

Financial Results for the Three Months Ended June 30, 2015 (Summary)

1. Business Performance

- ◇ Insurance premiums and other income stood at ¥971.9 billion, increased by 3.1% year on year (1st quarter's result increased for the two consecutive years)
 - In the agency distribution channel, insurance premiums income increased by 21.9% year on year due to strong sales of the main product "Best Style" and single premium whole life insurance
 - Bancassurance channel resulted at the same level as the previous corresponding period
- ◇ Annualized new premiums totaled ¥49.0 billion, increased by 13.9% year on year
 - Due to the strong sales of the new product, "Best style" and "Medical style F", third-sector insurance increased by 18.9% year on year
- ◇ Annualized premiums from business in force achieved ¥2,157.4 billion, increased by 0.8% compared with the end of fiscal 2014
 - Third-sector insurance increased by 0.6% compared with the end of fiscal 2014

○ Breakdown of insurance premiums income

(billions of yen)

	Three months ended June 30, 2015		Three months ended June 30, 2014
		Change	
Insurance premiums and other*	971.9	+3.1%	942.8
Individual life insurance and annuities	631.1	+12.6%	560.3
Agency Distribution Channel	390.8	+21.9%	320.7
Bancassurance Channel	222.5	-0.1%	222.7
Group life insurance and group pensions	330.8	-10.7%	370.5

*Represent premium income and reinsurance refunds

○ Annualized new premiums (individual life insurance and annuities)

(billions of yen)

	Three months ended June 30, 2015		Three months ended June 30, 2014
		Change	
Annualized new premiums	49.0	+13.9%	43.0
Third-sector insurance* premiums	8.6	+18.9%	7.3

*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, 2015		As of March 31, 2015
		Change	
Annualized premiums	2,157.4	+0.8%	2,141.3
Third-sector insurance* premiums	355.9	+0.6%	353.7

[Unofficial translation]

◀Reference▶ Quality indicators of policies

○ Surrender and lapse (individual life insurance and annuities) (billions of yen, %)

	Three months ended June 30, 2015		Three months ended June 30, 2014
		Change	
Annualized premiums of surrendered and lapsed policies	18.7	+0.5%	18.6
Surrender and lapse rate	1.18	-0.03 pts	1.22

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

○ Persistency rate (individual life insurance and annuities) (%)

	Three months ended June 30, 2015		Three months ended June 30, 2014
		Change	
13th month persistency rate	93.6	-0.4 pts	94.0
25th month persistency rate	87.8	+1.8 pts	86.0

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

2. Indicators of profitability

- ◇ Base profit totaled ¥115.5 billion due to the rise in interest, dividends income and other income, increased by ¥7.3 billion and 6.8% year on year
- ◇ 1st quarter's base profit increased for the three consecutive years and achieved record high

○ Base profit (billions of yen)

	Three months ended June 30, 2015		Three months ended June 30, 2014
		Change	
Base profit	115.5	7.3	108.2

◀Reference▶

○ Capital gains/losses (billions of yen)

	Three months ended June 30, 2015		Three months ended June 30, 2014
		Change	
Capital gains/losses	(38.4)	(127.0)	88.6
Gains/losses on sales of securities	(0.3)	(101.2)	100.9

3. Indicators of financial soundness

- ◇ Solvency margin ratio stood at 1,024.7%, the same level as the previous corresponding period
- ◇ Unrealized gains in general account investment assets totaled ¥5,663.0 billion, ¥44.8 billion increase compared with the end of fiscal 2014

○ Solvency margin ratio

(billions of yen, %)

	As of June 30, 2015		As of March 31, 2015
		Change	
Solvency margin ratio	1,024.7	-16.3 pts	1,041.0
Total solvency margin (A)	7,370.6	179.9	7,190.6
Total risk (B)	1,438.4	57.0	1,381.4

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

Calculated by the method deemed to be reasonable in accordance with the laws and regulations

○ Real net assets

(billions of yen, %)

	As of June 30, 2015		As of March 31, 2015
		Change	
Real net assets	8,826.6	(72.6)	8,899.3
Ratio in general account investment assets	24.5	-0.4 pts	25.0

Note: Calculated by the method deemed to be reasonable in accordance with the laws and regulations

○ Internal reserves

(billions of yen)

	As of June 30, 2015		As of March 31, 2015
		Change	
Internal reserves	2,219.2	22.2	2,197.0

○ Unrealized gains in general account investment assets

(billions of yen)

	As of June 30, 2015		As of March 31, 2015
		Change	
Unrealized gains in general account investment assets	5,663.0	44.8	5,618.2
Securities with market price*	5,325.7	49.0	5,276.7
Domestic bonds	1,519.6	(153.9)	1,673.5
Domestic stocks	2,649.6	232.4	2,417.2
Foreign securities	1,107.5	(29.5)	1,137.1

*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, 2015	As of March 31, 2015
Nikkei 225	approx.7,800yen	approx.7,800yen
TOPIX	approx.630pts	approx.630pts

Note: The approximate breakeven points are ¥7,900 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.