

Financial Results for the Nine Months Ended December 31, 2024

The Neo First Life Insurance Company, Limited (the “Company”; President: Takashi Uehara) announces its financial results for the nine months ended December 31, 2024.

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* Please note that this is an unofficial translation of the original disclosure in Japanese.

1. Business Highlights

(1) Annualized Net Premiums

- Policies in Force

(millions of yen except percentages)

	As of March 31, 2024	As of December 31, 2024	% of March 31, 2024 total
Individual insurance	100,080	98,717	98.6
Individual annuities	45	58	127.4
Total	100,126	98,776	98.7
Medical and survival benefits	49,078	53,589	109.2

- New Policies

(millions of yen except percentages)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	% of December 31, 2023 total
Individual insurance	9,710	9,075	93.5
Individual annuities	—	—	—
Total	9,710	9,075	93.5
Medical and survival benefits	7,479	7,384	98.7

- Notes: 1. Annualized net premiums are calculated by using multipliers for various premium payment terms to the premium per payment.
2. Annualized net premium for medical and survival benefits includes (a) premiums related to medical benefits such as hospitalization and surgery benefits, (b) premiums related to survival benefits such as specific illness, and (c) premiums related to premium waiver benefits.

(2) Sum Insured of Policies in Force and New Policies

- Policies in Force

	As of March 31, 2024		As of December 31, 2024			
	Number of policies (thousands)	Amount (billions of yen)	Number of policies (thousands)		Amount (billions of yen)	
				% of March 31, 2024 total		% of March 31, 2024 total
Individual insurance	891	1,900.5	1,012	113.6	1,939.8	102.1
Individual annuities	0	0.7	0	128.2	0.8	117.2
Group insurance	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—

Note: The amount of individual annuities shows policy reserves for policies after the commencement of annuities.

- New Policies

	Nine months ended December 31, 2023				Nine months ended December 31, 2024					
	Number of policies (thousands)	Amount (billions of yen)			Number of policies (thousands)		Amount (billions of yen)			
			New business	Net increase by conversions		% of December 31, 2023 total		% of December 31, 2023 total	New business	Net increase by conversions
Individual insurance	150	252.5	252.5	—	162	108.0	240.5	95.3	240.5	—
Individual annuities	—	—	—	—	—	—	—	—	—	—
Group insurance	—	—	—	—	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—	—	—	—	—

2. Investment Results of General Account

(1) Asset Composition

(millions of yen except percentages)

	As of March 31, 2024		As of December 31, 2024	
	Carrying amount	%	Carrying amount	%
Cash, deposits, and call loans	172,756	50.4	85,289	25.0
Securities repurchased under resale agreements	—	—	—	—
Deposit paid for securities borrowing transactions	—	—	—	—
Monetary claims bought	—	—	—	—
Trading account securities	—	—	—	—
Money held in trust	—	—	—	—
Securities	111,078	32.4	188,512	55.3
Domestic bonds	104,525	30.5	183,393	53.8
Domestic stocks	1,453	0.4	820	0.2
Foreign securities	5,099	1.5	4,298	1.3
Foreign bonds	5,099	1.5	4,298	1.3
Foreign stocks and other securities	—	—	—	—
Other securities	—	—	—	—
Loans	1,657	0.5	1,760	0.5
Real estate	205	0.1	196	0.1
Deferred tax assets	1,443	0.4	1,637	0.5
Others	55,464	16.2	63,769	18.7
Reserve for possible loan losses	(2)	(0.0)	(3)	(0.0)
Total	342,602	100.0	341,164	100.0
Foreign currency-denominated assets	—	—	—	—

Note: The amounts of buildings were posted for real estate.

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

(millions of yen)

		As of March 31, 2024					As of December 31, 2024				
		Book value	Fair value	Gains (losses)			Book value	Fair value	Gains (losses)		
				Gains	Losses				Gains	Losses	
	Held-to-maturity bonds	109,528	104,718	(4,809)	25	4,835	177,697	170,322	(7,375)	—	7,375
	Policy-reserve-matching bonds	—	—	—	—	—	—	—	—	—	—
	Stocks of subsidiaries and affiliated companies	—	—	—	—	—	—	—	—	—	—
	Available-for-sale securities	1,694	1,550	(144)	159	304	11,630	10,814	(815)	—	815
	Domestic bonds	—	—	—	—	—	9,937	9,897	(40)	—	40
	Domestic stocks	1,594	1,453	(141)	159	300	1,592	820	(772)	—	772
	Foreign securities	100	96	(3)	—	3	100	97	(2)	—	2
	Foreign bonds	100	96	(3)	—	3	100	97	(2)	—	2
	Foreign stocks and other securities	—	—	—	—	—	—	—	—	—	—
	Other securities	—	—	—	—	—	—	—	—	—	—
	Monetary claims bought	—	—	—	—	—	—	—	—	—	—
	Certificates of deposit	—	—	—	—	—	—	—	—	—	—
	Others	—	—	—	—	—	—	—	—	—	—
Total		111,222	106,268	(4,954)	185	5,139	189,328	181,137	(8,191)	—	8,191
	Domestic bonds	104,525	99,751	(4,773)	25	4,799	183,433	176,063	(7,370)	—	7,370
	Domestic stocks	1,594	1,453	(141)	159	300	1,592	820	(772)	—	772
	Foreign securities	5,102	5,063	(39)	—	39	4,301	4,252	(48)	—	48
	Foreign bonds	5,102	5,063	(39)	—	39	4,301	4,252	(48)	—	48
	Foreign stocks and other securities	—	—	—	—	—	—	—	—	—	—
	Other securities	—	—	—	—	—	—	—	—	—	—
	Monetary claims bought	—	—	—	—	—	—	—	—	—	—
	Certificates of deposit	—	—	—	—	—	—	—	—	—	—
	Others	—	—	—	—	—	—	—	—	—	—

Note: The table above includes assets which are considered appropriate to handle as securities as defined in the Financial Instruments and Exchange Act.

- Book value of stocks without market value and associations, etc.:
Not applicable.

(3) Fair Value Information on Money Held in Trust

Not applicable.

3. Unaudited Quarterly Non-Consolidated Balance Sheet

(millions of yen)

	As of March 31, 2024 (Summarized)	As of December 31, 2024
	Amount	Amount
(ASSETS)		
Cash and deposits	172,756	85,289
Securities	111,078	188,512
[Government bonds]	[6,102]	[45,858]
[Corporate bonds]	[98,422]	[137,534]
[Domestic stocks]	[1,453]	[820]
[Foreign securities]	[5,099]	[4,298]
Loans	1,657	1,760
Policy loans	1,657	1,760
Tangible fixed assets	346	323
Intangible fixed assets	10,891	11,165
Reinsurance receivables	33,274	40,077
Other assets	11,157	12,401
Deferred tax assets	1,443	1,637
Reserve for possible loan losses	(2)	(3)
Total assets	342,602	341,164
(LIABILITIES)		
Policy reserves and others	296,728	299,933
Reserves for outstanding claims	28,403	28,630
Policy reserves	268,325	271,302
Reinsurance payables	3,934	3,704
Other liabilities	6,163	4,916
Corporate income tax payable	16	18
Other liabilities	6,147	4,897
Reserve for price fluctuations	15	18
Total liabilities	306,841	308,572
(NET ASSETS)		
Capital stock	47,599	47,599
Capital surplus	39,599	39,599
Legal capital surplus	39,599	39,599
Retained earnings	(51,330)	(53,999)
Other retained earnings	(51,330)	(53,999)
Retained earnings brought forward	(51,330)	(53,999)
Total shareholders' equity	35,867	33,198
Net unrealized gains (losses) on securities, net of tax	(107)	(606)
Total of valuation and translation adjustments, etc.	(107)	(606)
Total net assets	35,760	32,591
Total liabilities and net assets	342,602	341,164

4. Unaudited Quarterly Non-Consolidated Statement of Earnings

(millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
	Amount	Amount
ORDINARY REVENUES	247,494	105,442
Premium and other income	166,207	103,826
[Premium income]	[73,139]	[72,331]
[Reinsurance income]	[93,068]	[31,495]
Investment income	529	756
[Interest and dividends]	[529]	[756]
Other ordinary revenues	80,757	860
[Reversal of policy reserves]	[80,280]	[—]
ORDINARY EXPENSES	248,531	109,018
Benefits and claims	200,756	76,239
[Claims]	[1,142]	[1,405]
[Annuities]	[343]	[511]
[Benefits]	[9,038]	[10,535]
[Surrender values]	[92,600]	[32,056]
[Other refunds]	[4,563]	[1,625]
[Ceding reinsurance commissions]	[93,067]	[30,105]
Provision for policy reserves and others	19,239	3,204
Provision for reserves for outstanding claims	19,239	227
Provision for policy reserves	—	2,977
Investment expenses	358	1
[Interest expenses]	[0]	[0]
[Losses on valuation of securities]	[357]	[—]
Operating expenses	25,654	26,588
Other ordinary expenses	2,522	2,984
ORDINARY PROFIT (LOSS)	(1,037)	(3,575)
EXTRAORDINARY LOSSES	8	10
Losses on disposal of fixed assets	6	7
Provision for reserve for price fluctuations	1	3
Income (loss) before income taxes	(1,045)	(3,586)
Corporate income taxes - current	(4)	(895)
Corporate income taxes - deferred	(29)	(22)
Total of corporate income taxes	(33)	(917)
Net income (loss) for the period	(1,012)	(2,669)

Notes to the Unaudited Quarterly Non-Consolidated Balance Sheets

As of December 31, 2024
1. Dividends paid Not applicable.
2. Amounts are rounded off to the unit stated.

Notes to the Unaudited Quarterly Non-Consolidated Statements of Earnings

Nine months ended December 31, 2024
1. Net loss per share for the nine months ended December 31, 2024 was ¥643.18.
2. Amounts are rounded off to the unit stated.

5. Breakdown of Ordinary Profit (Fundamental Profit)

(millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Fundamental profit (loss) A	(429)	(3,489)
Capital gains	—	—
Gains on money held in trust	—	—
Gains on investment in trading securities	—	—
Gains on sale of securities	—	—
Derivative transaction gains	—	—
Foreign exchange gains	—	—
Others	—	—
Capital losses	357	—
Losses on money held in trust	—	—
Losses on investment in trading securities	—	—
Losses on sale of securities	—	—
Losses on valuation of securities	357	—
Derivative transaction losses	—	—
Foreign exchange losses	—	—
Others	—	—
Net capital gains (losses) B	(357)	—
Fundamental profit plus net capital gains (losses) A + B	(787)	(3,489)
Other one-time gains	—	—
Reinsurance income	—	—
Reversal of contingency reserve	—	—
Reversal of specific reserve for possible loan losses	—	—
Others	—	—
Other one-time losses	250	86
Ceding reinsurance commissions	—	—
Provision for contingency reserve	250	86
Provision for specific reserve for possible loan losses	0	0
Provision for specific reserve for loans to refinancing countries	—	—
Write-down of loans	—	—
Others	—	—
Other one-time profits (losses) C	(250)	(86)
Ordinary profit (loss) A + B + C	(1,037)	(3,575)

6. Solvency Margin Ratio

(millions of yen)

	As of March 31, 2024	As of December 31, 2024
Total solvency margin (A)	39,064	34,150
Common stock, etc.	35,867	33,198
Reserve for price fluctuations	15	18
Contingency reserve	1,662	1,748
General reserve for possible loan losses	—	—
(Net unrealized gains (losses) on securities (before tax) and deferred hedge gains (losses) (before tax)) × 90% (Multiplied by 100% if losses)	(144)	(815)
Net unrealized gains (losses) on real estate × 85% (Multiplied by 100% if losses)	—	—
Policy reserves in excess of surrender values	40,461	48,036
Qualifying subordinated debt	—	—
Excluded portion of policy reserve in excess of surrender values and qualifying subordinated debt	(38,798)	(48,036)
Excluded items	—	—
Others	—	—
Total risk $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	2,640	2,998
Insurance risk R ₁	718	724
3rd sector insurance risk R ₈	935	1,015
Assumed investment yield risk R ₂	6	6
Guaranteed minimum benefit risk R ₇	—	—
Investment risk R ₃	1,913	2,286
Business risk R ₄	107	120
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	2,958.5%	2,277.5%

Note: The figures as of March 31, 2024 are calculated based on Articles 86 and 87 of the Enforcement Regulations of the Insurance Business Act, and Announcement No. 50, Ministry of Finance, 1996.

The figures as of December 31, 2024 are calculated by using the method which is deemed appropriate taking the regulations and announcement above into account.

7. Status of Separate Account

Not applicable.

8. Consolidated Financial Summary

Not applicable.