

Financial Results for the Three Months Ended June 30, 2014 (Summary)

1. Business Performance

- ◇ Premium and other income stood at ¥942.8 billion, increased by 0.6% compared with year-earlier period.
 - In agency distribution channel, premium income increased due to good sales of the new product "Best Style".
 - In the Bancassurance channel, we purposely suppressed the sale of single premium whole life insurance.
- ◇ Annualized new premiums increased by 3.3% to ¥43 billion compared with year-earlier period, reflecting strong sales of the new product.
 - Sales of third-sector insurance grew by 16.1% compared with year-earlier period.
- ◇ Annualized premiums from business in force was ¥2,128 billion.
(increased by 0.1% from the end of FY 2013)

○ Breakdown of premium income

(billions of yen)

	Three months ended June 30, 2014		Three months ended June 30, 2013
		Change	
Premium and other income*	942.8	0.6%	937.1
Individual life insurance and annuities	560.3	Δ5.6%	593.8
Agency Distribution Channel	320.7	1.4%	316.4
Bancassurance Channel	222.7	Δ13.8%	258.4
Group life insurance and group pension	370.5	11.8%	331.4

* represent premium income and reinsurance refunds

○ Annualized new premiums (individual life insurance and annuities)

(billions of yen)

	Three months ended June 30, 2014		Three months ended June 30, 2013
		Change	
Annualized new premiums	43.0	3.3%	41.6
Third-sector insurance* premiums	7.3	16.1%	6.2

*third-sector insurance includes benefits related to medical insurance, living benefits and premium payment waiver

○ Annualized premiums from business in force (individual life insurance and annuities)

(billions of yen)

	As of June 30, 2014		As of March 31, 2014
		Change	
Annualized premiums	2,128.0	0.1%	2,125.2

«Reference» Quality Indicators of Our Policies

○ Surrenders and lapses (individual life insurance and annuities) (billions of yen, %)

	Three months ended June 30, 2014		Three months ended June 30, 2013
		Change	
Annualized premiums of surrendered and lapsed policies	18.6	1.7%	18.3
Surrender and lapse rate	1.22	Δ0.03 pts	1.25

Note: The calculation of surrender and lapse rate is based on the policy amounts, is not annualized.

○ Comprehensive persistency rate (individual life insurance and annuities) (%)

	Three months ended June 30, 2014		Three months ended June 30, 2013
		Change	
13th month persistency rate	94.0	0.3 pts	93.7
25th month persistency rate	86.0	Δ0.9 pts	86.9

Note: The calculation of comprehensive persistency rate is based on the policy amounts.

2. Profitability

◇ Due to the increase in interest and dividend income, Base Profit totaled ¥108.2 billion, up ¥9.7 billion compared with the year-earlier period.(increased by 9.9%)

○ Base profit (billions of yen)

	Three months ended June 30, 2014		Three months ended June 30, 2013
		Change	
Base profit	108.2	9.7	98.4

«Reference»

○ Capital gains/losses (billions of yen)

	Three months ended June 30, 2014		Three months ended June 30, 2013
		Change	
Capital gains/losses	88.6	7.4	81.1
Gains/losses on securities sold	100.9	2.9	97.9
Losses on securities appraised	Δ 0.0	0.6	Δ 0.6
Stocks	Δ 0.0	0.6	Δ 0.6

3. Soundness

- ◇ Solvency margin ratio stood at 971.1% by securing greater internal reserves, up 25.6 points compared with the end of fiscal 2013.
- ◇ Unrealized gains increased ¥252.1 billion compared with the end of fiscal 2013 and stood at 3,706.7 billion, reflecting the rising stock prices of our holdings.

○ Solvency margin ratio

(billions of yen, %)

	As of June 30, 2014		As of March 31, 2014
		Change	
Solvency margin ratio	971.1	25.6 pts	945.5
Total solvency margin (A)	5,817.6	288.4	5,529.2
Total risk (B)	1,198.1	28.5	1,169.5

Note: Solvency margin ratio = (A)/(1/2x(B))x100

*calculated by the method which the Company determine to be reasonable in accordance with the laws and regulations

○ Real net assets

(billions of yen, %)

	As of June 30, 2014		As of March 31, 2014
		Change	
Real net assets	6,705.9	267.8	6,438.0
Ratio in general account investment assets	20.0	0.8 pts	19.2

*calculated by the method which the Company determine to be reasonable in accordance with the laws and regulations

○ Internal reserves

(billions of yen)

	As of June 30, 2014		As of March 31, 2014
		Change	
Internal reserves	2,238.9	133.4	2,105.4

○ Unrealized gains in general account investment assets

(billions of yen)

	As of June 30, 2014		As of March 31, 2014
		Change	
Unrealized gains in general account investment assets	3,706.7	252.1	3,454.5
Securities with market price*	3,419.6	249.1	3,170.4
Domestic bonds	1,159.0	53.4	1,105.5
Stocks	1,614.1	152.3	1,461.7
Foreign securities	609.6	40.6	569.0

*including securities that are deemed appropriate to handle under the Financial Instruments and Exchange Act

○ Breakeven Points

Breakeven Points indicate the level of Nikkei 225/TOPIX at which unrealized gains and losses cancel out on domestic stocks held if the Company's portfolio and the market indices fully correlate

	As of June 30, 2014	As of March 31, 2014
Nikkei 225	approx. 7,700 yen	approx. 7,800 yen
TOPIX	approx. 630 pts	approx. 630 pts

Note: The approximate breakeven points are ¥7,700 for Nikkei 225 and 640 pts for TOPIX as calculated based on the historical correlation coefficient between the Company's portfolio and stock market indices.