

Supplementary Financial Information

Contents

Non-consolidated Information	111	
Assets	111	<ul style="list-style-type: none"> • Investment Returns (General Account) • Average Balances of Assets (General Account) • Investment Income (General Account) • Investment Expenses (General Account) • Interest, Dividends and Other Income (General Account) • Attribution Analysis of Interest, Dividends and Other Income (General Account) • Gains on Sales of Securities (General Account) • Losses on Sales of Securities (General Account) • Losses on Valuation of Securities (General Account) • Balance of Securities (General Account) • Breakdown of Securities by Remaining Period for Maturity (General Account) • Rate of Return on Bonds at Fiscal Year End (General Account) • Breakdown of Stocks Held by Industry (General Account) • Loans (General Account) • Breakdown of Loans by Duration (General Account) • Breakdown of Domestic Corporate Loans by Size of Borrower (General Account) • Breakdown of Loans by Industry (General Account) • Breakdown of Loans by Usage (General Account) • Breakdown of Loans by Region (General Account) • Breakdown of Loans by Collateral (General Account) • Tangible and Intangible Fixed Assets (General Account) • Gains on Disposals of Fixed Assets (General Account) • Losses on Disposals of Fixed Assets (General Account) • Depreciation of Real Estate for Non-Insurance Business (General Account) • Foreign Securities Investment and Overseas Loans (General Account) • Investments and Loans for Public Entities (General Account) • Interest Rates of Loans • Other Assets (General Account)
Performance Indicators	120	
Performance Indicators for Main Business	120	<ul style="list-style-type: none"> • Annualized Premiums and Number of Policies • Insurance Amount of Policies in Force and New Policies • Insurance Amount of Policies in Force and New Policies by Product Type • Insurance Amount of Policies in Force by Coverage Type • Insurance Amount of Individual Life Insurance and Individual Annuities in Force by Type of Policy • Trend of Policy Transitions
Performance Indicators for Insurance Policies	129	<ul style="list-style-type: none"> • Rate of Change of Policies in Force • Average Insured Amount per New Policy and Policy in Force (individual life insurance) • New Policy Rate (comparison between the beginning and end of the year) • Surrender and Lapse Rates (comparison between the beginning and end of the year) • Average Premiums for New Policies (individual life insurance policies with monthly payments) • Mortality Rate (individual life insurance) • Rate of Incidence of Events Covered by Riders (individual life insurance) • Ratio of Operating Expenses to Insurance Premiums • The Number of Major Insurance Companies that Accepted Reinsurance Agreements • Ratio of Reinsurance Premiums Paid to the Top Five Counterparties • Ratio of Reinsurance Premiums by Counterparty Rating • Unreceived Reinsurance Claims • Ratio of Premiums Paid as Benefit Payments under Third-Sector Insurance, with Coverage Breakdown
Performance Indicators for Accounting	131	<ul style="list-style-type: none"> • Reserve for Outstanding Claims • Policy Reserves • Breakdown of Policy Reserves • Policy Reserves for Individual Life Insurance and Individual Annuities • Balance of, calculation method for, and coefficient used as the basis for the calculation of policy reserves in general account in relation to insurance policies with separate account and minimum insurance benefit guarantee • Confirming the Soundness and Validity of Actuarial Assumptions in Accordance with Article 121, Paragraph 1, Item 1 of the Insurance Business Act (Relating to Third-Sector Insurance Only) • Policyholders' Dividend Reserves • Allowance for Possible Loan Losses and Other Reserves • Specific Allowance for Possible Overseas Loan Losses • Insurance Premiums • Insurance Premiums Categorized by Policy Year • Insurance Claims, Annuities and Benefits Paid • The Number of Cases Where Claims, Annuities and Benefits Were Paid • Depreciation • Operating Expenses • Taxes • Lease Transactions • Balance of Loans Payable by Remaining Loan Period • Quarterly Information
Investment Performance Indicators	138	<ul style="list-style-type: none"> • Breakdown of Invested Assets (General Account) • Increase (Decrease) by Asset Type (General Account)
		<ul style="list-style-type: none"> • Fair Values of Financial Instruments (General Account) 152 • Gains and Losses on Valuation of Trading Securities (General Account) • Fair Values of Securities (General Account) • Fair Value of Money-Held-in-Trust (General Account) • Fair Value of Derivative Transactions (General Account) • Fair Value of Land (General Account) • Unrealized Gains and Losses on Overall Assets (General Account) • Performance Indicators for Separate Account 157 • Balance of Separate Account Assets 157 • Investment Status of Separate Account Assets for Variable Individual Life Insurance and Variable Individual Annuities • Variable Individual Life Insurance (Separate Account) 158 • Insurance Amount of Policies in Force • Breakdown of Assets (Separate Account Assets for Variable Individual Life Insurance) • Investment Returns (Separate Account Assets for Variable Individual Life Insurance) • Fair Value of Securities (Separate Account Assets for Variable Individual Life Insurance) • Fair Value of Money-Held-in-Trust (Separate Account Assets for Variable Individual Life Insurance) • Fair Value of Derivative Transactions (Separate Account Assets for Variable Individual Life Insurance) • Variable Individual Annuities (Separate Account) 160 • Policies in Force • Breakdown of Assets (Separate Account Assets for Variable Individual Annuities) • Investment Returns (Separate Account Assets for Variable Individual Annuities) • Fair Value of Securities (Separate Account Assets for Variable Individual Annuities) • Fair Value of Money-Held-in-Trust (Separate Account Assets for Variable Individual Annuities) • Fair Value of Derivative Transactions (Separate Account Assets for Variable Individual Annuities) • Group Pensions (Separate Account) 161 • Separate Account Assets Managed for Group Pension Policyholders • Investment Performance of First Treaty Separate Account (Comprehensive Account) • First Treaty Separate Account (Accounts Established for Each Investee) • Consolidated Information 164 • Non-performing Loans • The Enhancement of Ability for Insurance Claim and Benefit Payout Possessed by the Insurance Company and Its Subsidiaries (Consolidated Solvency Margin Ratio) • The Enhancement of Ability for Insurance Claim and Benefit Payout Possessed by the Insurance Company's Subsidiary (Solvency Margin Ratio) • Segment Information

Non-consolidated Information

Assets

Loans Categorized by Internal Classification of Borrowers

(Millions of Yen)

As of March 31,	2016	2015
Loans to legally bankrupt and substantially bankrupt borrowers	497	563
Loans to borrowers with high possibility of bankruptcy	3,224	2,066
Loans with collection risk	16,695	17,356
Subtotal	20,417	19,986
Proportion of total loans (%)	0.32	0.30
Normal loans	6,411,416	6,697,746
Total	6,431,834	6,717,733

- Notes: 1. Loans to legally bankrupt and substantially bankrupt borrowers are loans to borrowers that have been found or are likely to be found legally bankrupt through filings for the commencement of bankruptcy, corporate reorganization or civil rehabilitation proceedings, and loans to borrowers of similar status.
2. Loans to borrowers with high possibility of bankruptcy are loans with a high probability of failure in the payment of principal or interest under terms of the loan agreement due to the borrower's deteriorated financial status and/or business performance. These loans exclude loans to legally bankrupt and substantially bankrupt borrowers.
3. Loans with collection risk consist of loans in arrears three months or more and restructured loans. Loans in arrears 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 (excluding the loans described above in Notes 1. and 2.). 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. Restructured loans exclude the loans described above in Notes 1. and 2. as well as loans in arrears three months or more.
4. Normal loans are loans to borrowers whose financial status and business performance exhibit no particular problems. These loans exclude the loans described above in Notes 1. to 3.

Non-performing Loans

(Millions of Yen)

As of March 31,	2016	2015
Loans to bankrupt borrowers	—	—
Loans in arrears	3,722	2,630
Loans in arrears for three months or longer	—	—
Restructured loans	16,450	17,083
Total	20,172	19,713
Non-performing loans/total loans (%)	0.41	0.39

- 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 ¥44 million for loans to bankrupt borrowers and ¥5 million for loans in arrears as of March 31, 2015; and ¥44 million for loans to bankrupt borrowers and ¥1 million for loans in arrears as of March 31, 2016.
2. Loans to bankrupt borrowers are loans to borrowers that are legally bankrupt through filings for proceedings under the Corporate Reorganization Act, Civil Rehabilitation Act, Bankruptcy Act or Company Act; 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. Loans in arrears 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 in arrears for three months or longer 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 loans in arrears.
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, loans in arrears, and loans in arrears for three months or longer.

Self Assessment of Loans and other Assets

Under relevant regulations, insurance companies are obliged to assess the quality of their assets. Prior to determining write-offs or allowance, each asset is classified according to collectability and impairment risk.

To ensure stringent implementation, the Company has established detailed rules governing the procedures for self assessment. In addition,

a separate department performs internal audits on these rules and the results of self assessment. External accounting auditors provide a further check to ensure the reliability of the self assessment.

As of March 31,	2016		2015	
	Amount	% of total value of loans	Amount	% of total value of loans
Not Classified	6,387,813	99.3	6,669,443	99.3
Class II	43,951	0.7	48,215	0.7
Class III	69	0.0	73	0.0
Class IV	—	—	—	—
Subtotal of II-IV	44,021	0.7	48,289	0.7
Total	6,431,834	100.0	6,717,733	100.0

- Notes: 1. Loans and other assets comprise loans, loaned securities, customers' liabilities under acceptances and guarantees, accrued income (asset related) and suspense payments (loan style).
 2. The above chart presents figures after posting write-offs and allowances.
 3. "Not classified" loans are deemed as non-problematic based on collectability or impairment risk.
 4. "Class II" loans and other assets are deemed to present higher than normal collectability risks due to such reasons as the borrower's failure to meet conditions for maintaining such loans and other issues of creditworthiness.
 5. "Class III" loans and other assets present serious doubts regarding their ultimate collectability or value. These assets are very likely to result in an impairment loss, but the amount of impairment cannot reasonably be estimated.
 6. "Class IV" assets are deemed to be uncollectible or worthless.

Loans Involving Guaranteed Investment Trusts

Not applicable.

Enhancement of Ability for Insurance Claim and Benefit Payout (Solvency margin ratio)

As of March 31,	2016	2015
(A) Total solvency margin	6,805,494	7,190,670
① Foundation funds	1,079,518	1,029,910
② Reserve for price fluctuation	521,677	492,482
③ Contingency reserves	675,573	667,346
④ General allowance for possible loan losses	1,310	1,677
⑤ Net unrealized gains (losses) on available-for-sale securities (before tax effect deduction) and deferred unrealized gains (losses) on derivatives under hedge accounting (before tax effect deduction) × 90% (100% in case of losses)	2,857,322	3,582,085
⑥ Unrealized gains on land × 85% (100% in case of losses)	281,996	246,998
⑦ Excess of continued Zillmerized reserve	966,800	990,405
⑧ Qualifying subordinated debt	338,310	100,000
⑨ Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculation	—	—
⑩ Deductions	—	—
⑪ Other (tax effect adjustment)	82,985	79,763
(B) Total risk $\sqrt{((12)+(13))^2 + ((14)+(15)+(16))^2 + (17)}$	1,450,251	1,381,407
⑫ Insurance risk	118,650	118,922
⑬ Third-sector insurance risk	56,014	53,597
⑭ Assumed interest rate risk	150,273	154,118
⑮ Minimum guarantee risk	8,800	9,772
⑯ Investment risk	1,248,733	1,176,205
⑰ Business management risk	31,649	30,252
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$ (%)	938.5	1,041.0

- Notes: 1. The figures presented above are calculated based on provisions in Article 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act and the Ministry of Finance Notification No. 50 in 1996. In addition, the method of determining the total solvency margin was partially revised in accordance with the revisions of the Ordinance for Enforcement of the Insurance Business Act. The revised method is applied to the calculation of such margin for the year ended March 31, 2016 and beyond.
 2. Minimum guarantee risk is calculated based on standard methods stipulated in Article 2, Paragraph 4 of said notification.

Real Net Assets

(Millions of Yen)

As of March 31,	2016	2015
Real net assets	9,515,679	8,899,331
Ratio of real net assets to general account assets (%)	26.6	25.0

Note: Calculated based on provisions of Article 3, Paragraph 2 of the Order Providing for the Categories, etc. prescribed in Article 132, Paragraph 2 of the Insurance Business Act.

Reference

(Millions of Yen)

As of March 31,	2016	2015
Real net assets after deducting unrealized gains and losses on held-to-maturity debt securities and policy-reserve-matching bonds	6,870,848	7,601,202

Note: Calculated based on provisions of Article 3, Paragraph 2 of the Order Providing for the Categories, etc. prescribed in Article 132, Paragraph 2 of the Insurance Business Act and Section II-2-2-6 of Comprehensive Guidelines for Supervision of Insurance Companies issued by the Financial Services Agency.

Gains and Losses on Valuation of Trading Securities

(Millions of Yen)

As of March 31,	2016		2015	
	Balance sheet amount	Valuation gains/losses included in the statement of income	Balance sheet amount	Valuation gains/losses included in the statement of income
Trading securities	746,596	(59,656)	808,800	25,474
General account	—	—	—	—
Separate account	746,596	(59,656)	808,800	25,474

Fair Value of Securities

• Securities with Fair Value (excluding trading securities)

(Millions of Yen)

As of March 31,	2016					2015				
	Book value	Fair value	Net gains/losses			Book value	Fair value	Net gains/losses		
			Gains	Losses				Gains	Losses	
Held-to-maturity debt securities	4,855,067	5,844,342	989,274	989,964	(689)	5,249,888	5,896,950	647,061	647,860	(798)
Policy-reserve-matching bonds	7,162,085	8,817,642	1,655,556	1,655,563	(7)	6,820,691	7,471,758	651,066	651,066	—
Stocks of subsidiaries and affiliates	—	—	—	—	—	—	—	—	—	—
Available-for-sale securities	12,367,508	15,543,135	3,175,626	3,248,357	(72,730)	11,642,072	15,620,689	3,978,616	3,995,764	(17,147)
Domestic bonds	4,752,079	5,292,559	540,479	541,220	(741)	4,431,621	4,823,786	392,165	392,909	(743)
Domestic stocks	1,651,311	3,439,110	1,787,799	1,802,177	(14,378)	1,653,260	4,070,475	2,417,214	2,424,331	(7,117)
Foreign securities	5,662,264	6,484,268	822,004	871,607	(49,603)	5,328,260	6,460,968	1,132,708	1,141,981	(9,273)
Foreign bonds	5,051,489	5,750,923	699,433	741,873	(42,439)	4,757,793	5,684,550	926,756	935,936	(9,179)
Foreign stocks and others	610,774	733,345	122,570	129,733	(7,163)	570,466	776,417	205,951	206,045	(93)
Other securities	251,881	274,920	23,038	31,044	(8,006)	195,445	230,158	34,712	34,725	(12)
Monetary claims bought	25,971	28,278	2,307	2,307	—	27,484	29,300	1,816	1,816	—
Negotiable deposits	24,000	23,998	(1)	—	(1)	6,000	6,000	0	0	(0)
Others	—	—	—	—	—	—	—	—	—	—
Total	24,384,662	30,205,120	5,820,458	5,893,885	(73,427)	23,712,652	28,989,397	5,276,745	5,294,691	(17,946)
Domestic bonds	16,458,020	19,619,067	3,161,046	3,161,795	(748)	16,174,274	17,847,825	1,673,550	1,674,410	(859)
Domestic stocks	1,651,311	3,439,110	1,787,799	1,802,177	(14,378)	1,653,260	4,070,475	2,417,214	2,424,331	(7,117)
Foreign securities	5,778,096	6,606,819	828,722	879,015	(50,292)	5,455,964	6,593,106	1,137,141	1,146,989	(9,847)
Foreign bonds	5,167,321	5,873,474	706,152	749,281	(43,129)	4,885,497	5,816,688	931,190	940,944	(9,753)
Foreign stocks and others	610,774	733,345	122,570	129,733	(7,163)	570,466	776,417	205,951	206,045	(93)
Other securities	251,881	274,920	23,038	31,044	(8,006)	195,445	230,158	34,712	34,725	(12)
Monetary claims bought	221,352	241,204	19,852	19,852	—	227,707	241,833	14,125	14,233	(108)
Negotiable deposits	24,000	23,998	(1)	—	(1)	6,000	6,000	0	0	(0)
Others	—	—	—	—	—	—	—	—	—	—

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

• Held-to-Maturity Debt Securities

(Millions of Yen)

As of March 31,	2016			2015		
	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference
Securities whose fair value exceeds the balance sheet amount	4,842,623	5,832,587	989,964	5,197,034	5,844,894	647,860
Domestic bonds	4,543,854	5,508,865	965,010	4,909,008	5,539,443	630,434
Foreign bonds	103,387	110,795	7,407	101,111	106,119	5,007
Others	195,380	212,925	17,545	186,913	199,331	12,417
Securities whose fair value does not exceed the balance sheet amount	12,444	11,755	(689)	52,854	52,055	(798)
Domestic bonds	—	—	—	12,952	12,836	(116)
Foreign bonds	12,444	11,755	(689)	26,592	26,018	(573)
Others	—	—	—	13,309	13,201	(108)

• Policy-Reserve-Matching Bonds

(Millions of Yen)

As of March 31,	2016			2015		
	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference
Securities whose fair value exceeds the balance sheet amount	7,161,185	8,816,749	1,655,563	6,820,691	7,471,758	651,066
Domestic bonds	7,161,185	8,816,749	1,655,563	6,820,691	7,471,758	651,066
Others	—	—	—	—	—	—
Securities whose fair value does not exceed the balance sheet amount	900	892	(7)	—	—	—
Domestic bonds	900	892	(7)	—	—	—
Others	—	—	—	—	—	—

• Available-for-Sale Securities

(Millions of Yen)

As of March 31,	2016			2015		
	Acquisition or amortized costs	Balance sheet amount	Difference	Acquisition or amortized costs	Balance sheet amount	Difference
Securities whose balance sheet amount exceeds the acquisition or amortized costs	10,476,734	13,725,092	3,248,357	10,678,152	14,673,917	3,995,764
Domestic bonds	4,744,251	5,285,472	541,220	4,371,423	4,764,333	392,909
Domestic stocks	1,515,554	3,317,732	1,802,177	1,568,675	3,993,007	2,424,331
Foreign securities	4,046,382	4,917,990	871,607	4,512,668	5,654,650	1,141,981
Other securities	144,574	175,618	31,044	194,900	229,626	34,725
Monetary claims bought	25,971	28,278	2,307	27,484	29,300	1,816
Negotiable deposits	—	—	—	3,000	3,000	0
Others	—	—	—	—	—	—
Securities whose balance sheet amount does not exceed the acquisition or amortized costs	1,890,774	1,818,043	(72,730)	963,919	946,771	(17,147)
Domestic bonds	7,828	7,086	(741)	60,197	59,453	(743)
Domestic stocks	135,757	121,378	(14,378)	84,585	77,468	(7,117)
Foreign securities	1,615,881	1,566,278	(49,603)	815,591	806,317	(9,273)
Other securities	107,307	99,301	(8,006)	545	532	(12)
Monetary claims bought	—	—	—	—	—	—
Negotiable deposits	24,000	23,998	(1)	3,000	2,999	(0)
Others	—	—	—	—	—	—

• Book Value of Securities of Which Market Value is Extremely Difficult to Determine

(Millions of Yen)

As of March 31,	2016	2015
Held-to-maturity debt securities	—	—
Policy-reserve-matching bonds	—	—
Stocks of subsidiaries and affiliates	890,889	285,948
Available-for-sale securities	585,469	690,289
Unlisted domestic stocks	48,290	48,294
Unlisted foreign stocks	527,126	632,126
Other foreign securities	1,461	1,721
Others	8,590	8,147
Total	1,476,359	976,238

Fair Value of Money-Held-in-Trust

Not applicable.

Fair Value of Derivative Transactions

1. Qualitative Information

(1) Content of Transactions

The main types of derivative transactions executed by the Company are those related to:

- Interest rates: interest rate futures, interest rate options, interest rate swaps and swaptions
- Currencies: foreign exchange contracts, currency options and currency swaps
- Stocks: stock index futures and stock options
- Bonds: bond futures and bond options

None of the Over-the-Counter (OTC) transactions involves excessive risk that may emerge from the complexity of the transaction structure.

(2) Transaction Policy

The Company positions derivative transactions as a key hedging method against risks associated with invested assets, insurance liabilities and bonds payable. In principle, such transactions are executed only for hedging purposes.

(3) Purpose of Transactions

Derivative transactions are mainly used as follows:

- Interest rate-related transactions are intended to fix the interest rate of loans and debts with floating rates and to hedge against interest rate risk of insurance liabilities.
- Currency-related transactions are intended to fix currency exchange rates applied to the purchase or sale of foreign currency denominated assets and liabilities, to minimize unexpected losses caused by exchange rate fluctuations, and avoid other risks associated with foreign currency exchange.
- Stock-related transactions are intended to avoid price fluctuation risk that may emerge from the planned purchase or sale of stocks due to a time lag between the decision on and execution of such deal as well as risks resulting from the fluctuation in the value of the Company's stock portfolio.
- Bond-related transactions are intended to avoid price fluctuation risk that may emerge from the planned purchase or sale of bonds due to a time lag between the decision on and execution of such deal.

Of the transactions described above, some interest-rate transactions are subject to exceptional accounting treatment and deferred hedge accounting. Also, some transactions aimed at avoiding foreign currency exchange risk are subject to fair value hedge accounting, deferred hedge accounting and the allocation method for currency swaps.

(4) Risk Content

In principle, these derivative transactions are aimed at hedging against invested asset risk, insurance liability risk and bonds payable risk.

Accordingly, the market-related risk accompanying these transactions is mitigated and limited.

In addition, transactions are executed through market exchange or OTC transactions. The latter give due consideration to assessing the soundness of counterparties. Therefore, the Company believes these transactions pose limited risk that might emerge from counterparty default due to such reasons as insolvency.

(5) Risk Management Structure

With regard to handling derivative transactions, the Company limits risk by setting up policies and establishing limits by the type of transaction and by each counterparty. By using the Current Exposure Method, the Company calculates counterparty credit risk based on replacement cost, thereby limiting exposure risk. Counterparties are selected based on their soundness, giving due consideration to their ratings and other factors.

The overall status of these transactions is managed comprehensively. For example, the small-committee for investment risk management monitors the total value and balance of transactions and other invested assets subject to hedge accounting. Moreover, a system of internal checks is in place by segregating the departments executing the transactions from the administrative departments to ensure risk management is on an appropriate footing.

(6) Supplementary Explanation on Quantitative Information

(i) Calculation of Fair Value

The fair value of interest rate swap transactions is stated at theoretical prices calculated by discounting the net future cash flows to the present value, or fair value obtained from counterparties at the balance sheet date.

The fair value of OTC transactions, such as foreign exchange contracts, is stated at theoretical prices based on the TTM, WM Reuters rate or discount rate at the balance sheet date, or fair value obtained from counterparties at the balance sheet date.

The fair value of stock index futures and bond futures is calculated based on closing or settlement prices as of March 31.

(ii) Net Gains and Losses on Transactions

In principle, the Company utilizes derivative transactions as a hedging method against risk associated with invested assets, insurance liabilities and bonds payable, and, therefore, does not engage in derivative transactions for speculative purpose.

For example, interest rate swap transactions related to invested assets are executed mainly for the purpose of fixing interest rates on assets with floating rates. Likewise, interest rate swap transactions related to insurance liabilities are intended to control the impact of interest rate fluctuations on such liabilities.

In short, the Company undertakes derivative transactions in combination with invested assets, insurance liabilities and bonds payable subject to hedge accounting, rather than on an individual transaction basis.

2. Quantitative Information

(1) Breakdown of Net Gains (Losses) on Derivative Transactions (by Application and Non-Application of Hedge Accounting)

(Millions of Yen)

As of March 31,	2016						2015					
	Interest rate-related	Currency-related	Stock-related	Bond-related	Others	Total	Interest rate-related	Currency-related	Stock-related	Bond-related	Others	Total
Hedge accounting applied	59,990	88,255	—	—	—	148,246	32,813	(75,719)	—	—	—	(42,905)
Hedge accounting not applied	(0)	(63)	43	—	—	(20)	10	(16)	(21)	—	—	(27)
Total	59,989	88,192	43	—	—	148,225	32,824	(75,735)	(21)	—	—	(42,933)

Note: Gains and losses on derivative transactions where fair value hedge accounting is applied included loss attributable to currency-related transactions totaling ¥70,919 million as of March 31, 2015 and gain attributable to currency-related transactions totaling ¥89,473 million as of March 31, 2016. These figures are presented on the statements of income, together with gains and losses on derivative transactions where hedge accounting is not applied.

(2) Transactions Where Hedge Accounting Is Not Applied

◆ Interest-Rate Related

(Millions of Yen)

As of March 31,	2016				2015			
	Notional amount/ contract value		Fair value	Net gains (losses)	Notional amount/ contract value		Fair value	Net gains (losses)
	Over 1 year				Over 1 year			
OTC								
Interest rate swaps								
Receipts fixed, payments floating	100	100	(0)	(0)	1,000	1,000	10	10
Total				(0)				10

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

Reference: Amount and Proportion of Interest Rate Swaps by Remaining Contract Duration

(Millions of Yen)

As of March 31,	2016							2015						
	Within 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total	Within 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total
Receipts fixed, payments floating swap														
Notional amount	—	—	—	—	—	100	100	—	—	—	—	—	1,000	1,000
Average interest rate in receipt (%)	—	—	—	—	—	0.46	0.46	—	—	—	—	—	1.17	1.17
Average interest rate in payment (%)	—	—	—	—	—	0.02	0.02	—	—	—	—	—	0.14	0.14

◆ Currency-Related

(Millions of Yen)

As of March 31,	2016				2015			
	Notional amount/ contract value		Fair value	Net gains (losses)	Notional amount/ contract value		Fair value	Net gains (losses)
	Over 1 year				Over 1 year			
OTC								
Foreign currency forward contracts								
Sold	12,946	—	(103)	(103)	11,566	—	(46)	(46)
(Australian dollar)	12,226	—	(105)	(105)	888	—	3	3
(U.S. dollar)	519	—	3	3	8,654	—	(53)	(53)
(Euro)	169	—	(1)	(1)	977	—	7	7
(Canadian dollar)	—	—	—	—	672	—	(1)	(1)
(Others)	32	—	0	0	373	—	(1)	(1)
Bought	5,339	—	39	39	11,641	—	30	30
(U.S. dollar)	3,572	—	(7)	(7)	8,933	—	44	44
(Euro)	1,641	—	46	46	1,428	—	(13)	(13)
(Canadian dollar)	7	—	0	0	567	—	1	1
(Others)	117	—	0	0	711	—	(1)	(1)
Total				(63)				(16)

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

◆ Stock-Related

(Millions of Yen)

As of March 31,	2016				2015			
	Notional amount/ contract value		Fair value	Net gains (losses)	Notional amount/ contract value		Fair value	Net gains (losses)
	Over 1 year				Over 1 year			
Exchange-traded transactions								
Yen Stock index futures								
Sold	274	—	4	4	—	—	—	—
Bought	1,824	—	21	21	1,059	—	(25)	(25)
Foreign currency-denominated stock index futures								
Bought	2,332	—	17	17	1,681	—	3	3
Total				43				(21)

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

◆ Bond-Related

Not applicable.

(3) Transactions Where Hedge Accounting Is Applied

◆ Interest-Rate Related

(Millions of Yen)

As of March 31,	2016				2015				
	Hedge accounting method	Type	Main hedged items	Notional amount/ contract value		Fair value	Notional amount/ contract value		Fair value
				Over 1 year			Over 1 year		
Deferred hedge accounting	Interest rate swaps Receipts fixed, payments floating	Insurance liabilities	233,900	233,900	59,067	234,100	234,100	31,576	
Special hedge accounting	Interest rate swaps Receipts fixed, payments floating	Loans	28,948	18,948	922	46,251	31,141	1,237	
Total					59,990			32,813	

Reference: Amount and Proportion of Interest Rate Swaps by Remaining Contract Duration

(Millions of Yen)

As of March 31,	2016								2015									
	Receipts fixed, payments floating swap	Notional amount	Average interest rate in receipt (%)	Average interest rate in payment (%)	Within 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total	Within 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total
	10,000	15,000	4.18	0.22	15,000	4,118	7,400	16,130	210,200	262,848	15,110	22,000	5,409	7,800	13,832	216,200	280,351	
	1.95	1.97	1.51	0.23	1.68	1.73	1.89	1.88	1.62	1.90	2.11	1.56	1.73	1.89	1.86	1.86	1.86	
	0.22	0.23	0.01	0.04	0.16	0.06	0.08	0.08	0.25	0.31	0.34	0.14	0.21	0.14	0.14	0.17	0.17	

◆ Currency-Related

(Millions of Yen)

As of March 31,	2016				2015				
	Hedge accounting method	Type	Main hedged items	Notional amount/ contract value		Fair value	Notional amount/ contract value		Fair value
				Over 1 year			Over 1 year		
Fair value hedge accounting	Foreign currency forward contracts	Foreign-currency-denominated bonds							
	Sold		2,123,031	—	89,473	2,354,756	—	(70,919)	
	(U.S. dollar)		1,808,792	—	86,840	2,010,069	—	(89,973)	
	(Euro)		182,880	—	1,773	196,339	—	10,404	
	(Australian dollar)		131,358	—	859	148,347	—	8,649	
Deferred hedge accounting	Cross currency swaps (Euro)	Foreign-currency-denominated bonds	35,575	35,575	(1,307)	35,575	35,575	(4,800)	
	(Australian dollar)		4,305	4,305	89	—	—	—	
Total					88,255			(75,719)	

Note: Excluding transactions related to foreign currency denominated monetary claims and liabilities whose value is fixed in yen at the time of settlement through such means as forward exchange contracts and can thus be included in yen on the balance sheet.

◆ Stock-Related

Not applicable.

◆ Bond-Related

Not applicable.

Status of Stocks Held

1. Investment Securities Held Excluding Those Held Solely for the Purpose of Investment

Number of stocks held: 14

Total amount reported in the balance sheet: 54,302 million yen

2. Of Which, Details of Investment Securities Excluding Unlisted Stocks

As of March 31, 2016

(Thousand Shares, Millions of Yen)

Stock	Number of shares	Balance sheet amount	Purpose
Talanx AG	12,493	47,878	To reinforce a strategic partnership aimed at promoting international collaboration in the insurance business in growing markets, with the aim of facilitating the expansion of the Company's overseas insurance business

As of March 31, 2015

(Thousand Shares, Millions of Yen)

Stock	Number of shares	Balance sheet amount	Purpose
Talanx AG	16,393	62,393	To reinforce a strategic partnership aimed at promoting international collaboration in the insurance business in growing markets, with the aim of facilitating the expansion of the Company's overseas insurance business

3. Investment Securities Held Solely for Investment

(Millions of Yen)

As of and years ended March 31,	2016					2015				
	Balance sheet amount	Dividends received	Gains/Losses on sales	Valuation gains/losses		Balance sheet amount	Dividends received	Gains/Losses on sales	Valuation gains/losses	
				Unrealized gains/losses	Impairment losses				Unrealized gains/losses	Impairment losses
Unlisted stocks	46,912	2,249	164	897	(98)	47,309	4,105	643	1,333	(12)
Others	3,493,060	74,109	12,711	1,801,510	(8,358)	4,144,997	69,737	25,326	2,451,476	(46)

Components of Ordinary Profit (Base Profit)

(Millions of Yen)

Years ended March 31,	2016	2015
Base income ①	4,227,253	4,372,381
Insurance premiums and other	3,357,858	3,408,447
Insurance premiums	3,357,042	3,407,946
Investment income (Note 1)	779,942	842,871
Interest, dividends and other income	690,849	698,142
Other ordinary income (Note 1)	89,452	121,061
Base expenses ②	3,767,349	3,866,036
Benefits and other payments	2,301,138	2,596,389
Claims paid	562,557	635,653
Annuity payments	695,922	849,823
Benefit payments	409,457	427,691
Surrender benefits	454,237	451,984
Other refunds	173,064	225,214
Provision for policy reserves and other reserves (Note 1)	853,869	717,420
Investment expenses (Note 1)	57,257	23,980
Operating expenses	355,644	348,426
Other ordinary expenses	199,438	179,820
Base profit	A (①-②)	506,344
Capital income ③	8,568	186,196
Gains on money held in trust	0	0
Gains on trading securities	—	—
Gains on sales of securities	8,415	186,196
Gains on derivative financial instruments	—	—
Foreign exchange gains	153	—
Other capital income	—	—
Capital expenses ④	122,080	71,894
Losses on money held in trust	—	—
Losses on trading securities	—	—
Losses on sales of securities	1,959	365
Losses on valuation of securities	12,791	300
Losses on derivative financial instruments	107,329	71,082
Foreign exchange losses	—	145
Other capital expenses	—	—
Capital gains/losses	B (③-④)	114,302
Total of base profit and capital gains/losses	A+B	620,646
Temporary income ⑤	—	51
Reversal of contingency reserves	—	—
Reversal of specific allowance for possible loan losses	—	51
Other temporary income	—	—
Temporary expenses ⑥	45,438	236,843
Provision for contingency reserves	8,227	6,944
Provision for specific allowance for possible loan losses	1,031	—
Provision for specific allowance for possible overseas loan losses	—	—
Write-off of doubtful accounts	—	—
Other temporary expenses (Note 2)	36,179	229,899
Temporary gains/losses	C (⑤-⑥)	(236,792)
Ordinary profit	A+B+C	383,854

Notes: 1. Excludes items presented on the statements of income as investment income and expenses, other ordinary income and provision for policy reserves and other reserves, which are all deemed to be capital income/expenses and temporary gains/losses.

2. Other temporary expenses presented above are provision for policy reserves posted in accordance with Article 69, Paragraph 5 of the Ordinance for Enforcement of the Insurance Business Act.

Components of Base Profit (Three Surplus Factors)

(Billions of Yen)

Years ended March 31,		2016	2015
Base profit ⁽¹⁾	A	459.9	506.3
Interest surplus		181.9	168.6
Mortality profit		267.9	292.8
Expense profit		9.9	44.8
Excluding the effect of price fluctuations in pension assets ⁽²⁾		44.4	49.7
Capital gains/losses	B	(113.5)	114.3
Temporary gains/losses	C	(45.4)	(236.7)
Ordinary profit	D (=A+B+C)	300.9	383.8
Extraordinary gains/losses, income taxes	E	(80.3)	(122.3)
Unappropriated surplus	F (=D+E)	220.6	261.5

(*1) The Company changed the method for calculating components of base profit from the beginning of the year ended March 31, 2016.

(*2) Figures represent expense profit after deducting the actuarial differences in pension assets that were posted in the course of calculating the cost of retirement benefits.

Performance Indicators

Performance Indicators for Main Business Annualized Premiums and Number of Policies

(1) Policies in Force

• Annualized Premiums

(Millions of Yen)

As of March 31,	2016		2015	
	Amount	YOY change (%)	Amount	YOY change (%)
Individual life insurance	1,527,436	103.4	1,477,214	102.4
Individual annuities	669,261	100.8	664,111	97.3
Total	2,196,698	102.6	2,141,325	100.8
Medical insurance, living benefits and others	367,950	104.0	353,708	103.1

• Number of Policies

As of March 31,	2016		2015	
	Number of policies	YOY change (%)	Number of policies	YOY change (%)
Individual life insurance	8,925,048	101.4	8,797,798	100.0
Individual annuities	2,553,514	102.7	2,486,262	101.4
Total	11,478,562	101.7	11,284,060	100.3

(2) New Policies

• Annualized Premiums

(Millions of Yen)

Years ended March 31,	2016		2015	
	Amount	YOY change (%)	Amount	YOY change (%)
Individual life insurance	145,629	110.9	131,352	97.8
Individual annuities	39,345	103.9	37,875	85.0
Total	184,974	109.3	169,228	94.6
Medical insurance, living benefits and others	36,337	111.2	32,671	126.4

• Number of Policies

Years ended March 31,	2016		2015	
	Number of policies	YOY change (%)	Number of policies	YOY change (%)
Individual life insurance	1,004,226	99.6	1,008,688	111.9
Individual annuities	186,062	111.2	167,315	92.2
Total	1,190,288	101.2	1,176,003	108.6

Notes: 1. Annualized premiums are calculated by multiplying the amount of premium payments for twelve months by a coefficient determined by payment frequency.

(For policies with a single lump-sum payment, the amount is calculated by dividing total premiums by years contracted).

2. Figures for medical insurance, living benefits and others represent annualized premiums paid for coverage under medical insurance (hospitalization benefits and surgery benefits), living benefits (benefits under coverage for specified diseases and nursing care) and benefits subject to premium payment waiver (including premium payment waiver for those who suffer from specified diseases or require nursing care; excluding waivers for those who become disabled).

3. In (2) new policies, annualized premiums include net increase in premiums resulting from conversion of policies, coverage revision and rider changes.

The number of policies includes the number of policies subject to such conversion, revision or changes.

Insurance Amount of Policies in Force and New Policies

(1) Policies in Force

As of March 31,	2016		2015	
	Amount	YOY change (%)	Amount	YOY change (%)
Individual life insurance	71,193,761	95.6	74,463,264	94.3
Individual annuities	14,003,510	101.0	13,866,218	100.0
Subtotal	85,197,272	96.5	88,329,483	95.1
Group life insurance	111,918,819	100.3	111,636,133	100.6
Total	197,116,091	98.6	199,965,617	98.1
Group pensions	7,345,422	103.0	7,133,678	102.3

Notes: 1. Figures for individual annuities represent the expected future value of accumulated capital of policies written prior to payout at pension eligibility and policy reserves of policies written after pension payout.

2. Figures for group pensions represent the amount of policy reserves.

(2) New Policies

Years ended March 31,	2016				2015			
	New policies	Net increase from conversion	New policies + net increase from conversion	YOY change (%)	New policies	Net increase from conversion	New policies + net increase from conversion	YOY change (%)
Individual life insurance	3,460,275	(1,217,031)	2,243,243	147.6	3,219,155	(1,699,358)	1,519,796	66.8
Individual annuities	908,972	(1,098)	907,873	107.1	849,912	(2,067)	847,845	88.4
Subtotal	4,369,247	(1,218,130)	3,151,117	133.1	4,069,067	(1,701,425)	2,367,642	73.2
Group life insurance	629,310	—	629,310	83.8	751,299	—	751,299	40.0
Total	4,998,558	(1,218,130)	3,780,428	121.2	4,820,367	(1,701,425)	3,118,941	61.0
Group pensions	5,275	—	5,275	336.3	1,568	—	1,568	304.5

Notes: 1. Net increase from conversion includes net increase due to coverage revision and rider changes.

2. Figures for new policies and net increase from conversion in individual annuities represent planned annuity value at the start of annuity payments.

3. The figures for new policies in group pensions represent insurance premiums from the first payment.

Insurance Amount of Policies in Force and New Policies by Product Type Individual Life Insurance

(Millions of Yen)

	Policies in force (as of March 31, 2016)				New policies (year ended March 31, 2016)			
	Number of policies	% of policies	Amount	% of policies	Number of policies	% of policies	Amount	% of policies
Mortality insurance	8,059,801	90.3	68,269,715	95.9	[937,756]	[93.4]	[8,113,984]	[98.0]
Whole life insurance	1,099,925	12.3	6,521,618	9.2	631,597	62.9	3,293,565	39.8
Whole life insurance with living benefits	102,206	1.1	140,875	0.2	[81,067]	[8.1]	[508,610]	[6.1]
Whole life insurance whose period of premium payments has finished	38,260	0.4	111,385	0.2	80,854	8.1	505,816	6.1
Single premium special whole life insurance	840,768	9.4	5,271,612	7.4	[8,108]	[0.8]	[1,013]	[0.0]
Lump-sum whole-life insurance with periodic benefits	5,720	0.1	43,957	0.1	8,108	0.8	1,013	0.0
Increasing whole life insurance	324,552	3.6	2,288,431	3.2	—	—	—	—
Whole life insurance with term rider	645,032	7.2	6,653,489	9.3	—	—	—	—
Wealth accumulation whole life insurance with floating interest	1,460,715	16.4	25,018,820	35.1	—	—	—	—
Comprehensive protection insurance with combined policies	925,915	10.4	13,013,576	18.3	[7,068]	[0.7]	[109,346]	[1.3]
Term life insurance	571,011	6.4	2,728,526	3.8	—	—	—	—
Increasing term life insurance	17,245	0.2	457,761	0.6	[497,038]	[49.5]	[6,157,247]	[74.3]
Term life insurance with coverage for specified diseases	1,349,475	15.1	2,173,971	3.1	200,751	20.0	1,470,939	17.8
Variable insurance (whole-life type)	54,077	0.6	513,183	0.7	[37,495]	[3.7]	[239,586]	[2.9]
Whole life insurance for surviving spouses with term rider	34,235	0.4	437,471	0.6	37,494	3.7	239,486	2.9
Whole life hospitalization insurance	215,962	2.4	1,996,131	2.8	[6,039]	[0.6]	[102,550]	[1.2]
Medical and nursing care insurance	374,703	4.2	141,454	0.2	6,039	0.6	102,550	1.2
Term rider	[169,742]	—	749,171	1.1	[142,979]	[14.2]	[222,857]	[2.7]
Others	[3,997]	—	8,274	0.0	142,979	14.2	222,857	2.7
Hybrid insurance	541,009	6.1	2,402,560	3.4	—	—	—	—
Endowment insurance	264,283	3.0	953,904	1.3	—	—	—	—
Endowment insurance with term rider	150,748	1.7	546,766	0.8	[2,923]	[0.3]	[22,158]	[0.3]
					333	0.0	288	0.0
					[52,108]	[5.2]	[80,772]	[1.0]
					52,108	5.2	80,772	1.0
					[7]	—	[20]	[0.0]
					[7]	—	20	0.0
					[1]	—	[1]	[0.0]
					[1]	—	1	0.0
					[7,530]	[0.7]	[51,157]	[0.6]
					7,305	0.7	48,323	0.6
					[5,380]	[0.5]	[27,156]	[0.3]
					5,360	0.5	26,786	0.3
					[145]	[0.0]	[827]	[0.0]
					142	0.0	806	0.0

Group Life Insurance

(Millions of Yen)

	Policies in force (as of March 31, 2016)		New policies (year ended March 31, 2016)	
	Number of policies	Amount	Number of policies	Amount
Group term life insurance	11,433,127	53,276,474	321,805	525,339
Comprehensive group term life insurance for employees	4,667,927	13,782,144	47,280	103,691
Group credit life insurance	12,379,497	44,700,576	317	279
Consumer group credit life insurance	7,250	3,836	—	—
Group whole life insurance	1,827	6,042	—	—
Life insurance for disability support	47,103	28,030	—	—
Annuity type payment rider attached to group term life insurance	21,111	121,714	—	—
Total	28,510,739	111,918,819	369,402	629,310

Notes: 1. The number of policies represents the number of insured persons.

2. The amount of annuity type payment rider represents the expected future value of accumulated capital of policies written prior to payout at pension eligibility and policy reserves of policies written after pension payout.

3. The total number of policies does not include the number of life insurance policies for disability support.

Group Pensions

(Millions of Yen)

	Policies in force (as of March 31, 2016)		New policies (year ended March 31, 2016)	
	Number of policies	Amount	Number of policies	Amount
Corporate pensions	817	515	—	—
New corporate pensions	7,743,906	417,982	489	2,084
Corporate pensions with individual contribution	3,270,046	3,519,422	—	—
National pension fund insurance	—	1,211	—	—
Employees' pension fund insurance	799,511	194,884	—	—
Group pure endowment insurance	—	132,168	—	—
Defined contribution pension plans (corporate)	—	97,252	—	21
Defined contribution pension plans (individual)	—	5,146	—	—
Defined benefit corporate pension plans (contract-type)	—	1,669,641	—	258
Defined benefit corporate pension plans (fund-type)	—	1,307,196	—	2,911
Total	11,814,280	7,345,422	489	5,275

Notes: 1. The number of policies represents the number of insured persons.

2. The amount of policies in force represents policy reserves.

3. The amount of new policies represents insurance premiums from the first payment of premiums.

Other Insurance

(Millions of Yen)

	Policies in force (as of March 31, 2016)		New policies (year ended March 31, 2016)	
	Number of policies	Amount	Number of policies	Amount
Asset formation insurance and asset formation annuities				
Asset formation saving insurance	52,278	133,782	923	70
Asset formation for home acquisition insurance	5,154	15,976	115	8
Asset formation benefit saving insurance	11,394	1,031	1,191	27
Asset formation annuities	848	2,007	—	—
Asset formation wealth accumulation annuities	31,450	65,968	468	11
Subtotal	101,124	218,767	2,697	117
Medical life insurance	886,549	3,113	9,989	29
Disability income insurance	39,541	1,750	135	12
Reinsurance underwritten	304,719	101,519	2,502	482

Notes: 1. The number of policies represents the number of insured persons.

2. Insurance amount of policies in force in categories under asset formation insurance and asset formation annuities (excluding figures for "asset formation annuities") represents policy reserves. The amount of new policies represents insurance premiums from the first payment of premiums.

3. The amount of asset formation annuities represents the expected future value of accumulated capital of policies written prior to payout at pension eligibility and policy reserves of policies written after pension payout.

4. The amount of medical life insurance represents the amount of daily hospitalization benefits.

5. The amount of disability income insurance represents the amount of monthly disability income benefits.

Insurance Amount of Policies in Force by Coverage Type

(Millions of Yen)

As of March 31,	2016	2015
Death coverage		
Death protection due to illness/accidents		
Individual life insurance	70,672,275	74,006,817
Individual annuities	4,850	5,234
Group life insurance	111,797,105	111,510,748
Group pensions	—	—
Total (including others)	182,575,750	185,638,755
Death protection due to accidents		
Individual life insurance	[12,571,325]	[13,270,222]
Individual annuities	[152,056]	[164,179]
Group life insurance	[6,259,500]	[6,469,087]
Group pensions	[—]	[—]
Total (including others)	[19,014,008]	[19,939,054]
Death protection due to other causes		
Individual life insurance	—	—
Individual annuities	[—]	[—]
Group life insurance	[46,596]	[50,867]
Group pensions	[—]	[—]
Total (including others)	—	—
Pure endowment		
Maturity and living benefits		
Individual life insurance	521,485	456,446
Individual annuities	12,193,288	12,126,467
Group life insurance	5,703	5,106
Group pensions	—	—
Total (including others)	12,763,887	12,633,328
Annuities		
Individual life insurance	[42,781]	[34,264]
Individual annuities	[1,564,694]	[1,527,475]
Group life insurance	[17,242]	[17,719]
Group pensions	[—]	[—]
Total (including others)	[1,629,140]	[1,583,966]
Others		
Individual life insurance	—	—
Individual annuities	1,805,371	1,734,516
Group life insurance	116,010	120,279
Group pensions	7,345,422	7,133,678
Total (including others)	9,442,163	9,164,285
Hospitalization coverage		
Hospitalization due to accidents		
Individual life insurance	[30,028]	[29,915]
Individual annuities	[747]	[804]
Group life insurance	[4,097]	[4,348]
Group pensions	[—]	[—]
Total (including others)	[37,986]	[38,208]
Hospitalization due to illness		
Individual life insurance	[29,528]	[29,269]
Individual annuities	[740]	[797]
Group life insurance	[—]	[—]
Group pensions	[—]	[—]
Total (including others)	[33,383]	[33,207]

(Millions of Yen)		
As of March 31,	2016	2015
Hospitalization due to other causes		
Individual life insurance	[48,075]	[58,469]
Individual annuities	[1,322]	[1,416]
Group life insurance	[34]	[35]
Group pensions	[—]	[—]
Total (including others)	[49,432]	[59,920]

Notes: 1. Figures in brackets are additional coverage and rider coverage attached to coverage under primary policies. However, death coverage due to illness/accidents under term rider is included in figures for coverage under primary policies.
2. In the pure endowment category, the figures for maturity and living benefits of individual annuities and group life insurance represent the expected future value of accumulated capital of policies written prior to payout at pension eligibility.
3. In the pure endowment category, the figures in annuities represent the annual amount of annuity payments.
4. In the pure endowment category, the figures in others represent policy reserves.
5. The figures for hospitalization coverage represent daily hospitalization benefits.
6. The total (including others) of hospitalization due to illness includes coverage under primary policies and additional coverage.

(Number of Policies)		
As of March 31,	2016	2015
Disability coverage		
Individual life insurance	[4,672,131]	[5,185,879]
Individual annuities	[26,434]	[28,082]
Group life insurance	[3,181,059]	[3,210,265]
Group pensions	[—]	[—]
Total (including others)	[7,879,624]	[8,424,226]
Surgery coverage		
Individual life insurance	[7,288,508]	[6,812,525]
Individual annuities	[137,472]	[147,098]
Group life insurance	[—]	[—]
Group pensions	[—]	[—]
Total (including others)	[7,425,980]	[6,959,623]

Note: Figures in brackets represent the number of policies and riders attached to coverage under primary policies.

Insurance Amount of Individual Life Insurance and Individual Annuities in Force by Type of Policy

(Millions of Yen)		
As of March 31,	2016	2015
Mortality insurance		
Whole life insurance	14,386,694	13,570,263
Whole life insurance with term rider	6,653,489	7,862,006
Wealth accumulation whole life insurance with floating interest	25,018,820	33,007,070
Comprehensive protection insurance with combined policies	13,013,576	7,298,517
Whole life hospitalization insurance	1,996,131	2,203,374
Term insurance	5,360,260	5,272,197
Total (including others)	68,269,715	71,185,006
Hybrid insurance		
Endowment insurance	953,904	1,047,531
Endowment insurance with term rider	913,957	1,071,272
Term life insurance with living benefits	179,866	263,031
Total (including others)	2,402,560	2,821,811
Pure endowment insurance		
Wealth accumulation insurance with death/accident benefits for women	37,595	36,504
Child insurance	392,845	295,065
Total (including others)	521,485	456,446
Annuities		
Individual annuities	14,003,510	13,866,218

(Millions of Yen)

As of March 31,	2016	2015
Rider coverage for accidents and illness		
Accidental death benefit rider	2,027,131	2,424,194
Rider for injuries	8,660,590	9,150,176
Hospitalization rider due to accidents	2,421	2,819
Hospitalization rider due to illness	27,516	27,262
Hospitalization rider due to lifestyle-related diseases	2,368	2,892
Hospitalization rider due to cancer	1,717	2,156
Hospitalization rider for female-specific critical illness	7,547	9,006
Home care rider (post-hospitalization)	25,435	31,448
Rider for specific injuries	67,496	62,905
		(Number of Policies)
Surgery rider	2,305,644	2,081,985
Rider for protection against cancer	2,125,029	1,459,537
Advanced medical care rider	1,956,179	1,748,865
Rider for six specified diseases	1,140,932	838,400
New nursing care rider	573,486	466,626

- Notes: 1. Amount of individual annuities in force represents the expected future value of accumulated capital of policies written prior to payout at pension eligibility and policy reserves of policies written after pension payout.
2. Figures for hospitalization rider due to accidents, illness, lifestyle-related diseases, and cancer as well as hospitalization rider for female-specific critical illness represent daily hospitalization benefits. However, hospitalization rider due to accidents includes standard daily benefits under rider for leisure coverage and comprehensive injury rider.
3. The home care rider (post-hospitalization) represents standard benefits paid to the insured person after hospital release for home treatment.
4. Rider for specific injuries represents injury benefits paid for such injuries.
5. The figures for surgery rider, rider for protection against cancer, advanced medical care rider, rider for six specified diseases and new nursing care rider represent the number of policies with such riders.
6. Rider for protection against cancer includes the number of policies with rider for cancer treatment and rider for intraepithelial neoplasia and other types of cancer.
7. Rider for six specified diseases includes the number of policies with rider for seven specified diseases.
8. New nursing care rider includes the number of riders (excluding riders with a set period for premium payments) with lump-sum benefits for policyholders requiring long-term nursing care and those requiring lighter nursing assistance.

Trend of Policy Transitions

Individual Life Insurance

(Millions of Yen)

Years ended March 31,	2016		2015	
	Number of policies	Amount	Number of policies	Amount
At the beginning of the fiscal year	8,797,798	74,463,264	8,800,027	78,971,945
New policies	697,842	3,460,275	582,427	3,219,155
Renewal	1,356,500	2,322,777	1,325,651	2,454,451
Reinstatement	21,802	239,343	20,770	238,770
Increase of insurance amount	—	15	—	4
Increase from conversion	306,384	4,823,253	426,261	7,265,740
Death	52,286	309,993	50,151	309,990
Maturity	1,513,078	3,459,648	1,498,382	3,724,347
Decrease of insurance amount	—	650,864	—	773,805
Decrease from conversion	308,185	6,040,284	428,416	8,965,099
Surrender	328,367	2,978,822	328,195	3,210,360
Lapse	50,652	517,466	49,856	530,241
Decrease due to other changes	2,710	158,087	2,338	172,958
At the end of the fiscal year	8,925,048	71,193,761	8,797,798	74,463,264
Rate of increase (%)	1.4	(4.4)	(0.0)	(5.7)
Net increase	127,250	(3,269,503)	(2,229)	(4,508,680)
Year-on-year change in net increase (%)	—	—	—	—

- Notes: 1. Amount represents coverage under primary policies (mortality insurance, hybrid insurance, and pure endowment insurance).
2. The figures for increase/decrease from conversion include, respectively, increase/decrease due to coverage revision and rider changes.

Individual Annuities

(Millions of Yen)

Years ended March 31,	2016		2015	
	Number of policies	Amount	Number of policies	Amount
At the beginning of the fiscal year	2,486,262	13,866,218	2,451,989	13,868,566
<Annual amount of annuity payments>		<1,527,475>		<1,485,240>
New policies	186,062	908,972	167,315	849,912
Reinstatement	2,098	11,180	2,057	12,438
Increase of annuity amount	—	31	—	96
Increase due to conversion	—	—	—	—
Death	5,220	29,199	5,868	34,130
Completion of payments	27,342	79	18,209	77
Decrease of annuity amount	—	21,137	—	17,420
Decrease due to conversion	179	1,098	330	2,067
Surrender	61,210	356,569	55,963	324,416
Lapse	5,168	25,240	4,779	25,589
Decrease due to other changes	21,789	349,565	49,950	461,093
At the end of the fiscal year	2,553,514	14,003,510	2,486,262	13,866,218
Rate of increase (%)	2.7	1.0	1.4	(0.0)
<Annual amount of annuity payments>		<1,564,694>		<1,527,475>
Net increase	67,252	137,292	34,273	(2,347)
Year-on-year change in net increase (%)	96.2	—	(60.2)	—

Note: The amounts represent the expected future value of accumulated capital of policies written prior to payout at pension eligibility and policy reserves of policies written after pension payout.

Group Life Insurance

(Millions of Yen)

Years ended March 31,	2016		2015	
	Number of policies	Amount	Number of policies	Amount
At the beginning of the fiscal year	28,622,943	111,636,133	28,124,072	111,005,988
New policies	369,402	629,310	1,149,726	751,299
Renewal	16,079,343	66,541,632	16,052,113	66,641,315
Reinstatement	—	—	—	—
Midterm enrollment	1,637,333	6,075,835	1,601,931	5,923,059
Increase of insurance amount	—	647,415	—	999,567
Death	49,976	142,627	51,792	146,013
Maturity	16,313,501	66,257,814	16,207,766	66,537,427
Withdrawal	1,793,116	4,663,557	1,808,755	4,560,181
Decrease of insurance amount	—	2,462,962	—	2,326,601
Surrender	42,776	79,707	238,161	111,353
Lapse	466	1,528	—	—
Decrease due to other changes	(1,553)	3,311	(1,575)	3,518
At the end of the fiscal year	28,510,739	111,918,819	28,622,943	111,636,133
Rate of increase (%)	(0.4)	0.3	1.8	0.6
Net increase	(112,204)	282,685	498,871	630,145
Year-on-year change in net increase (%)	—	(55.1)	—	(28.2)

Notes: 1. Amounts represent coverage under primary policies (mortality insurance, hybrid insurance, and policies with annuity rider attached to death coverage).

2. The number of policies represents the number of insured persons.

3. In decrease due to other changes, the number of policies includes changes in policies where the cause had yet to be determined.

Group Pensions

(Millions of Yen)

Years ended March 31,	2016		2015	
	Number of policies	Amount	Number of policies	Amount
At the beginning of the fiscal year	11,908,270	7,133,678	12,286,929	6,970,502
New policies	489	5,275	7,465	1,568
Annuity payments	2,310,868	260,780	2,249,555	278,351
Lump-sum payments	610,728	248,179	621,399	251,793
Surrender	158,881	31,099	164,386	31,746
At the end of the fiscal year	11,814,280	7,345,422	11,908,270	7,133,678
Rate of increase (%)	(0.8)	3.0	(3.1)	2.3
Net increase	(93,990)	211,744	(378,659)	163,175
Year-on-year change in net increase (%)	—	29.8	—	(43.2)

Notes: 1. Amount at the beginning and the end of the fiscal year represents policy reserves.
 2. The figures for new policies represents insurance premiums from the first payment.
 3. The figures for annuity payments, lump-sum payments and surrender represents the amount of benefits paid in each instance.
 4. The number of policies represents the number of insured persons.

Performance Indicators for Insurance Policies

Rate of Change of Policies in Force

(%)

Years ended March 31,	2016	2015
Individual life insurance	(4.4)	(5.7)
Individual annuities	1.0	(0.0)
Group life insurance	0.3	0.6
Group pensions	3.0	2.3

Average Insured Amount per New Policy and Policy in Force (individual life insurance)

(Thousands of Yen)

Years ended March 31,	2016	2015
New policy	4,958	5,527
Policy in force	7,976	8,463

Note: New policy does not include policies subject to conversion, revision of coverage and changes in rider.

New Policy Rate (comparison between the beginning and end of the year)

(%)

Years ended March 31,	2016	2015
Individual life insurance	4.6	4.1
Individual annuities	6.6	6.1
Group life insurance	0.6	0.7

Note: Figures represent the proportion of new policies (excluding those resulting from conversion, revision of coverage and changes in rider) to policies in force at the beginning of the fiscal year. The rates are calculated based on the insurance amount of new policies.

Surrender and Lapse Rates (comparison between the beginning and end of the year)

(%)

Years ended March 31,	2016	2015
Individual life insurance	4.7	4.7
Individual annuities	2.8	2.5
Group life insurance	0.1	0.1

Note: Surrender and lapse rates represent the proportion of surrendered or lapsed policies to policies in force at the beginning of the fiscal year. The rates are calculated based on the insurance amount of surrendered and lapsed policies.

Average Premiums for New Policies (individual life insurance policies with monthly payments)

(Yen)

Year ended March 31, 2016	Year ended March 31, 2015
87,942	87,313

Notes: 1. Excludes converted policies.
2. The premiums have been annualized

Mortality Rate (individual life insurance)

(%)

Rate by number of policies		Rate by insurance amount	
Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
5.88	5.68	4.25	4.03

Notes: 1. The rate is calculated on the basis of figures for policies with mortality claims (numerator) divided by total policies (denominator).
2. Calculations for total policies are based on one-half of policies in force at the beginning of the fiscal year, one-half of policies in force at the end of the fiscal year, and one-half of policies with mortality claims.
3. Mortality includes severe incapacitation.
4. Figures are presented on a per thousand (‰) basis.

Rate of Incidence of Events Covered by Riders (individual life insurance)

(%)

Years ended March 31,	2016		2015	
	By the number of policies with paid rider	By amount of claims paid	By the number of policies with paid rider	By amount of claims paid
Accidental death	0.19	0.17	0.21	0.18
Disability	0.29	0.11	0.29	0.10
Hospitalization due to accidents	4.55	149.27	4.53	145.61
Hospitalization due to illness	48.06	1,291.50	46.92	1,237.34
Hospitalization due to lifestyle-related diseases	45.77	1,368.88	42.86	1,312.50
Surgery for illness and injuries	76.18		69.35	
Surgery for lifestyle-related diseases	35.04		33.03	

Notes: 1. Rates are calculated by dividing the number of policies with paid rider or the amount of claims paid based on such rider (numerator) by the number of total policies or amount of maximum possible claims under such policies (denominator).
2. Calculations for total policies for accidental death are based on one-half of policies in force at the beginning of the fiscal year, one-half of policies in force at the end of the fiscal year, and one-half of policies with accidental death claims. However, calculations for total policies for other claims are based on the average of policies in force at the beginning and the end of the fiscal year.
3. Accidental deaths include severe incapacitation.
4. Figures are presented on a per thousand (‰) basis.

Ratio of Operating Expenses to Insurance Premiums

(%)

Year ended March 31, 2016	Year ended March 31, 2015
10.6	10.2

The Number of Major Insurance Companies that Accepted Reinsurance Agreements

Year ended March 31, 2016	Year ended March 31, 2015
9	9

Note: There were no reinsured third-sector insurance policies exempted from the accumulation of premium reserves by the Company in accordance with Article 71 of the Ordinance for Enforcement of the Insurance Business Act.

Ratio of Reinsurance Premiums Paid to the Top Five Counterparties

(%)

Year ended March 31, 2016	Year ended March 31, 2015
96.7	97.2

Note: There were no reinsured third-sector insurance policies exempted from the accumulation of premium reserves by the Company in accordance with Article 71 of the Ordinance for Enforcement of the Insurance Business Act.

Ratio of Reinsurance Premiums by Counterparty Rating

Years ended March 31,	2016	2015
A or higher	99.1	100.0
BBB or higher	0.9	—
Others	—	—

Notes: 1. Ratings are based on assessments by Standard & Poor's.

2. A or higher includes A-. BBB or higher includes BBB-.

3. An unrated insurance subsidiary has been included in the data under the rating of its parent company.

4. There were no reinsured third-sector insurance policies exempted from the accumulation of premium reserves by the Company in accordance with Article 71 of the Ordinance for Enforcement of the Insurance Business Act.

Unreceived Reinsurance Claims

(Millions of Yen)

Year ended March 31, 2016	Year ended March 31, 2015
224	108

Note: There were no reinsured third-sector insurance policies exempted from the accumulation of premium reserves by the Company in accordance with Article 71 of the Ordinance for Enforcement of the Insurance Business Act.

Ratio of Premiums Paid as Benefit Payments under Third-Sector Insurance, with Coverage Breakdown

(%)

Years ended March 31,	2016	2015
Ratio of benefits paid under third-sector insurance	32.5	32.3
Medical coverage (for illness)	40.0	40.2
Cancer coverage	43.7	40.6
Nursing care coverage	18.1	19.0
Others	18.0	18.1

Notes: 1. Benefits include operating expenses associated with the payment of claims and benefits for third-sector insurance policies.

2. Premiums paid are calculated by averaging annualized premiums from business in force at the beginning of and at the end of the fiscal year.

Performance Indicators for Accounting Reserve for Outstanding Claims

(Millions of Yen)

As of March 31,	2016	2015
Insurance claims	74,832	74,046
Death insurance claims	58,418	58,358
Insurance claims for accidents	906	991
Insurance claims for disabilities	15,105	13,917
Insurance claims upon maturity	382	745
Others	19	32
Annuity payments	2,716	3,928
Benefit payments	21,303	21,616
Surrender benefits	10,348	7,947
Other refunds	282	293
Deferred benefit payments	659	651
Total	110,142	108,483

Policy Reserves

		(Millions of Yen)	
As of March 31,		2016	2015
Policy reserves (excluding contingency reserves)			
Individual life insurance		15,300,601	14,637,687
General account		15,234,938	14,560,846
Separate account		65,662	76,841
Individual annuities		7,374,541	7,354,404
General account		7,030,615	6,991,123
Separate account		343,926	363,281
Group life insurance		144,804	149,085
General account		144,804	149,085
Separate account		—	—
Group pensions		7,345,422	7,133,678
General account		6,965,716	6,739,612
Separate account		379,706	394,065
Others		220,051	222,427
General account		220,051	222,427
Separate account		—	—
Subtotal		30,385,422	29,497,283
General account		29,596,126	28,663,095
Separate account		789,295	834,188
Contingency reserves		675,573	667,346
Total		31,060,996	30,164,629
General account		30,271,700	29,330,441
Separate account		789,295	834,188

Breakdown of Policy Reserves

(Millions of Yen)					
	Premium reserves	Unearned premiums	Refund reserves	Contingency reserves	Total
As of March 31, 2016	29,737,051	648,370	—	675,573	31,060,996
As of March 31, 2015	28,946,512	550,770	—	667,346	30,164,629

Policy Reserves for Individual Life Insurance and Individual Annuities Policy Reserve Accumulation Method and Ratio

As of March 31,		2016	2015
Accumulation method	Policies subject to standard policy reserves	The method stipulated by Prime Minister (Ministry of Finance Notification No. 48 in 1996)	The method stipulated by Prime Minister (Ministry of Finance Notification No. 48 in 1996)
	Policies not subject to standard policy reserves	Net level premium method	Net level premium method
Accumulation ratio (excluding contingency reserves)		100%	100%

- Notes: 1. The aforementioned accumulation method and ratio apply to policy reserves for individual life insurance and individual annuities.
2. The above table excludes policy reserves for group life insurance and group pensions because these policies are not subject to the accumulation method under the notification described below.
3. The accumulation ratio of policies subject to standard policy reserves is calculated using a method stipulated by Ministry of Finance Notification No. 48 in 1996. The accumulation ratio of other policies represents the ratio of policy reserves to the total of insurance premium reserves calculated using the net level premiums method and unearned premiums.

Policy Reserves (Categorized by Fiscal Year in Which Policies Were Signed)

	Policy reserves (Millions of Yen)	Assumed interest rates (%)
Up to year ended March 31, 1981	313,229	2.75 - 5.00
Years ended March 31, 1982 to 1986	834,499	2.75 - 6.00
Years ended March 31, 1987 to 1991	3,088,367	2.75 - 6.00
Years ended March 31, 1992 to 1996	3,846,758	1.00 - 5.50
Years ended March 31, 1997 to 2001	1,289,402	1.00 - 3.75
Years ended March 31, 2002 to 2006	820,323	0.55 - 2.35
Years ended March 31, 2007 to 2011	3,631,845	0.55 - 1.85
Year ended March 31, 2012	2,987,508	0.71 - 1.50
Year ended March 31, 2013	1,551,159	0.45 - 1.50
Year ended March 31, 2014	1,406,286	0.45 - 1.50
Year ended March 31, 2015	1,293,829	0.35 - 1.09
Year ended March 31, 2016	1,202,342	0.44 - 1.05

Notes: 1. The policy reserves balances presented above include reserves for individual life insurance and individual annuity policies, but exclude policy reserves held in separate accounts and contingency reserves.

2. The above table displays the principal assumed interest rates of policy reserves that were signed into effect during each period and subject to reserves.

3. The allocation of policy reserves is determined based on reasonable actuarial methods.

Balance of, calculation method for, and coefficient used as the basis for the calculation of policy reserves in general account in relation to insurance policies with separate account and minimum insurance benefit guarantee

• Policy Reserves (General Account)

	(Millions of Yen)	
As of March 31,	2016	2015
Policy reserves (general account)	12,526	5,018

Notes: 1. Policy reserves (general account) are accumulated for insurance policies stipulated by Article 68 of the Ordinance for Enforcement of the Insurance Business Act as being subject to standard policy reserves.

2. Policy reserves (general account) represent insurance premium reserves necessary to ensure minimum insurance benefit guarantee.

• Calculation Method and Coefficient Used for the Calculation

(1) Calculation method

The "scenario testing method" stipulated as an alternative method by Article 9, Paragraph 1, Item 1 of Ministry of Finance Notification No. 48 in 1996 is used for:

- Single premium variable individual annuities with periodic (every five years) and surplus dividends;
- Single premium variable individual annuities (type II) with periodic (every five years) and surplus dividends;
- Single premium variable individual annuities (series 2012—future annuity value guaranteed) with periodic (every five years) and surplus dividends.

The standard method stipulated by Article 9, Paragraph 1, Item 1 of said notification is used for variable annuities other than those stated above.

(2) Coefficient used for the calculation

i) Assumed mortality rate

The rate stipulated by Article 9, Paragraph 1, Item 2 of said notification.

ii) Discount rate

The rate stipulated by Article 9, Paragraph 1, Item 3 of said notification.

iii) Expected return and volatility

The rate stipulated by Article 9, Paragraph 1, Item 4 of said notification. However, the following rates are set in line with rates stipulated by the

statement of calculation procedures for insurance premiums and policy reserves.

- Volatility of short-term funds: 0.3% annually
- Volatility of assets in separate accounts for single premium variable individual annuities (type II) with periodic (every five years) and surplus dividends: 5.3% annually
- Volatility of assets in separate accounts for single premium variable individual annuities (series 2012—future annuity value guaranteed) with periodic (every five years) dividends: 4.3% annually for standard-type policies; 3.5% annually for surplus-type policies

Confirming the Soundness and Validity of Actuarial Assumptions in Accordance with Article 121, Paragraph 1, Item 1 of the Insurance Business Act (Relating to Third-Sector Insurance Only)

(1) Securing appropriate funding of policy reserves for third-sector insurance policies

The Company secures a sufficient level of policy reserves by performing liability adequacy tests and stress tests in accordance with provisions stipulated by Financial Supervisory Agency and Ministry of Finance Notification No. 22 in 2000 and Ministry of Finance Notification No. 231 in 1998.

(2) Soundness and validity of risk frequency and other assumptions set for liability adequacy tests and stress tests

In principle, the Company classifies its policies by the occurrence rate of insurance claims based on historical data for insurance claims and thereby determines risk frequency for each classification of policies. The Company also allows for some additional stress factors in this calculation. As a result, possible increases in insurance claims due to changes in occurrence rates are covered with a 97.7% and a 99% degree of certainty.

(3) Results of liability adequacy tests and stress tests

In the year ended March 31, 2016, the Company set aside provision for contingency reserves totaling ¥20 million (based on the results of stress tests). On the other hand, the Company did not identify a need for additional policy reserves (based on the results of liability adequacy tests). In line with in-house rules, the soundness and validity of methods for establishing risk frequency ratios and test results are double-checked by the small-committee for underwriting risk management, which is independent from departments performing said calculation.

Policyholders' Dividend Reserves

(Millions of Yen)

	Individual life insurance	Individual annuities	Group life insurance	Group pensions	Asset formation insurance, Asset formation annuities	Other insurance	Total
Year ended March 31, 2016							
Balance at the beginning of the fiscal year	214,551	9,896	23,766	3,293	533	1,373	253,414
Transfer from surplus in the previous fiscal year	8,838	1,758	120,396	44,289	(11)	4,773	180,044
Interest accrued during the fiscal year	233	5	12	0	0	0	251
Other increases	48	—	—	—	—	—	48
Dividend payments to policyholders during the fiscal year	19,718	1,908	121,787	44,131	72	5,238	192,857
Balance at the end of the fiscal year	203,952	9,751	22,387	3,452	449	908	240,902
	[194,356]	[7,788]	[17,334]	[—]	[446]	[2]	[219,928]
Year ended March 31, 2015							
Balance at the beginning of the fiscal year	227,062	10,829	26,532	3,647	607	1,344	270,023
Transfer from surplus in the previous fiscal year	8,174	1,396	114,301	28,883	1	5,337	158,094
Interest accrued during the fiscal year	417	14	27	0	0	0	461
Other increases	45	—	—	—	—	—	45
Dividend payments to policyholders during the fiscal year	21,148	2,344	117,095	29,237	75	5,308	175,209
Balance at the end of the fiscal year	214,551	9,896	23,766	3,293	533	1,373	253,414
	[204,995]	[8,822]	[18,322]	[—]	[513]	[2]	[232,656]

Note: Balance at the end of the fiscal year figures in brackets represent amounts appropriated to dividends.

Allowance for Possible Loan Losses and Other Reserves

(Millions of Yen)

	Beginning balance	Ending balance	YOY increase (decrease)
Year ended March 31, 2016			
Allowance for possible loan losses			
General allowance for possible loan losses	1,677	1,310	(366)
Specific allowance for possible loan losses	3,356	4,147	790
Specific allowance for possible overseas loan losses	—	—	—
Accrued retirement benefits for directors and executive officers	92	82	(9)
Reserve for contingent liabilities	2	1	(0)
Reserve for price fluctuation	492,482	521,677	29,195
Year ended March 31, 2015			
Allowance for possible loan losses			
General allowance for possible loan losses	4,501	1,677	(2,824)
Specific allowance for possible loan losses	3,633	3,356	(276)
Specific allowance for possible overseas loan losses	—	—	—
Accrued retirement benefits for directors and executive officers	183	92	(90)
Reserve for contingent liabilities	14	2	(12)
Reserve for price fluctuation	480,840	492,482	11,642

Specific Allowance for Possible Overseas Loan Losses

• Specific Allowance for Possible Overseas Loan Losses

Not applicable.

• Balance of Specific Allowance for Possible Overseas Loan Losses by Country

Not applicable.

Insurance Premiums

(Millions of Yen)

Years ended March 31,	2016	2015
Individual life insurance	1,821,120	1,863,314
Lump-sum payment	915,087	988,880
Annual payment	178,101	128,836
Biannual payment	4,803	4,939
Monthly payment	723,128	740,657
Individual annuities	346,822	354,049
Lump-sum payment	10,805	36,810
Annual payment	43,533	32,329
Biannual payment	751	845
Monthly payment	291,732	284,063
Group life insurance	310,584	309,593
Group pensions	841,898	837,785
Total (including others)*	3,357,042	3,407,946

* Includes premiums from asset formation insurance and annuities, medical life insurance, disability income insurance, and reinsurance underwritten.

Insurance Premiums Categorized by Policy Year

(Millions of Yen)

Years ended March 31,		2016	2015
Individual life insurance	First-year premiums	1,126,838	1,161,344
	Premiums for the second year and beyond	1,041,105	1,056,019
	Subtotal	2,167,943	2,217,363
Group life insurance	First-year premiums	2,193	3,159
	Premiums for the second year and beyond	308,390	306,433
	Subtotal	310,584	309,593
Group pensions	First-year premiums	15,782	10,983
	Premiums for the second year and beyond	826,116	826,801
	Subtotal	841,898	837,785
Total (including others)*	First-year premiums	1,145,713	1,176,218
	Premiums for the second year and beyond	2,211,328	2,231,728
	Total	3,357,042	3,407,946
	Growth rate (%)	(1.5)	(5.7)

* Includes premiums from asset formation insurance and annuities, medical life insurance, disability income insurance, and reinsurance underwritten.

Insurance Claims, Annuities and Benefits Paid

(Millions of Yen)

	Year ended March 31, 2016							Year ended March 31, 2015
	Individual life insurance	Individual annuities	Group life insurance	Group pensions	Asset formation insurance annuities	Other insurance	Total	Total
Claims paid:	416,368	869	142,669	1,030	605	1,015	562,557	635,653
Death insurance claims	243,028	703	130,503	—	—	1,004	375,240	391,150
Insurance claims for accidents	2,504	10	438	—	37	—	2,990	3,274
Insurance claims for disabilities	33,485	61	11,708	—	—	10	45,265	42,711
Insurance claims upon maturity	137,349	94	—	1,030	567	—	139,042	198,500
Others	—	—	18	—	—	1	19	15
Annuity payments	8,990	402,324	18,888	260,780	4,938	—	695,922	849,823
Benefit payments:	136,951	20,751	542	248,179	989	2,044	409,457	427,691
Death benefits	28,432	17,664	6	3,171	238	9	49,522	50,808
Hospitalization benefits	33,063	1,117	331	—	—	1,757	36,269	37,528
Surgery benefits	15,876	850	—	—	—	211	16,939	17,657
Disability benefits	1,002	8	79	—	—	—	1,090	1,087
Survivor benefits	26,200	591	—	—	750	—	27,542	36,660
Lump-sum benefits	—	—	124	242,397	—	—	242,522	246,123
Others	32,375	518	0	2,610	—	65	35,570	37,825
Surrender benefits	319,468	85,361	8	31,099	18,298	0	454,237	451,984

The Number of Cases Where Claims, Annuities and Benefits Were Paid

	Year ended March 31, 2016							Year ended March 31, 2015
	Individual life insurance	Individual annuities	Group life insurance	Group pensions	Asset formation insurance annuities	Other insurance	Total	Total
Claims paid:	139,286	119	52,009	1	1,940	13,311	206,666	219,563
Death insurance claims	39,992	106	48,179	—	—	13,294	101,571	103,846
Insurance claims for accidents	643	4	200	—	3	—	850	869
Insurance claims for disabilities	15,063	9	3,623	—	—	11	18,706	16,671
Insurance claims upon maturity	83,588	—	—	1	1,937	—	85,526	98,167
Others	—	—	7	—	—	6	13	10
Annuity payments	5,242	656,031	60,537	7,378,009	15,578	—	8,115,397	8,181,450
Benefit payments:	2,472,347	32,392	5,032	700,821	460	33,280	3,244,332	3,911,688
Death benefits	9,269	3,797	451	4,014	119	20	17,670	17,790
Hospitalization benefits	356,836	11,166	4,066	—	—	29,492	401,560	402,904
Surgery benefits	175,367	9,233	—	—	—	2,519	187,119	191,267
Disability benefits	594	12	169	—	—	—	775	819
Survivor benefits	92,070	6,001	—	—	341	—	98,412	124,368
Lump-sum benefits	—	—	345	696,800	—	—	697,145	711,347
Others	1,838,211	2,183	1	7	—	1,249	1,841,651	2,463,193

Depreciation

(Millions of Yen)

	Acquisition cost	Current-year depreciation	Accumulated depreciation	Ending balance	Accumulated depreciation ratio (%)
Year ended March 31, 2016					
Tangible fixed assets	301,164	8,294	176,964	124,200	58.8
Buildings	284,458	7,171	163,242	121,216	57.4
Others	16,705	1,122	13,722	2,983	82.1
Intangible fixed assets	72,973	13,280	31,600	41,373	43.3
Others	262	43	112	149	42.9
Total	374,400	21,618	208,677	165,723	55.7
Year ended March 31, 2015					
Tangible fixed assets	310,401	8,287	178,976	131,424	57.7
Buildings	294,274	7,180	165,923	128,351	56.4
Others	16,126	1,106	13,053	3,073	80.9
Intangible fixed assets	62,859	12,408	25,830	37,038	41.1
Others	257	42	104	152	40.6
Total	373,518	20,738	204,912	168,615	54.9

Operating Expenses

(Millions of Yen)

Years ended March 31,	2016	2015
Marketing promotion expenses	138,382	133,730
Marketing administration expenses	50,846	52,563
General and administration expenses	166,415	162,132
Total	355,644	348,426

Note: General and administration expenses include funding contributions that the Company paid for Insurance Policyholders Protection Corporation of Japan in accordance with Article 259 of the Insurance Business Act, which totaled ¥3,784 million and ¥3,739 million in the years ended March 31, 2015 and March 31, 2016, respectively.

Taxes

(Millions of Yen)

Years ended March 31,	2016	2015
National tax	16,022	17,075
Consumption tax	13,336	13,243
Special local corporate tax	2,370	3,523
Revenue stamp tax	288	284
Registration and license tax	10	9
Other national taxes	16	15
Local tax	12,373	11,207
Local consumption tax	3,581	3,553
Corporate enterprise tax	5,676	4,538
Fixed asset tax	2,642	2,655
Real estate acquisition tax	4	6
Business office tax	467	452
Other local taxes	2	0
Total	28,395	28,282

Lease Transactions

Acquisition cost, accumulated depreciation and ending balance of leased assets

Not applicable.

Ending balance of future lease payments

Not applicable.

Cumulative lease fees paid, depreciation and interest expenses

Not applicable.

Balance of Loans Payable by Remaining Loan Period

(Millions of Yen)

	Within 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total
As of March 31, 2016							
Bonds payable	—	—	—	—	—	238,310	238,310
Payables under securities borrowing transactions	—	—	—	—	—	—	—
Loans payable*	100,000	—	—	—	—	—	100,000
Total	100,000	—	—	—	—	238,310	338,310
As of March 31, 2015							
Bonds payable	—	—	—	—	—	—	—
Payables under securities borrowing transactions	220,000	—	—	—	—	—	220,000
Loans payable	—	—	—	100,000	—	—	100,000
Total	220,000	—	—	100,000	—	—	320,000

* Loans payable are included in "Within 1 year," due to the repayment of ¥100,000 million in April 2016, prior to their maturity.

Reference: Average Interest Rates of Bonds and Loans Payable

(%)

As of March 31,	2016	2015
Bonds payable	5.20	—
Loans payable	1.31	1.35

Notes: 1. Average interest rates presented above are weighted average interest rates applied to balances at the end of each fiscal year.
2. Bonds payable consist of subordinated bonds denominated in US dollars with the date of maturity set at October 2045.

Quarterly Information

(Millions of Yen)

	As of June 30, 2015	As of September 30, 2015	As of December 31, 2015	As of March 31, 2016
Insurance premiums and other	971,989	1,812,165	2,528,728	3,357,858
Base profit	115,572	242,862	339,159	459,903

Investment Performance Indicators Breakdown of Invested Assets (General Account)

(Millions of Yen)

As of March 31,	2016		2015	
	Amount	(%)	Amount	(%)
Cash, deposits and call loans	394,726	1.1	507,313	1.4
Receivables under resale agreements	—	—	—	—
Receivables under securities borrowing transactions	—	—	—	—
Monetary claims bought	223,659	0.6	229,523	0.6
Trading account securities	—	—	—	—
Money held in trust	—	—	—	—
Securities	28,789,384	80.4	28,433,462	79.8
Domestic bonds	16,998,500	47.5	16,566,439	46.5
Domestic stocks	3,581,780	10.0	4,213,452	11.8
Foreign securities	7,910,257	22.1	7,399,532	20.8
Foreign bonds	5,866,755	16.4	5,812,254	16.3
Foreign stocks and others	2,043,502	5.7	1,587,278	4.5
Other securities	298,845	0.8	254,037	0.7
Loans	4,949,867	13.8	5,052,238	14.2
Policy loans	275,085	0.8	289,921	0.8
Industrial and consumer loans	4,674,782	13.1	4,762,317	13.4
Real estate	889,415	2.5	916,587	2.6
Deferred tax assets	—	—	—	—
Others	547,927	1.5	479,268	1.3
Allowance for possible loan losses	(5,457)	(0.0)	(5,034)	(0.0)
Total	35,789,522	100.0	35,613,360	100.0
Assets denominated in foreign currencies	7,111,751	19.9	6,452,535	18.1

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

Increase (Decrease) by Asset Type (General Account)

(Millions of Yen)

Years ended March 31,	2016	2015
Cash, deposits and call loans	(112,587)	114,247
Receivables under resale agreements	—	—
Receivables under securities borrowing transactions	—	—
Monetary claims bought	(5,864)	(4,099)
Trading account securities	—	—
Money held in trust	—	—
Securities	355,921	2,004,101
Domestic bonds	432,060	(338,898)
Domestic stocks	(631,671)	861,100
Foreign securities	510,724	1,417,215
Foreign bonds	54,500	1,278,381
Foreign stocks and others	456,223	138,833
Other securities	44,808	64,684
Loans	(102,371)	(84,526)
Policy loans	(14,835)	(14,709)
Industrial and consumer loans	(87,535)	(69,817)
Real estate	(27,171)	(21,045)
Deferred tax assets	—	—
Others	68,659	97,007
Allowance for possible loan losses	(423)	3,101
Total	176,162	2,108,786
Assets denominated in foreign currencies	659,215	1,444,085

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

Investment Returns (General Account)

(%)

Years ended March 31,	2016	2015
Cash, deposits and call loans	0.07	0.09
Receivables under resale agreements	—	—
Receivables under securities borrowing transactions	—	—
Monetary claims bought	2.02	2.06
Trading account securities	—	—
Money held in trust	—	—
Securities	2.16	3.08
Domestic bonds	1.63	2.62
Domestic stocks	3.86	4.86
Foreign securities	3.09	3.85
Foreign bonds	2.92	3.34
Foreign stocks and others	3.65	5.40
Loans	1.80	1.92
Industrial and consumer loans	1.64	1.77
Real estate	1.80	1.70
Total	1.99	2.72
Overseas investments	3.01	3.80

Notes: 1. The rate of return is calculated by deducting investment expenses from investment income (numerator: presented as ordinary profit), and by dividing the result by the average daily balance (denominator: based on the book value).

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

Average Balances of Assets (General Account)

(Millions of Yen)

Years ended March 31,	2016		2015	
	Amount	(%)	Amount	(%)
Cash, deposits and call loans	426,643	1.3	229,748	0.7
Receivables under resale agreements	—	—	—	—
Receivables under securities borrowing transactions	—	—	—	—
Monetary claims bought	230,756	0.7	242,660	0.8
Trading account securities	—	—	—	—
Money held in trust	—	—	—	—
Securities	24,424,290	76.2	23,674,120	75.8
Domestic bonds	16,432,599	51.3	16,278,265	52.2
Domestic stocks	1,793,861	5.6	1,795,820	5.8
Foreign securities	5,951,875	18.6	5,424,868	17.4
Foreign bonds	4,597,569	14.3	4,076,213	13.1
Foreign stocks and others	1,354,305	4.2	1,348,654	4.3
Loans	5,009,928	15.6	5,110,743	16.4
Industrial and consumer loans	4,727,548	14.7	4,813,860	15.4
Real estate	919,494	2.9	940,240	3.0
Total	32,052,039	100.0	31,212,483	100.0
Overseas investments	6,201,016	19.3	5,574,783	17.9

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

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

Investment Income (General Account)

(Millions of Yen)

Years ended March 31,	2016	2015
Interest, dividends and other income	690,849	698,142
Gains on securities products	—	—
Gains on money held in trust	0	0
Gains on trading securities	—	—
Gains on sales of securities	8,415	186,196
Gains on redemption of securities	88,701	58,075
Gains on derivative financial instruments	—	—
Foreign exchange gains	153	—
Reversal of allowance for possible loan losses	—	2,875
Other investment income	24	23
Total	788,144	945,313

Investment Expenses (General Account)

(Millions of Yen)

Years ended March 31,	2016	2015
Interest expenses	6,217	3,292
Losses on securities products	—	—
Losses on money held in trust	—	—
Losses on trading securities	—	—
Losses on sales of securities	1,959	365
Losses on valuation of securities	12,791	300
Losses on redemption of securities	37	—
Losses on derivative financial instruments	107,329	71,082
Foreign exchange losses	—	145
Provision for allowance for possible loan losses	664	—
Redemption of loans	—	—
Depreciation of real estate for non-insurance business	9,508	9,513
Other investment expenses	12,538	11,173
Total	151,045	95,874

Interest, Dividends and Other Income (General Account)

(Millions of Yen)

Years ended March 31,	2016	2015
Interest on deposits	42	61
Interest and dividends on securities	554,603	558,623
Interest on domestic bonds	268,008	266,750
Dividends on domestic stocks	76,093	72,633
Interest and dividends on foreign securities	203,015	211,308
Interest on loans	90,474	95,007
Rent on real estate	34,861	33,404
Total (including others)	690,849	698,142

Attribution Analysis of Interest, Dividends and Other Income (General Account)

(Millions of Yen)

Years ended March 31,	2016			2015		
	Net increase (decrease)	Change in balance	Change due to interest rate and others	Net increase (decrease)	Change in balance	Change due to interest rate and others
Interest, dividends and other income	(7,292)	18,778	(26,071)	30,505	25,051	5,454
Securities	(4,020)	17,701	(21,721)	36,011	25,787	10,224
Loans	(4,532)	(1,874)	(2,658)	(5,902)	(131)	(5,771)
Real estate	1,456	(737)	2,193	(15)	(705)	689

Gains on Sales of Securities (General Account)

(Millions of Yen)

Years ended March 31,	2016	2015
Domestic bonds and others	4	159,673
Domestic stocks and others	2,073	15,052
Foreign securities	6,337	11,470
Total (including others)	8,415	186,196

Losses on Sales of Securities (General Account)

(Millions of Yen)

Years ended March 31,	2016	2015
Domestic bonds and others	21	1
Domestic stocks and others	472	353
Foreign securities	1,465	10
Total (including others)	1,959	365

Losses on Valuation of Securities (General Account)

(Millions of Yen)

Years ended March 31,	2016	2015
Domestic bonds and others	—	—
Domestic stocks and others	8,457	58
Foreign securities	4,333	—
Total (including others)	12,791	300

Balance of Securities (General Account)

(Millions of Yen)

As of March 31,	2016		2015	
	Amount	(%)	Amount	(%)
Government bonds	14,265,684	49.6	14,023,339	49.3
Municipal bonds	692,832	2.4	757,983	2.7
Corporate bonds	2,039,982	7.1	1,785,116	6.3
Public entity bonds	486,090	1.7	485,326	1.7
Domestic stocks	3,581,780	12.4	4,213,452	14.8
Foreign securities	7,910,257	27.5	7,399,532	26.0
Foreign bonds	5,866,755	20.4	5,812,254	20.4
Foreign stocks and others	2,043,502	7.1	1,587,278	5.6
Other securities	298,845	1.0	254,037	0.9
Total	28,789,384	100.0	28,433,462	100.0

Breakdown of Municipal Bonds by Region

(Millions of Yen)

As of March 31,	2016	2015
Hokkaido	31,618	32,389
Tohoku	5,818	5,834
Kanto	208,242	227,489
Chubu	86,947	90,261
Kinki	193,114	224,067
Chugoku	30,754	37,052
Shikoku	—	—
Kyushu	50,805	50,773
Others	85,529	90,115
Total	692,832	757,983

Note: Others represents municipal bonds issued through public offering under the Joint Local Government Bonds scheme.

Breakdown of Securities by Remaining Period for Maturity (General Account)

(Millions of Yen)

	Within 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total
As of March 31, 2016							
Securities	318,432	1,373,259	2,029,070	3,614,158	2,133,003	19,321,459	28,789,384
Government bonds	73,059	475,658	422,387	1,535,523	1,463,934	10,295,121	14,265,684
Municipal bonds	80,751	274,025	72,797	100	6,787	258,369	692,832
Corporate bonds	70,607	235,357	152,060	167,678	105,777	1,308,501	2,039,982
Domestic stocks	100	—	—	—	—	3,581,680	3,581,780
Foreign securities	93,851	384,715	1,377,737	1,907,919	556,142	3,589,892	7,910,257
Foreign bonds	93,188	384,715	1,377,737	1,907,919	556,142	1,547,052	5,866,755
Foreign stocks and others	662	—	—	—	—	2,042,839	2,043,502
Other securities	61	3,503	4,087	2,937	362	287,893	298,845
Monetary claims bought	—	—	—	—	—	223,659	223,659
Negotiable deposits	23,998	—	—	—	—	—	23,998
Others	—	—	—	—	—	—	—
Total	342,430	1,373,259	2,029,070	3,614,158	2,133,003	19,545,118	29,037,042
As of March 31, 2015							
Securities	473,984	879,087	1,805,171	3,123,542	2,618,953	19,532,724	28,433,462
Government bonds	276,936	268,585	512,525	1,190,579	1,506,916	10,267,796	14,023,339
Municipal bonds	68,379	188,358	233,486	9,200	5,266	253,292	757,983
Corporate bonds	61,316	168,280	206,132	151,396	154,625	1,043,365	1,785,116
Domestic stocks	—	—	—	—	—	4,213,452	4,213,452
Foreign securities	66,303	249,081	852,781	1,769,893	951,152	3,510,320	7,399,532
Foreign bonds	66,303	248,340	852,781	1,769,893	951,152	1,923,783	5,812,254
Foreign stocks and others	—	740	—	—	—	1,586,537	1,587,278
Other securities	1,048	4,781	245	2,473	991	244,497	254,037
Monetary claims bought	—	—	—	—	—	229,523	229,523
Negotiable deposits	6,000	—	—	—	—	—	6,000
Others	—	—	—	—	—	—	—
Total	479,984	879,087	1,805,171	3,123,542	2,618,953	19,762,247	28,668,986

Notes: 1. Figures for over 10 years include financial instruments with no specified maturity period.

2. Includes securities that are deemed appropriate to handle under the Financial Instruments and Exchange Act.

Rate of Return on Bonds at Fiscal Year End (General Account)

(%)

As of March 31,	2016	2015
Domestic bonds	1.73	1.75
Foreign bonds	2.96	3.10

Breakdown of Stocks Held by Industry (General Account)

(Millions of Yen)

As of March 31,	2016		2015	
	Amount	(%)	Amount	(%)
Fishery, agriculture & forestry	973	0.0	790	0.0
Mining	—	—	—	—
Construction	77,671	2.2	71,653	1.7
Manufacturing				
Foods	178,484	5.0	176,613	4.2
Textiles & apparels	21,142	0.6	22,838	0.5
Pulp & paper	4,037	0.1	3,927	0.1
Chemicals	249,312	7.0	319,249	7.6
Pharmaceuticals	136,044	3.8	103,691	2.5
Oil & coal products	5,360	0.1	5,676	0.1
Rubber products	11,589	0.3	8,698	0.2
Glass & ceramics products	144,415	4.0	178,532	4.2
Iron & steel	56,580	1.6	84,478	2.0
Nonferrous metals	16,051	0.4	17,953	0.4
Metal products	19,351	0.5	20,651	0.5
Machinery	217,555	6.1	296,149	7.0
Electric appliances	391,128	10.9	467,376	11.1
Transportation equipment	419,330	11.7	551,627	13.1
Precision instruments	139,908	3.9	120,002	2.8
Other products	35,626	1.0	36,567	0.9
Electric power & gas	143,616	4.0	147,756	3.5
Transportation, information & communication				
Land transportation	194,939	5.4	204,994	4.9
Marine transportation	7,920	0.2	12,766	0.3
Air transportation	3,295	0.1	2,328	0.1
Warehouse & harbor transportation services	24,122	0.7	29,065	0.7
Information & communication	24,696	0.7	23,194	0.6
Trade				
Wholesale trade	211,057	5.9	250,030	5.9
Retail trade	39,449	1.1	38,731	0.9
Finance & insurance				
Banks	369,222	10.3	515,868	12.2
Securities & commodity futures	16,275	0.5	18,590	0.4
Insurance	156,477	4.4	166,790	4.0
Other financing business	63,312	1.8	69,247	1.6
Real estate	164,330	4.6	208,553	4.9
Services	38,499	1.1	39,052	0.9
Total	3,581,780	100.0	4,213,452	100.0

Note: Classification is based on industrial sector classification specified by the Securities Identification Code Committee.

Loans (General Account)

(Millions of Yen)

As of March 31,	2016	2015
Policy loans	275,085	289,921
Policyholder loans	258,842	272,376
Premium loans	16,242	17,544
Industrial and consumer loans	4,674,782	4,762,317
(Loans for non-residents)	104,704	111,596
Corporate loans	4,429,189	4,510,803
(To domestic corporations)	4,398,279	4,479,491
Loans to governments and supranationals	58,270	58,906
Loans to public organizations	165,195	169,092
Housing loans	1,737	2,217
Consumer loans	19,580	20,264
Others	809	1,032
Total	4,949,867	5,052,238

Breakdown of Loans by Duration (General Account)

(Millions of Yen)

	Within 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total
As of March 31, 2016							
Floating interest rate	20,199	16,842	2,212	37,929	26,864	6,944	110,993
Fixed interest rate	446,511	763,468	526,396	564,691	876,976	1,385,743	4,563,788
Total	466,711	780,311	528,608	602,621	903,841	1,392,688	4,674,782
As of March 31, 2015							
Floating interest rate	18,561	24,747	7,779	47,173	35,830	9,373	143,466
Fixed interest rate	406,160	862,087	660,634	472,179	849,164	1,368,623	4,618,850
Total	424,722	886,835	668,413	519,352	884,995	1,377,997	4,762,317

Note: Figures for over 10 years include loans with no specified maturity period.

Breakdown of Domestic Corporate Loans by Size of Borrower (General Account)

(Millions of Yen)

As of March 31,		2016		2015	
			(%)		(%)
Large size corporations	Number of borrowers	693	64.0	693	64.2
	Loan amount	3,992,999	90.8	4,106,275	91.7
Medium size corporations	Number of borrowers	79	7.3	77	7.1
	Loan amount	33,661	0.8	26,861	0.6
Small size corporations	Number of borrowers	311	28.7	309	28.6
	Loan amount	371,617	8.4	346,354	7.7
Total	Number of borrowers	1,083	100.0	1,079	100.0
	Loan amount	4,398,279	100.0	4,479,491	100.0

Notes: 1. Please refer to the following chart for the classification of borrowers by size and industry.

2. The number of borrowers does not represent the number of loans, as a single borrower may have multiple loans under the same name.

Size	Conditions	1. All industries excluding 2. to 4.	2. Retail trade, food and beverage service	3. Service industry	4. Wholesale trade
Large	Capital	¥1 billion or greater	¥1 billion or greater	¥1 billion or greater	¥1 billion or greater
	Number of regular employees	More than 300	More than 50	More than 100	More than 100
Medium	Capital	More than ¥300 million and less than ¥1 billion	More than ¥50 million and less than ¥1 billion	More than ¥50 million and less than ¥1 billion	More than ¥100 million and less than ¥1 billion
	Number of regular employees	More than 300	More than 50	More than 100	More than 100
Small	Capital*	¥300 million or smaller	¥50 million or smaller	¥50 million or smaller	¥100 million or smaller
	Number of regular employees*	300 or less	50 or less	100 or less	100 or less

* Entities that meet either of two conditions stipulated for this classification shall be defined as small-size corporations.

Breakdown of Loans by Industry (General Account)

(Millions of Yen)

As of March 31,	2016		2015	
	Amount	(%)	Amount	(%)
Domestic				
Manufacturing	861,921	18.4	919,477	19.3
Foodstuffs and beverages	56,804	1.2	72,725	1.5
Textile products	11,930	0.3	20,218	0.4
Lumber and wood products	—	—	—	—
Pulp, paper, and paper products	50,370	1.1	53,865	1.1
Printing	5,314	0.1	5,341	0.1
Chemical and allied products	128,205	2.7	121,323	2.5
Petroleum refining	81,080	1.7	75,680	1.6
Ceramic, stone, and clay products	80,171	1.7	80,696	1.7
Iron and steel	143,228	3.1	148,858	3.1
Nonferrous metals and products	16,807	0.4	24,718	0.5
Fabricated metal products	3,221	0.1	2,785	0.1
General-purpose, production, and business-oriented machinery	58,994	1.3	64,982	1.4
Electrical machinery equipment and supplies	113,224	2.4	112,338	2.4
Transportation equipment	105,934	2.3	129,095	2.7
Miscellaneous manufacturing industries	6,636	0.1	6,848	0.1
Agriculture and forestry	100	0.0	—	—
Fishery	—	—	—	—
Mining and quarrying of stone and gravel	131	0.0	184	0.0
Construction	18,488	0.4	19,876	0.4
Electricity, gas, heat supply, and water	694,175	14.8	721,519	15.2
Information and communications	93,559	2.0	94,738	2.0
Transport and postal activities	326,861	7.0	333,526	7.0
Wholesale trade	914,010	19.6	941,619	19.8
Retail trade	20,867	0.4	25,112	0.5
Finance and insurance	1,115,034	23.9	1,066,421	22.4
Real estate	332,213	7.1	311,656	6.5
Goods rental and leasing	140,573	3.0	163,288	3.4
Scientific research, and professional and technical services	20,700	0.4	20,700	0.4
Hotels	2,249	0.0	2,337	0.0
Eating and drinking services	598	0.0	723	0.0
Living-related and personal services, and amusement services	3,437	0.1	2,741	0.1
Education and learning support	817	0.0	1,057	0.0
Medical, health care, and welfare services	252	0.0	186	0.0
Other services	1,687	0.0	1,597	0.0
Local governments	1,080	0.0	1,473	0.0
Loans for housing funds and consumer credit (with installment repayments)	21,317	0.5	22,482	0.5
Others	—	—	—	—
Subtotal	4,570,077	97.8	4,650,720	97.7
Overseas				
Governments and others	73,793	1.6	80,284	1.7
Financial institutions	17,880	0.4	23,220	0.5
Commerce, industry and others	13,030	0.3	8,092	0.2
Subtotal	104,704	2.2	111,596	2.3
Total of industrial and consumer loans	4,674,782	100.0	4,762,317	100.0

Note: For domestic borrowers, industrial sectors are classified based on Loans and Bills Discounted and New Loans for Fixed Investment by Sector (by Type of Industries) issued by the Bank of Japan.

Breakdown of Loans by Usage (General Account)

(Millions of Yen)

As of March 31,	2016		2015	
	Amount	(%)	Amount	(%)
Capital expenditures	905,335	19.4	963,703	20.2
Operating capital	3,769,446	80.6	3,798,614	79.8

Breakdown of Loans by Region (General Account)

(Millions of Yen)

As of March 31,	2016		2015	
	Amount	(%)	Amount	(%)
Hokkaido	40,951	0.9	45,806	1.0
Tohoku	69,371	1.5	71,988	1.6
Kanto	3,452,126	75.9	3,452,028	74.6
Chubu	410,509	9.0	442,204	9.6
Kinki	310,368	6.8	328,834	7.1
Chugoku	58,222	1.3	72,344	1.6
Shikoku	56,336	1.2	65,052	1.4
Kyushu	150,874	3.3	149,979	3.2
Total	4,548,760	100.0	4,628,238	100.0

Notes: 1. Excludes individual loans, loans for non-residents and policy loans.
2. Regions are based on the locations of the borrowers' headquarters.

Breakdown of Loans by Collateral (General Account)

(Millions of Yen)

As of March 31,	2016		2015	
	Amount	(%)	Amount	(%)
Collateral loans	17,632	0.4	17,369	0.4
Loans secured by securities	5,276	0.1	4,312	0.1
Loans secured by real estate, movable assets or aggregated foundation collateral	11,218	0.2	11,928	0.3
Loans secured by nominative claims	1,137	0.0	1,128	0.0
Guaranteed loans	96,154	2.1	101,503	2.1
Fiduciary loans	4,539,677	97.1	4,620,962	97.0
Others	21,317	0.5	22,482	0.5
Total of industrial and consumer loans	4,674,782	100.0	4,762,317	100.0
Subordinated loans	481,800	10.3	491,300	10.3

Tangible and Intangible Fixed Assets (General Account)

(Millions of Yen)

	Beginning balance	Increase	Decrease		Ending balance	Accumulated depreciation	Accumulated depreciation ratio (%)
			Impairment losses	Depreciation			
Year ended March 31, 2016							
Land	613,832	340	11,249	1,518	—	602,923	—
Buildings	296,709	14,376	9,580	2,282	16,529	284,975	386,782
Construction in progress	6,045	9,843	14,372	—	—	1,516	—
Other tangible fixed assets	3,248	1,334	46	—	1,205	3,330	15,164
Total of tangible fixed assets	919,835	25,895	35,248	3,800	17,735	892,746	401,947
Real estate for rent	570,298	27,058	32,631	3,763	9,359	555,366	227,246
Software	37,443	17,695	—	—	13,506	41,631	32,320
Other intangible fixed assets	26,274	27,422	22,509	—	18	31,169	168
Total of intangible fixed assets	63,717	45,118	22,509	—	13,525	72,801	32,489
Year ended March 31, 2015							
Land	623,453	827	10,448	2,737	—	613,832	—
Buildings	310,528	12,030	9,253	3,558	16,596	296,709	385,936
Construction in progress	3,650	15,802	13,407	—	—	6,045	—
Other tangible fixed assets	3,810	1,005	409	—	1,158	3,248	14,409
Total of tangible fixed assets	941,443	29,665	33,519	6,296	17,755	919,835	400,346
Real estate for rent	570,931	35,798	27,012	6,295	9,418	570,298	225,442
Software	37,671	12,533	112	—	12,650	37,443	26,468
Other intangible fixed assets	19,968	23,494	17,168	—	19	26,274	187
Total of intangible fixed assets	57,639	36,028	17,280	—	12,669	63,717	26,656

Note: Figures for increase and decrease of "Real estate for rent" include increases and decreases due to changes in usage, such as from operational to rental usage.

Real Estate Balance and the Number of Buildings Owned

(Millions of Yen)

As of March 31,	2016	2015
Real estate	889,415	916,587
For operational use	337,158	353,640
For rent	552,257	562,946
The number of buildings for rent	155 buildings	164 buildings

Gains on Disposals of Fixed Assets (General Account)

(Millions of Yen)

Years ended March 31,	2016	2015
Tangible fixed assets	2,552	5,950
Land	1,686	2,664
Buildings	866	3,286
Others	—	—
Intangible fixed assets	62	—
Others	—	0
Total	2,614	5,951
Real estate for rent	2,560	4,602

Losses on Disposals of Fixed Assets (General Account)

(Millions of Yen)

Years ended March 31,	2016	2015
Tangible fixed assets	5,896	5,235
Land	768	1,447
Buildings	5,088	3,395
Others	39	392
Intangible fixed assets	132	218
Others	555	111
Total	6,584	5,566
Real estate for rent	3,817	2,610

Depreciation of Real Estate for Non-Insurance Business (General Account)

(Millions of Yen)

	Acquisition cost	Depreciation	Accumulated depreciation	Ending balance	Accumulated depreciation ratio (%)
Year ended March 31, 2016					
Tangible fixed assets	389,076	9,441	224,971	164,105	57.8
Buildings	387,299	9,358	223,540	163,758	57.7
Others	1,776	82	1,430	346	80.5
Intangible fixed assets	89	5	51	37	57.8
Others	822	61	655	167	79.6
Total	389,989	9,508	225,678	164,310	57.9
Year ended March 31, 2015					
Tangible fixed assets	389,884	9,462	221,352	168,531	56.8
Buildings	388,370	9,415	220,013	168,357	56.7
Others	1,513	46	1,339	173	88.5
Intangible fixed assets	99	5	56	42	56.9
Others	821	45	594	227	72.3
Total	390,804	9,513	222,003	168,801	56.8

Foreign Securities Investment and Overseas Loans (General Account) Breakdown by Asset Type

(1) Assets denominated in foreign currencies

(Millions of Yen)

As of March 31,	2016		2015	
	Amount	(%)	Amount	(%)
Bonds	5,578,278	68.3	5,481,136	71.8
Stocks and others	1,495,185	18.3	933,778	12.2
Cash, deposits and others	38,287	0.5	37,620	0.5
Subtotal	7,111,751	87.0	6,452,535	84.5

(2) Assets with value fixed in yen

(Millions of Yen)

As of March 31,	2016		2015	
	Amount	(%)	Amount	(%)
Loans	119,856	1.5	82,837	1.1
Others	85	0.0	36	0.0
Subtotal	119,941	1.5	82,873	1.1

Note: The above figures represent the value of assets whose value is fixed in yen at the time of settlement through such means as forward exchange contracts. These values are included in yen on the balance sheet.

(3) Assets denominated in yen

(Millions of Yen)

As of March 31,	2016		2015	
	Amount	(%)	Amount	(%)
Loans for non-residents	104,704	1.3	111,596	1.5
Domestic bonds (foreign bonds issued in yen)	288,477	3.5	331,117	4.3
Others	548,317	6.7	653,499	8.6
Subtotal	941,498	11.5	1,096,214	14.4

(4) Total of (1)+(2)+(3)

(Millions of Yen)

As of March 31,	2016		2015	
	Amount	(%)	Amount	(%)
Foreign securities investment and overseas loans	8,173,191	100.0	7,631,623	100.0
Overseas real estate	24,843	0.3	24,843	0.3

Breakdown of Foreign Securities Investment and Overseas Loans by Region

(Millions of Yen)

	Foreign securities							
			Bonds		Stocks and others		Loans for non-residents	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
As of March 31, 2016								
North America	5,143,121	65.0	4,491,085	76.6	652,035	31.9	23,000	22.0
Europe	973,456	12.3	823,260	14.0	150,196	7.3	38,500	36.8
Oceania	265,052	3.4	265,052	4.5	—	—	—	—
Asia	173,325	2.2	61,136	1.0	112,188	5.5	2,380	2.3
Latin America	1,196,082	15.1	67,001	1.1	1,129,081	55.3	30	0.0
Middle East	—	—	—	—	—	—	—	—
Africa	—	—	—	—	—	—	—	—
Supranationals	159,219	2.0	159,219	2.7	—	—	40,793	39.0
Total	7,910,257	100.0	5,866,755	100.0	2,043,502	100.0	104,704	100.0
As of March 31, 2015								
North America	4,453,491	60.2	4,400,614	75.7	52,876	3.3	26,000	23.3
Europe	1,049,264	14.2	861,898	14.8	187,366	11.8	41,500	37.2
Oceania	265,426	3.6	265,426	4.6	—	—	—	—
Asia	169,600	2.3	58,999	1.0	110,600	7.0	2,720	2.4
Latin America	1,309,028	17.7	72,593	1.2	1,236,435	77.9	92	0.1
Middle East	—	—	—	—	—	—	—	—
Africa	—	—	—	—	—	—	—	—
Supranationals	152,721	2.1	152,721	2.6	—	—	41,284	37.0
Total	7,399,532	100.0	5,812,254	100.0	1,587,278	100.0	111,596	100.0

Breakdown of Foreign Currency-Denominated Assets by Currency

(Millions of Yen)

As of March 31,	2016		2015	
	Amount	(%)	Amount	(%)
(U.S. dollar)	5,910,446	83.1	5,195,007	80.5
(Euro)	517,893	7.3	558,534	8.7
(Australian dollar)	365,920	5.1	373,717	5.8
(Others)	317,490	4.5	325,276	5.0
Total	7,111,751	100.0	6,452,535	100.0

Investments and Loans for Public Entities (General Account)

(Millions of Yen)

Years ended March 31,	2016	2015
Bonds		
Government bonds	—	—
Municipal bonds	—	—
Other public entity bonds	2,118	1,445
Subtotal	2,118	1,445
Loans		
Loans for government-related agencies	1,477	1,622
Loans for other public entities	5,800	4,050
Subtotal	7,277	5,672
Total	9,395	7,117

Note: Figures for bonds represent the value of bonds underwritten during the fiscal year. Figures for loans represent loans made during each fiscal year to domestic borrowers.

Interest Rates of Loans

Not applicable.

Other Assets (General Account)

(Millions of Yen)

	Acquisition cost	Increase	Decrease	Accumulated depreciation	Ending balance
Year ended March 31, 2016					
Deferred assets	1,079	2,862	60	907	2,973
Others	—	739	1,624	—	6,967
Total	1,079	3,602	1,685	907	9,940
Year ended March 31, 2015					
Deferred assets	969	178	68	698	380
Others	—	741	1,043	—	7,851
Total	969	919	1,111	698	8,232

Note: Acquisition cost and accumulated depreciation represent amount for deferred assets only.

Fair Values of Financial Instruments (General Account)
Gains and Losses on Valuation of Trading Securities (General Account)

Not applicable.

Fair Values of Securities (General Account)

• **Securities with Fair Value (excluding trading securities)**

(Millions of Yen)

As of March 31,	2016					2015				
	Book value	Fair value	Net gains/losses			Book value	Fair value	Net gains/losses		
			Gains	Losses	Gains			Losses		
Held-to-maturity debt securities	4,855,067	5,844,342	989,274	989,964	(689)	5,249,888	5,896,950	647,061	647,860	(798)
Policy-reserve-matching bonds	7,162,085	8,817,642	1,655,556	1,655,563	(7)	6,820,691	7,471,758	651,066	651,066	—
Stocks of subsidiaries and affiliates	—	—	—	—	—	—	—	—	—	—
Available-for-sale securities	12,367,508	15,543,135	3,175,626	3,248,357	(72,730)	11,642,072	15,620,689	3,978,616	3,995,764	(17,147)
Domestic bonds	4,752,079	5,292,559	540,479	541,220	(741)	4,431,621	4,823,786	392,165	392,909	(743)
Domestic stocks	1,651,311	3,439,110	1,787,799	1,802,177	(14,378)	1,653,260	4,070,475	2,417,214	2,424,331	(7,117)
Foreign securities	5,662,264	6,484,268	822,004	871,607	(49,603)	5,328,260	6,460,968	1,132,708	1,141,981	(9,273)
Foreign bonds	5,051,489	5,750,923	699,433	741,873	(42,439)	4,757,793	5,684,550	926,756	935,936	(9,179)
Foreign stocks and others	610,774	733,345	122,570	129,733	(7,163)	570,466	776,417	205,951	206,045	(93)
Other securities	251,881	274,920	23,038	31,044	(8,006)	195,445	230,158	34,712	34,725	(12)
Monetary claims bought	25,971	28,278	2,307	2,307	—	27,484	29,300	1,816	1,816	—
Negotiable deposits	24,000	23,998	(1)	—	(1)	6,000	6,000	0	0	(0)
Others	—	—	—	—	—	—	—	—	—	—
Total	24,384,662	30,205,120	5,820,458	5,893,885	(73,427)	23,712,652	28,989,397	5,276,745	5,294,691	(17,946)
Domestic bonds	16,458,020	19,619,067	3,161,046	3,161,795	(748)	16,174,274	17,847,825	1,673,550	1,674,410	(859)
Domestic stocks	1,651,311	3,439,110	1,787,799	1,802,177	(14,378)	1,653,260	4,070,475	2,417,214	2,424,331	(7,117)
Foreign securities	5,778,096	6,606,819	828,722	879,015	(50,292)	5,455,964	6,593,106	1,137,141	1,146,989	(9,847)
Foreign bonds	5,167,321	5,873,474	706,152	749,281	(43,129)	4,885,497	5,816,688	931,190	940,944	(9,753)
Foreign stocks and others	610,774	733,345	122,570	129,733	(7,163)	570,466	776,417	205,951	206,045	(93)
Other securities	251,881	274,920	23,038	31,044	(8,006)	195,445	230,158	34,712	34,725	(12)
Monetary claims bought	221,352	241,204	19,852	19,852	—	227,707	241,833	14,125	14,233	(108)
Negotiable deposits	24,000	23,998	(1)	—	(1)	6,000	6,000	0	0	(0)
Others	—	—	—	—	—	—	—	—	—	—

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

(1) Held-to-Maturity Debt Securities

(Millions of Yen)

As of March 31,	2016			2015		
	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference
Securities whose fair value exceeds the balance sheet amount	4,842,623	5,832,587	989,964	5,197,034	5,844,894	647,860
Domestic bonds	4,543,854	5,508,865	965,010	4,909,008	5,539,443	630,434
Foreign bonds	103,387	110,795	7,407	101,111	106,119	5,007
Others	195,380	212,925	17,545	186,913	199,331	12,417
Securities whose fair value does not exceed the balance sheet amount	12,444	11,755	(689)	52,854	52,055	(798)
Domestic bonds	—	—	—	12,952	12,836	(116)
Foreign bonds	12,444	11,755	(689)	26,592	26,018	(573)
Others	—	—	—	13,309	13,201	(108)

(2) Policy-Reserve-Matching Bonds

(Millions of Yen)

As of March 31,	2016			2015		
	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference
Securities whose fair value exceeds the balance sheet amount	7,161,185	8,816,749	1,655,563	6,820,691	7,471,758	651,066
Domestic bonds	7,161,185	8,816,749	1,655,563	6,820,691	7,471,758	651,066
Others	—	—	—	—	—	—
Securities whose fair value does not exceed the balance sheet amount	900	892	(7)	—	—	—
Domestic bonds	900	892	(7)	—	—	—
Others	—	—	—	—	—	—

(3) Available-for-Sale Securities

(Millions of Yen)

As of March 31,	2016			2015		
	Acquisition or amortized costs	Balance sheet amount	Difference	Acquisition or amortized costs	Balance sheet amount	Difference
Securities whose balance sheet amount exceeds the acquisition or amortized costs	10,476,734	13,725,092	3,248,357	10,678,152	14,673,917	3,995,764
Domestic bonds	4,744,251	5,285,472	541,220	4,371,423	4,764,333	392,909
Domestic stocks	1,515,554	3,317,732	1,802,177	1,568,675	3,993,007	2,424,331
Foreign securities	4,046,382	4,917,990	871,607	4,512,668	5,654,650	1,141,981
Other securities	144,574	175,618	31,044	194,900	229,626	34,725
Monetary claims bought	25,971	28,278	2,307	27,484	29,300	1,816
Negotiable deposits	—	—	—	3,000	3,000	0
Others	—	—	—	—	—	—
Securities whose balance sheet amount does not exceed the acquisition or amortized costs	1,890,774	1,818,043	(72,730)	963,919	946,771	(17,147)
Domestic bonds	7,828	7,086	(741)	60,197	59,453	(743)
Domestic stocks	135,757	121,378	(14,378)	84,585	77,468	(7,117)
Foreign securities	1,615,881	1,566,278	(49,603)	815,591	806,317	(9,273)
Other securities	107,307	99,301	(8,006)	545	532	(12)
Monetary claims bought	—	—	—	—	—	—
Negotiable deposits	24,000	23,998	(1)	3,000	2,999	(0)
Others	—	—	—	—	—	—

• Book Value of Securities of Which Market Value is Extremely Difficult to Determine

(Millions of Yen)

As of March 31,	2016	2015
Held-to-maturity debt securities	—	—
Policy-reserve-matching bonds	—	—
Stocks of subsidiaries and affiliates	890,889	285,948
Available-for-sale securities	585,469	690,289
Unlisted domestic stocks	48,290	48,294
Unlisted foreign stocks	527,126	632,126
Other foreign securities	1,461	1,721
Others	8,590	8,147
Total	1,476,359	976,238

Reference: Foreign currency denominated stocks and others of subsidiaries and affiliates (as presented in the above chart) with additional information on fair value of general account securities calculated with adjustments for foreign exchange valuation and other factors

(Millions of Yen)

As of March 31,	2016					2015				
	Book value	Fair value	Net gains/losses			Book value	Fair value	Net gains/losses		
			Gains	Losses				Gains	Losses	
Domestic bonds	16,458,020	19,619,067	3,161,046	3,161,795	(748)	16,174,274	17,847,825	1,673,550	1,674,410	(859)
Domestic stocks	1,651,311	3,439,110	1,787,799	1,802,177	(14,378)	1,653,260	4,070,475	2,417,214	2,424,331	(7,117)
Foreign securities	6,564,984	7,353,653	788,668	894,473	(105,804)	5,637,867	6,797,583	1,159,716	1,180,619	(20,903)
Foreign bonds	5,167,321	5,873,474	706,152	749,281	(43,129)	4,885,497	5,816,688	931,190	940,944	(9,753)
Foreign stocks and others	1,397,662	1,480,179	82,516	145,191	(62,675)	752,369	980,895	228,525	239,675	(11,149)
Other securities	253,003	276,167	23,163	31,171	(8,007)	198,430	233,664	35,233	35,246	(12)
Others	245,352	265,203	19,851	19,852	(1)	233,707	247,833	14,125	14,233	(108)
Total	25,172,672	30,953,201	5,780,529	5,909,470	(128,940)	23,897,540	29,197,381	5,299,841	5,328,842	(29,001)

Notes: 1. Figures presented above exclude ¥791,350 million comprising unlisted domestic securities totaling ¥163,350 million and unlisted foreign securities totaling ¥628,000 million, both of which were posted at book value as of March 31, 2015.

2. Figures presented above exclude ¥688,348 million comprising unlisted domestic securities totaling ¥165,348 million and unlisted foreign securities totaling ¥523,000 million, both of which were posted at book value as of March 31, 2016.

3. After these exclusions, the above figures account for 96.8% and 97.3% of total securities, respectively, as of March 31, 2015 and March 31, 2016.

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

Fair Value of Money-Held-in-Trust (General Account)

Not applicable.

Fair Value of Derivative Transactions (General Account)

(1) Breakdown of Net Gains (Losses) on Derivative Transactions (by Application and Non-Application of Hedge Accounting)

(Millions of Yen)

As of March 31,	2016						2015					
	Interest rate-related	Currency-related	Stock-related	Bond-related	Others	Total	Interest rate-related	Currency-related	Stock-related	Bond-related	Others	Total
Hedge accounting applied	59,990	88,255	—	—	—	148,246	32,813	(75,719)	—	—	—	(42,905)
Hedge accounting not applied	(0)	(106)	—	—	—	(107)	10	0	—	—	—	10
Total	59,989	88,149	—	—	—	148,138	32,824	(75,719)	—	—	—	(42,895)

Note: Gains and losses on derivative transactions where fair value hedge accounting is applied include loss attributable to currency-related transactions totaling ¥70,919 million as of March 31, 2015 and gain attributable to currency-related transactions totaling ¥89,473 million as of March 31, 2016. These figures are presented on the statements of income, together with gains and losses on derivative transactions where hedge accounting is not applied.

(2) Transactions Where Hedge Accounting Is Not Applied

◆ Interest-Rate Related

(Millions of Yen)

As of March 31,	2016				2015			
	Notional amount/ contract value		Fair value	Net gains (losses)	Notional amount/ contract value		Fair value	Net gains (losses)
	Over 1 year				Over 1 year			
OTC								
Interest rate swaps								
Receipts fixed, payments floating	100	100	(0)	(0)	1,000	1,000	10	10
Total				(0)				10

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

Reference: Amount and Proportion of Interest Rate Swaps by Remaining Contract Duration

(Millions of Yen)

As of March 31,	2016							2015						
	Within 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total	Within 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total
Receipts fixed, payments floating swap														
Notional amount	—	—	—	—	—	100	100	—	—	—	—	—	1,000	1,000
Average interest rate in receipt (%)	—	—	—	—	—	0.46	0.46	—	—	—	—	—	1.17	1.17
Average interest rate in payment (%)	—	—	—	—	—	0.02	0.02	—	—	—	—	—	0.14	0.14

◆ Currency-Related

(Millions of Yen)

As of March 31,	2016				2015			
	Notional amount/ contract value		Fair value	Net gains (losses)	Notional amount/ contract value		Fair value	Net gains (losses)
	Over 1 year				Over 1 year			
OTC								
Foreign currency forward contracts								
Sold	12,367	—	(106)	(106)	301	—	0	0
(Australian dollar)	12,226	—	(105)	(105)	301	—	0	0
(U.S. dollar)	141	—	(0)	(0)	—	—	—	—
Bought	—	—	—	—	6	—	0	0
(U.S. dollar)	—	—	—	—	6	—	0	0
Total				(106)				0

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

◆ Stock-Related

Not applicable.

◆ Bond-Related

Not applicable.

(3) Transactions Where Hedge Accounting Is Applied

◆ Interest-Rate Related

(Millions of Yen)

As of March 31,	2016				2015			
	Hedge accounting method	Type	Main hedged items	Notional amount/ contract value		Notional amount/ contract value		Fair value
				Over 1 year	Fair value	Over 1 year	Fair value	
Deferred hedge accounting	Interest rate swaps	Insurance liabilities						
	Receipts fixed, payments floating		233,900	233,900	59,067	234,100	234,100	31,576
Special hedge accounting	Interest rate swaps	Loans						
	Receipts fixed, payments floating		28,948	18,948	922	46,251	31,141	1,237
Total					59,990			32,813

Reference: Amount and Proportion of Interest Rate Swaps by Remaining Contract Duration

(Millions of Yen)

As of March 31,	2016							2015						
	Within 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total	Within 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total
Receipts fixed, payments floating swap														
Notional amount	10,000	15,000	4,118	7,400	16,130	210,200	262,848	15,110	22,000	5,409	7,800	13,832	216,200	280,351
Average interest rate in receipt (%)	1.95	1.97	1.51	1.68	1.73	1.89	1.88	1.62	1.90	2.11	1.56	1.73	1.89	1.86
Average interest rate in payment (%)	0.22	0.23	0.01	0.04	0.16	0.06	0.08	0.25	0.31	0.34	0.14	0.21	0.14	0.17

◆ Currency-Related

(Millions of Yen)

As of March 31,				2016		2015		
	Hedge accounting method	Type	Main hedged items	Notional amount/ contract value		Notional amount/ contract value		Fair value
				Over 1 year	Fair value	Over 1 year	Fair value	
Fair value hedge accounting	Foreign currency forward contracts	Foreign-currency-denominated bonds						
	Sold		2,123,031	—	89,473	2,354,756	—	(70,919)
	(U.S. dollar)		1,808,792	—	86,840	2,010,069	—	(89,973)
	(Euro)		182,880	—	1,773	196,339	—	10,404
	(Australian dollar)		131,358	—	859	148,347	—	8,649
Deferred hedge accounting	Cross currency swaps (Euro)	Foreign-currency-denominated bonds	35,575	35,575	(1,307)	35,575	35,575	(4,800)
	(Australian dollar)		4,305	4,305	89	—	—	—
Total					88,255			(75,719)

Note: Excluding transactions related to foreign currency denominated monetary claims and liabilities whose value is fixed in yen at the time of settlement through such means as forward exchange contracts and can thus be included in yen on the balance sheet.

◆ Stock-Related

Not applicable.

◆ Bond-Related

Not applicable.

Fair Value of Land (General Account)

(Millions of Yen)

	Net unrealized gains			
	Revaluation differences	Unrealized gains in off-balance-sheet transactions		
		Book value	Fair value	
As of March 31, 2016	331,760	202,032	129,727	745,777
As of March 31, 2015	290,586	204,865	85,721	712,800

Notes: 1. Includes land used under leasehold rights.

2. Revaluation differences are based on the results of fair value accounting performed by former Meiji Life Insurance Company and The Yasuda Mutual Life Insurance Company on March 31, 2000 and 2001, respectively, in accordance with the Act on Revaluation of Land.

3. Unrealized gains in off-balance-sheet transactions result from fluctuations in market value before and after revaluation.

Unrealized Gains and Losses on Overall Assets (General Account)

(Millions of Yen)

As of March 31,	2016	2015
Securities	5,780,529	5,299,841
Valuation differences	3,176,020	3,980,095
Unrealized gains in off-balance-sheet transactions	2,604,508	1,319,746
Land	331,760	290,586
Revaluation differences	202,032	204,865
Unrealized gains in off-balance-sheet transactions	129,727	85,721
Others	58,510	27,783
Total	6,170,799	5,618,211

- Notes: 1. Figures for securities represent unrealized gains attributable to such factors as foreign currency translation adjustments of securities with market prices as well as those whose market value is extremely difficult to determine (e.g., foreign currency denominated stocks of subsidiaries and affiliates).
2. Securities include financial instruments that are deemed appropriate to handle as securities under the Financial Instruments and Exchange Act.
3. Revaluation differences of land are based on the results of fair value accounting performed by former Meiji Life Insurance Company and The Yasuda Mutual Life Insurance Company on March 31, 2000 and 2001, respectively, in accordance with the Act on Revaluation of Land. In addition, land includes land used under leasehold rights.
4. Others include unrealized gains and losses on derivative transactions. In addition, the Company applied hedge accounting to some of these transactions. The above table presents unrealized gains and losses on derivative transaction where hedge accounting (deferred hedge accounting or special hedge accounting treatment) is applied. Of those transactions, derivative transactions where fair value hedge accounting is applied posted loss attributable to currency-related transactions totaling ¥70,919 million as of March 31, 2015 and gain attributable to currency-related transactions totaling ¥89,473 million as of March 31, 2016. These figures are presented on the statements of income on the basis of valuation gains and losses, together with gains and losses on transactions where hedge accounting is not applied. None of these transactions included unrealized gains and losses.

Performance Indicators for Separate Account Balance of Separate Account Assets

(Millions of Yen)

As of March 31,	2016	2015
Variable individual life insurance	66,061	77,288
Variable individual annuities	345,612	366,134
Group pensions	387,929	421,567
Total	799,603	864,990

Investment Status of Separate Account Assets for Variable Individual Life Insurance and Variable Individual Annuities

In the domestic bond market, long-term interest rates fell in April 2015, reflecting the Bank of Japan's (BOJ's) purchase program for Japanese government bonds (JGBs) and successful issuance of new government bonds through auction, which together resulted in robust demand and tightened supply. Following that, although there was a temporary turnaround in interest rates due to the impact of interest rate rises in Europe and the United States, long-term interest rates remained lower from June 2015 onward. At the end of January 2016, long-term interest rates declined drastically after the BOJ introduced negative interest rates. As a result, the yield on ten-year JGBs was a negative 0.050% as of March 31, 2016, down 0.450% compared with the end of the previous fiscal year.

In the domestic stock market, overall stock prices remained high until the beginning of August 2015, backed by expectations of robust corporate earnings and the yen's depreciation. However, the market experienced steep decline due to the global plunge in stock prices triggered by the devaluation of the Chinese yuan. October brought a strong turnaround as the market responded positively to such factors as rising U.S. stock prices, comments alluding to additional easing from the president of the European Central Bank (ECB), and additional monetary easing by the People's Bank of China. However, stock prices declined again with falling crude oil prices after OPEC decided not to reduce output in December 2015, as well as such negative factors as the January 2016 turmoil in the Chinese stock market, which led to considerable decline in global stock prices. Despite a temporary upturn in stock prices due to the introduction of negative interest rates by the BOJ at the end of January 2016, stock prices fell on anxiety over worldwide economic deceleration and credit uncertainty in Europe. Although stock prices somewhat recovered in the middle of February 2016, the Nikkei average as of March 31, 2016 was ¥16,758, down ¥2,448 from March 31, 2015.

In the U.S. bond market, long-term interest rates rose through June 2015, in response to a rise in European interest rates backed by improved money supply in the eurozone as well as favorable employment statistics in the United States. After that, weak economic indicators and a growing trend toward risk avoidance caused interest rates to decline following the global stock market plunges in August 2015. In October 2015, a statement issued by the Federal Open Market Committee (FOMC) stimulated growing speculation that a December interest rate hike was imminent, leading to higher interest rates. However, interest rates fell significantly from January to the beginning of February 2016 on the back of plunging global stock prices and declining crude oil prices, which, in turn, triggered a growing trend toward risk avoidance. As a result, the yield on ten-year U.S. Treasuries was 1.770% as of March 31, 2016, down 0.154% from a year earlier.

In the U.S. stock market, stock prices were stable, until dropping on anxieties over the Chinese economy following the devaluation of the Chinese yuan and growing uncertainty over the timing of the Federal Reserve Board's interest rate hike. In October 2015, stock prices rebounded on the ECB president's remarks suggesting additional easing measures, and due to other positive factors. After the interest rate hike in December 2015 increased market volatility, stock prices fell considerably in January 2016 due to a steep decline in the Chinese stock prices, lower crude oil prices and stagnant economic indicators. However, such positive factors as an upturn in crude oil prices in the middle of February 2016 and improvements in economic indicators led to recovery in stock prices. As a result, the Dow Jones Industrial Average stood at US\$17,685 on March 31, 2016, down US\$91 year on year.

As for foreign currency exchange rates, the yen continued to decline through early June 2015, but then the plunge in global stock prices stimulated safe-haven demand for the yen amid growing risk aversion. This led the yen to surge. As of March 31, 2016, the exchange rate stood at ¥112.68 to the U.S. dollar, up ¥7.49 year on year. Against the euro, the exchange rate stood at ¥127.70, up ¥2.62 year on year.

Given this environment, the Company strove to secure stable returns from separate account assets for variable individual life insurance through diversified investment in both domestic and overseas assets. Specifically, during the fiscal year ended March 31, 2016, the Company flexibly adjusted its asset portfolio on the back of ongoing volatility in the stock market. In line with changes in the market environment, the Company temporarily decreased stock allocations when stock prices were too high while increasing them when stock prices were too low.

As for variable individual annuities, the Company invested in investment trusts in step with fund inflows from separate account assets. Generally, the ratio of such assets incorporated in investment trusts has been high during the fiscal year under review.

Variable Individual Life Insurance (Separate Account) Insurance Amount of Policies in Force

As of March 31,	2016		2015	
	Number of policies	Amount	Number of policies	Amount
Variable life insurance (term type)	2	6	4	14
Variable life insurance (whole-life type)	54,077	513,183	55,266	532,149
Total	54,079	513,190	55,270	532,163

Note: Insurance amount of policies in force includes coverage under term rider.

Breakdown of Assets (Separate Account Assets for Variable Individual Life Insurance)

As of March 31,	2016		2015	
	Amount	(%)	Amount	(%)
Cash, deposits and call loans	1,904	2.9	3,000	3.9
Securities	59,189	89.6	71,090	92.0
Domestic bonds	11,614	17.6	16,125	20.9
Domestic stocks	23,951	36.3	27,392	35.4
Foreign securities	23,623	35.8	27,573	35.7
Foreign bonds	7,165	10.8	8,139	10.5
Foreign stocks and others	16,457	24.9	19,433	25.1
Other securities	—	—	—	—
Loans	—	—	—	—
Others	4,968	7.5	3,197	4.1
Allowance for possible loan losses	—	—	—	—
Total	66,061	100.0	77,288	100.0

Investment Returns (Separate Account Assets for Variable Individual Life Insurance)

(Millions of Yen)

Years ended March 31,	2016	2015
Interest, dividends and other income	1,480	1,370
Gains on sales of securities	6,211	7,888
Gains on redemption of securities	—	—
Gains on valuation of securities	6,020	13,340
Foreign exchange gains	55	82
Gains on derivative financial instruments	762	548
Other income	4	4
Losses on sales of securities	2,132	1,045
Losses on redemption of securities	0	—
Losses on valuation of securities	15,196	9,014
Foreign exchange losses	81	56
Losses on derivative financial instruments	800	235
Other expenses	0	0
Net gains (losses)	(3,674)	12,880

Fair Value of Securities (Separate Account Assets for Variable Individual Life Insurance) Gains and Losses on Valuation of Trading Securities

(Millions of Yen)

As of March 31,	2016		2015	
	Balance sheet amount	Valuation gains/losses included in the statement of income	Balance sheet amount	Valuation gains/losses included in the statement of income
Trading securities	59,189	(9,175)	71,090	4,325

Fair Value of Money-Held-in-Trust (Separate Account Assets for Variable Individual Life Insurance)

Not applicable.

Fair Value of Derivative Transactions (Separate Account Assets for Variable Individual Life Insurance)

(1) Breakdown of Net Gains (Losses) on Derivative Transactions (by Application and Non-Application of Hedge Accounting)

(Millions of Yen)

As of March 31,	2016						2015					
	Interest rate-related	Currency-related	Stock-related	Bond-related	Others	Total	Interest rate-related	Currency-related	Stock-related	Bond-related	Others	Total
Hedge accounting applied	—	—	—	—	—	—	—	—	—	—	—	—
Hedge accounting not applied	—	11	15	—	—	27	—	—	—	—	—	—
Total	—	11	15	—	—	27	—	—	—	—	—	—

Note: Gains and losses on derivative transactions where hedge accounting is not applied are presented on the statements of income.

(2) Transactions Where Hedge Accounting Is Not Applied

◆ Interest-Rate Related

Not applicable.

◆ Currency-Related

(Millions of Yen)

As of March 31,	2016				2015			
	Notional amount/ contract value		Fair value	Net gains (losses)	Notional amount/ contract value		Fair value	Net gains (losses)
	Over 1 year				Over 1 year			
OTC								
Foreign currency forward contracts								
Bought	1,008	—	11	11	—	—	—	—
(U.S. dollar)	708	—	1	1	—	—	—	—
(Euro)	300	—	10	10	—	—	—	—
Total				11				—

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

◆ Stock-Related

(Millions of Yen)

As of March 31,	2016				2015			
	Notional amount/ contract value		Fair value	Net gains (losses)	Notional amount/ contract value		Fair value	Net gains (losses)
	Over 1 year				Over 1 year			
Exchange-traded transactions								
Yen Stock index futures								
Sold	274	—	4	4	—	—	—	—
Foreign currency-denominated stock index futures								
Bought	1,087	—	10	10	—	—	—	—
Total				15				—

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

◆ Bond-Related

Not applicable.

(3) Transactions Where Hedge Accounting Is Applied

Not applicable.

Variable Individual Annuities (Separate Account)
Policies in Force

(Millions of Yen)

As of March 31,	2016		2015	
	Number of policies	Amount	Number of policies	Amount
Variable individual annuities	96,785	351,165	96,829	374,916

Note: Insurance amount of policies in force includes the amount of general account policies written after pension payout.

Breakdown of Assets (Separate Account Assets for Variable Individual Annuities)

(Millions of Yen)

As of March 31,	2016		2015	
	Amount	(%)	Amount	(%)
Cash, deposits and call loans	655	0.2	1,400	0.4
Securities	342,083	99.0	361,631	98.8
Domestic bonds	—	—	—	—
Domestic stocks	—	—	—	—
Foreign securities	—	—	—	—
Foreign bonds	—	—	—	—
Foreign stocks and others	—	—	—	—
Other securities	342,083	99.0	361,631	98.8
Loans	—	—	—	—
Others	2,873	0.8	3,101	0.8
Allowance for possible loan losses	—	—	—	—
Total	345,612	100.0	366,134	100.0

Investment Returns (Separate Account Assets for Variable Individual Annuities)

(Millions of Yen)

Years ended March 31,	2016	2015
Interest, dividends and other income	2,919	4,335
Gains on sales of securities	0	0
Gains on redemption of securities	—	0
Gains on valuation of securities	36,528	44,563
Foreign exchange gains	—	—
Gains on derivative financial instruments	—	—
Other income	—	—
Losses on sales of securities	0	0
Losses on redemption of securities	—	—
Losses on valuation of securities	49,848	36,572
Foreign exchange losses	—	—
Losses on derivative financial instruments	—	—
Other expenses	—	—
Net gains (losses)	(10,400)	12,326

Fair Value of Securities (Separate Account Assets for Variable Individual Annuities) Gains and Losses on Valuation of Trading Securities

(Millions of Yen)

As of March 31,	2016		2015	
	Balance sheet amount	Valuation gains/losses included in the statement of income	Balance sheet amount	Valuation gains/losses included in the statement of income
Trading securities	342,083	(13,319)	361,631	7,990

Fair Value of Money-Held-in-Trust (Separate Account Assets for Variable Individual Annuities)

Not applicable.

Fair Value of Derivative Transactions (Separate Account Assets for Variable Individual Annuities)

Not applicable.

Group Pensions (Separate Account)

Separate Account Assets Managed for Group Pension Policyholders

(Millions of Yen)

As of March 31,	2016		2015	
	Number of groups	Fair value	Number of groups	Fair value
First treaty separate account	742	379,706	709	394,065
Comprehensive account	565	233,110	567	259,203
Accounts established for each investee	189	146,596	148	134,861
Total	742	379,706	709	394,065

Note: First treaty separate account jointly manages the assets of multiple group pension policyholders.

Investment Performance of First Treaty Separate Account (Comprehensive Account)

(1) Investment Status in the Year Ended March 31, 2016

In line with its annual investment plan, the Company allocated a greater proportion of its portfolio to stocks, both domestic and overseas while investing less in domestic bonds. Maintaining this policy, the Company rebalanced its asset allocations as necessary to adapt to changes in the market environment. The average time-weighted return rate for comprehensive account assets during the fiscal year ended March 31, 2016 was negative 5.13%. This was attributable to negative returns recorded in both domestic and foreign stocks as well as foreign bonds.

(%)

	Planned figures for year ended March 31, 2016	Asset Allocations				As of March 31, 2016
		As of March 31, 2015	As of June 30, 2015	As of September 30, 2015	As of December 31, 2015	
Domestic bonds	30.0	23.6	23.3	18.9	22.5	19.9
Domestic stocks	33.0	36.9	38.5	36.1	34.5	35.3
Foreign bonds	10.0	10.3	9.1	10.8	9.1	11.0
Foreign stocks	24.0	26.2	26.1	25.3	25.8	27.2
Short-term funds and others	3.0	2.9	3.0	8.8	8.0	6.5
Total	100.0	100.0	100.0	100.0	100.0	100.0

Note: Asset allocations are based on fair value.

(2) Balance in Fair Value By Asset Type

(Millions of Yen)

As of March 31,	2016		2015	
	Fair value	(%)	Fair value	(%)
Domestic bonds	46,381	19.9	61,291	23.6
Domestic stocks	82,323	35.3	95,733	36.9
Foreign bonds	25,736	11.0	26,821	10.3
Foreign stocks	63,404	27.2	67,918	26.2
Short-term funds and others	15,264	6.5	7,438	2.9
Total	233,110	100.0	259,203	100.0

(3) Investment Performance

(%)

Years ended March 31,	2016	2015
Time-weighted return rate	(5.13)	19.49

First Treaty Separate Account (Accounts Established for Each Investee)

(1) Investment Status in the Year Ended March 31, 2016

Fund	Status
Yen currency denominated bond account	Based on fundamental analysis, the Company determined its duration, yield curve and bond portfolio composition strategies, thus executing active investment. Having expected interest rates to remain at low levels, the Company adjusted its duration strategy while monitoring trends in interest rates and investor sentiments. Looking at the allocation by bond category, the Company maintained a greater proportion of non-government bonds.
Yen currency denominated bond account—A	The Company engaged in active investment while taking a cautious stance in executing its duration, yield curve and bond portfolio composition strategies. The Company adjusted the allocation by duration in line with changes in yield curves. Looking at the allocation by bond category, the Company maintained a greater proportion of non-government bonds.
Yen currency denominated stock account	Drawing on the combined results of bottom-up analyses, both qualitative and quantitative, the Company engaged in active investment while controlling exposure to risks specific to certain business sectors. The Company also reshuffled its stock portfolio by focusing on investment efficiency. In doing so, the Company sought to harness growth potential of stocks while responding to such market factors as economic trends in Japan, the United States and other countries, changes in monetary policies and fluctuations in resource prices.
Yen currency denominated stock account—B	The Company adopted a “factor rotation strategy,” an investment strategy that focuses on various factors affecting investment performance to adjust allocation in step with changes due to market conditions. In this way, the Company executed enhanced index investing. The Company maintains a neutral sector allocation policy while focusing on value indices and profitability.
Foreign currency denominated bond account	Based on fundamental analysis, the Company determined its currency, duration, yield curve and bond portfolio composition strategies, thereby executing active investment. Allocation by currency has been flexibly revised, as the Company incorporated a wide variety of currencies while focusing on the U.S. dollar and euro. The Company was also flexible in adjusting bond duration in step with changes in monetary policies in each country. In addition, the Company adjusted allocation by duration while including non-government bonds.
Foreign currency denominated bond account—A	The Company maintained a cautious stance in executing its currency, duration, yield curve and bond portfolio composition strategies, thereby executing active investment. On the other hand, the Company has flexibly adjusted allocation by currency and bond duration. The Company also adjusted allocation by duration while including non-government bonds.
Foreign currency denominated stock account	Drawing on the combined results of bottom-up analyses, both qualitative and quantitative, the Company engaged in active investment. In developed countries, the Company controlled its exposure to risks specific to certain business sectors while maintaining regionally neutral allocation. In selecting stocks, the Company also focused on the issuer’s unique growth drivers and growth potential in shareholder returns. In addition, the Company continuously invested in stocks issued by companies in emerging Asian nations.
Foreign currency denominated stock account—B	The Company adopted a “factor rotation strategy,” an investment strategy that focuses on various factors affecting investment performance to adjust allocation in step with changes in market conditions. In this way, the Company executed enhanced index investing. Remaining neutral on region- and sector-based allocation, the Company focused on growth potential in U.S. investments while paying consistent attention to European value indices.
Short-term fund account	The Company engaged in investment focusing on maintaining liquidity and stability.

(2) Fair Value and Investment Performance

(Millions of Yen)

As of and years ended March 31,	2016		2015	
	Fair value	Time-weighted return rate (%)	Fair value	Time-weighted return rate (%)
Yen currency denominated bond account	53,921	5.43	45,404	2.99
Yen currency denominated bond account—A	20,396	5.50	23,485	3.07
Yen currency denominated stock account	13,641	(10.57)	13,979	30.89
Yen currency denominated stock account—B	14,625	(11.02)	15,616	30.24
Foreign currency denominated bond account	9,120	(2.81)	8,256	12.61
Foreign currency denominated bond account—A	6,975	(2.81)	6,732	12.53
Foreign currency denominated stock account	9,629	(9.03)	9,768	24.03
Foreign currency denominated stock account—B	8,517	(8.16)	8,615	22.72
Short-term fund account	9,769	0.06	3,003	0.09
Total	146,596		134,861	

Consolidated Information

Non-performing Loans

	(Millions of Yen)	
As of March 31,	2016	2015
Loans to bankrupt borrowers	—	—
Loans in arrears	3,985	2,630
Loans in arrears for three months or longer	125	—
Restructured loans	25,728	17,195
Total	29,840	19,825
Non-performing loans/total loans (%)	0.53	0.39

- 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 ¥44 million for loans to bankrupt borrowers and ¥5 million for loans in arrears as of March 31, 2015; and ¥44 million for loans to bankrupt borrowers and ¥1 million for loans in arrears as of March 31, 2016.
2. Loans to bankrupt borrowers are loans to borrowers that are legally bankrupt through filings for proceedings under the Corporate Reorganization Act, Civil Rehabilitation Act, Bankruptcy Act or Company Act; 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. Loans in arrears are loans that do not accrue interest. These loans exclude loans to bankrupt borrowers and restructured loans with modified interest payment terms and conditions extended in order to support the borrowers or business restructuring.
4. Loans in arrears for three months or longer 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 loans in arrears.
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, loans in arrears, and loans in arrears for three months or longer.

The Enhancement of Ability for Insurance Claim and Benefit Payout Possessed by the Insurance Company and Its Subsidiaries (Consolidated Solvency Margin Ratio)

	(Millions of Yen)	
As of March 31,	2016	2015
(A) Total solvency margin	6,195,368	7,002,417
① Foundation funds and capital and others	626,226	1,024,615
② Reserve for price fluctuation	522,116	492,907
③ Contingency reserves	675,607	667,380
④ Catastrophe reserves	9,116	8,618
⑤ General allowance for possible loan losses	1,310	1,677
⑥ Net unrealized gains (losses) on available-for-sale securities (before tax effect deduction) and deferred unrealized gains (losses) on derivatives under hedge accounting (before tax effect deduction) × 90% (100% in case of losses)	2,859,755	3,585,929
⑦ Unrealized gains on land × 85% (100% in case of losses)	288,299	252,268
⑧ Total of unrecognized actuarial differences and unrecognized prior service costs	(44,743)	(31,883)
⑨ Excess of continued Zillmerized reserve	966,800	990,405
⑩ Qualifying subordinated debt	363,901	100,000
⑪ Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculation	—	—
⑫ Deductions	(156,398)	(169,671)
⑬ Other (tax effect adjustment)	83,374	80,169
(B) Total risk $\sqrt{(\sqrt{14^2+15^2+17+18})^2+(19+20+21)^2+16+22}$	1,259,489	1,310,703
⑭ Insurance risk	155,024	119,662
⑮ General underwriting risk	1,782	1,717
⑯ Major disaster risk	500	516
⑰ Third-sector insurance risk	56,391	53,962
⑱ Insurance risk of small-amount short-term insurer	—	—
⑲ Assumed interest rate risk	150,281	154,127
⑳ Minimum guarantee risk	8,800	9,772
㉑ Investment risk	1,053,088	1,105,560
㉒ Business management risk	28,517	28,906
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$ (%)	983.7	1,068.4

- Notes: 1. The figures presented above are calculated based on provisions in Article 86-2 and 88 of the Ordinance for Enforcement of the Insurance Business Act and the Financial Services Agency Notification No. 23 in 2011. In addition, the method of determining the total solvency margin was partially revised in accordance with the revisions of the Ordinance for Enforcement of the Insurance Business Act. The revised method is applied to the calculation of such margin for the year ended March 31, 2016 and beyond.
2. Minimum guarantee risk is calculated based on standard methods stipulated in Article 4, Paragraph 5 of said notification.

The Enhancement of Ability for Insurance Claim and Benefit Payout Possessed by the Insurance Company's Subsidiary (Solvency Margin Ratio)

Meiji Yasuda General Insurance Co., Ltd.

(Millions of Yen)

As of March 31,	2016	2015
(A) Total solvency margin	68,902	67,792
① Foundation funds and capital and others	57,136	56,978
② Reserve for price fluctuation	113	108
③ Contingency reserves	34	34
④ Catastrophe reserves	9,116	8,618
⑤ General allowance for possible loan losses	—	—
⑥ Net unrealized gains (losses) on available-for-sale securities (before tax effect deduction) and deferred unrealized gains (losses) on derivatives under hedge accounting (before tax effect deduction) × 90% (100% in case of losses)	1,198	994
⑦ Unrealized gains on land × 85% (100% in case of losses)	915	651
⑧ Excess of refund reserves	—	—
⑨ Qualifying subordinated debt	—	—
⑩ Excess of refund reserves and qualifying subordinated debt not included in margin calculation	—	—
⑪ Deductions	—	—
⑫ Others	389	405
(B) Total risk $\sqrt{((13+14)^2+(15+16)^2+17+18)}$	2,735	2,698
⑬ General underwriting risk	1,782	1,717
⑭ Third-sector insurance risk	—	—
⑮ Assumed interest rate risk	8	9
⑯ Investment risk	1,221	1,220
⑰ Business management risk	70	69
⑱ Major disaster risk	500	516
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$ (%)	5,036.7	5,024.6

Note: The figures presented above are calculated based on provisions in Article 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act and the Ministry of Finance Notification No. 50 in 1996. In addition, the method of determining the total solvency margin was partially revised in accordance with the revisions of the Ordinance for Enforcement of the Insurance Business Act. The revised method is applied to the calculation of such margin for the year ended March 31, 2016 and beyond.

Segment Information

Business operations undertaken by the Company, its consolidated subsidiaries and subsidiary entities during the years ended March 31, 2015 and March 31, 2016, included the nonlife insurance business in addition to the life insurance business. However, the nonlife insurance business has been omitted from segment information since it represents such a minor proportion of total operations and the Company's operations can be regarded as consisting of a single business segment.