648
Foreign bonds	—	1,761,648	—	1,761,648
Policy-reserve-matching bonds	9,877,855	3,335,153	2,003	13,215,012
National government bonds	9,877,855	—	—	9,877,855
Local government bonds	—	123,690	—	123,690
Corporate bonds	—	1,578,209	—	1,578,209
Foreign securities	—	1,633,252	2,003	1,635,255
Foreign bonds	—	1,633,252	2,003	1,635,255
Investments in subsidiaries and affiliated companies	1,298	40,769	—	42,067
Loans	—	16,186	3,144,316	3,160,502
Total assets	10,024,940	5,377,594	3,240,212	18,642,747
Corporate bonds	—	545,575	—	545,575
Total liabilities	—	545,575	—	545,575

(Note 1) Description of the valuation techniques and inputs used to measure fair value

Assets

1) Monetary claims bought

As for securitized products of monetary claims bought, the fair values are based on the values deemed as market prices obtained by the reasonable estimate such as those obtained from financial information vendors and brokers and are categorized as Level 3 since significant valuation inputs are unobservable.

As for monetary claims bought other than those described above, when the present values of the expected future cash flows are considered to be fair values, those other monetary claims bought are categorized as Level 3 since the discount rate and other significant valuation inputs are unobservable and as Level 2 when those inputs are observable.

2) Money held in trust

As for money held in trust, the fair value is determined based on each component of trust properties quoted by the financial institutions from which these securities were purchased, and classified into Level 3 since significant valuation inputs are unobservable.

3) Securities

As for securities for which unadjusted quoted prices in active markets are available, those securities are categorized as Level 1 which includes mainly stocks and national government bonds.

In the case the markets are inactive even if the quoted prices are available, those securities are categorized as Level 2, which includes mainly local government bonds and corporate bonds.

When the quoted prices are not available, market values are measured at the present value of the expected future cash flows and others. When making these assessments, we maximize the use of relevant observable inputs and the main inputs include such as government bond yields, prepayments rates, credit spreads, default rates, loss given default rates. When significant unobservable valuation inputs are used, those securities are categorized as level 3.

For investment trusts which do not have market price, the company applied net asset value of these investment trusts as fair value if there are no material restrictions on cancellation as the company is required to compensate market participant for the cancellation. The fair value is categorized as Level 2 or Level 3 based on the level of the major components of these investment trusts.

4) Loans

As for general loans, the fair values are measured, for each category of the loans determined according to the types, internal ratings and terms of the loans, by discounting the total amount of principal and interest and others at the discount rate that reflects market interest rates and other factors such as credit risks. When significant unobservable valuation inputs are used, those loans are categorized as level 3.

As for policy loans, the book value is deemed as the fair value since the fair value approximates the book value, considering that the loan amount is limited within surrender value with no contractual maturity and given their estimated repayment period and interest rate terms, and those loans are categorized as level 3.

Liabilities

1) Corporate bonds

As for Corporate bonds, quoted prices in inactive markets are considered to be fair values and those bonds are categorized as level 2.

Derivative Transactions

Derivative transactions that can be measured at unadjusted quoted prices in active markets are categorized as Level 1, which includes such transactions as bonds futures and stocks futures.

However, since most derivative transactions are over-the-counter transactions and there are no quoted market prices, market values are measured using valuation techniques such as the discounted cash flow method and the Black-Scholes model, depending on the type of transaction and the maturity period. The main inputs which are used in those valuation techniques include interest rate, currency rate, volatility and others. When unobservable inputs are not used or impact of unobservable inputs are not material, transactions are categorized as Level 2, which mainly includes such transactions as plain vanilla interest rate swaps and foreign exchange forwards. When significant unobservable inputs are used, transactions are categorized as Level 3, which includes transactions such as stock option transactions.

Since currency swaps contracts subject to the allocation method are treated as an integral part of the hedged foreign currency denominated loans and bonds payable, their fair value is included in the fair value of hedged loans and bonds payable in the tables above. In addition, since interest rate swaps subject to the special hedge accounting are treated as an integral part of the hedged loan, their fair value is included in the fair value of hedged

loans in the table above.

(Note 2) Information about financial assets and liabilities measured and stated on the consolidated balance sheet at fair value and classified in Level 3

1) Quantitative information about significant unobservable inputs *1

Category	Valuation technique	Significant unobservable inputs	Range
Loans	Discounted cash flow	Discount rate	6.65%-7.90%

*1 The non-adjusted inputs from third parties are excluded.

2) Reconciliation between the beginning and ending balances, and net unrealized gains (losses) recognized in the earnings for the period ended September 30, 2024

	Millions of Yen					
	Monetary claims bought	Money held in trust	Securities	Loans	Derivative transactions*3	Total
Beginning balance	141,323	24,345	1,597,996	122,421	9,143	1,895,230
Gains (losses) for the period / other comprehensive income	188	(622)	(48,537)	(3,038)	(45)	(52,054)
Recorded to gains (losses) for the period *1	0	(622)	(43,054)	(3,038)	(45)	(46,759)
Recorded to other comprehensive income *2	188	—	(5,483)	—	—	(5,294)
Net amount of purchase, sale, issuance and settlement, etc.	350	9,802	(49,372)	9,693	13,751	(15,774)
Transfer to Level 3	—	—	—	—	—	—
Transfer from Level 3	—	—	—	—	—	—
Ending balance	141,862	33,525	1,500,086	129,076	22,850	1,827,401
Net unrealized gains (losses) on financial assets and liabilities held at consolidated balance sheet date among the amount recognized in the earnings of the period	—	—	1,970	(16,782)	1,179	(13,633)

*1 Principally included in "Investment income" and "Investment expenses" of the consolidated statements of income.

*2 Included in "Net unrealized gains (losses) on available for sale securities" under "Other comprehensive income (loss) " of the consolidated statements of comprehensive income.

*3 Debits and credits arising from derivative transactions are netted, and the net credit positions are shown in ().

3) Explanation about the fair value valuation process

The company has implemented policies and procedures regarding the fair value measurement by the risk management department and the front divisions and others purchase and measure the fair values. The risk management department and others verify the reasonableness of the fair value valuation models, the inputs used, and the appropriateness of the classified fair value level of the calculated fair value. The results of verification are reported to the risk management department every quarter to ensure the appropriateness of the policies and procedures regarding the fair value measurement.

When measuring the fair values, the valuation models which most appropriately reflect the nature, characteristics and risks of each asset. When quoted prices obtained from third parties are used as fair value, their validity is verified taking appropriate methods such as confirming the valuation techniques and inputs used and comparing with the fair value of similar financial instruments.

4) Description of the sensitivity of the fair value to changes in significant unobservable inputs

Discount rate

The discount rate reflects the uncertainty of cash flow and the liquidity of financial instruments. A significant increase (or decrease) in the discount rate generally results in a significant decrease (or increase) in fair value.

17. As of September 30, 2024, the note of the fair value of investment and rental properties was omitted since there were no significant changes in the balance sheet amounts and the fair values of investment and rental properties from the end of the previous fiscal year.

18. Of claims pursuant to the Insurance Business Act, the aggregate amount of claims against bankrupt or de facto bankrupt borrowers, doubtful claims, past due claims (3 months or more) and restructured claims were ¥519 million as of September 30, 2024. The details are as follows:

The amount of claims against bankrupt or de facto bankrupt borrowers was nil and doubtful claims was ¥519 million as of September 30, 2024. The amount of claims deemed uncollectible and directly deducted from the claims in the consolidated balance sheet was ¥13 million, which was claims against bankrupt or de facto bankrupt borrowers.

Claims against bankrupt or de facto bankrupt borrowers represent claims held against borrowers who have been declared insolvent or in a substantially similar condition, on the grounds of the commencement of bankruptcy or restructuring proceedings, filing for the proceedings of rehabilitation of other similar legal proceedings. Doubtful claims are those against borrowers who have not yet failed but their financial condition business performance have deteriorated, with a high possibility that the principal and interest on these claims will not be received as per agreement, excluding claims against bankrupt or de facto bankrupt borrowers.

The amount of past due claims (3 months or more) was nil as of September 30, 2024.

Past due claims (3 months or more) represent claims on which payments of principal or interest are past due over three months from the day following the contractual due date. Past due claims (3 months or more) do not include claims classified as claims against bankrupt or de facto bankrupt borrowers or doubtful claims.

The amount of restructured claims was nil as of September 30, 2024.

Restructured claims represent claims which have been restructured to provide relief to the borrowers by reducing or waiving interest payments, by rescheduling repayments of principal or payments of interest, or by waiving claims for borrowers in order to support their recovery from financial difficulties. Restructured claims do not include claims classified as claims against bankrupt or de facto bankrupt borrowers, doubtful claims or past due claims (3 months or more).

19. The total amount of assets held in separate accounts defined in Article 118 of the Insurance Business Act was ¥866,246 million as of September 30, 2024. The total amount of separate account liabilities was the same as this.

20. Changes in policyholders' dividend reserves for the period ended September 30, 2024 were as follows:

	Millions of Yen
At the beginning of the fiscal year	213,538
Transfer from surplus in the previous fiscal year	58,355
Dividend payments to policyholders during the period	31,704
Interest accrued during the period	101
At the end of the period	240,291

21. Assets pledged as collateral were securities in the amount of ¥5,098,475 million, loans in the amount of ¥902,245 million and cash and deposits in the amount of ¥1,585 million as of September 30, 2024.
22. Securities loaned under security lending agreements amounted to ¥4,640,092 million as of September 30, 2024.
23. Securities borrowed under borrowing agreements can be sold or pledged as collateral. The fair value of the securities which were not sold or pledged as collateral was ¥11,866 million, and none of the securities was pledged as collateral as of September 30, 2024.
24. The amount of loan commitments outstanding was ¥53,990 million as of September 30, 2024.
25. The amount of corporate bonds in liabilities included ¥512,029 million of subordinated bonds and foreign currency-denominated subordinated bonds, the repayments of which are subordinated to other obligations, as of September 30, 2024.
26. Other liabilities included subordinated debt of ¥220,000 million, the repayments of which are subordinated to other obligations, as of September 30, 2024.
27. Other assets and other liabilities included assets and liabilities related to the modified coinsurance in the U.S. subsidiary of ¥743,214 million and ¥668,288 million, respectively.
28. For certain transactions of modified coinsurance entered into by a domestic consolidated subsidiary that do not involve cash settlements, amounts received under the reinsurance contracts as part of amounts equivalent to policy acquisition costs related to direct insurance contracts are recorded as

reinsurance revenue while the same amounts are recorded as unamortized ceded premium commissions in reinsurance receivable account and are amortized over the period of the reinsurance contracts.

Notes to the Unaudited Consolidated Statement of Income for the Six Months Ended September 30, 2024

1. The Company generally recognizes insurance premiums when they are received, measured at the amounts received, and when the obligations under the insurance contract commence.
2. The Company reclassifies insurance revenues of Singapore Life Pte. Ltd., which applies International Financial Reporting Standards "Insurance Contracts" (IFRS 17), to "Insurance premiums and other."
3. The Company recognizes claims paid (except Reinsurance premiums) when incidents prescribed in policy clause are incurred and these claims are paid at the amounts to be paid.
The Company recognizes outstanding claims with the amount of unpaid claims over the contracts for which payment obligation exists at the end of the six months ended September 30, 2024 or for which incidents prescribed in policy clause already incurred but not reported to the Company, pursuant to Article 117 of the Insurance Business Act and Article 72 of the Ordinance for Enforcement of the Insurance Business Act.
4. The details of the Company's impairment losses on fixed assets were as follows:

Accumulated impairment losses on fixed assets are directly reduced from amounts of their respective assets.

1) Method for grouping the assets

The Company groups all the fixed assets held and utilized for its insurance business as one asset group for the impairment test.

The Company treats real estates for investment, etc., and idle assets, etc., as an independent asset group for the impairment test.

2) Description of impairment losses

For the period ended September 30, 2024, the Company recognized impairment losses on real estates for investment, etc., that experienced the deterioration of profitability and on the idle assets, etc., that experienced the decline in the fair value. For these assets, the Company reduced the carrying amounts to the recoverable amounts, and recognized impairment losses as extraordinary losses in the consolidated statement of income.

3) Breakdown of impairment losses for the period ended September 30, 2024

Asset Group	Asset Category	Millions of Yen
Idle assets, etc.	Land and buildings, etc.	227
Total		227

4) The recoverable amounts

The recoverable amounts of real estates for investment, etc., are determined at net realizable value or value in use. The recoverable amounts of idle assets, etc., are determined at net realizable value. Net realizable value is calculated based on an estimated selling value, appraisal value founded on the Real Estate Appraisal Standards, or publicly announced value. Value in use is determined as the estimated net future cash flows discounted at 5.0%.

Notes to the Unaudited Consolidated Statement of Cash Flows for the Six Months Ended September 30, 2024

1. In the consolidated statement of cash flows, cash and cash equivalents are comprised of cash on hand, deposits (except deposits bearing interest of the Company and domestic consolidated subsidiaries), and short-term investment securities of foreign consolidated subsidiaries.
2. Reconciliation of cash and deposits in the consolidated balance sheet to cash and cash equivalents in the consolidated statement of cash flows as of September 30, 2024 was as follows:

	Millions of Yen
Cash and deposits	1,385,140
Deposits bearing interest of the Company and domestic consolidated subsidiaries	(850,693)
Cash and cash equivalents	534,446

3. Others in Cash flows from investing activities are mainly comprised of net cash flows from short-term investing activities and settlements of derivative financial instruments.
4. Others in Cash flows from financing activities are mainly comprised of proceeds from financing activities by the subsidiary in the U.S.

2. Solvency Margin Ratio on a Consolidated Basis

(Millions of Yen)

	As of March 31, 2024	As of September 30, 2024
Solvency margin gross amount (A)	4,772,386	4,701,030
Foundation funds and others	233,369	184,013
Reserve for price fluctuation	908,100	985,115
Contingency reserve	773,900	822,141
Unusual contingency reserve	—	—
General allowance for possible loan losses	4,215	5,023
(Net unrealized gains (losses) on available-for-sale securities (before income tax effect adjustments) and deferred gains (losses) on derivatives under hedge accounting (before income tax effect adjustments)) × 90% (Multiplied by 100% if losses)	1,055,840	783,161
Net unrealized gains on real estate × 85% (Multiplied by 100% if losses)	143,511	150,673
Total amount of unrecognized actuarial gains (losses) and unrecognized past service costs	79,434	73,866
Excess of continued Zillmerized reserve	787,136	784,607
Qualifying subordinated debt	618,695	668,695
Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculation	—	—
Deduction clause	(170,265)	(169,768)
Others	338,447	413,499
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)	1,492,488	1,559,246
Insurance risk R_1	109,343	115,390
General insurance risk R_5	873	1,066
Large disaster risk R_6	1,366	1,673
Third-sector insurance risk R_8	111,448	118,768
Insurance risk of small-amount, short-term insurer R_9	9	9
Risk of assumed yield R_2	181,913	181,916
Minimum guarantee risk R_7^*	9,577	11,506
Investment risk R_3	1,249,530	1,311,205
Operational risk R_4	33,281	34,830
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	639.5%	602.9%

※ The standard method is used for the calculation of the amount equivalent to minimum guarantee risk.

Note: The amounts and figures in the table above are calculated based on Article 130 of the Insurance Business Act, Article 86-2 and Article 88 of the Ordinance for Enforcement of the Insurance Business Act and Financial Services Agency Public Notice No.23 of 2011.

3. Non-Consolidated Financial Information (General Account)

a. Overall Composition of Investments (General Account)

(Millions of Yen, %)

	As of March 31, 2024		As of September 30, 2024	
	Amount	% of total	Amount	% of total
Cash, deposits and call loans	1,474,957	3.9	1,692,765	4.6
Monetary claims bought	479,404	1.3	483,994	1.3
Money held in trust	24,345	0.1	33,525	0.1
Investments in securities	31,789,069	85.0	30,810,325	83.8
Domestic bonds	14,420,176	38.6	14,213,313	38.7
Domestic stocks	3,279,944	8.8	3,180,491	8.6
Foreign securities	13,560,063	36.3	12,907,306	35.1
Foreign bonds	10,020,877	26.8	9,219,100	25.1
Other foreign securities	3,539,186	9.5	3,688,205	10.0
Other securities	528,885	1.4	509,213	1.4
Loans	2,164,509	5.8	2,051,467	5.6
Policy loans	226,775	0.6	222,504	0.6
Industrial and consumer loans	1,937,734	5.2	1,828,963	5.0
Real estate	643,568	1.7	640,850	1.7
Investment property	468,707	1.3	467,855	1.3
Deferred tax assets	208,307	0.6	337,165	0.9
Other assets	597,969	1.6	719,922	2.0
Allowance for possible loan losses	(804)	(0.0)	(766)	(0.0)
Total	37,381,328	100.0	36,769,250	100.0
Foreign currency denominated assets	12,080,542	32.3	11,474,078	31.2

Note: Real estate is recorded as the sum total of land, buildings and construction in progress.

b. Fair Value Information of Securities (General Account)

(1) Net Valuation Gains and Losses on Trading Securities

(Millions of Yen)

	As of March 31, 2024		As of September 30, 2024	
	Balance sheet amount	Net Valuation gains(losses) included in statement of income	Balance sheet amount	Net Valuation gains(losses) included in statement of income
Trading securities	24,345	2,044	33,525	(1,294)

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

(2) Fair Value Information of Securities (Except for Trading Securities)

(Millions of Yen)

	As of March 31, 2024					As of September 30, 2024				
	Book value	Fair value	Net gains (losses)	Gains	Losses	Book value	Fair value	Net gains (losses)	Gains	Losses
Held-to-maturity debt securities	1,926,606	2,092,804	166,198	184,790	(18,592)	1,908,696	2,010,540	101,843	155,924	(54,080)
Policy-reserve-matching bonds	13,799,326	13,527,225	(272,100)	667,808	(939,909)	13,689,429	13,160,954	(528,474)	558,171	(1,086,646)
Investments in subsidiaries and affiliated companies	43,624	44,050	425	425	-	43,539	42,067	(1,471)	544	(2,015)
Available-for-sale securities	13,740,636	15,113,583	1,372,947	2,268,171	(895,224)	13,023,207	14,184,657	1,161,449	2,029,847	(868,397)
Domestic bonds	2,468,761	2,174,180	(294,580)	27,573	(322,154)	2,360,826	1,993,541	(367,285)	8,985	(376,270)
Domestic stocks	1,323,271	3,072,377	1,749,105	1,774,963	(25,857)	1,348,942	2,971,846	1,622,903	1,643,691	(20,788)
Foreign securities	8,950,882	8,835,843	(115,038)	407,593	(522,632)	8,298,591	8,172,601	(125,989)	323,426	(449,416)
Foreign bonds	6,658,920	6,540,941	(117,978)	213,539	(331,518)	5,985,986	5,840,746	(145,239)	144,642	(289,881)
Other foreign securities	2,291,962	2,294,902	2,939	194,053	(191,113)	2,312,605	2,331,854	19,249	178,783	(159,534)
Other securities	355,676	398,928	43,251	57,063	(13,811)	329,477	370,941	41,463	52,857	(11,393)
Monetary claims bought	387,043	377,300	(9,743)	978	(10,721)	395,369	385,823	(9,545)	886	(10,432)
Negotiable certificates of deposit	255,000	254,952	(47)	-	(47)	290,000	289,903	(96)	-	(96)
Others	-	-	-	-	-	-	-	-	-	-
Total	29,510,192	30,777,663	1,267,470	3,121,196	(1,853,726)	28,664,873	29,398,220	733,347	2,744,488	(2,011,140)
Domestic bonds	14,714,757	14,314,687	(400,069)	694,259	(1,094,329)	14,580,598	13,768,132	(812,466)	547,887	(1,360,354)
Domestic stocks	1,324,111	3,073,642	1,749,531	1,775,389	(25,857)	1,349,696	2,973,144	1,623,447	1,644,236	(20,788)
Foreign securities	12,473,604	12,358,151	(115,452)	593,506	(708,958)	11,719,730	11,610,275	(109,454)	498,620	(608,075)
Foreign bonds	10,138,856	10,020,464	(118,392)	399,452	(517,845)	9,364,340	9,237,651	(126,688)	319,837	(446,525)
Other foreign securities	2,334,747	2,337,687	2,939	194,053	(191,113)	2,355,390	2,372,624	17,233	178,783	(161,549)
Other securities	355,676	398,928	43,251	57,063	(13,811)	329,477	370,941	41,463	52,857	(11,393)
Monetary claims bought	387,043	377,300	(9,743)	978	(10,721)	395,369	385,823	(9,545)	886	(10,432)
Negotiable certificates of deposit	255,000	254,952	(47)	-	(47)	290,000	289,903	(96)	-	(96)
Others	-	-	-	-	-	-	-	-	-	-

Note: 1. The table above includes securities that are deemed appropriate as securities under the Financial Instruments and Exchange Act in Japan.

2. Book values of stocks, etc. without quoted market price are excluded from the table above.

Book values of stocks, etc. without quoted market price are as follows:

(Millions of Yen)

	As of March 31, 2024	As of September 30, 2024
Investments in subsidiaries and affiliated companies	1,193,362	1,293,368
Available-for-sale securities	261,773	292,245
Domestic stocks	22,762	23,926
Foreign stocks	34,558	34,558
Others	204,452	233,759
Total	1,455,135	1,585,613

(3) Fair Value Information of Money held in trust

(Millions of Yen)

	As of March 31, 2024					As of September 30, 2024				
	Balance sheet amount	Fair value	Net gains (losses)	Gains	Losses	Balance sheet amount	Fair value	Net gains (losses)	Gains	Losses
Money held in trust	24,345	24,345	-	-	-	33,525	33,525	-	-	-

Money held in trust for trading

(Millions of Yen)

	As of March 31, 2024		As of September 30, 2024	
	Balance sheet amount	Net Valuation gains (losses) included in statement of income	Balance sheet amount	Net Valuation gains (losses) included in statement of income
Money held in trust for trading	24,345	2,044	33,525	(1,294)

Money held in trust except for trading

No money held in trust except for trading as of March 31, 2024 and September 30, 2024.

c. Fair Value Information of Derivative Transactions (General Account)

(1) Net Gains and Losses on Derivatives

(Millions of Yen)

	As of March 31, 2024						As of September 30, 2024					
	Interest-related	Currency-related	Stock-related	Bond-related	Others	Total	Interest-related	Currency-related	Stock-related	Bond-related	Others	Total
Hedge accounting applied	(13,805)	(355,739)	-	-	-	(369,545)	(24,463)	129,819	-	-	-	105,356
Hedge accounting not applied	56	(114,666)	(2,342)	-	5,450	(111,501)	-	(18,131)	384	(292)	725	(17,314)
Total	(13,748)	(470,406)	(2,342)	-	5,450	(481,047)	(24,463)	111,687	384	(292)	725	88,041

Notes: Net gains (losses) from derivatives with hedge accounting (fair value hedge method) applied, and net gains (losses) from derivatives with hedge accounting not applied are recorded on the statement of income.

Net gains (losses) from derivatives with hedge accounting (fair value hedge method) applied amounted to loss of ¥ 357,149 million and gain of ¥ 119,704 million as of March 31, 2024 and September 30, 2024, respectively.

(2) Interest-related

(Millions of Yen)

Type	As of March 31, 2024				As of September 30, 2024			
	Notional amount/ contract value	Over 1 year	Fair value	Net gains (losses)	Notional amount/ contract value	Over 1 year	Fair value	Net gains (losses)
Over-the-counter transactions								
Interest rate swaps								
Receipts fixed, payments floating	378,210	378,200	(33,873)	(33,873)	381,205	381,200	(38,714)	(38,714)
Receipts floating, payments fixed	113,557	113,557	20,124	20,124	107,047	107,047	14,251	14,251
Total				(13,748)				(24,463)

Note: Net gains (losses) represent the fair values.

(Reference)

Interest rate swaps by contractual maturity dates

[As of September 30, 2024]

(Millions of Yen, %)

	Within 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total
Notional amount (receipts fixed, payments floating)	5	500	2,000	700	3,000	375,000	381,205
Average fixed rate (receipt)	0.86	0.16	0.71	0.83	1	0.95	0.95
Average floating rate (payment)	0.89	0.60	0.73	0.66	1	0.14	0.15
Notional amount (receipts floating, payments fixed)	-	-	42,819	64,228	-	-	107,047
Average fixed rate (payment)	-	-	1.83	2.39	-	-	2.17
Average floating rate (receipt)	-	-	6.29	7.29	-	-	6.89

(3) Currency-related

(Millions of Yen)

Type	As of March 31, 2024				As of September 30, 2024			
	Notional amount/ contract value	Over 1 year	Fair value	Net gains (losses)	Notional amount/ contract value	Over 1 year	Fair value	Net gains (losses)
Over-the-counter transactions								
Foreign currency forward contracts								
Sold	5,924,009	449,248	(496,468)	(496,468)	5,786,957	289,485	132,355	132,355
(U.S. dollar)	4,632,049	437,284	(381,858)	(381,858)	4,655,774	268,956	123,290	123,290
(Euro)	777,954	-	(55,944)	(55,944)	745,524	20,528	24,183	24,183
Bought	1,383,039	1,614	30,252	30,252	969,619	-	(31,905)	(31,905)
(U.S. dollar)	981,910	1,614	22,013	22,013	924,115	-	(31,969)	(31,969)
(Euro)	234,683	-	7,270	7,270	43,442	-	18	18
Currency options								
Sold								
Call	407,720	-			4,560	-		
[944]			895	49	[13]		15	(1)
(U.S. dollar)	407,720	-			4,560	-		
[944]			895	49	[13]		15	(1)
Put	130,000	-			3,750	-		
[392]			4	387	[25]		18	7
(U.S. dollar)	130,000	-			3,750	-		
[392]			4	387	[25]		18	7
Bought								
Put	699,040	-			537,500	-		
[3,869]			171	(3,697)	[2,960]		5,952	2,991
(U.S. dollar)	699,040	-			500,000	-		
[3,869]			171	(3,697)	[2,010]		2,603	593
(Mexican Peso)	-	-			37,500	-		
[-]			-	-	[950]		3,349	2,398
Currency swaps	40,507	40,507	(15,019)	(15,019)	40,507	34,866	(12,659)	(12,659)
(U.S. dollar)	40,507	40,507	(15,019)	(15,019)	40,507	34,866	(12,659)	(12,659)
Total				(484,496)				90,788

Notes: 1. Option fees are shown in [].

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

3. Net gains (losses) represent the fair values for foreign currency forward contracts and currency swaps, and the difference between the option fees and the fair values for currency options.

(4) Stock-related

(Millions of Yen)

Type	As of March 31, 2024				As of September 30, 2024			
	Notional amount/ contract value	Over 1 year	Fair value	Net gains (losses)	Notional amount/ contract value	Over 1 year	Fair value	Net gains (losses)
Exchange-traded transactions								
Stock index futures								
Bought	-	-	-	-	17,684	-	157	157
Over-the-counter transactions								
Stock index options								
Bought	550,000	-			349,989	-		
Put	[2,342]		0	(2,342)	[2,895]		3,121	226
Total				(2,342)				384

Notes: 1. Option fees are shown in [].

2. Net gains (losses) represent the fair values for stock index futures and the difference between the option fees and the fair values for stock index options.

(5) Bond-related

(Millions of Yen)

Type	As of March 31, 2024				As of September 30, 2024			
	Notional amount/ contract value	Over 1 year	Fair value	Net gains (losses)	Notional amount/ contract value	Over 1 year	Fair value	Net gains (losses)
Exchange-traded transactions								
Bond futures								
Bought	-	-	-	-	52,155	-	(292)	(292)
Total				-				(292)

Note: Net gains (losses) represent the fair values.

(6) Others

(Millions of Yen)

Type	As of March 31, 2024				As of September 30, 2024			
	Notional amount/ contract value	Over 1 year	Fair value	Net gains (losses)	Notional amount/ contract value	Over 1 year	Fair value	Net gains (losses)
Over-the-counter transactions								
Multi-asset index options								
Sold								
Call	90,352	-	610	(391)	69,068	-	191	(31)
	[219]				[159]			
Bought								
Call	264,444	-	11,362	5,842	251,247	-	6,490	756
	[5,520]				[5,733]			
Total				5,450				725

Notes: 1. Option fees are shown in [].

2. Net gains (losses) represent the difference between the option fees and the fair values.

d. Disclosed Claims Based on Insurance Business Act

(Millions of Yen, %)

	As of March 31, 2024	As of September 30, 2024
Claims against bankrupt and quasi-bankrupt obligors	-	-
Claims with collection risk	585	519
Claims that are overdue for 3 months or more	-	-
Claims with repayment relaxation	-	-
Subtotal	585	519
[Percentage]	[0.01]	[0.01]
Claims against normal obligors	7,378,897	6,715,000
Total	7,379,482	6,715,520

- Notes: 1. Claims against bankrupt and quasi-bankrupt obligors are loans to borrowers who are subject to bankruptcy, corporate reorganization rehabilitation or other similar proceedings and other borrowers in serious financial difficulties.
2. Claims with collection risk are loans to obligors (other than 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. (Excludes the claims listed in Note 1)
3. Loans that are overdue for three months or more are loans for which payment of principal or interest is delayed for three months or more from the day following the contracted payment date. (Excludes the claims listed in Note 1 and 2)
4. Claims with repayment relaxation are arrangements that are advantageous to the debtor, such as interest rate reduction and exemption, interest payment deferment, principal repayment deferment, debt waiver, etc., for the purpose of rebuilding or supporting the debtor (Excluding items mentioned in Note from 1 to 3 above).
5. Claims against normal obligors are all other loans.