

Supplementary Financial Information

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Non-consolidated Information

Assets

Loans Categorized by Internal Classification of Borrowers

	(Millions of Yen)	
As of March 31,	2019	2018
Loans to legally bankrupt and substantially bankrupt borrowers	438	559
Loans to borrowers with high possibility of bankruptcy	3,504	2,974
Loans with collection risk	15,225	15,479
Subtotal	19,168	19,013
Proportion of total loans (%)	0.29	0.28
Normal loans	6,623,904	6,702,846
Total	6,643,073	6,721,859

- 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,	2019	2018
Loans to bankrupt borrowers	—	—
Loans in arrears	3,943	3,533
Loans in arrears for three months or longer	—	—
Restructured loans	15,012	15,246
Total	18,955	18,780
Non-performing loans/total loans (%)	0.45	0.42

- 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 ¥368 million for loans to bankrupt borrowers and ¥2 million for loans in arrears as of March 31, 2018; and ¥91 million for loans to bankrupt borrowers and ¥1 million for loans in arrears as of March 31, 2019.
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,	(Millions of Yen)			
	2019		2018	
	Amount	% of total value of loans	Amount	% of total value of loans
Not Classified	6,627,868	99.8	6,684,117	99.4
Class II	15,031	0.2	37,625	0.6
Class III	172	0.0	115	0.0
Class IV	—	—	—	—
Subtotal of II-IV	15,204	0.2	37,741	0.6
Total	6,643,073	100.0	6,721,859	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,	(Millions of Yen)	
	2019	2018
(A) Total solvency margin	7,813,804	7,614,123
① Foundation funds	1,247,299	1,195,875
② Reserve for price fluctuation	815,975	684,594
③ Contingency reserves	710,714	691,787
④ General allowance for possible loan losses	1,089	1,310
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)	3,060,911	3,202,005
⑥ Unrealized gains on land × 85% (100% in case of losses)	400,514	348,812
⑦ Excess of continued Zillmerized reserve	909,388	936,352
⑧ Qualifying subordinated debt	560,735	453,310
⑨ Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculation	—	—
⑩ Deductions	—	—
⑪ Other (tax effect adjustment)	107,176	100,074
(B) Total amount of risk $\sqrt{(\text{12}+\text{13})^2+(\text{14}+\text{15}+\text{16})^2}+\text{17}$	1,589,199	1,623,634
⑫ Insurance risk	120,996	119,760
⑬ Third-sector insurance risk	69,193	61,586
⑭ Assumed interest rate risk	146,472	145,077
⑮ Minimum guarantee risk	11,035	8,829
⑯ Investment risk	1,385,352	1,424,153
⑰ Business management risk	34,660	35,188
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$ (%)	983.3	937.9

- 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.
 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,	2019	2018
Real net assets	10,193,061	9,827,543
Ratio of real net assets to general account assets (%)	26.5	26.1

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,	2019	2018
Real net assets after deducting unrealized gains and losses on held-to-maturity debt securities and policy-reserve-matching bonds	7,702,931	7,597,042

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 (Consolidated)

(Millions of Yen)

As of March 31,	2019		2018	
	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	775,564	(10,376)	785,232	(4,583)
General account	—	—	—	—
Separate account	775,564	(10,376)	785,232	(4,583)

Fair Value of Securities (Consolidated)

• Securities with Fair Value (excluding trading securities)

(Millions of Yen)

As of March 31,	2019					2018				
	Book value	Fair value	Net gains/losses			Book value	Fair value	Net gains/losses		
			Gains	Losses				Gains	Losses	
Held-to-maturity debt securities	4,336,078	5,170,501	834,422	834,499	(76)	4,540,301	5,348,839	808,537	809,196	(658)
Policy-reserve-matching bonds	8,057,811	9,713,518	1,655,706	1,656,309	(603)	7,549,821	8,971,785	1,421,963	1,425,365	(3,401)
Stocks of subsidiaries and affiliates	—	—	—	—	—	—	—	—	—	—
Available-for-sale securities	14,696,852	18,097,473	3,400,621	3,486,452	(85,830)	14,317,705	17,875,899	3,558,193	3,729,394	(171,200)
Domestic bonds	4,888,700	5,325,598	436,897	437,153	(255)	4,974,782	5,400,878	426,096	432,444	(6,347)
Domestic stocks	1,674,228	4,009,367	2,335,139	2,357,708	(22,569)	1,671,934	4,339,760	2,667,825	2,678,324	(10,498)
Foreign securities	7,293,609	7,870,746	577,137	628,368	(51,231)	7,018,010	7,425,040	407,029	556,602	(149,572)
Foreign bonds	6,502,084	6,928,152	426,067	470,907	(44,840)	6,282,089	6,553,962	271,872	407,224	(135,351)
Foreign stocks and others	791,524	942,594	151,069	157,461	(6,391)	735,920	871,077	135,157	149,378	(14,221)
Other securities	775,212	826,765	51,552	62,130	(10,578)	591,537	647,327	55,790	60,570	(4,780)
Monetary claims bought	13,236	14,327	1,090	1,090	—	15,626	16,816	1,190	1,190	—
Negotiable deposits	34,000	33,998	(1)	0	(1)	36,000	35,999	(0)	0	(0)
Money held in trust	17,864	16,669	(1,194)	—	(1,194)	9,814	10,076	262	262	—
Total	27,090,742	32,981,493	5,890,750	5,977,261	(86,510)	26,407,828	32,196,523	5,788,694	5,963,956	(175,261)
Domestic bonds	16,450,708	19,341,072	2,890,364	2,890,621	(256)	16,592,190	19,234,381	2,642,191	2,648,552	(6,361)
Domestic stocks	1,674,228	4,009,367	2,335,139	2,357,708	(22,569)	1,671,934	4,339,760	2,667,825	2,678,324	(10,498)
Foreign securities	7,927,511	8,528,002	600,490	652,400	(51,910)	7,292,812	7,703,477	410,664	563,639	(152,974)
Foreign bonds	7,135,987	7,585,407	449,420	494,939	(45,518)	6,556,891	6,832,399	275,507	414,261	(138,753)
Foreign stocks and others	791,524	942,594	151,069	157,461	(6,391)	735,920	871,077	135,157	149,378	(14,221)
Other securities	775,212	826,765	51,552	62,130	(10,578)	591,537	647,327	55,790	60,570	(4,780)
Monetary claims bought	211,216	225,616	14,400	14,400	—	213,540	225,501	11,960	12,606	(645)
Negotiable deposits	34,000	33,998	(1)	0	(1)	36,000	35,999	(0)	0	(0)
Money held in trust	17,864	16,669	(1,194)	—	(1,194)	9,814	10,076	262	262	—

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,	2019			2018		
	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference
Securities whose fair value exceeds the balance sheet amount	4,328,278	5,162,778	834,499	4,482,952	5,292,148	809,196
Domestic bonds	4,030,348	4,845,025	814,676	4,220,155	5,011,203	791,048
Foreign bonds	99,949	106,462	6,512	119,183	125,914	6,731
Monetary claims bought	197,980	211,289	13,309	143,614	155,030	11,416
Securities whose fair value does not exceed the balance sheet amount	7,800	7,723	(76)	57,349	56,690	(658)
Domestic bonds	2,800	2,798	(1)	2,800	2,786	(13)
Foreign bonds	5,000	4,924	(75)	249	248	(0)
Monetary claims bought	—	—	—	54,300	53,654	(645)

• Policy-Reserve-Matching Bonds

(Millions of Yen)

As of March 31,	2019			2018		
	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference
Securities whose fair value exceeds the balance sheet amount	8,017,082	9,673,392	1,656,309	7,427,523	8,852,888	1,425,365
Domestic bonds	7,528,858	9,167,649	1,638,791	7,394,452	8,819,512	1,425,060
Foreign bonds	488,223	505,742	17,518	33,070	33,376	305
Securities whose fair value does not exceed the balance sheet amount	40,728	40,125	(603)	122,298	118,896	(3,401)
Domestic bonds	—	—	—	—	—	—
Foreign bonds	40,728	40,125	(603)	122,298	118,896	(3,401)

• Available-for-Sale Securities

(Millions of Yen)

As of March 31,	2019			2018		
	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	12,077,294	15,563,746	3,486,452	10,087,737	13,817,132	3,729,394
Domestic bonds	4,839,378	5,276,532	437,153	4,762,611	5,195,056	432,444
Domestic stocks	1,478,135	3,835,843	2,357,708	1,548,692	4,227,017	2,678,324
Foreign securities	5,222,294	5,850,663	628,368	3,346,851	3,903,453	556,602
Other securities	509,250	571,381	62,130	399,140	459,711	60,570
Monetary claims bought	13,236	14,327	1,090	15,626	16,816	1,190
Negotiable deposits	15,000	15,000	0	5,000	5,000	0
Money held in trust	—	—	—	9,814	10,076	262
Securities whose balance sheet amount does not exceed the acquisition or amortized costs	2,619,557	2,533,726	(85,830)	4,229,967	4,058,766	(171,200)
Domestic bonds	49,321	49,065	(255)	212,170	205,822	(6,347)
Domestic stocks	196,093	173,524	(22,569)	123,241	112,743	(10,498)
Foreign securities	2,071,315	2,020,083	(51,231)	3,671,159	3,521,586	(149,572)
Other securities	265,962	255,384	(10,578)	192,396	187,615	(4,780)
Monetary claims bought	—	—	—	—	—	—
Negotiable deposits	19,000	18,998	(1)	31,000	30,999	(0)
Money held in trust	17,864	16,669	(1,194)	—	—	—

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

(Millions of Yen)

As of March 31,	2019	2018
Held-to-maturity debt securities	—	—
Policy-reserve-matching bonds	—	—
Stocks of subsidiaries and affiliates	881,663	875,118
Available-for-sale securities	295,993	415,356
Unlisted domestic stocks	27,452	27,776
Unlisted foreign stocks	257,126	377,126
Other foreign securities	596	458
Others	10,818	9,994
Total	1,177,656	1,290,474

Fair Value of Money Held in Trust (Consolidated)

(Millions of Yen)

As of March 31,	2019					2018				
	Balance sheet		Net gains/losses			Balance sheet		Net gains/losses		
	amount	Fair value	Gains	Losses	amount	Fair value	Gains	Losses		
Money held in trust	16,669	16,669	—	—	—	10,076	10,076	—	—	—

Money Held in Trust for Investment

Not applicable.

Money Held in Trust for Maturity, for Policy Reserve Matching and for Other Purposes

(Millions of Yen)

As of March 31,	2019					2018				
	Book value		Net gains/losses			Book value		Net gains/losses		
	amount	Fair value	Gains	Losses	amount	Fair value	Gains	Losses		
Held-to-maturity	—	—	—	—	—	—	—	—	—	—
Policy reserve matching	—	—	—	—	—	—	—	—	—	—
Other purposes	17,864	16,669	(1,194)	—	(1,194)	9,814	10,076	262	262	—

Policy-Reserve-Matching Bonds

The Company classifies bonds held with the aim of matching the duration to outstanding insurance liabilities within the sub-groups (categorized by insurance type, investment policy and other factors) of individual life insurance, individual annuities and group pensions as policy-reserve-matching bonds in accordance with the “Temporary Treatment of Accounting and Auditing Concerning Policy-Reserve-Matching Bonds in the Insurance Industry” (JICPA, issued on November 16, 2000).

The effectiveness of the duration matching of these policy-reserve-matching bonds is periodically reevaluated.

Fair Value of Derivative Transactions (Consolidated)

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 risk accompanying these transactions is mitigated and limited.

In addition, transactions are executed through market exchange or OTC transactions. In general, the latter employ Credit Support Annex (CSA), a type of contract that mandates the mutual provision of collateral by transactional participants based on market conditions and risks, while giving 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 credit balance limits for each type of transaction and 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 Risk Management Verification Committee 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 value at fiscal year-end based on data provided by pricing vendors.

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 based on data provided by pricing vendors.

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,	2019						2018					
	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	57,632	(8,782)	—	—	—	48,850	51,453	78,337	—	—	—	129,790
Hedge accounting not applied	4	(2,637)	45	2	—	(2,585)	4	(2,558)	(53)	—	—	(2,608)
Total	57,637	(11,419)	45	2	—	46,264	51,457	75,778	(53)	—	—	127,182

Note: Gains and losses on derivative transactions where fair value hedge accounting is applied included gain attributable to currency-related transactions totaling ¥79,785 million as of March 31, 2018 and loss attributable to currency-related transactions totaling ¥8,600 million as of March 31, 2019. 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,	2019			2018		
	Notional amount/ contract value	Fair value	Net gains (losses)	Notional amount/ contract value	Fair value	Net gains (losses)
OTC						
Interest rate swaps						
Receipts fixed, payments floating	700	700	4	1,200	1,200	4
Total			4			4

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,	2019							2018						
	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	—	—	—	—	—	700	700	—	—	—	—	—	1,200	1,200
Average interest rate in receipt (%)	—	—	—	—	—	0.41	0.41	—	—	—	—	—	0.68	0.68
Average interest rate in payment (%)	—	—	—	—	—	0.01	0.01	—	—	—	—	—	0.01	0.01

◆ Currency-Related

(Millions of Yen)

As of March 31,	2019				2018			
	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	194,632	—	199	199	88,295	—	1,768	1,768
(U.S. dollar)	160,265	—	(23)	(23)	62,385	—	1,661	1,661
(Australian dollar)	20,073	—	100	100	11,454	—	68	68
(Euro)	14,252	—	122	122	13,904	—	37	37
(Others)	41	—	0	0	550	—	1	1
Bought	11,875	—	(24)	(24)	19,226	—	61	61
(U.S. dollar)	6,577	—	3	3	9,566	—	64	64
(Euro)	3,864	—	(28)	(28)	6,914	—	(0)	(0)
(Australian dollar)	1,378	—	1	1	2,302	—	(0)	(0)
(Others)	55	—	(0)	(0)	442	—	(1)	(1)
Currency options								
Sold								
Call	198,628	—	—	—	—	—	—	—
(U.S. dollar)	(476)	—	1	474	[—]	—	—	—
(U.S. dollar)	198,628	—	1	474	[—]	—	—	—
(U.S. dollar)	(476)	—	1	474	[—]	—	—	—
Bought								
Put	178,500	—	—	—	—	—	—	—
(U.S. dollar)	(476)	—	32	(443)	[—]	—	—	—
(U.S. dollar)	178,500	—	32	(443)	[—]	—	—	—
(U.S. dollar)	(476)	—	32	(443)	[—]	—	—	—
Currency swaps								
Yen payments/Australian dollar receipts	154,546	154,546	(3,143)	(3,143)	88,870	88,870	(4,389)	(4,389)
Yen payments/U.S. dollar receipts	11,740	11,740	300	300	—	—	—	—
Total				(2,637)				(2,558)

Notes: 1. Net gains (losses) on foreign exchange contracts and currency swaps represent the fair values. Net gains (losses) on currency options represent the difference between the option fees and the fair values for option transactions.

2. Option fees are shown in [].

◆ Stock-Related

(Millions of Yen)

As of March 31,	2019			2018			
	Notional amount/ contract value		Fair value	Notional amount/ contract value		Fair value	
	Over 1 year	Net gains (losses)		Over 1 year	Net gains (losses)		
Exchange-traded transactions							
Yen stock index futures							
Sold	2,672	—	(18)	(18)	—	—	—
Bought	4,154	—	0	0	2,706	—	39
Foreign currency-denominated stock index futures							
Sold	327	—	(9)	(9)	—	—	—
Bought	5,444	—	72	72	2,820	—	(93)
Total				45			(53)

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

◆ Bond-Related

(Millions of Yen)

As of March 31,	2019			2018			
	Notional amount/ contract value		Fair value	Notional amount/ contract value		Fair value	
	Over 1 year	Net gains (losses)		Over 1 year	Net gains (losses)		
Exchange-traded transactions							
Foreign bond index futures							
Bought	123	—	2	2	—	—	—
Total				2			—

Note: Net gains (losses) on foreign bond index futures represent the fair values.

(3) Transactions Where Hedge Accounting is Applied

◆ Interest-rate Related

(Millions of Yen)

Hedge accounting method	Type	Main hedged items	2019		2018			
			Notional amount/ contract value		Notional amount/ contract value			
			Over 1 year	Fair value	Over 1 year	Fair value		
Deferred hedge accounting	Interest rate swaps Receipts fixed, payments floating	Insurance liabilities	230,700	230,700	57,446	231,400	231,400	51,256
Special hedge accounting	Interest rate swaps Receipts fixed, payments floating	Loans	3,369	3,324	185	8,562	3,562	197
Total					57,632			51,453

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

(Millions of Yen)

As of March 31,	2019							2018						
	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	45	6,300	6,800	11,124	12,300	197,500	234,069	5,000	3,636	7,100	8,926	14,500	200,800	239,962
Average interest rate in receipt (%)	1.60	1.56	1.75	1.73	2.05	1.87	1.86	2.15	1.51	1.69	1.73	1.90	1.88	1.87
Average interest rate in payment (%)	0.07	0.01	(0.00)	0.14	0.00	0.00	0.01	0.21	0.01	(0.00)	0.11	0.06	0.01	0.02

◆ Currency-Related

(Millions of Yen)

As of March 31,			2019			2018			
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	3,887,217	—	(8,600)	3,376,632	—	79,785
			(U.S. dollar)	3,529,862	—	(10,393)	3,058,604	—	76,837
			(Euro)	199,793	—	700	183,159	—	319
			(Australian dollar)	142,408	—	980	134,867	—	2,628
	(Others)	15,152	—	112	—	—	—		
Deferred hedge accounting	Cross currency swaps	Foreign-currency- denominated bonds							
			(Euro)	35,575	35,575	(381)	35,575	35,575	(1,641)
			(Australian dollar)	4,305	4,305	199	4,305	4,305	192
Total									
					(8,782)			78,337	

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. Classification of Investment Securities and Fundamental Concept for Stock Investment

From the stance of a long-term perspective, the Company recognizes that securing investment profits while controlling risk is essential to fulfill its obligation to its customers. Therefore, the Company's fundamental concept for stock investment is to yield stable returns over the long term in step with growth in each investee's corporate value.

In addition to its stockholdings based on the aforementioned concept, the Company may engage in strategic stockholding by investing in other companies with the aim of strengthening partnerships through business alliance and collaboration. The strategically held stocks are managed as "Investment Securities not Held Solely for the Purpose of Investment" and managed distinctly from other stocks, which are held in line with the aforementioned fundamental concept for stock investment.

2. Investment Securities not Held Solely for the Purpose of Investment

(1) Investment policies, methods for verifying rationality of the holding and verification results for individual stocks

All listed stocks that are strategically held by the Company undergo verification regarding the appropriateness of the purposes of the holding as well as a close examination of the benefits and risks arising from such holding. By doing so, the Company verifies whether or not to continue such stockholding.

(2) Number of Stocks and Their Balance Sheet Value

(Thousand Shares, Millions of Yen)

	Number of stocks	Total balance sheet value
Unlisted stocks	10	6,421
Other stocks	1	53,470

Increase in Number of Shares of Specific Stocks

None

Decrease in Number of Shares of Specific Stocks

None

3. Breakdown of Investment Securities not Held Solely for the Purpose of Investment (excluding unlisted stocks)

As of March 31, 2019

(Thousand Shares, Millions of Yen)

Stock	Number of shares	Balance sheet amount	Purpose
Talanx AG	12,493	53,470	Ongoing stockholding to maintain a strategic partnership aimed at promoting international collaboration in the insurance business in growing markets

As of March 31, 2018

(Thousand Shares, Millions of Yen)

Stock	Number of shares	Balance sheet amount	Purpose
Talanx AG	12,493	57,626	Ongoing stockholding to maintain a strategic partnership aimed at promoting international collaboration in the insurance business in growing markets

4. Investment Securities Held Solely for Investment

(Millions of Yen)

As of and years ended March 31,

	2019					2018				
	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	27,536	1,653	760	783	(0)	27,505	1,102	710	1,069	(211)
Others	4,038,079	106,509	2,052	2,341,850	(11,361)	4,385,729	92,939	1,700	2,691,152	(1,181)

Components of Ordinary Profit (Base Profit)

(Millions of Yen)

Years ended March 31,	2019	2018
Base income ①	3,748,005	3,685,492
Insurance premiums and other	2,770,879	2,719,469
Insurance premiums	2,769,643	2,718,837
Investment income (Note 1)	888,082	864,599
Interest, dividends and other income	807,260	768,959
Other ordinary income (Note 1)	85,522	100,582
Other base income	3,520	840
Base expenses ②	3,158,348	3,138,790
Benefits and other payments	2,205,432	2,212,551
Claims paid	637,897	679,816
Annuity payments	614,555	645,353
Benefit payments	395,524	380,435
Surrender benefits	463,306	420,757
Other refunds	89,249	80,543
Provision for policy reserves and other reserves (Note 1)	415,198	374,099
Investment expenses (Note 1)	41,205	38,186
Operating expenses	357,421	356,467
Other ordinary expenses	139,090	146,411
Other base expenses	—	11,074
Base profit	A (①-②)	589,657

(Millions of Yen)

Years ended March 31,		2019	2018
Capital income ③		23,948	36,249
Gains on money held in trust		—	—
Gains on trading securities		—	—
Gains on sales of securities		15,762	25,175
Gains on derivative financial instruments		—	—
Foreign exchange gains		8,185	—
Other capital income		—	11,074
Capital expenses ④		189,109	169,925
Losses on money held in trust		397	—
Losses on trading securities		—	—
Losses on sales of securities		37,527	38,046
Losses on valuation of securities		17,708	8,530
Losses on derivative financial instruments		130,169	113,851
Foreign exchange losses		—	8,679
Other capital expenses		3,307	817
Capital gains/losses	B (③-④)	(165,160)	(133,675)
Total of base profit and capital gains/losses	A+B	424,497	413,025
Temporary income ⑤		—	320
Reversal of contingency reserves		—	—
Reversal of specific allowance for possible loan losses		—	320
Other temporary income		—	—
Temporary expenses ⑥		50,974	44,986
Provision for contingency reserves		18,926	10,253
Provision for specific allowance for possible loan losses		562	—
Provision for specific allowance for possible overseas loan losses		—	—
Write-off of doubtful accounts		—	—
Other temporary expenses (Note 2)		31,484	34,732
Temporary gains/losses	C (⑤-⑥)	(50,974)	(44,665)
Ordinary profit	A+B+C	373,522	368,360

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,		2019	2018
Base profit	A	589.6	546.7
Interest surplus		273.2	222.5
Mortality profit		275.4	288.9
Expense profit		40.8	35.2
Capital gains/losses	B	(165.1)	(133.6)
Temporary gains/losses	C	(50.9)	(44.6)
Ordinary profit	D (=A+B+C)	373.5	368.3
Extraordinary gains/losses, income taxes	E	(150.1)	(128.7)
Unappropriated surplus	F (=D+E)	223.3	239.5

Performance Indicators

Performance Indicators for Main Business Annualized Premiums and Number of Policies

(1) Policies in Force

• Annualized Premiums

As of March 31,	2019		2018	
	Amount	YOY change (%)	Amount	YOY change (%)
Individual life insurance	1,616,274	102.2	1,581,825	101.3
Individual annuities	649,391	97.0	669,319	97.2
Total	2,265,666	100.6	2,251,145	100.0
Medical insurance, living benefits and others	432,067	107.5	402,047	105.2

(Millions of Yen)

• Number of Policies

As of March 31,	2019		2018	
	Number of policies	YOY change (%)	Number of policies	YOY change (%)
Individual life insurance	9,751,539	102.8	9,482,859	103.6
Individual annuities	2,533,037	96.9	2,613,215	97.2
Total	12,284,576	101.6	12,096,074	102.2

(2) New Policies

• Annualized Premiums

Years ended March 31,	2019		2018	
	Amount	YOY change (%)	Amount	YOY change (%)
Individual life insurance	138,101	113.0	122,254	95.7
Individual annuities	3,226	56.2	5,739	11.0
Total	141,328	110.4	127,994	71.1
Medical insurance, living benefits and others	54,350	126.9	42,825	117.2

(Millions of Yen)

• Number of Policies

Years ended March 31,	2019		2018	
	Number of policies	YOY change (%)	Number of policies	YOY change (%)
Individual life insurance	1,138,770	102.4	1,112,145	101.4
Individual annuities	19,278	61.0	31,590	12.7
Total	1,158,048	101.3	1,143,735	85.1

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

(Millions of Yen)

As of March 31,	2019		2018	
	Amount	YOY change (%)	Amount	YOY change (%)
Individual life insurance	61,358,372	95.0	64,557,636	94.9
Individual annuities	13,406,522	96.0	13,969,694	96.3
Subtotal	74,764,894	95.2	78,527,330	95.1
Group life insurance	115,815,673	101.6	113,944,264	100.9
Total	190,580,568	99.0	192,471,595	98.4
Group pensions	7,691,335	101.1	7,607,226	102.2

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

(Millions of Yen)

Years ended March 31,	2019				2018			
	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	2,195,058	(861,564)	1,333,494	92.8	2,365,162	(928,235)	1,436,927	78.6
Individual annuities	93,942	(255)	93,686	57.4	163,452	(357)	163,094	12.9
Subtotal	2,289,001	(861,820)	1,427,180	89.2	2,528,615	(928,593)	1,600,021	51.7
Group life insurance	709,377	—	709,377	31.2	2,275,567	—	2,275,567	451.3
Total	2,998,378	(861,820)	2,136,558	55.1	4,804,183	(928,593)	3,875,589	107.6
Group pensions	13	—	13	81.0	16	—	16	19.5

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.

	Policies in force (as of March 31, 2019)				New policies (year ended March 31, 2019)			
	Number of policies	% of policies	Amount (Millions of Yen)	% of policies	Number of policies	% of policies	Amount (Millions of Yen)	% of policies
Hybrid insurance	395,236	4.1	1,734,317	2.8	[66,377]	[5.8]	[248,245]	[4.5]
Endowment insurance	136,688	1.4	654,682	1.1	66,341	5.8	247,772	4.5
Endowment insurance (denominated by designated currencies)	99,303	1.0	292,223	0.5	[9,543]	[0.8]	[63,345]	[1.2]
Endowment insurance with term rider	88,814	0.9	292,053	0.5	9,537	0.8	63,205	1.2
Endowment insurance with term rider with living benefits	28,596	0.3	252,830	0.4	[55,941]	[4.9]	[175,171]	[3.2]
Term life insurance with living benefits	7,769	0.1	73,689	0.1	55,941	4.9	175,171	3.2
Child insurance with annuity for child	34,066	0.3	137,819	0.2	—	—	—	—
Term rider with living benefits	[18,388]	—	31,018	0.1	—	—	—	—
Pure endowment insurance	1,098,256	11.3	1,051,068	1.7	[893]	[0.1]	[9,729]	[0.2]
Wealth accumulation insurance with death/accident benefits for women	765,392	7.8	366,885	0.6	863	0.1	9,396	0.2
Child insurance	294,698	3.0	649,333	1.1	—	—	—	—
Child insurance with educational endowment	38,166	0.4	24,934	0.0	—	—	—	—
Policy aggregation rider	[771,664]	—	9,915	0.0	—	—	—	—
Total	9,751,539	100.0	61,358,372	100.0	[1,138,770]	[100.0]	[5,492,969]	[100.0]
					879,640	77.2	2,195,058	40.0

Notes: 1. Figures presented in the brackets of each line item for new policies in the year ended March 31, 2019 include policies subject to conversion, coverage revision and rider changes.
2. Total number of policies does not include the number of riders presented in brackets.

Individual Annuities

(Millions of Yen)

	Policies in force (as of March 31, 2019)		New policies (year ended March 31, 2019)	
	Number of policies	Amount	Number of policies	Amount
Whole life annuities with term life insurance	3,603	4,789	—	—
Individual annuities	2,432,178	13,060,631	19,208	93,527
Variable individual annuities	298	949	—	—
Variable individual annuities (that assure planned annuity value)	91,557	297,091	—	—
Annuity type payment rider attached to life insurance policies	2,793	10,042	70	415
Income protection rider	1,350	8,180	—	—
Whole life or fixed-term annuity rider with disability income benefit	612	8,035	—	—
Whole life annuity rider with disability income benefit	599	12,527	—	—
Whole life nursing care annuity rider	47	445	—	—
Others	(885)	3,828	—	—
Total	2,533,037	13,406,522	19,278	93,942

Notes: 1. Others is not included in the total number of policies.
2. The amount of policies in force represents the expected future value of accumulated capital of insurance policies written prior to payout at pension eligibility and policy reserves of insurance policies written after pension payout.
3. The amount of new policies represents planned annuity value at the start of annuity payments.
4. The figures for whole life annuity rider with disability income benefit include whole life annuity rider with nursing care support.

Group Life Insurance

(Millions of Yen)

	Policies in force (as of March 31, 2019)		New policies (year ended March 31, 2019)	
	Number of policies	Amount	Number of policies	Amount
Group term life insurance	12,691,717	55,190,320	182,209	674,797
Comprehensive group term life insurance for employees	4,902,954	14,509,217	25,394	34,411
Group credit life insurance	11,889,636	45,971,501	41	168
Consumer group credit life insurance	4,624	2,433	—	—
Group whole life insurance	1,144	3,906	—	—
Life insurance for disability support	(42,316)	26,050	—	—
Annuity type payment rider attached to group term life insurance	19,263	112,243	—	—
Total	29,509,338	115,815,673	207,644	709,377

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, 2019)		New policies (year ended March 31, 2019)	
	Number of policies	Amount	Number of policies	Amount
Corporate pensions	692	473	—	—
New corporate pensions	8,175,213	443,534	—	—
Corporate pensions with individual contribution	3,200,013	3,566,641	—	—
National pension fund insurance	—	10	—	—
Employees' pension fund insurance	244,035	132,672	—	—
Group pure endowment insurance	—	130,527	—	—
Defined contribution pension plans (corporate)	—	109,119	—	9
Defined contribution pension plans (individual)	—	8,897	—	—
Defined benefit corporate pension plans (contract-type)	—	1,805,274	—	3
Defined benefit corporate pension plans (fund-type)	—	1,494,183	—	—
Total	11,619,953	7,691,335	—	13

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, 2019)		New policies (year ended March 31, 2019)	
	Number of policies	Amount	Number of policies	Amount
Asset formation insurance and asset formation annuities				
Asset formation saving insurance	45,985	138,947	522	117
Asset formation for home acquisition insurance	4,046	13,145	68	3
Asset formation benefit saving insurance	8,059	1,192	1,056	47
Asset formation annuities	777	1,660	—	—
Asset formation wealth accumulation annuities	27,380	58,302	342	11
Subtotal	86,247	213,249	1,988	180
Medical life insurance	1,015,196	3,116	33,004	17
Disability income insurance	80,020	5,176	4,007	233
Reinsurance underwritten	265,623	31,957	534	220

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,	2019	2018
Death coverage		
Death protection due to illness/accidents		
Individual life insurance	60,307,303	63,631,933
Individual annuities	3,894	4,200
Group life insurance	115,703,429	113,829,256
Group pensions	—	—
Total (including others)	176,046,584	177,560,431
Death protection due to accidents		
Individual life insurance	[10,661,157]	[11,360,154]
Individual annuities	[123,177]	[131,278]
Group life insurance	[6,069,637]	[6,120,470]
Group pensions	[—]	[—]
Total (including others)	[16,882,079]	[17,641,513]
Death protection due to other causes		
Individual life insurance	—	—
Individual annuities	[—]	[—]
Group life insurance	[42,527]	[41,456]
Group pensions	[—]	[—]
Total (including others)	—	—
Pure endowment		
Maturity and living benefits		
Individual life insurance	1,051,068	925,702
Individual annuities	11,499,744	12,081,182
Group life insurance	5,531	5,408
Group pensions	—	—
Total (including others)	12,594,948	13,052,433
Annuities		
Individual life insurance	[49,862]	[50,427]
Individual annuities	[1,542,168]	[1,597,448]
Group life insurance	[15,841]	[16,295]
Group pensions	[—]	[—]
Total (including others)	[1,611,704]	[1,668,204]
Others		
Individual life insurance	—	—
Individual annuities	1,902,883	1,884,311
Group life insurance	106,712	109,600
Group pensions	7,691,335	7,607,226
Total (including others)	9,875,577	9,776,988
Hospitalization coverage		
Hospitalization due to accidents		
Individual life insurance	[33,823]	[30,012]
Individual annuities	[583]	[633]
Group life insurance	[3,996]	[4,028]
Group pensions	[—]	[—]
Total (including others)	[41,519]	[37,779]
Hospitalization due to illness		
Individual life insurance	[33,540]	[29,677]
Individual annuities	[578]	[627]
Group life insurance	[—]	[—]
Group pensions	[—]	[—]
Total (including others)	[37,235]	[33,409]

(Millions of Yen)

As of March 31,	2019	2018
Hospitalization due to other causes		
Individual life insurance	[28,744]	[34,013]
Individual annuities	[1,074]	[1,149]
Group life insurance	[30]	[29]
Group pensions	[—]	[—]
Total (including others)	[29,849]	[35,192]

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,	2019	2018
Disability coverage		
Individual life insurance	[3,690,645]	[3,976,172]
Individual annuities	[21,591]	[23,069]
Group life insurance	[3,268,788]	[3,187,498]
Group pensions	[—]	[—]
Total (including others)	[6,981,024]	[7,186,739]
Surgery coverage		
Individual life insurance	[8,078,872]	[7,897,829]
Individual annuities	[109,978]	[118,382]
Group life insurance	[—]	[—]
Group pensions	[—]	[—]
Total (including others)	[8,188,850]	[8,016,211]

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,	2019	2018
Mortality insurance		
Whole life insurance	14,422,640	14,548,309
Whole life insurance with term rider	4,117,467	4,839,651
Wealth accumulation whole life insurance with floating interest	11,543,590	15,109,598
Comprehensive protection insurance with combined policies	20,721,039	19,313,739
Whole life hospitalization insurance	759,248	944,875
Term insurance	5,573,032	5,449,633
Total (including others)	58,572,986	61,781,416
Hybrid insurance		
Endowment insurance	946,905	868,063
Endowment insurance with term rider	544,883	664,790
Term life insurance with living benefits	73,689	98,199
Total (including others)	1,734,317	1,850,517
Pure endowment insurance		
Wealth accumulation insurance with death/accident benefits for women	366,885	266,688
Child insurance	649,333	612,319
Total (including others)	1,051,068	925,702

(Millions of Yen)

As of March 31,	2019	2018
Annuities		
Individual annuities	13,406,522	13,969,694
Rider coverage for accidents and illness		
Accidental death benefit rider	1,223,468	1,448,559
Rider for injuries	7,455,172	7,856,427
Hospitalization rider due to accidents	1,647	1,854
Hospitalization rider due to illness	31,768	27,920
Hospitalization rider due to lifestyle-related diseases	1,281	1,574
Hospitalization rider due to cancer	860	1,087
Hospitalization rider for female-specific critical illness	5,033	5,716
Home care rider (post-hospitalization)	14,294	17,356
Rider for specific injuries	73,700	72,794
		(Number of Policies)
Surgery rider	2,618,165	2,562,274
Rider for protection against cancer	3,586,704	3,196,861
Advanced medical care rider	2,349,704	2,245,029
Serious disease rider with ongoing coverage	2,020,484	1,774,731
New nursing care rider	759,118	720,829

- 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, serious disease rider with ongoing coverage 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. Serious disease rider with ongoing coverage includes the number of policies with riders for six specified diseases and riders 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.

Annualized Premiums in Force by Type of Policy (individual life insurance and individual annuities)

(Millions of Yen)

As of March 31,	2019	2018
Mortality insurance		
Whole life insurance	643,435	650,978
Whole life insurance with term rider	57,914	66,462
Wealth accumulation whole life insurance with floating interest	141,023	170,000
Comprehensive protection insurance with combined policies	349,935	308,324
Whole life hospitalization insurance	25,042	29,293
Term insurance	194,334	169,219
Total (including others)	1,464,850	1,445,676
Hybrid insurance		
Endowment insurance	57,794	46,965
Endowment insurance with term rider	8,549	10,342
Term life insurance with living benefits	1,042	1,382
Total (including others)	72,926	65,594
Pure endowment insurance		
Wealth accumulation insurance with death/accident benefits for women	37,940	29,015
Child insurance	32,047	30,406
Total (including others)	78,497	70,554
Annuities		
Individual annuities	649,391	669,319

Performance Indicators for Insurance Policies

Rate of Change of Policies in Force

	(%)	
Years ended March 31,	2019	2018
Individual life insurance	(5.0)	(5.1)
Individual annuities	(4.0)	(3.7)
Group life insurance	1.6	0.9
Group pensions	1.1	2.2

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

	(Thousands of Yen)	
Years ended March 31,	2019	2018
New policy	2,495	2,738
Policy in force	6,292	6,807

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,	2019	2018
Individual life insurance	3.4	3.5
Individual annuities	0.7	1.1
Group life insurance	0.6	2.0

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,	2019	2018
Individual life insurance	4.5	4.4
Individual annuities	2.3	2.4
Group life insurance	0.1	0.2

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, 2019	Year ended March 31, 2018	
92,701	91,127	

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, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
6.28	6.13	5.24	4.89

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,	2019		2018	
	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	0.18	0.17	0.14	0.13
Disability	0.27	0.10	0.30	0.10
Hospitalization due to accidents	5.07	168.18	4.89	161.32
Hospitalization due to illness	52.02	1,419.50	50.72	1,423.61
Hospitalization due to lifestyle-related diseases	53.17	1,575.50	50.29	1,496.18
Surgery for illness and injuries	96.11		88.83	
Surgery for lifestyle-related diseases	44.45		38.35	

- 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, 2019	Year ended March 31, 2018
12.9	13.1

The Number of Major Insurance Companies that Accepted Reinsurance Agreements

Year ended March 31, 2019	Year ended March 31, 2018
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, 2019	Year ended March 31, 2018
95.6	96.0

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,	2019	2018
A or higher	99.0	99.0
BBB or higher	1.0	1.0
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

Year ended March 31, 2019	Year ended March 31, 2018
542	179

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,	2019	2018
Ratio of benefits paid under third-sector insurance	31.8	31.7
Medical coverage (for illness)	39.9	39.5
Cancer coverage	46.5	44.8
Nursing care coverage	15.3	15.9
Others	17.4	16.9

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 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,	2019	2018
Insurance claims	82,383	78,002
Death insurance claims	66,690	63,533
Insurance claims for accidents	795	755
Insurance claims for disabilities	13,619	13,331
Insurance claims upon maturity	711	352
Others	567	29
Annuity payments	2,690	2,599
Benefit payments	24,394	22,868
Surrender benefits	20,024	10,751
Other refunds	327	388
Deferred benefit payments	590	499
Total	130,411	115,109

Policy Reserves

	(Millions of Yen)	
As of March 31,	2019	2018
Policy reserves (excluding contingency reserves)		
Individual life insurance	15,892,839	15,618,563
General account	15,837,491	15,556,849
Separate account	55,348	61,714
Individual annuities	7,604,718	7,525,677
General account	7,312,316	7,212,700
Separate account	292,402	312,976
Group life insurance	134,493	137,956
General account	134,493	137,956
Separate account	—	—
Group pensions	7,691,335	7,607,226
General account	7,223,695	7,138,960
Separate account	467,640	468,266
Others	214,672	217,351
General account	214,672	217,351
Separate account	—	—
Subtotal	31,538,060	31,106,775
General account	30,722,668	30,263,818
Separate account	815,391	842,957
Contingency reserves	710,714	691,787
Total	32,248,774	31,798,563
General account	31,433,383	30,955,606
Separate account	815,391	842,957

Breakdown of Policy Reserves

(Millions of Yen)

	Premium reserves	Unearned premiums	Refund reserves	Contingency reserves	Total
As of March 31, 2019	30,748,259	789,800	—	710,714	32,248,774
As of March 31, 2018	30,305,338	801,437	—	691,787	31,798,563

Policy Reserves for Individual Life Insurance and Individual Annuities

Policy Reserve Accumulation Method and Ratio

As of March 31,		2019	2018
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 premium 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	245,603	2.75 – 5.00
Years ended March 31, 1982 to 1986	727,452	2.75 – 6.00
Years ended March 31, 1987 to 1991	2,727,257	2.75 – 6.00
Years ended March 31, 1992 to 1996	3,872,636	1.00 – 5.50
Years ended March 31, 1997 to 2001	1,232,381	1.00 – 3.75
Years ended March 31, 2002 to 2006	686,258	0.55 – 2.35
Years ended March 31, 2007 to 2011	3,084,747	0.55 – 1.85
Year ended March 31, 2012	2,781,036	0.71 – 1.50
Year ended March 31, 2013	1,465,208	0.45 – 1.50
Year ended March 31, 2014	1,360,927	0.45 – 1.50
Year ended March 31, 2015	1,321,932	0.35 – 1.09
Year ended March 31, 2016	1,397,274	0.44 – 1.05
Year ended March 31, 2017	860,957	0.25 – 1.00
Year ended March 31, 2018	691,056	0.25 – 3.46
Year ended March 31, 2019	695,077	0.25 – 3.91

- 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,	2019	2018
Policy reserves (general account)	26,706	22,549

- 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, 2019, the Company set aside provision for contingency reserves totaling ¥57 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 departments in charge of underwriting risk management, which are 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, 2019							
Balance at the beginning of the fiscal year	192,286	13,193	24,386	2,531	382	986	233,768
Transfer from surplus in the previous fiscal year	19,576	4,392	133,420	23,062	(1)	5,281	185,731
Interest accrued during the fiscal year	95	1	1	0	0	0	97
Other increases	36	—	—	—	—	—	36
Dividend payments to policyholders during the fiscal year	15,862	1,048	131,612	22,843	44	5,265	176,676
Balance at the end of the fiscal year	196,132	16,538	26,195	2,751	336	1,003	242,957
	[171,183]	[11,120]	[15,007]	[3]	[321]	[1]	[197,638]
Year ended March 31, 2018							
Balance at the beginning of the fiscal year	196,726	10,935	25,562	2,443	404	887	236,959
Transfer from surplus in the previous fiscal year	11,111	3,404	129,206	20,732	26	5,334	169,815
Interest accrued during the fiscal year	103	0	1	0	0	0	106
Other increases	45	—	—	—	—	—	45
Dividend payments to policyholders during the fiscal year	15,699	1,146	130,383	20,644	47	5,235	173,157
Balance at the end of the fiscal year	192,286	13,193	24,386	2,531	382	986	233,768
	[177,095]	[8,980]	[15,724]	[—]	[366]	[1]	[202,168]

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, 2019			
Allowance for possible loan losses			
General allowance for possible loan losses	1,310	1,089	(221)
Specific allowance for possible loan losses	3,789	4,271	481
Specific allowance for possible overseas loan losses	—	—	—
Reserve for contingent liabilities	1	1	0
Reserve for price fluctuation	684,594	815,975	131,380
Year ended March 31, 2018			
Allowance for possible loan losses			
General allowance for possible loan losses	1,388	1,310	(78)
Specific allowance for possible loan losses	4,459	3,789	(669)
Specific allowance for possible overseas loan losses	—	—	—
Reserve for contingent liabilities	1	1	(0)
Reserve for price fluctuation	577,545	684,594	107,048

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,	2019	2018
Individual life insurance	1,514,578	1,362,839
Lump-sum payment	499,420	383,899
Annual payment	243,573	227,394
Biannual payment	4,695	4,772
Monthly payment	766,889	746,772
Individual annuities	350,877	372,725
Lump-sum payment	1,286	1,150
Annual payment	53,046	56,722
Biannual payment	563	617
Monthly payment	295,980	314,236
Group life insurance	303,441	312,153
Group pensions	565,551	635,714
Total (including others)*	2,769,643	2,718,837

* 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,		2019	2018
Individual life insurance	First-year premiums	636,536	560,067
Individual annuities	Premiums for the second year and beyond	1,228,918	1,175,498
	Subtotal	1,865,455	1,735,565
Group life insurance	First-year premiums	3,405	1,898
	Premiums for the second year and beyond	300,035	310,254
	Subtotal	303,441	312,153
Group pensions	First-year premiums	159	146
	Premiums for the second year and beyond	565,391	635,568
	Subtotal	565,551	635,714
Total (including others)*	First-year premiums	640,805	562,992
	Premiums for the second year and beyond	2,128,838	2,155,844
	Total	2,769,643	2,718,837
	Growth rate (%)	1.9	4.0

* 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, 2019	Year ended March 31, 2018
	Individual life insurance	Individual annuities	Group life insurance	Group pensions	Asset formation insurance Asset formation annuities	Other insurance	Total	Total	
Claims paid:	470,885	442	131,245	33,793	891	638	637,897	679,816	
Death insurance claims	258,982	418	118,733	—	—	578	378,712	382,005	
Insurance claims for accidents	2,524	2	394	—	12	—	2,933	2,858	
Insurance claims for disabilities	35,658	4	11,960	—	—	20	47,642	45,043	
Insurance claims upon maturity	173,716	17	—	33,793	879	—	208,406	249,840	
Others	4	—	157	—	—	40	201	68	
Annuity payments	7,172	370,209	17,018	215,819	4,336	—	614,555	645,353	
Benefit payments:	138,245	14,932	442	239,015	628	2,260	395,524	380,435	
Death benefits	39,722	12,601	5	3,146	134	12	55,624	52,421	
Hospitalization benefits	30,365	974	286	—	—	1,744	33,370	34,145	
Surgery benefits	13,883	772	—	—	—	316	14,972	15,229	
Disability benefits	816	4	82	—	—	—	903	904	
Survivor benefits	16,627	531	—	—	494	—	17,653	21,296	
Lump-sum benefits	—	—	30	234,086	—	—	234,117	220,400	
Others	36,829	47	37	1,781	—	187	38,883	36,037	
Surrender benefits	362,289	74,733	—	9,212	17,070	—	463,306	420,757	

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

	Year ended March 31, 2019							Year ended March 31, 2018
	Individual life insurance	Individual annuities	Group life insurance	Group pensions	Asset formation insurance annuities	Other insurance	Total	Total
Claims paid:	157,171	89	48,085	2	1,559	12,945	219,851	249,465
Death insurance claims	44,768	85	44,419	—	—	12,928	102,200	101,567
Insurance claims for accidents	671	1	173	—	1	—	846	786
Insurance claims for disabilities	22,295	3	3,480	—	—	10	25,788	22,487
Insurance claims upon maturity	89,436	—	—	2	1,558	—	90,996	124,613
Others	1	—	13	—	—	7	21	12
Annuity payments	5,223	754,171	54,841	5,741,025	14,266	—	6,569,526	6,672,492
Benefit payments:	1,597,518	26,241	4,662	684,588	298	38,516	2,351,823	3,666,632
Death benefits	12,519	2,898	413	3,587	75	25	19,517	18,846
Hospitalization benefits	356,285	9,715	3,844	—	—	29,204	399,048	398,039
Surgery benefits	167,767	8,451	—	—	—	4,375	180,593	180,242
Disability benefits	486	5	147	—	—	—	638	752
Survivor benefits	68,986	4,151	—	—	223	—	73,360	315,278
Lump-sum benefits	—	—	235	680,997	—	—	681,232	656,620
Others	991,475	1,021	23	4	—	4,912	997,435	2,096,855

Depreciation

	(Millions of Yen)				
	Acquisition cost	Current-year depreciation	Accumulated depreciation	Ending balance	Accumulated depreciation ratio (%)
Year ended March 31, 2019					
Tangible fixed assets	295,484	8,706	184,376	111,107	62.4
Buildings	277,475	7,262	170,096	107,378	61.3
Others	18,008	1,444	14,279	3,728	79.3
Intangible fixed assets	93,038	19,370	45,593	47,445	49.0
Others	237	47	109	128	45.9
Total	388,761	28,125	230,079	158,681	59.2
Year ended March 31, 2018					
Tangible fixed assets	290,615	8,572	177,270	113,344	61.0
Buildings	273,030	7,121	163,496	109,534	59.9
Others	17,584	1,450	13,774	3,810	78.3
Intangible fixed assets	100,673	18,995	48,557	52,116	48.2
Others	270	48	126	144	46.7
Total	391,559	27,616	225,954	165,604	57.7

Operating Expenses

Years ended March 31,	(Millions of Yen)	
	2019	2018
Marketing promotion expenses	132,775	132,246
Marketing administration expenses	53,487	52,176
General and administration expenses	171,158	172,044
Total	357,421	356,467

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 ¥3,475 million and ¥3,419 million in the years ended March 31, 2018 and March 31, 2019, respectively.

Taxes

	(Millions of Yen)	
Years ended March 31,	2019	2018
National tax	15,927	15,441
Consumption tax	13,616	13,211
Special local corporate tax	2,075	1,967
Revenue stamp tax	227	256
Registration and license tax	3	2
Other national taxes	5	3
Local tax	11,678	11,211
Local consumption tax	3,670	3,558
Corporate enterprise tax	4,972	4,716
Fixed asset tax	2,549	2,456
Real estate acquisition tax	4	3
Business office tax	481	476
Other local taxes	0	—
Total	27,606	26,653

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, 2019							
Bonds payable	—	—	—	—	—	560,735	560,735
Payables under repurchase agreements	58,266	—	—	—	—	—	58,266
Payables under securities borrowing transactions	552,716	—	—	—	—	—	552,716
Total	610,983	—	—	—	—	560,735	1,171,718
As of March 31, 2018							
Bonds payable	—	—	—	—	—	453,310	453,310
Payables under repurchase agreements	5,358	—	—	—	—	—	5,358
Payables under securities borrowing transactions	382,564	—	—	—	—	—	382,564
Total	387,922	—	—	—	—	453,310	841,232

Reference: Average Interest Rates of Bonds

	(%)	
As of March 31,	2019	2018
Bonds payable (denominated in yen)	1.11	1.11
Bonds payable (denominated in foreign currencies)	5.17	5.20

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 (denominated in yen) consist of subordinated bonds denominated in yen with the date of maturity ranging from December 2046 to December 2051. Bonds payable (denominated in foreign currencies) consist of subordinated bonds denominated in U.S. dollars with the date of maturity ranging from October 2045 to April 2048.

Quarterly Information

(Millions of Yen)

	As of June 30, 2018	As of September 30, 2018	As of December 31, 2018	As of March 31, 2019
Insurance premiums and other	704,267	1,405,770	2,070,003	2,770,879
Base profit	122,260	296,943	433,089	589,657

Investment Performance Indicators Breakdown of Invested Assets (General Account)

(Millions of Yen)

As of March 31,	2019		2018	
	Amount	(%)	Amount	(%)
Cash, deposits and call loans	1,213,857	3.2	553,381	1.5
Receivables under resale agreements	—	—	—	—
Receivables under securities borrowing transactions	—	—	—	—
Monetary claims bought	212,307	0.6	214,730	0.6
Trading account securities	—	—	—	—
Money held in trust	16,669	0.0	10,076	0.0
Securities	31,406,617	81.7	30,996,728	82.2
Domestic bonds	16,887,605	43.9	17,018,286	45.1
Domestic stocks	4,135,309	10.8	4,464,095	11.8
Foreign securities	9,530,906	24.8	8,841,746	23.5
Foreign bonds	7,562,054	19.7	6,828,764	18.1
Foreign stocks and others	1,968,851	5.1	2,012,982	5.3
Other securities	852,795	2.2	672,600	1.8
Loans	4,223,805	11.0	4,507,370	12.0
Policy loans	239,335	0.6	249,260	0.7
Industrial and consumer loans	3,984,470	10.4	4,258,109	11.3
Real estate	866,343	2.3	868,899	2.3
Deferred tax assets	—	—	—	—
Others	516,478	1.3	558,203	1.5
Allowance for possible loan losses	(5,361)	(0.0)	(5,100)	(0.0)
Total	38,450,719	100.0	37,704,290	100.0
Assets denominated in foreign currencies	9,556,503	24.9	8,524,354	22.6

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,	2019	2018
Cash, deposits and call loans	660,476	172,558
Receivables under resale agreements	—	—
Receivables under securities borrowing transactions	—	—
Monetary claims bought	(2,423)	(5,387)
Trading account securities	—	—
Money held in trust	6,592	10,076
Securities	409,888	875,197
Domestic bonds	(130,680)	47,636
Domestic stocks	(328,785)	322,106
Foreign securities	689,160	263,745
Foreign bonds	733,290	247,006
Foreign stocks and others	(44,130)	16,739
Other securities	180,194	241,708
Loans	(283,564)	(174,611)
Policy loans	(9,925)	(11,465)
Industrial and consumer loans	(273,639)	(163,145)
Real estate	(2,555)	(9,599)
Deferred tax assets	—	—
Others	(41,724)	72,590
Allowance for possible loan losses	(260)	748
Total	746,429	941,573
Assets denominated in foreign currencies	1,032,149	482,886

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

Investment Returns (General Account)

	(%)	
Years ended March 31,	2019	2018
Cash, deposits and call loans	0.09	(0.05)
Receivables under resale agreements	—	—
Receivables under securities borrowing transactions	—	—
Monetary claims bought	1.60	1.70
Trading account securities	—	—
Money held in trust	(1.28)	0.67
Securities	2.10	2.08
Domestic bonds	1.61	1.62
Domestic stocks	5.50	5.31
Foreign securities	2.32	2.16
Foreign bonds	2.27	1.73
Foreign stocks and others	2.51	3.52
Loans	1.67	1.75
Industrial and consumer loans	1.52	1.60
Real estate	2.15	1.98
Total	1.92	1.91
Overseas investments	2.26	2.10

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 denominated in yen.

Average Balances of Assets (General Account)

(Millions of Yen)

Years ended March 31,	2019		2018	
	Amount	(%)	Amount	(%)
Cash, deposits and call loans	896,952	2.5	401,199	1.2
Receivables under resale agreements	—	—	—	—
Receivables under securities borrowing transactions	—	—	—	—
Monetary claims bought	214,006	0.6	218,878	0.6
Trading account securities	—	—	—	—
Money held in trust	14,949	0.0	3,123	0.0
Securities	27,934,549	78.7	26,609,876	78.7
Domestic bonds	16,652,607	46.9	16,631,582	49.2
Domestic stocks	1,807,782	5.1	1,793,381	5.3
Foreign securities	8,783,361	24.7	7,695,684	22.8
Foreign bonds	6,944,499	19.6	5,821,885	17.2
Foreign stocks and others	1,838,861	5.2	1,873,798	5.5
Loans	4,409,073	12.4	4,599,402	13.6
Industrial and consumer loans	4,164,432	11.7	4,344,699	12.9
Real estate	872,772	2.5	881,563	2.6
Total	35,508,071	100.0	33,795,996	100.0
Overseas investments	9,493,352	26.7	8,234,933	24.4

Notes: 1. Average balances are calculated based on book value.
2. Overseas investments include assets denominated in yen.

Investment Income (General Account)

(Millions of Yen)

Years ended March 31,	2019	2018
Interest, dividends and other income	807,260	768,959
Gains on securities products	—	—
Gains on money held in trust	—	22
Gains on trading securities	—	—
Gains on sales of securities	15,762	25,175
Gains on redemption of securities	76,650	58,119
Gains on derivative financial instruments	—	—
Foreign exchange gains	8,185	—
Reversal of allowance for possible loan losses	—	399
Other investment income	125	85
Total	907,985	852,761

Investment Expenses (General Account)

(Millions of Yen)

Years ended March 31,	2019	2018
Interest expenses	12,572	10,085
Losses on securities products	—	—
Losses on money held in trust	184	—
Losses on trading securities	—	—
Losses on sales of securities	37,527	38,046
Losses on valuation of securities	17,708	8,530
Losses on redemption of securities	4,983	4,302
Losses on derivative financial instruments	130,169	113,851
Foreign exchange losses	—	8,679
Provision for allowance for possible loan losses	341	—
Redemption of loans	—	—
Depreciation of real estate for non-insurance business	9,516	9,687
Other investment expenses	14,132	14,110
Total	227,135	207,294

Interest, Dividends and Other Income (General Account)

(Millions of Yen)

Years ended March 31,	2019	2018
Interest on deposits	999	21
Interest and dividends on securities	677,845	641,470
Interest on domestic bonds	270,926	270,624
Dividends on domestic stocks	108,058	94,072
Interest and dividends on foreign securities	281,518	253,278
Interest on loans	74,234	79,112
Rent on real estate	37,991	36,175
Total (including others)	807,260	768,959

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

(Millions of Yen)

Years ended March 31,	2019			2018		
	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	38,301	38,954	(653)	47,495	10,840	36,654
Securities	36,374	31,933	4,441	50,129	18,553	31,576
Loans	(4,877)	(3,273)	(1,604)	(5,413)	(4,101)	(1,311)
Real estate	1,815	(360)	2,176	1,151	(444)	1,596

Gains on Sales of Securities (General Account)

(Millions of Yen)

Years ended March 31,	2019	2018
Domestic bonds and others	1,705	495
Domestic stocks and others	3,287	2,427
Foreign securities	10,769	22,253
Total (including others)	15,762	25,175

Losses on Sales of Securities (General Account)

(Millions of Yen)

Years ended March 31,	2019	2018
Domestic bonds and others	78	220
Domestic stocks and others	488	15
Foreign securities	36,960	37,809
Total (including others)	37,527	38,046

Losses on Valuation of Securities (General Account)

(Millions of Yen)

Years ended March 31,	2019	2018
Domestic bonds and others	—	—
Domestic stocks and others	11,361	1,393
Foreign securities	6,142	6,931
Total (including others)	17,708	8,530

Balance of Securities (General Account)

(Millions of Yen)

As of March 31,	2019		2018	
	Amount	(%)	Amount	(%)
Government bonds	14,201,573	45.2	14,263,267	46.0
Municipal bonds	366,541	1.2	498,341	1.6
Corporate bonds	2,319,491	7.4	2,256,677	7.3
Public entity bonds	376,544	1.2	419,959	1.4
Domestic stocks	4,135,309	13.2	4,464,095	14.4
Foreign securities	9,530,906	30.3	8,841,746	28.5
Foreign bonds	7,562,054	24.1	6,828,764	22.0
Foreign stocks and others	1,968,851	6.3	2,012,982	6.5
Other securities	852,795	2.7	672,600	2.2
Total	31,406,617	100.0	30,996,728	100.0

Breakdown of Municipal Bonds by Region

(Millions of Yen)

As of March 31,	2019	2018
Hokkaido	5,589	11,495
Tohoku	300	300
Kanto	132,000	159,534
Chubu	43,647	75,632
Kinki	97,084	116,732
Chugoku	14,078	25,570
Shikoku	—	—
Kyushu	32,487	44,131
Others	41,351	64,945
Total	366,541	498,341

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, 2019							
Securities	677,302	2,389,931	2,092,797	1,118,538	3,442,754	21,685,292	31,406,617
Government bonds	212,106	1,136,451	1,170,293	793,319	1,524,330	9,365,071	14,201,573
Municipal bonds	63,229	9,192	5,091	1,703	181,869	105,454	366,541
Corporate bonds	67,833	162,872	156,889	56,845	405,431	1,469,617	2,319,491
Domestic stocks	—	—	—	—	—	4,135,309	4,135,309
Foreign securities	334,052	1,076,217	758,008	266,131	1,321,049	5,775,447	9,530,906
Foreign bonds	333,864	1,076,217	758,008	266,131	1,321,049	3,806,783	7,562,054
Foreign stocks and others	188	—	—	—	—	1,968,663	1,968,851
Other securities	80	5,197	2,515	537	10,073	834,391	852,795
Monetary claims bought	—	—	—	—	—	212,307	212,307
Negotiable deposits	33,998	—	—	—	—	—	33,998
Money held in trust	—	—	—	—	—	16,669	16,669
Total	711,301	2,389,931	2,092,797	1,118,538	3,442,754	21,914,269	31,669,593
As of March 31, 2018							
Securities	811,026	1,629,985	2,748,904	1,520,306	2,582,464	21,704,041	30,996,728
Government bonds	277,532	416,466	1,508,889	988,742	1,413,823	9,657,813	14,263,267
Municipal bonds	164,238	72,481	100	5,287	86,651	169,581	498,341
Corporate bonds	133,463	146,945	177,640	98,516	234,139	1,465,972	2,256,677
Domestic stocks	—	—	—	—	—	4,464,095	4,464,095
Foreign securities	223,328	988,617	1,059,275	427,464	839,547	5,303,512	8,841,746
Foreign bonds	223,085	988,617	1,059,275	427,464	839,547	3,290,772	6,828,764
Foreign stocks and others	242	—	—	—	—	2,012,739	2,012,982
Other securities	12,463	5,474	2,998	295	8,302	643,066	672,600
Monetary claims bought	—	—	—	—	—	214,730	214,730
Negotiable deposits	35,999	—	—	—	—	—	35,999
Money held in trust	—	—	—	—	—	10,076	10,076
Total	847,025	1,629,985	2,748,904	1,520,306	2,582,464	21,928,848	31,257,535

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,	2019	2018
Domestic bonds	1.73	1.73
Foreign bonds	3.42	3.28

Breakdown of Stocks Held by Industry (General Account)

(Millions of Yen)

As of March 31,	2019		2018	
	Amount	(%)	Amount	(%)
Fishery, agriculture & forestry	1,866	0.0	1,634	0.0
Mining	—	—	—	—
Construction	92,201	2.2	100,992	2.3
Manufacturing				
Foods	210,165	5.1	221,540	5.0
Textiles & apparels	24,862	0.6	27,168	0.6
Pulp & paper	3,563	0.1	4,338	0.1
Chemicals	368,092	8.9	427,426	9.6
Pharmaceuticals	126,452	3.1	134,506	3.0
Oil & coal products	6,302	0.2	7,495	0.2
Rubber products	13,680	0.3	13,654	0.3
Glass & ceramics products	174,653	4.2	190,541	4.3
Iron & steel	53,813	1.3	64,712	1.4
Nonferrous metals	15,158	0.4	16,593	0.4
Metal products	18,655	0.5	21,346	0.5
Machinery	226,784	5.5	274,280	6.1
Electric appliances	501,544	12.1	584,842	13.1
Transportation equipment	429,819	10.4	493,514	11.1
Precision instruments	205,869	5.0	189,286	4.2
Other products	40,394	1.0	45,377	1.0
Electric power & gas	159,065	3.8	136,985	3.1
Transportation, information & communication				
Land transportation	240,643	5.8	211,321	4.7
Marine transportation	5,928	0.1	7,705	0.2
Air transportation	6,359	0.2	4,132	0.1
Warehouse & harbor transportation services	25,628	0.6	22,722	0.5
Information & communication	34,883	0.8	31,242	0.7
Trade				
Wholesale trade	308,920	7.5	297,482	6.7
Retail trade	38,239	0.9	42,868	1.0
Finance & insurance				
Banks	322,267	7.8	410,582	9.2
Securities & commodity futures	15,267	0.4	17,155	0.4
Insurance	181,814	4.4	174,751	3.9
Other financing business	73,153	1.8	82,420	1.8
Real estate	156,012	3.8	151,892	3.4
Services	53,066	1.3	53,580	1.2
Total	4,135,309	100.0	4,464,095	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,		2019	2018
Policy loans		239,335	249,260
Policyholder loans		226,092	235,112
Premium loans		13,242	14,148
Industrial and consumer loans		3,984,470	4,258,109
(Loans for non-residents)		184,984	173,032
Corporate loans		3,817,428	4,081,518
(To domestic corporations)		3,663,443	3,939,485
Loans to governments and supranationals		21,836	22,016
Loans to public organizations		127,040	134,768
Housing loans		—	798
Consumer loans		17,927	18,647
Others		238	361
Total		4,223,805	4,507,370

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, 2019								
Floating interest rate		86,442	7,365	13,350	9,512	3,010	70,860	190,542
Fixed interest rate		260,772	533,627	596,361	618,051	670,886	1,114,228	3,793,928
Total		347,215	540,993	609,711	627,563	673,896	1,185,088	3,984,470
As of March 31, 2018								
Floating interest rate		111,114	5,233	26,180	24,290	3,550	49,479	219,848
Fixed interest rate		341,485	518,158	620,019	598,506	769,500	1,190,590	4,038,260
Total		452,600	523,391	646,199	622,797	773,050	1,240,070	4,258,109

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,		2019		2018	
		(%)		(%)	
Large size corporations	Number of borrowers	630	54.9	658	58.4
	Loan amount	3,232,581	88.2	3,508,030	89.0
Medium size corporations	Number of borrowers	102	8.9	103	9.1
	Loan amount	20,502	0.6	19,556	0.5
Small size corporations	Number of borrowers	415	36.2	366	32.5
	Loan amount	410,360	11.2	411,897	10.5
Total	Number of borrowers	1,147	100.0	1,127	100.0
	Loan amount	3,663,443	100.0	3,939,485	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,	2019		2018	
	Amount	(%)	Amount	(%)
Domestic				
Manufacturing	631,666	15.9	726,417	17.1
Foodstuffs and beverages	29,988	0.8	34,383	0.8
Textile products	5,536	0.1	8,622	0.2
Lumber and wood products	—	—	—	—
Pulp, paper, and paper products	39,106	1.0	42,103	1.0
Printing	5,540	0.1	5,608	0.1
Chemical and allied products	111,709	2.8	116,592	2.7
Petroleum refining	72,570	1.8	84,420	2.0
Ceramic, stone, and clay products	61,003	1.5	68,167	1.6
Iron and steel	110,567	2.8	120,897	2.8
Nonferrous metals and products	12,484	0.3	12,400	0.3
Fabricated metal products	2,997	0.1	2,241	0.1
General-purpose, production, and business-oriented machinery	49,336	1.2	54,280	1.3
Electrical machinery equipment and supplies	70,448	1.8	92,743	2.2
Transportation equipment	56,502	1.4	79,913	1.9
Miscellaneous manufacturing industries	3,874	0.1	4,043	0.1
Agriculture and forestry	372	0.0	360	0.0
Fishery	—	—	—	—
Mining and quarrying of stone and gravel	—	—	26	0.0
Construction	12,816	0.3	16,376	0.4
Electricity, gas, heat supply, and water	736,416	18.5	742,800	17.4
Information and communications	89,090	2.2	92,604	2.2
Transport and postal activities	290,218	7.3	298,485	7.0
Wholesale trade	746,216	18.7	797,540	18.7
Retail trade	11,927	0.3	21,488	0.5
Finance and insurance	776,787	19.5	872,466	20.5
Real estate	358,310	9.0	355,890	8.4
Goods rental and leasing	98,363	2.5	111,362	2.6
Scientific research, and professional and technical services	20,246	0.5	20,790	0.5
Hotels	1,762	0.0	2,025	0.0
Eating and drinking services	723	0.0	735	0.0
Living-related and personal services, and amusement services	3,143	0.1	3,249	0.1
Education and learning support	301	0.0	461	0.0
Medical, health care, and welfare services	212	0.0	131	0.0
Other services	2,567	0.1	1,849	0.0
Local governments	414	0.0	569	0.0
Loans for housing funds and consumer credit (with installment repayments)	17,927	0.4	19,445	0.5
Others	—	—	—	—
Subtotal	3,799,486	95.4	4,085,077	95.9
Overseas				
Governments and others	31,000	0.8	31,000	0.7
Financial institutions	14,860	0.4	15,200	0.4
Commerce, industry and others	139,124	3.5	126,832	3.0
Subtotal	184,984	4.6	173,032	4.1
Total of industrial and consumer loans	3,984,470	100.0	4,258,109	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,	2019		2018	
	Amount	(%)	Amount	(%)
Capital expenditures	845,429	21.2	851,655	20.0
Operating capital	3,139,041	78.8	3,406,454	80.0

Breakdown of Loans by Region (General Account)

(Millions of Yen)

As of March 31,	2019		2018	
	Amount	(%)	Amount	(%)
Hokkaido	36,953	1.0	40,807	1.0
Tohoku	52,747	1.4	57,188	1.4
Kanto	2,866,206	75.8	3,106,226	76.4
Chubu	350,618	9.3	364,063	9.0
Kinki	236,734	6.3	249,169	6.1
Chugoku	48,388	1.3	53,785	1.3
Shikoku	42,693	1.1	48,372	1.2
Kyushu	147,216	3.9	146,017	3.6
Total	3,781,558	100.0	4,065,631	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,	2019		2018	
	Amount	(%)	Amount	(%)
Collateral loans	12,349	0.3	15,046	0.4
Loans secured by securities	4,434	0.1	4,607	0.1
Loans secured by real estate, movable assets or aggregated foundation collateral	6,640	0.2	9,221	0.2
Loans secured by nominative claims	1,274	0.0	1,217	0.0
Guaranteed loans	65,889	1.7	68,559	1.6
Fiduciary loans	3,888,303	97.6	4,155,057	97.6
Others	17,927	0.4	19,445	0.5
Total of industrial and consumer loans	3,984,470	100.0	4,258,109	100.0
Subordinated loans	315,950	7.9	388,450	9.1

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, 2019							
Land	600,808	4,415	1,319	692	—	603,904	—
Buildings	264,156	11,117	538	511	16,625	258,110	419,900
Construction in progress	3,934	13,764	13,369	—	—	4,329	—
Other tangible fixed assets	4,125	1,513	68	—	1,558	4,012	16,120
Total of tangible fixed assets	873,024	30,811	15,295	1,204	18,184	870,356	436,021
Real estate for rent	560,368	18,210	11,917	1,114	9,363	557,297	250,480
Software	52,269	14,850	32	—	19,447	47,640	45,683
Other intangible fixed assets	28,465	31,687	19,288	—	16	40,848	186
Total of intangible fixed assets	80,734	46,538	19,320	—	19,463	88,489	45,870
Year ended March 31, 2018							
Land	602,976	1	2,170	324	—	600,808	—
Buildings	273,269	8,652	1,139	430	16,626	264,156	404,475
Construction in progress	2,252	8,248	6,565	—	—	3,934	—
Other tangible fixed assets	3,916	1,828	33	—	1,586	4,125	15,496
Total of tangible fixed assets	882,414	18,731	9,908	755	18,213	873,024	419,972
Real estate for rent	551,571	29,038	10,736	755	9,504	560,368	241,448
Software	51,577	19,769	—	—	19,077	52,269	48,653
Other intangible fixed assets	25,400	27,808	24,727	—	16	28,465	176
Total of intangible fixed assets	76,978	47,578	24,727	—	19,093	80,734	48,830

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,	2019	2018
Real estate	866,343	868,899
For operational use	309,121	308,914
For rent	557,222	559,985
The number of buildings for rent	154 buildings	154 buildings

Gains on Disposals of Fixed Assets (General Account)

(Millions of Yen)

Years ended March 31,	2019	2018
Tangible fixed assets	2,363	1,529
Land	289	1,444
Buildings	0	85
Others	2,073	—
Intangible fixed assets	—	—
Others	45	—
Total	2,409	1,529
Real estate for rent	2,363	1,529

Losses on Disposals of Fixed Assets (General Account)

(Millions of Yen)

Years ended March 31,	2019	2018
Tangible fixed assets	1,408	1,676
Land	10	—
Buildings	1,329	1,646
Others	68	30
Intangible fixed assets	37	0
Others	102	113
Total	1,547	1,791
Real estate for rent	794	1,761

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, 2019					
Tangible fixed assets	402,652	9,477	251,637	151,014	62.5
Buildings	400,535	9,363	249,803	150,731	62.4
Others	2,117	113	1,834	283	86.6
Intangible fixed assets	90	4	65	24	73.0
Others	128	35	92	35	72.5
Total	402,870	9,516	251,796	151,074	62.5
Year ended March 31, 2018					
Tangible fixed assets	397,631	9,640	242,694	154,936	61.0
Buildings	395,600	9,504	240,978	154,622	60.9
Others	2,030	136	1,716	314	84.5
Intangible fixed assets	90	4	61	28	68.0
Others	513	42	442	70	86.2
Total	398,234	9,687	243,198	155,035	61.1

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,	2019		2018	
	Amount	(%)	Amount	(%)
Bonds	7,678,631	74.4	6,793,498	72.0
Stocks and others	1,685,729	16.3	1,615,405	17.1
Cash, deposits and others	192,142	1.9	115,449	1.2
Subtotal	9,556,503	92.6	8,524,354	90.4

(2) Assets with value fixed in yen

(Millions of Yen)

As of March 31,	2019		2018	
	Amount	(%)	Amount	(%)
Loans	131,049	1.3	131,049	1.4
Others	102	0.0	103	0.0
Subtotal	131,151	1.3	131,152	1.4

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,	2019		2018	
	Amount	(%)	Amount	(%)
Loans for non-residents	166,860	1.6	167,200	1.8
Domestic bonds (foreign bonds issued in yen)	185,514	1.8	212,602	2.3
Others	283,122	2.7	397,576	4.2
Subtotal	635,496	6.2	777,378	8.2

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

(Millions of Yen)

As of March 31,	2019		2018	
	Amount	(%)	Amount	(%)
Foreign securities investment and overseas loans	10,323,151	100.0	9,432,885	100.0

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, 2019								
North America	6,880,424	72.2	6,243,310	82.6	637,114	32.4	25,731	13.9
Europe	891,215	9.4	759,188	10.0	132,027	6.7	29,500	15.9
Oceania	322,346	3.4	322,346	4.3	—	—	8,392	4.5
Asia	165,375	1.7	53,739	0.7	111,635	5.7	1,360	0.7
Latin America	1,129,575	11.9	41,500	0.5	1,088,074	55.3	110,000	59.5
Middle East	—	—	—	—	—	—	—	—
Africa	—	—	—	—	—	—	—	—
Supranationals	141,969	1.5	141,969	1.9	—	—	10,000	5.4
Total	9,530,906	100.0	7,562,054	100.0	1,968,851	100.0	184,984	100.0
As of March 31, 2018								
North America	6,231,095	70.5	5,593,665	81.9	637,429	31.7	19,913	11.5
Europe	862,074	9.8	709,035	10.4	153,039	7.6	29,500	17.0
Oceania	270,377	3.1	270,377	4.0	—	—	1,919	1.1
Asia	156,385	1.8	42,685	0.6	113,699	5.6	1,700	1.0
Latin America	1,180,624	13.4	71,811	1.1	1,108,813	55.1	110,000	63.6
Middle East	—	—	—	—	—	—	—	—
Africa	—	—	—	—	—	—	—	—
Supranationals	141,188	1.6	141,188	2.1	—	—	10,000	5.8
Total	8,841,746	100.0	6,828,764	100.0	2,012,982	100.0	173,032	100.0

Breakdown of Foreign Currency-Denominated Assets by Currency

(Millions of Yen)

As of March 31,	2019		2018	
	Amount	(%)	Amount	(%)
U.S. dollar	8,506,148	89.0	7,457,063	87.5
Euro	490,726	5.1	509,478	6.0
Others	559,628	5.9	557,812	6.5
Total	9,556,503	100.0	8,524,354	100.0

Investments and Loans for Public Entities (General Account)

(Millions of Yen)

Years ended March 31,	2019	2018
Bonds		
Government bonds	—	—
Municipal bonds	—	—
Other public entity bonds	1,114	1,343
Subtotal	1,114	1,343
Loans		
Loans for government-related agencies	836	1,016
Loans for other public entities	4,000	4,000
Subtotal	4,836	5,016
Total	5,950	6,359

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, 2019					
Deferred assets	5,043	1,461	469	1,592	4,444
Others	—	876	995	—	5,810
Total	5,043	2,338	1,464	1,592	10,254
Year ended March 31, 2018					
Deferred assets	4,415	739	110	1,396	3,647
Others	—	625	989	—	5,929
Total	4,415	1,364	1,100	1,396	9,576

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,	2019					2018				
	Book value	Fair value	Net gains/losses			Book value	Fair value	Net gains/losses		
			Gains	Losses				Gains	Losses	
Held-to-maturity debt securities	4,336,078	5,170,501	834,422	834,499	(76)	4,540,301	5,348,839	808,537	809,196	(658)
Policy-reserve-matching bonds	8,057,811	9,713,518	1,655,706	1,656,309	(603)	7,549,821	8,971,785	1,421,963	1,425,365	(3,401)
Stocks of subsidiaries and affiliates	—	—	—	—	—	—	—	—	—	—
Available-for-sale securities	14,696,852	18,097,473	3,400,621	3,486,452	(85,830)	14,317,705	17,875,899	3,558,193	3,729,394	(171,200)
Domestic bonds	4,888,700	5,325,598	436,897	437,153	(255)	4,974,782	5,400,878	426,096	432,444	(6,347)
Domestic stocks	1,674,228	4,009,367	2,335,139	2,357,708	(22,569)	1,671,934	4,339,760	2,667,825	2,678,324	(10,498)
Foreign securities	7,293,609	7,870,746	577,137	628,368	(51,231)	7,018,010	7,425,040	407,029	556,602	(149,572)
Foreign bonds	6,502,084	6,928,152	426,067	470,907	(44,840)	6,282,089	6,553,962	271,872	407,224	(135,351)
Foreign stocks and others	791,524	942,594	151,069	157,461	(6,391)	735,920	871,077	135,157	149,378	(14,221)
Other securities	775,212	826,765	51,552	62,130	(10,578)	591,537	647,327	55,790	60,570	(4,780)
Monetary claims bought	13,236	14,327	1,090	1,090	—	15,626	16,816	1,190	1,190	—
Negotiable deposits	34,000	33,998	(1)	0	(1)	36,000	35,999	(0)	0	(0)
Money held in trust	17,864	16,669	(1,194)	—	(1,194)	9,814	10,076	262	262	—
Total	27,090,742	32,981,493	5,890,750	5,977,261	(86,510)	26,407,828	32,196,523	5,788,694	5,963,956	(175,261)
Domestic bonds	16,450,708	19,341,072	2,890,364	2,890,621	(256)	16,592,190	19,234,381	2,642,191	2,648,552	(6,361)
Domestic stocks	1,674,228	4,009,367	2,335,139	2,357,708	(22,569)	1,671,934	4,339,760	2,667,825	2,678,324	(10,498)
Foreign securities	7,927,511	8,528,002	600,490	652,400	(51,910)	7,292,812	7,703,477	410,664	563,639	(152,974)
Foreign bonds	7,135,987	7,585,407	449,420	494,939	(45,518)	6,556,891	6,832,399	275,507	414,261	(138,753)
Foreign stocks and others	791,524	942,594	151,069	157,461	(6,391)	735,920	871,077	135,157	149,378	(14,221)
Other securities	775,212	826,765	51,552	62,130	(10,578)	591,537	647,327	55,790	60,570	(4,780)
Monetary claims bought	211,216	225,616	14,400	14,400	—	213,540	225,501	11,960	12,606	(645)
Negotiable deposits	34,000	33,998	(1)	0	(1)	36,000	35,999	(0)	0	(0)
Money held in trust	17,864	16,669	(1,194)	—	(1,194)	9,814	10,076	262	262	—

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,	2019			2018		
	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference
Securities whose fair value exceeds the balance sheet amount	4,328,278	5,162,778	834,499	4,482,952	5,292,148	809,196
Domestic bonds	4,030,348	4,845,025	814,676	4,220,155	5,011,203	791,048
Foreign bonds	99,949	106,462	6,512	119,183	125,914	6,731
Monetary claims bought	197,980	211,289	13,309	143,614	155,030	11,416
Securities whose fair value does not exceed the balance sheet amount	7,800	7,723	(76)	57,349	56,690	(658)
Domestic bonds	2,800	2,798	(1)	2,800	2,786	(13)
Foreign bonds	5,000	4,924	(75)	249	248	(0)
Monetary claims bought	—	—	—	54,300	53,654	(645)

(2) Policy-Reserve-Matching Bonds

(Millions of Yen)

As of March 31,	2019			2018		
	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference
Securities whose fair value exceeds the balance sheet amount	8,017,082	9,673,392	1,656,309	7,427,523	8,852,888	1,425,365
Domestic bonds	7,528,858	9,167,649	1,638,791	7,394,452	8,819,512	1,425,060
Foreign bonds	488,223	505,742	17,518	33,070	33,376	305
Securities whose fair value does not exceed the balance sheet amount	40,728	40,125	(603)	122,298	118,896	(3,401)
Domestic bonds	—	—	—	—	—	—
Foreign bonds	40,728	40,125	(603)	122,298	118,896	(3,401)

(3) Available-for-Sale Securities

(Millions of Yen)

As of March 31,	2019			2018		
	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	12,077,294	15,563,746	3,486,452	10,087,737	13,817,132	3,729,394
Domestic bonds	4,839,378	5,276,532	437,153	4,762,611	5,195,056	432,444
Domestic stocks	1,478,135	3,835,843	2,357,708	1,548,692	4,227,017	2,678,324
Foreign securities	5,222,294	5,850,663	628,368	3,346,851	3,903,453	556,602
Other securities	509,250	571,381	62,130	399,140	459,711	60,570
Monetary claims bought	13,236	14,327	1,090	15,626	16,816	1,190
Negotiable deposits	15,000	15,000	0	5,000	5,000	0
Money held in trust	—	—	—	9,814	10,076	262
Securities whose balance sheet amount does not exceed the acquisition or amortized costs	2,619,557	2,533,726	(85,830)	4,229,967	4,058,766	(171,200)
Domestic bonds	49,321	49,065	(255)	212,170	205,822	(6,347)
Domestic stocks	196,093	173,524	(22,569)	123,241	112,743	(10,498)
Foreign securities	2,071,315	2,020,083	(51,231)	3,671,159	3,521,586	(149,572)
Other securities	265,962	255,384	(10,578)	192,396	187,615	(4,780)
Monetary claims bought	—	—	—	—	—	—
Negotiable deposits	19,000	18,998	(1)	31,000	30,999	(0)
Money held in trust	17,864	16,669	(1,194)	—	—	—

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

(Millions of Yen)

As of March 31,	2019	2018
Held-to-maturity debt securities	—	—
Policy-reserve-matching bonds	—	—
Stocks of subsidiaries and affiliates	881,663	875,118
Available-for-sale securities	295,993	415,356
Unlisted domestic stocks	27,452	27,776
Unlisted foreign stocks	257,126	377,126
Other foreign securities	596	458
Others	10,818	9,994
Total	1,177,656	1,290,474

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

(Millions of Yen)

As of March 31,	2019					2018				
	Book value	Fair value	Net gains/losses			Book value	Fair value	Net gains/losses		
			Gains	Losses				Gains	Losses	
Domestic bonds	16,450,708	19,341,072	2,890,364	2,890,621	(256)	16,592,190	19,234,381	2,642,191	2,648,552	(6,361)
Domestic stocks	1,674,228	4,009,367	2,335,139	2,357,708	(22,569)	1,671,934	4,339,760	2,667,825	2,678,324	(10,498)
Foreign securities	8,700,198	9,256,482	556,284	672,815	(116,530)	8,060,746	8,405,155	344,408	585,960	(241,551)
Foreign bonds	7,135,987	7,585,407	449,420	494,939	(45,518)	6,556,891	6,832,399	275,507	414,261	(138,753)
Foreign stocks and others	1,564,211	1,671,074	106,863	177,876	(71,012)	1,503,855	1,572,755	68,900	171,698	(102,798)
Other securities	776,515	828,070	51,554	62,139	(10,585)	593,351	649,209	55,858	60,639	(4,780)
Others	263,081	276,285	13,204	14,400	(1,196)	259,355	271,577	12,222	12,868	(646)
Total	27,864,731	33,711,278	5,846,546	5,997,685	(151,138)	27,177,577	32,900,083	5,722,506	5,986,344	(263,838)

Notes: 1. Figures presented above exclude ¥520,726 million comprising unlisted domestic securities totaling ¥147,726 million and unlisted foreign securities totaling ¥373,000 million, both of which were posted at book value as of March 31, 2018.
2. Figures presented above exclude ¥403,667 million comprising unlisted domestic securities totaling ¥150,667 million and unlisted foreign securities totaling ¥253,000 million, both of which were posted at book value as of March 31, 2019.
3. After these exclusions, the above figures account for 98.1% and 98.6% of total securities, respectively, as of March 31, 2018 and March 31, 2019.
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)

(Millions of Yen)

As of March 31,	2019					2018				
	Balance sheet amount	Fair value	Net gains/losses			Balance sheet amount	Fair value	Net gains/losses		
			Gains	Losses				Gains	Losses	
Money held in trust	16,669	16,669	—	—	—	10,076	10,076	—	—	—

Money Held in Trust for Investment

Not applicable.

Money Held in Trust for Maturity, for Policy Reserve Matching and for Other Purposes

(Millions of Yen)

As of March 31,	2019					2018				
	Book value	Fair value	Net gains/losses			Book value	Fair value	Net gains/losses		
			Gains	Losses				Gains	Losses	
Held-to-maturity	—	—	—	—	—	—	—	—	—	—
Policy reserve matching	—	—	—	—	—	—	—	—	—	—
Other purposes	17,864	16,669	(1,194)	—	(1,194)	9,814	10,076	262	262	—

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,	2019						2018					
	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	57,632	(8,782)	—	—	—	48,850	51,453	78,337	—	—	—	129,790
Hedge accounting not applied	4	(2,742)	—	—	—	(2,737)	4	(2,701)	—	—	—	(2,697)
Total	57,637	(11,524)	—	—	—	46,112	51,457	75,636	—	—	—	127,093

Note: Gains and losses on derivative transactions where fair value hedge accounting is applied included gain attributable to currency-related transactions totaling ¥79,785 million as of March 31, 2018 and loss attributable to currency-related transactions totaling ¥8,600 million as of March 31, 2019. 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,	2019				2018			
	Notional amount/ contract value		Fair value	Net gains (losses)	Notional amount/ contract value		Fair value	Net gains (losses)
	Over 1 year	Over 1 year			Over 1 year	Over 1 year		
OTC								
Interest rate swaps								
Receipts fixed, payments floating	700	700	4	4	1,200	1,200	4	4
Total				4				4

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,	2019							2018						
	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	—	—	—	—	—	700	700	—	—	—	—	—	1,200	1,200
Average interest rate in receipt (%)	—	—	—	—	—	0.41	0.41	—	—	—	—	—	0.68	0.68
Average interest rate in payment (%)	—	—	—	—	—	0.01	0.01	—	—	—	—	—	0.01	0.01

◆ Currency-Related

(Millions of Yen)

As of March 31,	2019				2018			
	Notional amount/ contract value		Fair value	Net gains (losses)	Notional amount/ contract value		Fair value	Net gains (losses)
	Over 1 year	Over 1 year			Over 1 year	Over 1 year		
OTC								
Foreign currency forward contracts								
Sold	166,438	—	62	62	47,797	—	1,688	1,688
(U.S. dollar)	157,950	—	(32)	(32)	45,857	—	1,697	1,697
(Australian dollar)	8,488	—	94	94	1,939	—	(9)	(9)
Bought	1,002	—	7	7	—	—	—	—
(U.S. dollar)	1,002	—	7	7	—	—	—	—
Currency options								
Sold								
Call	198,628	—	—	—	—	—	—	—
(U.S. dollar)	(476)	—	1	474	(—)	—	—	—
Bought	198,628	—	—	—	—	—	—	—
(U.S. dollar)	(476)	—	1	474	(—)	—	—	—
Put	178,500	—	—	—	—	—	—	—
(U.S. dollar)	(476)	—	32	(443)	(—)	—	—	—
Currency swaps								
Yen payments/Australian dollar receipts	154,546	154,546	(3,143)	(3,143)	88,870	88,870	(4,389)	(4,389)
Yen payments/U.S. dollar receipts	11,740	11,740	300	300	—	—	—	—
Total				(2,742)				(2,701)

Notes: 1. Net gains (losses) on foreign exchange contracts and currency swaps represent the fair values. Net gains (losses) on currency options represent the difference between the option fees and the fair values for option transactions.

2. Option fees are shown in [].

◆ 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,			2019			2018		
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		Over 1 year	Over 1 year	
Deferred hedge accounting	Interest rate swaps Receipts fixed, payments floating	Insurance liabilities	230,700	230,700	57,446	231,400	231,400	51,256
Special hedge accounting	Interest rate swaps Receipts fixed, payments floating	Loans	3,369	3,324	185	8,562	3,562	197
Total			57,632			51,453		

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

(Millions of Yen)

As of March 31,		2019							2018						
		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		45	6,300	6,800	11,124	12,300	197,500	234,069	5,000	3,636	7,100	8,926	14,500	200,800	239,962
Average interest rate in receipt (%)		1.60	1.56	1.75	1.73	2.05	1.87	1.86	2.15	1.51	1.69	1.73	1.90	1.88	1.87
Average interest rate in payment (%)		0.07	0.01	(0.00)	0.14	0.00	0.00	0.01	0.21	0.01	(0.00)	0.11	0.06	0.01	0.02

◆ Currency-Related

(Millions of Yen)

As of March 31,			2019			2018			
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		Over 1 year	Over 1 year		
Fair value hedge accounting	Foreign currency forward contracts	Foreign-currency-denominated bonds							
			Sold	3,887,217	—	(8,600)	3,376,632	—	79,785
			(U.S. dollar)	3,529,862	—	(10,393)	3,058,604	—	76,837
			(Euro)	199,793	—	700	183,159	—	319
			(Australian dollar)	142,408	—	980	134,867	—	2,628
	(Others)	15,152	—	112	—	—	—		
Deferred hedge accounting	Cross currency swaps	Foreign-currency-denominated bonds							
			(Euro)	35,575	35,575	(381)	35,575	35,575	(1,641)
			(Australian dollar)	4,305	4,305	199	4,305	4,305	192
Total			(8,782)			78,337			

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, 2019	471,193	197,268	273,924	616,057	889,981
As of March 31, 2018	410,367	197,711	212,655	612,943	825,599

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,	2019	2018
Securities	5,846,546	5,722,506
Valuation differences	3,401,194	3,559,231
Unrealized gains in off-balance-sheet transactions	2,445,352	2,163,274
Land	471,193	410,367
Revaluation differences	197,268	197,711
Unrealized gains in off-balance-sheet transactions	273,924	212,655
Others	57,257	49,791
Total	6,374,996	6,182,665

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 gain attributable to currency-related transactions totaling ¥79,785 million as of March 31, 2018 and loss attributable to currency-related transactions totaling ¥8,600 million as of March 31, 2019. 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,	2019	2018
Variable individual life insurance	55,634	65,206
Variable individual annuities	294,285	315,556
Group pensions	475,451	495,730
Total	825,371	876,492

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

In the domestic bond market, long-term yields maintained an upward trajectory until September 2018 thanks to robust U.S. economic indices and news coverage on the Bank of Japan (BOJ)'s move to consider the introduction of measures aimed at alleviating the side effects of monetary easing. However, long-term yields stagnated thereafter until the end of the fiscal year ended March 31, 2019 due to plunges in the stock market reflecting hikes in U.S. long-term interest rates and the impact of monetary easing policies executed by the U.S. Federal Reserve Bank (FRB) and the European Central Bank (ECB). Consequently, the yield on ten-year JGBs fell to a negative 0.095% as of March 31, 2019, down 0.140 of a percentage point compared with the end of the previous fiscal year.

In the domestic stock market, prices continued to rise until in early October 2018 the Nikkei average hit a record high for the post-bubble period. This was thanks mainly to growing expectations for global economic expansion, supported by robust U.S. economic indices, as well as anticipation for the outcome of the U.S.-China trade talks that had been resumed to alleviate trade tension. However, stock prices plunged afterward until December due to growing volatility triggered by hikes in U.S. long-term interest rates. From January 2019 onward, stock prices rose again due to a shift in FRB and ECB policies toward monetary easing. As a result, the Nikkei average as of March 31, 2019 was ¥21,205, down ¥248 from March 31, 2018.

In the U.S. bond market, long-term interest rates generally maintained an upward trajectory until October 2018 thanks to robust U.S. economic indices, despite a temporary decline triggered by a growing sense of anxiety over U.S.-China trade tension. Afterward, however, long-term interest rates fell due to such factors as decreasing expectations toward inflation on the back of lower crude oil prices, a growing sense of anxiety about the deceleration of U.S. economic growth and the FRB's monetary easing policies. As a result, the yield on ten-year U.S. Treasuries was 2.406% as of March 31, 2019, down 0.334 of a percentage point from a year earlier.

In the U.S. stock market, prices steadily grew thanks mainly to robust corporate performance and expectations for the alleviation of U.S.-China trade tension, with the Dow Jones Industrial Average hitting a record high in early October 2018. However, stock prices fell thereafter until December, reflecting growing volatility triggered by hikes in U.S. long-term interest rates and a growing sense of anxiety about the deceleration of China's economic growth due to U.S.-China trade tension. From January 2019 onward, stock prices rose again thanks to the FRB's monetary easing policies. As a result, the Dow Jones Industrial Average stood at US\$25,928 on March 31, 2019, up US\$1,826 year on year.

As for foreign currency exchange rates, the yen appreciated on the back of growing risk avoidance. However, the exchange rate as of March 31, 2019 stood at ¥110.99 to the U.S. dollar, down ¥4.75 year on year, reflecting robust U.S. economic indices. Against the euro, the exchange rate stood at ¥124.56, up ¥5.96 year on year, reflecting Brexit negotiation problems and downward revisions in economic forecasts for the eurozone.

Given this environment, the Company strove to secure stable returns from variable individual life insurance through diversified investment in both domestic and overseas assets. For example, the Company increased stock allocations based on the projection that the robust U.S. economy would drive global economic growth and help maintain an environment favoring stock investment over bond investment. When volatility grew, however, the Company reduced stock allocations. Thus, the Company flexibly adjusted its asset portfolio in light of changes in the prevailing market environment during the fiscal year ended March 31, 2019.

As for variable individual annuities, the Company invested in investment trusts formulated for each product. Generally, the ratio of such assets in investment trusts remained high during the fiscal year under review.

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

As of March 31,	(Millions of Yen)			
	2019		2018	
	Number of policies	Amount	Number of policies	Amount
Variable life insurance (term type)	—	—	—	—
Variable life insurance (whole-life type)	50,818	470,176	51,878	481,863
Total	50,818	470,176	51,878	481,863

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

Breakdown of Assets

As of March 31,	(Millions of Yen)			
	2019		2018	
	Amount	(%)	Amount	(%)
Cash, deposits and call loans	512	0.9	925	1.4
Securities	52,194	93.8	57,986	88.9
Domestic bonds	16,166	29.1	14,689	22.5
Domestic stocks	17,607	31.6	21,913	33.6
Foreign securities	18,420	33.1	21,383	32.8
Foreign bonds	5,054	9.1	6,013	9.2
Foreign stocks and others	13,365	24.0	15,369	23.6
Other securities	—	—	—	—
Loans	—	—	—	—
Others	2,926	5.3	6,293	9.7
Allowance for possible loan losses	—	—	—	—
Total	55,634	100.0	65,206	100.0

Investment Returns

(Millions of Yen)

Years ended March 31,	2019	2018
Interest, dividends and other income	1,176	1,272
Gains on sales of securities	3,700	5,671
Gains on redemption of securities	—	—
Gains on valuation of securities	6,032	7,034
Foreign exchange gains	25	28
Gains on derivative financial instruments	283	329
Other income	5	3
Losses on sales of securities	2,832	1,145
Losses on redemption of securities	—	1
Losses on valuation of securities	7,786	7,903
Foreign exchange losses	21	29
Losses on derivative financial instruments	255	269
Other expenses	1	1
Net gains (losses)	327	4,989

Fair Value of Securities

Gains and Losses on Valuation of Trading Securities

(Millions of Yen)

As of March 31,	2019		2018	
	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	52,194	(1,753)	57,986	(869)

Fair Value of Money Held in Trust

Not applicable.

Fair Value of Derivative Transactions

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

(Millions of Yen)

As of March 31,	2019						2018					
	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	—	(2)	(9)	—	—	(11)	—	1	—	—	—	1
Total	—	(2)	(9)	—	—	(11)	—	1	—	—	—	1

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,	2019			2018				
	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	—	—	—	—	1,216	—	(0)	(0)
(U.S. dollar)	—	—	—	—	813	—	(1)	(1)
(Euro)	—	—	—	—	336	—	1	1
(Others)	—	—	—	—	66	—	0	0
Bought	1,046	—	(2)	(2)	1,656	—	1	1
(U.S. dollar)	735	—	1	1	1,027	—	4	4
(Euro)	310	—	(3)	(3)	550	—	(2)	(2)
(Others)	—	—	—	—	78	—	(0)	(0)
Total				(2)				1

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

◆ Stock-Related

(Millions of Yen)

As of March 31,	2019			2018				
	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	964	—	(6)	(6)	—	—	—	—
Foreign currency-denominated stock index futures								
Bought	1,088	—	(2)	(2)	—	—	—	—
Total				(9)				—

Note: Net gains (losses) on stock index futures and foreign currency-denominated stock index futures 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,	2019		2018	
	Number of policies	Amount	Number of policies	Amount
	Variable individual annuities	91,855	298,040	94,021

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

Breakdown of Assets

(Millions of Yen)

As of March 31,	2019		2018	
	Amount	(%)	Amount	(%)
Cash, deposits and call loans	264	0.1	323	0.1
Securities	291,779	99.1	312,669	99.1
Domestic bonds	—	—	—	—
Domestic stocks	—	—	—	—
Foreign securities	—	—	—	—
Foreign bonds	—	—	—	—
Foreign stocks and others	—	—	—	—
Other securities	291,779	99.1	312,669	99.1
Loans	—	—	—	—
Others	2,242	0.8	2,563	0.8
Allowance for possible loan losses	—	—	—	—
Total	294,285	100.0	315,556	100.0

Investment Returns

(Millions of Yen)

Years ended March 31,	2019	2018
Interest, dividends and other income	4,577	3,045
Gains on sales of securities	0	0
Gains on redemption of securities	—	—
Gains on valuation of securities	43,459	47,220
Foreign exchange gains	—	—
Gains on derivative financial instruments	—	—
Other income	—	—
Losses on sales of securities	440	444
Losses on redemption of securities	—	—
Losses on valuation of securities	48,599	44,740
Foreign exchange losses	—	—
Losses on derivative financial instruments	—	—
Other expenses	—	—
Net gains (losses)	(1,002)	5,081

Fair Value of Securities

Gains and Losses on Valuation of Trading Securities

(Millions of Yen)

As of March 31,	2019		2018	
	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	291,779	(5,140)	312,669	2,479

Fair Value of Money Held in Trust

Not applicable.

Fair Value of Derivative Transactions

Not applicable.

Group Pensions (Separate Account) Separate Account Assets Managed for Group Pension Policyholders

(Millions of Yen)

As of March 31,	2019		2018	
	Number of groups	Fair value	Number of groups	Fair value
First treaty separate account	838	467,638	817	468,265
Comprehensive account	425	171,889	459	190,317
Accounts established for each investee	281	200,045	289	210,309
Dedicated accounts for each investee	199	95,703	134	67,638
Total	838	467,638	817	468,265

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, 2019

From April to September 2018, the Company generally maintained a greater allocation of domestic and foreign stocks, and a smaller allocation of domestic and foreign bonds, in line with its annual investment plan. From October onward, the Company took a generally conservative asset allocation approach, adjusting the weight of stocks as necessary. The average time-weighted return rate for comprehensive account assets during the fiscal year ended March 31, 2019 was 0.54%. This was attributable to positive returns recorded in domestic and foreign bonds and foreign stocks.

(%)

	Planned figures for year ended March 31, 2019	Asset Allocations				As of March 31, 2019
		As of March 31, 2018	As of June 30, 2018	As of September 30, 2018	As of December 31, 2018	
Domestic bonds	26.0	24.3	23.3	22.8	28.9	29.9
Domestic stocks	35.0	36.6	33.8	35.9	30.9	30.4
Foreign bonds	11.0	9.8	9.8	8.6	9.2	9.2
Foreign stocks	25.0	26.2	30.4	30.7	23.9	27.9
Short-term funds and others	3.0	3.0	2.6	2.0	7.1	2.6
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,	2019		2018	
	Fair value	(%)	Fair value	(%)
Domestic bonds	51,349	29.9	46,301	24.3
Domestic stocks	52,254	30.4	69,742	36.6
Foreign bonds	15,743	9.2	18,701	9.8
Foreign stocks	48,011	27.9	49,846	26.2
Short-term funds and others	4,530	2.6	5,725	3.0
Total	171,889	100.0	190,317	100.0

(3) Investment Performance

(%)

Years ended March 31,	2019	2018
Time-weighted return rate	0.54	8.32

First Treaty Separate Account (Accounts Established for Each Investee)

(1) Investment Status in the Year Ended March 31, 2019

Fund	Status
Yen currency denominated bond account	Based on fundamental analysis, the Company determined its duration, yield curve and sector allocation strategies, thus executing active investment. Having expected the low interest rate environment to remain in place, the Company adjusted its duration strategy while monitoring trends in interest rates and investor sentiment. Looking at the allocation by bond category, the Company maintained a greater proportion of industrial 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, growth potential and other factors. The Company also gave due consideration to such market factors as economic trends in Japan, the United States and other countries, as well as changes in monetary policies.
Yen currency denominated stock account—B	The Company strove to adjust weights allocated to each stock by striking an optimal balance between the emphasis placed on various factors. In this way, the Company executed enhanced index investing. The Company strove to control exposure to risks specific to certain business sectors while fixing the weighting allocated to each factor.
Foreign currency denominated bond account	Based on fundamental analysis, the Company determined its currency, duration and yield curve strategies, thereby executing active investment. Allocation by currency has been adjusted based on monetary policies undertaken by and political developments taking place in the United States and the European Union. The Company was also flexible in adjusting bond duration, with due consideration given to the prevailing interest rates, expected inflation and the demand/supply outlook for JGBs.
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 upturns in profitability. In addition, the Company continuously invested in stocks issued by companies in emerging Asian nations.
Foreign currency denominated stock account—B	The Company strove to adjust weights allocated to each stock by striking an optimal balance between emphasis placed on various factors. In this way, the Company executed enhanced index investing. The Company also fixed the weighting allocated to each factor (for European stocks, from July 2018 onward) while striving to control exposure to risks specific to certain regions and business sectors.
Short-term fund account	The Company engaged in investment focusing on maintaining liquidity and stability.

Notes: 1. The Company's "quantitative model" used to select stocks in the course of administering the yen currency denominated stock account—B and foreign currency denominated stock account, was improved in April 2018.

2. The Company's "European model" used to select stocks in the course of administering the foreign currency denominated stock account—B was improved in July 2018.

(2) Fair Value and Investment Performance

(Millions of Yen)

As of and years ended March 31,	2019		2018	
	Fair value	Time-weighted return rate (%)	Fair value	Time-weighted return rate (%)
Yen currency denominated bond account	104,216	1.89	107,097	1.13
Yen currency denominated bond account—A	—	—	20,313	1.42
Yen currency denominated stock account	13,373	(6.51)	15,152	12.73
Yen currency denominated stock account—B	23,295	(6.59)	23,349	13.68
Foreign currency denominated bond account	34,692	2.40	9,372	4.52
Foreign currency denominated bond account—A	—	—	6,514	2.96
Foreign currency denominated stock account	10,335	9.13	10,454	11.01
Foreign currency denominated stock account—B	10,603	9.08	9,785	9.11
Short-term fund account	3,528	0.00	8,270	0.00
Total	200,045		210,309	

Note: The Company stopped administering the yen currency denominated bond account—A and foreign currency denominated bond account—A at the end of the fiscal year ended March 31, 2018.

Non-performing Loans

	(Millions of Yen)	
As of March 31,	2019	2018
Loans to bankrupt borrowers	—	—
Loans in arrears	4,265	3,633
Loans in arrears for three months or longer	—	—
Restructured loans	21,668	24,812
Total	25,934	28,445
Non-performing loans/total loans (%)	0.52	0.54

- 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 ¥368 million for loans to bankrupt borrowers and ¥2 million for loans in arrears as of March 31, 2018; and ¥91 million for loans to bankrupt borrowers and ¥1 million for loans in arrears as of March 31, 2019.
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,	2019	2018
(A) Total solvency margin	7,305,541	7,135,780
① Foundation funds	889,822	807,879
② Reserve for price fluctuation	816,962	685,414
③ Contingency reserves	710,739	691,814
④ Catastrophe reserves	10,556	10,137
⑤ General allowance for possible loan losses	1,091	1,311
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)	3,048,988	3,222,738
⑦ Unrealized gains on land × 85% (100% in case of losses)	406,485	354,394
⑧ Total of unrecognized actuarial differences and unrecognized past service costs	(424)	33,199
⑨ Excess of continued Zillmerized reserve	909,388	936,352
⑩ Qualifying subordinated debt	560,735	453,310
⑪ Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculation	—	—
⑫ Deductions	(156,581)	(161,429)
⑬ Other (tax effect adjustment)	107,777	100,655
(B) Total amount of risk $\sqrt{(\sqrt{14^2+15^2+(17+18)^2+(19+20+21)^2+16+22}}$	1,404,686	1,441,247
⑭ Insurance risk	162,499	161,955
⑮ General underwriting risk	1,763	1,788
⑯ Major disaster risk	465	473
⑰ Third-sector insurance risk	69,535	61,986
⑱ Insurance risk of small-amount short-term insurer	—	—
⑲ Assumed interest rate risk	146,477	145,083
⑳ Minimum guarantee risk	11,035	8,829
㉑ Investment risk	1,195,209	1,236,606
㉒ Business management risk	31,739	32,334
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$ (%)	1,040.1	990.2

- 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.
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,	2019	2018
(A) Total solvency margin	72,007	70,981
① Capital and others	58,033	57,979
② Reserve for price fluctuation	617	465
③ Contingency reserves	25	26
④ Catastrophe reserves	10,556	10,137
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)	995	813
⑦ Unrealized gains on land × 85% (100% in case of losses)	1,178	977
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	601	580
(B) Total amount of risk $\sqrt{((13+14)^2+(15+16)^2+(17)+18)}$	2,747	2,813
⑬ General underwriting risk	1,763	1,788
⑭ Third-sector insurance risk	—	—
⑮ Assumed interest rate risk	5	6
⑯ Investment risk	1,327	1,385
⑰ Business management risk	71	73
⑱ Major disaster risk	465	473
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$ (%)	5,241.6	5,045.9

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.

Segment Information

Business operations undertaken by the Company, its consolidated subsidiaries and subsidiary entities during the years ended March 31, 2018 and March 31, 2019, 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.