

CHAPTER 6

Operational Data

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*All figures are rounded down to the nearest unit.
 **% and 00/0 are rounded to the nearest figure.

STATUS OF FINANCIAL ASSETS (NONCONSOLIDATED)

1. Status of Non-Performing Assets According to Borrower's Classification

		Millions of Yen, %		
As of March 31		2013	2012	2011
Bankrupt and quasi-bankrupt loans	1	¥ 11,998	¥ 11,825	¥ 12,048
Doubtful loans	2	24,456	24,729	26,383
Substandard loans	3	5,599	6,038	4,240
Subtotal		42,054	42,594	42,671
[Ratio to total]		[0.36%]	[0.37%]	[0.38%]
Normal loans	4	11,737,901	11,563,104	11,303,865
Total	1 + 2 + 3 + 4	¥11,779,955	¥11,605,698	¥11,346,537

Notes: 1. 1) Bankrupt and quasi-bankrupt loans are non-performing assets and similar loans that have fallen into bankruptcy due to reasons including initiation of bankruptcy proceedings, start of reorganization proceedings, or submission of an application to start rehabilitation proceedings.
 2) Doubtful loans are non-performing assets with a strong likelihood that loan principal cannot be recovered or interest cannot be received according to the contract because of difficulties in financial condition or business performance of the debtor who has not yet entered into bankruptcy.
 3) Substandard loans include loans that are delinquent for over three months and restructured loans. Loans that are delinquent for over three months are loans with principal or interest being unpaid for over three months counting from the day after the due date based on the loan agreement (excluding 1) and 2) in the above notes). Restructured loans are loans that provide certain concessions favorable to the borrower with the intent of supporting the borrower's restructuring. Examples of such concessions include reducing or exempting interest, postponing principal or interest payments, releasing credits, or providing other benefits to the borrowers (excluding 1) and 2) in the above notes and loans that are delinquent for over three months).
 4) Normal loans are loans that do not fall under the classifications for 1) to 3) in the above notes, and where the debtor has no financial or business performance problems.
 2. Classifications and calculation methods used in this table are based on the Ordinance for Enforcement of the Insurance Business Act. The table includes guaranteed private offering loans of financial institutions, loans, securities lending, accrued interest, suspense payments, and customer's liabilities for acceptances and guarantees.
 3. Bankrupt and quasi-bankrupt loans are directly deducted from total loans based on the estimated uncollectible amounts calculated by subtracting estimated collectable amounts based on the collateral and guarantees. These amounts for bankrupt and quasi-bankrupt loans were ¥831 million, ¥1,754 million and ¥2,996 million as of March 31, 2013, 2012 and 2011, respectively.

2. Status of Risk-Monitored Loans

		Millions of Yen, %		
As of March 31		2013	2012	2011
Loans to bankrupt borrowers	1	¥ 2,658	¥ 3,018	¥ 3,127
Delinquent loans	2	33,794	33,532	35,301
Loans that are delinquent for over three months	3	—	—	—
Restructured loans	4	5,599	6,038	4,240
Total	1 + 2 + 3 + 4	¥42,052	¥42,589	¥42,669
[Ratio to total loans]		[0.49%]	[0.49%]	[0.49%]

Notes: 1. For loans to bankrupt borrowers and quasi-bankrupt borrowers (including collateralized and guaranteed loans), an estimated uncollectible amount (calculated by subtracting estimated collectable amounts based on collateral and guarantees from total loans) is directly deducted from the total loan amount. The amounts of loans to bankrupt borrowers were ¥449 million, ¥752 million and ¥1,035 million as of March 31, 2013, 2012 and 2011, respectively. The amounts of delinquent loans were ¥382 million, ¥1,001 million and ¥1,961 million as of March 31, 2013, 2012 and 2011, respectively.
 2. 1) Loans to bankrupt borrowers are loans with principal or interest payments being overdue for a significant period of time and interest not being accrued including the following: (a) loans to borrowers that are legally bankrupt through filings for proceedings under the Corporate Reorganization Act, Civil Rehabilitation Act, Bankruptcy Act, or Company Act, (b) loans to borrowers that have notes suspended from being traded, or (c) loans to borrowers that have filed for legal proceedings similar to the aforementioned proceedings based on overseas laws.
 2) Delinquent loans are loans with interest not accrued and exclude loans to bankrupt borrowers and loans with interest payments extended with the objective of restructuring or supporting the borrowers.
 3) Loans that are delinquent for over three months are loans with principal or interest unpaid for over three months counting from the day after the due date based on the loan agreement. Note that the account does not include loans to bankrupt borrowers and delinquent loans.
 4) Restructured loans are loans that provide certain concessions favorable to the borrower with the intent of supporting the borrower's restructuring, such as by reducing or exempting interest, postponing principal or interest payments, releasing credits, or providing other benefits to the borrowers (excluding loans to bankrupt borrowers and delinquent loans from above, and loans that are delinquent for over three months).
 3. Based on the results of asset self-assessment, accrued interest on loans is not recorded as revenue for obligors that are bankrupt, essentially bankrupt or nearing bankruptcy.

Asset Self-assessment

Asset self-assessment refers to evaluating individual assets based on the financial condition of each borrower and its collateral, and is classified into categories. The Company has defined strict assessment standards based on the "Inspection Manual for Insurance Companies" of the Financial Services Agency and conducted internal audits by the Auditing Department which is independent from the groups handling the actual assessment. In addition, it undergoes an external audit by the external auditors (certified public accountants).

Self-assessment categories

Debtor category	Recoverability through collateral and guarantees (see Notes)				Status of debtors
	a)	b)	c)	d)	
Normal	Non-categorized ①				Debtors whose performance is sound and for whom there are no specific concerns regarding their financial situation.
On caution	Non-categorized ②	Category II ②	Category II ③		Debtors on caution, such as debtors whose loan terms and conditions have been eased or whose loan repayment performance is poor, and debtors posting a loss or whose performance is sluggish or unstable.
Substandard					Of above, debtors whose loan terms and conditions have been eased or who are delinquent for the past three months or more from the due date.
Doubtful	Non-categorized	Category II	Category III ④		Debtors who are not bankrupt at present, but for whom the possibility of bankruptcy in the near future is high owing to their financial difficulties.
Quasi-bankrupt	Non-categorized	Category II	Category III ④	Category IV ⑤	Debtors who are essentially bankrupt. Although there is no legal or formal evidence of the bankruptcy, the debtor is in serious financial difficulty and there is no prospect of revitalization.
Bankrupt	Non-categorized	Category II	Category III ④	Category IV ⑤	Debtors that are legally or formally bankrupt as a result of having entered into bankruptcy, liquidation, corporate reorganization, corporate rehabilitation or civil rehabilitation procedures.

Notes: Categories for collateral/guarantee-based recoverability

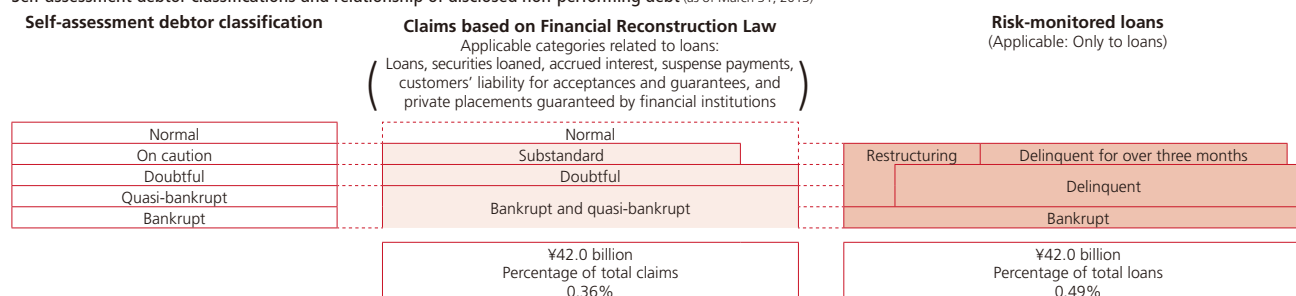
a) Estimation of disposal of solid collateral and solid guarantees

b) Estimation of disposal of general collateral and general guarantees

c) Portion for which recovery through guarantees is uncertain, calculated as the difference between estimates of the collateral amount and disposal amount

d) Portions other than a)–c) that are deemed irrecoverable

Self-assessment debtor classifications and relationship of disclosed non-performing debt (as of March 31, 2013)



Status of Borrower Classification

As of March 31, 2013	Amount	Percentage
Loan balances	¥8,581.8	100.0%
(After direct write-off of Category IV)		
Non-categorized	8,439.8	98.3
Category II	139.8	1.6
Category III	2.1	0.0
Category IV	—	—

Note: The amount of Category IV which was directly written off from loans was ¥0.8 billion.

Standards for allowance for doubtful accounts

In order to take appropriate measures against bad debt, the Company has created the following types of reserve principles for self-assessment categories ①–⑤, as noted in the table of self-assessment categories, and builds reserves (bad-debt accounting) in accordance with these principles.

Reserve principles:

- Normal: General allowance for doubtful accounts based on actual loan losses in the previous fiscal year. [①]
- On caution: General allowance for doubtful accounts based on the accumulated actual loan loss ratio (ratio of losses incurred from loans within three years from a certain date) for the previous three fiscal years. [②]
- Substandard: Corporate loans are divided into two categories: those that are not secured by collateral, guarantees, or others, and calculate the actual loan loss ratio. [③]
- For doubtful, quasi-bankrupt and bankrupt loans, the necessary amount, concerning the balance calculated by subtracting the estimated collectable amount based on collateral and guarantees from total loans, is provided as a specific allowance for doubtful accounts. [④] The portion for the amount in "Category IV" is directly deducted from total loans. [⑤]

3. Status of Loans in Trust from Contract for Replacement of Loss

No ending balance as of March 31, 2013, 2012 or 2011.

4. Ability to Pay Benefits (Solvency Margin Ratio)

Solvency Margin Ratio According to New Standard

As of March 31		2013	2012	2011
Millions of Yen				
Solvency margin gross amount	(A)	¥8,027,181	¥5,892,084	¥5,634,273
Foundation funds (<i>kikin</i>) and other reserve funds:		2,965,956	2,824,109	2,767,335
Foundation funds and others	1	1,430,471	1,371,689	1,268,064
Reserve for price fluctuations in investments in securities	2	427,529	333,710	347,003
Contingency reserve	3	780,154	775,654	821,755
General allowance for doubtful accounts	4	5,478	9,454	10,504
Others	10	322,322	333,600	320,007
Net unrealized gains/losses on available-for-sale securities × 90%	5	3,278,358	1,365,853	1,066,495
Net unrealized gains/losses on real estate × 85%	6	(8,685)	9,974	37,905
Excess of continued Zillmerized reserve	7	1,602,347	1,659,986	1,721,278
Qualifying subordinated debt	8	157,040	—	—
Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculations		—	—	—
Deduction clause	9	(539)	(532)	(430)
Others	10	32,704	32,693	41,689
Total amount of risk	$\sqrt{(R_1+R_8)^2+(R_2+R_3+R_7)^2} + R_4$ (B)	2,305,244	2,078,230	2,129,384
Underwriting risk	R ₁	135,383	139,799	144,389
Underwriting risk of third-sector insurance	R ₈	73,978	73,383	74,042
Anticipated yield risk	R ₂	394,708	401,939	411,800
Investment risk	R ₃	1,844,303	1,610,090	1,649,467
Minimum guarantee risk	R ₇	7,382	10,285	10,824
Business management risk	R ₄	49,115	44,709	45,810
Solvency margin ratio	$\frac{(A)}{(1/2) \times (B)} \times 100$	696.4%	567.0%	529.1%

Notes: 1. The amounts and figures in the table above are calculated based on the provisions of Article 86 and Article 87 of the Ordinance for Enforcement of the Insurance Business Act and the Ministry of Finance Public Notice No. 50 of 1996. In accordance with Cabinet Office Ordinance No. 23 of 2010 and Financial Services Agency Public Notice No. 48 of 2010, part of the calculation standard for the solvency margin gross amount and the total amount of risk has been changed (tightening of margin calculations, tightening and refining of risk measurements, etc.). The amounts and figures as of March 31, 2011, are shown above assuming that the standard for the fiscal year ended March 31, 2012, was applied to the amounts and figures as of March 31, 2011.

2. The amount of foundation funds and others represents the amount after the appropriation of surplus.

3. The standard method is used for the calculation of the amount equivalent to minimum guarantee risk R₇.

Solvency Margin Ratio According to Previous Standard

		Millions of Yen
As of March 31		2011
Solvency margin gross amount	(A)	¥5,722,029
Foundation funds (<i>kikin</i>) and other reserve funds:		2,767,335
Foundation funds and others		1,268,064
Reserve for price fluctuations in investments in securities		347,003
Contingency reserve		821,755
General allowance for doubtful accounts		10,504
Others		320,007
Net unrealized gains on available-for-sale securities × 90%		1,066,495
Net unrealized gains on real estate × 85%		37,905
Excess of continued Zillmerized reserve		1,721,278
Qualifying subordinated debt		—
Deduction clause		(430)
Others		129,446
Total amount of risk	$\sqrt{(R_1+R_8)^2+(R_2+R_3+R_7)^2} + R_4$	(B) 1,184,387
Underwriting risk	R ₁	144,389
Underwriting risk of third-sector insurance	R ₈	74,042
Anticipated yield risk	R ₂	169,671
Investment risk	R ₃	956,415
Minimum guarantee risk	R ₇	10,401
Business management risk	R ₄	27,098
Solvency margin ratio	$\frac{(A)}{(1/2) \times (B)} \times 100$	966.2%

Notes: 1. The amounts and figures in the table above are calculated based on the provisions of Article 86 and Article 87 of the Ordinance for Enforcement of the Insurance Business Act and the Ministry of Finance Public Notice No. 50 of 1996.

2. The amount of foundation funds and others represents the amount after the appropriation of surplus.

3. The standard method is used for the calculation of the amount equivalent to minimum guarantee risk R_i .

1. Foundation Funds and Others

The amount after excluding estimated distributed income (interest on foundation funds and provision for reserve for dividends to policyholders) from the appropriation of surplus plus total valuations, conversions and others included under total net assets on the balance sheets.

2. Reserve for Price Fluctuations in Investments in Securities

The amount of the reserve for price fluctuations in investments in securities on the balance sheets.

3. Contingency Reserve

The amount of the contingency reserve, which is a part of policy reserves on the balance sheets.

4. General Allowance for Doubtful Accounts

The amount of the general allowance for doubtful accounts, listed as allowance for doubtful accounts on the balance sheets.

5. Net Unrealized Gains on Available-for-Sale Securities

If the difference between the total amount of securities on the balance sheets and the total book value is positive, multiply by 90% and record the resulting amount. If the difference is negative, multiply by 100% and record the resulting amount.

6. Net Unrealized Gains on Real Estate

If the difference between the total market value of real estate and the total book value is positive, multiply by 85% and record the resulting amount. If the difference is negative, multiply by 100% and record the resulting amount. The difference between the market value and book value of real estate includes land revaluation differences on the balance sheet and the total deferred tax liabilities for land revaluation on the balance sheets.

7. Excess of Continued Zillmerized Reserve

The amount that exceeds either the continued Zillmerized reserve or the amount of surrender benefits out of policy reserves (excluding the contingency reserve) on the balance sheets, whichever is greater.

8. Qualifying Subordinated Debt

The amount needed to satisfy the necessary conditions into the amount of financing by issuance of subordinated debt or by borrowing or subordinated debt.

9. Deduction Clause

The deduction clause improves the ability to pay, for example, the insurance claims of other insurance companies and to raise the capital adequacy ratio of subsidiaries (when banks, etc. are made into subsidiaries, etc.), in cases where the shares and other means of capital procurement of the aforementioned other insurance companies or subsidiaries are held intentionally, by enabling the deduction of the amount of those means of capital procurement from the solvency margin ratio.

10. Others

The total amount of a part of dividend reserves on the balance sheets and tax amounts corresponding to contingency funds under net assets.

11. Underwriting Risk

Shows the amount for dealing with underwriting risk (out of risk of actual insurable incidents occurring at a higher frequency than generally expected; risk that applies to third-sector insurance).

12. Underwriting Risk of Third-Sector Insurance

Shows the amount for dealing with underwriting risk of third-sector insurance (out of risk of actual insurable incidents occurring at a higher frequency than generally expected, risk that applies to third-sector insurance).

13. Anticipated Yield Risk

Shows the amount for dealing with anticipated yield risk (risk of not being able to secure anticipated yield that serves as the basis for calculating policy reserves).

14. Investment Risk

Shows the amount for dealing with investment risk (in risks related to investments, those risks arising from reasons other than more than generally expected price fluctuations of held securities and other assets).

15. Minimum Guarantee Risk

Shows the amount for dealing with minimum guarantee risk (in insurance policies in the separate accounts, those policies that guarantee a minimum amount of insurance benefits, the risk that said insurance policies and the value of assets belonging to the separate accounts when paying said insurance benefits, will fall below the amount of minimum guaranteed insurance benefits, and the risk arising from greater than expected price fluctuations for assets belonging to said special accounts).

16. Business Management Risk

Shows the amount for dealing with business management risk (with regard to risks arising at a greater than expected frequency, those risks that do not fall under the category of underwriting risk, underwriting risk of third-sector insurance, anticipated yield risk, investment risk and minimum guarantee risk are included in this category).

5. Unrealized Gains/Losses from Assets (Company Total)

As of March 31		Billions of Yen		
		2013	2012	2011
Cash, deposits and call loans	Book value	¥ 706.8	¥ 634.5	¥ 764.4
	Market value (appraisal value)	706.8	634.5	764.4
	Net gains/losses	(0.0)	(0.0)	(0.0)
	Gains	0.0	—	0.0
	Losses	(0.0)	(0.0)	(0.0)
Proprietary trading securities*¹	Book value	—	—	—
	Market value (appraisal value)	—	—	—
	Net gains/losses	—	—	—
	Gains	—	—	—
	Losses	—	—	—
Assets held in trust*²	Book value	—	—	—
	Market value (appraisal value)	—	—	—
	Net gains/losses	—	—	—
	Gains	—	—	—
	Losses	—	—	—
Investments in securities*³	Book value	38,631.5	36,005.1	34,490.2
	Market value (appraisal value)	44,302.6	38,618.6	36,318.7
	Net gains/losses	5,671.0	2,613.5	1,828.5
	Gains	5,985.6	3,227.9	2,537.8
	Losses	(314.5)	(614.4)	(709.2)
Loans	Book value	8,581.8	8,721.6	8,743.3
	Market value (appraisal value)	8,894.8	8,976.8	8,964.9
	Net gains/losses	313.0	255.2	221.5
	Gains	318.3	264.9	234.8
	Losses	(5.3)	(9.7)	(13.2)
Real estate*⁴	Book value	1,224.1	1,280.0	1,284.2
	Market value (appraisal value)	1,170.8	1,216.8	1,246.8
	Net gains/losses	(53.3)	(63.2)	(37.3)
	Gains	153.8	160.0	165.9
	Losses	(207.1)	(223.2)	(203.3)
Other assets	Book value	2,095.8	2,850.4	3,358.8
	Market value (appraisal value)	2,152.0	2,897.4	3,398.8
	Net gains/losses	56.2	47.0	40.0
	Gains	56.7	47.5	41.3
	Losses	(0.4)	(0.5)	(1.2)
Total assets	Book value	51,240.2	49,491.7	48,641.1
	Market value (appraisal value)	57,227.2	52,344.4	50,693.9
	Net gains/losses	5,987.0	2,852.6	2,052.8
	Gains	6,514.6	3,700.5	2,979.9
	Losses	(527.5)	(847.9)	(927.1)

*1 Proprietary trading securities include securities with market values calculated using theoretical prices.

*2 Market value calculations are based on prices rationally calculated by the trustee of assets held in trust. Book value includes net gains/losses related to derivative transactions within assets held in trust.

*3 Investments in securities include securities with market values calculated using theoretical prices. Securities also include securities loaned.

*4 Real estate is the total of the land account and leasehold account. The market value of real estate (land + land lease rights) is calculated with reference to publicly disclosed appraisal values. The Company reappraised land for business use based on the Law for the Revaluation of Land. Book value includes revaluation differences of ¥44.6 billion, ¥74.9 billion and ¥81.9 billion as of March 31, 2013, 2012 and 2011, respectively.

6. Data on Market Value of Securities (Company Total)

* Please refer to the following pages: Market Value of Securities (General Account) ... p. 193, Market Value of Securities (Separate Account for Individual Variable Insurance) ... p. 200, Market Value of Securities (Separate Account for Individual Variable Annuities) ... p. 204

1. Net valuation gains/losses from trading securities

Millions of Yen						
As of March 31	2013		2012		2011	
	Balance sheet amount	Net valuation gains/losses included in profits/losses	Balance sheet amount	Net valuation gains/losses included in profits/losses	Balance sheet amount	Net valuation gains/losses included in profits/losses
Trading securities	¥1,072,950	¥115,244	¥1,041,876	¥20,342	¥1,182,649	¥(19,844)

Notes: 1. Balance sheet amount of assets held in trust included in trading securities and the net valuation gains/losses included in profits/losses for the current period include net gains/losses on derivative transactions.

2. The carrying value above excludes cash equivalents and call loans within assets held in trust included in trading securities.

2. Data on market value of securities (Securities with market value other than trading securities)

Millions of Yen										
As of March 31	2013					2012				
	Book value	Market value	Net gains/losses	Gains	Losses	Book value	Market value	Net gains/losses	Gains	Losses
Policy-reserve-matching bonds	¥19,603,424	¥21,659,962	¥2,056,538	¥2,065,986	¥ (9,448)	¥18,228,648	¥19,392,601	¥1,163,953	¥1,189,139	¥ (25,185)
Held-to-maturity debt securities	—	—	—	—	—	14,500	14,479	(21)	61	(82)
Investments in subsidiaries and affiliates	7,711	44,436	36,725	36,725	—	7,711	21,406	13,695	13,695	—
Available-for-sale securities	17,673,517	21,305,305	3,631,788	3,913,256	(281,467)	16,558,688	18,085,285	1,526,597	2,067,918	(541,320)
Domestic bonds	1,968,345	2,067,063	98,718	100,561	(1,843)	1,724,475	1,772,691	48,216	55,928	(7,711)
Domestic stocks	4,305,831	6,437,752	2,131,920	2,392,688	(260,767)	4,652,436	5,596,927	944,490	1,389,380	(444,889)
Foreign securities	10,667,428	12,034,602	1,367,174	1,381,580	(14,406)	9,624,725	10,166,593	541,867	615,182	(73,314)
Foreign bonds	8,754,592	9,739,153	984,560	996,678	(12,117)	8,095,784	8,508,080	412,296	460,129	(47,833)
Foreign stocks and other securities	1,912,835	2,295,449	382,614	384,902	(2,288)	1,528,940	1,658,512	129,571	155,052	(25,480)
Other securities	374,619	408,607	33,987	38,425	(4,437)	229,654	221,694	(7,960)	7,423	(15,383)
Monetary receivables purchased	58,291	58,281	(10)	—	(10)	76,396	76,381	(15)	4	(19)
Negotiable certificates of deposit	299,000	298,997	(2)	0	(2)	251,000	250,997	(2)	—	(2)
Total	¥37,284,652	¥43,009,704	¥5,725,051	¥6,015,967	¥(290,916)	¥34,809,548	¥37,513,773	¥2,704,225	¥3,270,814	¥(566,589)
Domestic bonds	20,791,887	22,888,875	2,096,988	2,107,804	(10,816)	19,078,734	20,244,760	1,166,026	1,198,181	(32,154)
Domestic stocks	4,305,831	6,437,752	2,131,920	2,392,688	(260,767)	4,652,436	5,596,927	944,490	1,389,380	(444,889)
Foreign securities	10,756,982	12,165,246	1,408,263	1,422,672	(14,408)	9,714,636	10,272,670	558,033	631,684	(73,650)
Foreign bonds	8,836,436	9,825,360	988,923	1,001,044	(12,120)	8,177,984	8,592,751	414,766	462,936	(48,169)
Foreign stocks and other securities	1,920,546	2,339,885	419,339	421,627	(2,288)	1,536,652	1,679,919	143,267	168,748	(25,480)
Other securities	374,619	408,607	33,987	38,425	(4,437)	229,654	221,694	(7,960)	7,423	(15,383)
Monetary receivables purchased	756,331	810,224	53,893	54,377	(483)	883,085	926,722	43,637	44,145	(508)
Negotiable certificates of deposit	299,000	298,997	(2)	0	(2)	251,000	250,997	(2)	—	(2)

As of March 31	2011				
	Book value	Market value	Net gains/losses	Gains	Losses
Policy-reserve-matching bonds	¥17,415,476	¥18,106,439	¥ 690,962	¥ 719,757	¥ (28,794)
Held-to-maturity debt securities	16,511	16,648	137	176	(39)
Investments in subsidiaries and affiliates	7,711	34,062	26,351	26,351	—
Available-for-sale securities	15,947,266	17,144,379	1,197,112	1,827,671	(630,559)
Domestic bonds	1,447,102	1,481,593	34,490	38,044	(3,553)
Domestic stocks	4,718,455	5,905,992	1,187,537	1,539,836	(352,299)
Foreign securities	8,999,879	8,991,350	(8,529)	242,325	(250,854)
Foreign bonds	7,689,976	7,599,864	(90,111)	138,886	(228,997)
Foreign stocks and other securities	1,309,902	1,391,485	81,582	103,439	(21,856)
Other securities	324,701	307,857	(16,844)	6,973	(23,817)
Monetary receivables purchased	34,127	34,589	461	492	(30)
Negotiable certificates of deposit	423,000	422,995	(4)	0	(4)
Total	¥33,386,965	¥35,301,529	¥1,914,563	¥2,573,956	¥(659,393)
Domestic bonds	17,804,828	18,493,158	688,330	719,448	(31,117)
Domestic stocks	4,718,455	5,905,992	1,187,537	1,539,836	(352,299)
Foreign securities	9,095,298	9,115,769	20,471	271,362	(250,891)
Foreign bonds	7,777,684	7,690,221	(87,462)	141,572	(229,034)
Foreign stocks and other securities	1,317,613	1,425,547	107,933	129,790	(21,856)
Other securities	324,701	307,857	(16,844)	6,973	(23,817)
Monetary receivables purchased	1,020,683	1,055,755	35,072	36,335	(1,262)
Negotiable certificates of deposit	423,000	422,995	(4)	0	(4)

Note: This table includes negotiable certificates of deposit and other items deemed appropriate to be handled as securities under the Financial Instruments and Exchange Act.

6. Data on Market Value of Securities (Company Total), continued

(1) Policy-reserve-matching bonds

Millions of Yen

As of March 31	2013			2012			2011		
	Balance sheet amount	Market value	Difference	Balance sheet amount	Market value	Difference	Balance sheet amount	Market value	Difference
Bonds whose market value exceeds balance sheet amount	¥19,451,366	¥21,517,353	¥2,065,986	¥17,926,383	¥19,115,522	¥1,189,139	¥15,669,707	¥16,389,465	¥719,757
Domestic bonds	18,734,266	20,741,509	2,007,243	17,108,566	18,250,757	1,142,191	14,690,166	15,371,394	681,228
Foreign securities	81,033	85,399	4,366	68,973	71,780	2,806	80,912	83,598	2,685
Monetary receivables purchased	636,067	690,445	54,377	748,842	792,984	44,141	898,628	934,471	35,842
Bonds whose market value does not exceed balance sheet amount	152,057	142,608	(9,448)	302,265	277,079	(25,185)	1,745,768	1,716,974	(28,794)
Domestic bonds	89,276	80,303	(8,973)	231,192	206,831	(24,360)	1,651,047	1,623,521	(27,525)
Foreign securities	810	807	(2)	13,226	12,890	(336)	6,795	6,758	(36)
Monetary receivables purchased	61,971	61,498	(472)	57,846	57,357	(488)	87,926	86,693	(1,232)

(2) Held-to-maturity debt securities

Millions of Yen

As of March 31	2013			2012			2011		
	Balance sheet amount	Market value	Difference	Balance sheet amount	Market value	Difference	Balance sheet amount	Market value	Difference
Bonds whose market value exceeds balance sheet amount	¥—	¥—	¥—	¥12,000	¥12,061	¥61	¥14,012	¥14,188	¥176
Domestic bonds	—	—	—	12,000	12,061	61	14,012	14,188	176
Bonds whose market value does not exceed balance sheet amount	—	—	—	2,499	2,417	(82)	2,499	2,460	(39)
Domestic bonds	—	—	—	2,499	2,417	(82)	2,499	2,460	(39)

(3) Available-for-sale securities

Millions of Yen

As of March 31	2013			2012			2011		
	Book value	Balance sheet amount	Difference	Book value	Balance sheet amount	Difference	Book value	Balance sheet amount	Difference
Bonds whose balance sheet amount exceeds book value	¥15,316,107	¥19,229,363	¥3,913,256	¥12,435,950	¥14,503,868	¥2,067,918	¥8,544,381	¥10,372,053	¥1,827,671
Domestic bonds	1,917,151	2,017,712	100,561	1,669,385	1,725,313	55,928	1,158,509	1,196,553	38,044
Domestic stocks	3,003,896	5,396,584	2,392,688	2,656,297	4,045,678	1,389,380	3,147,836	4,687,672	1,539,836
Foreign securities	10,041,063	11,422,644	1,381,580	7,936,643	8,551,825	615,182	4,011,331	4,253,656	242,325
Other securities	349,996	388,421	38,425	170,767	178,190	7,423	212,419	219,393	6,973
Monetary receivables purchased	—	—	—	2,855	2,860	4	4,283	4,776	492
Negotiable certificates of deposit	4,000	4,000	0	—	—	—	10,000	10,000	0
Bonds whose balance sheet amount does not exceed book value	2,357,409	2,075,941	(281,467)	4,122,738	3,581,417	(541,320)	7,402,885	6,772,326	(630,559)
Domestic bonds	51,193	49,350	(1,843)	55,089	47,378	(7,711)	288,593	285,039	(3,553)
Domestic stocks	1,301,935	1,041,168	(260,767)	1,996,138	1,551,249	(444,889)	1,570,618	1,218,319	(352,299)
Foreign securities	626,364	611,958	(14,406)	1,688,081	1,614,767	(73,314)	4,988,547	4,737,693	(250,854)
Other securities	24,623	20,185	(4,437)	58,887	43,503	(15,383)	112,281	88,463	(23,817)
Monetary receivables purchased	58,291	58,281	(10)	73,540	73,521	(19)	29,843	29,813	(30)
Negotiable certificates of deposit	295,000	294,997	(2)	251,000	250,997	(2)	413,000	412,995	(4)

(4) Book value of securities without market value

Millions of Yen

As of March 31	2013	2012	2011
Policy-reserve-matching bonds	¥ —	¥ —	¥ —
Held-to-maturity debt securities	—	—	—
Unlisted foreign bonds	—	—	—
Others	—	—	—
Investments in subsidiaries and affiliates	285,945	247,911	184,081
Available-for-sale securities	1,043,347	1,039,878	1,180,194
Unlisted domestic stocks (excluding stocks sold over-the-counter)	199,242	202,244	267,089
Unlisted foreign stocks (excluding stocks sold over-the-counter)	682,492	692,761	697,511
Unlisted foreign bonds	—	—	53,912
Others	161,612	144,872	161,681
Total	¥1,329,292	¥1,287,790	¥1,364,275

Note: Of securities without market value, the net loss on currency exchange valuation of assets denominated in foreign currencies was ¥100 million, ¥47,025 million and ¥50,943 million as of March 31, 2013, 2012 and 2011, respectively.

6. Data on Market Value of Securities (Company Total), continued

Policy-reserve-matching bonds

The Company has established the following target portfolios that correspond to specific types of insurance products:

- Regarding lump-sum payment products (lump-sum payment endowment, lump-sum payment annuities, and lump-sum payment whole life insurance) and guaranteed fixed-term rate group annuities, the Company has established an Asset/Liability Management (ALM) portfolio that aims to avoid interest fluctuation risks by predicting future cash flows from debt.
- In terms of other types of insurance, the Company has established an ALM portfolio that has a goal of expanding long-term future revenue by evaluating debt characteristics and by operating within a specific range of risk allowance.

Given the characteristics of these insurance products, and this type of investment, the Company has specified and sub-categorized the following insurance policies based on "Temporary Treatment of Accounting and Auditing Concerning Policy-reserve-matching Bonds in the Insurance Industry" (Japan Institute of Certified Public Accountants Industry Audit Committee Release No. 21).

- All insurance policies for other than lump-sum payment products and group annuities
- All insurance policies for lump-sum payment products other than variable assumed rate-type insurance
- All insurance policies for group annuities other than guaranteed fixed-term rate products

Concerning bonds held for the purpose of controlling the respective duration (level of market price fluctuations against fluctuations in interest rates) of bonds that fit into these sub-categories, the Risk Management Committee regularly confirms that the policy reserves and the duration are in a state of general consistency. Based on such confirmation, the Company classifies most Japanese yen-based debt securities as policy-reserve-matching bonds.

7. Data on Market Value of Assets Held in Trust (Company Total)

As of March 31		Millions of Yen		
		2013	2012	2011
Assets held in trust	Balance sheet amount	¥—	¥—	¥—
	Market value	—	—	—
	Net unrealized gains/losses	—	—	—
	Gains	—	—	—
	Losses	—	—	—

Notes: 1. Market value calculations are based on prices rationally calculated by the trustee of assets held in trust.

2. Balance sheet amount includes net gains/losses related to derivative transactions within assets held in trust.

Assets held in trust for trading purposes

As of March 31		Millions of Yen					
		2013		2012		2011	
		Balance sheet amount	Net valuation gains/losses included in profits/losses	Balance sheet amount	Net valuation gains/losses included in profits/losses	Balance sheet amount	Net valuation gains/losses included in profits/losses
Assets held in trust for trading purposes		¥—	¥—	¥—	¥—	¥—	¥2,479

Note: The carrying value of assets held in trust on the balance sheets and the net valuation gains/losses included in profits/losses for the current period include net gains/losses related to derivative transactions.

Assets held in trust classified as held to maturity, held for reserves and other

No ending balance as of March 31, 2013, 2012 or 2011.

8. Ordinary Profit (Core operating profit)

Millions of Yen				
Fiscal years ended March 31	2013	2012	2011	
Core operating income	¥6,900,080	¥6,836,132	¥6,316,006	
Revenues from insurance and reinsurance	5,342,857	5,368,272	4,896,413	
Insurance premiums	5,342,079	5,367,387	4,895,562	
Reinsurance revenue	777	885	851	
Investment income	1,366,740	1,221,074	1,207,553	
Interest, dividends, and other income	1,217,010	1,198,148	1,204,606	
Gain on redemptions of securities	284	239	2,120	
Reversal of general allowance for doubtful accounts	3,976	1,049	—	
Other investment income	857	2,995	826	
Gain from separate accounts, net	144,611	18,640	—	
Other ordinary income	190,483	246,785	212,039	
Income from annuity riders	7,769	10,328	12,842	
Income from deferred benefits	152,482	171,335	178,293	
Reversal of policy reserves for outstanding claims	2,786	41,933	—	
Reversal of policy reserves	—	—	—	
Reversal of accrued retirement benefits	4,236	3,081	—	
Other income	23,208	20,106	20,903	
Other core operating income	—	—	—	
Core operating expenses	6,353,539	6,291,826	5,799,679	
Benefits and other payments	3,617,129	3,886,720	3,813,023	
Death and other claims	1,059,742	1,167,385	1,135,052	
Annuity payments	686,205	649,373	568,489	
Health and other benefits	828,082	804,484	830,497	
Surrender benefits	834,495	1,011,204	1,014,833	
Other refunds	207,332	252,933	262,853	
Reinsurance premiums	1,271	1,337	1,296	
Provision for policy reserves*	1,734,514	1,414,371	960,245	
Investment expenses	80,702	66,766	107,191	
Interest expenses	4,717	2,658	2,839	
Loss on redemptions of securities	30,526	16,265	16,191	
Provision for general allowance for doubtful accounts	—	—	—	
Depreciation of rental real estate and other assets	23,954	25,848	26,045	
Other investment expenses	21,503	21,993	27,296	
Loss from separate accounts, net	—	—	34,818	
Operating expenses	566,920	572,065	573,889	
Other ordinary expenses	354,273	351,902	345,329	
Deferred benefit payments	243,173	248,424	237,165	
Taxes	37,376	37,392	34,972	
Depreciation	57,839	50,511	48,035	
Provision for accrued retirement benefits	—	—	9,469	
Deferred asset amortization (Insurance Business Act, Article 113)	—	—	—	
Other expenses	15,883	15,573	15,687	
Other core operating expenses	—	—	—	
Core operating profit	A 546,541	544,306	516,327	

Millions of Yen				
Fiscal years ended March 31	2013	2012	2011	
Capital gains	¥ 193,563	¥ 233,939	¥ 330,845	
Gain on proprietary trading securities	—	—	—	
Gain from assets held in trust, net	13	16	—	
Gain on trading securities	—	—	—	
Gain on sales of securities	192,348	233,923	330,845	
Gain on derivative financial instruments, net	—	—	—	
Foreign exchange gains, net	1,201	—	—	
Other capital gains	—	—	—	
Capital losses	347,446	347,689	428,729	
Loss on proprietary trading securities	—	—	—	
Loss from assets held in trust, net	—	—	605	
Loss on trading securities	—	—	—	
Loss on sales of securities	72,088	154,062	253,082	
Loss on valuation of securities	98,668	29,364	140,243	
Loss on derivative financial instruments, net	176,689	157,980	27,178	
Foreign exchange losses, net	—	6,282	7,619	
Other capital losses	—	—	—	
Net capital gains/losses	B (153,882)	(113,750)	(97,883)	
Core operating profit including net capital gains/losses	A+B 392,658	430,555	418,443	
Non-recurring gains	584	51,016	42,690	
Reinsurance revenue	—	—	—	
Reversal of contingency reserve	—	46,101	42,690	
Reversal of specific allowance for doubtful accounts	584	4,915	—	
Other non-recurring gains	—	—	—	
Non-recurring losses	4,501	3	230,037	
Reinsurance premiums	—	—	—	
Provision for contingency reserve	4,500	—	—	
Provision for specific allowance for doubtful accounts	—	—	—	
Provision of allowance for specific overseas debts	—	—	—	
Write-offs of loans	1	3	0	
Other non-recurring losses	—	—	230,037	
Non-recurring gains/losses	C (3,916)	51,012	(187,347)	
Ordinary profit	A + B + C ¥ 388,742	¥ 481,568	¥ 231,096	

Provision for policy reserves excludes provision for (reversal of) contingency reserve and provision for policy reserves based on Article 69, Paragraph 5 of the Ordinance for Enforcement of the Insurance Business Act.

(Reference) Breakdown of other core operating income and others

Millions of Yen				
Fiscal years ended March 31	2013	2012	2011	
Other core operating income	¥ —	¥ —	¥ —	
Other core operating expenses	¥ —	¥ —	¥ —	
Other capital gains	¥ —	¥ —	¥ —	
Other capital losses	¥ —	¥ —	¥ —	
Other non-recurring gains	¥ —	¥ —	¥ —	
Other non-recurring losses	¥ —	¥ —	¥230,037	
Provision for policy reserves based on Article 69, Paragraph 5 of the Ordinance for Enforcement of the Insurance Business Act	—	—	230,037	

MAIN BUSINESS INDICATORS

9. Policies in Force and New Policies

1. Policies in force

(1) Number of policies

As of March 31	2013		2012		2011	
	Number of policies	Rate of increase (decrease)	Number of policies	Rate of increase (decrease)	Number of policies	Rate of increase (decrease)
Individual insurance	14,696,758	29.6%	11,339,098	(1.5)%	11,510,549	(2.2)%
Individual annuities	3,214,212	2.1	3,149,513	4.1	3,024,773	2.9

Note: Number of individual insurance policies lists each insurance policy individually for one insurance contract introduced after April 1, 2012 that is constructed from several insurance policy types.

(2) Policy amounts

As of March 31	2013		2012		2011	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥156,313,280	(3.7)%	¥162,385,451	(4.9)%	¥170,791,778	(5.4)%
Individual annuities	19,682,527	3.3	19,047,063	4.0	18,314,507	2.1
Group insurance	91,960,978	0.8	91,234,040	1.4	89,990,366	1.5
Group annuities	10,911,548	4.1	10,476,956	5.3	9,952,833	3.4

Notes: 1. The amount of individual annuities is the total of (a) annuity resources at the start of the annuities for policies bound prior to the start of annuity payments, and (b) policy reserves for policies bound after the start of annuity payments.

2. The amount of group annuities is the amount of the policy reserves.

2. New policies in force

(1) Number of policies

Fiscal years ended March 31	2013		2012		2011	
	Number of policies	Rate of increase (decrease)	Number of policies	Rate of increase (decrease)	Number of policies	Rate of increase (decrease)
Individual insurance	4,662,434	349.3%	1,037,610	6.9%	970,757	(13.2)%
Individual annuities	207,224	(20.2)	259,662	23.7	209,971	(10.3)

Notes: 1. The number of policies includes policies that were converted into new policies.

2. Number of individual insurance policies lists each insurance policy individually for one insurance contract introduced after April 1, 2012 that is constructed from several insurance policy types.

(2) Policy amounts

Fiscal years ended March 31	2013		2012		2011	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥8,027,088	18.8%	¥6,758,549	2.7%	¥6,577,677	4.8%
New policies, including conversions						
New policies, excluding conversions	8,439,496	12.3	7,513,315	4.8	7,168,882	(4.2)
By conversion	(412,408)	—	(754,766)	—	(591,204)	—
Individual annuities	1,532,368	(6.6)	1,640,762	31.1	1,251,849	(5.4)
New policies, including conversions						
New policies, excluding conversions	1,526,234	(8.8)	1,672,785	30.4	1,282,464	(5.3)
By conversion	6,134	—	(32,022)	—	(30,614)	—
Group insurance	383,623	(64.2)	1,072,159	55.8	687,988	21.5
New policies, including conversions						
New policies, excluding conversions	383,623	(64.2)	1,072,159	55.8	687,988	21.5
By conversion	[4,780,110]	(13.7)	[5,540,481]	19.6	[4,631,958]	1.7
Group annuities	7,240	271.9	1,946	33.6	1,457	(50.5)
New policies, including conversions						
New policies, excluding conversions	7,240	271.9	1,946	33.6	1,457	(50.5)
By conversion	—	—	—	—	—	—

Notes: 1. The amount for new policies for individual annuities represents annuity resources at the start of annuity payments.

2. Figures in brackets in group insurance are amounts that include premium increases and the net increase in premiums from midterm enrollments and withdrawals.

3. Figures for group annuities for new policies represent the first premium revenues.

10. Annualized Premiums

1. Policies in force

Millions of Yen, %

As of March 31	2013		2012		2011	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥2,375,284	1.3%	¥2,345,320	(0.2)%	¥2,350,756	(1.6)%
Individual annuities	840,931	2.5	820,412	3.8	790,044	3.4
Total	¥3,216,215	1.6%	¥3,165,732	0.8 %	¥3,140,800	(0.4)%
Medical coverage, living benefits, and others	¥ 592,386	0.4	¥ 590,089	0.2	¥ 589,148	0.6

Notes: 1. The amount of annualized net premium is the annual premiums amount calculated by multiplying factors according to the premium payment method to a single premium payment amount (for lump-sum payment, the amount is the total premium divided by the insured period).

2. The amount of medical coverage, living benefits, and others represents annualized premiums related to medical benefits (hospitalization benefits and surgical benefits), living benefits (specified illness benefits and nursing care benefits) and waiver of premium benefits (excluding only disability benefits but including specified illness and nursing care benefits).

2. New policies

Millions of Yen, %

Fiscal years ended March 31	2013		2012		2011	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥224,178	10.2%	¥203,411	15.0%	¥176,830	6.1%
Individual annuities	53,477	(20.3)	67,058	21.5	55,187	(32.2)
Total	¥277,656	2.7	¥270,470	16.6	¥232,018	(6.4)
Medical coverage, living benefits, and others	¥ 40,055	9.9%	¥ 36,455	(0.1)%	¥ 36,501	(21.0)%

Notes: 1. The amount of annualized net premium is the annual premiums amount calculated by multiplying factors according to the premium payment method to a single premium payment amount (for lump-sum payment, the amount is the total premium divided by the insured period).

2. The amount of medical coverage, living benefits, and others represents annualized premiums related to medical benefits (hospitalization benefits and surgical benefits), living benefits (specified illness benefits and nursing care benefits) and waiver of premium benefits (excluding only disability benefits but including specified illness and nursing care benefits).

3. "New policies" includes net increases due to conversions.

11. New Policies by Product

Fiscal years ended March 31		Number of Policies, Millions of Yen					
		2013		2012		2011	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual insurance	Mortality insurance	[4,532,672]	¥[17,574,951]	[918,017]	¥[15,256,819]	[830,242]	¥[15,211,310]
		1,925,982	7,873,171	535,116	6,759,307	446,364	6,267,709
	Term life insurance	[460,827]	[7,148,161]	[19,984]	[1,407,228]	[21,320]	[1,454,166]
		142,196	2,424,871	16,834	1,143,054	16,593	1,066,114
	Whole life insurance	[595,297]	[2,369,633]	[195,138]	[1,217,483]	[138,575]	[879,111]
		343,110	1,716,873	151,492	966,665	96,153	631,602
	Lump-sum payment whole life insurance with variable accumulation rate	2,397	15,471	6,163	36,121	27,282	211,073
	Lump-sum payment increasing whole life insurance with variable assumed rate	49,163	419,394	61,637	481,764	21,149	164,357
	Whole life insurance with term rider	[7,731]	[183,449]	[554,956]	[11,955,145]	[546,545]	[12,371,885]
		3,108	68,436	218,851	3,976,745	209,816	4,067,569
	Term life insurance with dread disease term rider	—	—	—	—	—	—
	Whole life insurance with dread disease term rider	—	—	—	—	—	—
	Dread disease insurance	[680,113]	[2,755,586]	[—]	[—]	[—]	[—]
		271,598	1,139,303	—	—	—	—
	Physical disability insurance	[571,944]	[2,040,608]	[—]	[—]	[—]	[—]
		239,825	951,429	—	—	—	—
	Nursing care insurance	[543,629]	[2,452,630]	[—]	[—]	[—]	[—]
		220,303	949,049	—	—	—	—
	Cancer insurance	151	22	15,253	2,420	15,793	2,493
	Hospitalization medical insurance	—	—	—	—	—	—
	General medical insurance	[744,414]	[—]	[—]	[—]	[—]	[—]
		319,669	—	59,241	—	54,629	—
	Children's general medical insurance	14,819	—	—	—	—	—
	Cancer medical insurance	[426,128]	[—]	[—]	[—]	[—]	[—]
		121,844	—	—	—	—	—
	Limited injury insurance	[428,749]	[—]	[—]	[—]	[—]	[—]
		190,529	—	—	—	—	—
	Increasing term life insurance	[4,495]	[181,152]	[—]	[—]	[—]	[—]
		4,455	179,511	3,409	140,390	2,870	112,401
	Medical life insurance	191	11	268	16	415	26
	Lump-sum payment whole life insurance for retirement	1,304	7,839	849	4,622	688	3,995
Medical life insurance for retirement	1,320	542	1,119	464	976	386	
Term rider	[109]	[445]	[2,579]	[11,161]	[2,812]	[11,412]	
	101	413	1,760	7,040	2,034	7,689	
Life and mortality insurance	[129,762]	[645,974]	[119,593]	[848,100]	[140,515]	[1,011,891]	
	99,946	566,325	115,504	754,008	135,255	901,172	
Endowment insurance	[63,131]	[265,693]	[60,804]	[263,709]	[67,710]	[283,169]	
	54,671	241,843	59,755	260,939	66,350	279,075	
Endowment insurance with term rider <i>Kurashi no Hoken</i>	[112]	[1,155]	[8,868]	[81,045]	[12,230]	[108,841]	
	77	898	5,828	55,756	8,330	77,543	
Term life with survival benefit insurance	[41,014]	[120,747]	[—]	[—]	[—]	[—]	
	19,963	65,982	17,303	117,005	24,055	181,008	
Juvenile insurance	25,505	256,924	32,618	260,166	36,520	289,679	
Multi-increase endowment rider	82	9	167	18	383	41	
Term rider with survival benefit	[699]	[1,445]	[68,464]	[126,156]	[81,234]	[149,150]	
	348	666	33,223	60,122	41,216	73,823	
Pure endowment	—	—	—	—	—	—	
Family pure endowment	—	—	—	—	—	—	
Subtotal	[4,662,434]	[18,220,926]	[1,037,610]	[16,104,920]	[970,757]	[16,223,202]	
	2,025,928	8,439,496	650,620	7,513,315	581,619	7,168,882	
		<8,027,088>		<6,758,549>		<6,577,677>	

11. New Policies by Product, continued

Fiscal years ended March 31		Number of Policies, Millions of Yen					
		2013		2012		2011	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual annuities	Nissay annuities	[201,952] 185,609	¥ [1,618,546] 1,501,482	[243,139] 241,190	¥ [1,615,510] 1,593,440	[193,209] 191,311	¥ [1,220,080] 1,198,086
	Annuities focused on survival coverage	[—] —	[—] —	[—] —	[—] —	[—] —	[—] —
	Annuities with variable accumulation rate	5,272	24,752	16,523	79,345	16,716	83,692
	Guaranteed minimum maturity benefit equity-indexed annuities	—	—	—	—	46	685
	Nissay investment-type annuities	—	—	—	—	—	—
	Subtotal	[207,224] 190,881	[1,643,298] 1,526,234	[259,662] 257,713	[1,694,856] 1,672,785	[209,971] 208,073	[1,304,458] 1,282,464
			<1,532,368>		<1,640,762>		<1,251,849>
Group insurance	Group term life insurance	29,512	45,417	170,921	1,072,159	212,186	684,831
	General welfare group term life insurance	71,260	329,504	—	—	—	—
	Group credit life insurance	6,928	8,701	—	—	346	3,156
	Consumer credit group insurance	—	—	—	—	—	—
	Group endowment insurance	—	—	—	—	—	—
	Group whole life insurance	—	—	—	—	—	—
	Life insurance for dependents of disabled	—	—	—	—	—	—
	Annuities rider (group term life insurance)	—	—	—	—	—	—
Subtotal	107,700	383,623	170,921	1,072,159	212,532	687,988	
Group annuities	Corporate pension plans	—	—	—	—	—	—
	New corporate pension plans	—	—	91,828	21	11,871	424
	Insured contributory pension plans	8,549	41	24,677	23	39,563	388
	Defined benefit corporate pension plans	—	192	—	489	—	468
	National pension fund insurance	—	—	—	—	—	—
	Employees' pension fund insurance	54,120	1,277	—	—	4,258	5
	Employees' pension association insurance	—	—	—	—	—	—
	Group pure endowment insurance	—	5,674	—	1,226	—	—
	Defined contribution pension plans	—	54	—	185	—	170
	Subtotal	62,669	7,240	116,505	1,946	55,692	1,457
Workers' asset-formation insurance	Workers' asset-formation savings insurance	4,046	270	4,608	431	5,357	400
	Workers' asset-formation housing funding insurance	900	69	896	72	960	60
	Workers' asset-formation benefits savings insurance	—	—	206	8	53	0
	Workers' asset-formation fund savings insurance	—	—	—	—	—	—
	Subtotal	4,946	339	5,710	512	6,370	461
Workers' asset-formation annuities	Workers' asset-formation annuities	—	—	—	—	—	—
	Workers' asset-formation funding annuities	1,827	72	1,839	70	1,857	76
Subtotal	1,827	72	1,839	70	1,857	76	
Medical life insurance	Individual type	26	0	57	0	56	0
	Group type	65,403	358	34,203	168	52,403	114
Subtotal	65,429	358	34,260	169	52,459	115	
Disability income insurance	Group disability income insurance	40,671	8,049	6,042	933	27,876	4,607
Subtotal	40,671	8,049	6,042	933	27,876	4,607	
Reinsurance assumed	—	—	—	—	—	—	

Notes: 1. Figures in brackets include policies that were converted into new policies, except for subtotal figures in angle brackets, which exclude policies prior to conversion.

2. Term life insurance includes term life insurance (group type).

3. Whole life insurance includes comprehensive whole life insurance.

4. Term rider includes juvenile term life insurance riders and spouse term life insurance riders.

5. Term life with survival benefits insurance is the total of term life with survival benefit insurance (BIG YOU) and term life with survival benefit insurance (Melody).

6. Term rider, multi-increase endowment rider, term rider with survival benefit, life insurance for dependents of disabled and employees' pension association insurance are not included in the subtotals.

7. The number of policies for group insurance, group annuities, workers' asset-formation insurance, workers' asset-formation annuities, medical life insurance, disability income insurance and reinsurance assumed is the number of insured persons.

8. Figures for individual annuities, group insurance (annuities rider) and workers' asset-formation annuities (excluding workers' asset-formation funding annuities) represent annuity resources at the start of annuity payments.

9. New policy amounts for group annuities, workers' asset-formation insurance and workers' asset-formation funding annuities are the first time premium revenues.

10. Amounts for medical life insurance show daily amounts of hospitalization benefits.

11. Amounts for disability income insurance show monthly amounts of disability income insurance benefits.

12. Number of individual insurance policies lists each insurance policy individually for one insurance contract introduced after April 1, 2012 that is constructed from several insurance policy types.

12. Policies in Force by Product

As of March 31		Number of Policies, Millions of Yen					
		2013		2012		2011	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual insurance	Mortality insurance	12,645,665	¥144,634,594	9,076,563	¥149,242,306	8,951,052	¥155,935,170
	Term life insurance	603,990	15,836,933	170,534	9,887,573	172,921	9,732,698
	Whole life insurance	3,845,323	26,761,989	3,269,489	24,818,592	3,081,871	24,024,815
	Lump-sum payment whole life insurance with variable accumulation rate	72,988	563,019	75,910	589,282	74,824	597,018
	Lump-sum payment increasing whole life insurance with variable accumulation rate	125,472	1,005,005	80,854	627,923	21,063	163,238
	Whole life insurance with term rider	3,904,588	89,777,031	4,663,151	109,383,610	4,795,743	117,098,235
	Variable life insurance (whole life type)	35,061	519,047	35,558	530,534	36,026	541,967
	Variable life insurance with term rider (whole life type)	1,035	30,244	1,224	36,223	1,412	42,368
	Term life insurance with dread disease term rider	148,817	730,167	179,985	895,591	194,335	969,780
	Whole life insurance with dread disease term rider	31,428	202,872	32,352	209,563	33,221	216,121
	Dread disease insurance	668,708	2,705,213	—	—	—	—
	Physical disability insurance	562,371	2,001,075	—	—	—	—
	Nursing care insurance	534,446	2,405,153	—	—	—	—
	Cancer insurance	229,908	31,013	250,901	34,241	258,930	35,470
	Hospitalization medical insurance	81,729	28	88,076	12	96,181	2
	General medical insurance	881,267	—	166,385	—	120,163	—
	Children's general medical insurance	14,577	—	—	—	—	—
	Cancer medical insurance	419,053	—	—	—	—	—
	Limited injury insurance	420,810	—	—	—	—	—
	Increasing term life insurance	20,417	870,370	19,657	853,368	21,756	930,694
	Medical life insurance	4,932	296	5,068	304	5,670	341
	Lump-sum payment whole life insurance for retirement	8,708	39,364	7,557	32,029	6,842	27,943
	Medical life insurance for retirement	11,186	4,907	10,203	4,485	9,370	4,118
	Former Dowa Life Insurance	18,851	176,140	19,659	187,610	20,724	201,744
	Term rider	204,933	974,720	243,200	1,151,357	285,691	1,348,610
	Life and mortality insurance	2,050,932	11,676,284	2,262,364	13,140,507	2,558,955	14,853,589
	Endowment insurance	1,048,054	4,411,305	1,150,528	4,773,725	1,298,625	5,298,631
	Endowment insurance with term rider <i>Kurashi no Hoken</i>	89,941	1,223,407	121,883	1,593,887	149,752	1,940,862
	Variable life insurance (defined term type)	1,950	9,734	2,222	11,319	2,439	12,755
	Term life with survival benefit insurance	244,522	2,134,885	244,973	2,448,239	278,232	2,893,163
	Juvenile insurance	663,758	3,076,173	739,806	3,322,956	826,684	3,651,866
	Former Dowa Life Insurance	2,707	5,430	2,952	6,263	3,223	7,374
Multi-increase endowment rider	15,827	4,337	16,636	4,840	17,289	5,245	
Term rider with survival benefit	437,347	811,008	530,292	979,276	563,710	1,043,690	
Pure endowment	161	2,402	171	2,637	542	3,017	
Family pure endowment	—	—	—	—	363	183	
Pure endowment with nursing care benefit	161	2,402	171	2,637	179	2,834	
Subtotal	14,696,758	156,313,280	11,339,098	162,385,451	11,510,549	170,791,778	

12. Policies in Force by Product, continued

As of March 31		2013		2012		2011	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual annuities	Nissay annuities	2,590,487	¥16,104,496	2,505,585	¥15,345,858	2,370,561	¥14,526,016
	Individual fixed annuities <i>Sounen no Sekkei</i>	301	738	520	1,009	917	1,478
	Annuities focused on survival coverage	401,586	2,499,597	409,693	2,558,731	419,157	2,625,568
	Variable assumed rate-type annuities	10,992	33,882	12,774	41,190	13,520	48,526
	Annuities with variable accumulation rate	156,546	766,065	162,339	809,730	160,152	809,479
	Guaranteed minimum maturity benefit equity-indexed annuities	593	2,884	619	3,058	634	3,159
	Nissay investment-type annuities	20,677	135,449	24,865	144,185	26,881	156,289
	Former Dowia Life Insurance	3,995	17,539	4,108	18,127	4,239	18,859
	Annuity rider	26,624	97,289	26,284	97,075	25,665	94,529
	Term rider annualized payment	2,410	24,578	2,725	28,092	3,046	30,595
Annuity for spouse term rider	1	2	1	3	1	3	
	Subtotal	3,214,212	19,682,527	3,149,513	19,047,063	3,024,773	18,314,507
Group insurance	Group term life insurance	8,989,038	23,081,012	14,203,069	56,336,373	14,282,060	55,046,421
	General welfare group term life insurance	5,045,740	33,961,055	—	—	—	—
	Group credit life insurance	12,317,232	34,870,525	12,521,825	34,847,268	12,698,575	34,892,658
	Consumer credit group insurance	49,584	1,689	50,895	2,322	52,183	1,964
	Group endowment insurance	12	—	37	210	68	432
	Group whole life insurance	77	66	87	70	102	80
	Life insurance for dependents of disabled	52,708	31,028	54,807	32,132	57,005	33,289
	Annuities rider (group term life insurance)	10,787	15,599	11,096	15,662	11,348	15,519
		Subtotal	26,412,470	91,960,978	26,787,009	91,234,040	27,044,336
Group annuities	Corporate pension plans	1,189	4,928	1,218	5,033	2,995	6,632
	New insured pension plans	7,778,947	756,692	6,811,987	749,452	8,429,965	1,172,806
	Insured contributory pension plans	3,469,910	3,757,907	3,521,709	3,675,616	3,620,061	3,589,259
	Defined benefit corporate pension plans	—	4,962,156	—	4,684,681	—	3,955,604
	National pension fund insurance	—	2,418	—	1,653	—	2,185
	Employees' pension fund insurance	3,354,706	665,178	3,233,258	640,626	3,411,729	666,564
	Employees' pension association insurance	—	—	—	—	—	—
	Group pure endowment insurance	—	228,057	—	212,324	—	199,502
	Defined contribution pension plans	—	534,209	—	507,567	—	360,276
	Subtotal	14,604,752	10,911,548	13,568,172	10,476,956	15,464,750	9,952,833
Workers' asset-formation insurance	Workers' asset-formation savings insurance	108,580	269,652	112,480	267,522	116,822	262,482
	Workers' asset-formation housing funding insurance	17,668	50,781	18,800	53,867	20,106	56,616
	Workers' asset-formation benefits savings insurance	20,309	1,794	20,535	1,638	20,487	1,453
	Workers' asset-formation fund savings insurance	632	13	653	13	653	13
	Subtotal	147,189	322,242	152,468	323,040	158,068	320,565
Workers' asset-formation annuities	Workers' asset-formation annuities	330	1,042	345	1,134	361	1,230
	Workers' asset-formation funding annuities	60,236	133,827	61,662	138,047	62,941	142,158
	Subtotal	60,566	134,869	62,007	139,181	63,302	143,389
Medical life insurance	Individual type	1,126	5	1,269	5	1,399	6
	Group type	894,079	3,269	903,546	3,190	898,278	3,034
	Subtotal	895,205	3,274	904,815	3,196	899,677	3,040
Disability income insurance	Group disability income insurance	132,874	22,428	94,556	13,178	96,523	12,617
	Subtotal	132,874	22,428	94,556	13,178	96,523	12,617
Reinsurance assumed		16,526	21,265	16,093	18,814	13,724	16,576

Notes: 1. Term life insurance includes term life insurance (group type).

2. Whole life insurance includes comprehensive whole life insurance.

3. Term rider includes juvenile term life insurance riders and spouse term life insurance riders.

4. Term life with survival benefits insurance is the total of term life with survival benefit insurance (BIG YOU) and term life with survival benefit insurance (Melody).

5. Term rider, multi-increase endowment rider, term rider with survival benefit, life insurance for dependents of disabled and employees' pension association insurance are not included in the subtotals.

6. The number of policies for group insurance, group annuities, workers' asset-formation insurance, workers' asset-formation annuities, medical life insurance, disability income insurance and reinsurance assumed is the number of insured persons.

7. Figures for individual annuities, group insurance (annuities rider) and workers' asset-formation annuities (excluding workers' asset-formation funding annuities) represent the total of annuity resources at the start of annuities for policies prior to the start of annuity payments and policy reserves for policies after the start of annuity payments.

8. New policy amounts for group annuities, workers' asset-formation insurance and workers' asset-formation funding annuities are amounts for policy reserves.

9. Amounts for medical life insurance show daily amounts of hospitalization benefits.

10. Amounts for disability income insurance show monthly amounts of disability income insurance benefits.

11. Number of individual insurance policies lists each insurance policy individually for one insurance contract introduced after April 1, 2012 that is constructed from several insurance policy types.

13. Amount of Policies in Force by Coverage Type

As of March 31		2013	2012	2011	
Millions of Yen					
Death protection	Death protection due to illness/accident	Individual insurance	¥156,309,419	¥162,381,098	¥170,786,732
		Individual annuities	—	—	—
		Group insurance	91,945,378	91,218,378	89,974,847
		Group annuities	—	—	—
	Total including other types	248,276,062	253,618,291	260,778,156	
	Death protection due to accident	Individual insurance	[26,648,604]	[30,185,419]	[32,267,227]
		Individual annuities	[292,570]	[310,147]	[326,010]
		Group insurance	[3,552,427]	[3,617,358]	[3,787,888]
		Group annuities	[—]	[—]	[—]
Total including other types	[30,528,675]	[34,144,021]	[36,398,427]		
Death protection due to specific causes	Individual insurance	[279,121]	[308,172]	[319,257]	
	Individual annuities	[—]	[—]	[—]	
	Group insurance	[102,562]	[120,696]	[120,835]	
	Group annuities	[—]	[—]	[—]	
Total including other types	[381,684]	[428,869]	[440,092]		
Pure endowment	Maturity and survival benefits	Individual insurance	3,861	4,352	5,046
		Individual annuities	18,111,783	17,587,998	16,963,360
		Group insurance	872	903	886
		Group annuities	—	—	—
	Total including other types	18,198,911	17,679,787	17,060,025	
	Annuity	Individual insurance	[208,810]	[256,037]	[315,242]
		Individual annuities	[2,260,363]	[2,182,980]	[2,098,856]
		Group insurance	[2,106]	[2,070]	[2,026]
		Group annuities	[—]	[—]	[—]
Total including other types	[2,479,965]	[2,449,827]	[2,424,792]		
Other	Individual insurance	—	—	—	
	Individual annuities	1,570,743	1,459,064	1,351,147	
	Group insurance	14,727	14,758	14,633	
	Group annuities	10,911,548	10,476,956	9,952,833	
Total including other types	12,871,737	12,326,468	11,691,835		
Hospitalization coverage	Coverage for hospitalization due to accident	Individual insurance	[46,324]	[47,816]	[49,309]
		Individual annuities	[1,477]	[1,545]	[1,573]
		Group insurance	[1,634]	[1,718]	[1,809]
		Group annuities	[—]	[—]	[—]
	Total including other types	[52,710]	[54,277]	[55,733]	
	Coverage for hospitalization due to illness	Individual insurance	[46,109]	[47,543]	[48,948]
		Individual annuities	[1,463]	[1,531]	[1,558]
		Group insurance	[—]	[—]	[—]
		Group annuities	[—]	[—]	[—]
Total including other types	[50,848]	[52,271]	[53,547]		
Coverage for hospitalization due to other causes	Individual insurance	[53,872]	[57,192]	[61,227]	
	Individual annuities	[305]	[329]	[344]	
	Group insurance	[46]	[49]	[48]	
	Group annuities	[—]	[—]	[—]	
Total including other types	[54,223]	[57,572]	[61,620]		
Disability coverage	Individual insurance	—	—	—	
	Individual annuities	—	—	—	
	Group insurance	—	—	—	
	Group annuities	—	—	—	
Total including other types	22,428	13,178	12,617		

Notes: 1. Figures in brackets show additional coverage and rider coverage attached to primary policies. However, death protection due to illness/accident of term riders is recorded under primary coverage.
2. Figures for maturity and survival benefits of pure endowment show annuity resources at the start of annuity payments for policies prior to the start of annuity payments for individual annuities and group insurance [annuities rider].
3. Figures for annuity of pure endowment show annual annuity amounts.
4. Figures for other of pure endowment show policy reserves for individual annuities (after start of annuity payments), group insurance (after start of rider annuities payments) and group annuities.
5. Figures for hospitalization coverage show daily hospitalization benefits.
6. Figures for "total including other types" included in coverage for hospitalization due to illness of hospitalization coverage show the total of primary coverage portions and rider coverage.

13. Amount of Policies in Force by Coverage Type, continued

As of March 31		Number of Policies		
		2013	2012	2011
Disability coverage	Individual insurance	[6,983,461]	[7,012,202]	[7,342,436]
	Individual annuities	[79,870]	[83,825]	[84,383]
	Group insurance	[2,775,732]	[2,877,511]	[2,931,634]
	Group annuities	[—]	[—]	[—]
	Total including other types	[9,839,063]	[9,973,538]	[10,358,453]
Surgical coverage	Individual insurance	[11,090,928]	[11,572,001]	[12,079,351]
	Individual annuities	[324,116]	[338,900]	[346,034]
	Group insurance	[—]	[—]	[—]
	Group annuities	[—]	[—]	[—]
	Total including other types	[11,415,044]	[11,910,901]	[12,425,385]

Note: Figures in brackets show attached coverage portions of primary policies and rider coverage.

14. Individual Insurance and Annuity Policy Amounts in Force by Product

As of March 31		Millions of Yen		
		2013	2012	2011
Mortality insurance	Whole life insurance	¥ 28,708,028	¥ 26,314,047	¥ 25,066,869
	Whole life insurance with term rider	89,777,031	109,383,610	117,098,235
	Term life insurance	24,449,353	11,638,908	11,635,371
	Total including other types	144,634,594	149,242,306	155,935,170
Life and mortality insurance	Endowment insurance	4,411,305	4,773,725	5,298,631
	Endowment insurance with term rider	1,223,407	1,593,887	1,940,862
	Term life insurance with survival benefits	2,134,885	2,448,239	2,893,163
	Total including other types	11,676,284	13,140,507	14,853,589
Pure endowment	Family pure endowment	—	—	183
	Total including other types	2,402	2,637	3,017
Annuities	Individual annuities	19,682,527	19,047,063	18,314,507
Hospitalization/accident riders	Accident rider with extra premium	8,525,272	9,558,861	10,323,563
	Injury rider	18,210,789	20,715,292	22,034,377
	Accident coverage rider	846	1,554	2,614
	General medical rider	23,903	26,778	22,736
	Hospitalization due to accident rider	17,354	20,915	26,698
	Hospitalization due to illness rider	17,118	20,619	26,311
	Hospitalization due to adult disease rider	2,328	2,952	3,974
	Hospital visit rider	2,685	3,363	4,493
	Long-term hospitalization rider	35	42	54
	Hospitalization rider for women	1,066	1,374	1,969
	Limited injury rider	124,248	150,338	153,558
	Hospitalization due to cancer rider	19,371	23,183	23,640
	Short-term hospitalization rider	6,773	8,449	11,319

Notes: 1. Whole life insurance includes whole life insurance with dread disease term rider, dread disease insurance (whole life type), comprehensive whole life insurance, cancer insurance, medical life insurance for retirement (whole life), single premium whole life insurance for retirement, lump-sum payment whole life insurance with variable accumulation rate and lump-sum payment increasing whole life insurance with variable assumed rate.

2. Term life insurance includes term life insurance with dread disease term rider, dread disease insurance (defined term type), physical disability insurance, nursing care insurance, group term life insurance, increasing term life insurance, medical life insurance and medical life insurance for retirement (defined term).

3. Term life insurance with survival benefits is the total of term life with survival benefit insurance (BIG YOU) and term life with survival benefit insurance (Melody).

4. Figures for individual annuities are the total of annuity resources at the start of annuity payments for policies prior to the start of annuity payments and policy reserves for policies after the start of annuity payments.

5. Figures for hospitalization and hospital visit riders show the daily hospitalization and hospital visit benefits.

15. Trends and Transitions of Policies

1. Individual insurance

Fiscal years ended March 31	2013		2012		2011	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year	11,339,098	¥162,385,451	11,510,549	¥170,791,778	11,775,230	¥180,524,286
New policies	2,025,928	8,439,496	650,620	7,513,315	581,619	7,168,882
Renewals	23,188	1,286,463	6,572	1,405,438	9,664	1,396,465
Reinstatements	8,349	122,755	9,844	144,767	11,527	174,737
Increase from conversion	2,636,506	9,781,429	386,990	8,591,604	389,138	9,054,320
Increase from variable amount	—	177	—	77	—	135
Death	52,433	567,035	51,034	588,661	47,350	560,218
Maturity	243,850	1,002,378	259,856	1,006,616	273,425	1,075,391
Decrease of benefits	—	1,857,315	—	2,109,531	—	2,341,173
Decrease from conversion	462,568	10,193,837	370,709	9,346,370	375,374	9,645,524
Cancellation	516,707	7,550,694	471,499	8,015,981	480,494	8,612,491
Expiration	56,103	830,949	68,491	1,028,506	75,976	1,165,673
Decrease from variable amount	—	49	—	68	—	73
Decrease due to other changes	4,650	3,700,233	3,888	3,965,793	4,010	4,126,501
At the end of the fiscal year	14,696,758	156,313,280	11,339,098	162,385,451	11,510,549	170,791,778
[Rate of increase (decrease)]	[29.6%]	[(3.7)%]	[(1.5)%]	[(4.9)%]	[(2.2)%]	[(5.4)%]
Net increase (decrease)	3,357,660	(6,072,170)	(171,451)	(8,406,327)	(264,681)	(9,732,508)
[Rate of net increase]	[—%]	[—%]	[—%]	[—%]	[—%]	[—%]

Notes: 1. Figures show the total of primary coverage portions for mortality insurance, life and mortality insurance, and pure endowment.

2. Cancellation includes the cancel by the premium outstanding payment.

3. Number of individual insurance policies lists each insurance policy individually for one insurance contract introduced after April 1, 2012 that is constructed from several insurance policy types.

2. Individual annuities

Fiscal years ended March 31	2013		2012		2011	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year	3,149,513	¥<2,181,026>	3,024,773	¥<2,096,803>	2,939,764	¥<2,050,925>
New policies	190,881	<166,887>	257,713	<180,404>	208,073	<139,171>
Reinstatements	929	5,610	960	5,742	1,007	5,853
Increase from conversion	16,343	117,063	1,949	22,070	1,898	21,994
Death	10,152	52,276	9,920	51,491	9,181	47,875
Completion of payments	15,381	11,545	14,371	11,207	13,844	10,811
Decrease of insurance amount	—	51,180	—	43,937	—	42,441
Decrease from conversion	18,632	110,929	9,045	54,093	8,872	52,609
Cancellation	84,411	523,104	86,592	532,678	87,752	547,457
Expiration	5,665	34,091	7,125	41,907	7,162	41,444
Decrease due to other changes	9,213	64,958	8,829	83,754	(842)	55,058
At the end of the fiscal year	3,214,212	<2,258,502>	3,149,513	<2,181,026>	3,024,773	<2,096,803>
[Rate of increase]	[2.1%]	[3.3%]	[4.1%]	[4.0%]	[2.9%]	[2.1%]
Net increase	64,699	635,464	124,740	732,555	85,009	379,254
[Rate of net increase (decrease)]	[(48.1)%]	[(13.3)%]	[46.7%]	[93.2%]	[(24.5)%]	[(18.4)%]

Notes: 1. Figures are the total of annuity resources at the start of annuity payments for policies prior to annuity payments and policy reserves for policies after the start of annuity payments.

2. Figures in angle brackets show annual amounts of annuities.

3. Cancellation includes the cancel by the premium outstanding payment.

15. Trends and Transitions of Policies, continued

3. Group insurance

Number of Policies, Millions of Yen, %

Fiscal years ended March 31	2013		2012		2011	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year	26,787,009	¥91,234,040	27,044,336	¥89,990,366	27,476,203	¥88,619,874
New policies	107,700	383,623	170,921	1,072,159	212,532	687,988
Renewals	13,868,342	55,363,671	13,934,215	54,625,354	14,039,831	53,903,781
Mid-term enrollment	2,341,059	8,017,634	2,202,255	8,407,147	2,108,805	7,598,757
Increase of insurance amount	—	1,881,745	—	2,764,122	—	2,020,194
Death	52,062	114,959	56,113	121,648	55,834	122,351
Maturity	14,009,961	55,533,709	14,077,177	55,022,190	14,257,837	54,186,295
Withdrawal	2,136,974	5,502,893	2,358,881	6,702,948	2,396,040	5,674,981
Decrease of insurance amount	—	2,858,872	—	3,548,842	—	2,616,391
Cancellation	496,793	900,674	70,587	224,595	82,790	235,942
Expiration	1,098	8,924	2,832	4,369	858	4,186
Decrease due to other changes	(5,248)	(1,910)	(872)	(1,035)	(324)	(1,415)
At the end of the fiscal year	26,412,470	91,960,978	26,787,009	91,234,040	27,044,336	89,990,366
[Rate of increase (decrease)]	[(1.4)%]	[0.8%]	[(1.0)%]	[1.4%]	[(1.6)%]	[1.5%]
Net increase (decrease)	(374,539)	726,937	(257,327)	1,243,673	(431,867)	1,370,491
[Rate of increase (decrease)]	[—%]	[(41.5)%]	[—%]	[(9.3)%]	[—%]	[15.2%]

Notes: 1. Figures show the total of primary coverage portions of mortality insurance, life and mortality insurance, and annuity riders.

2. Number of policies shows the number of insured persons.

4. Group annuities

Number of Policies, Millions of Yen, %

Fiscal years ended March 31	2013		2012		2011	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year	13,568,172	¥10,476,956	15,464,750	¥ 9,952,833	15,940,492	¥9,621,896
New policies	62,669	7,240	116,505	1,946	55,692	1,457
Annuity payments	3,756,847	334,727	3,822,420	304,446	3,998,624	283,102
Single payments	724,202	488,616	742,626	445,211	850,403	475,209
Cancellation	5,170	13,771	119,379	152,180	77,167	121,734
At the end of the fiscal year	14,604,752	10,911,548	13,568,172	10,476,956	15,464,750	9,952,833
[Rate of increase (decrease)]	[7.6%]	[4.1%]	[(12.3)%]	[5.3%]	[(3.0)%]	[3.4%]
Net increase (decrease)	1,036,580	434,592	(1,896,578)	524,123	(475,742)	330,936
[Rate of increase (decrease)]	[—%]	[(17.1)%]	[—%]	[58.4%]	[—%]	[(29.6)%]

Notes: 1. Figures for the beginning of the fiscal year and the end of the fiscal year represent policy reserves amounts at that time.

2. Amount of new policies represents first time premium revenues.

3. Number of policies shows the number of insured persons.

INSURANCE POLICY INDICATORS

16. Increase in Policy Amounts in Force

1. Number of policies in force and rate of increase

Fiscal years ended March 31	2013		2012		2011	
	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)
Individual insurance	14,696,758	29.6%	11,339,098	(1.5)%	11,510,549	(2.2)%
Mortality insurance	12,645,665	39.3	9,076,563	1.4	8,951,052	0.4
Life and mortality insurance	2,050,932	(9.3)	2,262,364	(11.6)	2,558,955	(10.5)
Pure endowment	161	(5.8)	171	(68.5)	542	(83.0)
Individual annuities	3,214,212	2.1	3,149,513	4.1	3,024,773	2.9
Group insurance	26,412,470	(1.4)	26,787,009	(1.0)	27,044,336	(1.6)
Group annuities	14,604,752	7.6	13,568,172	(12.3)	15,464,750	(3.0)
Workers' asset-formation insurance	147,189	(3.5)	152,468	(3.5)	158,068	(3.5)
Workers' asset-formation annuities	60,566	(2.3)	62,007	(2.0)	63,302	(2.2)
Medical life insurance	895,205	(1.1)	904,815	0.6	899,677	3.8
Disability income insurance	132,874	40.5	94,556	(2.0)	96,523	23.1

Notes: 1. Number of policies for group insurance, group annuities, workers' asset-formation insurance, workers' asset-formation annuities, medical life insurance and disability income insurance is the number of insured persons.

2. Number of individual insurance policies lists each insurance policy individually for one insurance contract introduced after April 1, 2012 that is constructed from several insurance policy types.

2. Amount of insurance policies in force and rate of increase

Fiscal years ended March 31	2013		2012		2011	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥156,313.2	(3.7)%	¥162,385.4	(4.9)%	¥170,791.7	(5.4)%
Mortality insurance	144,634.5	(3.1)	149,242.3	(4.3)	155,935.1	(4.8)
Life and mortality insurance	11,676.2	(11.1)	13,140.5	(11.5)	14,853.5	(11.0)
Pure endowment	2.4	(8.9)	2.6	(12.6)	3.0	(31.8)
Individual annuities	19,682.5	3.3	19,047.0	4.0	18,314.5	2.1
Group insurance	91,960.9	0.8	91,234.0	1.4	89,990.3	1.5
Group annuities	10,911.5	4.1	10,476.9	5.3	9,952.8	3.4
Workers' asset-formation insurance	322.2	(0.2)	323.0	0.8	320.5	0.5
Workers' asset-formation annuities	134.8	(3.1)	139.1	(2.9)	143.3	(2.8)
Medical life insurance	3.2	2.4	3.1	5.1	3.0	6.0
Disability income insurance	22.4	70.2	13.1	4.4	12.6	65.6

Notes: 1. Figures for individual annuities, group insurance (annuities rider), and workers' asset-formation annuities (excluding workers' asset-formation funding annuities) are the total of annuity resources at the start of annuity payments for policies prior to the start of annuity payments and policy reserves for policies after the start of annuity payments.

2. Figures for group annuities, workers' asset-formation insurance and workers' asset-formation annuities (workers' asset-formation funding annuities) are amounts for policy reserves.

3. Amounts for medical life insurance are daily amounts of hospitalization benefits.

4. Amounts for disability income insurance are monthly amounts of disability income insurance benefits.

17. Increase in New Policies

1. Number of new policies and rate of increase

Fiscal years ended March 31	2013		2012		2011	
	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)
Individual insurance	2,025,928	211.4%	650,620	11.9%	581,619	(8.1)%
Mortality insurance	1,925,982	259.9	535,116	19.9	446,364	(6.1)
Life and mortality insurance	99,946	(13.5)	115,504	(14.6)	135,255	(13.9)
Pure endowment	—	—	—	—	—	—
Individual annuities	190,881	(25.9)	257,713	23.9	208,073	(10.2)
Group insurance	107,700	(37.0)	170,921	(19.6)	212,532	6.6
Group annuities	62,669	(46.2)	116,505	109.2	55,692	36.0
Workers' asset-formation insurance	4,946	(13.4)	5,710	(10.4)	6,370	(4.7)
Workers' asset-formation annuities	1,827	(0.7)	1,839	(1.0)	1,857	5.9
Medical life insurance	65,429	91.0	34,260	(34.7)	52,459	5,182.9
Disability income insurance	40,671	573.1	6,042	(78.3)	27,876	(32.5)

Notes: 1. Number of policies is the number of insured persons for group insurance, group annuities, workers' asset-formation insurance, workers' asset-formation annuities, medical life insurance, and disability income insurance.

2. Excludes converted policies.

3. Number of individual insurance policies lists each insurance policy individually for one insurance contract introduced after April 1, 2012 that is constructed from several insurance policy types.

17. Increase in New Policies, continued

2. Amount of new policies and rate of increase

Billions of Yen, %

Fiscal years ended March 31	2013		2012		2011	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥8,439.4	12.3%	¥7,513.3	4.8%	¥7,168.8	(4.2)%
Mortality insurance	7,873.1	16.5	6,759.3	7.8	6,267.7	(3.4)
Life and mortality insurance	566.3	(24.9)	754.0	(16.3)	901.1	(9.4)
Pure endowment	—	—	—	—	—	—
Individual annuities	1,526.2	(8.8)	1,672.7	30.4	1,282.4	(5.3)
Group insurance	383.6	(64.2)	1,072.1	55.8	687.9	21.5
Group annuities	7.2	271.9	1.9	33.6	1.4	(50.5)
Workers' asset-formation insurance	0.3	(33.7)	0.5	11.1	0.4	15.3
Workers' asset-formation annuities	0.0	2.9	0.0	(8.0)	0.0	16.6
Medical life insurance	0.3	112.0	0.1	46.9	0.1	2,079.5
Disability income insurance	8.0	762.5	0.9	(79.7)	4.6	(12.0)

Notes: 1. Figures for individual annuities and workers' asset-formation annuities (excluding workers' asset-formation funding annuities) are annuity resources at the start of annuity payments.
2. Figures for group annuities, workers' asset-formation insurance, and workers' asset-formation annuities (workers' asset-formation funding annuities) represent first premium revenues.
3. Amounts for medical life insurance are daily amounts of hospitalization benefits.
4. Amounts for disability income insurance are monthly amounts of disability income insurance benefits.
5. Excludes converted policies.

18. Average Policy Coverage (Individual Insurance)

Thousands of Yen

Fiscal years ended March 31	Average policy coverage of new policies			Average policy coverage of policies in force		
	2013	2012	2011	2013	2012	2011
Mortality insurance	¥4,087	¥12,631	¥14,041	¥11,437	¥16,442	¥17,420
Life and mortality insurance	5,666	6,527	6,662	5,693	5,808	5,804
Pure endowment	—	—	—	14,923	15,423	5,568
Average	¥4,165	¥11,547	¥12,325	¥10,635	¥14,320	¥14,837

Notes: 1. Average policy coverage for new policies excludes converted policies.
2. Number of individual insurance policies lists each insurance policy individually for one insurance contract introduced after April 1, 2012 that is constructed from several insurance policy types.

19. Percentage of New Policies (Compared with Beginning of the Same Fiscal Year)

%

Fiscal years ended March 31	2013	2012	2011
Individual insurance	5.2%	4.4%	4.0%
Individual annuities	8.7	9.9	7.7
Group insurance	0.4	1.2	0.8

Notes: 1. Excludes converted policies.
2. For individual annuities, the ratio of policies prior to start of annuity payments is provided.

20. Rate of Cancellation and Expiration (Compared with Beginning of the Same Fiscal Year)

%

Fiscal years ended March 31	2013	2012	2011
Individual insurance	6.2%	6.4%	6.6%
Individual annuities	3.4	3.6	3.7
Group insurance	2.1	1.1	0.9

Notes: 1. The rate of cancellation and expiration is adjusted for net cancellations and expirations with consideration for net increases or decreases in policies and policy reinstatements.
2. For individual annuities, the percentage of policies prior to the start of annuity payments is provided.

21. Average New Policy Premium (Individual Insurance Policies with Monthly Payments)

Fiscal years ended March 31	Yen		
	2013	2012	2011
Average premium of new individual policies (monthly payment policies)	¥47,272	¥186,035	¥184,005

Notes: 1. Excludes converted policies.

2. Policies with annualized monthly payments.

3. Number of individual insurance policies lists each insurance policy individually for one insurance contract introduced after April 1, 2012 that is constructed from several insurance policy types.

22. Mortality Rate (Primary Individual Insurance Policies)

Fiscal years ended March 31	‰		
	2013	2012	2011
Number of policies	4.02‰	4.46‰	4.06‰
Insurance amount	3.55	3.53	3.18

Notes: 1. Mortality rate is the rate that is calculated by having mortality incidence policies as the numerator and outstanding policies as the denominator.

2. Outstanding policies are calculated by adding the policies at the start of the fiscal year, policies at the end of the fiscal year and mortality incidence policies, and then dividing the total by two.

3. Mortality includes serious disability when the contract insures for that event. (When serious disability is not insured by the contract, serious disability is not included in mortality.)

4. Number of individual insurance policies lists each insurance policy individually for one insurance contract introduced after April 1, 2012 that is constructed from several insurance policy types.

23. Incidence of Events Covered by Riders (Individual Insurance)

Fiscal years ended March 31	2013		2012		2011	
	Ratio of the number of policies	Ratio of the amount of claims on policies	Ratio of the number of policies	Ratio of the amount of claims on policies	Ratio of the number of policies	Ratio of the amount of claims on policies
Accidental death	0.230‰	0.199‰	0.422‰	0.432‰	0.255‰	0.205‰
Disability	0.307	0.113	0.303	0.116	0.266	0.095
Hospitalization due to accident	5.709	134.2	5.861	138.5	5.817	135.5
Hospitalization due to illness	61.278	988.8	61.584	1,100.8	59.988	1,056.5
Hospitalization due to adult disease	13.403	273.6	13.105	301.9	11.664	277.1
Surgery due to illness or injury	49.454		47.618		43.810	
Surgery due to adult disease	8.811		8.156		7.053	

Notes: 1. Incidence of the events covered by riders is the rate that is calculated by having incidence of events covered by riders as the numerator and outstanding policies as the denominator.

2. Outstanding policies for accidental death insurance are calculated by adding the policies at the start of the fiscal year, policies at the end of the fiscal year and incidence of accidental death, and then dividing the total by two, and for policies other than accidental death insurance, by adding the policies at the start of the fiscal year and policies at the end of the fiscal year, and then dividing the total by two.

3. Accidental death includes serious disability due to accident.

24. Percentage of Premium Earned of Insured Amount Classified by Type of Third-Sector Insurance Benefits or Type of Insurance

Fiscal years ended March 31	%		
	2013	2012	2011
Third-sector incidence rate	33.4%	35.8%	34.3%
Medical care	33.7	34.0	33.9
Cancer	35.8	38.3	36.3
Nursing care	16.4	19.7	17.5
Others	33.6	41.8	36.2

Note: The third-sector incidence rate is calculated by dividing the sum of payments for insured incidents (payments such as claims and benefits, matching provision for reserve for outstanding claims [excluding past unreported incidents as defined in Article 72 of the Ordinance for Enforcement of Insurance Business Act] and total business expenses related to such payments as claims and benefits) by earned premiums.

25. Operating Expenses Percentage (Operating Expenses as a Percentage of Premium Revenues)

Fiscal years ended March 31	%		
	2013	2012	2011
Operating efficiency (Operating expenses as a percentage of premium revenues)	10.6%	10.7%	11.7%

26. The Number of Major Insurance Companies That Accepted Reinsurance Agreements

Fiscal years ended March 31	Number of insurance companies		
	2013	2012	2011
The number of major insurance companies using reinsurance	10 [—]	11 [—]	12 [1]

Notes: 1. Covers insurance companies and others that have paid reinsurance.

2. Figures in parentheses indicate third-sector insurances paid (including only policies that stipulate no coverage by reserves in accordance with Article 71 of the Ordinance for Enforcement of the Insurance Business Act).

27. The Ratio of Reinsurance Premiums to Total Premiums Written by the Top Five Insurance Companies Using Reinsurance

Fiscal years ended March 31	%		
	2013	2012	2011
The ratio of reinsurance expenses paid to the top five insurance companies	89.0% [—]	87.3% [—]	89.3% [100.0]

Notes: 1. Covers insurance companies and others that have paid reinsurance.

2. Figures in parentheses indicate third-sector insurances paid (including only policies that stipulate no coverage by reserves in accordance with Article 71 of the Ordinance for Enforcement of the Insurance Business Act).

28. The Ratio of Insurance Companies Which Accepted Reinsurance Agreements by Ratings Assessed

Fiscal years ended March 31	2013			2012			2011		
Over A	97.7%	[—]		98.2%	[—]		98.8%	[100.0]	
Over BBB and below A	2.1	[—]		1.6	[—]		1.1	[—]	
Others (Below BBB or no rating)	0.2	[—]		0.2	[—]		0.2	[—]	

Notes: 1. Data compiled by S&P was used to create the above table. In cases where no rating was available from S&P, such insurance companies are classified as "Others."

2. Figures in parentheses indicate third-sector insurers (including only those whose policies stipulate no coverage by reserves in accordance with Article 71 of the Ordinance for Enforcement of the Insurance Business Act).

29. Unreceived Reinsurance Premiums

Fiscal years ended March 31	Millions of Yen		
	2013	2012	2011
Unreceived reinsurance premiums	¥98 [—]	¥75 [—]	¥123 [—]

Note: Figures in parentheses indicate amounts with regard to third-sector insurance (which includes only policies that stipulate no coverage by reserves in accordance with Article 71 of the Ordinance for Enforcement of the Insurance Business Act).

ACCOUNTING INDICATORS

30. Reserve for Outstanding Claims

As of March 31		2013	2012	2011
Millions of Yen				
Insurance claims	Mortality insurance claims	¥ 79,732	¥ 79,658	¥112,298
	Accident insurance claims	2,596	2,799	10,835
	Serious disability insurance claims	14,367	16,561	18,719
	Maturity insurance amount	11,807	11,787	10,278
	Others	24	11	0
	Subtotal	108,529	110,818	152,132
Annuities		5,721	4,018	2,940
Benefits		35,812	38,048	39,628
Surrender benefits		47,341	47,114	46,845
Deferred insurance amount		5,841	6,195	6,507
Total including other reserves		¥203,848	¥206,634	¥248,568

31. Policy Reserves

As of March 31		2013	2012	2011
Millions of Yen				
Policy reserves (Excluding contingency reserve)	Individual Insurance	¥ 24,200,081	¥ 23,136,221	¥ 22,545,882
	[General Account]	[24,092,022]	[23,036,417]	[22,439,414]
	[Separate Account]	[108,058]	[99,803]	[106,467]
	Individual Annuities	9,762,996	9,547,779	9,274,676
	[General Account]	[9,630,494]	[9,403,832]	[9,118,442]
	[Separate Account]	[132,502]	[143,946]	[156,233]
	Group Insurance	47,727	47,683	46,246
	[General Account]	[47,727]	[47,683]	[46,246]
	[Separate Account]	[—]	[—]	[—]
	Group Annuities	10,911,548	10,476,956	9,952,833
	[General Account]	[9,988,519]	[9,606,363]	[8,965,446]
	[Separate Account]	[923,028]	[870,592]	[987,386]
	Other	458,755	463,785	465,503
	[General Account]	[458,755]	[463,785]	[465,503]
	[Separate Account]	[—]	[—]	[—]
	Subtotal	45,381,108	43,672,424	42,285,140
	[General Account]	[44,217,519]	[42,558,081]	[41,035,053]
	[Separate Account]	[1,163,589]	[1,114,342]	[1,250,087]
Contingency reserve		780,154	775,654	821,755
Total		¥ 46,161,263	¥ 44,448,079	¥ 43,106,896
	[General Account]	[44,997,674]	[43,333,736]	[41,856,809]
	[Separate Account]	[1,163,589]	[1,114,342]	[1,250,087]

32. Policy Reserves Balance

As of March 31		2013	2012	2011
Millions of Yen				
Insurance reserve funds		¥44,660,208	¥42,945,906	¥41,548,301
Unearned premiums		720,899	726,517	736,839
Refund reserve		—	—	—
Contingency reserve		780,154	775,654	821,755
Total		¥46,161,263	¥44,448,079	¥43,106,896

33. Policy Reserves for Individual Insurance and Annuities (by Policy Year)

1. Policy reserves valuation method and valuation ratio

As of March 31		2013	2012	2011
%				
Valuation method	Policies subject to the standard policy reserves	Net level premium method	Net level premium method	Net level premium method
	Policies not subject to the standard policy reserves	Net level premium method	Net level premium method	Net level premium method
Valuation ratio (excluding contingency reserve)		100.0%	100.0%	100.0%

Notes: 1. Individual insurance and annuities are subject to valuation method and ratio. Policy reserves for group insurance and annuities are not included in the above figures due to the absence of an accumulation method.

2. For valuation ratio, policies subject to the standard policy reserves represent the ratio in accordance with the method which is prescribed by Ordinance No. 48 issued by the Ministry of Finance in 1996. Policies which are not subject to the standard policy reserves represent the ratio for the reserve calculated by the net level premium method and unearned premium.

33. Policy Reserves for Individual Insurance and Annuities (by Policy Year), continued

2. Policy reserves (breakdown by policy year)

Policy year	Balance of policy reserves			Millions of Yen, %
	2013	2012	2011	Assumed interest rate
As of March 31				
-1980	¥ 110,741	¥ 124,556	¥ 140,008	2.75-5.00%
1981-1985	2,140,896	2,363,213	2,605,968	2.75-5.50
1986-1990	6,253,711	6,282,872	6,326,507	2.75-6.00
1991-1995	7,670,109	7,658,404	7,674,623	2.75-5.50
1996-2000	3,548,293	3,643,182	3,737,029	1.50-2.75
2001-2005	3,572,606	3,792,531	4,185,912	1.00-1.50
2006-2010	6,677,078	6,819,497	6,887,807	0.70-1.50
2011	1,799,162	1,755,990	—	0.85-1.50
2012	1,949,916	—	—	0.60-1.50
Total	¥33,722,517	¥32,440,249	¥31,557,857	

Notes: 1. Balance of policy reserves shows policy reserves for individual insurance and individual annuities, excluding policy reserves for the separate account and contingency reserve.
2. Assumed interest rate shows the main assumed interest rate on policy reserves for each policy year.

34. Policy Reserves Balance of the General Account Calculation Method and Integers Used as the Basis for Calculations Related to Insurance Policies with Separate Accounts that Guarantee a Minimum Amount of Insurance Benefits

1. Policy reserves balance (general account)

As of March 31	Millions of Yen		
	2013	2012	2011
Policy reserves balance (general account)	¥49	¥2,031	¥2,886

Notes: 1. Applicable to insurance policies (policies applicable to standard policy reserves) as defined in Article 68 of the Ordinance for Enforcement of the Insurance Business Act.
2. Policy reserves balance (general account) includes the premium reserve fund related to minimum guarantees.
3. Applied to insurance policies executed on or after April 1, 2004.

2. Calculation method and integers used as the basis for calculations

In terms of the calculation method, we use the standard method defined in Section 5, No. 1 of Ordinance No. 48 issued by the Ministry of Finance in 1996. Regarding the integers used as the basis for calculations (volatility), the Company uses 0.3% for short-term loans that have not been defined and the amount defined in Section 5, No. 1 (d) of the aforementioned bulletin in all other cases.

35. Confirmation of Reasonableness and Validity of Article 121, Paragraph 1, Item 1 of the Insurance Business Act (Limited to That Relating to Third-Sector Insurance)

1. Method for assuring the appropriateness of the accumulation of policy reserves in the third sector

The stress test and liability adequacy test are conducted based on clear management regulations following risk management policies provided for by law or by the Board of Directors. Necessary accumulated policy reserves are calculated appropriately.

In addition, a test—conducted by the Auditing Department, which is independent of the Accounting Department—ensures the appropriateness of the accumulation.

2. Reasonableness and validity of established standards for risk frequency, etc., in the liability adequacy test and stress test

To provide for uncertainty regarding the worsening of the rate of incidence of insured events, the Company establishes a risk frequency that covers a range beyond what is normally forecasted or a normally forecasted range.

Specifically, this assumes that the future incidence of insured events follows a regular distribution based on the record of past insured events and the historical change of those past events, and that a level covering increased insurance premiums has been set at a uniform probability (99.0% and 97.7%).

3. Results of the liability adequacy test and stress test (insurance reserve fund and contingency reserve)

As of March 31	Millions of Yen		
	2013	2012	2011
Insurance reserve fund	¥ —	¥ —	¥ —
Contingency reserve	3,740	3,784	3,918

36. Reserve for Dividends to Policyholders

Millions of Yen

	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset-formation insurance and annuities		Other insurance	Total
Fiscal year ended March 31								
					2013			
Balance at the end of the previous fiscal year	¥1,068,259	¥ 23,914	¥ 8,655	¥ 7,103	¥ 6,965	¥5,438	¥1,120,336	
Transfer to reserve from surplus in the previous fiscal year	46,268	3,013	109,516	6,078	228	2,208	167,313	
Increase in interest	25,418	388	7	0	16	0	25,830	
Other increases	—	—	—	—	—	—	—	
Policyholder dividends paid out during the fiscal year	93,352	1,966	103,940	6,111	841	2,174	208,387	
Other decreases	—	—	—	—	—	—	—	
Balance at the end of the current fiscal year	¥1,046,593	¥ 25,349	¥ 14,238	¥ 7,070	¥ 6,369	¥5,472	¥1,105,093	
	[743,364]	[12,820]	[2,407]	[17]	[5,748]	[45]	[764,404]	
Fiscal year ended March 31								
					2012			
Balance at the end of the previous fiscal year	¥1,097,015	¥ 22,251	¥ 2,728	¥ 7,969	¥ 6,731	¥7,632	¥1,144,330	
Transfer to reserve from surplus in the previous fiscal year	46,927	3,286	104,413	19,743	1,144	—	175,513	
Increase in interest	26,630	431	7	0	17	0	27,087	
Other increases	—	—	—	—	—	—	—	
Policyholder dividends paid out during the fiscal year	102,313	2,055	98,493	20,609	928	2,194	226,595	
Other decreases	—	—	—	—	—	—	—	
Balance at the end of the current fiscal year	¥1,068,259	¥ 23,914	¥ 8,655	¥ 7,103	¥ 6,965	¥5,438	¥1,120,336	
	[772,009]	[13,163]	[2,341]	[17]	[6,352]	[48]	[793,932]	
Fiscal year ended March 31								
					2011			
Balance at the end of the previous fiscal year	¥1,100,385	¥ 21,415	¥ 1,878	¥ 9,277	¥ 7,633	¥9,550	¥1,150,140	
Transfer to reserve from surplus in the previous fiscal year	79,465	2,307	97,672	19,744	—	—	199,189	
Increase in interest	28,711	473	12	0	29	0	29,228	
Other increases	—	—	—	—	—	—	—	
Policyholder dividends paid out during the fiscal year	111,547	1,944	96,834	21,052	931	1,917	234,228	
Other decreases	—	—	—	—	—	—	—	
Balance at the end of the current fiscal year	¥1,097,015	¥ 22,251	¥ 2,728	¥ 7,969	¥ 6,731	¥7,632	¥1,144,330	
	[804,313]	[13,357]	[2,467]	[38]	[6,161]	[51]	[826,390]	

Note: The numbers in brackets indicate accumulated dividends reserved.

37. Allowance for Doubtful Accounts and Other Reserves

Millions of Yen

As of March 31	2013		2012		2011	
	Amount	Increase/decrease	Amount	Increase/decrease	Amount	Increase/decrease
Allowance for doubtful accounts ¹						
General allowance for doubtful accounts	¥ 5,478	¥ (3,976)	¥ 9,454	¥ (1,049)	¥ 10,504	¥ (976)
Specific allowance for doubtful accounts	3,226	(1,204)	4,431	(8,549)	12,980	(144)
Allowance for specific overseas debt	—	—	—	—	—	—
Accrued bonuses for directors and auditor & corporate auditors ²	52	(0)	53	(4)	57	1
Accrued retirement benefits ³	433,184	(4,236)	437,421	(3,081)	440,503	(10,588)
Accrued retirement benefits for directors and corporate auditors ⁴	4,374	(190)	4,564	(553)	5,118	(811)
Reserve for program points ⁵	9,564	2,326	7,238	2,585	4,652	4,652
Accrued losses from supporting closely related companies ⁶	—	(397)	397	(26)	424	(29)
Reserve for loss on disaster ⁷	—	(739)	739	(1,086)	1,826	1,826
Reserve for price fluctuations in investments in securities ⁸	427,529	93,819	333,710	(13,293)	347,003	(51,008)

* Reasons for recording:

1. Allowance for doubtful accounts is recorded to cover bad-debt losses.
2. Allotted for executive bonus payments and recorded accordingly.
3. Accrued retirement benefits are recorded to prepare for employee retirement benefit and pension payments.
4. Allotted for executive retirement bonus payments.
5. Reserve for program points is recorded to prepare for expenses from the use of points granted to policyholders.
6. Accrued losses from supporting closely related companies are recorded to cover losses related to reconstruction aid.
7. Reserve for loss on disaster is recorded to prepare for expenditures associated with disasters, such as expenditures for the repair of tangible fixed assets.
8. Reserve for price fluctuations in investments in securities is recorded based on the provisions of Article 115 of the Insurance Business Act.

38. Status of Allowance for Specific Overseas Debt

1. Allowance for specific overseas debt

No ending balance as of March 31, 2013, 2012 or 2011.

2. Balance of debt by creditor countries

No ending balance as of March 31, 2013, 2012 or 2011.

39. Insurance Premiums

1. Premiums by payment methods

		Millions of Yen		
Fiscal years ended March 31		2013	2012	2011
Individual insurance		¥3,289,354	¥2,967,949	¥2,680,504
	Lump-sum payment	1,428,706	1,060,517	709,898
	Annual payment	346,867	335,335	338,056
	Semiannual payment	9,968	11,801	12,903
	Monthly payment	1,503,811	1,560,294	1,619,646
Individual annuities		477,150	545,321	532,617
	Lump-sum payment	61,686	150,523	155,209
	Annual payment	97,289	88,822	82,061
	Semiannual payment	4,487	4,715	4,341
	Monthly payment	313,687	301,259	291,005
Group insurance		256,088	256,273	251,808
Group annuities		1,262,405	1,540,043	1,372,042
Total including other premiums		¥5,342,079	¥5,367,387	¥4,895,562

Note: Total including other premiums includes premium revenues from workers' asset-formation insurance, workers' asset-formation annuities, medical life insurance, disability income insurance and reinsurance assumed.

2. Premium revenues by fiscal year

		Millions of Yen, %		
Fiscal years ended March 31		2013	2012	2011
Individual insurance	Initial year premium	¥1,731,138	¥1,445,409	¥1,103,210
Individual annuities	Subsequent year premiums	2,035,365	2,067,861	2,109,912
	Subtotal	3,766,504	3,513,271	3,213,122
Group insurance	Initial year premium	984	2,649	1,824
	Subsequent year premiums	255,103	253,623	249,983
	Subtotal	256,088	256,273	251,808
Group annuities	Initial year premium	15,142	16,645	10,473
	Subsequent year premiums	1,247,263	1,523,398	1,361,568
	Subtotal	1,262,405	1,540,043	1,372,042
Total including other premiums	Initial year premium	1,751,434	1,468,216	1,118,995
	Subsequent year premiums	3,590,645	3,899,170	3,776,567
	Total	5,342,079	5,367,387	4,895,562
	[Percent increase (decrease)]	[(0.5)%]	[9.6%]	[1.6%]

Note: Total including other premiums includes premium revenues from workers' asset-formation insurance, workers' asset-formation annuities, medical life insurance, disability income insurance and reinsurance assumed.

40. Death and Other Claims

1. Amount

Millions of Yen

	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset-formation insurance and annuities	Medical life insurance	Disability income insurance	Reinsurance assumed	Total
Fiscal year ended March 31 2013									
Mortality	¥ 463,272	¥676	¥106,453	¥ —	¥ —	¥14	¥ 0	¥ 89	¥ 570,507
Accident	7,674	31	425	—	217	—	—	—	8,348
Serious disability	62,994	93	8,416	—	—	—	—	15	71,519
Maturity	373,441	31	210	32,523	3,136	—	—	—	409,342
Others	—	—	—	—	—	—	23	—	23
Total	¥ 907,383	¥833	¥115,505	¥32,523	¥3,353	¥14	¥24	¥104	¥1,059,742
Fiscal year ended March 31 2012									
Mortality	¥ 472,961	¥611	¥113,294	¥ —	¥ —	¥19	¥ 0	¥120	¥ 587,007
Accident	15,938	53	607	—	161	—	—	—	16,761
Serious disability	67,053	117	8,341	—	—	—	—	5	75,517
Maturity	460,835	38	225	23,444	3,539	—	—	—	488,083
Others	—	—	—	—	—	—	16	—	16
Total	¥1,016,788	¥820	¥122,469	¥23,444	¥3,701	¥19	¥16	¥125	¥1,167,385
Fiscal year ended March 31 2011									
Mortality	¥ 442,553	¥725	¥114,269	¥ —	¥ —	¥18	¥ 0	¥122	¥ 557,689
Accident	8,193	17	287	—	147	—	—	—	8,645
Serious disability	67,805	95	8,259	—	—	—	—	17	76,178
Maturity	465,744	45	140	22,947	3,659	—	—	—	492,537
Others	—	—	—	—	—	—	2	—	2
Total	¥ 984,297	¥882	¥122,956	¥22,947	¥3,806	¥18	¥ 3	¥140	¥1,135,052

2. Number of claims paid

Number of Claims

	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset-formation insurance and annuities	Medical life insurance	Disability income insurance	Reinsurance assumed	Total
Fiscal year ended March 31 2013									
Mortality	44,978	137	50,579	—	—	359	11	87	96,151
Accident	1,011	16	248	—	11	—	—	—	1,286
Serious disability	15,946	20	3,470	—	—	—	—	10	19,446
Maturity	116,779	301	25	6	3,940	—	—	—	121,051
Others	—	—	—	—	—	—	65	—	65
Total	178,714	474	54,322	6	3,951	359	76	97	237,999
Fiscal year ended March 31 2012									
Mortality	44,828	105	54,605	—	—	431	15	99	100,083
Accident	2,169	25	434	—	31	—	—	—	2,659
Serious disability	16,056	27	3,494	—	—	—	—	5	19,582
Maturity	144,508	993	44	7	4,194	—	—	—	149,746
Others	—	—	—	—	—	—	54	—	54
Total	207,561	1,150	58,577	7	4,225	431	69	104	272,124
Fiscal year ended March 31 2011									
Mortality	40,858	121	54,295	—	—	430	11	95	95,810
Accident	1,064	17	234	—	16	—	—	—	1,331
Serious disability	15,347	17	3,698	—	—	—	—	9	19,071
Maturity	150,003	1,157	21	5	4,791	—	—	—	155,977
Others	—	—	—	—	—	—	23	—	23
Total	207,272	1,312	58,248	5	4,807	430	34	104	272,212

Note: Number of individual insurance policies lists each insurance policy individually for one insurance contract introduced after April 1, 2012 that is constructed from several insurance policy types.

41. Annuity Payments

Millions of Yen, Number of Policies

	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset-formation insurance and annuities	Medical life insurance	Disability income insurance	Reinsurance assumed	Total
Fiscal year ended March 31					2013				
Annuities paid	¥57,391	¥282,140	¥ 2,409	¥ 334,675	¥ 9,575	¥—	¥—	¥12	¥ 686,205
Number of policies	36,081	371,382	38,398	7,932,181	30,321	—	—	25	8,408,388
Fiscal year ended March 31					2012				
Annuities paid	¥67,219	¥265,937	¥ 2,289	¥ 304,414	¥ 9,505	¥—	¥—	¥ 6	¥ 649,373
Number of policies	38,276	338,623	39,817	7,705,506	29,697	—	—	18	8,151,937
Fiscal year ended March 31					2011				
Annuities paid	¥72,152	¥201,623	¥ 2,195	¥ 283,065	¥ 9,443	¥—	¥—	¥ 8	¥ 568,489
Number of policies	39,371	300,395	40,693	7,360,343	29,146	—	—	19	7,769,967

42. Health and Other Benefits

1. Amount

Millions of Yen

	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset-formation insurance and annuities	Medical life insurance	Disability income insurance	Reinsurance assumed	Total
Fiscal year ended March 31					2013				
Hospitalization due to accident benefits	¥ 7,163	¥ 201	¥ 95	¥ —	¥ —	¥ 190	¥—	¥ 3	¥ 7,654
Hospitalization due to illness benefits	67,034	1,579	—	—	—	1,309	—	22	69,946
Disability benefits	3,284	12	62	—	—	—	—	—	3,360
Surgical benefits	48,872	1,386	—	—	—	1,491	—	10	51,760
Survival benefits	164,682	25	—	—	3,312	—	—	—	168,020
Death benefits	5,188	33,618	5	132	533	—	—	—	39,478
Group annuity single benefits	—	—	—	472,188	—	—	—	—	472,188
Other benefits	5	—	3	15,658	—	—	—	6	15,674
Total	¥296,231	¥36,823	¥167	¥487,979	¥3,846	¥2,991	¥—	¥42	¥828,082
Fiscal year ended March 31					2012				
Hospitalization due to accident benefits	¥ 7,599	¥ 191	¥101	¥ —	¥ —	¥ 204	¥—	¥ 2	¥ 8,099
Hospitalization due to illness benefits	68,282	1,590	—	—	—	1,233	—	20	71,127
Disability benefits	3,445	18	72	—	2	—	—	—	3,538
Surgical benefits	49,285	1,362	—	—	—	1,294	—	9	51,952
Survival benefits	181,625	79	—	—	3,344	—	—	—	185,049
Death benefits	5,522	34,123	5	94	529	—	—	—	40,275
Group annuity single benefits	—	—	—	430,662	—	—	—	—	430,662
Other benefits	11	—	3	13,758	—	—	—	6	13,779
Total	¥315,771	¥37,367	¥182	¥444,515	¥3,876	¥2,732	¥—	¥39	¥804,484
Fiscal year ended March 31					2011				
Hospitalization due to accident benefits	¥ 7,618	¥ 187	¥114	¥ —	¥ —	¥ 204	¥—	¥ 0	¥ 8,125
Hospitalization due to illness benefits	66,559	1,577	—	—	—	1,178	—	7	69,322
Disability benefits	3,345	17	51	—	4	—	—	—	3,418
Surgical benefits	47,709	1,340	—	—	—	1,231	—	2	50,285
Survival benefits	190,186	235	—	—	3,993	—	—	—	194,415
Death benefits	5,137	32,001	6	104	646	—	—	—	37,895
Group annuity single benefits	—	—	—	454,404	—	—	—	—	454,404
Other benefits	3	—	6	12,617	—	—	—	2	12,629
Total	¥320,559	¥35,360	¥178	¥467,126	¥4,644	¥2,613	¥—	¥13	¥830,497

42. Health and Other Benefits, continued

2. Number of policies

Number of Policies

	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset-formation insurance and annuities	Medical life insurance	Disability income insurance	Reinsurance assumed	Total
Fiscal year ended March 31 2013									
Hospitalization due to accident benefits	64,342	2,144	3,373	—	—	11,489	—	127	81,475
Hospitalization due to illness benefits	726,246	24,525	—	—	—	19,490	—	1,339	771,600
Disability benefits	31,768	142	166	—	—	—	—	—	32,076
Surgical benefits	401,290	16,059	—	—	—	11,293	—	641	429,283
Survival benefits	507,767	201	—	—	1,449	—	—	—	509,417
Death benefits	4,634	6,898	420	—	272	—	—	—	12,224
Group annuity single benefits	—	—	—	880,839	—	—	—	—	880,839
Other benefits	18	—	297	10	—	—	—	629	954
Total	1,736,065	49,969	4,256	880,849	1,721	42,272	—	2,736	2,717,868
Fiscal year ended March 31 2012									
Hospitalization due to accident benefits	67,199	2,061	3,645	—	—	12,197	—	105	85,207
Hospitalization due to illness benefits	732,489	24,233	—	—	—	17,976	—	1,223	775,921
Disability benefits	32,405	133	180	—	1	—	—	—	32,719
Surgical benefits	402,731	15,566	—	—	—	9,936	—	552	428,785
Survival benefits	556,090	587	—	—	1,567	—	—	—	558,244
Death benefits	5,048	6,821	459	—	279	—	—	—	12,607
Group annuity single benefits	—	—	—	894,322	—	—	—	—	894,322
Other benefits	22	—	315	10	—	—	—	557	904
Total	1,795,984	49,401	4,599	894,332	1,847	40,109	—	2,437	2,788,709
Fiscal year ended March 31 2011									
Hospitalization due to accident benefits	67,039	1,878	3,815	—	—	12,586	—	35	85,353
Hospitalization due to illness benefits	713,979	23,060	—	—	—	17,706	—	427	755,172
Disability benefits	31,958	112	166	—	1	—	—	—	32,237
Surgical benefits	391,832	15,256	—	—	—	9,522	—	160	416,770
Survival benefits	564,482	1,793	—	—	1,810	—	—	—	568,085
Death benefits	4,602	6,310	493	—	270	—	—	—	11,675
Group annuity single benefits	—	—	—	962,446	—	—	—	—	962,446
Other benefits	6	—	434	10	—	—	—	184	634
Total	1,773,898	48,409	4,908	962,456	2,081	39,814	—	806	2,832,372

43. Surrender Benefits

Millions of Yen

	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset-formation insurance and annuities	Medical life insurance	Disability income insurance	Reinsurance assumed	Total
Fiscal years ended March 31									
2013	¥631,254	¥149,350	¥—	¥ 13,748	¥40,140	¥—	¥—	¥—	¥ 834,495
2012	662,065	156,132	—	154,759	38,247	—	—	—	¥1,011,204
2011	696,006	160,067	—	119,529	39,229	—	—	—	¥1,014,833

44. Depreciation

					Millions of Yen, %
	Acquisition cost	Current year depreciation	Accumulated depreciation	Balance as of March 31	Accumulated depreciation percentage
Fiscal year ended March 31					2013
Tangible fixed assets	¥592,481	¥21,667	¥411,655	¥180,826	69.5%
Buildings	525,469	12,715	360,053	165,416	68.5
Lease assets	9,113	1,558	6,406	2,706	70.3
Other tangible fixed assets	57,898	7,393	45,195	12,703	78.1
Intangible fixed assets	199,347	35,363	106,137	93,209	53.2
Others	8,359	808	5,623	2,736	67.3
Total	¥800,188	¥57,839	¥523,416	¥276,772	65.4%
Fiscal year ended March 31					2012
Tangible fixed assets	¥606,258	¥21,562	¥408,877	¥197,381	67.4%
Buildings	525,138	14,313	350,364	174,774	66.7
Lease assets	8,075	2,417	4,878	3,197	60.4
Other tangible fixed assets	73,044	4,831	53,634	19,410	73.4
Intangible fixed assets	200,966	28,042	90,739	110,227	45.2
Others	9,296	906	6,163	3,132	66.3
Total	¥816,522	¥50,511	¥505,780	¥310,742	61.9%
Fiscal year ended March 31					2011
Tangible fixed assets	¥618,128	¥20,051	¥424,865	¥193,262	68.7%
Buildings	542,898	13,294	367,246	175,651	67.6
Lease assets	7,118	2,145	2,474	4,643	34.8
Other tangible fixed assets	68,111	4,611	55,144	12,966	81.0
Intangible fixed assets	149,381	27,122	76,651	72,729	51.3
Others	8,639	861	5,542	3,097	64.2
Total	¥776,149	¥48,035	¥507,060	¥269,089	65.3%

45. Operating Expenses

				Millions of Yen
Fiscal years ended March 31	2013	2012	2011	
Marketing operations	¥225,913	¥230,188	¥227,680	
Marketing administration	80,698	82,843	81,142	
General and administrative expenses	260,308	259,033	265,066	
Total	¥566,920	¥572,065	¥573,889	

Notes: 1. Marketing operations and marketing administration include expenditures for underwriting new policies. Marketing operations primarily include expenses related to new policy solicitation and assessment. Marketing administration primarily includes expenses related to advertising and the sales force.

2. General and administrative expenses include expenditures for managing policies with insurance handling systems and for investment.

3. Nippon Life's contributions to the Life Insurance Policyholders Protection Corporation of Japan, as is stipulated in Article 265-33, Paragraph 1 of the Insurance Business Act, were ¥7,486 million in the fiscal year ended March 31, 2013, ¥7,379 million in the fiscal year ended March 31, 2012 and ¥8,591 million in the fiscal year ended March 31, 2011.

46. Loans by Due Date

									Millions of Yen
	1 year or under	Over 1 year under 3 years	Over 3 years under 5 years	Over 5 years under 7 years	Over 7 years under 10 years	Over 10 years	No fixed maturity	Total	
As of March 31									2013
Loans payable	¥ 9	¥ 6	¥ 3	¥ 2	¥ 2	¥ 0	¥—	¥ 25	
Corporate bonds	—	—	—	—	—	157,040	—	157,040	
Cash received as collateral under securities lending transactions	1,212,021	—	—	—	—	—	—	1,212,021	
As of March 31									2012
Loans payable	¥ 6	¥10	¥ 7	¥ 3	¥ 3	¥ 0	¥—	¥ 32	
Corporate bonds	—	—	—	—	—	—	—	—	
Cash received as collateral under securities lending transactions	935,584	—	—	—	—	—	—	935,584	
As of March 31									2011
Loans payable	¥ 8	¥12	¥ 9	¥ 5	¥ 4	¥ 1	¥—	¥ 41	
Corporate bonds	—	—	—	—	—	—	—	—	
Cash received as collateral under securities lending transactions	1,297,252	—	—	—	—	—	—	1,297,252	

47. Taxes

Fiscal years ended March 31		2013	2012	2011
		Millions of Yen		
National tax		¥19,894	¥20,221	¥18,882
	Consumption tax	13,824	14,313	13,525
	Special local corporate tax	5,715	5,435	4,962
	Documentary stamp tax	354	409	391
	Registration and license tax	0	7	0
	Other national tax	0	55	2
Local tax		17,481	17,170	16,090
	Local consumption tax	3,456	3,578	3,380
	Corporate enterprise tax	7,745	7,012	6,277
	Fixed asset tax	5,323	5,573	5,494
	Real-estate acquisition tax	46	81	65
	Corporate income tax	903	913	865
	Automobile tax	3	6	3
	Other local tax	3	4	4
Total		¥37,376	¥37,392	¥34,972

48. Lease Transactions

Lease Transactions (lessee side)

(1) Non-ownership transfer lease transactions that have been recorded based on normal lease transaction methods

① Pro forma information relating to acquisition cost, accumulated depreciation, and book value of leased assets as of fiscal year-end

As of March 31		2013	2012	2011
		Millions of Yen		
Acquisition cost	Tangible fixed assets	¥732	¥1,536	¥1,485
	Total	¥732	¥1,536	¥1,485
Accumulated depreciation	Tangible fixed assets	¥722	¥1,372	¥1,098
	Total	¥722	¥1,372	¥1,098
Year-end balance of leased properties	Tangible fixed assets	¥ 9	¥ 127	¥ 386
	Total	¥ 9	¥ 127	¥ 386

② Future minimum lease payments year-end balance

Fiscal years ended March 31		2013	2012	2011
		Millions of Yen		
Future minimum lease payments year-end balance	One year and under	¥—	¥114	¥238
	Over one year	—	—	111
	Total	¥—	¥114	¥350

Note: The fiscal year-end balance of future minimum lease payments is calculated using methods that do not deduct interest amounts.

③ Lease fees paid and depreciation

Fiscal years ended March 31		2013	2012	2011
		Millions of Yen		
Lease fees paid		¥113	¥247	¥294
Depreciation		117	272	288

④ Calculation method for depreciation

The straight-line method is applied.

* Until the fiscal year ended March 31, 2008, non-ownership transfer lease transactions were recorded in accordance with normal lease transaction methods; however, from the fiscal year ended March 31, 2009, lease assets beginning on or after April 1, 2008 are recorded in accordance with sales transaction methods.

48. Lease Transactions, continued

Lease Transactions (lessee side), continued

(2) Operating lease contracts

Fiscal year ended March 31		2013	2012	2011
Future minimum lease payments year-end balance	One year and under	¥ 47	¥203	¥239
	Over one year	150	—	203
	Total	¥197	¥203	¥443

Millions of Yen

Lease transactions (lessor side)

(1) Operating lease contracts

Fiscal year ended March 31		2013	2012	2011
Future minimum lease payments year-end balance	One year and under	¥ 6,488	¥ 7,000	¥ 7,593
	Over one year	12,816	15,266	18,592
	Total	¥19,305	¥22,267	¥26,186

Millions of Yen

INDICATORS RELATED TO INVESTMENT (GENERAL ACCOUNT)

49. Overview of the Fiscal Year Ended March 31, 2013 Investment (General Account)

① Investment environment

In the fiscal year ended March 31, 2013, the Japanese economy was stable at the beginning of the period on the back of restoration demand and other factors, but from the summer months onward the economy weakened due to the slump in exports caused by the slowdown of overseas economies. In the fiscal second half, amid the modest recovery in overseas economies, the Japanese economy showed improvement due to solid domestic demand, including a recovery in personal consumption.

- After starting the fiscal year at ¥10,083, the Nikkei Stock Average continued to slump and dropped below ¥8,500 at one point, due to factors such as fears of a U.S. economic slowdown and heightened concerns about the sovereign debt problem in the eurozone. From the middle of November onwards, stock prices moved higher due to heightened expectations for finance and monetary policy action from the government and the Bank of Japan. This, in combination with the weakening of the yen, resulted in the Nikkei Stock Average closing at ¥12,397 at the end of March.
- Having started the fiscal year at 0.99%, the yield on 10-year government bonds fell to 0.77% at the end of September, due to increased concern about the sovereign debt problem in the eurozone as well as continued aggressive monetary easing in both Japan and the U.S. Following this, the 10-year bond yield moved roughly sideways, but towards the end of the fiscal year the yield dropped amid growing expectations for monetary easing by the government and the Bank of Japan, ultimately ending March at 0.56%.
- The foreign exchange rate of the yen against the U.S. dollar began the fiscal year at ¥82.19. The yen subsequently appreciated due to fears about a U.S. economic slowdown and heightened concerns about the sovereign debt problem in the eurozone, with the exchange rate temporarily hitting ¥77.60 in September based on additional monetary easing implemented by the U.S. Following this, there was a correction of the

yen's appreciation against the backdrop of expectations for monetary easing measures by the government and the Bank of Japan. Consequently, the exchange rate reached ¥94.05 at the end of March.

Early in the fiscal year, the yen appreciated against the euro, temporarily reaching the ¥94 level, due to factors such as turmoil surrounding Greece's parliamentary elections and growing anxiety over Spain's debt. Following this, amid the steady progress in the process to stabilize the eurozone sovereign debt problem, there was a correction of the yen's appreciation against the euro based on expectations for monetary easing by the government and the Bank of Japan. Consequently, the exchange rate reached ¥120.73 at the end of March.

② Investment policy

Nippon Life creates portfolios that serve as core medium- to long-term investments, based on its Asset/Liability Management (ALM) approach of appropriately controlling assets and liabilities.

Specifically, to supply the stable long-term yields promised to policyholders, the Company has positioned public and corporate bonds and loans that the Company expects to provide stable Japanese yen-denominated revenue as its primary assets. Furthermore, the Company is working to improve medium- to long-term revenues and is investing in domestic and foreign securities through a process of controlling risk while taking into account management stability with a view to returning profits to policyholders through dividend payouts.

③ Overview of investment results

In the fiscal year ended March 31, 2013, the Company has positioned yen-denominated assets that can be expected to provide stable income, such as bonds and loans, as its core assets. From the perspective of improving profits in the mid-to-long term, the Company invested in assets such as stocks and foreign securities, within the scope of acceptable risk while taking into account business stability.

49. Overview of the Fiscal Year Ended March 31, 2013 Investment (General Account), continued

③ Overview of investment results, continued

Domestic bonds

The Company invested in bonds as sound assets that provide stable interest revenue. Selecting the timing of relatively high interest rates through the fiscal year, the Company replaced low-yield bonds with high-yield long-term bonds, and added such long-term bonds to the portfolio.

Domestic stocks

The Company implemented replacements of issues while focusing its attention on the overall state of returns to investors including corporate profitability and dividends from the point of view of investing for the medium- to long-term, with the goal of increasing portfolio profitability.

Foreign securities

Regarding foreign securities, the Company invested in foreign currency-denominated bonds based on currency movements. Also, the Company increased the balance of foreign bonds that hedge against the risk of exchange rate fluctuations because the difference in domestic and overseas interest rates remained small with a low level of exchange rate hedge cost.

Loans

The Company focused on safe and stable prime lendings by appropriately assessing credit risks.

Real estate

The Company worked to secure profitability through strengthening the competitive edge of its buildings by decreasing vacancy rates and renovating pre-existing properties, among others.

As of March 31	Billions of Yen, %		
	2013	Increase (decrease)*	Breakdown
General Account	¥53,644.0	¥2,169.2	100.0%
Domestic bonds	20,890.6	1,713.1	38.9
Domestic stocks	6,674.8	(349.5)	12.4
Foreign securities	13,198.7	1,084.7	24.6
Loans	8,581.8	(139.8)	16.0
Real estate	1,660.0	(66.9)	3.1

* Indicates asset increase/decrease when the market price valuation of available-for-sale securities is not conducted.

50. Portfolio Trends (General Account)

1. Asset structure

As of March 31	Millions of Yen, %					
	2013		2012		2011	
Cash, deposits and call loans	¥ 649,805	1.2%	¥ 591,447	1.2%	¥ 705,369	
Receivables under resale agreements	—	—	—	—	—	
Receivables under securities borrowing transactions	150,709	0.3	211,928	0.4	392,526	
Monetary receivables purchased	756,320	1.4	883,070	1.8	1,021,145	
Proprietary trading securities	—	—	—	—	—	
Assets held in trust	—	—	—	—	—	
Investments in securities	41,201,247	76.8	36,480,884	73.2	34,492,095	
Domestic bonds	20,890,605	38.9	19,126,950	38.4	17,839,318	
Domestic stocks	6,674,827	12.4	5,836,957	11.7	6,210,867	
Foreign securities	13,198,749	24.6	11,268,871	22.6	10,109,417	
Foreign bonds	9,820,996	18.3	8,590,281	17.2	7,737,585	
Foreign stocks and other securities	3,377,752	6.3	2,678,590	5.4	2,371,831	
Other securities	437,065	0.8	248,105	0.5	332,492	
Loans	8,581,801	16.0	8,721,609	17.5	8,743,389	
Policy loans	835,460	1.6	896,347	1.8	965,794	
Industrial and consumer loans	7,746,341	14.4	7,825,262	15.7	7,777,595	
Real estate	1,660,045	3.1	1,727,034	3.5	1,748,930	
Investment property	1,026,995	1.9	1,083,307	2.2	1,105,738	
Deferred tax assets	—	—	466,934	0.9	742,040	
Other assets	652,780	1.2	793,702	1.6	692,783	
Allowance for doubtful accounts	(8,704)	(0.0)	(13,885)	(0.0)	(23,484)	
Total	¥53,644,005	100.0%	¥49,862,727	100.0%	¥48,514,795	
Foreign currency-denominated assets	¥10,910,506	20.3%	¥ 9,362,147	18.8%	¥ 8,454,919	

Notes: 1. The above assets include cash received as collateral under securities lending transactions. Cash collateral received through these transactions is recorded in liabilities. (As of March 31, 2013: ¥1,212,021 million; March 31, 2012: ¥935,584 million; and March 31, 2011: ¥1,297,252 million.)

2. Real estate is the sum of land, buildings, and construction in progress.

50. Portfolio Trends (General Account), continued

2. Increases/decreases in assets

		Millions of Yen		
Fiscal years ended March 31	2013	2012	2011	
Cash, deposits and call loans	¥ 58,357	¥ (113,921)	¥ 23,470	
Receivables under resale agreements	—	—	—	
Receivables under securities borrowing transactions	(61,219)	(180,597)	240,836	
Monetary receivables purchased	(126,749)	(138,074)	(131,084)	
Proprietary trading securities	—	—	—	
Assets held in trust	—	—	(10,670)	
Investments in securities	4,720,362	1,988,789	863,241	
Domestic bonds	1,763,655	1,287,631	433,829	
Domestic stocks	837,870	(373,910)	(639,147)	
Foreign securities	1,929,877	1,159,454	1,058,977	
Foreign bonds	1,230,715	852,695	1,010,979	
Foreign stocks and other securities	699,162	306,758	47,998	
Other securities	188,959	(84,386)	9,581	
Loans	(139,807)	(21,780)	(27,418)	
Policy loans	(60,886)	(69,447)	(59,864)	
Industrial and consumer loans	(78,921)	47,667	32,445	
Real estate	(66,989)	(21,896)	(20,662)	
Investment property	(56,311)	(22,431)	(17,465)	
Deferred tax assets	(466,934)	(275,105)	307,013	
Other assets	(140,921)	100,919	33,856	
Allowance for doubtful accounts	5,180	9,598	1,121	
Total	¥3,781,278	¥1,347,932	¥1,279,703	
Foreign currency-denominated assets	¥1,548,359	¥ 907,227	¥ 912,086	

Notes: 1. Increases/decreases in cash received as collateral under securities lending transactions are as follows:

Fiscal year ended March 31, 2013: ¥276,436 million increase

Fiscal year ended March 31, 2012: ¥361,667 million decrease

Fiscal year ended March 31, 2011: ¥272,194 million increase

2. Real estate is the sum of land, buildings, and construction in progress.

51. Average Balance and Yield on Primary Assets (General Account)

		Millions of Yen, %					
Fiscal years ended March 31	2013		2012		2011		
	Average balance	Yield	Average balance	Yield	Average balance	Yield	
Cash, deposits and call loans	¥ 366,212	0.04%	¥ 389,418	0.08%	¥ 399,773	0.10%	
Receivables under resale agreements	—	—	—	—	—	—	
Receivables under securities borrowing transactions	147,895	0.10	234,369	0.10	227,811	0.11	
Monetary receivables purchased	829,597	2.07	948,737	2.23	1,112,652	1.59	
Proprietary trading securities	—	—	—	—	—	—	
Assets held in trust	—	—	—	—	8,214	(7.37)	
Investments in securities	36,052,226	2.38	34,064,626	2.61	32,604,841	2.34	
Domestic bonds	19,735,897	2.34	18,582,792	2.21	17,384,110	2.14	
Domestic stocks	4,832,104	0.38	4,969,410	3.08	5,125,489	2.96	
Foreign securities	11,185,339	3.41	10,209,985	3.24	9,743,937	2.47	
Foreign bonds	8,457,193	3.40	7,833,520	3.23	7,523,747	2.94	
Foreign stocks and other securities	2,728,145	3.44	2,376,465	3.27	2,220,189	0.87	
Loans	8,644,311	2.11	8,791,648	2.12	8,692,462	2.15	
Industrial and consumer loans	7,782,715	1.81	7,862,267	1.80	7,700,028	1.8	
Real estate	1,704,962	2.26	1,743,670	2.30	1,768,114	2.6	
Investment property	1,063,814	3.62	1,102,098	3.59	1,117,682	4.05	
General account total	¥49,132,535	2.01%	¥47,844,161	2.15%	¥46,477,421	2.23%	
Overseas investments	¥11,579,600	3.35%	¥10,604,010	3.19%	¥10,205,107	2.43%	

Notes: 1. Yields are calculated by dividing investment income less investment expenses by the daily average book value balance.

2. The amount of overseas investments is the sum of assets denominated in foreign currencies and Japanese yen.

3. Real estate is the sum of land, buildings, and construction in progress.

52. Investment Income (General Account)

Millions of Yen			
Fiscal years ended March 31	2013	2012	2011
Interest, dividends, and other income	¥1,217,010	¥1,198,148	¥1,204,606
Gain on proprietary trading securities	—	—	—
Gain from assets held in trust, net	13	16	—
Gain on sales of securities	192,348	233,923	330,845
Gain on redemptions of securities	284	239	2,120
Gain on derivative financial instruments, net	—	—	—
Foreign exchange gains, net	1,201	—	—
Reversal of allowance for doubtful accounts	4,561	5,964	—
Other investment income	857	2,995	826
Total	¥1,416,277	¥1,441,288	¥1,538,398

53. Investment Expenses (General Account)

Millions of Yen			
Fiscal years ended March 31	2013	2012	2011
Interest expenses	¥ 4,717	¥ 2,658	¥ 2,839
Loss on proprietary trading securities	—	—	—
Loss from assets held in trust, net	—	—	605
Loss on sales of securities	72,088	154,062	253,082
Loss on valuation of securities	98,668	29,364	140,243
Loss on redemptions of securities	30,526	16,265	16,191
Loss on derivative financial instruments, net	176,689	157,980	27,178
Foreign exchange losses, net	—	6,282	7,619
Provision for allowance for doubtful accounts	—	—	—
Write-offs of loans	1	3	0
Depreciation of rental real estate and other assets	23,954	25,848	26,045
Other investment expenses	21,503	21,993	27,296
Total	¥428,149	¥414,459	¥501,102

Note: From the fiscal year ended March 31, 2012, reversal of allowance for doubtful accounts is included in investment income. For the fiscal year ended March 31, 2011, reversal of allowance for doubtful accounts was presented under extraordinary gains and not shown above.

54. Interest, Dividends, and Other Income (General Account)

Millions of Yen			
Fiscal years ended March 31	2013	2012	2011
Interest on deposits and savings	¥ 272	¥ 285	¥ 314
Interest on securities and dividends	935,962	904,267	899,194
Interest on bonds	384,969	367,837	344,077
Domestic stock dividends	131,090	137,826	136,977
Interest/dividends on foreign securities	415,098	395,043	417,674
Interest on loans	178,296	185,293	187,415
Real estate rental income	82,608	85,868	92,155
Total including other income	¥1,217,010	¥1,198,148	¥1,204,606

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

Millions of Yen

Fiscal years ended March 31	2013			2012			2011		
	Change in asset allocation balance	Increase (decrease) from interest variance	Total increase (decrease)	Change in asset allocation balance	Increase (decrease) from interest variance	Total increase (decrease)	Change in asset allocation balance	Increase (decrease) from interest variance	Total increase (decrease)
Interest, dividends, and other income	¥32,264	¥(13,403)	¥18,861	¥35,423	¥(41,880)	¥(6,457)	¥38,137	¥46,950	¥85,088
Cash equivalents and call loans	(21)	(1)	(22)	(10)	(21)	(31)	(96)	(124)	(220)
Securities	52,762	(21,067)	31,694	40,258	(35,185)	5,072	47,566	53,744	101,310
Loans	(3,105)	(3,892)	(6,997)	2,138	(4,260)	(2,121)	(5,550)	(1,317)	(6,868)
Real estate	(1,906)	(1,353)	(3,259)	(1,274)	(5,013)	(6,287)	627	(8,539)	(7,912)

56. Gain on Sales of Securities (General Account)

Millions of Yen

Fiscal years ended March 31	2013	2012	2011
Domestic bonds	¥ 76,133	¥ 43,709	¥ 35,190
Domestic stocks and other securities	54,060	68,433	149,815
Foreign securities	62,155	121,780	145,839
Total including other gains on sales of securities	¥192,348	¥233,923	¥330,845

57. Loss on Sales of Securities (General Account)

Millions of Yen

Fiscal years ended March 31	2013	2012	2011
Domestic bonds	¥ 263	¥ 138	¥ 7,148
Domestic stocks and other securities	56,528	34,992	18,628
Foreign securities	15,295	118,926	227,306
Total including other losses on sales of securities	¥72,088	¥154,062	¥253,082

58. Loss on Valuation of Securities (General Account)

Millions of Yen

Fiscal years ended March 31	2013	2012	2011
Domestic bonds	¥ —	¥ —	¥ —
Domestic stocks and other securities	97,749	26,206	119,372
Foreign securities	675	2,702	20,335
Total including other losses on valuation of securities	¥98,668	¥29,364	¥140,243

59. Securities Composition (General Account)

Millions of Yen, %

As of March 31	2013		2012		2011
Domestic bonds	¥20,890,605	50.7%	¥19,126,950	52.4%	¥17,839,318
National government bonds	16,253,262	39.4	14,403,602	39.5	13,041,407
Local government bonds	1,585,931	3.8	1,579,157	4.3	1,641,609
Corporate bonds	3,051,412	7.4	3,144,190	8.6	3,156,301
Public entity bonds	1,533,462	3.7	1,605,731	4.4	1,566,428
Domestic stocks	6,674,827	16.2	5,836,957	16.0	6,210,867
Foreign securities	13,198,749	32.0	11,268,871	30.9	10,109,417
Foreign bonds	9,820,996	23.8	8,590,281	23.5	7,737,585
Foreign stocks and other securities	3,377,752	8.2	2,678,590	7.3	2,371,831
Other securities	437,065	1.1	248,105	0.7	332,492
Total	¥41,201,247	100.0%	¥36,480,884	100.0%	¥34,492,095
Subordinated bonds	16,001	0.0%	15,949	0.0%	¥ 15,955

60. Securities by Maturity Date (General Account)

Millions of Yen

	1 year or under	Over 1 year through 3 years	Over 3 years through 5 years	Over 5 years through 7 years	Over 7 years through 10 years	Over 10 years	No fixed maturity	Total
As of March 31								
2013								
Investments in securities	¥ 710,738	¥1,817,032	¥3,165,287	¥1,986,236	¥3,639,981	¥21,699,703	¥8,182,266	¥41,201,247
Domestic bonds								
National government bonds	110,859	676,818	1,100,976	484,210	1,479,999	12,400,397	—	16,253,262
Local government bonds	102,645	216,483	489,521	299,512	25,098	452,669	—	1,585,931
Corporate bonds	288,007	449,647	553,956	336,412	162,974	1,260,413	—	3,051,412
Domestic stocks							6,674,827	6,674,827
Foreign securities	196,281	466,508	986,582	847,795	1,841,427	7,462,943	1,397,210	13,198,749
Foreign bonds	188,026	463,376	986,582	813,991	1,770,301	5,598,717	—	9,820,996
Foreign stocks and other securities	8,254	3,131	—	33,803	71,126	1,864,226	1,397,210	3,377,752
Other securities	12,944	7,575	34,248	18,306	130,480	123,280	110,229	437,065
Monetary receivable purchased	58,249	10,203	—	13,287	44,482	630,096	—	756,320
Negotiable certificates of deposit	298,997	—	—	—	—	—	—	298,997
Total	¥1,067,985	¥1,827,236	¥3,165,287	¥1,999,524	¥3,684,464	¥22,329,800	¥8,182,266	¥42,256,565
As of March 31								
2012								
Investments in securities	¥ 467,489	¥1,550,918	¥2,887,049	¥1,996,163	¥3,084,785	¥19,290,491	¥7,203,986	¥36,480,884
Domestic bonds								
National government bonds	184,713	387,443	1,165,878	576,361	1,045,050	11,044,155	—	14,403,602
Local government bonds	86,605	230,908	522,068	221,023	176,353	342,197	—	1,579,157
Corporate bonds	101,598	512,426	590,568	460,585	141,673	1,337,338	—	3,144,190
Domestic stocks							5,836,957	5,836,957
Foreign securities	85,258	413,655	599,556	704,127	1,654,312	6,566,800	1,245,160	11,268,871
Foreign bonds	77,006	409,579	599,539	685,659	1,590,918	5,227,577	—	8,590,281
Foreign stocks and other securities	8,251	4,076	16	18,468	63,394	1,339,222	1,245,160	2,678,590
Other securities	9,312	6,484	8,978	34,065	67,395	—	121,868	248,105
Monetary receivable purchased	80,688	1,011	10,456	14,508	44,092	732,314	—	883,070
Negotiable certificates of deposit	250,997	—	—	—	—	—	—	250,997
Total	¥ 799,175	¥1,551,930	¥2,897,506	¥2,010,672	¥3,128,877	¥20,022,805	¥7,203,986	¥37,614,953
As of March 31								
2011								
Investments in securities	¥ 849,917	¥1,223,191	¥1,932,631	¥3,081,321	¥3,013,631	¥16,810,952	¥7,580,448	¥34,492,095
Domestic bonds								
National government bonds	588,779	324,884	710,788	1,466,365	974,519	8,976,071	—	13,041,407
Local government bonds	134,727	193,467	237,745	494,595	334,549	246,524	—	1,641,609
Corporate bonds	103,176	402,433	459,120	549,474	387,705	1,254,390	—	3,156,301
Domestic stocks							6,210,867	6,210,867
Foreign securities	13,349	301,945	513,595	542,060	1,270,964	6,333,966	1,133,534	10,109,417
Foreign bonds	5,513	294,805	512,172	542,060	1,214,231	5,168,802	—	7,737,585
Foreign stocks and other securities	7,836	7,139	1,423	—	56,733	1,165,164	1,133,534	2,371,831
Other securities	9,884	459	11,382	28,825	45,893	—	236,046	332,492
Monetary receivable purchased	46,123	12,578	11,539	—	40,732	910,171	—	1,021,145
Negotiable certificates of deposit	422,995	—	—	—	—	—	—	422,995
Total	¥1,319,037	¥1,235,769	¥1,944,171	¥3,081,321	¥3,054,363	¥17,721,123	¥7,580,448	¥35,936,236

61. Bond Yields (General Account)

	%		
As of March 31	2013	2012	2011
Domestic bonds	2.01%	2.05%	2.04%
Foreign bonds	3.86	3.93	4.26
Japanese yen-denominated	1.98	2.00	2.05
Foreign currency-denominated	4.15	4.23	4.58

62. Stocks Held—Breakdown by Industry (General Account)

		Millions of Yen, %						
As of March 31	2013		2012		2011			
Fishery, agriculture and forestry	¥	2,986	0.0%	¥	2,911	0.0%	¥	2,729
Mining		3,456	0.1		2,645	0.0		2,714
Construction		101,003	1.5		76,524	1.3		73,875
Manufacturing								
Food		213,644	3.2		171,744	2.9		168,874
Textiles and apparel		84,982	1.3		83,551	1.4		83,945
Pulp and paper		19,834	0.3		22,324	0.4		22,796
Chemicals		532,824	8.0		485,908	8.3		498,985
Pharmaceuticals		647,354	9.7		490,219	8.4		502,074
Oil and coal products		26,497	0.4		23,468	0.4		27,717
Rubber products		75,156	1.1		54,177	0.9		47,802
Glass and ceramic products		65,671	1.0		74,028	1.3		93,752
Iron and steel		157,090	2.4		151,597	2.6		188,347
Nonferrous metals		68,111	1.0		68,685	1.2		72,603
Metal products		33,017	0.5		29,860	0.5		29,211
Machinery		390,225	5.8		343,037	5.9		364,524
Electric appliances		660,185	9.9		650,727	11.1		748,116
Transportation equipment		1,099,167	16.5		860,668	14.7		873,256
Precision instruments		91,751	1.4		83,139	1.4		122,246
Other products		68,854	1.0		66,858	1.1		74,671
Electric power and gas		342,035	5.1		398,793	6.8		495,964
Transportation, information and communication								
Land transportation		448,800	6.7		327,087	5.6		303,022
Marine transportation		10,480	0.2		12,422	0.2		15,717
Air transportation		7,836	0.1		10,383	0.2		10,983
Warehousing and harbor transportation services		10,743	0.2		8,693	0.1		8,711
Information and communication		94,819	1.4		87,613	1.5		82,701
Trade and services								
Wholesale trade		249,168	3.7		227,808	3.9		228,836
Retail trade		168,049	2.5		154,565	2.6		138,647
Finance and insurance								
Banking		654,061	9.8		599,117	10.3		640,427
Securities and trading		60,822	0.9		43,318	0.7		51,579
Insurance		98,350	1.5		84,789	1.5		91,111
Other financial services		36,912	0.6		26,277	0.5		40,261
Real estate		50,719	0.8		34,809	0.6		30,754
Services		100,211	1.5		79,197	1.4		73,903
Total		¥6,674,827	100.0%		¥5,836,957	100.0%		¥6,210,867

63. Loans (General Account)

		Millions of Yen				
As of March 31	2013	2012	2011			
Policy loans	¥	835,460	¥	896,347	¥	965,794
Premium loans		66,298		71,583		78,262
Policyholder loans		769,162		824,764		887,532
Industrial and consumer loans		7,746,341		7,825,262		7,777,595
[Loans to non-residents]		[265,838]		[274,425]		[312,290]
Corporate loans—international and domestic		5,712,061		5,913,610		5,904,401
[Corporate loans—domestic]		[5,535,232]		[5,733,491]		[5,704,646]
Loans to national, international and government-affiliated organizations		76,400		82,042		111,215
Loans to public entities		512,521		397,481		333,311
Housing loans		911,156		952,080		979,893
Consumer loans		495,764		458,462		425,659
Other loans		38,436		21,584		23,114
Total		¥ 8,581,801		¥ 8,721,609		¥ 8,743,389

64. Industrial and Consumer Loans by Maturity Dates (General Account)

								Millions of Yen
	1 year or under	Over 1 year through 3 years	Over 3 years through 5 years	Over 5 years through 7 years	Over 7 years through 10 years	Over 10 years	Maturity not fixed	Total
As of March 31								
								2013
Fixed rate loans	¥ 967,092	¥1,549,340	¥1,403,652	¥875,336	¥1,102,125	¥1,465,956	¥—	¥7,363,503
Variable rate loans	42,409	65,102	49,903	45,159	51,185	129,076	—	382,837
Total loans	¥1,009,501	¥1,614,443	¥1,453,556	¥920,495	¥1,153,311	¥1,595,033	¥—	¥7,746,341
As of March 31								
								2012
Fixed rate loans	¥ 990,889	¥1,653,576	¥1,244,438	¥1,086,380	¥1,079,841	¥1,321,257	¥—	¥7,376,384
Variable rate loans	51,625	81,509	58,875	51,935	58,352	146,579	—	448,877
Total loans	¥1,042,515	¥1,735,085	¥1,303,314	¥1,138,316	¥1,138,193	¥1,467,836	¥—	¥7,825,262
As of March 31								
								2011
Fixed rate loans	¥1,026,971	¥1,729,053	¥1,300,392	¥1,095,238	¥1,052,934	¥1,068,186	¥—	¥7,272,776
Variable rate loans	79,998	93,153	66,435	50,525	64,314	150,390	—	504,818
Total loans	¥1,106,970	¥1,822,206	¥1,366,828	¥1,145,764	¥1,117,249	¥1,218,576	¥—	¥7,777,595

65. Loans to Domestic Companies by Company Size (General Account)

		Number of Borrowers, Millions of Yen, %					
As of March 31		2013		2012		2011	
Large companies	Number of borrowers	984	44.0%	975	44.2%	951	
	Amount of loans	¥5,034,444	91.0	¥5,187,395	90.5	¥5,084,527	
Medium-sized companies	Number of borrowers	319	14.3	317	14.4	352	
	Amount of loans	¥ 61,251	1.1	¥ 73,716	1.3	¥ 114,567	
Small companies	Number of borrowers	935	41.8	913	41.4	908	
	Amount of loans	¥ 439,537	7.9	¥ 472,379	8.2	¥ 505,551	
Total loans to domestic companies	Number of borrowers	2,238	100.0	2,205	100.0	2,211	
	Total amount of loans	¥5,535,232	100.0%	¥5,733,491	100.0%	¥5,704,646	

Notes: 1. Classifications are defined as follows.

2. Number of borrowers is the number of borrowers identified by name and is not the number of loans.

Company size	Industry Type			
	1. All industries (excluding 2-4)		2. Retail and restaurants	
Large companies	More than 300 employees and	Paid-in capital ¥1 billion or more	More than 50 employees and	Paid-in capital ¥1 billion or more
Medium-sized companies	More than 300 employees and	Paid-in capital between ¥0.3 billion and ¥1 billion	More than 50 employees and	Paid-in capital between ¥0.05 billion and ¥1 billion
Small companies	Paid-in capital under ¥0.3 billion or 300 employees or less		Paid-in capital under ¥0.05 billion or 50 employees or less	
	3. Services		4. Wholesale	
Large companies	More than 100 employees and	Paid-in capital ¥1 billion or more	More than 100 employees and	Paid-in capital ¥1 billion or more
Medium-sized companies	More than 100 employees and	Paid-in capital between ¥0.05 billion and ¥1 billion	More than 100 employees and	Paid-in capital between ¥0.1 billion and ¥1 billion
Small companies	Paid-in capital under ¥0.05 billion or 100 employees or less		Paid-in capital under ¥0.1 billion or 100 employees or less	

66. Breakdown of Industrial and Consumer Loans by Industry (General Account)

		Millions of Yen, %			
As of March 31	2013		2012		2011
Domestic					
Manufacturing	¥1,559,515	20.1%	¥1,572,744	20.1%	¥1,604,335
Food	105,889	1.4	106,005	1.4	110,617
Textiles and apparel	48,449	0.6	49,357	0.6	54,349
Wood, wood products	1,686	0.0	2,061	0.0	2,142
Pulp and paper	92,119	1.2	83,294	1.1	83,570
Printing	21,362	0.3	23,310	0.3	24,562
Chemicals	287,866	3.7	280,130	3.6	280,317
Oil and coal products	80,314	1.0	85,118	1.1	85,851
Ceramics, soil and stone	49,728	0.6	41,550	0.5	28,207
Iron and steel	234,420	3.0	242,157	3.1	234,526
Nonferrous metals	33,140	0.4	34,292	0.4	38,903
Metal products	12,393	0.2	13,169	0.2	14,633
General purpose, production, and industrial machinery	135,806	1.8	123,719	1.6	122,656
Electric appliances	157,942	2.0	173,350	2.2	223,443
Transportation equipment	247,424	3.2	264,523	3.4	248,467
Other manufacturing products	50,971	0.7	50,702	0.6	52,084
Agriculture and forestry	2	0.0	3	0.0	4
Fishery	2,000	0.0	1,000	0.0	1,000
Mining, quarrying and gravel mining	9,399	0.1	8,473	0.1	10,014
Construction	41,944	0.5	42,100	0.5	42,489
Electric power, gas, heat supply and waterworks	1,128,989	14.6	1,031,926	13.2	866,318
Information and communication	189,541	2.4	197,338	2.5	153,241
Logistics and postal services	726,274	9.4	719,868	9.2	713,014
Wholesale trade	895,236	11.6	884,843	11.3	887,047
Retail trade	55,417	0.7	56,383	0.7	60,575
Financing and insurance	644,056	8.3	745,244	9.5	820,697
Real estate	342,142	4.4	340,180	4.3	346,814
Rental and leasing services	250,359	3.2	292,199	3.7	323,234
Professional, scientific, and technical services	1,605	0.0	1,312	0.0	11,443
Lodging	5,783	0.1	5,829	0.1	7,513
Restaurants	5,583	0.1	6,084	0.1	5,624
Lifestyle and leisure	12,408	0.2	15,087	0.2	11,102
Education and training	2,544	0.0	2,837	0.0	3,663
Medical and welfare	2,464	0.0	2,967	0.0	3,105
Other services	3,539	0.0	3,915	0.1	5,410
Local organizations and public entities	194,210	2.5	208,948	2.7	181,896
Individuals (residential/consumption/local taxes/other)	1,407,479	18.2	1,411,545	18.0	1,406,755
Subtotal	7,480,502	96.6	7,550,837	96.5	7,465,304
Overseas					
Governments and public entities	89,009	1.1	94,306	1.2	112,535
Financial institutions	25,000	0.3	33,000	0.4	53,000
Commerce and industry	151,829	2.0	147,118	1.9	146,754
Subtotal	265,838	3.4	274,425	3.5	312,290
Total loans	¥7,746,341	100.0%	¥7,825,262	100.0%	¥7,777,595

67. Breakdown of Industrial and Consumer Loans by Use (General Account)

As of March 31	Millions of Yen, %				
	2013		2012		2011
Capital investments	¥2,703,280	34.9%	¥2,715,990	34.7%	¥2,615,001
Operations	5,043,060	65.1	5,109,271	65.3	5,162,593
Total loans	¥7,746,341	100.0%	¥7,825,262	100.0%	¥7,777,595

68. Breakdown of Loans by Region (General Account)

As of March 31	Millions of Yen, %				
	2013		2012		2011
Hokkaido	¥ 62,788	1.1%	¥ 52,854	0.9%	¥ 33,699
Tohoku	130,950	2.4	135,223	2.4	94,409
Kanto	3,588,961	64.8	3,774,289	65.8	3,875,535
Chubu	509,733	9.2	475,527	8.3	443,536
Kinki	819,400	14.8	870,594	15.2	872,971
Chugoku	146,981	2.7	135,232	2.4	128,010
Shikoku	110,777	2.0	112,445	2.0	114,372
Kyushu	165,638	3.0	177,325	3.1	142,110
Total	¥5,535,232	100.0%	¥5,733,491	100.0%	¥5,704,646

Notes: 1. Excludes personal loans, loans to non-residents and policy loans.

2. Regional classifications are based on the location of the headquarters of borrowers.

69. Breakdown of Loans by Collateral (General Account)

As of March 31	Millions of Yen, %				
	2013		2012		2011
Secured loans	¥ 43,855	0.6%	¥ 54,155	0.7%	¥ 64,296
Loans secured by securities	8,876	0.1	11,575	0.1	14,469
Loans secured by real estate, movables and foundations	31,238	0.4	37,110	0.5	42,320
Loans secured by personal guarantees	3,741	0.0	5,469	0.1	7,506
Guarantee loans	233,555	3.0	259,295	3.3	273,858
Fiduciary loans	6,062,009	78.3	6,101,268	78.0	6,033,886
Other loans	1,406,920	18.2	1,410,542	18.0	1,405,553
Ordinary loans	¥7,746,341	100.0%	¥7,825,262	100.0%	¥7,777,595
Subordinated loans	¥ 327,000	4.2%	¥ 374,500	4.8%	¥ 385,000

70. Appraisal Value of Real Estate (General Account)

As of March 31	Billions of Yen		
	2013	2012	2011
Land and land lease rights			
Balance sheet amount	¥1,224.1	¥1,280.0	¥1,284.2
Market value (appraisal value)	1,170.8	1,216.8	1,246.8
Net unrealized gains/losses	1	(53.3)	(37.3)
Gain	153.8	160.0	165.9
Loss	(207.1)	(223.2)	(203.3)
Revaluation differences	2	44.6	74.9
	1+2	¥ (8.6)	¥ 11.7
		¥ 11.7	¥ 44.5

Notes: 1. Appraisal value is based on the value of land disclosed to the public.

2. In accordance with the Act on Revaluation of Land, business-use land was revalued and net valuation gains/losses were recorded on the balance sheets.

3. For revaluation differences 2, the difference between the amount revalued and the historical cost, net of tax, has been credited to revaluation reserve for land in net assets, resulting in deferred tax liabilities for land revaluation being included in liabilities.

71. Amount of Real Estate and Numbers Held (General Account)

As of March 31	Millions of Yen, Number of Buildings		
	2013	2012	2011
Amount of real estate	¥1,660,045	¥1,727,034	¥1,748,930
For business operations	633,049	643,727	643,192
For lease	1,026,995	1,083,307	1,105,738
Number of buildings held for leasing	359	386	389

Note: Amount of real estate is recorded as the total of land, buildings and construction in progress.

72. Tangible Fixed Assets (General Account)

	Millions of Yen, %						
	Ending balance of prior period	Increase in current period	Decrease in current period	Depreciation in current period	Ending balance of current period	Accumulated depreciation	Accumulated depreciation percentage
Fiscal year ended March 31	2013						
Land	¥1,198,419	¥ 9,772	¥ 63,848 [10,772]	¥ —	¥1,144,344	¥ —	—%
Buildings	515,114	19,290	13,627 [5,693]	36,209	484,567	1,072,295	68.9
Lease assets	3,205	1,067	—	1,560	2,713	6,410	70.3
Construction in progress	13,500	42,025	24,392	—	31,132	—	—
Other tangible fixed assets	20,163	1,814	797	7,636	13,543	54,287	80.0
Total	¥1,750,402	¥73,971	¥102,666 [16,466]	¥45,406	¥1,676,301	¥1,132,993	—%
Of which assets are being leased	1,088,462	38,065	55,913 [15,493]	23,494	1,047,120	716,278	—%
Fiscal year ended March 31	2012						
Land	¥1,202,499	¥11,308	¥15,387 [9,084]	¥ —	¥1,198,419	¥ —	—%
Buildings	523,417	37,179	5,818 [4,789]	39,664	515,114	1,073,647	67.6
Lease assets	4,652	971	0	2,419	3,205	4,880	60.4
Construction in progress	23,014	35,214	44,728	—	13,500	—	—
Other tangible fixed assets	13,659	11,826	230	5,092	20,163	62,807	75.7
Total	¥1,767,242	¥96,500	¥66,164 [13,874]	¥47,175	¥1,750,402	¥1,141,335	—%
Of which assets are being leased	¥1,114,812	¥36,280	¥37,279 [13,508]	¥25,351	¥1,088,462	¥ 728,942	—%
Fiscal year ended March 31	2011						
Land	¥1,208,797	¥ 1,468	¥ 7,766 [4,443]	¥ —	¥1,202,499	¥ —	—%
Buildings	534,557	35,971	8,232 [7,097]	38,879	523,417	1,059,221	66.9
Lease assets	2,917	3,898	16	2,146	4,652	2,475	34.7
Construction in progress	26,238	40,038	43,262	—	23,014	—	—
Other tangible fixed assets	16,404	2,467	359	4,853	13,659	63,883	82.4
Total	¥1,788,915	¥ 83,844	¥59,638 [11,541]	¥45,879	¥1,767,242	¥1,125,580	—%
Of which assets are being leased	¥1,132,973	¥ 24,860	¥17,428 [6,669]	¥25,593	¥1,114,812	¥ 700,863	—%

Notes: 1. Figures in brackets under the decrease in current period column indicate impairment losses.

2. The accumulated depreciation percentage shows the accumulated depreciation versus acquisition cost.

3. Investment and rental properties shown in "Increase in current period" and "Decrease in current period" include those occurring due to changes in application.

73. Gain and Loss on Disposals of Fixed Assets (General Account)

Fiscal years ended March 31	Millions of Yen					
	2013		2012		2011	
	Gain	Loss	Gain	Loss	Gain	Loss
Tangible fixed assets	¥4,138	¥28,777	¥72	¥6,474	¥1,572	¥5,863
Land	2,724	23,160	69	2,304	546	677
Buildings	1,405	4,718	0	3,911	1,025	4,764
Lease assets	—	—	—	—	—	16
Other assets	8	898	2	258	0	404
Intangible fixed assets	—	2,116	—	0	4	22
Others	—	236	—	539	10	591
Total	¥4,138	¥31,130	¥72	¥7,013	¥1,588	¥6,476
Of which assets are being leased	¥4,045	¥15,624	¥70	¥4,211	¥1,530	¥4,296

74. Depreciation on Tangible Fixed Assets, Intangible Fixed Assets and Other Assets Held for Leasing (General Account)

Fiscal year ended March 31	Millions of Yen, %				
	Acquisition cost	Depreciation in current period	Accumulated depreciation	Balance at end of current period	Accumulated depreciation percentage
	2013				
Tangible fixed assets	¥1,041,335	¥23,738	¥721,337	¥319,997	69.3%
Buildings	1,031,393	23,493	712,242	319,151	69.1
Lease assets	9	1	3	6	38.1
Others	9,931	243	9,092	839	91.5
Intangible fixed assets	—	—	—	—	—
Other assets	4,332	215	2,715	1,617	62.7
Total	¥1,045,667	¥23,954	¥724,053	¥321,614	69.2%
2012					
Tangible fixed assets	¥1,073,558	¥25,613	¥732,457	¥341,100	68.2%
Buildings	1,063,622	25,351	723,282	340,340	68.0
Lease assets	9	1	2	7	23.8
Others	9,926	260	9,173	753	92.4
Intangible fixed assets	—	—	—	—	—
Other assets	4,947	235	3,155	1,792	63.8
Total	¥1,078,506	¥25,848	¥735,613	¥342,893	68.2%
2011					
Tangible fixed assets	¥1,049,163	¥25,827	¥700,714	¥348,449	66.8%
Buildings	1,039,740	25,585	691,974	347,765	66.6
Lease assets	9	0	0	8	9.5
Others	9,413	241	8,738	675	92.8
Intangible fixed assets	—	—	—	—	—
Other assets	4,835	217	2,897	1,937	59.9
Total	¥1,053,999	¥26,045	¥703,612	¥350,386	66.8%

75. Status of Overseas Loans and Investments (General Account)

1. Breakdown by asset composition

		2013		2012		2011	
As of March 31							
Millions of Yen, %							
Foreign currency-denominated assets							
Foreign bonds	¥ 8,671,195	63.2%	¥ 7,460,408	62.9%	¥ 6,710,389		
Foreign stocks	443,450	3.2	341,330	2.9	240,265		
Cash and cash equivalents	1,795,860	13.1	1,560,409	13.1	1,504,264		
Subtotal	10,910,506	79.6	9,362,147	78.9	8,454,919		
Foreign currency-denominated assets with fixed yen value							
Foreign bonds	—	—	—	—	—		
Cash and cash equivalents	161,059	1.2	153,066	1.3	157,036		
Subtotal	161,059	1.2	153,066	1.3	157,036		
Japanese yen-denominated assets							
Loans to non-residents	144,801	1.1	161,411	1.4	195,247		
Foreign bonds and other assets	2,493,379	18.2	2,190,871	18.5	1,843,189		
Subtotal	2,638,180	19.2	2,352,283	19.8	2,038,437		
Net overseas loans and investment	¥13,709,746	100.0%	¥11,867,497	100.0%	¥10,650,393		
Overseas real estate	¥ 251,860	1.8%	¥ 233,480	2.0%	¥ 222,137		

Note: Foreign currency-denominated assets with fixed yen value are recorded under assets on the balance sheets at the fixed yen value that was determined at settlement with foreign exchange forward contracts.

2. Overseas loans and investments by geographic area

		Millions of Yen, %							
		Foreign securities							
				Bonds		Stocks and other securities		Loans to non-residents	
		Value	Percent	Value	Percent	Value	Percent	Value	Percent
As of March 31		2013							
North America	¥ 5,362,591	40.6%	¥5,043,477	51.4%	¥ 319,114	9.4%	¥131,037	49.3%	
Europe	4,244,925	32.2	3,814,799	38.8	430,126	12.7	61,400	23.1	
Oceania	415,465	3.1	412,242	4.2	3,223	0.1	5,843	2.2	
Asia	301,301	2.3	130,996	1.3	170,304	5.0	185	0.1	
Central and South America	2,700,068	20.5	245,084	2.5	2,454,983	72.7	19,139	7.2	
Middle East	—	—	—	—	—	—	—	—	
Africa	—	—	—	—	—	—	6,333	2.4	
International organizations	174,395	1.3	174,395	1.8	—	—	41,900	15.8	
Total	¥13,198,749	100.0%	¥9,820,996	100.0%	¥3,377,752	100.0%	¥265,838	100.0%	
As of March 31		2012							
North America	¥ 4,935,542	43.8%	¥4,709,175	54.8%	¥ 226,367	8.5%	¥123,013	44.8%	
Europe	3,424,462	30.4	3,095,824	36.0	328,638	12.3	74,400	27.1	
Oceania	379,770	3.4	377,786	4.4	1,984	0.1	6,182	2.3	
Asia	240,941	2.1	123,353	1.4	117,587	4.4	300	0.1	
Central and South America	2,208,668	19.6	204,655	2.4	2,004,013	74.8	21,672	7.9	
Middle East	—	—	—	—	—	—	6	0.0	
Africa	—	—	—	—	—	—	6,949	2.5	
International organizations	79,485	0.7	79,485	0.9	—	—	41,900	15.3	
Total	¥11,268,871	100.0%	¥8,590,281	100.0%	¥2,678,590	100.0%	¥274,425	100.0%	
As of March 31		2011							
North America	¥ 4,263,639	42.2%	¥4,036,656	52.2%	¥ 226,983	9.6%	¥127,042	40.7%	
Europe	3,124,302	30.9	2,845,402	36.8	278,899	11.8	99,400	31.8	
Oceania	533,741	5.3	533,741	6.9	—	—	—	—	
Asia	94,888	0.9	72,240	0.9	22,647	1.0	699	0.2	
Central and South America	2,042,217	20.2	198,916	2.6	1,843,301	77.7	18,204	5.8	
Middle East	—	—	—	—	—	—	87	0.0	
Africa	—	—	—	—	—	—	7,565	2.4	
International organizations	50,627	0.5	50,627	0.7	—	—	59,291	19.0	
Total	¥10,109,417	100.0%	¥7,737,585	100.0%	¥2,371,831	100.0%	¥312,290	100.0%	

Note: Applies only to foreign securities and loans to non-residents among overseas investments.

75. Status of Overseas Loans and Investments (General Account), continued

3. Composition of foreign currency-denominated assets by currency

As of March 31	2013		2012		2011
	Millions of Yen, ¥	%	Millions of Yen, ¥	%	Millions of Yen, ¥
U.S. Dollar	6,222,480	57.0%	5,661,066	60.5%	4,979,491
Euro	2,023,973	18.6	1,402,910	15.0	1,419,320
British pound	1,349,129	12.4	1,269,020	13.6	1,106,365
Australian dollar	791,527	7.3	698,736	7.5	784,170
Poland Zloty	295,751	2.7	196,939	2.1	128,143
India Rupee	69,889	0.6	48,918	0.5	—
Others	157,753	1.4	84,555	0.9	37,427
Net foreign currency-denominated assets	¥10,910,506	100.0%	¥9,362,147	100.0%	¥8,454,919

Note: The six currencies are broken down and shown by rank in terms of their outstanding balance as of March 31, 2013.

76. Yield on Overseas Loans and Investments (General Account)

Fiscal years ended March 31	2013	2012	2011
Yield on overseas loans and investments	3.35%	3.19%	2.43%

Notes: 1. Yield is calculated by dividing investment income less investment expenses by the daily average balance based on book value.
2. Overseas loans and investments are the total of assets denominated in foreign currencies and Japanese yen.

77. Summary of New Public-Sector Investment Underwriting and Loans (General Account)

Fiscal years ended March 31		2013		2012		2011
		Millions of Yen, ¥	%	Millions of Yen, ¥	%	Millions of Yen, ¥
Public bonds	National government bonds	¥232,369	97.8%	¥ 18,032	15.0%	¥ 70,107
	Local government bonds	—	—	—	—	—
	Subtotal	232,369	97.8	18,032	15.0	70,107
Loans	Public corporations and agencies	4,115	1.7	59,635	49.7	56,047
	Other public entities	1,076	0.5	42,268	35.2	101,454
	Subtotal	5,191	2.2	101,903	85.0	157,501
Total		¥237,560	100.0%	¥119,935	100.0%	¥227,609

78. Breakdown of Other Assets (General Account)

Fiscal year ended March 31	Millions of Yen				
	Acquisition cost	Increase in current period	Decrease in current period	Accumulated depreciation	Balance at end of current period
Fiscal year ended March 31	2013				
Deferred assets	¥ 8,430	¥ 391	¥ 159	¥5,369	¥ 3,293
Others	18,387	2,105	10,797	2,969	6,725
Total	¥26,817	¥2,496	¥10,956	¥8,338	¥10,019
Fiscal year ended March 31	2012				
Deferred assets	¥ 9,519	¥1,153	¥ 692	¥6,112	¥ 3,867
Others	20,307	2,187	4,103	3,210	15,181
Total	¥29,827	¥3,340	¥4,796	¥9,323	¥19,049
Fiscal year ended March 31	2011				
Deferred assets	¥ 8,311	¥1,812	¥ 459	¥5,370	¥ 4,294
Others	20,193	1,928	1,813	3,070	17,237
Total	¥28,504	¥3,740	¥2,273	¥8,440	¥21,531

79. Loan Interest Rates

										Dates, %			
										Type of loan			
Prime rate (extra long-term 10-year prime rate loans)	Prime rate (long-term prime rate loans)	Housing loans						Consumer loans					
		Fixed interest rate	Variable interest rate optional with fixed interest rate	Variable interest rate (long-term loans)	Variable interest rate (short-term loans)	Fixed interest rate	Variable interest rate (long-term loans)	Variable interest rate (short-term loans)					
Fiscal year ending March 31										2014			
4/10	1.30	4/10	1.20							4/17	1.20	4/17	1.50
Fiscal year ending March 31										2013			
5/10	1.40	5/10	1.30	4/17	3.97-4.43	4/17	3.14-4.11			4/17	3.97-4.11		
				5/17	3.92-4.38	5/17	3.14-4.06	5/17	1.30	5/17	3.92-4.06	5/17	1.60
				6/15	3.86-4.32	6/15	3.14-4.00			6/15	3.86-4.00		
7/10	1.35	7/10	1.25					7/18	1.25	7/18	3.81-3.95	7/18	1.55
11/9	1.30	11/9	1.20					12/18	1.20	12/18	3.66-3.90	11/16	1.50
2/8	1.25	2/8	1.15					2/18	1.15	2/18	3.66-3.95	2/18	1.45
Fiscal year ended March 31										2012			
4/8	1.80	4/8	1.70							4/15	1.70	4/15	2.00
5/10	1.65	5/10	1.55							5/17	1.55	5/17	1.85
6/10	1.60	6/10	1.50	6/17	4.04-4.62	6/17	3.14-4.28	6/17	1.50	6/17	4.04-4.28	6/17	1.80
				7/15	4.01-4.57	7/15	3.14-4.23			7/15	4.01-4.23		
8/10	1.45	8/10	1.35					8/17	1.35	8/17	3.97-4.19	8/17	1.65
9/9	1.50	9/9	1.40					9/16	1.40	9/16	3.92-4.11	9/16	1.70
				10/19	3.92-4.38	10/19	3.14-4.06			10/19	3.92-4.06		
3/9	1.45	3/9	1.35							3/16	1.35	3/16	1.65
Fiscal year ended March 31										2011			
4/9	1.80	4/9	1.65							4/16	1.65	4/16	1.95
5/11	1.70	5/11	1.60	5/18	4.00-4.47			5/18	1.60	5/18	1.90		
6/10	1.55	6/10	1.45	6/17	3.95-4.42	6/17	3.05-4.08	6/17	1.45	6/17	3.95-4.08	6/17	1.75
				7/16	3.88-4.35	7/16	3.05-4.01			7/16	3.88-4.01		
8/10	1.50	8/10	1.40					8/17	1.40	8/17	3.83-3.96	8/17	1.70
9/10	1.55	9/10	1.45					9/17	1.45	9/17	3.80-3.93	9/17	1.75
10/8	1.40	10/8	1.30					10/18	1.30	10/18	3.85-4.01	10/18	1.60
11/10	1.50	11/10	1.40					11/17	1.40	11/17	3.82-3.98	11/17	1.70
12/10	1.70	12/10	1.60					12/17	1.60	12/17	4.02-4.18	12/17	1.90
1/12	1.60	1/12	1.50					1/19	1.50	1/19	4.07-4.23	1/19	1.80
2/10	1.75	2/10	1.65					2/18	1.65	2/18	4.07-4.33	2/18	1.95
3/10	1.70	3/10	1.60					3/17	1.60	3/17	4.12-4.38	3/17	1.90

- Notes: 1. The prime rate (extra long-term 10-year prime rate loans) is shown as a standard rate for fixed interest rate loans with loan periods in excess of five years.
2. Fixed interest rates for housing loans and consumer loans are set at interest rates according to the lending period.
3. For housing loans, variable interest rates optional with fixed interest rates are set according to the fixed interest rate period of 2, 3, 5, 10 or 15 years.
4. Housing loan interest rates show interest rates at the time of initial lending.
5. Housing loan interest rates include group credit life insurance warranty fees.
6. Consumer loans show traditional mortgage-backed loans.

SECURITIES INDICATORS (GENERAL ACCOUNT)

80. Market Value of Securities (General Account)

1. Net valuation gains/losses of trading securities

As of March 31	2013		2012		2011	
	Balance sheet amount	Net valuation gains/losses included in profits/losses	Balance sheet amount	Net valuation gains/losses included in profits/losses	Balance sheet amount	Net valuation gains/losses included in profits/losses
Trading securities	¥—	¥—	¥—	¥—	¥—	¥2,479

Notes: 1. Assets held in trust included in trading securities recorded on the balance sheets and net valuation gains/losses included in profit/loss of the current period both include net gains/losses related to derivative transactions.
2. Assets held in trust included in trading securities do not include cash, deposits and call loans.

2. Market value information of securities (with market value, other than trading securities)

As of March 31	2013					2012				
	Book value	Market value	Net gains/losses	Gains	Losses	Book value	Market value	Net gains/losses	Gains	Losses
Types of securities										
Policy-reserve-matching bonds	¥19,603,424	¥21,659,962	¥2,056,538	¥2,065,986	¥ (9,448)	¥18,228,648	¥19,392,601	¥1,163,953	¥1,189,139	¥ (25,185)
Held-to-maturity debt securities	—	—	—	—	—	14,500	14,479	(21)	61	(82)
Investments in subsidiaries and affiliates	7,711	44,436	36,725	36,725	—	7,711	21,406	13,695	13,695	—
Available-for-sale securities	17,673,517	21,305,305	3,631,788	3,913,256	(281,467)	16,558,688	18,085,285	1,526,597	2,067,918	(541,320)
Domestic bonds	1,968,345	2,067,063	98,718	100,561	(1,843)	1,724,475	1,772,691	48,216	55,928	(7,711)
Domestic stocks	4,305,831	6,437,752	2,131,920	2,392,688	(260,767)	4,652,436	5,596,927	944,490	1,389,380	(444,889)
Foreign securities	10,667,428	12,034,602	1,367,174	1,381,580	(14,406)	9,624,725	10,166,593	541,867	615,182	(73,314)
Foreign bonds	8,754,592	9,739,153	984,560	996,678	(12,117)	8,095,784	8,508,080	412,296	460,129	(47,833)
Foreign stocks and other securities	1,912,835	2,295,449	382,614	384,902	(2,288)	1,528,940	1,658,512	129,571	155,052	(25,480)
Other securities	374,619	408,607	33,987	38,425	(4,437)	229,654	221,694	(7,960)	7,423	(15,383)
Monetary receivables purchased	58,291	58,281	(10)	—	(10)	76,396	76,381	(15)	4	(19)
Negotiable certificates of deposit	299,000	298,997	(2)	0	(2)	251,000	250,997	(2)	—	(2)
Total	¥37,284,652	¥43,009,704	¥5,725,051	¥6,015,967	¥(290,916)	¥34,809,548	¥37,513,773	¥2,704,225	¥3,270,814	¥(566,589)
Domestic bonds	20,791,887	22,888,875	2,096,988	2,107,804	(10,816)	19,078,734	20,244,760	1,166,026	1,198,181	(32,154)
Domestic stocks	4,305,831	6,437,752	2,131,920	2,392,688	(260,767)	4,652,436	5,596,927	944,490	1,389,380	(444,889)
Foreign securities	10,756,982	12,165,246	1,408,263	1,422,672	(14,408)	9,714,636	10,272,670	558,033	631,684	(73,650)
Foreign bonds	8,836,436	9,825,360	988,923	1,001,044	(12,120)	8,177,984	8,592,751	414,766	462,936	(48,169)
Foreign stocks and other securities	1,920,546	2,339,885	419,339	421,627	(2,288)	1,536,652	1,679,919	143,267	168,748	(25,480)
Other securities	374,619	408,607	33,987	38,425	(4,437)	229,654	221,694	(7,960)	7,423	(15,383)
Monetary receivables purchased	756,331	810,224	53,893	54,377	(483)	883,085	926,722	43,637	44,145	(508)
Negotiable certificates of deposit	299,000	298,997	(2)	0	(2)	251,000	250,997	(2)	—	(2)

As of March 31	2011				
Types of securities	Book value	Market value	Net gains/losses	Gains	Losses
Policy-reserve-matching bonds	¥17,415,476	¥18,106,439	¥ 690,962	¥ 719,757	¥ (28,794)
Held-to-maturity debt securities	16,511	16,648	137	176	(39)
Investments in subsidiaries and affiliates	7,711	34,062	26,351	26,351	—
Available-for-sale securities	15,947,266	17,144,379	1,197,112	1,827,671	(630,559)
Domestic bonds	1,447,102	1,481,593	34,490	38,044	(3,553)
Domestic stocks	4,718,455	5,905,992	1,187,537	1,539,836	(352,299)
Foreign securities	8,999,879	8,991,350	(8,529)	242,325	(250,854)
Foreign bonds	7,689,976	7,599,864	(90,111)	138,886	(228,997)
Foreign stocks and other securities	1,309,902	1,391,485	81,582	103,439	(21,856)
Other securities	324,701	307,857	(16,844)	6,973	(23,817)
Monetary receivables purchased	34,127	34,589	461	492	(30)
Negotiable certificates of deposit	423,000	422,995	(4)	0	(4)
Total	¥33,386,965	¥35,301,529	¥1,914,563	¥2,573,956	¥(659,393)
Domestic bonds	¥17,804,828	¥18,493,158	¥ 688,330	¥ 719,448	¥ (31,117)
Domestic stocks	4,718,455	5,905,992	1,187,537	1,539,836	(352,299)
Foreign securities	9,095,298	9,115,769	20,471	271,362	(250,891)
Foreign bonds	7,777,684	7,690,221	(87,462)	141,572	(229,034)
Foreign stocks and other securities	1,317,613	1,425,547	107,933	129,790	(21,856)
Other securities	324,701	307,857	(16,844)	6,973	(23,817)
Monetary receivables purchased	1,020,683	1,055,755	35,072	36,335	(1,262)
Negotiable certificates of deposit	423,000	422,995	(4)	0	(4)

Note: The above table includes securities that are deemed appropriate as securities under the Financial Instruments and Exchange Act in Japan.

80. Market Value of Securities (General Account), continued

2. Market value information of securities (with market value, other than trading securities), continued

Book value of securities without market value

		Millions of Yen		
As of March 31		2013	2012	2011
Policy-reserve-matching bonds		¥ —	¥ —	¥ —
Held-to-maturity debt securities		—	—	—
Unlisted foreign bonds		—	—	—
Others		—	—	—
Investments in subsidiaries and affiliates		285,945	247,911	184,081
Available-for-sale securities		1,043,347	1,039,878	1,180,194
Unlisted domestic stocks (excluding over-the-counter stocks)		199,242	202,244	267,089
Unlisted foreign stocks (excluding over-the-counter stocks)		682,492	692,761	697,511
Unlisted foreign bonds		—	—	53,912
Others		161,612	144,872	161,681
Total		¥1,329,292	¥1,287,790	¥1,364,275

Note: Of securities without market value, net losses on foreign exchange valuation of assets denominated in foreign currencies were as follows:
(As of March 31, 2013: ¥100 million; March 31, 2012: ¥47,025 million; and March 31, 2011: ¥50,943 million.)

81. Market Value of Assets Held in Trust (General Account)

		Millions of Yen		
As of March 31		2013	2012	2011
Assets held in trust	Balance sheet amount	¥—	¥—	¥—
	Market value	—	—	—
	Net unrealized gains/losses	—	—	—
	Gains	—	—	—
	Losses	—	—	—

Notes: 1. Market value calculations are based on prices rationally calculated by the trustees of assets held in trust.
2. Balance sheet amount includes net gains/losses on derivative transactions.

Assets held in trust for investment

		Millions of Yen					
As of March 31		2013		2012		2011	
		Balance sheet amount	Net valuation gains/losses included in profits/losses	Balance sheet amount	Net valuation gains/losses included in profits/losses	Balance sheet amount	Net valuation gains/losses included in profits/losses
Assets held in trust for investment		¥—	¥—	¥—	¥—	¥—	¥2,479

Note: Balance sheet amount and net valuation gains/losses include net gains/losses on derivative transactions.

Assets held in trust classified as policy-reserve-matching, held-to-maturity, and others

No ending balance as of March 31, 2013, 2012 or 2011.

82. Qualitative Information on Derivative Transactions (General Account: Excludes Proprietary Trading Securities)

1. Transaction details

The following are derivative transactions that the Company uses:

Interest-related:	Interest futures, interest swaps, and swaptions
Currency-related:	Exchange contracts, currency options, and currency swaps
Stock-related:	Stock price index futures, stock price index options, and stock options
Bond-related:	Bond futures, bond futures options, and bond sales with attached options

2. Policy

Given its goal of achieving efficient asset investment, the Company mainly uses derivatives for the purpose of controlling investment risks.

3. Purpose

The Company mainly uses derivatives to hedge market risk exposures related to investment assets in order to ensure stable profit from assets entrusted to the Company by its policyholders.

4. Risk details

The derivative transactions the Company conducts involve market risks (fluctuations in interest rates, stock prices, currency exchange rates, etc.) and credit risks (transaction partner's inability to fulfill obligations due to bankruptcy, etc.). The Company recognizes market risks as limited given that derivative transactions are mainly for the purpose of controlling investment risks. In terms of credit risks, the Company's transactions are through domestic and foreign financial instrument exchanges or with transaction counterparties with high credit ratings; thus, the risk of unfulfilled obligations remains low.

5. Risk management system

The Company established a system that maintains transaction limits for derivative transactions based on the purpose and type of the transaction. In addition, this system incorporates front office controls, whereby the back office confirms transaction details through reconciliation with external documentations. Furthermore, the system is designed such that the state of market risks is monitored and analyzed quantitatively and information on the amount of risk, as well as on positions and the status of profits and loss, is reported periodically to the Investment Risk Management Committee.

6. Supplementary explanation regarding quantitative information

(1) Supplementary explanation regarding notional amounts (amount of contracts)

The notional amounts for swap transactions and contract amounts of options transactions are nominal values related to interest conversions, etc., and are not meant to indicate a level of risk amount.

The credit risk of derivative transactions refers to latent costs required to restore a market position in the event a transaction partner defaults. The Company calculates this risk using the current exposure method.

(2) Supplementary explanation regarding market price calculations

Futures and other market transactions:

Liquidation value or closing market price at year-end

Stock option transactions:

The value obtained from financial institutions that are the counterparties in such transactions

Exchange contract and currency options:

Theoretical values based on the Telegraphic Transfer Middle rate (TTM) and discount rates obtained from financial institutions that are the counterparties in such transactions

Interest swap transactions, currency swaps:

Theoretical present value calculated by discounting future cash flows based on published market interest rates

(3) Supplementary explanation regarding transaction gains and losses

The Company mainly utilizes derivative transactions as a complementary measure in controlling market risks inherent in spot investments.

For example, foreign exchange forward contract and currency option transactions are used mainly to hedge fluctuations in foreign currency exchange rates; it is thus necessary to measure profits combined with foreign bonds, stocks and other foreign currency spot assets.

7. Hedge accounting methods

Hedge accounting methodologies include fair value hedge accounting, deferred hedge accounting, exceptional accounting treatment ("*Tokurei-shori*") for interest rate swaps, and designated hedge accounting ("*Furiate-shori*") for foreign exchange contracts and currency swaps. Effectiveness of hedging activities is mainly evaluated by ratio analysis to compare market value movements on the hedging instruments and the hedged items in accordance with the Company's internal risk management policies.

83. Credit Risk Amounts (General Account)

As of March 31	2013		2012		2011	
	Notional principal (contract amount)	Credit risk estimate	Notional principal (contract amount)	Credit risk estimate	Notional principal (contract amount)	Credit risk estimate
Interest-rate swaps	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
Currency swaps	532,131	37,348	377,367	33,779	155,987	22,537
Foreign exchange forward contracts	6,232,791	132,861	8,636,382	108,015	6,609,500	84,401
Interest options (purchase)	—	—	—	—	—	—
Currency options (purchase)	—	—	—	—	124,725	1,247
Other derivative financial instruments	233	25	189	18	183	17
Total	¥6,765,155	¥170,235	¥9,013,939	¥141,813	¥6,890,396	¥108,203

Note: Excludes currency-related derivatives corresponding to debts and credits denominated in foreign currencies.

84. Market Value of Derivative Transactions, Combined Total with and without Hedge Accounting Applied (General Account)

1. Proprietary trading securities account

Bonds related

No ending balance as of March 31, 2013, 2012 or 2011.

2. General account (excluding proprietary trading securities)

(1) Breakdown of gains/losses (with and without hedge accounting applied)

						Millions of Yen
	Interest	Currencies	Stocks	Bonds	Others	Total
As of March 31						2013
Hedge accounting applied	¥—	¥(259,287)	¥ —	¥—	¥—	¥(259,287)
Hedge accounting not applied	—	116	(7)	—	—	109
Total	¥—	¥(259,170)	¥ (7)	¥—	¥—	¥(259,178)
As of March 31						2012
Hedge accounting applied	¥—	¥(109,143)	¥ —	¥—	¥—	¥(109,143)
Hedge accounting not applied	—	(80,516)	(18)	—	—	(80,534)
Total	¥—	¥(189,659)	¥(18)	¥—	¥—	¥(189,677)
As of March 31						2011
Hedge accounting applied	¥—	¥ (81,201)	¥ —	¥—	¥—	¥ (81,201)
Hedge accounting not applied	—	932	(18)	—	—	914
Total	¥—	¥ (80,269)	¥(18)	¥—	¥—	¥ (80,287)

Note: Net gains/losses from applying the fair value hedge included in gain and loss on hedge accounting applied and net gains/losses included in hedge accounting not applied other than deferred gain to be amortized from the discontinuation of hedge accounting are recorded on the statements of income.

(2) Breakdown of interest-rate-related derivative transactions

No ending balance as of March 31, 2013, 2012 or 2011.

(3) Currency-related

					Millions of Yen			
As of March 31					2013	2012	2011	
Over-the-counter	Foreign exchange forward contracts	Sold	U.S. Dollar	Contract amount	¥3,737,391	¥4,278,866	¥3,471,228	
				Over 1 year	—	—	—	
				Market value	3,823,660	4,335,084	3,501,219	
			Net gains/losses	(86,268)	(56,217)	(29,990)		
			Euro	Contract amount	947,299	1,157,823	705,879	
				Over 1 year	—	—	—	
		Market value		945,882	1,199,788	741,032		
		Net gains/losses	1,416	(41,965)	(35,153)			
		Total including others		Contract amount	6,073,626	7,033,543	5,636,361	
				Over 1 year	—	—	—	
				Market value	6,225,815	7,202,841	5,745,491	
				Net gains/losses	(152,188)	(169,297)	(109,130)	
		Purchased		U.S. Dollar	Contract amount	2,357	615,771	529,266
					Over 1 year	—	—	—
Market value	2,340				609,411	537,866		
Net gains/losses	(17)				(6,359)	8,600		
Euro	Contract amount				4,626	545,166	204,574	
	Over 1 year				—	—	—	
	Market value			4,636	543,726	210,243		
Net gains/losses	9			(1,439)	5,668			
Total including others				Contract amount	6,983	1,443,852	845,761	
				Over 1 year	—	—	—	
				Market value	6,976	1,433,540	864,008	
				Net gains/losses	(7)	(10,311)	18,247	

84. Market Value of Derivative Transactions, Combined Total with and without Hedge Accounting Applied (General Account), continued

2. General account (excluding proprietary trading securities), continued

(3) Currency-related, continued

As of March 31					Millions of Yen			
Over-the-counter	Currency options	Sold	Call	U.S. Dollar	Contract amount	2013	2012	2011
					Contract amount	¥ —	¥ —	¥124,725
					Over 1 year	(—)	(—)	(149)
					Market value	—	—	126
					Net gains/losses	—	—	23
				Euro	Contract amount	—	—	—
					Over 1 year	(—)	(—)	(—)
					Market value	—	—	—
					Net gains/losses	—	—	—
				Total including others	Contract amount	(—)	(—)	124,725
					Over 1 year	(—)	(—)	(149)
					Market value	—	—	126
					Net gains/losses	—	—	23
			Put	U.S. Dollar	Contract amount	—	—	—
					Over 1 year	(—)	(—)	(—)
					Market value	—	—	—
					Net gains/losses	—	—	—
				Euro	Contract amount	—	—	—
					Over 1 year	(—)	(—)	(—)
					Market value	—	—	—
					Net gains/losses	—	—	—
				Total including others	Contract amount	(—)	(—)	(—)
					Over 1 year	(—)	(—)	(—)
					Market value	—	—	—
					Net gains/losses	—	—	—
		Purchased	Call	U.S. Dollar	Contract amount	—	—	—
					Over 1 year	(—)	(—)	(—)
					Market value	—	—	—
					Net gains/losses	—	—	—
				Euro	Contract amount	—	—	—
					Over 1 year	(—)	(—)	(—)
					Market value	—	—	—
					Net gains/losses	—	—	—
				Total including others	Contract amount	(—)	(—)	(—)
					Over 1 year	(—)	(—)	(—)
					Market value	—	—	—
					Net gains/losses	—	—	—
			Put	U.S. Dollar	Contract amount	—	—	124,725
					Over 1 year	(—)	(—)	(149)
					Market value	—	—	46
					Net gains/losses	—	—	(103)
				Euro	Contract amount	—	—	—
					Over 1 year	(—)	(—)	(—)
					Market value	—	—	—
					Net gains/losses	—	—	—
				Total including others	Contract amount	(—)	(—)	124,725
					Over 1 year	(—)	(—)	(149)
					Market value	—	—	46
					Net gains/losses	—	—	(103)
		Currency swaps		U.S. Dollar	Contract amount	243,995	200,645	64,469
					Over 1 year	242,749	199,602	64,469
					Market value	(48,224)	(6,257)	3,446
					Net gains/losses	(48,224)	(6,257)	3,446
				Euro	Contract amount	279,075	174,072	88,869
					Over 1 year	279,075	174,072	88,869
					Market value	(56,394)	(3,607)	7,277
					Net gains/losses	(56,394)	(3,607)	7,277
				Total including others	Contract amount	532,131	377,367	155,987
					Over 1 year	530,884	376,323	155,987
					Market value	(106,974)	(10,049)	10,694
					Net gains/losses	(106,974)	(10,049)	10,694
Total					Net gains/losses	¥(259,170)	¥(189,659)	¥(80,269)

Notes: 1. Brackets show option premiums recorded on the balance sheets. However, these option premiums include commitments made as of the balance sheet date.

2. Net gains/losses shows the difference between the contract amount and market value for forward agreements, the difference between option premiums and market value for options transactions, and the current market value or present value for swap transactions.

84. Market Value of Derivative Transactions, Combined Total with and without Hedge Accounting Applied (General Account), continued

2. General account (excluding proprietary trading securities), continued

(4) Stock-related

As of March 31				2013	2012	2011			
				Millions of Yen					
Over-the-counter	Stock forward contract	Sold	Contract amount	¥ —	¥ —	¥ —			
			Over 1 year	—	—	—			
			Market value	11	—	—			
			Purchased	Contract amount	—	—	—		
		Over 1 year		—	—	—			
		Market value		—	—	—			
		Stock options	Sold	Call	Contract amount	—	—		
	Over 1 year				—	—	—		
	Market value				—	—	—		
					Net gains/losses	—	—	—	
				Put	Contract amount	—	—	—	
	Over 1 year				—	—	—		
	Market value		—		—	—			
				Purchased	Call	Contract amount	233	189	
						Over 1 year	190	189	183
						Market value	[55]	[65]	[65]
					Net gains/losses	4	(18)	(18)	
					Put	Contract amount	—	—	—
			Over 1 year			—	—	—	
			Market value	—		—	—		
			Net gains/losses	—	—	—			
Total			Net gains/losses	¥ (7)	¥ (18)	¥ (18)			

Notes: 1. Brackets show option premiums recorded on the balance sheets. However, these option premiums include commitments made as of the balance sheet date.
2. The net gains/losses shows the difference between option premiums and market value for options transactions.

(5) Bond-related

No ending balance as of March 31, 2013, 2012 or 2011.

(6) Others

No ending balance as of March 31, 2013, 2012 or 2011.

Securitized Product Investments and Subprime-Related Investments

Investments in securitized products and U.S. subprime-related investments during the fiscal year ended March 31, 2013 were as follows:

- The majority of securitized products were domestic residential mortgage-backed securities (RMBS), primarily Housing Finance Agency Bonds, and U.S. agency mortgage-backed securities (MBS).
- There were no direct investments in subprime-related products and there were no realized gains or losses related to such products during or at the end of the fiscal period.

[Investments in Securitized Products]

	Billions of Yen		
	Market value	Unrealized gain (loss)	Gain (loss) on sales
Domestic commercial mortgage-backed securities (CMBS)	¥ 12	¥ 0	¥—
Other securitized products, etc.	45,484	2,138	(8)
Asset-backed securities (ABS)	44,653	2,107	(8)
Domestic RMBS	17,610	1,114	—
U.S. RMBS	26,473	993	(8)
Credit-linked notes	830	30	—
Total	¥45,496	¥2,138	¥(8)

Notes: 1. Backed assets and the rankings of each investment product are disclosed on the Company's website.

2. Aside from the above, investments were made in subprime securitized products, within investment trusts and hedge funds. The exposure, which was calculated from the allocation ratio to the fund, was approximately ¥0.6 billion, and total indirect investment, including subsidiaries amounted to approximately ¥0.9 billion.

For further details, please see the Company's website at:

➡ http://www.nissay.co.jp/kaisha/annai/gyoseki/pdf/h24_4_nihon_c.pdf

SEPARATE ACCOUNT INDICATORS

About the General Account and Separate Account

A life insurance company classifies and manages its assets in two accounts, the separate account and the general account.

Individual variable insurance, individual variable annuities and certain group annuities, which change in terms of insurance amount and accumulated value based on investment performance in assets, are managed as a separate account with a clear division from the general account.

85. Balance of Separate Account Assets

As of March 31	2013		2012		2011
	Millions of Yen	%	Millions of Yen	%	Millions of Yen
Individual variable insurance	¥ 109,933	8.9%	¥ 101,973	8.9%	¥ 109,588
Individual variable annuities	132,512	10.7	143,951	12.6	156,234
Group annuities	996,372	80.4	900,761	78.6	1,045,498
Separate account total	¥1,238,818	100.0%	¥1,146,686	100.0%	¥1,311,321

86. Asset Management Overview for the Fiscal Year Ended March 31, 2013 (Separate Account Assets for Individual Variable Insurance and Individual Variable Annuities)

In the fiscal year ended March 31, 2013, domestic stock prices were on the decline during the fiscal first half due to factors such as heightened concerns about Europe's sovereign debt problem following the results of Greece's parliamentary elections in May as well as the appreciation of the yen. However, in the fiscal second half, domestic stock prices rose continuously based on factors such as the overwhelming victory by the Liberal Democratic Party in the December House of Representatives elections, growing expectations for additional monetary easing by the Bank of Japan, as well as the depreciation of the yen. As a result, domestic stock prices rose significantly for the fiscal year as a whole, with the Nikkei Stock Average increasing approximately 23%.

Amid this operating environment, the investment return on individual variable insurance for the fiscal year ended March 31, 2013 was positive 17.82%. This also represented investment return of 58.98% (1.77% on an annualized bases) since November 1, 1986, when investment was first undertaken.

In individual variable annuities, the Company continued its investment policy of holding a certain amount of cash and deposits to prepare for changes in insurance policies while maintaining, in principle, a high allocation ratio in investment trusts, the main investment vehicle for the separate account.

* Regarding Investment Return on the Separate Account for Individual Variable Insurance

The investment return on the separate account for individual variable insurance reflects growth rates on premiums received from policyholders, less portions allocated for death protection, and is not total insurance premiums.

STATUS OF SEPARATE ACCOUNT FOR INDIVIDUAL VARIABLE INSURANCE

87. Policies in Force (Separate Account for Individual Variable Insurance)

As of March 31	2013		2012		2011	
	Policies	Amount	Policies	Amount	Policies	Amount
Variable insurance (defined term type)	1,950	¥ 9,734	2,222	¥ 11,319	2,439	¥ 12,755
Variable insurance (whole life type)	36,096	549,291	36,782	566,758	37,438	584,336
Total	38,046	¥559,026	39,004	¥578,077	39,877	¥597,092

Note: Amounts include term life insurance riders.

88. Breakdown of Assets Year-End Balance (Separate Account for Individual Variable Insurance)

As of March 31	2013		2012		2011	
	Amount	%	Amount	%	Amount	%
Cash, deposits and call loans	¥ 8,006	7.3%	¥ 6,010	5.9%	¥ 4,009	
Investment in securities	95,506	86.9	88,181	86.5	97,467	
Domestic bonds	22,851	20.8	22,899	22.5	30,664	
Domestic stocks	38,592	35.1	34,274	33.6	33,452	
Foreign securities	34,062	31.0	31,007	30.4	33,349	
Foreign bonds	11,303	10.3	10,992	10.8	11,891	
Foreign stocks and other securities	22,759	20.7	20,014	19.6	21,458	
Other securities	—	—	—	—	—	
Loans	—	—	—	—	—	
Others	6,419	5.8	7,781	7.6	8,111	
Allowance for doubtful accounts	—	—	—	—	—	
Total	¥109,933	100.0%	¥101,973	100.0%	¥109,588	

89. Investment Income and Expenses (Separate Account for Individual Variable Insurance)

Fiscal years ended March 31	2013	2012	2011
Interest, dividends, and other income	¥ 1,934	¥2,046	¥ 2,022
Gain on sales of securities	4,671	2,626	3,327
Gain on redemptions of securities	—	—	5
Gain on valuation of securities	8,401	97	37
Foreign exchange gains, net	29	3	—
Gain on derivative financial instruments, net	803	—	—
Other investment income	105	13	19
Loss on sales of securities	5,745	4,680	6,613
Loss on redemptions of securities	—	35	0
Loss on valuation of securities	(5,668)	(873)	1,617
Foreign exchange losses, net	—	—	37
Loss on derivative financial instruments, net	—	56	112
Other investment expenses	6	1	1
Net investment income	¥15,862	¥ 888	¥(2,971)

Notes: 1. Investment income and investment expenses related to the separate account are recorded on the statements of income as gain/loss from separate accounts, net.
2. Gain/loss on valuation of securities contains reversal for gain/loss on valuation of securities from the previous fiscal year.

90. Market Value of Securities (Separate Account for Individual Variable Insurance)

Net valuation gains/losses on trading securities

As of March 31	2013		2012		2011	
	Balance sheet amount	Net valuation gains/losses included in profits/losses	Balance sheet amount	Net valuation gains/losses included in profits/losses	Balance sheet amount	Net valuation gains/losses included in profits/losses
Trading securities	¥95,506	¥14,069	¥88,181	¥970	¥97,467	¥(1,580)

91. Market Value of Assets Held in Trust (Separate Account for Individual Variable Insurance)

No ending balance as of March 31, 2013, 2012 or 2011.

92. Qualitative Information on Derivative Transactions (Separate Account for Individual Variable Insurance)

1. Transaction details

The following derivative transactions are currently used in the separate account.

- Currency related: Foreign exchange contract transactions
- Stock related: Stock index futures transactions

2. Policy

Derivative transactions are used as complementary instruments with the aim of efficient asset investment and are not used for speculative purposes to gain profit.

3. Purpose

Derivative transactions are used to hedge against market risks that relate to assets held.

4. Risk details

Derivative transactions conducted in the separate account are exposed to market risk (price fluctuation, foreign exchange risks and credit risk). With respect to credit risk, the Company's transactions are implemented through domestic exchange markets or counterparties with high credit ratings, so that the credit risk is extremely low.

5. Risk management system

Transaction execution is governed by internal rules such as limitations on transaction amounts. Transactions are executed under a framework including front office and back office functions, where the back office is completely separated from the front office and confirms transactions by verifying external documentations.

6. Supplementary explanation of quantitative information

Market transactions such as futures transactions use liquidation value or settlement prices to determine market value.

Foreign exchange contracts use theoretical prices calculated by Nippon Life as based on reference prices, such as the TTM rate and discount rates, matched to certain credits and debits denominated in foreign currencies.

As for derivative transactions for the separate account for individual variable insurance, the Company does not apply hedge accounting.

93. Market Value of Derivative Transactions, Combined Total with and without Hedge Accounting Applied (Separate Account for Individual Variable Insurance)

1. Breakdown of gains/losses (with and without hedge accounting applied)

	Interest	Currencies	Stocks	Bonds	Others	Total
Millions of Yen						
As of March 31 2013						
Hedge accounting applied	¥—	¥ —	¥ —	¥—	¥—	¥ —
Hedge accounting not applied	—	12	129	—	—	141
Total	¥—	¥ 12	¥ 129	¥—	¥—	¥ 141
As of March 31 2012						
Hedge accounting applied	¥—	¥ —	¥ —	¥—	¥—	¥ —
Hedge accounting not applied	—	(14)	27	—	—	12
Total	¥—	¥(14)	¥ 27	¥—	¥—	¥ 12
As of March 31 2011						
Hedge accounting applied	¥—	¥ —	¥ —	¥—	¥—	¥ —
Hedge accounting not applied	—	(0)	(157)	—	—	(158)
Total	¥—	¥ (0)	¥(157)	¥—	¥—	¥(158)

Note: The net gains/losses without hedge accounting applied are recorded in the statements of income.

2. Interest rate-related

No ending balance as of March 31, 2013, 2012 or 2011.

93. Market Value of Derivative Transactions, Combined Total with and without Hedge Accounting Applied (Separate Account for Individual Variable Insurance), continued

3. Currency-related

As of March 31				Millions of Yen			
				2013	2012	2011	
Over-the-counter Foreign exchange forward contracts	Sold	U.S. Dollar	Contract amount	¥ 72	¥ 853	¥ 57	
			Over 1 year	—	—	—	
			Market value	71	841	58	
		Net gains/losses	1	11	(1)		
		Euro	Contract amount	585	1,232	121	
			Over 1 year	—	—	—	
	Market value		562	1,238	123		
	Total including others	Contract amount		874	2,270	232	
		Over 1 year		—	—	—	
		Market value		842	2,264	235	
			Net gains/losses		32	6	(3)
	Purchased	U.S. Dollar	U.S. Dollar	Contract amount	655	1,372	16
				Over 1 year	—	—	—
Market value				639	1,353	16	
Net gains/losses			(16)	(18)	0		
Euro			Contract amount	41	777	82	
			Over 1 year	—	—	—	
		Market value	41	775	83		
Total including others		Contract amount		832	2,259	217	
		Over 1 year		—	—	—	
		Market value		812	2,238	221	
		Net gains/losses		(19)	(21)	3	
Total		Net gains/losses		¥ 12	¥ (14)	¥ (0)	

Note: The net gains/losses shows the difference between contract amount and market value for forward transactions.

4. Stock-related

As of March 31				Millions of Yen			
				2013	2012	2011	
Stock exchange	Stock index futures	Sold	Contract amount	¥ —	¥ —	¥ —	
			Over 1 year	—	—	—	
			Market value	—	—	—	
			Net gains/losses	—	—	—	
			Purchased	Contract amount	5,437	1,395	1,967
	Over 1 year	—		—	—		
	Market value	5,566		1,422	1,809		
	Net gains/losses	129		27	(157)		
	Total			Net gains/losses		¥ 129	¥ 27

Note: The net gains/losses shows the difference between contract amount and market value for forward transactions.

5. Bond-related

No ending balance as of March 31, 2013, 2012 or 2011.

6. Others

No ending balance as of March 31, 2013, 2012 or 2011.

STATUS OF SEPARATE ACCOUNT FOR INDIVIDUAL VARIABLE ANNUITIES

94. Policies in Force (Separate Account for Individual Variable Annuities)

As of March 31	2013		2012		2011	
	Policies	Value	Policies	Value	Policies	Value
Individual variable annuities	19,995	¥132,502	24,791	¥143,946	26,872	¥156,233

Note: Amounts represent policy reserves.

95. Breakdown of Assets Year-End Balance (Separate Account for Individual Variable Annuities)

As of March 31	2013		2012		2011	
	¥	%	¥	%	¥	%
Cash, deposits and call loans	—	—%	—	—%	—	—
Investment in securities	129,120	97.4	139,237	96.7	150,920	
Domestic bonds	24,711	18.6	25,458	17.7	25,673	
Domestic stocks	—	—	—	—	—	
Foreign securities	—	—	—	—	—	
Foreign bonds	—	—	—	—	—	
Foreign stocks and other securities	—	—	—	—	—	
Other securities	104,408	78.8	113,779	79.0	125,246	
Loans	—	—	—	—	—	
Others	3,391	2.6	4,713	3.3	5,314	
Allowance for doubtful accounts	—	—	—	—	—	
Total	¥132,512	100.0%	¥143,951	100.0%	¥156,234	

96. Investment Income and Expenses (Separate Account for Individual Variable Annuities)

Fiscal years ended March 31	Millions of Yen		
	2013	2012	2011
Interest, dividends, and other income	¥ 2,123	¥ 659	¥ 708
Gain on sales of securities	580	320	149
Gain on redemptions of securities	—	—	—
Gain on valuation of securities	9,564	1,535	(940)
Foreign exchange gains, net	—	—	—
Gain on derivative financial instruments, net	—	—	—
Other investment income	0	0	0
Loss on sales of securities	1,717	1,917	1,439
Loss on redemptions of securities	—	—	—
Loss on valuation of securities	(7,593)	(2,335)	2,552
Foreign exchange losses, net	—	—	—
Loss on derivative financial instruments, net	—	—	—
Other investment expenses	0	0	0
Net investment income	¥18,143	¥ 2,933	¥(4,073)

Notes: 1. Investment income and investment expenses related to the separate account are recorded in income as gain/loss from separate accounts, net.
2. Gain/loss on valuation of securities contains reversal for gain/loss on valuation of securities from the previous year.

97. Market Value of Securities (Separate Account for Individual Variable Annuities)

Net valuation gains/losses on trading securities

Millions of Yen

As of March 31	2013		2012		2011	
	Balance sheet amount	Net valuation gains/losses included in profits/losses	Balance sheet amount	Net valuation gains/losses included in profits/losses	Balance sheet amount	Net valuation gains/losses included in profits/losses
Trading securities	¥129,120	¥17,157	¥139,237	¥3,871	¥150,920	¥(3,493)

98. Market Value of Assets Held in Trust (Separate Account for Individual Variable Annuities)

No ending balance as of March 31, 2013, 2012 or 2011.

99. Qualitative Information on Derivative Transactions (Separate Account for Individual Variable Annuities)

No ending balance as of March 31, 2013, 2012 or 2011.

100. Market Value of Derivative Transactions, Combined Total with and without Hedge Accounting Applied (Separate Account for Individual Variable Annuities)

No ending balance as of March 31, 2013, 2012 or 2011.

STATUS OF SEPARATE ACCOUNT FOR GROUP ANNUITIES

101. Separate Account Assets by Product (Separate Account for Group Annuities)

As of March 31	Millions of Yen		
	2013	2012	2011
Separate account 1st treaty	¥814,936	¥763,936	¥ 902,311
Comprehensive account	463,973	517,623	627,128
Stable income account	74,133	—	—
Account by investment categories	276,829	246,313	275,183
Separate account 2nd treaty	168,160	126,001	133,058
Defined contribution pension plans	13,275	10,823	10,128
Total	¥996,372	¥900,761	¥1,045,498

Notes: 1. Separate account 1st treaty: Joint management of defined benefit corporate pension funds and employees' pension funds
 Comprehensive account: Balanced portfolio management
 Stable income account: Aim to secure stable return of at least 2.5% of the medium to long term
 Account by investment categories: Investments made in specific assets for closer matching with customer needs
 2. Separate account 2nd treaty: Independent management of annuity assets for each customer
 3. Defined contribution pension plans: Jointly managed funds for defined contribution pensions

102. Status of First Treaty—Comprehensive Account (Separate Account for Group Annuities)

* Figures in 102 are stated at fair market value, and rounded to the nearest whole unit.

1. Asset management principles and performance in the fiscal year ended March 31, 2013

Asset management principles

The comprehensive account aims to achieve a balanced portfolio, with goals of moderate-risk, moderate-return. Based on the asset allocation for the fiscal year which is set within the allowable range of the standard asset allocation,* the Company makes adjustments to the asset allocation in response to changes in domestic and foreign financial and economic developments. At the same time, the Company aims to improve total profitability through appropriate risk management for each asset.

*Standard asset allocation refers to that asset allocation considered best based on a medium- to long-term investment period under a certain degree of risk tolerance.

Performance in the fiscal year ended March 31, 2013

On the back of the depreciation of the yen due to heightened expectations for additional monetary easing by the Bank of Japan as well as continued monetary easing by the central banks of key countries, investment returns were positive for domestic equities, foreign bonds and foreign equities (+21.84% on domestic equities, +18.45% on foreign bonds, and +26.72% on foreign equities), and the investment return (percentage change in the unit price) in the fiscal year ended March 31, 2013, was +17.50%.

2. Asset allocation in the fiscal year ended March 31, 2013 (Comprehensive Account)

	Asset allocation	Asset allocation results (Fiscal years ended March 31)					Asset management results compared with standard asset allocation for 2013
		2013		2012		%	
		End of Mar.	End of Dec.	End of Sept.	End of June		
Japanese yen-denominated bonds	33.0%	23.9%	28.0%	31.6%	30.3%	28.0%	The percentage of asset allocation to yen-denominated bonds on a yearly basis was low early in the fiscal year, rose in the first and the second quarter, and fell again in the fourth quarter.
Japanese yen-denominated stocks	32.0	40.7	35.7	32.0	33.5	35.6	The percentage of asset allocation to yen-denominated stocks on a yearly basis was high early in the fiscal year, declined in the first and the second quarter, and increased again from the third quarter.
Foreign currency-denominated bonds	12.0	11.2	10.7	11.3	11.7	11.6	The percentage of asset allocation to bonds denominated in foreign currencies on a yearly basis was at the same level as last year, declined in the second and the third quarter, and increased again in the fourth quarter.
Foreign currency-denominated stocks*	20.0	22.3	21.9	21.0	20.5	21.1	The percentage of asset allocation to stocks denominated in foreign currencies on a yearly basis was high early in the fiscal year, rose in the third quarter, and rose throughout the fiscal year.
Call loans and other short-term assets	3.0	1.9	3.7	4.1	4.0	3.8	—
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	—

* Regarding allocation to stocks denominated in foreign currencies of 20.0%, 2.0% was allocated to stocks in emerging countries (Asia).

102. Status of First Treaty—Comprehensive Account (Separate Account for Group Annuities), continued

3. Movement of market value balance by asset type (Comprehensive Account)

As of March 31	Millions of Yen		
	2013	2012	2011
	Market value	Market value	Market value
Japanese yen-denominated bonds	¥ 98,006	¥134,123	¥192,290
Japanese yen-denominated stocks	166,670	170,381	203,480
Foreign currency-denominated bonds	45,668	55,381	59,101
Foreign currency-denominated stocks	91,265	101,081	123,929
Call loans and other short-term assets	39,237	45,014	29,568
Total	¥440,847	¥505,980	¥608,368

4. Investment return ratio (Comprehensive Account)

Fiscal years ended March 31	%		
	2013	2012	2011
Unit price fluctuation	17.50%	1.68%	(2.65)%

103. Status of First Treaty—Stable Income Account and Accounts by Investment Category (Separate Account for Group Annuities)

* Figures in 103 are stated at fair market value, and rounded to the nearest whole unit.

1. Asset Management Principles and Performance in Fiscal Year

Ended March 31, 2013 (stable income account)

• Asset management principles

With respect to income assets, a base asset allocation proposal is calculated using a volatility control method and asset allocation ratios are determined based on comprehensive risk allocation, including the risk volume of yen interest rate assets. The portfolio is managed with an aim of stably achieving a medium-to long-term target return of 2.5%, primarily by steadily accumulating income gains from yen interest rate assets.

• Performance in fiscal year ended March 31, 2013

While maintaining the risk volume level, risk was controlled based on the inverse correlation between yen interest rate assets and income assets.

2. Asset management principles and performance in the fiscal year ended March 31, 2013 (accounts by investment categories)

(1) Domestic bond accounts

• Asset management principles

The Company makes necessary adjustments to bring its portfolio mix in line with benchmarks for duration, maturity structure and portfolio diversification. The Company minimizes credit and liquidity risks by investing primarily in investment-graded securities.

Benchmark: Nomura Bond Performance Index (overall)

• Performance in the fiscal year ended March 31, 2013

The duration was flexibly adjusted throughout the fiscal year as the Company carefully watched interest rates, domestic and overseas economic trends and financial regulatory authorities in various countries. Regarding the composition by type of bond, the weight of domestic bonds, industrial bonds, etc., was adjusted flexibly in response to the market trends.

(2) Market Tracking Domestic Bond Account

• Asset management principles

The Company constructs the portfolio based on a domestic bond index tracking model (jointly developed by NLI Research Institute and Nissay Asset Management) which employs a stratified sampling approach and optimization method based on various groupings such as the remaining life (if the fund balance is 20 billion yen or less, the portfolio is limited to government bonds).

Benchmark: Nomura Bond Performance Index (overall)

• Performance in fiscal year ended March 31, 2013

The account was managed with the aim of delivering an investment return tracking the benchmark.

(3) Domestic stock accounts

• Asset management principles

The Company's stock selection process emphasizes the analysis of fundamentals, and the Company makes adjustments as necessary to bring its portfolio mix in line with market benchmark.

Benchmark: TOPIX (dividends included)

• Performance in the fiscal year ended March 31, 2013

Based on corporate research and analysis by analysts and analysis utilizing the Company's Stock Valuation System (SVS) to evaluate medium to long-term performance, the Company shifted to stocks with high expected returns.

(4) Quantitative Investment Management Domestic Stock Account

• Asset management principles

Utilizing a quantitative model, the Company selects stocks with a focus on those that are undervalued and have growth potential.

Benchmark: TOPIX (dividends included)

• Performance in the fiscal year ended March 31, 2013

In order to maintain a low-priced, high-growth potential portfolio (with other risk characteristics in line with the benchmark) the Company rebalanced (reshuffled) stocks on a regular basis.

103. Status of First Treaty—Stable Income Account and Accounts by Investment Category (Separate Account for Group Annuities), continued

(5) OTC/small-cap equity accounts

- **Asset management principles**

The Company's stock selection process emphasizes the analysis of fundamentals and the Company makes necessary adjustments to keep its portfolio in line with benchmarks for portfolio mix and market diversification. The Company's primary investment targets are Japanese yen-denominated small-cap equities listed on the First Section of the Tokyo Stock Exchange (TSE) and Japanese yen-denominated equities not listed on the First Section of the TSE.

Benchmark: Russell/Nomura Japan stock index (small-cap index)

- **Performance in the fiscal year ended March 31, 2013**

The Company shifted its stock selection process to a focus on earnings outlook and undervalued stocks with anticipated high returns.

(6) Market Tracking Domestic Equity Account

- **Asset management principles**

The Company constructs the portfolio based on an index tracking model (developed by NLI Research Institute) which uses a stratified sampling approach based on sector and market capitalization groupings.

Benchmark: TOPIX (dividends included)

- **Performance in fiscal year ended March 31, 2013**

The account was managed with the aim of delivering an investment return tracking the benchmark.

(7) Foreign bond accounts

- **Asset management principles**

The Company makes adjustments as necessary to keep its portfolio in line with benchmarks for duration, country mix and currency mix. As a means of minimizing credit risk, country risk and liquidity risk, the Company invests mainly in government bonds of leading industrialized nations.

Benchmark: Citigroup World Government Bond Index (excluding Japan, Japanese yen-based)

- **Performance in the fiscal year ended March 31, 2013**

Throughout the fiscal year, the Company made flexible adjustments to the duration. Regarding country mix, adjustments such as a continued over-weighting of short-term bonds of European periphery countries were made according to market trends and other factors. The currency mix was adjusted flexibly, with the base strategy being to remain nearly neutral.

(8) Foreign bond accounts with currency hedging

- **Asset management principles**

The Company makes any necessary adjustments to keep its portfolio in line with benchmarks for duration and country mix. As a means of minimizing credit risk, country risk and liquidity risk, the Company invests mainly in government bonds of leading industrialized nations. In principle, the Company uses currency hedges as a means of avoiding currency risk.

Benchmark: Citigroup World Government Bond Index (excluding Japan, yen-hedge basis)

- **Performance in the fiscal year ended March 31, 2013**

Throughout the fiscal year, the Company made flexible adjustments to the duration. Regarding country mix, adjustments such as a continued over-weighting of short-term bonds of European periphery countries were made according to market trends and other factors.

(9) Market Tracking Foreign Bond Account

- **Asset management principles**

The Company constructs the portfolio so as to mimic the benchmark in terms of its key risk profile, including allocation by region, country and currency, as well as duration and maturity structure.

Benchmark: Citigroup World Government Bond Index

(excluding Japan, Japanese yen-based)

- **Performance in fiscal year ended March 31, 2013**

The account was managed with the aim of delivering an investment return tracking the benchmark.

(10) Foreign stock accounts

- **Asset management principles**

The Company's stock selection process emphasizes analysis of fundamentals and the Company makes adjustments, as necessary, to bring its portfolio mix in line with market benchmarks for country mix, currency mix and industry sector mix.

Benchmark: Morgan Stanley Capital International Kokusai Index

(dividend reinvestment, yen-basis, excluding withholding tax)

- **Performance in the fiscal year ended March 31, 2013**

The composition by region basically remained neutral. A breakdown by industry sector shows flexible distribution with an eye on business conditions and interest rate trends. The Company shifted to stocks with high expected returns based on SVS analysis of medium- to long-term performance.

(11) Market Tracking Foreign Equity Account

- **Asset management principles**

The Company constructs the portfolio using an optimization method which employs a risk measurement model based on various data, including historical stock price data.

Benchmark: Morgan Stanley Capital International Kokusai Index

(dividend reinvestment, yen-basis, excluding withholding tax)

- **Performance in fiscal year ended March 31, 2013**

The account was managed with the aim of delivering an investment return tracking the benchmark.

(12) Money market accounts

- **Asset management principles**

These accounts are invested in call loans, deposits and other short-term financial instruments, with the aim of achieving stable income.

Benchmark: Weighted average of unsecured call loan (overnight) rates

- **Performance in the fiscal year ended March 31, 2013**

In the interest of maintaining liquidity and in pursuit of stable earnings, the Company invested mainly in overnight unsecured call loans and three-month short-term government securities.

103. Status of First Treaty—Stable Income Account and Accounts by Investment Category (Separate Account for Group Annuities), continued

3. Market value (stable income account and accounts by investment category)

As of March 31	Millions of Yen		
	2013	2012	2011
	Market value	Market value	Market value
Stable income account	¥ 69,358	¥ —	¥ —
Domestic bond accounts	79,534	89,515	109,989
Market tracking domestic bond account	8,710	—	—
Domestic stock accounts	27,284	30,538	43,480
Quantitative investment management domestic stock account	5,689	6,362	19,128
OTC/small-cap equity accounts	594	743	731
Market tracking domestic stock account	10,731	—	—
Foreign bond accounts	19,863	24,804	40,156
Foreign bond accounts with currency hedging	35,369	35,948	756
Market tracking foreign bond account	8,269	—	—
Foreign stock accounts	28,441	33,255	39,058
Market tracking foreign stock account	10,992	—	—
Money market accounts	24,734	11,180	9,964
Total	¥329,568	¥232,347	¥263,262

4. Investment return ratio (stable income account and accounts by investment category)

Fiscal years ended March 31	%		
	2013	2012	2011
	Unit price fluctuation	Unit price fluctuation	Unit price fluctuation
Stable income account	3.45%	—%	—%
Domestic bond accounts	3.91	3.02	2.21
Market tracking domestic bond account	1.98	—	—
Domestic stock accounts	21.97	2.13	(8.15)
Quantitative investment management domestic stock account	23.23	1.89	(8.79)
OTC/small-cap equity accounts	28.64	8.29	(2.05)
Market tracking domestic stock account	41.39	—	—
Foreign bond accounts	18.14	5.07	(8.14)
Foreign bond accounts with currency hedging	4.87	7.26	(0.02)
Market tracking foreign bond account	21.74	—	—
Foreign stock accounts	27.64	0.15	1.08
Market tracking foreign stock account	31.74	—	—
Money market accounts	0.11	0.10	0.12

STATUS OF FINANCIAL ASSETS (CONSOLIDATED)

104. Nippon Life Group Performance

Summary of Operations for the Most Recent Fiscal Year

The Nippon Life Group unified its efforts and concentrated on improving services and developing products to provide customers with the finest and the most advanced services and took the following measures in the fields of asset management and information technology. The Nippon Life Group has 10 consolidated subsidiaries and 4 equity method affiliates. (See p. 88)

• Asset Management Field

The Company worked to offer a wide range of products to meet the diversified asset management needs of its customers, such as products that aim to provide stable income or products that pursue opportunities for large gains globally, through discretionary investment, investment advisory, and investment trusts provided by Nissay Asset Management.

In the fiscal year ended March 31, 2013, Nissay Asset Management recorded an 20.1% year-on-year increase in assets under management to ¥6,132.5 billion, including a 14.7% increase in the investment advisory business to ¥3,810.7 billion and a 30.3% increase in the investment trusts business to ¥2,321.8 billion. Ordinary profit at Nissay Asset Management was ¥1.2 billion with net income of ¥0.5 billion.

• Information Technology Field

Centered on Nissay Information Technology Co. Ltd., the “New Integrated System,” for which the Company’s main system was fundamentally rebuilt in order to enhance services for customers, was developed and this system has been running stably since its launch in the fiscal year ended March 31, 2013.

In addition, the “i-Win MICHL” policy management system, developed by Nissay Information Technology to increase the speed and certainty of insurance product development and to support speedy launching of products, was introduced primarily as a system to manage products sold over the counter at banks.

In the fiscal year ended March 31, 2013, Nissay Information Technology had sales of ¥51.0 billion, down 12.9% year on year, ordinary profit of ¥2.8 billion, up 103.9% year on year, and net income of ¥2.1 billion, up 245.4% year on year.

As a result of these overall activities, consolidated total ordinary income amounted to ¥7,201.3 billion, up 0.5% year on year. Total ordinary expenses amounted to ¥6,799.1 billion, up 1.8% year on year, while ordinary profit was ¥402.2 billion, down 17.5%. After income taxes, tax adjustments, minority interests, extraordinary gains of ¥59.5 billion and extraordinary losses of ¥146.5 billion, net surplus in the current year increased by 10.2% to ¥247.9 billion. On the consolidated balance sheet, surplus at the end of the fiscal year amounted to ¥424.9 billion and total assets rose 7.8% to ¥55,165.6 billion.

105. Principal Indicators of Operating Performance (Consolidated)

	Billions of Yen		
Fiscal years ended March 31	2013	2012	2011
Total ordinary income	¥ 7,201.3	¥ 7,167.9	¥ 6,729.6
Ordinary profit	402.2	487.8	223.9
Net surplus	247.9	224.9	225.3
Comprehensive income (loss)	1,701.5	512.7	(217.0)
Net cash provided by operating activities	2,219.9	1,815.4	1,613.1
Net cash used in investing activities	(2,305.4)	(1,914.3)	(2,113.3)
Net cash provided by (used in) financing activities	184.8	73.4	(11.2)

	Billions of Yen, Number, %		
As of March 31	2013	2012	2011
Total assets	¥55,165.6	¥51,166.9	¥49,950.1
Solvency Margin Ratio	717.1%	583.1%	—%
Cash and cash equivalents at the end of the year	820.7	707.4	736.9
Number of consolidated subsidiaries and affiliates	10	10	10
Number of affiliates accounted for under the equity method	4	4	3
Number of employees	72,832	72,522	72,914

Note: Number of employees shows the total number of employees at Nippon Life and its consolidated subsidiaries, excluding employees on loan to other companies, at the fiscal year-end.

106. Status of Non-Performing Assets According to Borrower's Classification (Consolidated)

		Millions of Yen, %		
As of March 31		2013	2012	2011
Bankrupt and quasi-bankrupt	1	¥ 12,607	¥ 12,751	¥ 12,897
Doubtful	2	24,948	24,858	26,884
Substandard	3	5,599	12,278	11,298
Subtotal		43,154	49,888	51,080
[Ratio to Total]		[0.37%]	[0.43%]	[0.45%]
Normal	4	11,669,433	11,473,673	11,210,870
Total	1 + 2 + 3 + 4	¥11,712,588	¥11,523,561	¥11,261,951

Notes: 1. 1) Bankrupt and quasi-bankrupt loans are non-performing assets and similar loans that have fallen into bankruptcy due to reasons including initiation of bankruptcy proceedings, start of reorganization proceedings, or submission of an application to start rehabilitation proceedings.
 2) Doubtful loans are non-performing assets with a strong likelihood that loan principal cannot be recovered or interest cannot be received according to the contract because of difficulties in the financial condition and business performance of the debtor who has not yet entered into bankruptcy.
 3) Substandard loans include loans that are delinquent for over three months and restructured loans. Loans that are delinquent for over three months are loans with principal or interest being unpaid for over three months counting from the day after the due date based on the loan agreement (excluding 1) and 2) in the above notes). Restructured loans are loans that provide certain concessions favorable to the borrower with the intent of supporting the borrower's restructuring. Examples of such concessions include reducing or exempting interest, postponing principal or interest payments, releasing credits, or providing other benefits to the borrowers (excluding 1) and 2) in the above notes and loans that are delinquent for over three months).
 4) Normal loans are loans that do not fall under the classifications for 1) to 3) in the above notes and where the debtor has no financial or business performance problems.
 2. The table includes loans, securities loaned, accrued interest, suspense payments and customers' liability for acceptances and guarantees and private placement guarantees by financial institutions.
 3. Bankrupt and quasi-bankrupt loans are directly deducted from total loans as estimated uncollectible amounts calculated by subtracting estimated collectable amounts based on collateral and guarantees from total loans. These amounts for bankrupt and quasi-bankrupt were ¥1,570 million, ¥2,668 million and ¥3,953 million as of March 31, 2013, 2012 and 2011, respectively.

107. Status of Risk-Monitored Loans (Consolidated)

		Millions of Yen, %		
As of March 31		2013	2012	2011
Loans to bankrupt borrowers	1	¥ 2,663	¥ 3,042	¥ 3,138
Delinquent loans	2	34,890	34,561	36,640
Loans that are delinquent for over three months	3	—	—	—
Restructured loans	4	5,599	12,278	11,298
Total	1 + 2 + 3 + 4	¥43,153	¥49,883	¥51,078
[Ratio to total loans]		[0.51%]	[0.58%]	[0.59%]

Notes: 1. For loans to bankrupt borrowers and quasi-bankrupt borrowers (including collateralized and guaranteed loans), an estimated uncollectible amount (calculated by subtracting estimated collectable amounts based on collateral and guarantees from total loans) is directly deducted from the total loan amount. The amounts of loans to bankrupt borrowers were ¥495 million, ¥808 million and ¥1,180 million as of March 31, 2013, 2012 and 2011, respectively. The amounts of delinquent loans were ¥1,075 million, ¥1,860 million and ¥2,772 million as of March 31, 2013, 2012 and 2011, respectively.
 2. 1) Loans to bankrupt borrowers are loans with principal or interest payments being overdue for a significant period of time and interest not being accrued including the following: (a) loans to borrowers that are legally bankrupt through filings for proceedings under the Corporate Reorganization Act, Civil Rehabilitation Act, Bankruptcy Act, or Company Act, (b) loans to borrowers that have notes suspended from being traded, or (c) loans to borrowers that have filed for legal proceedings similar to the aforementioned proceedings based on overseas laws.
 2) Delinquent loans are loans with interest not accrued and exclude loans to bankrupt borrowers and loans with interest payments extended with the objective of restructuring or supporting the borrowers.
 3) Loans that are delinquent for over three months are loans with principal or interest unpaid for over three months counting from the day after the due date based on the loan agreement. Note that the account does not include loans to bankrupt borrowers and delinquent loans.
 4) Restructured loans are loans that provide certain concessions favorable to the borrower with the intent of supporting the borrower's restructuring, such as by reducing or exempting interest, postponing principal or interest payments, releasing credits, or providing other benefits to the borrowers (excluding loans to bankrupt borrowers and delinquent loans from above, and loans that are delinquent for over three months).
 3. Based on the results of asset self-assessment, accrued interest on loans is not recorded as revenues for obligors that are bankrupt, essentially bankrupt or nearing bankruptcy.

108. Status of Insurance Claims Paying Ability of the Company and Insurance Subsidiaries (Consolidated Solvency Margin Ratio)

As of March 31		2013	2012
		Millions of Yen	
Solvency margin gross amount	(A)	¥8,033,068	¥5,883,034
Foundation funds (<i>kikin</i>) and other reserve funds:		3,063,443	2,882,927
Foundation funds and others		1,525,455	1,427,666
Reserve for price fluctuations in investments in securities		427,529	333,710
Contingency reserve		780,154	775,654
Extraordinary contingency reserve		—	—
General allowance for doubtful accounts		7,980	12,295
Others		322,322	333,600
Net unrealized gains/losses on available-for-sale securities × 90%		3,279,032	1,364,200
Net unrealized gains/losses on real estate × 85%		(8,620)	16,958
Excess of continued Zillmerized reserve		1,602,347	1,659,986
Qualifying subordinated debt		157,040	—
Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculations		—	—
Deduction clause		(92,877)	(73,732)
Others		32,704	32,693
Total amount of risk $\{[(R_1^2 + R_5^2)^{1/2} + R_8 + R_9]^2 + (R_2 + R_3 + R_7)^2\}^{1/2} + R_4 + R_6$	(B)	2,240,396	2,017,780
Underwriting risk	R ₁	135,383	139,799
General underwriting risk	R ₅	—	—
Huge disaster risk	R ₆	—	—
Underwriting risk of third-sector insurance	R ₈	75,959	74,872
Underwriting risk related to small amount and short-term insurance providers	R ₉	—	—
Anticipated yield risk	R ₂	394,708	401,939
Minimum guarantee risk	R ₇	7,382	10,285
Investment risk	R ₃	1,780,222	1,550,305
Business management risk	R ₄	47,873	43,544
Solvency margin ratio	$\frac{(A)}{(1/2) \times (B)} \times 100$	717.1%	583.1%

Notes: 1. The amounts and figures in the table above are calculated based on Article 86-2 and Article 88 of the Ordinance for Enforcement of the Insurance Business Act and the Financial Services Agency Public Notice No. 23 of 2011.

2. The amount of foundation funds and others represents the amount after the appropriation of surplus.

3. The standard method is used for the calculation of the amount equivalent to minimum guarantee risk R₇.

109. Status of Insurance Claims Paying Ability of Insurance Subsidiaries (Solvency Margin Ratio)

Not applicable.

110. Segment Information

For the fiscal year ended March 31, 2011 to the fiscal year ended March 31, 2013, the Company and its consolidated subsidiaries engaged in insurance and insurance-related businesses (including asset management-related business and general administration-related business) in Japan and overseas. Segment information and its related information are omitted because there are no other significant segments to report.

*Subsidiary is defined in Article 2(12) of the Insurance Business Act and in Article 13-5-2(3) of the Order for Enforcement of the Insurance Business Act.