

Financial Section

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Financial Section

Non-Consolidated Balance Sheet

Meiji Yasuda Life Insurance Company

As of March 31, 2012 and 2011

	Millions of Yen		Millions of U.S. Dollars*
	FY2011	FY2010	FY2011
ASSETS			
Cash and deposits:			
Cash	¥ 595	¥ 578	\$ 7.2
Deposits	207,906	203,245	2,529.5
Call loans	307,000	233,000	3,735.2
Monetary claims bought	269,101	277,381	3,274.1
Securities:			
Domestic bonds:			
Government bonds	12,689,933	10,043,057	154,397.5
Municipal bonds	1,091,707	1,214,013	13,282.7
Corporate bonds	1,547,535	1,414,021	18,828.7
Domestic stocks	2,786,580	2,924,817	33,904.1
Foreign securities	3,802,375	3,596,124	46,263.2
Other securities	304,052	242,668	3,699.3
Loans:			
Policy loans	332,203	348,219	4,041.8
Financial loans	4,635,283	4,734,412	56,397.1
Tangible fixed assets:			
Land	626,068	639,209	7,617.3
Buildings	340,865	339,589	4,147.2
Construction in progress	1,071	27,240	13.0
Other tangible fixed assets	3,861	3,495	46.9
Intangible fixed assets:			
Software	33,182	35,646	403.7
Other intangible fixed assets	18,516	18,619	225.2
Agency accounts receivable	4	1	0.0
Reinsurance accounts receivable	1,059	1,079	12.8
Other assets:			
Accounts receivable	286,856	250,537	3,490.1
Prepaid expenses	5,176	3,483	62.9
Accrued income	84,198	73,167	1,024.4
Security deposits and rental deposits	7,994	8,124	97.2
Deposits on financial futures	1,045	554	12.7
Margins on financial futures	18	57	0.2
Derivative financial instruments	7,931	1,702	96.4
Suspense payments	25,053	7,874	304.8
Miscellaneous assets	89,204	86,583	1,085.3
Deferred tax assets	144,120	331,472	1,753.4
Customers' liabilities for acceptances and guarantees	24,315	22,000	295.8
Reserves for possible loan losses	(10,661)	(16,665)	(129.7)
TOTAL ASSETS	¥29,664,157	¥27,065,316	\$360,921.7

	Millions of Yen		Millions of U.S. Dollars*
	FY2011	FY2010	FY2011
LIABILITIES AND NET ASSETS			
<i>Liabilities</i>			
Policy reserves and others:			
Reserves for outstanding claims	¥ 114,062	¥ 153,710	\$ 1,387.7
Policy reserves.....	26,469,306	23,767,432	322,050.2
Reserves for policyholder dividends.....	296,253	318,003	3,604.4
Agency accounts payable.....	—	0	—
Reinsurance accounts payable.....	972	1,240	11.8
Other liabilities:			
Deposits received on bond lending.....	368,081	665,809	4,478.4
Loans payable.....	100,000	100,000	1,216.6
Corporate income taxes payable and others.....	24,783	11,386	301.5
Accounts payable.....	86,711	255,597	1,055.0
Unpaid expenses.....	34,243	33,818	416.6
Unearned income.....	2,442	6,277	29.7
Employees' and agents' savings deposits.....	23,935	22,919	291.2
Deposits received for guarantee.....	31,343	32,100	381.3
Margins on financial futures.....	33	97	0.4
Derivative financial instruments.....	17,260	21,049	210.0
Asset retirement obligations.....	3,421	3,372	41.6
Suspense receipts.....	15,487	11,195	188.4
Miscellaneous liabilities.....	2,360	780	28.7
Accrued retirement benefits for directors and executive officers.....	545	650	6.6
Reserves for contingent liabilities.....	3,115	3,592	37.8
Reserves for price fluctuations.....	251,044	242,414	3,054.4
Deferred tax liabilities on revaluation of land.....	88,539	114,364	1,077.2
Acceptances and guarantees.....	24,315	22,000	295.8
TOTAL LIABILITIES.....	27,958,259	25,787,812	340,166.1
<i>Net Assets</i>			
Foundation funds.....	110,000	60,000	1,338.3
Accumulated redeemed foundation funds.....	410,000	410,000	4,988.4
Revaluation reserves.....	452	452	5.4
Surplus retained:			
Reserves for loss compensation.....	7,984	7,626	97.1
Other surplus retained:			
Reserves for redemption of foundation funds.....	15,000	—	182.5
Accumulated fund for price fluctuations.....	29,764	29,764	362.1
Social welfare project promotion reserves.....	48	48	0.5
Operating base reinforcement reserves.....	17,000	6,000	206.8
Reserves for reduction entry of real estate.....	20,791	21,056	252.9
Special reserves.....	2,000	2,000	24.3
Other reserves.....	85	85	1.0
Unappropriated surplus for the period.....	174,424	145,785	2,122.2
Total foundation funds and others.....	787,550	682,819	9,582.0
Unrealized gains on available-for-sale securities.....	824,775	527,074	10,034.9
Deferred hedge gains (losses).....	(1,524)	(5,213)	(18.5)
Revaluation reserves for land.....	95,096	72,823	1,157.0
Total valuation and translation adjustments and others.....	918,347	594,684	11,173.4
TOTAL NET ASSETS.....	1,705,897	1,277,503	20,755.5
TOTAL LIABILITIES & NET ASSETS.....	¥29,664,157	¥27,065,316	\$360,921.7

* Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥82.19 to US\$1.00 prevailing on March 30, 2012.

Non-Consolidated Statement of Operations and Surplus
Meiji Yasuda Life Insurance Company

For the years ended March 31, 2012 and 2011

	Millions of Yen		Millions of U.S. Dollars*
	FY2011	FY2010	FY2011
ORDINARY REVENUE			
Premium income and reinsurance refunds:			
Premium income.....	¥5,183,163	¥3,943,298	\$63,063.1
Refunds on reinsurance.....	911	1,341	11.0
Investment income and gain:			
Interest and dividends:			
Interest on deposits.....	90	148	1.0
Interest and dividends on securities.....	432,778	387,706	5,265.5
Interest on loans.....	103,015	105,381	1,253.3
Rental income.....	31,813	34,089	387.0
Other interest and dividends.....	9,326	8,695	113.4
Gains on money-held-in-trust.....	0	2	0.0
Gains on securities sold.....	15,357	74,018	186.8
Gains on securities redeemed.....	21	—	0.2
Income for derivative financial instruments.....	72,353	65,656	880.3
Reversal of reserves for possible loan losses.....	5,305	—	64.5
Other investment income.....	3,354	16	40.8
Gains on separate account assets investment.....	21,926	—	266.7
Other ordinary revenue:			
Annuity supplementary contract premiums.....	18,841	18,520	229.2
Benefits left to accumulate at interest.....	131,636	146,655	1,601.6
Reversal of reserves for outstanding claims.....	39,647	—	482.3
Reversal of accrued pension and severance costs.....	4,496	3,289	54.7
Miscellaneous income.....	6,998	6,585	85.1
TOTAL ORDINARY REVENUE	6,081,039	4,795,406	73,987.5
ORDINARY EXPENSES			
Insurance benefits paid and others:			
Claims paid.....	699,453	709,777	8,510.1
Annuities paid.....	481,112	446,640	5,853.6
Benefits on policies paid.....	466,427	492,479	5,674.9
Surrender benefits paid.....	447,392	462,020	5,443.3
Other refunds paid.....	178,789	91,973	2,175.3
Reinsurance premiums.....	4,518	3,330	54.9
Provision for policy reserves and others:			
Provision for reserves for outstanding claims.....	—	24,189	—
Provision for policy reserves.....	2,701,874	1,531,307	32,873.5
Interest on dividend reserves.....	546	799	6.6
Investment expenses and losses:			
Interest paid.....	3,198	3,297	38.9
Losses on trading securities.....	0	—	0.0
Losses on securities sold.....	66,945	130,164	814.5
Losses on securities appraised.....	18,428	21,292	224.2
Losses on securities redeemed.....	2,072	2,451	25.2
Losses on foreign exchange.....	447	580	5.4
Provision for reserves for possible loan losses.....	—	532	—
Depreciation on real estate for rent.....	10,139	10,481	123.3
Other investment expenses.....	9,357	10,428	113.8
Losses on separate account assets investment.....	—	9,875	—
Operating expenses	399,746	375,541	4,863.6
Other ordinary expenses:			
Payments of benefits left to accumulate at interest.....	160,622	179,035	1,954.2
Taxes.....	31,818	26,574	387.1
Depreciation.....	21,531	22,770	261.9
Miscellaneous expenses.....	4,844	4,838	58.9
TOTAL ORDINARY EXPENSES	¥5,709,267	¥4,560,384	\$69,464.2

	Millions of Yen		Millions of U.S. Dollars*
	FY2011	FY2010	FY2011
ORDINARY INCOME	¥ 371,772	¥ 235,022	\$ 4,523.3
Extraordinary profits:			
Gains on disposals of fixed assets	950	1,588	11.5
Extraordinary losses:			
Losses on disposals of fixed assets	11,412	14,415	138.8
Impairment losses.....	24,527	9,322	298.4
Provision for reserves for contingent liabilities	1	670	0.0
Provision for reserves for price fluctuations	8,629	57,433	104.9
Losses on reduction of real estate.....	474	—	5.7
Donations for social welfare project promotion.....	553	552	6.7
Other extraordinary losses.....	678	2,119	8.2
NET SURPLUS BEFORE TAXES	326,446	152,096	3,971.8
Income taxes — current	37,532	19,627	456.6
Income taxes — deferred.....	116,905	(7,285)	1,422.3
NET SURPLUS FOR THE PERIOD.....	¥ 172,007	¥ 139,754	\$ 2,092.7

* Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥82.19 to US\$1.00 prevailing on March 30, 2012.

Non-Consolidated Appropriation of Surplus

Meiji Yasuda Life Insurance Company

	Millions of Yen		Millions of U.S. Dollars*
	FY2011	FY2010	FY2011
Unappropriated surplus for the period.....	¥174,424	¥145,785	\$2,122.2
Reversal of voluntary reserves:			
Reversal of reserves for reduction entry of real estate	518	466	6.3
TOTAL UNAPPROPRIATED SURPLUS	174,942	146,252	2,128.5
Provision for reserves for policyholder dividends	133,466	118,365	1,623.8
Net surplus for the period:			
Reserves for loss compensation	405	358	4.9
Interest on foundation funds.....	1,316	774	16.0
Voluntary reserves:			
Reserves for redemption of foundation funds.....	25,000	15,000	304.1
Social welfare project promotion reserves.....	553	553	6.7
Operating base reinforcement reserves	11,000	11,000	133.8
Reserves for reduction entry of real estate	3,201	201	38.9

* Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥82.19 to US\$1.00 prevailing on March 30, 2012.

Non-Consolidated Statement of Changes in Net Assets
Meiji Yasuda Life Insurance Company

For the years ended March 31, 2012 and 2011

	Millions of Yen		Millions of U.S. Dollars*
	FY2011	FY2010	FY2011
Foundation funds and others			
Foundation funds			
Beginning balance.....	¥ 60,000	¥ 60,000	\$ 730.0
Changes during the period			
Foundation funds procurement.....	50,000	60,000	608.3
Redemption of foundation funds.....	—	(60,000)	—
Total changes during the period.....	50,000	—	608.3
Ending balance.....	110,000	60,000	1,338.3
Accumulated redeemed foundation funds			
Beginning balance.....	410,000	350,000	4,988.4
Changes during the period			
Transfer to accumulated redeemed foundation funds.....	—	60,000	—
Total changes during the period.....	—	60,000	—
Ending balance.....	410,000	410,000	4,988.4
Revaluation reserves			
Beginning balance.....	452	452	5.4
Changes during the period			
Total changes during the period.....	—	—	—
Ending balance.....	452	452	5.4
Surplus retained			
Reserves for loss compensation			
Beginning balance.....	7,626	7,253	92.7
Changes during the period			
Transfer to reserves for loss compensation.....	358	373	4.3
Total changes during the period.....	358	373	4.3
Ending balance.....	7,984	7,626	97.1
Other surplus retained			
Reserves for redemption of foundation funds			
Beginning balance.....	—	45,000	—
Changes during the period			
Transfer to reserves for redemption of foundation funds.....	15,000	15,000	182.5
Reversal of reserves for redemption of foundation funds.....	—	(60,000)	—
Total changes during the period.....	15,000	(45,000)	182.5
Ending balance.....	15,000	—	182.5
Accumulated fund for price fluctuations			
Beginning balance.....	29,764	29,764	362.1
Changes during the period			
Total changes during the period.....	—	—	—
Ending balance.....	29,764	29,764	362.1
Reserves for retirement benefits			
Beginning balance.....	—	—	—
Changes during the period			
Total changes during the period.....	—	—	—
Ending balance.....	—	—	—
Social welfare project promotion reserves			
Beginning balance.....	48	47	0.5
Changes during the period			
Transfer to social welfare project promotion reserves.....	553	553	6.7
Reversal of social welfare project promotion reserves.....	(553)	(552)	(6.7)
Total changes during the period.....	—	0	—
Ending balance.....	48	48	0.5

	Millions of Yen		Millions of U.S. Dollars*
	FY2011	FY2010	FY2011
Operating base reinforcement reserves			
Beginning balance.....	¥ 6,000	¥ —	\$ 73.0
Changes during the period			
Transfer to operating base reinforcement reserves	11,000	6,000	133.8
Total changes during the period	11,000	6,000	133.8
Ending balance.....	17,000	6,000	206.8
Reserves for reduction entry of real estate			
Beginning balance.....	21,056	20,374	256.1
Changes during the period			
Transfer to reserves for reduction entry of real estate	201	1,137	2.4
Reversal of reserves for reduction entry of real estate	(466)	(456)	(5.6)
Total changes during the period	(265)	681	(3.2)
Ending balance.....	20,791	21,056	252.9
Special reserves			
Beginning balance.....	2,000	2,000	24.3
Changes during the period			
Total changes during the period	—	—	—
Ending balance.....	2,000	2,000	24.3
Other reserves			
Beginning balance.....	85	85	1.0
Changes during the period			
Total changes during the period	—	—	—
Ending balance.....	85	85	1.0
Unappropriated surplus			
Beginning balance.....	145,785	146,689	1,773.7
Changes during the period			
Transfer to reserves for policyholder dividends	(118,365)	(123,038)	(1,440.1)
Transfer to reserves for loss compensation	(358)	(373)	(4.3)
Interest payment on foundation funds	(774)	(1,043)	(9.4)
Net surplus.....	172,007	139,754	2,092.7
Transfer to reserves for redemption of foundation funds.....	(15,000)	(15,000)	(182.5)
Transfer to social welfare project promotion reserves	(553)	(553)	(6.7)
Reversal of social welfare project promotion reserves	553	552	6.7
Transfer to operating base reinforcement reserves	(11,000)	(6,000)	(133.8)
Transfer to reserves for reduction entry of real estate	(201)	(1,137)	(2.4)
Reversal of reserves for reduction entry of real estate	466	456	5.6
Reversal of revaluation reserves for land.....	1,864	5,479	22.6
Total changes during the period	28,638	(903)	348.4
Ending balance.....	174,424	145,785	2,122.2
Total surplus retained			
Beginning balance.....	212,366	251,215	2,583.8
Changes during the period			
Transfer to reserves for policyholder dividends	(118,365)	(123,038)	(1,440.1)
Interest payment on foundation funds.....	(774)	(1,043)	(9.4)
Net surplus.....	172,007	139,754	2,092.7
Reversal of reserves for redemption of foundation funds.....	—	(60,000)	—
Reversal of revaluation reserves for land.....	1,864	5,479	22.6
Total changes during the period	54,731	(38,849)	665.9
Ending balance.....	267,097	212,366	3,249.7

	Millions of Yen		Millions of U.S. Dollars*
	FY2011	FY2010	FY2011
Total foundation funds and others			
Beginning balance.....	¥ 682,819	¥ 661,668	\$ 8,307.8
Changes during the period			
Foundation funds procurement.....	50,000	60,000	608.3
Transfer to reserves for policyholder dividends.....	(118,365)	(123,038)	(1,440.1)
Transfer to accumulated redeemed foundation funds.....	—	60,000	—
Interest payment on foundation funds.....	(774)	(1,043)	(9.4)
Net surplus.....	172,007	139,754	2,092.7
Redemption of foundation funds.....	—	(60,000)	—
Reversal of reserves for redemption of foundation funds.....	—	(60,000)	—
Reversal of revaluation reserves for land.....	1,864	5,479	22.6
Total changes during the period.....	104,731	21,150	1,274.2
Ending balance.....	787,550	682,819	9,582.0
Valuation and translation adjustments and others			
Unrealized gains (losses) on available-for-sale securities			
Beginning balance.....	527,074	677,168	6,412.8
Changes during the period			
Net changes in items other than foundation funds and others.....	297,701	(150,093)	3,622.1
Total changes during the period.....	297,701	(150,093)	3,622.1
Ending balance.....	824,775	527,074	10,034.9
Deferred hedge gains (losses)			
Beginning balance.....	(5,213)	(6,519)	(63.4)
Changes during the period			
Net changes in items other than foundation funds and others.....	3,689	1,305	44.8
Total changes during the period.....	3,689	1,305	44.8
Ending balance.....	(1,524)	(5,213)	(18.5)
Revaluation reserves for land			
Beginning balance.....	72,823	77,829	886.0
Changes during the period			
Net changes in items other than foundation funds and others.....	22,272	(5,005)	270.9
Total changes during the period.....	22,272	(5,005)	270.9
Ending balance.....	95,096	72,823	1,157.0
Total valuation and translation adjustments and others			
Beginning balance.....	594,684	748,478	7,235.4
Changes during the period			
Net changes in items other than foundation funds and others.....	323,662	(153,793)	3,937.9
Total changes during the period.....	323,662	(153,793)	3,937.9
Ending balance.....	918,347	594,684	11,173.4
Total net assets			
Beginning balance.....	1,277,503	1,410,146	15,543.2
Changes during the period			
Foundation funds procurement.....	50,000	60,000	608.3
Transfer to reserves for policyholder dividends.....	(118,365)	(123,038)	(1,440.1)
Transfer to accumulated redeemed foundation funds.....	—	60,000	—
Interest payment on foundation funds.....	(774)	(1,043)	(9.4)
Net surplus.....	172,007	139,754	2,092.7
Redemption of foundation funds.....	—	(60,000)	—
Reversal of reserves for redemption of foundation funds.....	—	(60,000)	—
Reversal of revaluation reserves for land.....	1,864	5,479	22.6
Net changes in items other than foundation funds and others.....	323,662	(153,793)	3,937.9
Total changes during the period.....	428,394	(132,642)	5,212.2
Ending balance.....	1,705,897	1,277,503	20,755.5

* Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥82.19 to US\$1.00 prevailing on March 30, 2012.

Notes to Non-Consolidated Financial Statements

Meiji Yasuda Life Insurance Company

1. Basis of Presenting the Financial Statements

The financial statements are prepared in accordance with the Insurance Business Law and the Order for Enforcement thereunder and in accordance with standard accounting principles and procedures followed by life insurance companies in Japan.

2. Significant Accounting Policies

(1) Securities

- a. Trading Securities are stated at fair value based mainly on the business year-end closing market price (Cost of sales is determined by the moving average method).
 - b. Held-to-Maturity Debt Securities are stated at amortized cost using the moving average method (straight-line method).
 - c. Stock Securities Issued by Subsidiaries and Affiliates are stated at cost using the moving average method (refers to stock securities issued by those subsidiaries prescribed under Article 2 Paragraph 12 of the Insurance Business Law, subsidiaries, etc., excluding subsidiary companies, prescribed under Article 13-5-2 Paragraph 3 of the Order for Enforcement of the Insurance Business Law, and the affiliates prescribed under Paragraph 4 of the same Article).
 - d. Available-for-sale Securities
 - Securities for which market quotations are available
 - i) Stock securities are stated at fair value based on the average market price during March.
 - ii) Others are stated at market price using the market value method at the end of March. (Cost of sales is determined by the moving average method)
 - Securities for which it is extremely difficult to determine the fair value
 - i) Bonds and debentures (Including bonds issued overseas) for which the difference in acquisition amounts are recognized as the difference in interest rate adjustment are stated at amortized cost using the moving average method (straight-line method).
 - ii) Other Securities are stated at cost using the moving average method.
- With Available-for-sale Securities, valuation differences are computed using the net asset adjustment method.

(2) Derivative Transactions

Derivative transactions are stated at fair value.

(3) Depreciation of Tangible Fixed Assets

Depreciation of tangible fixed assets is determined according to the following methods.

- Buildings
 - 1) Acquired on or before March 31, 2007
The former straight-line method.
 - 2) Acquired on or after April 1, 2007
The straight-line method.
- Tangible fixed assets other than buildings
 - 1) Acquired on or before March 31, 2007
The former declining balance method.
 - 2) Acquired on or after April 1, 2007
The declining balance method.

(4) Depreciation of Computer Software

Depreciation of computer software included under intangible fixed assets is calculated according to the straight-line method based on the useful life of the product.

(5) Foreign Exchange Rate

Assets and liabilities denominated in foreign currencies other than stock issued by subsidiaries and affiliates are converted into yen at

the exchange rates prevailing on the last business day of March. Stock issued by subsidiaries and affiliates is converted into yen at the exchange rates prevailing on the date of their acquisition.

(6) Calculation Criteria for Reserves etc.

1) Reserves for Possible Loan Losses

- a. Reserves for possible loan losses are calculated according to the Company's internal standards for risk assessment of assets and the rules for the write-off and provision of reserves. All loans are assessed by the departments concerned and the results are audited by an independent Auditing Department.
- b. For loans to legally bankrupt and substantially bankrupt borrowers, reserves are provided at the balance outstanding after the direct deduction shown below and deduction of the net amount collectible through the disposal of collateral or the execution of guarantees.
- c. For loans to borrowers with high possibility of bankruptcy, reserves are provided at the amount deemed necessary based on a general assessment of financial solvency, after deduction of the net amount collectible through the disposal of collateral or the execution of guarantees.
- d. Reserves for possible loan losses on other loans are calculated on a historical basis according to the actual rate of loan losses over a given period.
- e. Where loans to legally bankrupt or substantially bankrupt borrowers are covered by collateral or guarantees, the balance after deduction of the assessed value of the collateral and the amount considered to be collectible through the execution of guarantees is directly deducted from the loans outstanding. In FY2011, these direct deductions amounted to ¥111 million.

2) Accrued Pension and Severance Costs

To provide for the payment of retirement benefits in the future, retirement benefits are provided at the amount accrued at the end of the year, based on the Accounting Standards for Retirement Benefits.

The projected pension assets exceeded the projected retirement benefit obligations at the end of the current fiscal year. The balance of the accrued pension and severance costs was zero.

3) Accrued Retirement Benefits for Directors and Executive Officers

In order to pay retirement allowances and bonuses to directors and executive officers, a portion of the projected payable amount that is recognized to have accrued at the end of the fiscal year is set aside as reserves for retirement benefits.

In fiscal 2007, the Compensation Committee decided to abolish the retirement allowances and bonuses scheme from June 30, 2008. No provisions have been made in connection with incumbent directors and executive officers since that date.

4) Reserves for Contingent Liabilities

Reserves for contingent liabilities are provided based primarily on the amount of estimated possible losses in the future with respect to securitization of receivables. These reserves are provided in compliance with Article 24-4 of the Order for Enforcement of the Insurance Business Law.

5) Reserves for Price Fluctuations

Reserves for price fluctuations are calculated in accordance with Article 115 of the Insurance Business Law.

(7) Lease Transactions

Ownership non-transfer finance lease transactions with starting dates on or before March 31, 2008 shall continue to be accounted for in accordance with the methods used for normal lease transactions.

(8) Method of Hedge Accounting

Hedging transactions have been accounted for in accordance with the “Accounting Standards for Financial Instruments” (Accounting Standards Board of Japan (ASBJ), March 10, 2008). These transactions consist primarily of: interest rate swaps used as a cash flow hedge related to loans and loans payable, which are treated exceptionally; and market-based hedge accounting using forward exchange contracts to hedge against exchange rate fluctuation risk related to foreign currency denominated bonds.

From fiscal 2009, the Company uses interest rate swap transactions for the purpose of hedging against interest rate fluctuation risk, and uses deferred hedge treatment under the Industry Audit Committee Report No. 26, “Accounting and Audit Treatments Related to the Adoption of Accounting for Financial Instruments in the Insurance Industry” (Japanese Institute of Certified Public Accountants (JICPA) September 3, 2002). Hedge effectiveness is assessed by verifying the interest rate situation that exerts the impact on calculations of theoretical prices for both hedged items and hedging instruments.

(9) Consumption Tax

Consumption and local consumption taxes and the base price are recorded separately. Note that deferred consumption taxes on assets that do not qualify as deductive expenses are recorded as prepaid expenses and amortized on a straight-line basis over a five year period. Other consumption taxes that do not qualify as deductive expenses are recorded as expenses for the fiscal year in which they are incurred.

(10) Policy Reserves

Policy reserves are provided in accordance with Article 116 of the Insurance Business Law. The amounts are calculated using the following methods.

- a. Reserves for policies subject to the standard policy reserve requirement are calculated according to ordinances stipulated by the Prime Minister.
- b. Reserves for other policies are calculated on the basis of the net level premium method.

Under the provisions of Article 69 Paragraph 5 of the Order for Enforcement of the Insurance Business Law, the policy reserves include an amount to be additionally set aside as the difference arising from calculations of premium reserves using the expected rate of interest of 2.75% for individual annuity contracts concluded on or before April 1, 1996. The accumulation of the amount was completed on schedule over a period of three years starting in fiscal 2007. Apart from that, an additional reserve for this difference portion for the period of annuity payment shall be accumulated at the beginning of payment of each annuity contract.

Accounting Changes

1. Accounting changes and error corrections

From the fiscal year under review, the Company adopted “Accounting Standard for Accounting Changes and Error Corrections” (ASBJ, December 4, 2009) and “Guidance on Accounting Standard for Accounting Changes and Error Corrections” (ABSJ, December 4, 2009).

Pursuant to the amendment of the Order for Enforcement of the Insurance Business Law, the methods of disclosure were amended as follows. In the statement of operations and surplus, reversal of reserves for possible loan losses is included in investment income and gain. This was previously included in extraordinary profit. In the statement of changes in net assets, balances that were previously disclosed as the amount at the end of the

previous period are now provided as the beginning balance of the fiscal year under review.

3. Balance Sheet

(1) Depreciation on Tangible Fixed Assets

Accumulated depreciation on tangible fixed assets totaled ¥427,817 million.

(2) Assets and Liabilities for Separate Accounts

Combined assets and liabilities for separate accounts, prescribed in Article 118 paragraph 1 of the Insurance Business Law, amounted to ¥712,519 million.

(3) Resource of Surplus Distribution

The resource of surplus distribution as provided for in Article 30 paragraph 2 of the Order for Enforcement of the Insurance Business Law was ¥918,800 million.

(4) Monetary Claims on and Monetary Liabilities to Subsidiaries

Total monetary claims on the Company’s subsidiaries amounted to ¥2,567 million, while total monetary liabilities owed to subsidiaries amounted to ¥3,987 million.

(5) Leased Movables

The Company holds leased movables, including computers and peripherals, in addition to the tangible and intangible fixed assets reported on the Balance Sheet.

(6) Reserves for Policyholder Dividends

Changes in the reserves for policyholder dividends for FY2011 are shown below:

a. Beginning balance.....	¥318,003 million
b. Provision from surplus for the previous period ...	¥118,365 million
c. Dividends to policyholders in the current period	¥140,717 million
d. Interest on reserves.....	¥ 602 million
e. Ending balance.....	¥296,253 million

(7) Assets and Liabilities Denominated in Foreign Currencies

Assets denominated in foreign currencies totaled ¥2,866,487 million. (The main foreign currencies are US\$29,877million and EUR1,991 million.) Liabilities denominated in foreign currencies totaled ¥3,725 million. (The main foreign currencies are EUR30 million and US\$1 million.)

(8) Foundation Funds Procurement

In accordance with the provisions of Article 60 of the Insurance Business Law, the Company newly added a total of ¥50,000 million in foundation funds.

(9) Assets Pledged as Collateral

Assets pledged as collateral amounted to ¥3,536 million in securities.

(10) Status and fair value of financial instruments

1) Financial Instruments

The “surplus management-type ALM” used for managing assets in the general account other than the separate accounts prescribed in Article 118 Paragraph 1 of the Insurance Business Law sees the surplus arising from the difference between assets and liabilities assessed at economic value as an indicator of financial soundness and focuses on fluctuations in this surplus (risk).

Based on this policy, the specific financial assets in which the Company invests are principally securities and loans. Securities holdings primarily consist of bonds, stocks, investment trusts and investments in partnership capital; loans primarily consist of loans to domestic customers.

As a general rule, use of derivatives is limited to hedging, primarily as a method of hedging against invested asset risk and insurance liability risk. Hedging transactions have been accounted for in accordance with the “Accounting Standards for Financial

Instruments" (ASBJ, March 10, 2008). These transactions consist primarily of: interest rate swaps used as a cash flow hedge related to loans, which are treated exceptionally; market-based hedge accounting using forward exchange contracts to hedge against exchange rate fluctuation risk related to foreign currency denominated bonds; and hedges against interest rate risk related to insurance liability using interest rate swaps.

Securities are exposed to market risk (interest rate fluctuation risk, exchange rate fluctuation risk and price fluctuation risk) and credit risk; loans to credit risk and interest rate fluctuation risk; and derivatives transactions to market risk and credit risk. Loans payable are exposed to interest rate fluctuation risk because they are made at fluctuating interest rates.

With regard to interest rate fluctuation risk management, fluctuation risk is managed on the basis of economic values, including liabilities, from a surplus management perspective, through purchases of super long-term bonds aimed at prolonging asset duration in a sustained, stable manner and through interest rate risk hedges against insurance liabilities using interest rate swaps. The Company hedges against exchange risk using forward exchange contracts where necessary for appropriate control of exchange fluctuation risk levels. With regard to market risk management including price fluctuation risk, the Company makes integrated management for outstanding balances and the profit and loss situation of securities and derivatives transactions while mechanisms have been introduced to keep losses to within certain limits by establishing appropriate caps.

The Value at Risk (VaR) method is also used to measure the maximum foreseeable loss, and stress tests are regularly performed to simulate conditions that might arise in the event of

sharp market fluctuations that exceed normal forecasts. The department which manages investment risk monitors the profit and loss situation and compliance with rules. This department reports directly to the Board of Directors on important matters and submits reports regularly (or immediately in urgent cases) to its subcommittee. When managing credit risk, the risk inherent in each transaction is carefully identified and investments are limited to those that are judged to be highly safe. With regard to corporate loans, where credit risk judgments are particularly important, the department which manages credit risk ensures that a rigorous screening system is in place. In addition to monitoring customers who are granted credit facilities and implementing an internal credit rating scheme that uses corporate screening methods, the Company takes decisions on highly important deals following careful discussions by the Investment Council (Management Council). Further, it sets exposure limits based on creditworthiness to ensure that risk is not concentrated among certain companies or groups, and works to disperse investments.

The Company limits risk by drawing up policies on using derivatives transactions, establishing limits on balances according to the type of transaction, and setting exposure limits for each counter party. At the same time, a system of internal checks has been established by isolating the departments executing the transactions from the administrative departments to ensure risk management is on an appropriate footing.

The fair values of financial instruments are prices based on the market price and, in cases where market prices are not available, include prices calculated by reasonable methods. Since certain assumptions are adopted for said price calculations, said prices may differ when different assumptions are used.

2) Fair Values of Financial Instruments

The amounts of the principal financial assets and liabilities reported in the balance sheet at the end of the fiscal year, and fair values and the differences between them, are as follows.

(Millions of Yen)			
	Amount reported in the balance sheet	Fair value	Difference
Cash and deposits	¥ 208,501	¥ 208,501	¥ —
Available-for-sale securities (CDs)	21,999	21,999	—
Monetary claims bought.....	243,976	256,208	12,232
Held-to-maturity debt securities.....	213,307	225,539	12,232
Available-for-sale securities.....	30,669	30,669	—
Securities.....	21,175,025	21,478,667	303,642
Trading securities.....	663,744	663,744	—
Held-to-maturity debt securities.....	6,151,669	6,455,311	303,642
Available-for-sale securities.....	14,359,611	14,359,611	—
Loans.....	4,967,486	5,119,135	151,648
Policy loans.....	332,203	332,203	—
Financial loans	4,635,283	4,786,931	151,648
Reserves for possible loan losses (*1)	(7,810)	—	—
	4,959,676	5,119,135	159,458
Deposits received on bond lending.....	368,081	368,081	—
Loans payable	100,000	100,000	—
Derivative financial instruments (*2)	(9,328)	(9,328)	—
Items to which hedge accounting does not apply.....	7	7	—
Items to which hedge accounting applies	(9,335)	(9,335)	—

(*1) Excludes general reserve for possible losses on loans and specific reserve for possible loan losses related to loans.

(*2) The net amounts of claims and liabilities arising from derivative transactions are shown as net amounts, and items whose totals are net liabilities are shown in parentheses ().

a. Method used to calculate the fair value of financial instruments

Assets

① **Cash and deposits**

The Company uses book values for fair values because it assumes that since contract terms are short, fair values are close to book values. The same assessment method as in ③ Securities, has been used for securities transactions based on "Accounting Standards for Financial Instruments (ASBJ, March 10, 2008).

② **Monetary claims bought**

The same assessment method as in ③ Securities has been used for those monetary claims bought and handled as securities under the provisions of the "Accounting Standards for Financial Instruments" (ASBJ, March 10, 2008), primarily in that the fair value is the price calculated by discounting the future cash flow received from transaction partners to the present value.

Some subordinated trust beneficiary rights are not included in monetary claims bought and their fair values are not subject to disclosure, because it is recognized that it is extremely difficult to identify the fair value due to problems in calculating future cash flow. The balance sheet amount of said trust beneficiary rights at fiscal year-end was ¥25,124 million.

③ **Securities**

Of available-for-sale securities, domestic stocks for which market quotations are available are stated at the average market price during March. Securities other than these are stated at market price as of the end of March.

Unlisted stocks, etc., for which market quotations are not available are not included among securities and their fair values are not subject to disclosure, because it is recognized that it is extremely difficult to identify the fair value. The balance sheet amount of said unlisted stocks at fiscal year-end was ¥1,047,158 million, of which ¥139,914 million was stocks issued by subsidiaries and affiliates. Impairment losses of ¥295 million were recognized in connection with unlisted stocks other than stocks issued by subsidiaries and affiliates.

④ **Loans**

The Company uses book values for the fair values of policy loans because it assumes that fair values are close to book values as a result of projected repayment periods, interest conditions, etc., and no repayment periods according to characteristics such as limiting loans to within the cash surrender value.

The fair values of financial loans are primarily stated at prices that discount future cash flow to present value. The fair values of loans to borrowers who are legally bankrupt, substantially bankrupt or have a high possibility of bankruptcy are stated at the amounts obtained by deducting estimated losses from the book value before direct deductions.

Liabilities

① **Deposits received on bond lending**

The Company uses book values for fair values because it assumes that since contract terms are short, fair values are close to book values.

② **Loans payable**

Since loans are made at fluctuating interest rates that reflect market interest rates in the short term, and the Company's credit standing does not change much after borrowing, their fair value is stated at book value because it is assumed said fair value is close to said book value.

Derivative financial instruments

① The fair values of securities exchange transactions, of stock index futures and bond futures, etc. are stated at the closing or settlement prices as of March 31.

② The fair values of OTC transactions of foreign exchange contracts, etc. are stated at theoretical prices based on the TTM, WM/Reuters or discount rate on March 31, or fair values obtained from counterparties on March 31.

③ The fair values of interest swap transactions are stated at theoretical prices discounting the difference of future cash flow to the present value, or fair values obtained from counterparties on March 31.

Since interest swaps subject to exceptional treatment are treated as an integral part of the hedged loan, their fair values are stated as included in the fair values of said loans.

b. Notes Concerning Securities Holdings by Purpose

① The valuation difference on Trading Securities included in profits (losses) for the fiscal year amounted to ¥32,443 million.

② The amounts reported in the balance sheet and fair values of the Held-to-Maturity Debt Securities by type at the end of the fiscal year, and the differences between them, are as follows (b-1). No Held-to-Maturity Debt Securities were sold during the fiscal year.

③ Sales of available-for-sale securities during the fiscal year amounted to ¥1,534,167 million; total gains on sales was ¥15,357 million; total loss on sales was ¥67,294 million. With regard to available-for-sale securities, acquisition costs, amortized costs, balance sheet amounts and the differences between them for each type of security are as follows (b-2).

④ "Acquisition or amortized costs" in the b-2 table refers to book values after impairment losses. Impairment losses on Available-for-sale securities for which market quotations are available amounted to ¥18,133 million during the fiscal year.

b-1. (Millions of Yen)

Type	Amount reported in the balance sheet	Fair value	Difference
Securities whose fair value exceeded the balance sheet amount			
1) Government & Municipal bonds	¥5,461,367	¥5,739,249	¥277,882
2) Corporate bonds.....	527,745	554,539	26,793
3) Other	295,130	309,140	14,009
Total.....	¥6,284,244	¥6,602,929	¥318,685
Securities whose fair value does not exceed the balance sheet amount			
1) Government & Municipal bonds	¥ 40,039	¥ 39,180	¥ (858)
2) Corporate bonds.....	8,874	8,610	(263)
3) Other	31,818	30,131	(1,687)
Total.....	¥ 80,732	¥ 77,922	¥ (2,810)

Note: This table includes securities that are deemed appropriate to handle under the Financial Instruments and Exchange Act.

b-2. (Millions of Yen)

Type	Acquisition or amortized costs	Amount reported in the balance sheet	Difference
Securities whose balance sheet amount exceeds the acquisition or amortized costs			
(1) Stocks	¥ 1,216,165	¥ 1,930,288	¥ 714,122
(2) Bonds.....	8,580,228	9,021,013	440,785
1) Government & Municipal bonds.....	7,691,168	8,097,351	406,182
2) Corporate bonds	889,059	923,662	34,602
(3) Other	2,130,365	2,275,899	145,533
Total.....	¥11,926,759	¥13,227,200	¥1,300,441
Securities whose balance sheet amount does not exceed the acquisition or amortized costs			
(1) Stocks	¥ 509,490	¥ 467,866	¥ (41,623)
(2) Bonds.....	110,719	109,320	(1,398)
1) Government & Municipal bonds.....	56,646	56,641	(5)
2) Corporate bonds	54,073	52,679	(1,393)
(3) Other	671,445	607,891	(63,553)
Total.....	¥ 1,291,655	¥ 1,185,079	¥ (106,575)

Note: This table includes securities that are deemed appropriate to handle under the Financial Instruments and Exchange Act.

c. Projected amounts for monetary claims and securities with maturity period to be redeemed following the balance sheet date

c-1. (Millions of Yen)

	≤ 1 year	> 1 year ≤ 3 years	> 3 years ≤ 5 years	> 5 years ≤ 7 years	> 7 years ≤ 10 years	> 10 years
Deposits	¥ 207,906	¥ —	¥ —	¥ —	¥ —	¥ —
Monetary claims bought.....	—	—	2,006	—	—	241,969
Loans*	569,968	1,005,399	943,876	625,007	642,914	844,942
Securities						
Held-to-maturity debt securities	579,627	951,845	421,101	289,517	540,326	3,369,249
Available-for-sale securities with fixed maturities	102,563	288,540	351,031	907,080	1,448,634	8,809,051
Total	¥1,460,066	¥2,245,786	¥1,718,016	¥1,821,606	¥2,631,875	¥13,265,212

* Loans do not include ¥486 million in claims against borrowers who are bankrupt, etc., or other projected non-recoverable amounts.

* Policy loans that have no maturity period are not included in loans.

d. Projected amounts of deposits received on bond lending and loans payable to be repaid following the balance sheet date

d-1.

(Millions of Yen)

	≤ 1 year	> 1 year ≤ 3 years	> 3 years ≤ 5 years	> 5 years ≤ 7 years	> 7 years ≤ 10 years	> 10 years
Deposits received on bond lending.....	¥368,081	¥—	¥—	¥—	¥ —	¥—
Loans payable	—	—	—	—	100,000	—
Total	¥368,081	¥—	¥—	¥—	¥100,000	¥—

(11) Real Estate

The Company has office buildings for lease in the Tokyo Metropolitan Area and elsewhere, carried at ¥577,404 million on the balance sheet as of the end of the fiscal year. The fair value of the real estate was ¥605,400 million. Fair values are primarily calculated by means of the appraisal value by real estate appraisers (including those adjusted using indices, etc.)

(12) Non-Performing Loans

- a. Non-performing loans, including loans to bankrupt borrowers, past due loans, loans past due for three months or more, and restructured loans totaled ¥24,067 million. Loans to bankrupt borrowers amounted to ¥9 million and past due loans totaled ¥3,757 million.
- b. The direct deduction of estimated uncollectible amount for loans to bankrupt borrowers and past due loans was, respectively, ¥91 million and ¥20 million.
- c. Loans to bankrupt borrowers are nonaccrual loans for which events defined in Articles 96-1, subparagraphs 3 (i-v) and 4 of the Enforcement Regulations of the Corporate Income Tax Law (the Ordinance No. 97, 1965) have taken place. Accrued interest is not recorded as income due to substantial doubt over the ability to collect interest or principal because of delay in payment for extended periods.
- d. Past due loans are nonaccrual loans, other than loans to bankrupt borrowers, and loans whose interest payments are postponed to support the reconstruction efforts of borrowers.
- e. There were no loans past due for three months or more. Loans past due for three months or more are loans for which interest or principal payments are delinquent for three months or more under terms of the respective loans but not classified as loans to bankrupt borrowers or past due loans.
- f. Restructured loans totaled ¥20,300 million. Restructured loans are those subject to certain favorable concessions, including reduced interest rates or moratorium on interest payments, moratorium on repayments or debt forgiveness, which are made to support the reconstruction efforts of borrowers.

(13) Securities Lent

The balance sheet amount of the securities lent under consumption loan agreements, including sales and repurchase transactions (“repo”) was ¥927,930 million.

(14) The Balance of Funds not yet Provided in Financing through Commitment Line Agreements for Loans

The balance of funds not yet provided in financing through commitment line agreements for loans totaled ¥15,241 million.

(15) Loans Payable

Loans payable are subordinated debts whose repayment is subordinated to other obligations.

(16) Contribution to Life Insurance Policyholders' Protection Corporation of Japan

The amount of the future contribution to the Life Insurance Policyholders' Protection Corporation of Japan, founded in accordance with Article 259 of the Insurance Business Law, is estimated at ¥48,862 million. The contribution is recorded as an operating expense at the time of payment.

(17) Liability for Retirement Benefits

Details of the Liability for Retirement Benefits are listed below:

a. Benefit obligation.....	¥343,932 million
b. Plan assets	¥295,977 million
Of which: retirement benefit trust.....	¥131,911 million
c. Non-accumulated liability for retirement benefits (a+b).....	¥ 47,954 million
d. Unrecognized actuarial difference.....	¥129,257 million
e. Unrecognized prior service cost.....	¥ 7,302 million
f. Pre-paid plan cost	¥ 73,999 million
g. Accrued pension and severance costs (c+d+e-f).....	¥ — million

A calculation of Liability for Retirement Benefits is as listed below:

- a. Allocation of expected retirement benefit paymentsFixed payments over a period of time
- b. Discount rate
- c. Expected rate of return on plan assets
 - Defined benefit corporate pension fund
 - Retirement benefit trust.....
- d. Years for amortization of actuarial difference
- e. Years for amortization of prior service cost

(18) Deferred Tax Assets and Liabilities

- a. Deferred tax assets, which amount to ¥520,804 million, consist mainly of ¥344,122 million in policy reserves, ¥77,145 million in reserves for price fluctuations . The amount of deferred tax assets deducted as allowance account was ¥2,855 million.
- b. Deferred tax liabilities, which amount to ¥373,828 million, consist mainly of ¥338,402 million on unrealized gains on available-for-sale securities.
- c. The effective statutory tax rate in the fiscal year under review was 36.15%. The difference between the statutory tax rate and the effective tax rate after applying tax effect accounting consists primarily of a decrease of 26.23% in deferred tax assets at the year-end and a 14.45% decrease in reserves for policyholder dividends due to tax rate changes.

With the promulgation of the “Act on Partial Amendment of the Income Tax Act, etc. in order to Create a Taxation System Responding to Changes in Economic and Social Structures” (Act No. 114 of 2011) and the “Act on Special Measures for Securing Financial Resources Necessary for the Implementation of Measures for Reconstruction from the Great East Japan

Earthquake” (Act No.117 of 2011), the effective statutory tax rate of 36.15%, which is used in calculation of deferred tax assets and deferred tax liabilities, will be changed to the following rates: 33.28% for assets and liabilities which are expected to be collected or repaid during the period from April 1, 2012 to March 31, 2015 and 30.73% for those expected to be collected or repaid after April 1, 2015.

As a result of this rate change, deferred tax assets decreased by ¥20,412 million and deferred tax liabilities for revaluation decreased by ¥16,247 million as of the end of the fiscal year under review, while income taxes—deferred increased by ¥85,616 million.

(19) Revaluation of Land for Business

- a. Land used for the Company’s business was revalued at publicly disclosed prices, in accordance with the Law concerning the Revaluation of the Land (Law No. 34, promulgated on March 31, 1998).
- b. Unrealized gains on the revaluation of land, net of deferred tax, was reported as revaluation reserves for land within net assets, and the relevant deferred tax was included in liabilities as deferred tax liabilities on revaluation of land.
- c. Date of revaluation: March 31, 2000
Method of revaluation as provided in Article 3-3 of the law: The fair value of land is determined based on revisions to the Law Concerning Public Notification of Land Prices, as stipulated in Article 2-1 of the Law Concerning the Revaluation of Land (Law No. 119, issued on March 31, 1998) after making reasonable adjustments.
- d. The date and method related to the revaluation reserves of land acquired from The Yasuda Mutual Life Insurance Company upon the merger on January 1, 2004, are as follows.
Date of revaluation: March 31, 2001
Method of revaluation as provided in Article 3-3 of the law: The fair value of land is determined based on revisions to the Law Concerning Public Notification of Land Prices, as stipulated in Article 2-1 of the Law Concerning the Revaluation of Land (Law No. 119, issued on March 31, 1998) after making reasonable adjustments or to the Law Concerning Appraised Values, as stipulated in Article 2-5.

(20) Subsidiaries’ Shares

The shares of subsidiaries were valued at ¥145,471 million.

(21) Others

The reserves for outstanding claims corresponding to the portion of reinsurance provided for under Article 71-1 of the Order for Enforcement of the Insurance Business Law applied mutatis mutandis to Article 73-3 amounted to ¥32 million, and the underwriting reserves provided for under Article 71-1 of the Order for Enforcement of the Insurance Business Law amounted to ¥1,966 million.

4. Operations and Surplus

(1) Transactions with Subsidiaries

Total profits from transactions with the Company’s subsidiaries amounted to ¥4,483 million, while total expenses amounted to ¥27,890 million.

(2) Gains and Losses on Securities

- a. Gains on securities sold are ¥10,387 million from domestic bonds, ¥4,854 million from domestic stocks, and ¥115 million from foreign securities.
- b. Losses on securities sold are mainly ¥171 million from domestic bonds and ¥4,472 million from domestic stocks, and ¥62,031 million from foreign securities.

- c. Losses on securities appraised are mainly ¥1,233 million from domestic bonds, and ¥16,951 million from domestic stocks.

(3) Outstanding Claims and Policy Reserves

When calculating the reversal of reserves for outstanding claims, the additional amount of the provision of reserves for outstanding claims for ceded reinsurance was ¥7 million. When calculating the provision of policy reserves, the additional amount of the reversal of policy reserves for ceded reinsurance was ¥1,474 million.

(4) Derivative Financial Instruments

Income for derivative financial instruments included valuation gains of ¥38,242 million.

(5) Cost of Retirement Benefits

The itemization of cost of retirement benefits is as listed below:

- a. Service cost..... ¥10,994 million
 - b. Interest cost ¥ 7,118 million
 - c. Expected return on plan assets..... -¥ 5,001 million
 - d. Amortization of actuarial difference..... ¥10,125 million
 - e. Amortization of prior service cost..... -¥ 2,868 million
 - f. Others..... ¥ 1 million
- Net Benefit Cost amounted to ¥20,370 million (a+b+c+d+e+f).

(6) Other Extraordinary Losses

Other extraordinary losses included recovery expenses due to the Great East Japan Earthquake.

(7) Impairment Losses

Impairment losses for the year are as itemized below:

- 1) Asset grouping method
Real estate, etc., provided for the use of the insurance business, etc., is treated as a single asset group for the overall insurance business, etc. For rental real estate and idle real estate, etc., not provided for the use of the insurance business, each individual property is treated as a single asset group.
- 2) Recognition of impairment losses
Since there were marked declines in the profitability or fair value of some asset groups as a result of the deterioration in the real estate market, book values were reduced to the amounts collectible, and the amounts of reduction were reported under extraordinary losses as impairment losses.
- 3) Itemization of asset groups for which impairment losses were recognized, and impairment losses posted by type of fixed asset.

Type	No. of cases	Impairment loss (Millions of Yen)		
		Land	Buildings	Total
Rental real estate, etc.	4	¥ 717	¥ 1,121	¥ 1,839
Idle real estate, etc.	66	3,301	19,386	22,688
Total	70	¥4,019	¥20,508	¥24,527

4) Calculations of collectible amounts

The collectible amounts applied are the value in use or net sales value in the case of rental real estate, etc., and the net sales value in the case of idle real estate. Value in use has been calculated as the future cash flow after reflecting estimated volatility risk, discounted by 2.35%. The net sales value is calculated on the basis of the price obtained by deducting estimated disposal expenses from the appraisal value based on real estate appraisal criteria, or the appraisal price based on the posted price.

Supplementary Financial Information (Non-Consolidated Basis)

Meiji Yasuda Life Insurance Company

1. Outline of Life Insurance and Group Pension Business

1-1. Life Insurance and Group Pensions in Force

(Millions of Yen)

	FY2011	FY2010
Individual life insurance	¥ 88,851,239	¥ 92,383,785
Individual annuities	12,702,634	12,082,476
Group life insurance	109,167,874	106,019,687
Group pensions*	6,512,315	6,455,066

* Sum total of policy reserves for group pensions

1-2. Life Insurance and Group Pensions New Business

(Millions of Yen)

	FY2011	FY2010
Individual life insurance	¥4,451,541	¥4,013,553
Individual annuities	1,103,696	874,304
Group life insurance	396,700	509,291
Group pensions*	780	896

* Sum total of first premiums

1-4. Insurance Benefits Paid

(Millions of Yen)

	FY2011					FY2010
	Individual life	Individual annuities	Group life	Group pensions	Total*	Total*
Claims paid:						
Death benefits.....	¥250,136	¥ 1,187	¥151,159	¥ —	¥407,265	¥401,253
Accidental death benefits	4,933	14	795	—	5,906	3,990
Disability benefits.....	35,537	104	10,988	—	46,647	49,952
Maturity benefits	237,298	107	3	771	239,194	254,122
Others	430	—	9	—	440	458
Annuities paid.....	14,933	219,372	20,356	221,146	481,112	446,640
Benefits on policies paid:						
Death benefits.....	9,088	22,122	5	3,195	34,647	28,083
Hospitalization benefits	38,365	1,262	394	—	41,732	43,187
Operation benefits	19,554	845	—	—	20,499	21,731
Injury benefits	1,075	12	105	—	1,193	1,114
Survivor benefits	58,584	1,146	—	—	61,105	72,705
Lump sum benefits	—	—	183	271,367	271,551	286,877
Others	30,232	2,751	—	2,673	35,697	38,779
Surrender benefits paid.....	243,946	92,284	—	88,000	447,392	462,020

* Total includes insurance benefits paid to other types of insurance and annuities.

1-3. Premium Income

(Millions of Yen)

	FY2011	FY2010
Individual life insurance	¥3,648,867	¥2,465,192
Individual annuities.....	454,571	498,141
Group life insurance	306,073	300,435
Group pensions	728,928	634,207
TOTAL*	¥5,183,163	¥3,943,298

* Total includes premium income from other types of insurance and annuities.

2. Outline of Investments (General Account)

2-1. Breakdown of Assets

	(Millions of Yen)	
	FY2011	FY2010
Cash, deposits and call loans	¥ 509,056	¥ 423,032
Monetary claims bought.....	269,101	277,381
Securities:		
Domestic bonds.....	15,168,361	12,498,167
Domestic stocks	2,654,094	2,777,053
Foreign securities:		
Foreign bonds	2,607,577	2,389,505
Foreign stocks.....	1,057,598	1,046,871
Others	70,806	63,560
Loans:		
Policy loans.....	332,203	348,219
Financial loans	4,635,283	4,734,412
Real estate.....	968,004	1,006,039
Deferred tax assets	144,120	331,472
Others.....	556,091	501,657
Reserves for possible loan losses....	(10,661)	(16,665)
TOTAL	¥28,961,639	¥26,380,708
(Assets denominated in foreign currencies).....	¥ 2,723,128	¥ 2,510,685

Note: Real estate reflects the total value of land, buildings and construction in progress.

2-2. Average Balances of Assets

	(Millions of Yen)	
	FY2011	FY2010
Cash, deposits and call loans	¥ 334,550	¥ 404,779
Monetary claims bought.....	281,234	285,210
Domestic bonds	13,637,576	11,400,943
Domestic stocks.....	2,002,417	2,095,051
Foreign securities:		
Foreign bonds.....	2,410,903	2,063,877
Foreign stocks	1,069,791	1,016,998
Loans.....	5,104,860	5,219,991
(Financial loans)	4,764,433	4,864,858
Real estate.....	998,467	1,022,772
TOTAL	¥26,854,726	¥24,533,659
(Overseas investments)	¥ 3,651,085	¥ 3,328,520

Notes: 1. Average balances are calculated based on book value.

2. Overseas investments includes assets in foreign currencies, loans for non-residents issued in yen and foreign bonds issued in yen.

2-3. Investment Income and Gain

	(Millions of Yen)	
	FY2011	FY2010
Interest and dividends.....	¥577,023	¥536,021
Gains on money-held-in-trust	0	2
Gains on securities sold	15,357	74,018
Gains on securities redeemed.....	21	—
Income for derivative financial instruments.....	72,353	65,656
Reversal of reserves for possible loan losses.....	5,305	—
Others.....	3,354	16
TOTAL	¥673,417	¥675,715

Note: In fiscal 2011, the amount of investment income and gain includes reversal of reserves for possible loan losses.

2-4. Investment Expenses and Losses

	(Millions of Yen)	
	FY2011	FY2010
Interest paid.....	¥ 3,198	¥ 3,297
Losses on trading securities.....	0	—
Losses on securities sold	66,945	130,164
Losses on securities appraised....	18,428	21,292
Losses on securities redeemed....	2,072	2,451
Losses on foreign exchange	447	580
Provisions of reserves for possible loan losses	—	532
Depreciation of real estate for rent ...	10,139	10,481
Others.....	9,357	10,428
TOTAL	¥110,589	¥179,229

2-5. Net Investment Returns

	(%)	
	FY2011	FY2010
Cash, deposits and call loans	0.07%	0.09%
Monetary claims bought.....	2.02	2.28
Domestic bonds	1.93	1.95
Domestic stocks.....	2.12	4.00
Foreign securities:		
Foreign bonds.....	3.66	1.12
Foreign stocks	4.11	3.47
Loans.....	2.03	2.04
(Financial loans)	1.85	1.84
Real estate.....	1.57	1.72
TOTAL	2.10%	2.02%
(Overseas investments)	3.72%	1.91%

Notes: 1. The rate of return is calculated by deducting investment expenses from the ordinary gain (loss) on the investment, and dividing the result by the average daily balance (book value basis).

2. Overseas investments include assets in foreign currencies, loans for non-residents issued in yen and foreign bonds issued in yen.

2-6. Breakdown of Securities Investment

(Millions of Yen)

	FY2011	FY2010
Domestic bonds:		
Government bonds	¥12,574,477	¥ 9,926,020
Municipal bonds	1,080,921	1,201,398
Corporate bonds.....	1,512,962	1,370,748
(Public corporation bonds)	495,427	504,000
Domestic stocks.....	2,654,094	2,777,053
Foreign securities:		
Foreign bonds.....	2,607,577	2,389,505
Foreign stocks	1,057,598	1,046,871
Others.....	70,806	63,560
TOTAL	¥21,558,439	¥18,775,157

2-7. Breakdown of Loans

(Millions of Yen)

	FY2011	FY2010
Policy loans	¥ 332,203	¥ 348,219
Financial loans:		
(Overseas loans)	138,104	181,022
Corporate loans	4,353,886	4,224,255
(To domestic corporations)....	4,321,369	4,174,836
Loans to governments and supranationals.....	77,943	100,807
Loans to public organizations...	172,714	134,370
Housing loans	4,516	122,068
Consumer loans.....	24,369	150,705
Others	1,853	2,205
TOTAL	¥4,967,486	¥5,082,632

Securities and Others with Market Value*

(Millions of Yen)

	FY2011				
	Book value	Market value	Equivalent of net unrealized gains	Equivalent of gross unrealized gains	Equivalent of gross unrealized losses
Domestic bonds	¥14,728,975	¥15,471,914	¥ 742,938	¥ 745,460	¥ 2,521
Domestic stocks.....	1,725,656	2,398,155	672,499	714,122	41,623
Foreign securities:					
Foreign bonds.....	2,452,296	2,574,223	121,927	126,312	4,385
Foreign stocks	369,878	325,098	(44,779)	14,461	59,241
Other securities	41,164	45,532	4,368	5,913	1,545
Others**	265,421	278,207	12,787	12,855	67
TOTAL	¥19,583,390	¥21,093,132	¥1,509,741	¥1,619,126	¥109,385

(Millions of Yen)

	FY2010				
	Book value	Market value	Equivalent of net unrealized gains	Equivalent of gross unrealized gains	Equivalent of gross unrealized losses
Domestic bonds	¥12,386,733	¥12,681,784	¥ 295,051	¥ 331,914	¥ 36,862
Domestic stocks.....	1,755,419	2,521,057	765,637	804,818	39,180
Foreign securities:					
Foreign bonds.....	2,399,678	2,354,487	(45,190)	21,615	66,806
Foreign stocks	312,168	303,759	(8,408)	36,093	44,501
Other securities	33,477	36,343	2,866	4,873	2,007
Others**	303,028	310,675	7,648	7,821	172
TOTAL	¥17,190,504	¥18,208,109	¥1,017,604	¥1,207,136	¥189,531

* The above table shows information regarding securities and other instruments with market price. Trading securities are not included.

** Others include securities that are deemed appropriate to handle under the Financial Instruments and Exchange Act, such as certificates of deposit.

2-8. Distribution of Foreign Securities Investment and Overseas Loans

(Millions of Yen)

	FY2011				FY2010			
	Foreign securities			Overseas loans	Foreign securities			Overseas loans
	Total	Bonds	Stocks		Total	Bonds	Stocks	
North America	¥2,028,949	¥1,984,041	¥ 44,908	¥ 16,000	¥1,767,695	¥1,721,949	¥ 45,746	¥ 26,000
Europe	405,671	366,234	39,437	56,500	538,577	464,651	73,925	69,000
Oceania	111,462	111,462	—	—	71,727	71,727	—	—
Asia.....	37,103	26,003	11,100	3,740	21,042	9,901	11,141	4,126
Latin America	984,392	22,239	962,153	2,277	957,709	41,650	916,058	4,338
Middle East.....	5,084	5,084	—	—	—	—	—	—
Africa	—	—	—	—	—	—	—	—
Supranationals	92,511	92,511	—	59,587	79,623	79,623	—	77,557
TOTAL	¥3,665,176	¥2,607,577	¥1,057,598	¥138,104	¥3,436,376	¥2,389,505	¥1,046,871	¥181,022

3. Non-performing Loans

(Millions of Yen)

	FY2011	FY2010
Loans to bankrupt borrowers.....	¥ 9	¥ 187
Past due loans.....	3,757	6,419
Loans past due three months or more.....	—	—
Restructured loans.....	20,300	21,111
TOTAL.....	¥24,067	¥27,718
Non-performing loans/total loans.....	0.48%	0.55%

- Notes: 1. Loans to bankrupt borrowers and substantially bankrupt borrowers including collateralized and guaranteed loans are directly deducted from total loans based on estimated uncollectible amounts. This is calculated as the remainder after deducting any amounts expected to be collected through the disposal of collateral or the execution of guarantees. The amounts recognized in the financial statements were ¥10,103 million for loans to bankrupt borrowers and ¥43 million for past due loans as of March 31, 2010; ¥91 million for loans to bankrupt borrowers and ¥27 million for past due loans as of March 31, 2011; and ¥91 million for bankrupt borrowers and ¥20 million for past due loans as of March 31, 2012.
2. Loans to bankrupt borrowers are loans to borrowers that are legally bankrupt through filings for proceedings under the Corporate Reorganization Law, Civil Rehabilitation Law, Bankruptcy Law or Company Law; loans to borrowers with notes suspended from trading on exchanges; and loans to borrowers that have filed for similar legal proceedings based on overseas laws. Interest is not accrued as income on these loans, which remain in arrears on principal and interest payments with little likelihood for the recovery of principal or interest.
3. Past due loans are loans that do not accrue interest. These loans exclude loans to bankrupt borrowers and loans with modified interest payment terms and conditions extended in order to support the borrowers or business restructuring.
4. Loans past due three months or more are loans with principal or interest in arrears for three or more months from the day following the payment date established by the loan agreement. These loans exclude loans to bankrupt borrowers and past due loans.
5. Restructured loans are loans with favorable concessions given to the borrower (including interest reduction or exemption, relaxed interest payments, relaxed principal repayments and loan forgiveness) in order to support the rebuilding of operations at the borrower. These loans exclude loans to bankrupt borrowers, past due loans, and loans past due three months or more.

4. Outline of Reserves

4-1. Policy Reserves

(Millions of Yen)

	FY2011	FY2010
Policy reserves:		
Individual life insurance.....	¥12,011,804	¥ 9,638,609
Individual annuities.....	7,059,497	6,762,591
Group life insurance.....	159,844	160,436
Group pensions.....	6,512,315	6,455,066
Others.....	234,728	239,949
Reserves for contingencies.....	491,117	510,779
TOTAL.....	¥26,469,306	¥23,767,432

4-2. Other Reserves

(Millions of Yen)

	FY2011	FY2010
Reserves for possible loan losses:		
General reserves for possible loan losses.....	¥ 6,369	¥ 3,176
Specific reserves for possible loan losses.....	4,291	13,488
Accrued retirement benefits for directors and executive officers.....	545	650
Reserves for contingent liabilities.....	3,115	3,592
Reserves for price fluctuations.....	251,044	242,414

Consolidated Balance Sheet

Meiji Yasuda Life Insurance Company and Consolidated Subsidiaries

As of March 31, 2012 and 2011

	Millions of Yen		Millions of U.S. Dollars*
	FY2011	FY2010	FY2011
ASSETS			
Cash and deposits	¥ 271,989	¥ 273,106	\$ 3,309.2
Call loans	307,000	233,000	3,735.2
Monetary claims bought.....	269,101	277,381	3,274.1
Securities.....	22,187,931	19,391,838	269,959.0
Loans.....	4,981,415	5,097,175	60,608.5
Tangible fixed assets:			
Land.....	632,052	645,357	7,690.1
Buildings	344,666	343,714	4,193.5
Construction in progress	1,071	27,240	13.0
Other tangible fixed assets.....	4,158	3,844	50.5
Intangible fixed assets:			
Software.....	33,941	36,803	412.9
Other intangible fixed assets	18,533	18,681	225.4
Agency accounts receivable	1,577	1,736	19.1
Reinsurance accounts receivable	1,366	1,241	16.6
Other assets	512,163	436,791	6,231.4
Deferred tax assets	147,144	335,337	1,790.2
Customers' liabilities for acceptances and guarantees	24,315	22,000	295.8
Reserves for possible loan losses	(10,666)	(16,726)	(129.7)
TOTAL ASSETS	¥29,727,763	¥27,128,525	\$361,695.6
LIABILITIES AND NET ASSETS			
<i>Liabilities</i>			
Policy reserves and others:			
Reserves for outstanding claims	¥ 119,902	¥ 159,270	\$ 1,458.8
Policy reserves.....	26,512,400	23,811,692	322,574.5
Reserves for policyholder dividends.....	296,253	318,003	3,604.4
Agency accounts payable.....	9	15	0.1
Reinsurance accounts payable	1,196	1,457	14.5
Other liabilities.....	750,763	1,203,181	9,134.4
Accrued pension and severance costs	736	714	8.9
Accrued retirement benefits for directors and executive officers	545	650	6.6
Reserves for contingent liabilities.....	3,115	3,592	37.8
Reserves for price fluctuations.....	251,328	242,687	3,057.8
Deferred tax liabilities on revaluation of land	88,539	114,364	1,077.2
Acceptances and guarantees.....	24,315	22,000	295.8
TOTAL LIABILITIES	28,049,107	25,877,630	341,271.5
<i>Net Assets</i>			
Foundation funds	110,000	60,000	1,338.3
Accumulated redeemed foundation funds.....	410,000	410,000	4,988.4
Revaluation reserves	452	452	5.4
Consolidated surplus	255,484	200,018	3,108.4
Total foundation funds and others.....	775,936	670,471	9,440.7
Unrealized gains on available-for-sale securities	827,866	528,675	10,072.5
Deferred hedge gains (losses).....	(1,524)	(5,213)	(18.5)
Revaluation reserves for land.....	95,096	72,823	1,157.0
Currency translation adjustment	(22,393)	(21,061)	(272.4)
Total accumulated other comprehensive income.....	899,044	575,223	10,938.6
Minority interests	3,674	5,200	44.7
TOTAL NET ASSETS	1,678,655	1,250,894	20,424.0
TOTAL LIABILITIES & NET ASSETS.....	¥29,727,763	¥27,128,525	\$361,695.6

* Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥82.19 to US\$1.00 prevailing on March 30, 2012.

Consolidated Statement of Operations and Surplus
Meiji Yasuda Life Insurance Company and Consolidated Subsidiaries

For the years ended March 31, 2012 and 2011

	Millions of Yen		Millions of U.S. Dollars*
	FY2011	FY2010	FY2011
ORDINARY REVENUE			
Premium income and reinsurance refunds.....	¥5,203,236	¥3,963,619	\$63,307.4
Investment income and gain:			
Interest and dividends	580,911	530,694	7,067.9
Gains on money-held-in-trust.....	0	2	0.0
Gains on securities sold.....	15,612	74,484	189.9
Gains on securities redeemed	21	—	0.2
Income for derivative financial instruments	72,353	65,656	880.3
Reversal of reserves for possible loan losses.....	5,304	—	64.5
Other investment income.....	3,373	64	41.0
Gains on separate account assets investment.....	21,926	—	266.7
Other ordinary revenue.....	213,543	188,303	2,598.1
TOTAL ORDINARY REVENUE.....	6,116,284	4,822,825	74,416.4
ORDINARY EXPENSES			
Insurance benefits paid and others:			
Claims paid	707,509	716,838	8,608.2
Annuities paid	481,200	446,719	5,854.7
Benefits on policies paid.....	467,911	493,991	5,693.0
Surrender benefits paid	448,417	463,142	5,455.8
Other refunds paid and expenses	183,307	95,303	2,230.2
Provision for policy reserves and others:			
Provision for reserves for outstanding claims.....	—	24,409	—
Provision for policy reserves.....	2,701,675	1,531,272	32,871.0
Interest on dividend reserves.....	546	799	6.6
Investment expenses and losses:			
Interest paid	3,262	3,344	39.6
Losses on trading securities.....	0	—	0.0
Losses on securities sold	66,945	130,164	814.5
Losses on securities appraised	18,428	21,292	224.2
Losses on securities redeemed.....	2,072	2,451	25.2
Losses on foreign exchange.....	447	580	5.4
Provision for reserves for possible loan losses.....	—	561	—
Depreciation on real estate for rent	10,283	10,631	125.1
Other investment expenses	10,523	11,267	128.0
Losses on separate account assets investment.....	—	9,875	—
Operating expenses	411,677	388,421	5,008.8
Other ordinary expenses	228,002	242,821	2,774.0
TOTAL ORDINARY EXPENSES.....	5,742,212	4,593,890	69,865.0
ORDINARY INCOME	374,071	228,934	4,551.2
Extraordinary profits:			
Gains on disposals of fixed assets	950	1,588	11.5
Other extraordinary profits.....	5	—	0.0
Extraordinary losses:			
Losses on disposals of fixed assets	11,461	14,472	139.4
Impairment losses.....	25,435	9,397	309.4
Provision for reserves for contingent liabilities	1	670	0.0
Provision for reserves for price fluctuations	8,650	57,449	105.2
Losses on reduction of real estate.....	474	—	5.7
Donations for social welfare project promotion	553	552	6.7
Other extraordinary losses.....	691	2,836	8.4
NET SURPLUS BEFORE TAXES	327,760	145,143	3,987.8
Income taxes — current	38,653	21,031	470.2
Income taxes — deferred.....	117,653	(7,433)	1,431.4
NET SURPLUS BEFORE MINORITY INTERESTS.....	171,453	131,545	2,086.0
Minority interest share in earnings (losses)	(1,288)	199	(15.6)
NET SURPLUS FOR THE PERIOD.....	¥ 172,741	¥ 131,346	\$ 2,101.7

* Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥82.19 to US\$1.00 prevailing on March 30, 2012.

Consolidated Statement of Comprehensive Income
Meiji Yasuda Life Insurance Company and Consolidated Subsidiaries

For the years ended March 31, 2012 and 2011

	Millions of Yen		Millions of U.S. Dollars*
	FY2011	FY2010	FY2011
Net surplus before minority interests	¥171,453	¥131,545	\$2,086.0
Other comprehensive income:			
Unrealized gains (losses) on available-for-sale securities	299,190	(150,153)	3,640.2
Deferred hedge gains	3,689	1,305	44.8
Revaluation reserves for land	24,136	473	293.6
Currency translation adjustment.....	(1,331)	(3,647)	(16.1)
COMPREHENSIVE INCOME (LOSS).....	497,138	(20,477)	6,048.6
Comprehensive income attributable to the parent company	498,427	(20,676)	6,064.3
Comprehensive income attributable to minority interests.....	(1,288)	199	(15.6)

* Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥82.19 to US\$1.00 prevailing on March 30, 2012.

Consolidated Statement of Changes in Net Assets
Meiji Yasuda Life Insurance Company and Consolidated Subsidiaries

For the years ended March 31, 2012 and 2011

	Millions of Yen		Millions of U.S. Dollars*
	FY2011	FY2010	FY2011
Foundation funds and others			
Foundation funds			
Beginning balance.....	¥ 60,000	¥ 60,000	\$ 730.0
Changes during the period			
Foundation funds procurement.....	50,000	60,000	608.3
Redemption of foundation funds.....	—	(60,000)	—
Total changes during the period	50,000	—	608.3
Ending balance	110,000	60,000	1,338.3
Accumulated redeemed foundation funds			
Beginning balance.....	410,000	350,000	4,988.4
Changes during the period			
Transfer to accumulated redeemed foundation funds.....	—	60,000	—
Total changes during the period	—	60,000	—
Ending balance	410,000	410,000	4,988.4
Revaluation reserves			
Beginning balance.....	452	452	5.4
Changes during the period			
Total changes during the period	—	—	—
Ending balance	452	452	5.4
Consolidated surplus			
Beginning balance.....	200,018	247,275	2,433.6
Changes during the period			
Transfer to reserves for policyholder dividends.....	(118,365)	(123,038)	(1,440.1)
Interest payment on foundation funds.....	(774)	(1,043)	(9.4)
Net surplus	172,741	131,346	2,101.7
Reversal of reserves for redemption of foundation funds	—	(60,000)	—
Reversal of revaluation reserves for land.....	1,864	5,479	22.6
Total changes during the period	55,465	(47,256)	674.8
Ending balance	255,484	200,018	3,108.4
Total foundation funds and others			
Beginning balance.....	670,471	657,728	8,157.5
Changes during the period			
Foundation funds procurement	50,000	60,000	608.3
Transfer to reserves for policyholder dividends.....	(118,365)	(123,038)	(1,440.1)
Transfer to accumulated redeemed foundation funds.....	—	60,000	—
Interest payment on foundation funds.....	(774)	(1,043)	(9.4)
Net surplus	172,741	131,346	2,101.7
Redemption of foundation funds.....	—	(60,000)	—
Reversal of reserves for redemption of foundation funds	—	(60,000)	—
Reversal of revaluation reserves for land.....	1,864	5,479	22.6
Total changes during the period	105,465	12,743	1,283.1
Ending balance	775,936	670,471	9,440.7

	Millions of Yen		Millions of U.S. Dollars*
	FY2011	FY2010	FY2011
Accumulated other comprehensive income			
Unrealized gains (losses) on available-for-sale securities			
Beginning balance.....	¥ 528,675	¥ 678,829	\$ 6,432.3
Changes during the period			
Net changes in items other than foundation funds and others	299,190	(150,153)	3,640.2
Total changes during the period	299,190	(150,153)	3,640.2
Ending balance	827,866	528,675	10,072.5
Deferred hedge gains (losses)			
Beginning balance.....	(5,213)	(6,519)	(63.4)
Changes during the period			
Net changes in items other than foundation funds and others	3,689	1,305	44.8
Total changes during the period	3,689	1,305	44.8
Ending balance	(1,524)	(5,213)	(18.5)
Revaluation reserves for land			
Beginning balance.....	72,823	77,829	886.0
Changes during the period			
Net changes in items other than foundation funds and others	22,272	(5,005)	270.9
Total changes during the period	22,272	(5,005)	270.9
Ending balance	95,096	72,823	1,157.0
Foreign currency translation adjustment account			
Beginning balance.....	(21,061)	(17,413)	(256.2)
Changes during the period			
Net changes in items other than foundation funds and others	(1,331)	(3,647)	(16.1)
Total changes during the period	(1,331)	(3,647)	(16.1)
Ending balance	(22,393)	(21,061)	(272.4)
Total accumulated other comprehensive income			
Beginning balance.....	575,223	732,725	6,998.6
Changes during the period			
Net changes in items other than foundation funds and others	323,821	(157,501)	3,939.9
Total changes during the period	323,821	(157,501)	3,939.9
Ending balance	899,044	575,223	10,938.6
Minority interests			
Beginning balance.....	5,200	5,256	63.2
Changes during the period			
Net changes in items other than foundation funds and others	(1,526)	(56)	(18.5)
Total changes during the period	(1,526)	(56)	(18.5)
Ending balance	3,674	5,200	44.7
Total net assets			
Beginning balance.....	1,250,894	1,395,710	15,219.5
Changes during the period			
Foundation funds procurement	50,000	60,000	608.3
Transfer to reserves for policyholder dividends.....	(118,365)	(123,038)	(1,440.1)
Transfer to accumulated redeemed foundation funds.....	—	60,000	—
Interest payment on foundation funds.....	(774)	(1,043)	(9.4)
Net surplus	172,741	131,346	2,101.7
Redemption of foundation funds.....	—	(60,000)	—
Reversal of reserves for redemption of foundation funds	—	(60,000)	—
Reversal of revaluation reserves for land.....	1,864	5,479	22.6
Net changes in items other than foundation funds and others	322,295	(157,558)	3,921.3
Total changes during the period	427,761	(144,815)	5,204.5
Ending balance	1,678,655	1,250,894	20,424.0

* Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥82.19 to US\$1.00 prevailing on March 30, 2012.