

Independent Auditor's Semiannual Review Report

The Board of Directors
Asahi Mutual Life Insurance Company

Auditor's Conclusion

We have reviewed the accompanying semiannual non-consolidated financial statements of Asahi Mutual Life Insurance Company (the Company), which comprise the semiannual non-consolidated balance sheet as at September 30, 2025, and the semiannual non-consolidated statements of income and changes in net assets for the six-month period ended September 30, 2025, and notes to the semiannual non-consolidated financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying semiannual non-consolidated financial statements are not prepared, in all material respects, in accordance with the Insurance Business Act, the relevant rules and regulations applicable to the mutual life insurance industry, and accounting principles for semiannual financial statements generally accepted in Japan.

Basis for Auditor's Conclusion

We conducted our review in accordance with review standards for interim financial statements generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Review of the Semiannual Non-Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Japan, including those applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained provides a basis for our conclusion.

Responsibilities of Management, the Corporate Auditor and the Board of Corporate Auditors for the Semiannual Non-Consolidated Financial Statements

Management is responsible for the preparation of these semiannual non-consolidated financial statements in accordance with the Insurance Business Act, the relevant rules and regulations applicable to the mutual life insurance industry, and accounting principles for semiannual financial statements generally accepted in Japan, and for the internal controls as management determines are necessary to enable the preparation of semiannual non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the semiannual non-consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, including the disclosures related to matters of going concern as required by the Insurance Business Act, the relevant rules and regulations applicable to the mutual life insurance industry, and accounting principles for semiannual financial statements generally accepted in Japan.

The Corporate Auditor and the Board of Corporate Auditors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Review of the Semiannual Non-Consolidated Financial Statements

Our responsibility is to express a conclusion on these semiannual non-consolidated financial statements based on our review.

As part of a review in accordance with review standards for interim financial statements generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the review. We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters and apply analytical and other interim review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Japan.
- Conclude based on the evidence obtained whether anything has come to our attention that causes us to believe that the semiannual non-consolidated financial statements are not prepared in accordance with the Insurance Business Act, the relevant rules and regulations applicable to the mutual life insurance industry, and accounting principles for semiannual financial statements generally accepted in Japan, should we determine that a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. Additionally, if we conclude that a material uncertainty exists, we are required to draw attention in our auditor's semiannual review report to the related disclosures in the semiannual non-consolidated financial statements or, if such disclosures are inadequate, to modify our conclusion. Our conclusions are based on the evidence obtained up to the date of our auditor's semiannual review report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether anything has come to our attention that causes us to believe that the overall presentation and disclosure of the semiannual non-consolidated financial statements are not prepared in accordance with the Insurance Business Act, the relevant rules and regulations applicable to the mutual life insurance industry, and accounting principles for semiannual financial statements generally accepted in Japan.
- Obtain evidence regarding the financial information of the entities or business activities within the Company as a basis for expressing a conclusion on the semiannual non-consolidated financial statements. We are responsible for the direction, supervision and review of the documentation of the interim review. We remain solely responsible for our conclusion.

We communicate with the Corporate Auditor and the Board of Corporate Auditors regarding the planned scope and timing of the review and significant review findings.

We also provide the Corporate Auditor and the Board of Corporate Auditors with a statement that we have complied with the ethical requirements regarding independence that are relevant to our review of the semiannual non-consolidated financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Convenience Translation

We have reviewed the translation of these semiannual non-consolidated financial statements into U.S. dollars, presented for the convenience of readers, and, based on our review, the accompanying semiannual non-consolidated financial statements have been properly translated on the basis described in Note I.2.

Ernst & Young ShinNihon LLC
Tokyo, Japan

December 19, 2025

Yuji Ozawa
Designated Engagement Partner
Certified Public Accountant

Shohei Yamanaka
Designated Engagement Partner
Certified Public Accountant

Semiannual Non-consolidated Balance Sheets

Asahi Mutual Life Insurance Company

	Millions of Yen			Millions of U.S. Dollars
	Semiannual Non-consolidated Balance Sheet		Annual Non-consolidated Balance Sheet	Semiannual Non-consolidated Balance Sheet
	As of September 30, 2025	As of March 31, 2025	As of September 30, 2025	Semiannual Non-consolidated Balance Sheet
	2025	2025	2025	2025
ASSETS:				
Cash and deposits	¥ 40,402	¥ 54,765	\$ 271	
Call loans	46,000	78,000	308	
Monetary claims bought	10,162	10,481	68	
Securities	4,654,392	4,413,189	31,262	
Loans	304,452	301,108	2,044	
Tangible fixed assets	331,440	347,734	2,226	
Intangible fixed assets	35,197	35,201	236	
Agency accounts receivable	1	1	0	
Reinsurance receivables	253	499	1	
Other assets	52,074	46,450	349	
Prepaid pension cost	593	598	3	
Customers' liabilities under acceptances and guarantees	49,954	39,025	335	
Allowance for possible loan losses	(663)	(720)	(4)	
Total assets	¥ 5,524,263	¥ 5,326,334	\$ 37,105	
LIABILITIES:				
Policy reserves and other reserves:				
Reserve for outstanding claims	¥ 39,693	¥ 39,821	\$ 266	
Policy reserves	4,065,705	4,113,660	27,308	
Reserve for dividends to policyholders	26,839	25,270	180	
	4,132,238	4,178,753	27,755	
Reinsurance payables	270	632	1	
Bonds payable	102,609	102,609	689	
Other liabilities:				
Income taxes payable	8,471	326	56	
Lease obligations	2,583	3,339	17	
Asset retirement obligations	1,072	1,068	7	
Others	401,872	302,828	2,699	
	414,000	307,562	2,780	
Reserve for employees' retirement benefits	26,386	27,077	177	
Reserve for price fluctuation	58,550	57,460	393	
Deferred tax liabilities	71,423	30,444	479	
Deferred tax liabilities for land revaluation	14,500	14,553	97	
Acceptances and guarantees	49,954	39,025	335	
Total liabilities	4,869,933	4,758,117	\$ 32,710	
NET ASSETS:				
Foundation funds	11,000	51,000	73	
Reserve for redemption of foundation funds	246,000	206,000	1,652	
Reserve for revaluation	281	281	1	
Surplus:				
Reserve for future losses	415	397	2	
Other surplus:				
Reserve for fund redemption	9,900	40,800	66	
Equalized reserve for dividends to policyholders	2,706	5,945	18	
Unappropriated surplus (loss)	76,186	58,335	511	
Subtotal	88,792	105,081	596	
	89,207	105,478	599	
Total foundation funds and others	346,489	362,760	2,327	
Net unrealized gains (losses) on available-for-sale securities, net of tax	353,879	251,365	2,376	
Land revaluation differences	(46,039)	(45,909)	(309)	
Total valuation and translation adjustments	307,840	205,456	2,067	
Total net assets	654,330	568,216	4,395	
Total liabilities and net assets	¥ 5,524,263	¥ 5,326,334	\$ 37,105	

Semiannual Non-consolidated Statements of Income

Asahi Mutual Life Insurance Company

	Millions of Yen			Millions of U.S. Dollars
	2025	2024	2025	U.S. Dollars
For the six months ended September 30				
Ordinary income:				
Premium and other income:				
Insurance premiums	¥ 183,952	¥ 177,574	\$ 1,235	
	184,715	177,920	1,240	
Investment income:				
Interest, dividends and other income	68,235	67,491	458	
Gains on sales of securities	12,111	7,408	81	
Investment gains on separate accounts	3,404	—	22	
	88,079	78,442	591	
Other ordinary income	51,787	55,098	347	
Total ordinary income	324,582	311,461	2,180	
Ordinary expenses:				
Claims and other payments:				
Claims	51,505	52,822	345	
Annuities	49,799	51,196	334	
Benefits	38,120	36,956	256	
Surrender benefits	49,259	43,489	330	
	190,895	186,530	1,282	
Provision for policy reserves and other reserves:				
Provision for interest on policyholders' dividend reserves	1	1	0	
	1	1	0	
Investment expenses:				
Interest expenses	2,751	2,300	18	
Losses on sales of securities	4,742	5,807	31	
Losses on valuation of securities	1	6	0	
Investment losses on separate accounts	—	161	—	
	23,493	19,463	157	
Operating expenses	57,462	55,898	385	
Other ordinary expenses	17,968	17,157	120	
Total ordinary expenses	289,820	279,051	1,946	
Ordinary profit	34,762	32,409	233	
Extraordinary gains	9,107	282	61	
Extraordinary losses	2,245	1,653	15	
Surplus before income taxes	41,624	31,038	279	
Income taxes including deferred taxes	12,256	6,867	82	
Total income taxes	12,256	6,867	82	
Net surplus	¥ 29,367	¥ 24,170	\$ 197	

Semiannual Non-consolidated Statements of Changes in Net Assets

Asahi Mutual Life Insurance Company

For the six months ended September 30, 2025	Millions of Yen										Total foundation funds and others	
	Foundation funds and others					Surplus						
	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Reserve for future losses	Reserve for fund redemption	Equalized reserve for dividends to policyholders	Unappropriated surplus (loss)	Total surplus				
Beginning balance	¥ 51,000	¥ 206,000	¥ 281	¥ 397	¥ 40,800	¥ 5,945	¥ 58,335	¥ 105,478			¥ 362,760	
Changes in the interim period:												
Additions to reserve for dividends to policyholders							(3,359)				(3,359)	
Additions to reserve for future losses				18			(18)					
Additions to reserve for redemption of foundation funds		40,000			(40,000)					(40,000)		
Payment of interest on foundation funds							(2,409)				(2,409)	
Net surplus							29,367				29,367	
Redemption of foundation funds		(40,000)									(40,000)	
Additions to reserve for fund redemption					9,100		(9,100)					
Reversal of equalized reserve for dividends to policyholders						(3,239)					3,239	
Reversal of land revaluation differences								130			130	
Net changes, excluding foundation funds and others											130	
Net changes in the interim period	(40,000)	40,000	—	18	(30,900)	(3,239)	17,850	(16,270)	(16,270)	(16,270)		
Ending balance	¥ 11,000	¥ 246,000	¥ 281	¥ 415	¥ 9,900	¥ 2,706	¥ 76,186	¥ 89,207	¥ 346,489			

For the six months ended September 30, 2025	Millions of Yen				Total net assets	
	Valuation and translation adjustments					
	Net unrealized gains (losses) on available- for-sale securities, net of tax	Land revaluation differences	Total valuation and translation adjustments			
Beginning balance	¥ 251,365	¥ (45,909)	¥ 205,456	¥ 568,216		
Changes in the interim period:						
Additions to reserve for dividends to policyholders				(3,359)		
Additions to reserve for future losses						
Additions to reserve for redemption of foundation funds						
Payment of interest on foundation funds				(2,409)		
Net surplus				29,367		
Redemption of foundation funds				(40,000)		
Additions to reserve for fund redemption						
Reversal of equalized reserve for dividends to policyholders						
Reversal of land revaluation differences			130			
Net changes, excluding foundation funds and others	102,514	(130)	102,384	102,384		
Net changes in the interim period	102,514	(130)	102,384	86,113		
Ending balance	¥ 353,879	¥ (46,039)	¥ 307,840	¥ 654,330		

For the six months ended September 30, 2024	Foundation funds and others											Total foundation funds and others	
	Surplus					Other surplus							
	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Reserve for future losses	Reserve for fund redemption	Equalized reserve for dividends to policyholders	Unappropriated surplus (loss)	Total surplus					
Beginning balance	¥ 51,000	¥ 206,000	¥ 281	¥ 381	¥ 31,700	¥ 6,893	¥ 63,629	¥ 102,604	¥ 359,886				
Changes in the interim period:													
Additions to reserve for dividends to policyholders										(2,896)	(2,896)	(2,896)	
Additions to reserve for future losses				16						(16)			
Payment of interest on foundation funds										(2,354)	(2,354)	(2,354)	
Net surplus										24,170	24,170	24,170	
Additions to reserve for fund redemption					9,100					(9,100)			
Reversal of equalized reserve for dividends to policyholders										(947)	947		
Reversal of land revaluation differences										255	255	255	
Net changes, excluding foundation funds and others													
Net changes in the interim period	—	—	—	16	9,100	(947)	11,006	19,175	19,175				
Ending balance	¥ 51,000	¥ 206,000	¥ 281	¥ 397	¥ 40,800	¥ 5,945	¥ 74,636	¥ 121,779	¥ 379,061				

					Millions of Yen	
<u>Valuation and translation adjustments</u>						
For the six months ended September 30, 2024	Net unrealized gains (losses) on available- for-sale securities, net of tax		Land revaluation differences	Total valuation and translation adjustments	Total net assets	
	¥	270,597	¥	(50,371)	¥	
Beginning balance				220,226	580,112	
Changes in the interim period:						
Additions to reserve for dividends to policyholders					(2,896)	
Additions to reserve for future losses						
Payment of interest on foundation funds					(2,354)	
Net surplus					24,170	
Additions to reserve for fund redemption						
Reversal of equalized reserve for dividends to policyholders					255	
Reversal of land revaluation differences						
Net changes, excluding foundation funds and others		(1,405)	(255)	(1,661)	(1,661)	
Net changes in the interim period		(1,405)	(255)	(1,661)	17,513	
Ending balance	¥	269,192	¥	(50,626)	¥	597,626

Millions of U.S. Dollars														
For the six months ended September 30, 2025	Foundation funds and others								Total foundation funds and others					
	Surplus				Other surplus									
	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Reserve for future losses	Reserve for fund redemption	Equalized reserve for dividends to policyholders	Unappropriated surplus (loss)	Total surplus						
Beginning balance	\$ 342	\$ 1,383	\$ 1	\$ 2	\$ 274	\$ 39	\$ 391	\$ 708	\$ 2,436					
Changes in the interim period:														
Additions to reserve for dividends to policyholders									(22)		(22)			
Additions to reserve for future losses				0					(0)					
Additions to reserve for redemption of foundation funds		268			(268)					(268)				
Payment of interest on foundation funds									(16)		(16)			
Net surplus								197		197				
Redemption of foundation funds		(268)								(268)				
Additions to reserve for fund redemption					61				(61)					
Reversal of equalized reserve for dividends to policyholders						(21)			21					
Reversal of land revaluation differences							0			0				
Net changes, excluding foundation funds and others											0			
Net changes in the interim period	(268)	268	—	0	(207)	(21)	119	(109)	(109)					
Ending balance	\$ 73	\$ 1,652	\$ 1	\$ 2	\$ 66	\$ 18	\$ 511	\$ 599	\$ 2,327					

Millions of U.S. Dollars								
For the six months ended September 30, 2025	Valuation and translation adjustments							
	Net unrealized gains (losses) on available- for-sale securities, net of tax		Land revaluation differences		Total valuation and translation adjustments		Total net assets	
	\$ 1,688	\$ (308)	\$ 1,380	\$ 3,816				
Beginning balance	\$ 1,688	\$ (308)	\$ 1,380	\$ 3,816				
Changes in the interim period:								
Additions to reserve for dividends to policyholders					(22)			
Additions to reserve for future losses								
Additions to reserve for redemption of foundation funds								
Payment of interest on foundation funds					(16)			
Net surplus					197			
Redemption of foundation funds					(268)			
Additions to reserve for fund redemption								
Reversal of equalized reserve for dividends to policyholders								
Reversal of land revaluation differences				0				
Net changes, excluding foundation funds and others	688	(0)	687	687				
Net changes in the interim period	688	(0)	687	578				
Ending balance	\$ 2,376	\$ (309)	\$ 2,067	\$ 4,395				

Notes to Semiannual Non-consolidated Financial Statements

Asahi Mutual Life Insurance Company

I. Presentation of Semiannual Non-consolidated Financial Statements

1. Basis of Presentation

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

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

Amounts of less than one million yen have been eliminated. As a result, total amounts in yen shown herein do not necessarily agree with the sum of the individual amounts.

The Insurance Business Act shall prescribe the disclosure of a single fiscal year. The Company provides the disclosure of comparative financial information corresponding to each comparative fiscal year in the presented financial statements for use by readers outside Japan.

In preparing the accompanying semiannual non-consolidated financial statements, certain reclassifications have been made to the non-consolidated financial statements issued domestically in order to present them in a format which is more familiar to readers outside Japan.

2. U.S. Dollar Amounts

The translations of yen amounts into U.S. dollar amounts are included solely for the convenience of the reader and have been made, as a matter of arithmetical computation only, at the rate of ¥148.88 = US\$1.00, the effective rate of exchange at the balance sheet date of September 30, 2025.

The translations should not be construed as representations that such yen amounts have been or could in the future be, converted into U.S. dollars at that or any other rate.

II. Notes to Semiannual Non-consolidated Balance Sheets

1. Significant Accounting Policies

(1) Valuation methods of securities

The valuation of securities, including deposits and monetary claims bought which are equivalent to securities is as follows:

- i) Trading securities are stated at fair market value. Costs of sales are determined by the moving average method.
- ii) Held-to-maturity debt securities are stated at amortized cost (straight-line method) determined by the moving average method.

- iii) Policy-reserve-matching bonds, which are in accordance with “Temporary Treatment of Accounting and Auditing Concerning Policy-reserve-matching Bonds in Insurance Industry” (Industry Audit Committee Report No. 21 issued by the Japanese Institute of Certified Public Accountants (“JICPA”)), are stated at amortized cost (straight-line method) determined by the moving average method.
- iv) Investments in subsidiaries and affiliates are stated at cost.
- v) Available-for-sale securities except for the following are stated at fair market value based on the market prices at the balance sheet date, of which costs of sales are determined by the moving average method. Available-for-sale securities, of which public and corporate bonds including foreign bonds with the difference between acquisition cost and face value considered as an adjustment of interest, are stated at amortized cost (straight-line method) determined by the moving average method. Stocks and others without a market price are stated at cost determined by the moving average method. Net unrealized gains or losses on these available-for-sale securities, net of tax, are recorded as a separate component of net assets.

(2) Policy-reserve-matching bonds

The Company classifies bonds held with the aim of matching the duration to outstanding insurance liabilities within the sub-groups (categorized by insurance type, investment policy and other factors) of individual life insurance and individual annuities as policy-reserve-matching bonds in accordance with “Temporary Treatment of Accounting and Auditing Concerning Policy-reserve-matching Bonds in Insurance Industry” (Industry Audit Committee Report No. 21 issued by the JICPA).

(3) Valuation methods of derivative financial instruments

Derivative financial instruments are stated at fair market value.

(4) Revaluation of land

The Company revalued the land for business purposes based on the Act on Revaluation of Land (Act No. 34 promulgated on March 31, 1998). The difference between fair value and book value resulting from the revaluation, net of related taxes, is recorded as land revaluation differences as a separate component of net assets and the related tax is recorded as deferred tax liabilities for revaluation.

- Date of revaluation: March 31, 2001

- Method of revaluation as prescribed for in Article 3, Paragraph 3 of the said Act:

The calculation is based on the publicly announced appraisal value with certain adjustments set forth in Article 2, Item 1 of the Enforcement Ordinance of the Act on Revaluation of Land (Government Ordinance No. 119 promulgated on March 31, 1998) or the appraisal value determined by the real-estate appraiser set forth in Article 2, Item 5 of the said Ordinance with certain reasonable adjustments.

(5) Depreciation of tangible fixed assets

Depreciation of the Company’s tangible fixed assets is calculated by the following methods.

(For the interim reporting purposes, the amount for the semianual period is determined.)

- Tangible fixed assets (excluding lease assets): Declining-balance method

However, buildings are depreciated using the straight-line method.

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

(6) Foreign currency translation

Foreign currency-denominated assets and liabilities (excluding the shares of subsidiaries and affiliates) are translated into Japanese yen at the effective exchange rate prevailing at the balance sheet date. The shares of subsidiaries and affiliates are translated into Japanese yen at the exchange rate at the acquisition date.

(7) Allowance for possible loan losses

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

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

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

For credit to legally bankrupt borrowers and substantially bankrupt borrowers, the amounts remaining after deductions of collateral value or the amounts collectible through the execution of guarantees are written-off directly from the book value as the estimated uncollectible amounts. The amounts written-off were ¥2 million (US\$0 million) and ¥2 million as of September 30, 2025 and as of March 31, 2025, respectively.

(8) Accounting for employees' retirement benefits and method of amortizing retirement benefit expenses

Reserve for employees' retirement benefits and prepaid pension cost are presented for the employees' retirement benefits based on projected benefit obligation and pension plan assets at the balance sheet date.

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

- The retirement benefit obligation is attributed to each period by the benefit formula method.
- Actuarial differences are amortized under the straight-line method over a period of six years starting the following year.
- Prior service cost is charged to income when incurred.

(9) Reserve for price fluctuation

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

(10) Accounting for hedging activities

Hedging activities are accounted for in accordance with the “Accounting Standards for Financial Instruments” (Accounting Standards Board of Japan (“ASBJ”) Statement No. 10).

The Company mainly applies the following hedging activities:

The Company applies deferred hedge accounting and the exceptional accounting treatment (“Tokurei-shori”) for interest rate swaps used to hedge the cash flow volatility of certain loans.

The Company also applies fair value hedge accounting for hedging activities related to foreign exchange rate fluctuation exposures on certain bonds, investment trusts and others denominated in foreign currencies.

The Company also applies designated hedge accounting (“Furiate-shori”) for currency swaps used to hedge foreign exchange rate fluctuation exposures on the foreign currency-denominated bonds issued by the Company.

The Company also applies designated hedge accounting (“Furiate-shori”) for the foreign currency-denominated transactions other than the above.

The effectiveness of a hedge is mostly assessed by a ratio analysis, comparing the fluctuations in the fair value or cash flows of hedged items and hedging instruments.

(11) Accounting for consumption taxes

The Company accounts for consumption tax and local consumption tax by the tax-exclusion method. The consumption taxes on certain assets, which are not deductible from consumption taxes withheld and that are stipulated to be deferred under the Corporation Tax Act of Japan, are deferred as other assets and amortized equally over five years.

Consumption taxes other than deferred consumption taxes are recognized as an expense for the current reporting period.

(12) Group tax sharing system

The Company has applied the group tax sharing system.

(13) Premium and other income (excluding reinsurance revenue)

Premium and other income (excluding reinsurance revenue) are recorded in principle for insurance policies for which insurance premium has been received and the insurer’s liability under the insurance policies or insurance coverage period has commenced by the relevant amounts received.

Of insurance premiums, the portion corresponding to the period that has yet to pass as of the end of the reporting period is set aside as policy reserves in accordance with Article 116 of the Insurance Business Act and Article 69, Paragraph 1, Item 2 of the Enforcement Regulation of the Insurance Business Act.

(14) Claims and other payments (excluding reinsurance premiums)

Claims and other payments (excluding reinsurance premiums) are recorded for insurance policies for which amounts calculated under policy conditions have been paid in the occurrence of insured events under the policy conditions.

In accordance with Article 117 of the Insurance Business Act and Article 72 of the Enforcement Regulation of the Insurance Business Act, reserve for outstanding claims is set aside for claims, etc. which is not recorded as payment of claims, etc. but for which the Company has payment obligation or the occurrence of insured

events has not been reported but the Company finds that insured events have already occurred, as of the end of the reporting period.

With respect to reserve for outstanding claims incurred but not reported events (referring to claims for which the occurrence of the insured events has not been reported but the Company finds that insured events have already occurred; hereinafter the same), the special treatment of the payment of hospitalization benefits with regard to people with diagnoses of COVID-19 given and under the care of a doctor and the like at an accommodation facility or at home (“deemed hospitalizations”) was terminated on May 8, 2023. As a result of this change, an appropriate amount of reserves cannot be obtained with the calculation method set forth in the main rules in Article 1, Paragraph 1 of the Japanese Ministry of Finance Public Notice No.234, 1998 (“IBNR Notice”). The Company therefore records the amount that was calculated using the following method, pursuant to provisions in the proviso of Article 1, Paragraph 1 of IBNR Notice (the “Proviso”).

(Overview of the calculation method)

The Company calculates the amount of reserve for outstanding claims incurred but not reported events using the same manner as that set forth in the main rules in Article 1, Paragraph 1 of IBNR Notice, excluding the amount related to deemed hospitalizations from a required amount of reserves for incurred but not reported events and the amount of claim payments for all the fiscal years, as set forth in the main rules in Article 1, Paragraph 1 of IBNR Notice.

(15) Policy reserves

Policy reserves are calculated as stated in accordance with the methods stated in the statement of calculation procedures for insurance premiums and policy reserves (Article 4, Paragraph 2, Item 4 of the Insurance Business Act) pursuant to Article 116, Paragraph 1 of the Insurance Business Act, for insurance policies under which the insurer’s liability has started as of the end of the reporting period, in preparation for the performance of future obligations under the insurance policies.

Of policy reserves, the premium reserves are calculated by the following method:

In regard to the policies subject to the standard policy reserves, the method as prescribed by the Commissioner of Financial Services Agency (Japanese Ministry of Finance Public Notice No. 48, 1996) is applied.

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

Policy reserves include additional policy reserves which the Company has accumulated for individual annuity insurance policies with an assumed rate of 3.75% or higher for which annuity payment commenced on or before March 31, 2025, in accordance with the provision of Article 69, Paragraph 5 of the Enforcement Regulation of the Insurance Business Act.

Contingency reserves included in policy reserves are set aside in accordance with Article 116 of the Insurance Business Act and Article 69, Paragraph 1, Item 3 of the Enforcement Regulation of the Insurance Business Act to cover risks that may accrue in the future in order to ensure the performance of future obligations under insurance policies.

(16) Software

Capitalized software for internal use owned by the Company is amortized using the straight-line method over the estimated useful lives.

2. Accounting Standards Issued but Not Yet Effective

The accounting standards and relevant implementation guidance issued by the end of the reporting period but not yet effective are as follows:

- “Accounting Standard for Leases” (ASBJ Statement No. 34, issued on September 13, 2024)
- “Implementation Guidance on Accounting Standard for Leases” (ASBJ Guidance No. 33, issued on September 13, 2024), etc.

i) Overview

As part of its efforts for ensuring that Japanese GAAP is consistent with international accounting standards, the ASBJ conducted a review, taking into consideration international accounting standards, toward the development of the Accounting Standard for Leases for recognizing assets and liabilities for all leases held by a lessee. As a basic policy, the ASBJ issued the Accounting Standard for Leases, etc., which were developed with the aim of being simple and highly convenient by incorporating only the key provisions of IFRS 16 instead of all the provisions, despite being based on the single accounting model of IFRS 16, while also making revisions basically unnecessary even when the provisions of IFRS 16 are applied for non-consolidated financial statements.

Regarding the method for allocating the lessee's lease expenses in the lessee's accounting treatment, a single accounting model is applied for recording the depreciation related to right-of-use assets and the amount equivalent to the interest on lease liabilities for all leases regardless of whether a lease is a finance lease or an operating lease. This is the same as under IFRS 16.

ii) Scheduled date of application

The above accounting standards and relevant implementation guidance are scheduled to be applied from the beginning of the fiscal year ending March 31, 2028.

iii) Effects of application of the Accounting Standards and relevant implementation guidance

The effects of the application are under assessment at the time of preparing these non-consolidated financial statements.

3. Financial Instruments

(1) Fair value of financial instruments

The balance sheet amounts, fair values and the differences for major financial assets and liabilities as of September 30, 2025 and as of March 31, 2025 were as follows. The following tables do not include cash and deposits, call loans and payables under securities borrowing transactions which are mostly settled in a short term and their fair values approximate their book values.

Millions of Yen			
As of September 30, 2025	Balance Sheet Amount	Fair Value	Difference
Monetary claims bought	¥ 10,162	¥ 10,024	¥ (138)
Held-to-maturity debt securities	9,430	9,292	(138)
Available-for-sale securities	731	731	—
Securities	4,517,838	4,082,040	(435,797)
Trading securities	30,744	30,744	—
Held-to-maturity debt securities	199,804	199,281	(522)
Policy-reserve-matching bonds	2,229,735	1,794,461	(435,274)
Available-for-sale securities	2,057,553	2,057,553	—
Loans	304,452	302,903	(1,549)
Policy loans	26,057	26,057	—
Industrial and consumer loans	278,395	276,846	(1,549)
Total assets	4,832,453	4,394,968	(437,485)
Bonds payable	102,609	101,016	(1,592)
Loans payable	44,000	46,781	2,781
Total liabilities	146,609	147,797	1,188
Derivative financial instruments	(5,726)	(5,726)	—
Hedge accounting not applied	(266)	(266)	—
Hedge accounting applied	(5,460)	(5,460)	—

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

Millions of Yen

As of March 31, 2025	Balance Sheet Amount	Fair Value	Difference
Monetary claims bought	¥ 10,481	¥ 10,418	¥ (62)
Held-to-maturity debt securities	9,717	9,654	(62)
Available-for-sale securities	764	764	—
Securities	4,277,380	3,943,784	(333,595)
Trading securities	28,325	28,325	—
Held-to-maturity debt securities	202,032	203,109	1,076
Policy-reserve-matching bonds	2,231,326	1,896,654	(334,672)
Available-for-sale securities	1,815,694	1,815,694	—
Loans	301,108	302,751	1,642
Policy loans	27,081	27,081	—
Industrial and consumer loans	274,027	275,670	1,642
Total assets	4,588,969	4,256,953	(332,016)
Bonds payable	102,609	100,504	(2,104)
Loans payable	44,000	47,148	3,148
Total liabilities	146,609	147,653	1,043
Derivative financial instruments	(1,956)	(1,956)	—
Hedge accounting not applied	157	157	—
Hedge accounting applied	(2,114)	(2,114)	—

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

Millions of U.S. Dollars

As of September 30, 2025	Balance Sheet Amount	Fair Value	Difference
Monetary claims bought	\$ 68	\$ 67	\$ (0)
Held-to-maturity debt securities	63	62	(0)
Available-for-sale securities	4	4	—
Securities	30,345	27,418	(2,927)
Trading securities	206	206	—
Held-to-maturity debt securities	1,342	1,338	(3)
Policy-reserve-matching bonds	14,976	12,053	(2,923)
Available-for-sale securities	13,820	13,820	—
Loans	2,044	2,034	(10)
Policy loans	175	175	—
Industrial and consumer loans	1,869	1,859	(10)
Total assets	32,458	29,520	(2,938)
Bonds payable	689	678	(10)
Loans payable	295	314	18
Total liabilities	984	992	7
Derivative financial instruments	(38)	(38)	—
Hedge accounting not applied	(1)	(1)	—
Hedge accounting applied	(36)	(36)	—

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

Unlisted stocks and others, including investments in subsidiaries and affiliates, without market prices are not included in the tables above. The amounts of the unlisted stocks and others, including investments in subsidiaries and affiliates, reported in the non-consolidated balance sheets were ¥75,703 million (US\$508 million) and ¥77,678 million as of September 30, 2025 and as of March 31, 2025, respectively. The amounts of losses on valuation on unlisted stocks and others, including investments in subsidiaries and affiliates were ¥1 million (US\$0 million) and ¥2,977 million, for the reporting periods ended September 30, 2025 and March 31, 2025, respectively.

Investment trusts which are accounted for in accordance with Paragraph 24-3 and 24-9 of “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, revised on June 17, 2021) are included in the tables above.

Investments in partnerships and others which are accounted for in accordance with Paragraph 24-16 of “Implementation Guidance on Accounting Standard for Fair Value Measurement” are not included in the tables above. The amounts of the investments in partnerships and others, reported in the non-consolidated balance sheets were ¥60,851 million (US\$408 million) and ¥58,131 million as of September 30, 2025 and as of March 31, 2025, respectively.

(2) Matters regarding securities and others by purpose of holding

i) Trading securities

Net unrealized gains (losses) on trading securities included in gains (losses) recorded were ¥3,133 million (US\$21 million) and ¥(205) million for the reporting periods ended September 30, 2025 and March 31, 2025.

ii) Held-to-maturity debt securities

The balance sheet amounts, fair values and the differences by type of securities as of September 30, 2025 and March 31, 2025 were as follows.

		Millions of Yen			
As of September 30, 2025		Type	Balance Sheet Amount	Fair Value	Difference
Fair value exceeds the balance sheet amount	Monetary claims bought	¥ 2,804	¥ 2,985	¥ 180	
	Domestic bonds	12,418	12,525	107	
	Foreign bonds	78,000	82,853	4,853	
	Subtotal	93,222	98,364	5,142	
Fair value does not exceed the balance sheet amount	Monetary claims bought	6,626	6,307	(319)	
	Domestic bonds	42,786	41,147	(1,639)	
	Foreign bonds	66,600	62,754	(3,845)	
	Subtotal	116,013	110,209	(5,803)	
Total		209,235	208,574	(661)	

		Millions of Yen			
As of March 31, 2025		Type	Balance Sheet Amount	Fair Value	Difference
Fair value exceeds the balance sheet amount	Monetary claims bought	¥ 3,267	¥ 3,480	¥ 212	
	Domestic bonds	10,603	10,758	155	
	Foreign bonds	81,000	86,365	5,365	
	Subtotal	94,871	100,604	5,733	
Fair value does not exceed the balance sheet amount	Monetary claims bought	6,449	6,174	(275)	
	Domestic bonds	46,829	45,432	(1,397)	
	Foreign bonds	63,600	60,552	(3,047)	
	Subtotal	116,878	112,159	(4,719)	
Total		211,750	212,763	1,013	

Millions of U.S. Dollars

As of September 30, 2025	Type	Balance Sheet Amount	Fair Value	Difference
Fair value exceeds the balance sheet amount	Monetary claims bought	\$ 18	\$ 20	\$ 1
	Domestic bonds	83	84	0
	Foreign bonds	523	556	32
	Subtotal	626	660	34
Fair value does not exceed the balance sheet amount	Monetary claims bought	44	42	(2)
	Domestic bonds	287	276	(11)
	Foreign bonds	447	421	(25)
	Subtotal	779	740	(38)
Total		1,405	1,400	(4)

iii) Policy-reserve-matching bonds

The balance sheet amounts, fair values and the differences by type of securities as of September 30, 2025 and March 31, 2025 were as follows.

Millions of Yen

As of September 30, 2025	Type	Balance Sheet Amount	Fair Value	Difference
Fair value exceeds the balance sheet amount	Domestic bonds	¥ 791,871	¥ 807,605	¥ 15,733
	Subtotal	791,871	807,605	15,733
Fair value does not exceed the balance sheet amount	Domestic bonds	1,437,863	986,856	(451,007)
	Subtotal	1,437,863	986,856	(451,007)
Total		2,229,735	1,794,461	(435,274)

Millions of Yen

As of March 31, 2025	Type	Balance Sheet Amount	Fair Value	Difference
Fair value exceeds the balance sheet amount	Domestic bonds	¥ 914,283	¥ 939,278	¥ 24,994
	Subtotal	914,283	939,278	24,994
Fair value does not exceed the balance sheet amount	Domestic bonds	1,317,042	957,375	(359,666)
	Subtotal	1,317,042	957,375	(359,666)
Total		2,231,326	1,896,654	(334,672)

Millions of U.S. Dollars

As of September 30, 2025	Type	Balance Sheet Amount	Fair Value	Difference
Fair value exceeds the balance sheet amount	Domestic bonds	\$ 5,318	\$ 5,424	\$ 105
	Subtotal	5,318	5,424	105
Fair value does not exceed the balance sheet amount	Domestic bonds	9,657	6,628	(3,029)
	Subtotal	9,657	6,628	(3,029)
Total		14,976	12,053	(2,923)

iv) Available-for-sale securities

The acquisition cost or amortized cost, the balance sheet amounts and the differences by type of securities as of September 30, 2025 and March 31, 2025 were as follows.

		Millions of Yen			
As of September 30, 2025	Type	Acquisition	Balance Sheet	Difference	
		Cost or Amortized Cost	Amount		
Balance sheet amount exceeds acquisition cost or amortized cost	Monetary claims bought	¥ 326	¥ 413	¥ 87	
	Domestic bonds	89,233	90,384	1,151	
	Domestic stocks	157,383	632,356	474,972	
	Foreign bonds	102,833	105,555	2,721	
	Others	290,776	341,728	50,951	
Subtotal		640,553	1,170,438	529,884	
Balance sheet amount does not exceed acquisition cost or amortized cost	Monetary claims bought	370	317	(52)	
	Domestic bonds	367,515	353,427	(14,088)	
	Domestic stocks	11,373	10,131	(1,242)	
	Foreign bonds	417,243	380,960	(36,283)	
	Others	155,675	143,009	(12,665)	
Subtotal		952,178	887,846	(64,331)	
Total		1,592,731	2,058,285	465,553	

		Millions of Yen			
As of March 31, 2025	Type	Acquisition	Balance Sheet	Difference	
		Cost or Amortized Cost	Amount		
Balance sheet amount exceeds acquisition cost or amortized cost	Monetary claims bought	¥ 337	¥ 428	¥ 90	
	Domestic bonds	67,728	68,633	905	
	Domestic stocks	145,859	499,601	353,741	
	Foreign bonds	16,545	16,789	243	
	Others	285,821	327,171	41,349	
Subtotal		516,293	912,623	396,330	
Balance sheet amount does not exceed acquisition cost or amortized cost	Monetary claims bought	377	335	(41)	
	Domestic bonds	398,484	383,496	(14,988)	
	Domestic stocks	21,550	19,008	(2,541)	
	Foreign bonds	412,406	371,881	(40,525)	
	Others	144,559	129,112	(15,446)	
Subtotal		977,378	903,835	(73,543)	
Total		1,493,671	1,816,459	322,787	

As of September 30, 2025		Type	Millions of U.S. Dollars		
			Acquisition Cost or Amortized Cost	Balance Sheet Amount	Difference
Balance sheet amount exceeds acquisition cost or amortized cost	Monetary claims bought		\$ 2	\$ 2	\$ 0
	Domestic bonds		599	607	7
	Domestic stocks		1,057	4,247	3,190
	Foreign bonds		690	708	18
	Others		1,953	2,295	342
	Subtotal		4,302	7,861	3,559
Balance sheet amount does not exceed acquisition cost or amortized cost	Monetary claims bought		2	2	(0)
	Domestic bonds		2,468	2,373	(94)
	Domestic stocks		76	68	(8)
	Foreign bonds		2,802	2,558	(243)
	Others		1,045	960	(85)
	Subtotal		6,395	5,963	(432)
Total			10,698	13,825	3,127

The amounts of impairment losses on available-for-sale securities were ¥1 million (US\$0 million) and ¥1 million for the reporting periods ended September 30, 2025 and March 31, 2025, respectively.

4. Matters Concerning Fair Value of Major Financial Instruments and Breakdown by Input Level

Fair values of financial instruments are categorized into the following three levels in accordance with the observability and significance of the inputs used to measure the fair value.

Level 1: Fair values measured by unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Fair values measured by inputs which are directly or indirectly observable other than Level 1 inputs

Level 3: Fair values measured by significant unobservable inputs

When several inputs that have significant impact on fair value measurement are used and those inputs are categorized into different levels, the fair value is categorized into the lowest priority level for fair value measurement among the levels to which each of the inputs belongs.

(1) Financial assets and liabilities recorded at fair values on the semiannual non-consolidated balance sheet as of September 30, 2025 and non-consolidated balance sheet as of March 31, 2025

As of September 30, 2025	Fair Value					Millions of Yen	
	Level 1		Level 2		Level 3		
	¥	—	¥	—	¥	731	
Monetary claims bought	¥	—	¥	—	¥	731	¥ 731
Available-for-sale securities	—	—	—	—	731	731	731
Securities *1	756,772		1,106,326		53,321		1,916,420
Trading securities	—		30,744		—		30,744
Others	—		30,744		—		30,744
Available-for-sale securities	756,772		1,075,582		53,321		1,885,676
National government bonds and local government bonds	31,880		403		—		32,283
Corporate bonds	—		411,528		—		411,528
Domestic stocks	642,487		—		—		642,487
Foreign bonds	—		433,194		53,321		486,515
Others	82,405		230,455		—		312,861
Total assets	756,772		1,106,326		54,052		1,917,152
Derivative financial instruments *2	(1)		(5,725)		—		(5,726)
Currency-related	—		(5,725)		—		(5,725)
Stock-related	(1)		—		—		(1)

*1 Investment trusts which are accounted for in accordance with Paragraph 24-3 and 24-9 of “Implementation Guidance on Accounting Standard for Fair Value Measurement” are not included in the table above. The amount of the investment trusts which are accounted for in accordance with Paragraph 24-3 of the implementation guidance, reported in the semiannual non-consolidated balance sheet was ¥166,532 million (US\$1,118 million) as of September 30, 2025. The amount of the investment trusts which are accounted for in accordance with Paragraph 24-9 of the implementation guidance, reported in the semiannual non-consolidated balance sheet was ¥5,344 million (US\$35 million) as of September 30, 2025.

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

As of March 31, 2025	Fair Value					Millions of Yen
	Level 1		Level 2		Level 3	
	¥	—	¥	—	¥	¥
Monetary claims bought	—	—	—	—	764	764
Available-for-sale securities	—	—	—	—	764	764
Securities *1	618,913		1,035,639		21,042	1,675,595
Trading securities	—		28,325		—	28,325
Others	—		28,325		—	28,325
Available-for-sale securities	618,913		1,007,313		21,042	1,647,269
National government bonds and local government bonds	21,622		616		—	22,239
Corporate bonds	—		429,890		—	429,890
Domestic stocks	518,610		—		—	518,610
Foreign bonds	—		367,628		21,042	388,670
Others	78,680		209,178		—	287,859
Total assets	618,913		1,035,639		21,806	1,676,359
Derivative financial instruments *2	—		(1,956)		—	(1,956)
Currency-related	—		(1,956)		—	(1,956)

*1 Investment trusts which are accounted for in accordance with Paragraph 24-3 and 24-9 of “Implementation Guidance on Accounting Standard for Fair Value Measurement” are not included in the table above. The balance sheet amount of the investment trusts which are accounted for in accordance with Paragraph 24-3 of the implementation guidance, was ¥163,120 million as of March 31, 2025. The balance sheet amount of the investment trusts which are accounted for in accordance with Paragraph 24-9 of the implementation guidance, was ¥5,304 million as of March 31, 2025.

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

As of September 30, 2025	Fair Value				Millions of U.S. Dollars
	Level 1	Level 2	Level 3	Total	
	\$	\$	\$	\$	
Monetary claims bought	—	—	4	4	
Available-for-sale securities	—	—	4	4	
Securities *1	5,083	7,430	358	12,872	
Trading securities	—	206	—	206	
Others	—	206	—	206	
Available-for-sale securities	5,083	7,224	358	12,665	
National government bonds and local government bonds	214	2	—	216	
Corporate bonds	—	2,764	—	2,764	
Domestic stocks	4,315	—	—	4,315	
Foreign bonds	—	2,909	358	3,267	
Others	553	1,547	—	2,101	
Total assets	5,083	7,430	363	12,877	
Derivative financial instruments *2	(0)	(38)	—	(38)	
Currency-related	—	(38)	—	(38)	
Stock-related	(0)	—	—	(0)	

*1 Investment trusts which are accounted for in accordance with Paragraph 24-3 and 24-9 of “Implementation Guidance on Accounting Standard for Fair Value Measurement” are not included in the table above. The amount of the investment trusts which are accounted for in accordance with Paragraph 24-3 of the implementation guidance, reported in the semiannual non-consolidated balance sheet was ¥166,532 million (US\$1,118 million) as of September 30, 2025. The amount of the investment trusts which are accounted for in accordance with Paragraph 24-9 of the implementation guidance, reported in the semiannual non-consolidated balance sheet was ¥5,344 million (US\$35 million) as of September 30, 2025.

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

i) Investment trusts which are accounted for in accordance with Paragraph 24-3 and 24-9 of “Implementation Guidance on Accounting Standard for Fair Value Measurement”

a) Reconciliation between the beginning and ending balance, and net unrealized gains (losses) recognized as gains (losses) for the reporting periods ended September 30, 2025 and March 31, 2025, of the investment trusts which are accounted for in accordance with Paragraph 24-3 of “Implementation Guidance on Accounting Standard for Fair Value Measurement”

	Millions of Yen		Millions of U.S. Dollars
	For the six months ended September 30, 2025	For the fiscal year ended March 31, 2025	For the six months ended September 30, 2025
Balance at the beginning of the reporting period	¥163,120	¥161,421	\$1,095
Gains (losses) and net unrealized gains (losses) on available-for-sale securities, net of tax recorded for the reporting period:	925	(567)	6
Gains (losses) recorded for the reporting period *	810	(1)	5
Net unrealized gains (losses) on available-for-sale securities, net of tax recorded for the reporting period	114	(566)	0
Net amount of purchase, sale and redemption	2,486	2,266	16
Amount of investment trusts whose NAV is deemed as market value	—	—	—
Amount of investment trusts whose NAV is not deemed as market value	—	—	—
Balance at the end of the reporting period	166,532	163,120	1,118
Net unrealized gains (losses) on investment trusts held at the balance sheet date among the amount recorded to gains (losses) for the reporting period *	810	(1)	5

* Those amounts are included in investment income and investment expenses in the semiannual non-consolidated statement of income for the six months ended September 30, 2025 and non-consolidated statement of income for the fiscal year ended March 31, 2025.

b) Breakdown of balance by restriction on cancellation as of the end of reporting periods

	Millions of Yen		Millions of U.S. Dollars
	As of September 30, 2025	As of March 31, 2025	As of September 30, 2025
Investment trusts which need more than 1 month to cancel from the notification of cancellation	¥ 28,705	¥ 34,739	\$192
Other than above	137,827	128,381	925

c) Reconciliation between the beginning and ending balance, and net unrealized gains (losses) recognized as gains (losses) for the reporting periods ended September 30, 2025 and March 31, 2025, of the investment trusts which are accounted for in accordance with Paragraph 24-9 of "Implementation Guidance on Accounting Standard for Fair Value Measurement"

	Millions of Yen		Millions of U.S. Dollars
	For the six months ended September 30, 2025	For the fiscal year ended March 31, 2025	For the six months ended September 30, 2025
Balance at the beginning of the reporting period	¥5,304	¥5,227	\$35
Gains (losses) and net unrealized gains (losses) on available-for-sale securities, net of tax recorded for the reporting period:			
Gains (losses) recorded for the reporting period *	40	77	0
Net unrealized gains (losses) on available-for-sale securities, net of tax recorded for the reporting period	40	77	0
Net amount of purchase, sale and redemption	(0)	(0)	(0)
Amount of investment trusts whose NAV is deemed as market value	—	—	—
Amount of investment trusts whose NAV is not deemed as market value	—	—	—
Balance at the end of the reporting period	5,344	5,304	35
Net unrealized gains (losses) on investment trusts held at the balance sheet date among the amount recorded to gains (losses) for the reporting period *	—	—	—

* Those amounts are included in investment income and investment expenses in the semiannual non-consolidated statement of income for the six months ended September 30, 2025 and non-consolidated statement of income for the fiscal year ended March 31, 2025.

(2) Financial assets and liabilities not recorded at fair values on the semiannual non-consolidated balance sheet as of September 30, 2025 and non-consolidated balance sheet as of March 31, 2025

As of September 30, 2025	Fair Value				Millions of Yen
	Level 1	Level 2	Level 3	Total	
	¥	¥	¥	¥	
Monetary claims bought	¥ –	¥ 9,009	¥ 282	¥ 9,292	
Held-to-maturity debt securities	–	9,009	282	9,292	
Securities	1,469,334	378,800	145,608	1,993,743	
Held-to-maturity debt securities	–	53,673	145,608	199,281	
Corporate bonds	–	53,673	–	53,673	
Foreign bonds	–	–	145,608	145,608	
Policy-reserve-matching bonds	1,469,334	325,126	–	1,794,461	
National government bonds and local government bonds	1,469,334	36,063	–	1,505,398	
Corporate bonds	–	289,063	–	289,063	
Loans	–	–	302,903	302,903	
Policy loans	–	–	26,057	26,057	
Industrial and consumer loans	–	–	276,846	276,846	
Total assets	1,469,334	387,810	448,794	2,305,939	
Bonds payable	–	101,016	–	101,016	
Loans payable	–	–	46,781	46,781	
Total liabilities	–	101,016	46,781	147,797	

As of March 31, 2025	Fair Value				Millions of Yen
	Level 1	Level 2	Level 3	Total	
	¥	¥	¥	¥	
Monetary claims bought	¥ –	¥ 9,342	¥ 311	¥ 9,654	
Held-to-maturity debt securities	–	9,342	311	9,654	
Securities	1,545,981	406,863	146,918	2,099,763	
Held-to-maturity debt securities	–	56,190	146,918	203,109	
Corporate bonds	–	56,190	–	56,190	
Foreign bonds	–	–	146,918	146,918	
Policy-reserve-matching bonds	1,545,981	350,672	–	1,896,654	
National government bonds and local government bonds	1,545,981	37,821	–	1,583,803	
Corporate bonds	–	312,850	–	312,850	
Loans	–	–	302,751	302,751	
Policy loans	–	–	27,081	27,081	
Industrial and consumer loans	–	–	275,670	275,670	
Total assets	1,545,981	416,205	449,981	2,412,169	
Bonds payable	–	100,504	–	100,504	
Loans payable	–	–	47,148	47,148	
Total liabilities	–	100,504	47,148	147,653	

As of September 30, 2025	Fair Value				Millions of U.S. Dollars
	Level 1	Level 2	Level 3	Total	
Monetary claims bought	\$ –	\$ 60	\$ 1	\$ 62	
Held-to-maturity debt securities	–	60	1	62	
Securities	9,869	2,544	978	13,391	
Held-to-maturity debt securities	–	360	978	1,338	
Corporate bonds	–	360	–	360	
Foreign bonds	–	–	978	978	
Policy-reserve-matching bonds	9,869	2,183	–	12,053	
National government bonds and local government bonds	9,869	242	–	10,111	
Corporate bonds	–	1,941	–	1,941	
Loans	–	–	2,034	2,034	
Policy loans	–	–	175	175	
Industrial and consumer loans	–	–	1,859	1,859	
Total assets	9,869	2,604	3,014	15,488	
Bonds payable	–	678	–	678	
Loans payable	–	–	314	314	
Total liabilities	–	678	314	992	

(3) Description of the evaluation methods and inputs used to measure fair value

i) Securities including monetary claims bought which are treated as securities based on “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10)

Fair values of securities for which unadjusted quoted market prices in active markets are available are categorized as Level 1, which mainly include listed stocks, listed investment trusts and government bonds. In the case the market is inactive even if the quoted market price is available, those securities are categorized as Level 2, which mainly include corporate bonds and foreign bonds. In the case the quoted market price is not available, fair values are measured by evaluation methods such as discounting future cash flows. In evaluation, the Company maximizes the use of observable inputs including swap rates, interest rate swap spreads, currency basis and others. When significant unobservable inputs are used to measure fair values, those securities are categorized as Level 3.

The fair value of unlisted investment trusts, which have no restriction on cancellation that is significant enough to require compensation for risk from market participants, are based on the quoted prices and others offered by counterparty financial institutions and categorized as level 2.

ii) Loans

As credit exposure for policy loans without specific repayment periods is limited to the amount of the cash surrender value, the Company considers book value as fair value with assumption that fair value approximates book value in light of factors such as projected repayment period and interest terms. Policy loans are categorized as level 3.

As for industrial and consumer loans, the fair value of loans is stated at theoretical prices calculated by discounting the future cash flows to the present value by type of loan, using market interest rates with some adjustments based on internal credit rating. Industrial and consumer loans are categorized as level 3. The fair value of loans to legally bankrupt borrowers, substantially bankrupt borrowers and borrowers with high possibility of bankruptcy is stated at the amounts by deducting estimated losses from the book value before direct write-offs. Loans to legally bankrupt borrowers, substantially bankrupt borrowers and

borrowers with high possibility of bankruptcy are categorized as level 3.

iii) Bonds payable

The fair value of bonds payable issued by the Company is stated at fair market value. Bonds payable issued by the Company are categorized as level 2. The fair value of bonds payable for which designated hedge accounting (“Furiate-shori”) for currency swaps are applied is stated at fair market value added by the fair value of currency swaps. The Company adopts prices obtained from external information vendors as the fair value of currency swaps.

iv) Loans payable

As for loans payable, the fair value of loans is stated at theoretical prices calculated by discounting the future cash flows to the present value, using market interest rates with some adjustments based on the Company’s credit risk. Loans payable are categorized as level 3.

v) Derivative financial instruments

Fair values of derivative financial instruments for which unadjusted quoted market prices in active markets are available are categorized as Level 1, which include equity options and stock index futures. However, since most derivative financial instruments are over-the-counter derivative transactions and there are no quoted market prices, the fair values of foreign currency forward contracts are stated at theoretical prices calculated by the Company based on the TTM at the balance sheet date. The fair values of currency options are stated at the quoted prices obtained from external information vendors.

In evaluation of derivative financial instruments, the Company maximizes the use of observable inputs. In the case unobservable inputs are not used or impact of unobservable inputs are not material, derivative financial instruments are categorized as level 2. In the case significant unobservable inputs are used, derivative financial instruments are categorized as level 3.

(4) Quantitative information about financial assets and liabilities measured and stated in the semiannual non-consolidated balance sheet as of September 30, 2025 and non-consolidated balance sheet as of March 31, 2025 at fair value and categorized as Level 3

i) Quantitative information on significant unobservable inputs

Quoted prices obtained from third parties are used for fair values categorized as level 3 without adjustment.

ii) Reconciliation between the beginning and ending balance, and net unrealized gains (losses) recognized as gains (losses) for the reporting period

For the six months ended September 30, 2025	Millions of Yen		
	Monetary claims bought	Securities	Total (i) + (ii)
	Available-for- sale securities	Available-for- sale securities	
	Others	Foreign bonds	
	(i)	(ii)	
Beginning balance	¥764	¥21,042	¥21,806
Gains (losses) and net unrealized gains (losses) on available-for-sale securities, net of tax recorded for the interim period:	(24)	278	254
Gains (losses) recorded for the interim period *	(10)	278	268
Net unrealized gains (losses) on available-for-sale securities, net of tax recorded for the interim period	(14)	(0)	(14)
Net amount of purchase, sale, issue and settlement	(7)	32,000	31,992
Transfer to fair values of Level 3	—	—	—
Transfer from fair values of Level 3	—	—	—
Ending balance	731	53,321	54,052
Net unrealized gains (losses) on financial assets and liabilities held at the balance sheet date among the amount recorded to gains (losses) for the interim period *	(10)	278	268

* Those amounts are included in investment income and investment expenses in the semiannual non-consolidated statement of income.

		Millions of Yen			
		Monetary claims bought	Securities	Derivative financial instruments	
For the year ended March 31, 2025		Available-for- sale securities	Available-for- sale securities	Total (i) + (ii)	
		Others (i)	Foreign bonds (ii)	Stock-related	
Beginning balance		¥855	¥ 32,062	¥ 32,918	¥ 1
Gains (losses) and net unrealized gains (losses) on available-for-sale securities, net of tax recorded for the fiscal year:					
Gains (losses) recorded for the fiscal year *		(72)	3,952	3,880	681
Net unrealized gains (losses) on available-for-sale securities, net of tax recorded for the fiscal year		(20)	1,190	1,170	681
Net amount of purchase, sale, issue, and settlement		(51)	2,761	2,709	—
Transfer to fair values of Level 3		(19)	(14,972)	(14,991)	(683)
Transfer from fair values of Level 3		—	—	—	—
Ending balance		764	21,042	21,806	—
Net unrealized gains (losses) on financial assets and liabilities held at the balance sheet date among the amount recorded to gains (losses) for the fiscal year *		(20)	1,190	1,170	—

* Those amounts are included in investment income and investment expenses in the non-consolidated statement of income.

		Millions of U.S. Dollars		
		Monetary claims bought	Securities	
For the six months ended September 30, 2025		Available-for- sale securities	Available-for- sale securities	Total (i) + (ii)
		Others	Foreign bonds	
		(i)	(ii)	
Beginning balance		\$ 5	\$ 141	\$ 146
Gains (losses) and net unrealized gains (losses) on available-for-sale securities, net of tax recorded for the interim period:				
Gains (losses) recorded for the interim period *		(0)	1	1
Net unrealized gains (losses) on available-for-sale securities, net of tax recorded for the interim period		(0)	1	1
Net amount of purchase, sale, issue and settlement		(0)	214	214
Transfer to fair values of Level 3		—	—	—
Transfer from fair values of Level 3		—	—	—
<u>Ending balance</u>		4	358	363
Net unrealized gains (losses) on financial assets and liabilities held at the balance sheet date among the amount recorded to gains (losses) for the interim period *		(0)	1	1

* Those amounts are included in investment income and investment expenses in the semiannual non-consolidated statement of income.

iii) Description of the fair value evaluation process

The Company establishes policies and procedures for measuring the fair value in the actuarial and accounting department and the risk management department. In accordance with these policies and procedures, the risk management department measures the fair value. The validity of the evaluation methods and inputs used to measure fair value and the appropriateness of categorization of fair value are verified in the independent division in the risk management department.

In fair value measurement, valuation models in which the nature, characteristics and risks of individual assets are most appropriately reflected are used. In addition, when quoted prices obtained from third parties are used, the validity of the prices is verified by appropriate methods such as confirmation of evaluation method and used inputs and comparison with the fair values of similar financial instruments.

5. Investments and Rental Properties

The fair values of investment and rental properties are omitted because there have been no significant changes compared with the corresponding fair values at the end of the previous fiscal year.

6. Securities Lent under Lending Agreements

The amounts of securities lent under lending agreements were ¥417,863 million (US\$2,806 million) and ¥319,110 million as of September 30, 2025 and as of March 31, 2025, respectively.

7. Claims

The total amounts of claims against bankrupt and quasi-bankrupt obligors, claims with collection risk, delinquent loans three or more months past due and restructured loans, which were included in claims, were ¥488 million (US\$3 million) and ¥458 million as of September 30, 2025 and as of March 31, 2025, respectively.

- i) Claims against bankrupt and quasi-bankrupt obligors were ¥397 million (US\$2 million) and ¥386 million as of September 30, 2025 and as of March 31, 2025, respectively.
- ii) As of September 30, 2025 and as of March 31, 2025, the Company does not have claims with collection risk.
- iii) Delinquent loans three or more months past due were ¥71 million (US\$0 million) and ¥51 million as of September 30, 2025 and as of March 31, 2025, respectively.
- iv) Restructured loans were ¥20 million (US\$0 million) and ¥20 million as of September 30, 2025 and as of March 31, 2025, respectively.

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

Claims with collection risk are claims to obligors with deteriorated financial condition and results of operations from which it is unlikely that the principal and interest on the claims will be recovered, excluding those claims classified as claims against bankrupt and quasi-bankrupt obligors.

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

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

The direct write-offs related to claims decreased the amounts of claims against bankrupt and quasi-bankrupt obligors described above by ¥2 million (US\$0 million) and ¥2 million as of September 30, 2025 and as of March 31, 2025, respectively.

8. Separate Accounts

Total assets in separate accounts provided for in Article 118 of the Insurance Business Act were ¥31,028 million (US\$208 million) and ¥28,712 million as of September 30, 2025 and as of March 31, 2025, respectively. The amounts of separate account liabilities were the same as separate account assets.

9. Reserve for Dividends to Policyholders

The changes in reserve for dividends to policyholders for the reporting periods ended September 30, 2025 and March 31, 2025 were as follows:

	Millions of Yen		Millions of U.S. Dollars
	For the six months ended September 30, 2025	For the fiscal year ended March 31, 2025	For the six months ended September 30, 2025
Balance at the beginning of the reporting period	¥25,270	¥26,064	\$169
Transfer to reserve from surplus in the previous fiscal year	3,359	2,896	22
Dividends to policyholders paid out during the reporting period	1,791	3,693	12
Increase in interest	1	3	0
Balance at the end of the reporting period	¥26,839	¥25,270	\$180

10. Stocks of Subsidiaries and Affiliates

The amounts of stocks of subsidiaries and affiliates the Company held were ¥62,897 million (US\$422 million) and ¥64,857 million as of September 30, 2025 and as of March 31, 2025, respectively.

11. Pledged Assets

Assets pledged as collateral were securities in the amount of ¥423,860 million (US\$2,846 million) and ¥322,655 million as of September 30, 2025 and as of March 31, 2025, respectively.

12. Policy Reserves for the Reinsurance Contracts

Reserves for outstanding claims for the reinsurance contracts provided in accordance with Article 73, Paragraph 3 of the Enforcement Regulation of the Insurance Business Act which applies mutatis mutandis to Article 71, Paragraph 1 of the Enforcement Regulation of the Insurance Business Act (hereinafter “reserve for outstanding claims for ceded reinsurance”) were ¥10 million (US\$0 million) and ¥7 million as of September 30, 2025 and as of March 31, 2025, respectively. Policy reserves for the reinsurance contracts provided in accordance with Article 71, Paragraph 1 of the Enforcement Regulation of the Insurance Business Act (hereinafter “policy reserves for ceded reinsurance”) were ¥233 million (US\$1 million) and ¥320 million as of September 30, 2025 and as of March 31, 2025, respectively.

13. Redemption of Foundation funds

Accompanying the redemption of foundation funds totaling ¥40,000 million (US\$268 million), the Company transferred the same amount from reserve for fund redemption to reserve for redemption of foundation funds in accordance with Article 56 of the Insurance Business Act.

14. Assets with Rights to Sell

The Company has the legal right to sell or collateralize securities borrowed under loan agreements. The market values of these assets that were not sold or pledged as collateral were ¥44,084 million (US\$296 million) and ¥44,850 million as of September 30, 2025 and as of March 31, 2025, respectively. No assets were pledged as collateral as of September 30, 2025 and as of March 31, 2025.

15. Commitment Line

As of September 30, 2025 and as of March 31, 2025, there were unused commitment line agreements and others under which the Company is the lender of ¥6,819 million (US\$45 million) and ¥7,690 million, respectively.

16. Subordinated Bonds Payable

As of September 30, 2025 and as of March 31, 2025, bonds payable are subordinated bonds payable, for which the repayments are subordinated to other obligations.

17. Subordinated Loans Payable

As of September 30, 2025 and as of March 31, 2025, other liabilities included subordinated loans payable of ¥44,000 million (US\$295 million) and ¥44,000 million, respectively, for which the repayments are subordinated to other obligations.

18. Significant Subsequent Events

On December 1, 2025, the Company entered into an agreement with The Manufacturers Life Insurance Company to commence procedures for the acquisition of all issued shares of the Vietnamese life insurance company, MVI Life Co. Ltd (“MVI Life”).

(1) Background and purpose of the acquisition

The Company intends to expand further into overseas markets, particularly in Asia.

In 2017, the Company began consulting services in Vietnam, and in 2023, established a local subsidiary in Ho Chi Minh City, accelerating business expansion through an insurance agency business focused on face-to-face sales. Utilizing the knowledge and experience accumulated in Vietnam, the Company regards this acquisition as a critical step toward commencing its overseas life insurance underwriting, and decided to make MVI Life a wholly owned subsidiary.

Starting with this acquisition, in the Asian market, the Company aims to establish a stable revenue foundation for Asahi Life Group’s sustainable growth by offering products and services leveraging its accumulated expertise.

(2) Overview of the business combination

- i) Name and business of the acquiree
 - Name of the acquiree: MVI Life Co. Ltd
 - Business: Life insurance business

- ii) Schedule of business combination

Premised on such conditions as the approvals of regulatory authorities in Japan and Vietnam, the acquisition is expected to be completed during the fiscal year ending March 31, 2027.

- ii) Legal form of the business combination

Acquisition of shares for cash consideration

(3) Acquisition cost and breakdown by type of consideration

Consideration for share acquisition: Cash

Approximately US\$170 million

III. Notes to Semiannual Non-consolidated Statements of Income

1. Investment Income and Expenses

The major components of gains on sales of securities were as follows:

For the six months ended September 30	Millions of Yen		Millions of U.S. Dollars
	2025	2024	
Domestic bonds	¥ 213	¥3,000	\$ 1
Domestic stocks and other securities	11,836	3,233	79
Foreign securities	60	1,173	0

The major components of losses on sales of securities were as follows:

For the six months ended September 30	Millions of Yen		Millions of U.S. Dollars
	2025	2024	
Domestic bonds	¥2,399	¥ 934	\$16
Domestic stocks and other securities	1,770	2,198	11
Foreign securities	572	2,674	3

The major components of losses on valuation of securities were as follows:

For the six months ended September 30	Millions of Yen		Millions of U.S. Dollars
	2025	2024	
Domestic stocks and other securities	¥1	¥4	\$0
Foreign securities	—	1	—

2. Policy Reserves for the Reinsurance Contracts

Provision for reserve for outstanding claims for ceded reinsurance, which was added in calculating reversal of reserve for outstanding claims for the interim period ended September 30, 2025 and 2024 was ¥2 million (US\$0 million) and ¥4 million, respectively.

Reversals of policy reserves for ceded reinsurance, which were deducted in calculating reversal of policy reserves for the interim periods ended September 30, 2025 and 2024 were ¥86 million (US\$0 million) and ¥82 million, respectively.

3. Interest and Dividend Income

The breakdown of interest, dividends and other income was as follows:

For the six months ended September 30	Millions of Yen		Millions of U.S. Dollars
	2025	2024	
Interest on deposits	¥ 8	¥ 0	\$ 0
Interest and dividends on securities	57,273	55,725	384
Interest on loans	2,883	3,334	19
Rent revenue from real estate	7,752	7,965	52
Other interest and dividends	317	465	2
Total	¥68,235	¥67,491	\$458

4. Income Tax Expense

The simplified method is applied for tax effect accounting to calculate income tax expense for the interim period ended September 30. Therefore, deferred taxes are included in income taxes.