[Unofficial Translation]

November 13, 2020

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President and Representative Director
Dai-ichi Life Holdings, Inc.
Code: 8750 (TSE First section)

Supplementary Materials for the Six Months Ended September 30, 2020
(The Neo First Life Insurance Company, Limited)

November 13, 2020

Financial Results for the Six Months Ended September 30, 2020

The Neo First Life Insurance Company, Limited (the "Company"; President: Yuji Tokuoka) announces its financial results for the six months ended September 30, 2020.

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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, 2020	As of September 30, 2020	% of March 31, 2020 total
Individual insurance	139,508	139,895	100.3
Individual annuities	10	12	125.6
Total	139,518	139,907	100.3
Medical and survival benefits	18,667	22,527	120.7

- New Policies (millions of yen except percentages)

	Six months ended September 30, 2019	Six months ended September 30, 2020	% of September 30, 2019 total
Individual insurance	4,374	5,514	126.1
Individual annuities	—	—	—
Total	4,374	5,514	126.1
Medical and survival benefits	4,058	4,414	108.8

(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 nursing benefits, and (c) premiums related to premium waiver benefits, in which the disability cause is excluded but causes such as specific illness and nursing care are included.

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

- Policies in Force

	As of March 31, 2020		As of September 30, 2020			
	Number of policies (thousands)	Amount (billions of yen)	Number of policies (thousands)		Amount (billions of yen)	
				% of March 31, 2020 total		% of March 31, 2020 total
Individual insurance	354	1,208.8	411	116.1	1,321.8	109.3
Individual annuities	0	0.1	0	125.0	0.2	117.3
Group insurance	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—

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

- New Policies

	Six months ended September 30, 2019				Six months ended September 30, 2020					
	Number of policies (thousands)	Amount (billions of yen)			Number of policies (thousands)		Amount (billions of yen)			
			New Business	Net increase by conversions		% of September 30, 2019 total		% of September 30, 2019 total	New Business	Net increase by conversions
Individual insurance	62	137.9	137.9	—	66	105.7	115.8	84.0	115.8	—
Individual annuities	—	—	—	—	—	—	—	—	—	—
Group insurance	—	—	—	—	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—	—	—	—	—

2. Investment of General Account Assets for the Six Months Ended September 30, 2020

(1) Investment Environment

- During the six months ended September 30, 2020, the Japanese economy fell sharply by the spread of COVID-19. However, it recovered to a certain extent due to the ease of self-restraint after lifting the state of emergency and the government's fiscal supports.In the U.S. economy, consumer spending fell sharply mainly due to city-wide lockdown caused by the spread of COVID-19, but the economy is recovering as the restrictions on economic activities ease.
- In Europe, they suppressed the spread of infection relatively early, and their policy responses, such as the establishment of the Reconstruction Fund, were highly evaluated. However, the trend of recovering after the economy fell sharply was the same.
- Given the economic environment described above, the investment environment was as follows:

[Domestic interest rates]

- The yield on 10-year JGBs remained at low levels because the policy interest rate remained unchanged and the BOJ's QQE with Yield Curve Control continued although it strengthened monetary easing against the economic downturn caused by the spread of COVID-19. However, interest rates for maturities longer than 10 years rose mainly because of the increase in JGB issuance due to fiscal expansion.

Yield on ten-year government bonds:	April 1, 2020	0.010%
	September 30, 2020	0.010%

[Domestic Stocks]

- The Nikkei 225 Stock Average fell sharply toward the end of March due to the economic downturn caused by the spread of COVID-19,but recovered sharply by the resume of global economic activity and the government's fiscal support measures. Although stock prices temporarily declined due to Prime Minister Abe's announcement of his resignation, it recovered based on the view that the basic policy would be followed.

Nikkei 225 Stock Average:	April 1, 2020	18,917
	September 30, 2020	23,185
TOPIX:	April 1, 2020	1,403
	September 30, 2020	1,625

[Foreign Currency]

- With regard to the yen/U.S. dollar, the yen appreciated and the U.S. dollar depreciated due to a decline in U.S. interest rates by the U.S. Federal Reserve Board (FRB) and concerns over the expansion of the U.S. fiscal deficit.With regard to the yen/euro, the yen depreciated and the euro appreciated due to the convergence of the first wave of the spread of COVID-19 in Europe and the EU's agreement on the Reconstruction Fund.

yen /U.S. dollar:	April 1, 2020	¥108.83
	September 30, 2020	¥105.80
yen/euro:	April 1, 2020	¥119.55
	September 30, 2020	¥124.17

(2) Investment Policies

The Company invests mainly in fixed income assets such as bonds with the aim of securing stable investment income.

(3) Investment Results

General account assets as of September 30, 2020 were ¥309,876 million. The balance of assets under management included deposits of ¥214,979 million, bonds of ¥48,567 million, and domestic stocks of ¥1,230 million. In investment income, interest and dividends were ¥111 million. In terms of investment expenses, interest expenses were ¥0 million.

3. Investment Results of General Account

(1) Asset Composition

(millions of yen)

	As of March 31, 2020		As of September 30, 2020	
	Carrying amount	%	Carrying amount	%
Cash, deposits, and call loans	159,503	65.3	214,979	69.4
Securities repurchased under resale agreements	—	—	—	—
Deposit paid for securities borrowing transactions	—	—	—	—
Monetary claims bought	—	—	—	—
Trading account securities	—	—	—	—
Money held in trust	—	—	—	—
Securities	35,833	14.7	49,798	16.1
Domestic bonds	26,428	10.8	39,854	12.9
Domestic stocks	986	0.4	1,230	0.4
Foreign securities	8,418	3.4	8,713	2.8
Foreign bonds	8,418	3.4	8,713	2.8
Foreign stocks and other securities	—	—	—	—
Other securities	—	—	—	—
Loans	730	0.3	1,033	0.3
Real estate	99	0.0	94	0.0
Deferred tax assets	—	—	—	—
Others	48,237	19.7	43,979	14.2
Reserve for possible loan losses	(4)	(0.0)	(9)	(0.0)
Total	244,399	100.0	309,876	100.0
Foreign currency-denominated assets	—	—	—	—

(Note) The amounts of buildings were posted for real estate.

(2) Changes (Increase/Decrease) in Assets

(millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Cash, deposits, and call loans	31,756	55,475
Securities repurchased under resale agreements	—	—
Deposit paid for securities borrowing transactions	—	—
Monetary claims bought	—	—
Trading account securities	—	—
Money held in trust	—	—
Securities	8,636	13,965
Domestic bonds	7,257	13,425
Domestic stocks	568	244
Foreign securities	810	295
Foreign bonds	810	295
Foreign stocks and other securities	—	—
Other securities	—	—
Loans	93	303
Real estate	(4)	(4)
Deferred tax assets	—	—
Others	(1,377)	(4,257)
Reserve for possible loan losses	0	(5)
Total	39,105	65,476
Foreign currency-denominated assets	—	—

(Note) The amounts of buildings were posted for real estate.

(3) Investment Income

(millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Interest and dividends	62	111
Interest from bank deposits	—	—
Interest and dividends from securities	60	108
Interest from loans	1	2
Rental income	—	—
Other interest and dividends	—	—
Gains on trading account securities	—	—
Gains on money held in trust	—	—
Gains on investments in trading securities	—	—
Gains on sale of securities	—	—
Gains on sale of domestic bonds	—	—
Gains on sale of domestic stocks	—	—
Gains on sale of foreign securities	—	—
Others	—	—
Gains on redemption of securities	—	—
Derivative transaction gains	—	—
Foreign exchange gains	—	—
Reversal of reserve for possible loan losses	0	—
Other investment income	—	—
Total	62	111

(4) Investment Expense

(millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Interest expenses	0	0
Losses on trading account securities	—	—
Losses on money held in trust	—	—
Losses on investments in trading securities	—	—
Losses on sale of securities	—	—
Losses on sale of domestic bonds	—	—
Losses on sale of domestic stocks	—	—
Losses on sale of foreign securities	—	—
Others	—	—
Losses on valuation of securities	—	—
Losses on valuation of domestic bonds	—	—
Losses on valuation of domestic stocks	—	—
Losses on valuation of foreign securities	—	—
Others	—	—
Losses on redemption of securities	—	—
Derivative transaction losses	—	—
Foreign exchange losses	—	—
Provision for reserve for possible loan losses	—	5
Write-down of loans	—	—
Depreciation of real estate for rent and others	—	—
Other investment expenses	—	—
Total	0	5

(5) Valuation Gains and Losses on Trading Securities

Not applicable.

(6) Fair Value Information on Securities (securities with fair value except for trading securities)

(millions of yen)

	As of March 31, 2020					As of September 30, 2020				
	Book value	Fair value	Gains (losses)			Book value	Fair value	Gains (losses)		
				Gains	Losses				Gains	Losses
Held-to-maturity bonds	34,749	34,497	(251)	61	313	48,470	48,214	(256)	83	340
Policy-reserve-matching bonds	—	—	—	—	—	—	—	—	—	—
Stocks of subsidiaries and affiliated companies	—	—	—	—	—	—	—	—	—	—
Available-for-sale securities	1,110	1,083	(27)	32	59	1,110	1,327	216	219	2
Domestic bonds	—	—	—	—	—	—	—	—	—	—
Domestic stocks	1,010	986	(24)	32	57	1,010	1,230	219	219	—
Foreign securities	100	97	(2)	—	2	100	97	(2)	—	2
Foreign bonds	100	97	(2)	—	2	100	97	(2)	—	2
Foreign stocks and other securities	—	—	—	—	—	—	—	—	—	—
Other securities	—	—	—	—	—	—	—	—	—	—
Monetary claims bought	—	—	—	—	—	—	—	—	—	—
Certificates of deposit	—	—	—	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—	—	—	—
Total	35,860	35,581	(279)	93	373	49,581	49,541	(40)	302	343
Domestic bonds	26,428	26,200	(228)	48	276	39,854	39,631	(222)	72	294
Domestic stocks	1,010	986	(24)	32	57	1,010	1,230	219	219	—
Foreign securities	8,420	8,394	(25)	13	38	8,716	8,679	(37)	11	48
Foreign bonds	8,420	8,394	(25)	13	38	8,716	8,679	(37)	11	48
Foreign stocks and other securities	—	—	—	—	—	—	—	—	—	—
Other securities	—	—	—	—	—	—	—	—	—	—
Monetary claims bought	—	—	—	—	—	—	—	—	—	—
Certificates of deposit	—	—	—	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—	—	—	—

- Carrying values of securities whose fair value is deemed extremely difficult to recognize are as follows:
  Not applicable.

(7) Fair Value Information on Money Held in Trust

Not applicable.

4. Unaudited Non-Consolidated Balance Sheets

(millions of yen)

	As of March 31, 2020 (Summarized)	As of September 30, 2020
	Amount	Amount
(ASSETS)		
Cash and deposits	159,503	214,979
Securities	35,833	49,798
[Corporate bonds]	[26,428]	[39,854]
[Domestic stocks]	[986]	[1,230]
[Foreign securities]	[8,418]	[8,713]
Loans	730	1,033
Policy loans	730	1,033
Tangible fixed assets	239	227
Intangible fixed assets	1,722	2,788
Reinsurance receivables	38,206	30,617
Other assets	8,168	10,440
Reserve for possible loan losses	(4)	(9)
Total assets	244,399	309,876
(LIABILITIES)		
Policy reserves and others	236,073	279,531
Reserves for outstanding claims	1,503	1,924
Policy reserves	234,570	277,606
Reinsurance payable	310	301
Other liabilities	4,772	4,327
Corporate income tax payable	8	4
Other liabilities	4,764	4,323
Reserve for price fluctuations	5	6
Deferred tax liabilities	—	60
Total liabilities	241,162	284,226
(NET ASSETS)		
Capital stock	32,599	47,599
Capital surplus	24,599	39,599
Legal capital surplus	24,599	39,599
Retained earnings	(53,934)	(61,704)
Other retained earnings	(53,934)	(61,704)
Retained earnings brought forward	(53,934)	(61,704)
Total shareholders' equity	3,264	25,493
Net unrealized gains (losses) on securities, net of tax	(27)	155
Total of valuation and translation adjustments	(27)	155
Total net assets	3,237	25,649
Total liabilities and net assets	244,399	309,876

5. Unaudited Non-Consolidated Statements of Earnings

(millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
	Amount	Amount
ORDINARY REVENUES	67,275	73,049
Premium and other income	67,208	72,937
[Premium income]	[63,585]	[66,332]
Investment income	62	111
[Interest and dividends]	[62]	[111]
Other ordinary revenues	4	0
ORDINARY EXPENSES	74,058	80,815
Benefits and claims	12,445	23,818
[Claims]	[512]	[487]
[Annuities]	[50]	[6]
[Benefits]	[1,150]	[2,031]
[Surrender values]	[1,104]	[5,718]
[Other refunds]	[466]	[1,155]
Provision for policy reserves and others	48,713	43,457
Provision for reserves for outstanding claims	173	421
Provision for policy reserves	48,540	43,036
Investment expenses	0	5
[Interest expenses]	[0]	[0]
Operating expenses	12,595	12,964
Other ordinary expenses	303	568
ORDINARY PROFIT (LOSS)	(6,782)	(7,765)
EXTRAORDINARY LOSSES	0	0
Income (loss) before income taxes	(6,783)	(7,766)
Corporate income taxes - current	4	4
Total of corporate income taxes	4	4
Net income (loss) for the period	(6,787)	(7,770)

6. Unaudited Non-Consolidated Statements of Changes in Net Assets

Six months ended September 30, 2019

(millions of yen)

	Shareholders' equity			
	Capital stock	Capital surplus	Retained earnings	Total shareholders' equity
		Legal capital surplus	Other retained earnings	
			Retained earnings brought forward	
Balance at the beginning of the year	32,599	24,599	(37,614)	19,584
Changes for the period				
Net loss for the period			6,787	6,787
Net changes of items other than shareholders' equity				
Total changes for the period	—	—	(6,787)	(6,787)
Balance at the end of the period	32,599	24,599	(44,401)	12,796

	Valuation and translation adjustments		Total net assets
	Net unrealized gains (losses) on securities, net of tax	Total of valuation and translation adjustments	
Balance at the beginning of the year	50	50	19,634
Changes for the period			
Net loss for the period			6,787
Net changes of items other than shareholders' equity	8	8	8
Total changes for the period	8	8	(6,778)
Balance at the end of the period	59	59	12,856

Six months ended September 30, 2020

(millions of yen)

	Shareholders' equity			
	Capital stock	Capital surplus	Retained earnings	Total shareholders' equity
		Legal capital surplus	Other retained earnings	
			Retained earnings brought forward	
Balance at the beginning of the year	32,599	24,599	(53,934)	3,264
Changes for the period				
Issuance of new shares	15,000	15,000		30,000
Net loss for the period			7,770	7,770
Net changes of items other than shareholders' equity				
Total changes for the period	15,000	15,000	(7,770)	22,229
Balance at the end of the period	47,599	39,599	(61,704)	25,493

	Valuation and translation adjustments		Total net assets
	Net unrealized gains (losses) on securities, net of tax	Total of valuation and translation adjustments	
Balance at the beginning of the year	(27)	(27)	3,237
Changes for the period			
Issuance of new shares			30,000
Net loss for the period			7,770
Net changes of items other than shareholders' equity	183	183	183
Total changes for the period	183	183	22,412
Balance at the end of the period	155	155	25,649

Notes to the Unaudited Non-Consolidated Balance Sheets

As of September 30, 2020

1. Valuation Methods of Securities
Securities are evaluated as follows. Held-to-maturity bonds are evaluated by the amortized cost method (straight-line method) based on the moving average method, and available-for-sale securities with market value are evaluated by the market value method (costs are calculated by the moving average method) based on the market price, etc. on the last day of September. Regarding securities whose market value is deemed to be extremely difficult to identify, government and corporate bonds whose premium or discount represents the interest adjustment are evaluated by the amortized cost method (straight-line method) based on the moving average method, and other securities are evaluated by the cost method based on the moving average method.
Net unrealized gains or losses on these available-for-sale securities are presented as a separate component of net assets and not in the non-consolidated statement of earnings.
2. Depreciation of Depreciable Assets
(1) Depreciation of Tangible Fixed Assets Excluding Leased Assets
Depreciation of tangible fixed assets excluding leased assets is calculated by the declining balance method. (Depreciation of buildings is calculated by the straight-line method.)
(2) Depreciation of Leased Assets
Depreciation of leased assets with regard to finance leases whose ownership does not transfer to the lessees is computed under the straight-line method assuming zero remaining value.
(3) Amortization of Intangible Fixed Assets Excluding Leased Assets
Amortization of intangible fixed assets excluding leased assets is calculated by the straight-line method. Amortization of software is calculated by the straight-line method based on the estimated useful life of the software.
3. Reserve for Possible Loan Losses
To prepare for possible loan losses, the reserve for possible loan losses is calculated based on the asset quality assessment regulations, the internal rules for self-assessment, the write-offs and reserves recording regulations, and the internal rules for write-offs and reserves that have been established by the Company.
For loans to and claims on obligors for which the Company has serious concerns over their recoverability or whose value is assessed by the Company to have been damaged materially as a result of the assessment of individual loans or claims, the amount that is deemed necessary is provided.
4. Reserve for Price Fluctuations
A reserve for price fluctuations is calculated in accordance with the provisions of Article 115 of the Insurance Business Act.
5. Calculation of National and Local Consumption Tax
The Company accounts for national and local consumption tax by the tax-inclusion method.
6. Policy Reserves
Policy reserves of the Company are established in accordance with Article 116 of the Insurance Business Act. Insurance premium reserves are calculated as follows:
(1) Reserves for policies subject to the standard policy reserve rules are calculated based on the methods stipulated by the Commissioner of the Financial Services Agency (Notification of the Ministry of Finance No. 48, 1996).
(2) Reserves for other policies are established based on the net level premium method.
7. Values on Interim Balance Sheet and Fair Values of Major Financial Assets and Differences between Them
The values on the interim balance sheet and the fair values of major financial assets and differences between them are as follows:

(millions of yen)

	Value on Interim Balance Sheet	Fair Value	Difference
(1) Cash and deposits	214,979	214,979	—
(2) Securities	49,798	49,541	(256)
Held-to-maturity bonds	48,470	48,214	(256)
Available-for-sale securities	1,327	1,327	—
(3) Loans	1,033	1,033	—
Policy loans	1,033	1,033	—

(1) Cash and deposits
The fair value of cash and deposits is calculated by the book value because the fair value is almost the same as the book value.
(2) Securities
The fair value of securities is calculated by the market value as of September 30, 2020.
(3) Loans
Policy loans do not have repayment deadlines due to their characteristics such as the loan limit that is within the surrender values and their fair values are assumed to be close to their book values based on the expected time of repayment, interest rate conditions, etc.; their book values, therefore, are used as their fair values.

As of September 30, 2020

8. Loans to Bankrupt Borrowers, Delinquent Loans, Delinquent Loans of Three Months or More, and Restructured Loans
The loans do not include any loans to bankrupt borrowers, delinquent loans, delinquent loans of three months or more, and restructured loans.

9. Obligations to the Life Insurance Policyholders Protection Corporation of Japan
The estimated future obligations of the Company to the Life Insurance Policyholders Protection Corporation of Japan under Article 259 of the Insurance Business Act were ¥335 million as of September 30, 2020. These obligations will be recognized as operating expenses in the period in which they are paid.

10. Amounts are rounded off to the unit stated.

Notes to the Unaudited Non-Consolidated Statements of Earnings

Six months ended September 30, 2020

1. Interest and Dividends
Interest, dividends, and other income for the six months ended September 30, 2020, include interest and dividends on securities of ¥108 million and interest on loans of ¥2 million.

2. Net Income per Share
Net income per share for the six months ended September 30, 2020 was ¥2,015.18.

3. Amounts are rounded off to the unit stated.

Notes to the Unaudited Non-Consolidated Statements of Changes in Net Assets

Six months ended September 30, 2020

1. Type and Number of Shares Outstanding

(thousands of shares)

	At the beginning of the fiscal year ending March 31, 2021	Increase	Decrease	As of September 30, 2020
Shares outstanding				
Common stock	3,399	750	—	4,149

The increase of 750 thousand shares in the number of shares outstanding of common stock was due to the issuance of new shares which were allotted to Dai-ichi Life Holdings, Inc.

2. Stock Acquisition Rights and Own Stock Acquisition Rights
Not applicable.

3. Dividends paid
Not applicable.

4. Amounts are rounded off to the unit stated.

7. Breakdown of Ordinary Profit (Fundamental Profit)

(millions of yen)

		Six months ended September 30, 2019	Six months ended September 30, 2020
Fundamental profit	A	(6,561)	(7,565)
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		—	—
Losses on money held in trust		—	—
Losses on investment in trading securities		—	—
Losses on sale of securities		—	—
Losses on valuation of securities		—	—
Derivative transaction losses		—	—
Foreign exchange losses		—	—
Others		—	—
Net capital gains (losses)	B	—	—
Fundamental profit plus net capital gains (losses)	A + B	(6,561)	(7,565)
Other one-time gains		0	—
Reinsurance income		—	—
Reversal of contingency reserve		—	—
Reversal of specific reserve for possible loan losses		0	—
Others		—	—
Other one-time losses		221	200
Ceding reinsurance commissions		—	—
Provision for contingency reserve		221	195
Provision for specific reserve for possible loan losses		—	5
Provision for specific reserve for loans to refinancing countries		—	—
Write-down of loans		—	—
Others		—	—
Other one-time profits (losses)	C	(221)	(200)
Ordinary profit (loss)	A + B + C	(6,782)	(7,765)

8. Disclosed Claims Based on Categories of Obligors

(millions of yen)

	As of March 31, 2020	As of September 30, 2020
Claims provable in bankruptcy, claims provable in rehabilitation and claims equivalent to these	—	—
Doubtful claims	—	—
Substandard loans	—	—
Subtotal	—	—
(Ratio to total)	(—%)	(—%)
Performing loans	730	1,033
Total	730	1,033

(Notes) 1. Claims provable in bankruptcy, claims provable in rehabilitation, and claims equivalent to these refer to those loans to debtors who are bankrupt for a reason such as commencement of bankruptcy proceedings, commencement of rehabilitation proceedings, and filing a petition for the commencement of rehabilitation proceedings and claims equivalent to such loans.

2. Doubtful claims refer to those loans whose principal and interest are likely not collectible based on the contract due to the deterioration of the financial condition and business performance of the debtor despite not being bankrupt.

3. Substandard loans refer to those loans that are delinquent for three months or more and those that have been restructured. Loans delinquent for three months or more refer to those loans for which the payment of the principal or interest has been delayed for three months or more from the day following the contractual payment day (excluding loans specified in Note 1 and Note 2). Restructured loans refer to those loans on which interest has been reduced or exempted, for which interest payment has been postponed, for which the principal payment has been postponed, on which claims have been waived, or for which other arrangements have been made to provide the debtor with an advantage for the purpose of rebuilding its business or assisting the debtor (excluding loans specified in Note 1 and Note 2and loans delinquent for three months or more).

4. Performing loans refer to those loans that are classified into categories other than those described in Note 1 through Note 3 for not having particular problems in the financial position and operating results of the debtor.

9. Risk-Monitored Loans

Not applicable.

10. Solvency Margin Ratio

(millions of yen)

		As of March 31, 2020	As of September 30, 2020
Total solvency margin	(A)	9,388	49,609
Common stock, etc.		3,264	25,493
Reserve for price fluctuations		5	6
Contingency reserve		1,451	1,646
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)		(27)	194
Net unrealized gains (losses) on real estate × 85% (Multiplied by 100% if losses)		—	—
Policy reserves in excess of surrender values		22,281	22,268
Qualifying subordinated debt		—	—
Excluded portion of policy reserve in excess of surrender values and qualifying subordinated debt		(17,587)	—
Excluded items		—	—
Others		—	—
Total Risk $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	(B)	3,013	3,697
Insurance risk	R_1	512	540
3rd sector insurance risk	R_8	932	1,098
Assumed investment yield risk	R_2	4	5
Guaranteed minimum benefit risk	R_7	—	—
Investment risk	R_3	2,503	3,147
Business risk	R_4	118	143
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)}$ x 100		623.1%	2,683.3%

(Note) The figures above 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.

11. Status of Separate Account

Not applicable.

12. Consolidated Financial Summary

Not applicable.