

# 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 Nonperforming Assets According to Borrower's Classification

	Millions of Yen, %		
As of March 31	2015	2014	2013
Bankrupt and quasi-bankrupt loans	¥ 10,598	¥ 11,686	¥ 11,998
Doubtful loans	23,610	22,596	24,456
Substandard loans	4,107	4,749	5,599
<b>Subtotal</b>	<b>38,316</b>	<b>39,033</b>	<b>42,054</b>
<b>[Ratio to total]</b>	<b>[0.35%]</b>	<b>[0.34%]</b>	<b>[0.36%]</b>
Normal loans	11,000,199	11,365,046	11,737,901
<b>Total</b>	<b>¥11,038,516</b>	<b>¥11,404,080</b>	<b>¥11,779,955</b>

Notes: 1. Bankrupt and quasi-bankrupt loans are nonperforming 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 nonperforming 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 more than 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 borrower (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.

5. Classifications and calculation methods used in this table are based on the Ordinance for Enforcement of the Insurance Business Act. The table includes loans, securities lending, accrued interest, suspense payments, customer's liability for acceptances and guarantees, and guaranteed private offering loans of financial institutions.

6. For bankrupt and quasi-bankrupt loans, the estimated uncollectible amount calculated by subtracting the amount of collateral value or the amount collectible by the execution of guarantees from the balance of loans is directly deducted from the total loan amount. The estimated uncollectible amounts were ¥501 million, ¥703 million and ¥831 million as of March 31, 2015, 2014 and 2013, respectively.

## 2. Status of Risk-Monitored Loans

	Millions of Yen, %		
As of March 31	2015	2014	2013
Loans to bankrupt borrowers	¥ 2,179	¥ 2,339	¥ 2,658
Delinquent loans	32,009	31,941	33,794
Loans that are delinquent for over three months	—	23	—
Restructured loans	4,107	4,726	5,599
<b>Total</b>	<b>¥38,297</b>	<b>¥39,030</b>	<b>¥42,052</b>
<b>[Ratio to total loans]</b>	<b>[0.46%]</b>	<b>[0.46%]</b>	<b>[0.49%]</b>

Notes: 1. For loans to bankrupt borrowers and quasi-bankrupt borrowers (including collateralized and guaranteed loans), an estimated uncollectible amount (calculated by subtracting estimated collectible 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 ¥277 million, ¥299 million and ¥449 million as of March 31, 2015, 2014 and 2013, respectively. The amounts of delinquent loans were ¥224 million, ¥403 million and ¥382 million as of March 31, 2015, 2014 and 2013, respectively.

2. 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.

3. 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.

4. 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.

5. 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, delinquent loans, and loans that are delinquent for over three months from above).

6. Based on the results of asset self-assessment, accrued interest on loans is not recorded as income 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 (FSA) 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	Noncategorized ①				Debtors whose performance is sound and for whom there are no specific concerns regarding their financial situation.
On caution	Noncategorized 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					Category II ③
Doubtful	Noncategorized	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	Noncategorized	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	Noncategorized	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

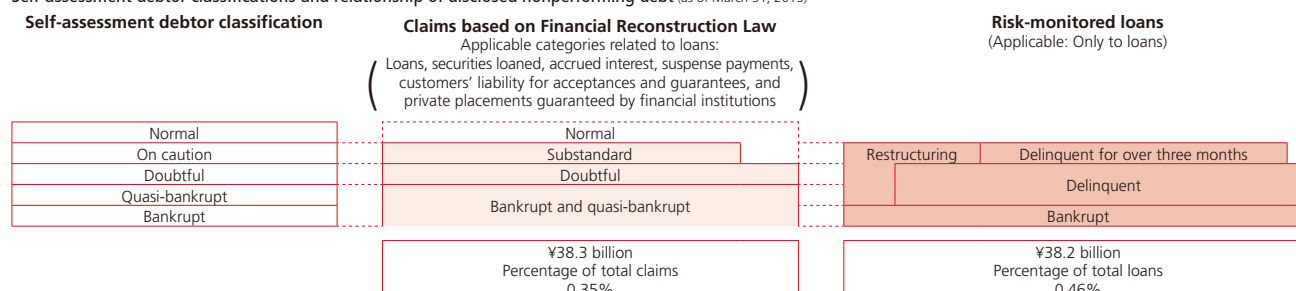
a) Estimation of disposal of solid collateral and solid guarantees

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 nonperforming debt (as of March 31, 2015)



### Status of Borrower Classification

As of March 31, 2015	Billions of Yen, %	
	Amount	Percentage
Loan balances	¥8,357.6	100.0%
(After direct write-off of Category IV)		
Noncategorized	8,291.1	99.2
Category II	63.1	0.8
Category III	3.3	0.0
Category IV	—	—

Notes: 1. The amount of specific allowance for doubtful accounts provided for Category III loans was ¥2.9 billion.

2. The amount of Category IV that was directly written off from loans was ¥0.5 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 the actual loan loss ratio is calculated. [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 of 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, 2015, 2014 or 2013.

### 4. Ability to Pay Benefits (Solvency Margin Ratio)

Solvency Margin Ratio According to New Standard

As of March 31		2015	2014	2013
Millions of Yen				
Solvency margin gross amount	(A)	¥13,421,043	¥9,437,173	¥8,027,181
Foundation funds ( <i>kikin</i> ) and other reserve funds:		3,806,532	3,422,870	2,965,956
Foundation funds and others	1	1,491,371	1,486,123	1,430,471
Reserve for price fluctuations in investments in securities	2	778,723	623,312	427,529
Contingency reserve	3	1,250,248	1,005,760	780,154
General allowance for doubtful accounts	4	2,507	3,952	5,478
Others	10	283,681	303,722	322,322
Net unrealized gains/losses on available-for-sale securities × 90%	5	7,581,433	4,221,212	3,278,358
Net unrealized gains/losses on real estate × 85% (100% in the case of net unrealized losses)	6	73,163	28,567	(8,685)
Excess of continued Zillmerized reserve	7	1,509,979	1,552,382	1,602,347
Qualifying subordinated debt	8	399,590	157,040	157,040
Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculations		—	—	—
Deduction clause	9	(366)	(428)	(539)
Others	10	50,711	55,528	32,704
Total amount of risk $\sqrt{(R_1+R_8)^2+(R_2+R_3+R_7)^2} + R_4$	(B)	2,883,641	2,422,583	2,305,244
Underwriting risk $R_1$	11	127,656	131,177	135,383
Underwriting risk of third-sector insurance $R_8$	12	75,389	74,655	73,978
Anticipated yield risk $R_2$	13	386,107	389,635	394,708
Minimum guarantee risk $R_7$	14	5,820	5,870	7,382
Investment risk $R_3$	15	2,424,023	1,966,765	1,844,303
Business management risk $R_4$	16	60,379	51,362	49,115
<b>Solvency margin ratio</b>	$\frac{(A)}{(1/2) \times (B)} \times 100$	<b>930.8%</b>	<b>779.0%</b>	<b>696.4%</b>

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 standard method is used for the calculation of the amount equivalent to minimum guarantee risk  $R_7$ .

1. Foundation Funds and Other Reserve Funds  
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 fair 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 fair value and the book value of real estate includes land revaluation losses on the balance sheets 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. 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).
15. 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).
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, minimum guarantee risk and investment risk are included in this category).

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

As of March 31		Billions of Yen		
		2015	2014	2013
<b>Cash, deposits and call loans</b>	Book value	¥ 1,064.7	¥ 817.1	¥ 706.8
	Fair value (appraisal value)	1064.7	817.1	706.8
	<b>Net gains/losses</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>
	Gains	0.0	0.0	0.0
	Losses	(0.0)	(0.0)	(0.0)
<b>Proprietary trading securities*1</b>	Book value	—	—	—
	Fair value (appraisal value)	—	—	—
	<b>Net gains/losses</b>	<b>—</b>	<b>—</b>	<b>—</b>
	Gains	—	—	—
	Losses	—	—	—
<b>Assets held in trust*2</b>	Book value	—	—	—
	Fair value (appraisal value)	—	—	—
	<b>Net gains/losses</b>	<b>—</b>	<b>—</b>	<b>—</b>
	Gains	—	—	—
	Losses	—	—	—
<b>Investments in securities*3</b>	Book value	41,415.4	39,678.7	38,631.5
	Fair value (appraisal value)	52,494.9	46,195.7	44,302.6
	<b>Net gains/losses</b>	<b>11,079.5</b>	<b>6,517.0</b>	<b>5,671.0</b>
	Gains	11,115.4	6,648.0	5,985.6
	Losses	(35.9)	(130.9)	(314.5)
<b>Loans</b>	Book value	8,357.6	8,528.9	8,581.8
	Fair value (appraisal value)	8,684.1	8,791.5	8,894.8
	<b>Net gains/losses</b>	<b>326.5</b>	<b>262.5</b>	<b>313.0</b>
	Gains	340.7	277.2	318.3
	Losses	(14.2)	(14.6)	(5.3)
<b>Real estate*4</b>	Book value	1,252.8	1,266.1	1,224.1
	Fair value (appraisal value)	1,312.1	1,257.0	1,170.8
	<b>Net gains/losses</b>	<b>59.3</b>	<b>(9.0)</b>	<b>(53.3)</b>
	Gains	227.9	179.4	153.8
	Losses	(168.6)	(188.5)	(207.1)
<b>Other assets</b>	Book value	1,768.4	1,809.4	2,095.8
	Fair value (appraisal value)	1,807.6	1,853.1	2,152.0
	<b>Net gains/losses</b>	<b>39.2</b>	<b>43.6</b>	<b>56.2</b>
	Gains	39.2	43.7	56.7
	Losses	(0.0)	(0.0)	(0.4)
<b>Total assets</b>	Book value	53,859.1	52,100.4	51,240.2
	Fair value (appraisal value)	65,363.7	58,914.6	57,227.2
	<b>Net gains/losses</b>	<b>11,504.5</b>	<b>6,814.1</b>	<b>5,987.0</b>
	Gains	11,723.4	7,148.4	6,514.6
	Losses	(218.8)	(334.2)	(527.5)

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

\*2 Fair 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 fair values calculated using theoretical prices. Securities also include securities loaned.

\*4 Real estate is the total of the land account and leasehold account. The fair 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 ¥26.7 billion, ¥42.6 billion and ¥44.6 billion as of March 31, 2015, 2014 and 2013, respectively.

## 6. Data on Fair Value of Securities (Company Total)

\* Please refer to the following pages: Fair Value of Securities (General Account), p. 211, Fair Value of Securities (Separate Account for Individual Variable Insurance), p. 218, Fair Value of Securities (Separate Account for Individual Variable Annuities), p. 222

### 1. Net valuation gains/losses from trading securities

Millions of Yen						
As of March 31	2015		2014		2013	
	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	¥1,005,262	¥44,376	¥1,098,298	¥7,295	¥1,072,950	¥115,244

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, deposits and call loans within assets held in trust included in trading securities.

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

Millions of Yen										
As of March 31	2015					2014				
	Book value	Fair value	Net gains/losses	Gains	Losses	Book value	Fair value	Net gains/losses	Gains	Losses
Policy-reserve-matching bonds	¥20,673,896	¥23,292,429	¥ 2,618,532	¥ 2,618,977	¥ (444)	¥20,136,376	¥21,936,386	¥1,800,009	¥1,808,748	¥ (8,738)
Held-to-maturity debt securities	—	—	—	—	—	—	—	—	—	—
Investments in subsidiaries and affiliates	7,711	37,474	29,763	29,763	—	7,711	61,779	54,068	54,068	—
Available-for-sale securities	19,337,667	27,722,703	8,385,035	8,419,299	(34,263)	18,015,822	22,677,237	4,661,415	4,779,182	(117,767)
Domestic bonds	2,355,340	2,512,314	156,973	157,781	(807)	2,056,317	2,155,038	98,721	99,802	(1,081)
Domestic stocks	3,944,517	8,936,459	4,991,942	5,015,264	(23,321)	4,081,909	6,911,256	2,829,346	2,923,269	(93,923)
Foreign securities	11,889,668	15,009,565	3,119,897	3,129,530	(9,633)	11,109,726	12,793,176	1,683,449	1,704,975	(21,525)
Foreign bonds	9,752,012	12,005,458	2,253,446	2,255,097	(1,651)	9,031,217	10,143,846	1,112,629	1,131,575	(18,945)
Foreign stocks and other securities	2,137,655	3,004,106	866,451	874,432	(7,981)	2,078,509	2,649,329	570,820	573,399	(2,579)
Other securities	806,288	922,498	116,209	116,705	(496)	504,806	554,709	49,902	51,134	(1,231)
Monetary receivables purchased	38,852	38,866	13	16	(2)	28,061	28,057	(4)	—	(4)
Negotiable certificates of deposit	303,000	302,999	(0)	0	(1)	235,000	234,999	(0)	0	(0)
<b>Total</b>	<b>¥40,019,275</b>	<b>¥51,052,607</b>	<b>¥11,033,331</b>	<b>¥11,068,039</b>	<b>¥(34,707)</b>	<b>¥38,159,910</b>	<b>¥44,675,402</b>	<b>¥6,515,492</b>	<b>¥6,641,999</b>	<b>¥(126,506)</b>
Domestic bonds	22,497,508	25,233,003	2,735,494	2,736,685	(1,191)	21,568,091	23,421,564	1,853,472	1,863,225	(9,752)
Domestic stocks	3,944,517	8,936,459	4,991,942	5,015,264	(23,321)	4,081,909	6,911,256	2,829,346	2,923,269	(93,923)
Foreign securities	11,969,216	15,122,920	3,153,703	3,163,337	(9,633)	11,199,464	12,940,877	1,741,412	1,762,938	(21,526)
Foreign bonds	9,823,849	12,081,339	2,257,489	2,259,141	(1,651)	9,113,244	10,229,768	1,116,523	1,135,470	(18,946)
Foreign stocks and other securities	2,145,366	3,041,580	896,214	904,196	(7,981)	2,086,220	2,711,108	624,888	627,467	(2,579)
Other securities	806,288	922,498	116,209	116,705	(496)	504,806	554,709	49,902	51,134	(1,231)
Monetary receivables purchased	498,744	534,726	35,982	36,045	(63)	570,636	611,996	41,359	41,430	(70)
Negotiable certificates of deposit	303,000	302,999	(0)	0	(1)	235,000	234,999	(0)	0	(0)

As of March 31	2013				
	Book value	Fair value	Net gains/losses	Gains	Losses
Policy-reserve-matching bonds	¥19,603,424	¥21,659,962	¥2,056,538	¥2,065,986	¥ (9,448)
Held-to-maturity debt securities	—	—	—	—	—
Investments in subsidiaries and affiliates	7,711	44,436	36,725	36,725	—
Available-for-sale securities	17,673,517	21,305,305	3,631,788	3,913,256	(281,467)
Domestic bonds	1,968,345	2,067,063	98,718	100,561	(1,843)
Domestic stocks	4,305,831	6,437,752	2,131,920	2,392,688	(260,767)
Foreign securities	10,667,428	12,034,602	1,367,174	1,381,580	(14,406)
Foreign bonds	8,754,592	9,739,153	984,560	996,678	(12,117)
Foreign stocks and other securities	1,912,835	2,295,449	382,614	384,902	(2,288)
Other securities	374,619	408,607	33,987	38,425	(4,437)
Monetary receivables purchased	58,291	58,281	(10)	—	(10)
Negotiable certificates of deposit	299,000	298,997	(2)	0	(2)
<b>Total</b>	<b>¥37,284,652</b>	<b>¥43,009,704</b>	<b>¥5,725,051</b>	<b>¥6,015,967</b>	<b>¥(290,916)</b>
Domestic bonds	20,791,887	22,888,875	2,096,988	2,107,804	(10,816)
Domestic stocks	4,305,831	6,437,752	2,131,920	2,392,688	(260,767)
Foreign securities	10,756,982	12,165,246	1,408,263	1,422,672	(14,408)
Foreign bonds	8,836,436	9,825,360	988,923	1,001,044	(12,120)
Foreign stocks and other securities	1,920,546	2,339,885	419,339	421,627	(2,288)
Other securities	374,619	408,607	33,987	38,425	(4,437)
Monetary receivables purchased	756,331	810,224	53,893	54,377	(483)
Negotiable certificates of deposit	299,000	298,997	(2)	0	(2)

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 Fair Value of Securities (Company Total), continued

### (1) Policy-reserve-matching bonds

Millions of Yen

As of March 31	2015			2014			2013		
	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference
Bonds whose fair value exceeds balance sheet amount	¥20,576,578	¥23,195,555	¥2,618,977	¥19,723,454	¥21,532,202	¥1,808,748	¥19,451,366	¥21,517,353	¥2,065,986
Domestic bonds	20,047,635	22,626,539	2,578,904	19,100,466	20,863,889	1,763,422	18,734,266	20,741,509	2,007,243
Foreign securities	71,655	75,699	4,043	81,594	85,489	3,895	81,033	85,399	4,366
Monetary receivables purchased	457,286	493,315	36,029	541,392	582,823	41,430	636,067	690,445	54,377
Bonds whose fair value does not exceed balance sheet amount	97,318	96,874	(444)	412,922	404,183	(8,738)	152,057	142,608	(9,448)
Domestic bonds	94,532	94,148	(383)	411,307	402,636	(8,671)	89,276	80,303	(8,973)
Foreign securities	181	180	(0)	432	431	(1)	810	807	(2)
Monetary receivables purchased	2,604	2,544	(60)	1,182	1,115	(66)	61,971	61,498	(472)

### (2) Held-to-maturity debt securities

No ending balance as of March 31, 2015, 2014 or 2013.

### (3) Available-for-sale securities

Millions of Yen

As of March 31	2015			2014			2013		
	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	¥18,305,947	¥26,725,246	¥8,419,299	¥15,453,071	¥20,232,254	¥4,779,182	¥15,316,107	¥19,229,363	¥3,913,256
Domestic bonds	2,231,394	2,389,176	157,781	1,998,843	2,098,646	99,802	1,917,151	2,017,712	100,561
Domestic stocks	3,728,318	8,743,582	5,015,264	3,205,936	6,129,206	2,923,269	3,003,896	5,396,584	2,392,688
Foreign securities	11,561,325	14,690,856	3,129,530	9,732,154	11,437,129	1,704,975	10,041,063	11,422,644	1,381,580
Other securities	690,908	807,614	116,705	431,137	482,272	51,134	349,996	388,421	38,425
Monetary receivables purchased	1,000	1,016	16	—	—	—	—	—	—
Negotiable certificates of deposit	93,000	93,000	0	85,000	85,000	0	4,000	4,000	0
Bonds whose balance sheet amount does not exceed book value	1,031,720	997,457	(34,263)	2,562,750	2,444,983	(117,767)	2,357,409	2,075,941	(281,467)
Domestic bonds	123,945	123,138	(807)	57,473	56,392	(1,081)	51,193	49,350	(1,843)
Domestic stocks	216,198	192,876	(23,321)	875,973	782,049	(93,923)	1,301,935	1,041,168	(260,767)
Foreign securities	328,342	318,709	(9,633)	1,377,572	1,356,047	(21,525)	626,364	611,958	(14,406)
Other securities	115,380	114,883	(496)	73,669	72,437	(1,231)	24,623	20,185	(4,437)
Monetary receivables purchased	37,852	37,850	(2)	28,061	28,057	(4)	58,291	58,281	(10)
Negotiable certificates of deposit	210,000	209,998	(1)	150,000	149,999	(0)	295,000	294,997	(2)

### (4) Book value of securities without fair value

Millions of Yen

As of March 31	2015	2014	2013
Policy-reserve-matching bonds	¥ —	¥ —	¥ —
Held-to-maturity debt securities	—	—	—
Unlisted foreign bonds	—	—	—
Others	—	—	—
Investments in subsidiaries and affiliates	292,859	231,983	285,945
Available-for-sale securities	899,785	994,216	1,043,347
Unlisted domestic stocks (excluding stocks sold over the counter)	101,002	196,549	199,242
Unlisted foreign stocks (excluding stocks sold over the counter)	587,413	622,487	682,492
Unlisted foreign bonds	—	—	—
Others	211,370	175,179	161,612
<b>Total</b>	<b>¥1,192,645</b>	<b>¥1,226,199</b>	<b>¥1,329,292</b>

Note: Of securities without fair value, the net income on currency exchange valuation of assets denominated in foreign currencies was ¥82,167 million and ¥42,893 million as of March 31, 2015 and 2014, respectively, and the net loss on currency exchange valuation of assets denominated in foreign currencies was ¥100 million as of March 31, 2013.



## 6. Data on Fair 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 subcategorized 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 subcategories, 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 Fair Value of Assets Held in Trust (Company Total)

No ending balance as of March 31, 2015, 2014 or 2013.

### Assets held in trust for trading purposes

No ending balance as of March 31, 2015, 2014 or 2013.

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

No ending balance as of March 31, 2015, 2014 or 2013.

## 8. Ordinary Profit (Core Operating Profit)

Millions of Yen			
Fiscal years ended March 31	2015	2014	2013
<b>Core operating income</b>	<b>¥7,052,679</b>	<b>¥6,451,810</b>	<b>¥6,900,080</b>
Revenues from insurance and reinsurance	5,337,118	4,825,577	5,342,857
Insurance premiums	5,336,204	4,824,669	5,342,079
Reinsurance revenue	913	907	777
Investment income	1,532,935	1,421,483	1,366,740
Interest, dividends, and other income	1,371,789	1,296,640	1,217,010
Gain on redemptions of securities	5,023	248	284
Reversal of general allowance for doubtful accounts	1,444	1,526	3,976
Other investment income	489	441	857
Gain from separate accounts, net	154,187	122,626	144,611
Other ordinary income	182,625	204,748	190,483
Income from annuity riders	7,329	7,836	7,769
Income from deferred benefits	126,913	153,912	152,482
Reversal of reserve for outstanding claims	1,652	4,266	2,786
Reversal of policy reserves	—	—	—
Reversal of accrued retirement benefits	19,980	12,250	4,236
Other income	26,749	26,482	23,208
Other core operating income	—	—	—
<b>Core operating expenses</b>	<b>6,373,589</b>	<b>5,859,364</b>	<b>6,353,539</b>
Benefits and other payments	3,932,183	3,778,221	3,617,129
Death and other claims	1,022,096	1,016,847	1,059,742
Annuity payments	839,921	857,662	686,205
Health and other benefits	721,112	769,645	828,082
Surrender benefits	959,865	839,852	834,495
Other refunds	387,696	292,927	207,332
Reinsurance premiums	1,491	1,284	1,271
Provision for policy reserves*	1,464,932	1,153,342	1,734,514
Investment expenses	72,617	69,807	80,702
Interest expenses	9,876	7,792	4,717
Loss on redemptions of securities	21,595	24,628	30,526
Provision for general allowance for doubtful accounts	—	—	—
Depreciation of rental real estate and other assets	15,307	15,410	23,954
Other investment expenses	25,839	21,976	21,503
Loss from separate accounts, net	—	—	—
Operating expenses	563,371	561,860	566,920
Other ordinary expenses	340,484	296,133	354,273
Deferred benefit payments	232,820	197,808	243,173
Taxes	44,508	34,643	37,376
Depreciation	46,455	47,308	57,839
Provision for accrued retirement benefits	—	—	—
Deferred asset amortization (Insurance Business Act, Article 113)	—	—	—
Other expenses	16,700	16,371	15,883
Other core operating expenses	—	—	—
<b>Core operating profit</b>	<b>A 679,090</b>	<b>592,445</b>	<b>546,541</b>

Millions of Yen			
Fiscal years ended March 31	2015	2014	2013
<b>Capital gains</b>	<b>¥ 242,029</b>	<b>¥ 262,138</b>	<b>¥ 193,563</b>
Gain on proprietary trading securities	—	—	—
Gain from assets held in trust, net	4	5	13
Gain on trading securities	—	—	—
Gain on sales of securities	242,024	260,438	192,348
Gain on derivative financial instruments, net	—	—	—
Foreign exchange gains, net	—	1,693	1,201
Other capital gains	—	—	—
<b>Capital losses</b>	<b>68,376</b>	<b>116,502</b>	<b>347,446</b>
Loss on proprietary trading securities	—	—	—
Loss from assets held in trust, net	—	—	—
Loss on trading securities	—	—	—
Loss on sales of securities	18,357	57,738	72,088
Loss on valuation of securities	3,258	22,254	98,668
Loss on derivative financial instruments, net	46,342	36,508	176,689
Foreign exchange losses, net	417	—	—
Other capital losses	—	—	—
<b>Net capital gains/losses</b>	<b>B 173,652</b>	<b>145,635</b>	<b>(153,882)</b>
<b>Core operating profit, including net capital gains/losses</b>	<b>A+B 852,743</b>	<b>738,081</b>	<b>392,658</b>
<b>Nonrecurring gains</b>	<b>—</b>	<b>141</b>	<b>584</b>
Reinsurance revenue	—	—	—
Reversal of contingency reserve	—	—	—
Reversal of specific allowance for doubtful accounts	—	141	584
Other nonrecurring gains	—	—	—
<b>Nonrecurring losses</b>	<b>245,501</b>	<b>225,606</b>	<b>4,501</b>
Reinsurance premiums	—	—	—
Provision for contingency reserve	244,488	225,606	4,500
Provision for specific allowance for doubtful accounts	1,012	—	—
Provision of allowance for specific overseas debts	—	—	—
Write-offs of loans	0	0	1
Other nonrecurring losses	—	—	—
<b>Nonrecurring gains/losses</b>	<b>C (245,501)</b>	<b>(225,464)</b>	<b>(3,916)</b>
<b>Ordinary profit</b>	<b>A + B + C ¥ 607,241</b>	<b>¥ 512,616</b>	<b>¥ 388,742</b>

\*"Provision for policy reserves" excludes provision for (reversal of) contingency reserve.

# MAIN BUSINESS INDICATORS

## 9. Policies in Force and New Policies

### 1. Policies in force

#### (1) Number of policies

As of March 31	2015		2014		2013	
	Number of policies	Rate of increase (decrease)	Number of policies	Rate of increase (decrease)	Number of policies	Rate of increase (decrease)
Individual insurance	20,635,640	15.1%	17,927,849	22.0%	14,696,758	29.6%
Individual annuities	3,448,386	1.6	3,392,874	5.6	3,214,212	2.1

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	2015		2014		2013	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥146,649,364	(2.8)%	¥150,854,564	(3.5)%	¥156,313,280	(3.7)%
Individual annuities	21,456,152	2.0	21,041,351	6.9	19,682,527	3.3
Group insurance	92,595,488	0.6	92,059,146	0.1	91,960,978	0.8
Group annuities	11,680,646	3.1	11,327,050	3.8	10,911,548	4.1

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	2015		2014		2013	
	Number of policies	Rate of increase (decrease)	Number of policies	Rate of increase (decrease)	Number of policies	Rate of increase (decrease)
Individual insurance	4,397,742	(6.1)%	4,682,528	0.4%	4,662,434	349.3%
Individual annuities	211,364	(38.3)	342,424	65.2	207,224	(20.2)

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		2015		2014		2013	
		Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	<b>New policies, including conversions</b>	<b>¥7,627,828</b>	<b>4.8%</b>	<b>¥7,277,643</b>	<b>(9.3)%</b>	<b>¥8,027,088</b>	<b>18.8%</b>
	New policies, excluding conversions	8,268,132	2.6	8,062,318	(4.5)	8,439,496	12.3
	By conversion	(640,303)	—	(784,674)	—	(412,408)	—
Individual annuities	<b>New policies, including conversions</b>	<b>1,538,155</b>	<b>(36.8)</b>	<b>2,431,876</b>	<b>58.7</b>	<b>1,532,368</b>	<b>(6.6)</b>
	New policies, excluding conversions	1,523,036	(36.2)	2,387,520	56.4	1,526,234	(8.8)
	By conversion	15,118	(65.9)	44,355	623.1	6,134	—
Group insurance	<b>New policies, including conversions</b>	<b>658,737</b>	<b>10.4</b>	<b>596,798</b>	<b>55.6</b>	<b>383,623</b>	<b>(64.2)</b>
	New policies, excluding conversions	658,737	10.4	596,798	55.6	383,623	(64.2)
	By conversion	[4,528,137]	20.3	[3,764,497]	(21.2)	[4,780,110]	(13.7)
Group annuities	<b>New policies, including conversions</b>	<b>43,951</b>	<b>3,253.4</b>	<b>1,310</b>	<b>(81.9)</b>	<b>7,240</b>	<b>271.9</b>
	New policies, excluding conversions	43,951	3,253.4	1,310	(81.9)	7,240	271.9
	By conversion	—	—	—	—	—	—

Notes: 1. New policies include enrollment using the coverage enhancement system and conversion indicates enrollment using the coverage revision system and partial coverage revision system.

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

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

4. 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	2015		2014		2013	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥2,459,168	2.0%	¥2,411,362	1.5%	¥2,375,284	1.3%
Individual annuities	863,253	0.7	857,412	2.0	840,931	2.5
<b>Total</b>	<b>¥3,322,422</b>	<b>1.6%</b>	<b>¥3,268,774</b>	<b>1.6%</b>	<b>¥3,216,215</b>	<b>1.6%</b>
Medical coverage, living benefits, and others	¥ 600,200	0.7	¥ 595,747	0.6	¥ 592,386	0.4

Notes: 1. The amount of annualized net premium is the annual premium 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	2015		2014		2013	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥230,830	5.9%	¥217,995	(2.8)%	¥224,178	10.2%
Individual annuities	57,025	(28.5)	79,797	49.2	53,477	(20.3)
<b>Total</b>	<b>¥287,855</b>	<b>(3.3)</b>	<b>¥297,792</b>	<b>7.3</b>	<b>¥277,656</b>	<b>2.7</b>
Medical coverage, living benefits, and others	¥ 41,154	0.2%	¥ 41,085	2.6 %	¥ 40,055	9.9%

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" include net increases due to conversions.

## 11. New Policies by Product

Number of Policies, Millions of Yen

Fiscal years ended March 31		2015		2014		2013	
		Policies	Amount	Policies	Amount	Policies	Amount
<b>Individual insurance</b>	Mortality insurance	[4,237,477] 2,110,788	¥[15,311,733] 7,672,295	[4,460,326] 2,070,803	¥[15,746,999] 7,266,329	[4,532,672] 1,925,982	¥[17,574,951] 7,873,171
	Term life insurance	[418,917] 155,818	[6,221,477] 2,400,150	[441,207] 153,775	[6,333,926] 2,177,469	[460,827] 142,196	[7,148,161] 2,424,871
	Whole life insurance	[373,318] 228,821	[1,479,480] 1,123,806	[406,046] 200,207	[1,536,771] 977,776	[595,297] 343,110	[2,369,633] 1,716,873
	Lump-sum payment whole life insurance with variable accumulation rate	1,072	11,133	132	2,254	2,397	15,471
	Lump-sum payment increasing whole life insurance with variable assumed rate	56,234	475,253	51,963	448,017	49,163	419,394
	Whole life insurance with term rider	[—] —	[—] —	[—] —	[—] —	[7,731] 3,108	[183,449] 68,436
	Dread disease insurance	[636,436] 300,804	[2,338,609] 1,078,859	[701,158] 324,894	[2,560,737] 1,155,650	[680,113] 271,598	[2,755,586] 1,139,303
	Physical disability insurance	[581,196] 296,138	[1,969,765] 1,043,733	[616,357] 298,299	[2,032,690] 1,039,444	[571,944] 239,825	[2,040,608] 951,429
	Nursing care insurance	[595,044] 306,711	[2,474,538] 1,200,775	[599,417] 288,555	[2,452,501] 1,089,184	[543,629] 220,303	[2,452,630] 949,049
	Cancer insurance	—	—	—	—	151	22
	General medical insurance	[685,609] 337,573	[—] —	[747,935] 356,477	[—] —	[744,414] 319,669	[—] —
	Children's general medical insurance	15,155	—	15,927	—	14,819	—
	Cancer medical insurance	[422,920] 168,658	[—] —	[417,680] 138,021	[—] —	[426,128] 121,844	[—] —
	Limited injury insurance	[443,276] 235,562	[—] —	[453,861] 233,984	[—] —	[428,749] 190,529	[—] —
	Increasing term life insurance	[5,066] 5,008	[211,995] 209,104	[4,559] 4,485	[185,361] 181,793	[4,495] 4,455	[181,152] 179,511
	Long-term life insurance with low cash surrender value	1,583	126,445	2,579	192,804	—	—
	Medical life insurance	127	7	226	13	191	11
	Lump-sum payment whole life insurance for retirement	561	2,588	330	1,462	1,304	7,839
	Medical life insurance for retirement	963	331	949	364	1,320	542
	Term rider	[32] 32	[105] 105	[33] 33	[94] 94	[109] 101	[445] 413
	Life and mortality insurance	[107,530] 86,074	[525,005] 468,578	[121,021] 97,560	[598,639] 532,822	[129,762] 99,946	[645,974] 566,325
	Endowment insurance	[53,439] 47,717	[228,272] 212,167	[62,301] 55,573	[264,685] 243,125	[63,131] 54,671	[265,693] 241,843
	Endowment insurance with term rider <i>Kurashi no Hoken</i>	[—] —	[—] —	[—] —	[—] —	[112] 77	[1,155] 898
	Term life with survival benefit insurance	[33,479] 17,745	[90,542] 50,219	[34,747] 18,014	[99,288] 55,031	[41,014] 19,693	[120,747] 65,982
	Juvenile insurance	20,612	206,187	23,973	234,660	25,505	256,924
	Multi-increase endowment rider	35	3	48	5	82	9
	Term rider with survival benefit	[—] —	[—] —	[—] —	[—] —	[699] 348	[1,445] 666
	Pure endowment	52,735	127,258	101,181	263,166	—	—
	Educational endowment insurance	52,735	127,258	101,181	263,166	—	—
	<b>Subtotal</b>	<b>[4,397,742]</b> <b>2,249,597</b>	<b>[15,963,996]</b> <b>8,268,132</b> <7,627,828>	<b>[4,682,528]</b> <b>2,269,544</b>	<b>[16,608,804]</b> <b>8,062,318</b> <7,277,643>	<b>[4,662,434]</b> <b>2,025,928</b>	<b>[18,220,926]</b> <b>8,439,496</b> <8,027,088>

## 11. New Policies by Product, continued

Fiscal years ended March 31		Number of Policies, Millions of Yen					
		2015		2014		2013	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual annuities	Nissay annuities	[210,039]	¥ [1,577,418]	[339,756]	¥ [2,501,795]	[201,952]	¥ [1,618,546]
		200,609	1,515,778	323,388	2,373,177	185,609	1,501,482
	Annuities with variable accumulation rate	1,325	7,258	2,668	14,342	5,272	24,752
	<b>Subtotal</b>	<b>201,934</b>	<b>1,523,036</b>	<b>326,056</b>	<b>2,387,520</b>	<b>190,881</b>	<b>1,526,234</b>
		<1,538,155>		<2,431,876>		<1,532,368>	
Group insurance	Group term life insurance	36,866	36,615	81,295	51,772	29,512	45,417
	General welfare group term life insurance	131,067	346,050	168,972	504,357	71,260	329,504
	Group credit life insurance	485,737	276,070	29,976	40,668	6,928	8,701
	<b>Subtotal</b>	<b>653,670</b>	<b>658,737</b>	<b>280,243</b>	<b>596,798</b>	<b>107,700</b>	<b>383,623</b>
Group annuities	New corporate pension plans	2,760,522	43,315	—	—	—	—
	Insured contributory pension plans	11,730	96	519	13	8,549	41
	Defined benefit corporate pension plans	—	58	—	1,141	—	192
	Employees' pension fund insurance	—	—	3,105	49	54,120	1,277
	Group pure endowment insurance	—	—	—	—	—	5,674
	Defined contribution pension plans	—	480	—	106	—	54
	<b>Subtotal</b>	<b>2,772,252</b>	<b>43,951</b>	<b>3,624</b>	<b>1,310</b>	<b>62,669</b>	<b>7,240</b>
Workers' asset-formation insurance	Workers' asset-formation savings insurance	3,210	427	4,411	475	4,046	270
	Workers' asset-formation housing funding insurance	587	46	865	38	900	69
	Workers' asset-formation benefits savings insurance	—	—	—	—	—	—
	<b>Subtotal</b>	<b>3,797</b>	<b>473</b>	<b>5,276</b>	<b>513</b>	<b>4,946</b>	<b>339</b>
Workers' asset-formation annuities	Workers' asset-formation funding annuities	1,124	73	1,933	70	1,827	72
	<b>Subtotal</b>	<b>1,124</b>	<b>73</b>	<b>1,933</b>	<b>70</b>	<b>1,827</b>	<b>72</b>
Medical life insurance	Individual type	14	0	28	0	26	0
	Group type	14,856	69	63,031	381	65,403	358
	<b>Subtotal</b>	<b>14,870</b>	<b>69</b>	<b>63,059</b>	<b>381</b>	<b>65,429</b>	<b>358</b>
Disability income insurance	Group disability income insurance	13,427	1,224	6,401	395	40,671	8,049
	<b>Subtotal</b>	<b>13,427</b>	<b>1,224</b>	<b>6,401</b>	<b>395</b>	<b>40,671</b>	<b>8,049</b>
<b>Reinsurance assumed</b>		<b>26</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

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 and term rider with survival benefit are not included in the subtotals.

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

8. Figures for individual 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		2015		2014		2013	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual insurance	Mortality insurance	18,738,452	¥136,761,889	15,938,334	¥140,099,874	12,645,665	¥144,634,594
	Term life insurance	1,295,351	24,670,524	983,132	20,532,176	603,990	15,836,933
	Whole life insurance	4,510,943	28,743,954	4,205,552	27,812,623	3,845,323	26,761,989
	Lump-sum payment whole life insurance with variable accumulation rate	62,719	481,964	67,444	517,186	72,988	563,019
	Lump-sum payment increasing whole life insurance with variable accumulation rate	216,225	1,763,105	170,114	1,385,689	125,472	1,005,005
	Whole life insurance with term rider	2,695,472	58,870,659	3,245,704	72,930,693	3,904,588	89,777,031
	Variable life insurance (whole life type)	34,064	495,518	34,621	508,030	35,061	519,047
	Variable life insurance with term rider (whole life type)	601	17,659	812	23,528	1,035	30,244
	Term life insurance with dread disease term rider	102,454	481,056	123,000	591,297	148,817	730,167
	Whole life insurance with dread disease term rider	29,834	191,178	30,568	196,550	31,428	202,872
	Dread disease insurance	1,829,848	6,884,159	1,310,463	5,013,007	668,708	2,705,213
	Physical disability insurance	1,592,516	5,360,708	1,124,321	3,815,628	562,371	2,001,075
	Nursing care insurance	1,564,018	6,561,198	1,080,883	4,595,371	534,446	2,405,153
	Cancer insurance	196,704	26,169	211,554	28,301	229,908	31,013
	Hospitalization medical insurance	71,708	72	76,307	48	81,729	28
	General medical insurance	2,084,014	—	1,545,534	—	881,267	—
	Children's general medical insurance	42,049	—	29,259	—	14,577	—
	Cancer medical insurance	1,149,187	—	799,477	—	419,053	—
	Limited injury insurance	1,190,175	—	832,692	—	420,810	—
	Increasing term life insurance	23,682	995,055	21,734	919,738	20,417	870,370
	Long-term life insurance with low cash surrender value	4,063	312,318	2,559	190,818	—	—
	Medical life insurance	3,775	225	3,883	231	4,932	296
	Lump-sum payment whole life insurance for retirement	9,177	41,701	8,841	40,010	8,708	39,364
	Medical life insurance for retirement	12,380	5,274	11,777	5,133	11,186	4,907
	Former Dowa Life Insurance	17,493	157,269	18,103	165,926	18,851	176,140
	Term rider	143,085	702,115	171,436	827,882	204,933	974,720
	Life and mortality insurance	1,744,775	9,498,531	1,888,499	10,490,014	2,050,932	11,676,284
	Endowment insurance	902,142	3,848,878	972,998	4,127,999	1,048,054	4,411,305
	Endowment insurance with term rider <i>Kurashi no Hoken</i>	54,679	780,068	68,863	964,588	89,941	1,223,407
	Variable life insurance (defined term type)	1,724	8,382	1,820	8,931	1,950	9,734
	Term life with survival benefit insurance	237,044	1,652,435	239,671	1,860,848	244,522	2,134,885
	Juvenile insurance	546,869	2,641,521	602,664	2,848,288	663,758	3,076,173
	Former Dowa Life Insurance	2,317	4,017	2,483	4,724	2,707	5,430
Multi-increase endowment rider	14,904	3,971	15,404	4,167	15,827	4,337	
Term rider with survival benefit	298,381	559,255	360,210	670,466	437,347	811,008	
Pure endowment	152,413	388,942	101,016	264,675	161	2,402	
Educational endowment insurance	152,260	386,775	100,861	262,427	—	—	
Pure endowment with nursing care benefit	153	2,167	155	2,247	161	2,402	
<b>Subtotal</b>	<b>20,635,640</b>	<b>146,649,364</b>	<b>17,927,849</b>	<b>150,854,564</b>	<b>14,696,758</b>	<b>156,313,280</b>	

Number of Policies, Millions of Yen

## 12. Policies in Force by Product, continued

As of March 31		2015		2014		2013	
		Policies	Amount	Policies	Amount	Policies	Amount
		Number of Policies, Millions of Yen					
Individual annuities	Nissay annuities	2,910,386	¥18,367,883	2,816,397	¥17,740,383	2,590,487	¥16,104,496
	Individual fixed annuities <i>Sounen no Sekkei</i>	141	520	182	598	301	738
	Annuities focused on survival coverage	388,366	2,401,182	394,641	2,446,943	401,586	2,499,597
	Variable assumed rate-type annuities	6,826	22,119	8,196	26,781	10,992	33,882
	Annuities with variable accumulation rate	98,388	448,954	124,682	583,626	156,546	766,065
	Guaranteed minimum maturity benefit equity-indexed annuities	308	1,275	411	1,881	593	2,884
	Nissay investment-type annuities	11,618	82,080	15,513	104,851	20,677	135,449
	Former Dowa Life Insurance	3,751	16,429	3,838	16,920	3,995	17,539
	Annuity rider	26,627	94,371	26,810	96,720	26,624	97,289
	Term rider annualized payment	1,974	21,331	2,203	22,639	2,410	24,578
	Annuity for spouse term rider	1	1	1	2	1	2
	<b>Subtotal</b>	<b>3,448,386</b>	<b>21,456,152</b>	<b>3,392,874</b>	<b>21,041,351</b>	<b>3,214,212</b>	<b>19,682,527</b>
Group insurance	Group term life insurance	8,965,172	22,609,586	9,153,708	22,839,246	8,989,038	23,081,012
	General welfare group term life insurance	5,204,204	35,354,766	5,177,151	34,493,354	5,045,740	33,961,055
	Group credit life insurance	12,451,349	34,586,246	12,076,150	34,679,549	12,317,232	34,870,525
	Consumer credit group insurance	47,085	703	48,398	1,547	49,584	1,689
	Group endowment insurance	4	0	8	0	12	—
	Group whole life insurance	59	49	69	57	77	66
	Life insurance for dependents of disabled	48,767	28,890	50,675	29,927	52,708	31,028
	Annuities rider (group term life insurance)	10,106	15,245	10,465	15,462	10,787	15,599
		<b>Subtotal</b>	<b>26,677,979</b>	<b>92,595,488</b>	<b>26,465,949</b>	<b>92,059,146</b>	<b>26,412,470</b>
Group annuities	Corporate pension plans	1,109	4,594	1,147	4,746	1,189	4,928
	New insured pension plans	8,243,720	783,126	7,898,475	769,698	7,778,947	756,692
	Insured contributory pension plans	3,376,246	3,894,536	3,405,233	3,810,069	3,469,910	3,757,907
	Defined benefit corporate pension plans	—	5,678,410	—	5,290,469	—	4,962,156
	National pension fund insurance	—	550	—	1,099	—	2,418
	Employees' pension fund insurance	2,564,062	589,808	3,187,625	641,629	3,354,706	665,178
	Group pure endowment insurance	—	82,294	—	236,858	—	228,057
	Defined contribution pension plans	—	647,325	—	572,478	—	534,209
	<b>Subtotal</b>	<b>14,185,137</b>	<b>11,680,646</b>	<b>14,492,480</b>	<b>11,327,050</b>	<b>14,604,752</b>	<b>10,911,548</b>
Workers' asset-formation insurance	Workers' asset-formation savings insurance	102,367	280,160	105,678	274,143	108,580	269,652
	Workers' asset-formation housing funding insurance	15,391	45,038	16,566	47,636	17,668	50,781
	Workers' asset-formation benefits savings insurance	19,838	1,776	20,048	1,803	20,309	1,794
	Workers' asset-formation fund savings insurance	612	14	613	13	632	13
		<b>Subtotal</b>	<b>138,208</b>	<b>326,990</b>	<b>142,905</b>	<b>323,596</b>	<b>147,189</b>
Workers' asset-formation annuities	Workers' asset-formation annuities	298	862	316	954	330	1,042
	Workers' asset-formation funding annuities	56,987	125,720	58,884	129,698	60,236	133,827
	<b>Subtotal</b>	<b>57,285</b>	<b>126,583</b>	<b>59,200</b>	<b>130,652</b>	<b>60,566</b>	<b>134,869</b>
Medical life insurance	Individual type	870	4	994	4	1,126	5
	Group type	900,211	3,459	893,850	3,372	894,079	3,269
	<b>Subtotal</b>	<b>901,081</b>	<b>3,463</b>	<b>894,844</b>	<b>3,376</b>	<b>895,205</b>	<b>3,274</b>
Disability income insurance	Group disability income insurance	130,933	22,699	132,670	22,350	132,874	22,428
	<b>Subtotal</b>	<b>130,933</b>	<b>22,699</b>	<b>132,670</b>	<b>22,350</b>	<b>132,874</b>	<b>22,428</b>
<b>Reinsurance assumed</b>		<b>42,024</b>	<b>69,055</b>	<b>18,191</b>	<b>29,755</b>	<b>16,526</b>	<b>21,265</b>

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 and life insurance for dependents of disabled 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		2015	2014	2013	
Millions of Yen					
Death protection	Death protection due to illness/accident	Individual insurance	¥146,259,585	¥150,588,691	¥156,309,419
		Individual annuities	—	—	—
		Group insurance	92,580,242	92,043,684	91,945,378
		Group annuities	—	—	—
	<b>Total including other types</b>	<b>238,908,883</b>	<b>242,662,130</b>	<b>248,276,062</b>	
	Death protection due to accident	Individual insurance	[20,829,707]	[23,522,358]	[26,648,604]
		Individual annuities	[225,241]	[254,878]	[292,570]
		Group insurance	[3,375,799]	[3,460,801]	[3,552,427]
		Group annuities	[—]	[—]	[—]
	<b>Total including other types</b>	<b>[24,580,013]</b>	<b>[27,284,394]</b>	<b>[30,528,675]</b>	
	Death protection due to specific causes	Individual insurance	[235,529]	[254,710]	[279,121]
		Individual annuities	[—]	[—]	[—]
Group insurance		[100,677]	[101,022]	[102,562]	
Group annuities		[—]	[—]	[—]	
<b>Total including other types</b>	<b>[336,206]</b>	<b>[355,732]</b>	<b>[381,684]</b>		
Pure endowment	Maturity and survival benefits	Individual insurance	389,778	270,864	3,861
		Individual annuities	19,621,499	19,311,679	18,111,783
		Group insurance	627	748	872
		Group annuities	—	—	—
	<b>Total including other types</b>	<b>20,088,552</b>	<b>19,662,631</b>	<b>18,198,911</b>	
	Annuity	Individual insurance	[124,385]	[158,867]	[208,810]
		Individual annuities	[2,470,922]	[2,416,585]	[2,260,363]
		Group insurance	[2,083]	[2,099]	[2,106]
		Group annuities	[—]	[—]	[—]
	<b>Total including other types</b>	<b>[2,605,679]</b>	<b>[2,586,035]</b>	<b>[2,479,965]</b>	
	Other	Individual insurance	—	—	—
		Individual annuities	1,834,652	1,729,671	1,570,743
Group insurance		14,617	14,713	14,727	
Group annuities		11,680,646	11,327,050	10,911,548	
<b>Total including other types</b>	<b>13,906,844</b>	<b>13,446,345</b>	<b>12,871,737</b>		
Hospitalization coverage	Coverage for hospitalization due to accident	Individual insurance	[44,439]	[45,266]	[46,324]
		Individual annuities	[1,353]	[1,413]	[1,477]
		Group insurance	[1,534]	[1,567]	[1,634]
		Group annuities	[—]	[—]	[—]
	<b>Total including other types</b>	<b>[50,789]</b>	<b>[51,624]</b>	<b>[52,710]</b>	
	Coverage for hospitalization due to illness	Individual insurance	[44,303]	[45,096]	[46,109]
		Individual annuities	[1,341]	[1,400]	[1,463]
		Group insurance	[—]	[—]	[—]
		Group annuities	[—]	[—]	[—]
	<b>Total including other types</b>	<b>[49,108]</b>	<b>[49,874]</b>	<b>[50,848]</b>	
	Coverage for hospitalization due to other causes	Individual insurance	[49,640]	[51,285]	[53,872]
		Individual annuities	[271]	[286]	[305]
Group insurance		[40]	[42]	[46]	
Group annuities		[—]	[—]	[—]	
<b>Total including other types</b>	<b>[49,952]</b>	<b>[51,614]</b>	<b>[54,223]</b>		
Disability coverage	Individual insurance	—	—	—	
	Individual annuities	—	—	—	
	Group insurance	—	—	—	
	Group annuities	—	—	—	
<b>Total including other types</b>	<b>22,699</b>	<b>22,350</b>	<b>22,428</b>		

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 annuities rider 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		
		2015	2014	2013
Disability coverage	Individual insurance	[7,149,892]	[7,072,795]	[6,983,461]
	Individual annuities	[73,254]	[76,370]	[79,870]
	Group insurance	[2,602,371]	[2,693,953]	[2,775,732]
	Group annuities	[—]	[—]	[—]
	<b>Total including other types</b>	<b>[9,825,517]</b>	<b>[9,843,118]</b>	<b>[9,839,063]</b>
Surgical coverage	Individual insurance	[10,489,335]	[10,751,185]	[11,090,928]
	Individual annuities	[296,894]	[310,208]	[324,116]
	Group insurance	[—]	[—]	[—]
	Group annuities	[—]	[—]	[—]
	<b>Total including other types</b>	<b>[10,786,229]</b>	<b>[11,061,393]</b>	<b>[11,415,044]</b>

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		
		2015	2014	2013
Mortality insurance	Whole life insurance	¥ 31,610,501	¥ 30,194,784	¥ 28,708,028
	Whole life insurance with term rider	58,870,659	72,930,693	89,777,031
	Term life insurance	44,908,093	35,448,980	24,449,353
	<b>Total including other types</b>	<b>136,761,889</b>	<b>140,099,874</b>	<b>144,634,594</b>
Life and mortality insurance	Endowment insurance	3,848,878	4,127,999	4,411,305
	Endowment insurance with term rider	780,068	964,588	1,223,407
	Term life insurance with survival benefits	1,652,435	1,860,848	2,134,885
	<b>Total including other types</b>	<b>9,498,531</b>	<b>10,490,014</b>	<b>11,676,284</b>
Pure endowment	Family pure endowment	386,775	262,427	—
	<b>Total including other types</b>	<b>388,942</b>	<b>264,675</b>	<b>2,402</b>
<b>Annuities</b>	<b>Individual annuities</b>	<b>21,456,152</b>	<b>21,041,351</b>	<b>19,682,527</b>
Hospitalization/accident riders	Accident rider with extra premium	6,840,612	7,624,525	8,525,272
	Injury rider	13,940,698	15,987,176	18,210,789
	Accident coverage rider	176	449	846
	General medical rider	18,580	21,107	23,903
	Hospitalization due to accident rider	12,393	14,586	17,354
	Hospitalization due to illness rider	12,239	14,395	17,118
	Hospitalization due to adult disease rider	1,402	1,813	2,328
	Hospital visit rider	1,726	2,146	2,685
	Long-term hospitalization rider	23	30	35
	Hospitalization rider for women	661	830	1,066
	Limited injury rider	82,802	101,688	124,248
	Hospitalization due to cancer rider	13,413	16,111	19,371
	Short-term hospitalization rider	4,413	5,432	6,773

Notes: 1. Whole life insurance includes whole life insurance with dread disease term rider, dread disease insurance (whole life type), nursing care insurance (whole life), 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 (term), physical disability insurance, nursing care insurance (term), group term life insurance, increasing term life insurance, long-term life insurance with low cash surrender value medical life insurance and medical life insurance for retirement (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	2015		2014		2013	
	Policies	Amount	Policies	Amount	Policies	Amount
<b>At the beginning of the fiscal year</b>	<b>17,927,849</b>	<b>¥150,854,564</b>	<b>14,696,758</b>	<b>¥156,313,280</b>	<b>11,339,098</b>	<b>¥162,385,451</b>
New policies	2,249,597	8,268,132	2,269,544	8,062,318	2,025,928	8,439,496
Renewals	18,433	903,873	20,894	1,009,932	23,188	1,286,463
Reinstatements	3,117	39,136	5,342	76,016	8,349	122,755
Increase from conversion	2,148,145	7,695,864	2,412,984	8,546,486	2,636,506	9,781,429
Increase from variable amount	—	1,189	—	684	—	177
Death	67,894	618,920	59,849	583,171	52,433	567,035
Maturity	173,003	668,371	193,398	776,897	243,850	1,002,378
Decrease of benefits	—	1,492,842	—	1,729,686	—	1,857,315
Decrease from conversion	431,750	8,336,168	415,237	9,331,160	462,568	10,193,837
Cancellation	1,014,205	6,969,167	772,667	7,256,921	516,707	7,550,694
Expiration	16,884	256,178	30,361	446,260	56,103	830,949
Decrease from variable amount	—	170	—	292	—	49
Decrease due to other changes	7,765	2,771,577	6,161	3,029,764	4,650	3,700,233
<b>At the end of the fiscal year</b>	<b>20,635,640</b>	<b>146,649,364</b>	<b>17,927,849</b>	<b>150,854,564</b>	<b>14,696,758</b>	<b>156,313,280</b>
<b>[Rate of increase (decrease)]</b>	<b>[15.1%]</b>	<b>[(2.8)%]</b>	<b>[22.0%]</b>	<b>[(3.5)%]</b>	<b>[29.6%]</b>	<b>[(3.7)%]</b>
<b>Net increase (decrease)</b>	<b>2,707,791</b>	<b>(4,205,200)</b>	<b>3,231,091</b>	<b>(5,458,716)</b>	<b>3,357,660</b>	<b>(6,072,170)</b>
<b>[Rate of decrease]</b>	<b>[(16.2)%]</b>	<b>[—%]</b>	<b>[(3.8)%]</b>	<b>[—%]</b>	<b>[—%]</b>	<b>[—%]</b>

Notes: 1. New policies include enrollment using the coverage enhancement system and conversion indicates enrollment using the coverage revision system and partial coverage revision system.

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

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

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.

### 2. Individual annuities

Fiscal years ended March 31	2015		2014		2013	
	Policies	Amount	Policies	Amount	Policies	Amount
<b>At the beginning of the fiscal year</b>	<b>3,392,874</b>	<b>¥&lt;2,414,805&gt;</b>	<b>3,214,212</b>	<b>¥&lt;2,258,502&gt;</b>	<b>3,149,513</b>	<b>¥&lt;2,181,026&gt;</b>
New policies	201,934	<163,314>	326,056	<256,538>	190,881	<166,887>
Reinstatements	55	379	136	901	929	5,610
Increase from conversion	9,430	61,639	16,368	128,617	16,343	117,063
Death	10,455	51,760	10,491	53,826	10,152	52,276
Completion of payments	20,044	14,630	18,135	13,558	15,381	11,545
Decrease of insurance amount	—	69,314	—	57,012	—	51,180
Decrease from conversion	7,903	46,520	14,295	84,262	18,632	110,929
Cancellation	90,159	587,794	86,631	549,331	84,411	523,104
Expiration	1,045	6,542	1,535	9,755	5,665	34,091
Decrease due to other changes	26,301	179,793	32,811	199,065	9,213	64,958
<b>At the end of the fiscal year</b>	<b>3,448,386</b>	<b>&lt;2,469,210&gt;</b>	<b>3,392,874</b>	<b>&lt;2,414,805&gt;</b>	<b>3,214,212</b>	<b>&lt;2,258,502&gt;</b>
<b>[Rate of increase]</b>	<b>[1.6%]</b>	<b>[2.0%]</b>	<b>[5.6%]</b>	<b>[6.9%]</b>	<b>[2.1%]</b>	<b>[3.3%]</b>
<b>Net increase</b>	<b>55,512</b>	<b>414,801</b>	<b>178,662</b>	<b>1,358,823</b>	<b>64,699</b>	<b>635,464</b>
<b>[Rate of (decrease) increase]</b>	<b>[(68.9)%]</b>	<b>[(69.5)%]</b>	<b>[176.1%]</b>	<b>[113.8%]</b>	<b>[(48.1)%]</b>	<b>[(13.3)%]</b>

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

Fiscal years ended March 31	2015		2014		2013	
	Policies	Amount	Policies	Amount	Policies	Amount
<b>At the beginning of the fiscal year</b>	<b>26,465,949</b>	<b>¥92,059,146</b>	<b>26,412,470</b>	<b>¥91,960,978</b>	<b>26,787,009</b>	<b>¥91,234,040</b>
New policies	653,670	658,737	280,243	596,798	107,700	383,623
Renewals	13,885,807	57,012,478	13,789,412	56,432,723	13,868,342	55,363,671
Midterm enrollment	2,004,144	7,063,698	2,199,346	7,185,930	2,341,059	8,017,634
Increase of insurance amount	—	1,844,862	—	1,425,782	—	1,881,745
Death	50,338	109,636	51,088	113,441	52,062	114,959
Maturity	14,170,231	57,599,046	13,900,275	56,754,292	14,009,961	55,533,709
Withdrawal	2,017,741	5,039,160	2,129,386	5,444,013	2,136,974	5,502,893
Decrease of insurance amount	—	3,057,643	—	3,121,155	—	2,858,872
Cancellation	90,725	214,452	32,557	118,944	496,793	900,674
Expiration	8,531	26,297	57	274	1,098	8,924
Decrease due to other changes	(5,975)	(4,458)	102,159	(10,686)	(5,248)	(1,910)
<b>At the end of the fiscal year</b>	<b>26,677,979</b>	<b>92,595,488</b>	<b>26,465,949</b>	<b>92,059,146</b>	<b>26,412,470</b>	<b>91,960,978</b>
<b>[Rate of increase (decrease)]</b>	<b>[0.8%]</b>	<b>[0.6%]</b>	<b>[0.2%]</b>	<b>[0.1%]</b>	<b>[(1.4)%]</b>	<b>[0.8%]</b>
<b>Net increase (decrease)</b>	<b>212,030</b>	<b>536,342</b>	<b>53,479</b>	<b>98,168</b>	<b>(374,539)</b>	<b>726,937</b>
<b>[Rate of increase (decrease)]</b>	<b>[296.5%]</b>	<b>[446.4%]</b>	<b>[—%]</b>	<b>[(86.5)%]</b>	<b>[—%]</b>	<b>[(41.5)%]</b>

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

Fiscal years ended March 31	2015		2014		2013	
	Policies	Amount	Policies	Amount	Policies	Amount
<b>At the beginning of the fiscal year</b>	<b>14,492,480</b>	<b>¥11,327,050</b>	<b>14,604,752</b>	<b>¥10,911,548</b>	<b>13,568,172</b>	<b>¥10,476,956</b>
New policies	2,772,252	43,951	3,624	1,310	62,669	7,240
Annuity payments	3,751,366	362,970	3,986,597	346,103	3,756,847	334,727
Single payments	675,899	421,435	719,229	446,881	724,202	488,616
Cancellation	37,858	189,080	18,119	36,650	5,170	13,771
<b>At the end of the fiscal year</b>	<b>14,185,137</b>	<b>11,680,646</b>	<b>14,492,480</b>	<b>11,327,050</b>	<b>14,604,752</b>	<b>10,911,548</b>
<b>[Rate of increase (decrease)]</b>	<b>[(2.1)%]</b>	<b>[3.1%]</b>	<b>[(0.8)%]</b>	<b>[3.8%]</b>	<b>[7.6%]</b>	<b>[4.1%]</b>
<b>Net increase (decrease)</b>	<b>(307,343)</b>	<b>353,596</b>	<b>(112,272)</b>	<b>415,501</b>	<b>1,036,580</b>	<b>434,592</b>
<b>[Rate of decrease]</b>	<b>[—%]</b>	<b>[(14.9)%]</b>	<b>[—%]</b>	<b>[(4.4)%]</b>	<b>[—%]</b>	<b>[(17.1)%]</b>

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	2015		2014		2013	
	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)
Individual insurance	20,635,640	15.1%	17,927,849	22.0%	14,696,758	29.6%
Mortality insurance	18,738,452	17.6	15,938,334	26.0	12,645,665	39.3
Life and mortality insurance	1,744,775	(7.6)	1,888,499	(7.9)	2,050,932	(9.3)
Pure endowment	152,413	50.9	101,016	62,642.9	161	(5.8)
Individual annuities	3,448,386	1.6	3,392,874	5.6	3,214,212	2.1
Group insurance	26,677,979	0.8	26,465,949	0.2	26,412,470	(1.4)
Group annuities	14,185,137	(2.1)	14,492,480	(0.8)	14,604,752	7.6
Workers' asset-formation insurance	138,208	(3.3)	142,905	(2.9)	147,189	(3.5)
Workers' asset-formation annuities	57,285	(3.2)	59,200	(2.3)	60,566	(2.3)
Medical life insurance	901,081	0.7	894,844	(0.0)	895,205	(1.1)
Disability income insurance	130,933	(1.3)	132,670	(0.2)	132,874	40.5

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	2015		2014		2013	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥146,649.3	(2.8)%	¥150,854.5	(3.5)%	¥156,313.2	(3.7)%
Mortality insurance	1,367,618	(2.4)	140,099.8	(3.1)	144,634.5	(3.1)
Life and mortality insurance	94,985	(9.5)	10,490.0	(10.2)	11,676.2	(11.1)
Pure endowment	3,889	47.0	264.6	10,915.6	2.4	(8.9)
Individual annuities	214,561	2.0	21,041.3	6.9	19,682.5	3.3
Group insurance	925,954	0.6	92,059.1	0.1	91,960.9	0.8
Group annuities	116,806	3.1	11,327.0	3.8	10,911.5	4.1
Workers' asset-formation insurance	3,269	1.0	323.5	0.4	322.2	(0.2)
Workers' asset-formation annuities	1,265	(3.1)	130.6	(3.1)	134.8	(3.1)
Medical life insurance	34	2.6	3.3	3.1	3.2	2.4
Disability income insurance	226	1.6	22.3	(0.4)	22.4	70.2

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	2015		2014		2013	
	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)
Individual insurance	2,249,597	(0.9)%	2,269,544	12.0%	2,025,928	211.4%
Mortality insurance	2,110,788	1.9	2,070,803	7.5	1,925,982	259.9
Life and mortality insurance	86,074	(11.8)	97,560	(2.4)	99,946	(13.5)
Pure endowment	52,735	(47.9)	101,181	—	—	—
Individual annuities	201,934	(38.1)	326,056	70.8	190,881	(25.9)
Group insurance	653,670	133.3	280,243	160.2	107,700	(37.0)
Group annuities	2,772,252	76,397.0	3,624	(94.2)	62,669	(46.2)
Workers' asset-formation insurance	3,797	(28.0)	5,276	6.7	4,946	(13.4)
Workers' asset-formation annuities	1,124	(41.9)	1,933	5.8	1,827	(0.7)
Medical life insurance	14,870	(76.4)	63,059	(3.6)	65,429	91.0
Disability income insurance	13,427	109.8	6,401	(84.3)	40,671	573.1

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	2015		2014		2013	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥8,268.1	2.6%	¥8,062.3	(4.5)%	¥8,439.4	12.3%
Mortality insurance	7,672.2	5.6	7,266.3	(7.7)	7,873.1	16.5
Life and mortality insurance	468.5	(12.1)	532.8	(5.9)	566.3	(24.9)
Pure endowment	127.2	(51.6)	263.1	—	—	—
Individual annuities	1,523.0	(36.2)	2,387.5	56.4	1,526.2	(8.8)
Group insurance	658.7	10.4	596.7	55.6	383.6	(64.2)
Group annuities	43.9	3,253.4	1.3	(81.9)	7.2	271.9
Workers' asset-formation insurance	0.4	(7.8)	0.5	51.3	0.3	(33.7)
Workers' asset-formation annuities	0.0	3.3	0.0	(2.6)	0.0	2.9
Medical life insurance	0.0	(81.8)	0.3	6.4	0.3	112.0
Disability income insurance	1.2	209.9	0.3	(95.1)	8.0	762.5

Notes: 1. Figures for individual annuities are annuity resources at the start of annuity payments.

2. Figures for group annuities, workers' asset-formation insurance, and workers' asset-formation annuities represent first-time 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		
	2015	2014	2013	2015	2014	2013
Mortality insurance	¥3,634	¥3,508	¥4,087	¥7,298	¥8,790	¥11,437
Life and mortality insurance	5,443	5,461	5,666	5,443	5,554	5,693
Pure endowment	2,413	2,600	—	2,551	2,620	14,923
<b>Average</b>	<b>¥3,675</b>	<b>¥3,552</b>	<b>¥4,165</b>	<b>¥7,106</b>	<b>¥8,414</b>	<b>¥10,635</b>

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	2015	2014	2013
Individual insurance	5.5%	5.2%	5.2%
Individual annuities	7.9	13.2	8.7
Group insurance	0.7	0.6	0.4

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	2015	2014	2013
Individual insurance	5.8%	6.0%	6.2%
Individual annuities	3.4	3.4	3.4
Group insurance	1.6	2.0	2.1

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		
	2015	2014	2013
Average premium of new individual policies (monthly payment policies)	¥44,316	¥45,892	¥47,272

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	‰		
	2015	2014	2013
Number of policies	3.51‰	3.66‰	4.02‰
Insurance amount	4.15	3.79	3.55

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	2015		2014		2013	
	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	0.280‰	0.272‰	0.276‰	0.257‰	0.230‰	0.199‰
Disability	0.371	0.145	0.326	0.123	0.307	0.113
Hospitalization due to accident	5.995	139.8	5.803	137.7	5.709	134.2
Hospitalization due to illness	67.064	1,036.5	64.324	1,016.0	61.278	988.8
Hospitalization due to adult disease	15.365	299.2	14.349	287.1	13.403	273.6
Surgery due to illness or injury	57.384		53.506		49.454	
Surgery due to adult disease	12.018		10.304		8.811	

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	%		
	2015	2014	2013
Third-sector incidence rate	33.3%	34.0%	33.4%
Medical care	34.9	34.5	33.7
Cancer	34.5	36.3	35.8
Nursing care	17.4	16.7	16.4
Others	32.6	34.8	33.6

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 operating 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	%		
	2015	2014	2013
Operating efficiency (Operating expenses as a percentage of premium revenues)	10.6%	11.6%	10.6%

## 26. Number of Major Insurance Companies that Accepted Reinsurance Agreements

Fiscal years ended March 31	Number of Insurance Companies		
	2015	2014	2013
Number of major insurance companies using reinsurance	9 [—]	10 [—]	10 [—]

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

Fiscal years ended March 31	%		
	2015	2014	2013
Ratio of reinsurance premiums paid to the top five insurance companies	83.4% [—]	87.0% [—]	89.0% [—]

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. Ratio of Insurance Companies that Accepted Reinsurance Agreements by Ratings Assessed

Fiscal years ended March 31	%		
	2015	2014	2013
Over A	98.0% [—]	97.7% [—]	97.7% [—]
Over BBB and below A	1.8 [—]	2.0 [—]	2.1 [—]
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		
	2015	2014	2013
Unreceived reinsurance premiums	¥68 [—]	¥104 [—]	¥98 [—]

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		2015	2014	2013
Millions of Yen				
<b>Death and other claims</b>	Mortality insurance claims	¥ 75,798	¥ 81,031	¥ 79,732
	Accident insurance claims	1,945	2,708	2,596
	Serious disability insurance claims	17,536	14,383	14,367
	Maturity insurance amount	5,396	7,362	11,807
	Others	64	84	24
	<b>Subtotal</b>	<b>100,741</b>	<b>105,570</b>	<b>108,529</b>
	Annuity payments	3,291	3,334	5,721
	Health and other benefits	33,544	35,581	35,812
	Surrender benefits	55,868	49,695	47,341
	Deferred benefit payments	3,696	4,717	5,841
	<b>Total including other reserves</b>	<b>¥197,929</b>	<b>¥199,582</b>	<b>¥203,848</b>

## 31. Policy Reserves

As of March 31		2015	2014	2013
Millions of Yen				
<b>Policy reserves</b>	Individual insurance	¥ 25,844,601	¥ 24,878,955	¥ 24,200,081
(Excluding contingency reserve)	[General Account]	[25,716,175]	[24,764,048]	[24,092,022]
	[Separate Account]	[128,426]	[114,906]	[108,058]
	Individual annuities	9,922,285	9,799,592	9,762,996
	[General Account]	[9,844,681]	[9,699,075]	[9,630,494]
	[Separate Account]	[77,604]	[100,516]	[132,502]
	Group insurance	48,323	48,266	47,727
	[General Account]	[48,323]	[48,266]	[47,727]
	[Separate Account]	[—]	[—]	[—]
	Group annuities	11,680,646	11,327,050	10,911,548
	[General Account]	[10,794,619]	[10,360,409]	[9,988,519]
	[Separate Account]	[886,026]	[966,640]	[923,028]
	Other	455,208	455,871	458,755
	[General Account]	[455,208]	[455,871]	[458,755]
	[Separate Account]	[—]	[—]	[—]
	<b>Subtotal</b>	<b>47,951,066</b>	<b>46,509,736</b>	<b>45,381,108</b>
	[General Account]	[46,859,008]	[45,327,671]	[44,217,519]
	[Separate Account]	[1,092,057]	[1,182,064]	[1,163,589]
	<b>Contingency reserve</b>	<b>1,250,248</b>	<b>1,005,760</b>	<b>780,154</b>
	<b>Total</b>	<b>¥ 49,201,314</b>	<b>¥ 47,515,496</b>	<b>¥ 46,161,263</b>
	[General Account]	[48,109,257]	[46,333,432]	[44,997,674]
	[Separate Account]	[1,092,057]	[1,182,064]	[1,163,589]

## 32. Policy Reserves Balance

As of March 31		2015	2014	2013
Millions of Yen				
	Insurance reserve funds	¥47,131,161	¥45,743,615	¥44,660,208
	Unearned premiums	819,904	766,120	720,899
	Refund reserve	—	—	—
	Contingency reserve	1,250,248	1,005,760	780,154
	<b>Total</b>	<b>¥49,201,314</b>	<b>¥47,515,496</b>	<b>¥46,161,263</b>

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

### 1. Policy reserves valuation method and valuation ratio

As of March 31		2015	2014	2013
%				
<b>Valuation method</b>	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
	<b>Valuation ratio (excluding contingency reserve)</b>	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 that is prescribed by Ordinance No. 48 issued by the Ministry of Finance in 1996. Policies that 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			Assumed interest rate
	2015	2014	2013	
<b>As of March 31</b>				
-1980	¥ 88,968	¥ 99,097	¥ 110,741	2.75-5.00%
1981-1985	1,833,774	1,981,199	2,140,896	2.75-5.50
1986-1990	6,201,516	6,230,816	6,253,711	2.75-6.00
1991-1995	7,710,925	7,659,237	7,670,109	2.75-5.50
1996-2000	3,375,051	3,480,631	3,548,293	1.50-2.75
2001-2005	3,165,220	3,358,024	3,572,606	1.00-1.50
2006-2010	6,081,674	6,359,735	6,677,078	0.70-1.50
2011	1,827,125	1,832,596	1,799,162	0.85-1.50
2012	2,105,192	2,056,825	1,949,916	0.60-1.50
2013	1,570,222	1,404,960	—	0.50-1.00
2014	1,601,184	—	—	0.50-1.00
<b>Total</b>	<b>¥35,560,856</b>	<b>¥34,463,124</b>	<b>¥33,722,517</b>	

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		
	2015	2014	2013
Policy reserves balance (general account)	¥—	¥—	¥49

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		
	2015	2014	2013
Insurance reserve fund	¥ —	¥ —	¥ —
Contingency reserve	2,896	3,415	3,740

## 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
<b>Fiscal year ended March 31</b>	<b>2015</b>						
<b>Balance at the end of the previous fiscal year</b>	<b>¥1,010,902</b>	<b>¥ 25,580</b>	<b>¥ 15,509</b>	<b>¥ 7,081</b>	<b>¥ 5,926</b>	<b>¥5,851</b>	<b>¥1,070,852</b>
Transfer to reserve from surplus in the previous fiscal year	22,073	1,898	113,028	62,223	224	2,316	201,765
Increase in interest	23,282	311	3	0	5	0	23,602
Other increases	—	—	—	—	—	—	—
Policyholder dividends paid out during the fiscal year	75,663	1,672	116,337	62,320	603	2,151	258,747
Other decreases	—	—	—	—	—	—	—
<b>Balance at the end of the current fiscal year</b>	<b>¥ 980,595</b>	<b>¥ 26,118</b>	<b>¥ 12,204</b>	<b>¥ 6,984</b>	<b>¥ 5,553</b>	<b>¥6,016</b>	<b>¥1,037,472</b>
	[708,273]	[12,683]	[2,996]	[17]	[4,916]	[195]	[729,082]
<b>Fiscal year ended March 31</b>	<b>2014</b>						
<b>Balance at the end of the previous fiscal year</b>	<b>¥1,046,593</b>	<b>¥ 25,349</b>	<b>¥ 14,238</b>	<b>¥ 7,070</b>	<b>¥ 6,369</b>	<b>¥5,472</b>	<b>¥1,105,093</b>
Transfer to reserve from surplus in the previous fiscal year	24,576	1,674	109,667	28,590	225	2,437	167,172
Increase in interest	24,339	350	8	0	16	0	24,715
Other increases	—	—	—	—	—	—	—
Policyholder dividends paid out during the fiscal year	84,607	1,794	108,404	28,578	684	2,059	226,128
Other decreases	—	—	—	—	—	—	—
<b>Balance at the end of the current fiscal year</b>	<b>¥1,010,902</b>	<b>¥ 25,580</b>	<b>¥ 15,509</b>	<b>¥ 7,081</b>	<b>¥ 5,926</b>	<b>¥5,851</b>	<b>¥1,070,852</b>
	[720,889]	[12,564]	[2,749]	[17]	[5,301]	[132]	[741,655]
<b>Fiscal year ended March 31</b>	<b>2013</b>						
<b>Balance at the end of the previous fiscal year</b>	<b>¥1,068,259</b>	<b>¥ 23,914</b>	<b>¥ 8,655</b>	<b>¥ 7,103</b>	<b>¥ 6,965</b>	<b>¥5,438</b>	<b>¥1,120,336</b>
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	—	—	—	—	—	—	—
<b>Balance at the end of the current fiscal year</b>	<b>¥1,046,593</b>	<b>¥ 25,349</b>	<b>¥ 14,238</b>	<b>¥ 7,070</b>	<b>¥ 6,369</b>	<b>¥5,472</b>	<b>¥1,105,093</b>
	[743,364]	[12,820]	[2,407]	[17]	[5,748]	[45]	[764,404]

Note: The numbers in brackets indicate accumulated dividends reserved.

## 37. Allowance for Doubtful Accounts and Other Reserves

Millions of Yen

As of March 31	2015		2014		2013	
	Amount	Increase/decrease	Amount	Increase/decrease	Amount	Increase/decrease
Allowance for doubtful accounts <sup>1</sup>						
General allowance for doubtful accounts	¥ 2,507	¥ (1,444)	¥ 3,952	¥ (1,526)	¥ 5,478	¥ (3,976)
Specific allowance for doubtful accounts	4,078	1,006	3,072	(154)	3,226	(1,204)
Allowance for specific overseas debt	—	—	—	—	—	—
Accrued bonuses for directors and audit and supervisory board members <sup>2</sup>	74	24	50	(2)	52	(0)
Accrued retirement benefits <sup>3</sup>	365,302	(19,980)	385,283	(47,900)	433,184	(4,236)
Accrued retirement benefits for directors and audit and supervisory board members <sup>4</sup>	4,274	(128)	4,403	28	4,374	(190)
Reserve for program points <sup>5</sup>	13,171	561	12,609	3,044	9,564	2,326
Accrued losses from supporting closely related companies <sup>6</sup>	—	—	—	—	—	(397)
Reserve for loss on disaster <sup>7</sup>	—	—	—	—	—	(739)
Reserve for price fluctuations in investments in securities <sup>8</sup>	778,723	155,411	623,312	195,783	427,529	93,819

\* 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, 2015, 2014 or 2013

### 2. Balance of debt by creditor countries

No ending balance as of March 31, 2015, 2014 or 2013

## 39. Insurance Premiums

### 1. Premiums by payment methods

		Millions of Yen		
Fiscal years ended March 31		2015	2014	2013
<b>Individual insurance</b>		<b>¥3,038,186</b>	<b>¥2,709,488</b>	<b>¥3,289,354</b>
	Lump-sum payment	1,132,529	827,082	1,428,706
	Annual payment	460,228	407,736	346,867
	Semiannual payment	7,059	8,301	9,968
	Monthly payment	1,438,369	1,466,369	1,503,811
<b>Individual annuities</b>		<b>507,474</b>	<b>463,023</b>	<b>477,150</b>
	Lump-sum payment	9,534	16,754	61,686
	Annual payment	136,278	114,610	97,289
	Semiannual payment	3,723	4,062	4,487
	Monthly payment	357,938	327,595	313,687
<b>Group insurance</b>		<b>259,308</b>	<b>257,819</b>	<b>256,088</b>
<b>Group annuities</b>		<b>1,476,123</b>	<b>1,338,207</b>	<b>1,262,405</b>
<b>Total including other premiums</b>		<b>¥5,336,204</b>	<b>¥4,824,669</b>	<b>¥5,342,079</b>

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		2015	2014	2013
<b>Individual insurance</b>	Initial year premium	¥1,450,035	¥1,127,191	¥1,731,138
	Subsequent year premiums	2,095,625	2,045,320	2,035,365
<b>Individual annuities</b>		<b>3,545,660</b>	<b>3,172,512</b>	<b>3,766,504</b>
<b>Group insurance</b>	Initial year premium	1,820	1,417	984
	Subsequent year premiums	257,488	256,402	255,103
<b>Group annuities</b>		<b>259,308</b>	<b>257,819</b>	<b>256,088</b>
<b>Group annuities</b>	Initial year premium	50,488	6,956	15,142
	Subsequent year premiums	1,425,635	1,331,250	1,247,263
<b>Subtotal</b>		<b>1,476,123</b>	<b>1,338,207</b>	<b>1,262,405</b>
<b>Total including other premiums</b>	Initial year premium	1,506,507	1,139,385	1,751,434
	Subsequent year premiums	3,829,697	3,685,284	3,590,645
<b>Total</b>		<b>5,336,204</b>	<b>4,824,669</b>	<b>5,342,079</b>
<b>[Percent increase (decrease)]</b>		<b>[(10.6)%]</b>	<b>[(9.7)%]</b>	<b>[(0.5)%]</b>

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
<b>Fiscal year ended March 31 2015</b>									
Mortality	¥523,805	¥1,035	¥101,647	¥ —	¥ —	¥ 8	¥ 0	¥111	¥ 626,608
Accident	7,693	13	293	—	102	—	—	—	8,103
Serious disability	68,145	136	8,102	—	—	—	—	1	76,385
Maturity	283,386	25	0	24,553	2,964	—	—	—	310,929
Others	—	—	—	—	—	—	69	—	69
<b>Total</b>	<b>¥883,031</b>	<b>¥1,210</b>	<b>¥110,043</b>	<b>¥24,553</b>	<b>¥3,067</b>	<b>¥ 8</b>	<b>¥69</b>	<b>¥112</b>	<b>¥1,022,096</b>
<b>Fiscal year ended March 31 2014</b>									
Mortality	¥481,517	¥ 854	¥104,179	¥ —	¥ —	¥11	¥ 0	¥108	¥ 586,672
Accident	8,324	19	349	—	77	—	—	—	8,771
Serious disability	64,310	82	8,884	—	—	—	—	5	73,282
Maturity	310,320	36	0	34,081	3,616	—	—	—	348,056
Others	—	—	—	—	—	—	65	—	65
<b>Total</b>	<b>¥864,473</b>	<b>¥ 993</b>	<b>¥113,413</b>	<b>¥34,081</b>	<b>¥3,694</b>	<b>¥11</b>	<b>¥66</b>	<b>¥114</b>	<b>¥1,016,847</b>
<b>Fiscal year ended March 31 2013</b>									
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
<b>Total</b>	<b>¥907,383</b>	<b>¥ 833</b>	<b>¥115,505</b>	<b>¥32,523</b>	<b>¥3,353</b>	<b>¥14</b>	<b>¥24</b>	<b>¥104</b>	<b>¥1,059,742</b>

### 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
<b>Fiscal year ended March 31 2015</b>									
Mortality	55,904	412	48,786	—	—	287	4	83	105,476
Accident	1,007	12	193	—	12	—	—	—	1,224
Serious disability	18,072	27	3,473	—	—	—	—	4	21,576
Maturity	79,535	248	4	4	6,578	—	—	—	86,369
Others	—	—	—	—	—	—	125	—	125
<b>Total</b>	<b>154,518</b>	<b>699</b>	<b>52,456</b>	<b>4</b>	<b>6,590</b>	<b>287</b>	<b>129</b>	<b>87</b>	<b>214,770</b>
<b>Fiscal year ended March 31 2014</b>									
Mortality	49,682	251	48,976	—	—	299	6	97	99,311
Accident	1,039	23	202	—	12	—	—	—	1,276
Serious disability	17,028	20	3,784	—	—	—	—	5	20,837
Maturity	89,002	289	4	5	4,840	—	—	—	94,140
Others	—	—	—	—	—	—	125	—	125
<b>Total</b>	<b>156,751</b>	<b>583</b>	<b>52,966</b>	<b>5</b>	<b>4,852</b>	<b>299</b>	<b>131</b>	<b>102</b>	<b>215,689</b>
<b>Fiscal year ended March 31 2013</b>									
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
<b>Total</b>	<b>178,714</b>	<b>474</b>	<b>54,322</b>	<b>6</b>	<b>3,951</b>	<b>359</b>	<b>76</b>	<b>97</b>	<b>237,999</b>

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
<b>Fiscal year ended March 31</b>					<b>2015</b>				
Annuities paid	¥48,128	¥417,317	¥ 2,361	¥ 362,932	¥ 9,170	¥—	¥—	¥10	¥ 839,921
Number of policies	33,701	475,040	35,365	9,162,463	30,134	—	—	28	9,736,731
<b>Fiscal year ended March 31</b>					<b>2014</b>				
Annuities paid	¥51,919	¥447,829	¥ 2,427	¥ 346,055	¥ 9,421	¥—	¥—	¥ 9	¥ 857,662
Number of policies	34,986	446,048	37,152	8,770,140	30,387	—	—	22	9,318,735
<b>Fiscal year ended March 31</b>					<b>2013</b>				
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

## 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
<b>Fiscal year ended March 31</b>					<b>2015</b>				
Hospitalization due to accident benefits	¥ 7,116	¥ 194	¥ 92	¥ —	¥ —	¥ 179	¥—	¥ 3	¥ 7,586
Hospitalization due to illness benefits	68,095	1,591	—	—	—	1,461	—	25	71,173
Disability benefits	3,483	17	35	—	(4)	—	—	—	3,532
Surgical benefits	52,182	1,448	—	—	—	1,645	—	12	55,289
Survival benefits	128,012	64	—	—	2,792	—	—	—	130,869
Death benefits	5,196	30,047	6	118	531	—	—	6	35,905
Group annuity single benefits	—	—	—	398,514	—	—	—	—	398,514
Other benefits	8	—	2	18,222	—	—	—	7	18,241
<b>Total</b>	<b>¥264,095</b>	<b>¥33,363</b>	<b>¥137</b>	<b>¥416,855</b>	<b>¥3,319</b>	<b>¥3,286</b>	<b>¥—</b>	<b>¥55</b>	<b>¥721,112</b>
<b>Fiscal year ended March 31</b>					<b>2014</b>				
Hospitalization due to accident benefits	¥ 7,148	¥ 191	¥101	¥ —	¥ —	¥ 198	¥—	¥ 3	¥ 7,642
Hospitalization due to illness benefits	67,729	1,560	—	—	—	1,415	—	22	70,729
Disability benefits	3,342	21	51	—	4	—	—	—	3,420
Surgical benefits	50,829	1,408	—	—	—	1,616	—	11	53,865
Survival benefits	144,154	192	—	—	3,432	—	—	—	147,779
Death benefits	5,387	33,888	6	90	554	—	—	5	39,933
Group annuity single benefits	—	—	—	426,279	—	—	—	—	426,279
Other benefits	8	—	3	19,976	—	—	—	6	19,995
<b>Total</b>	<b>¥278,601</b>	<b>¥37,262</b>	<b>¥162</b>	<b>¥446,347</b>	<b>¥3,991</b>	<b>¥3,230</b>	<b>¥—</b>	<b>¥50</b>	<b>¥769,645</b>
<b>Fiscal year ended March 31</b>					<b>2013</b>				
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
<b>Total</b>	<b>¥296,231</b>	<b>¥36,823</b>	<b>¥167</b>	<b>¥487,979</b>	<b>¥3,846</b>	<b>¥2,991</b>	<b>¥—</b>	<b>¥42</b>	<b>¥828,082</b>

## 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
<b>Fiscal year ended March 31</b>									
<b>2015</b>									
Hospitalization due to accident benefits	65,177	2,148	3,474	—	—	10,937	—	164	81,900
Hospitalization due to illness benefits	762,005	25,503	—	—	—	23,362	—	1,616	812,486
Disability benefits	35,292	118	120	—	1	—	—	—	35,531
Surgical benefits	437,954	17,301	—	—	—	13,418	—	780	469,453
Survival benefits	388,037	492	—	—	1,253	—	—	—	389,782
Death benefits	4,723	6,422	423	—	263	—	—	2	11,833
Group annuity single benefits	—	—	—	803,600	—	—	—	—	803,600
Other benefits	17	—	214	8	—	—	—	825	1,064
<b>Total</b>	<b>1,693,205</b>	<b>51,984</b>	<b>4,231</b>	<b>803,608</b>	<b>1,517</b>	<b>47,717</b>	<b>—</b>	<b>3,387</b>	<b>2,605,649</b>
<b>Fiscal year ended March 31</b>									
<b>2014</b>									
Hospitalization due to accident benefits	64,083	2,101	3,381	—	—	11,234	—	127	80,926
Hospitalization due to illness benefits	745,514	25,458	—	—	—	22,018	—	1,436	794,426
Disability benefits	33,169	126	140	—	1	—	—	—	33,436
Surgical benefits	420,290	16,609	—	—	—	12,895	—	707	450,501
Survival benefits	450,922	1,535	—	—	1,517	—	—	—	453,974
Death benefits	4,850	6,806	458	—	278	—	—	1	12,393
Group annuity single benefits	—	—	—	857,124	—	—	—	—	857,124
Other benefits	22	—	276	9	—	—	—	675	982
<b>Total</b>	<b>1,718,850</b>	<b>52,635</b>	<b>4,255</b>	<b>857,133</b>	<b>1,796</b>	<b>46,147</b>	<b>—</b>	<b>2,946</b>	<b>2,683,762</b>
<b>Fiscal year ended March 31</b>									
<b>2013</b>									
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
<b>Total</b>	<b>1,736,065</b>	<b>49,969</b>	<b>4,256</b>	<b>880,849</b>	<b>1,721</b>	<b>42,272</b>	<b>—</b>	<b>2,736</b>	<b>2,717,868</b>

## 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
<b>Fiscal years ended March 31</b>									
<b>2015</b>	¥603,684	¥141,913	¥—	¥179,805	¥34,462	¥—	¥—	¥—	<b>¥959,865</b>
<b>2014</b>	618,375	153,257	—	31,572	36,647	—	0	—	<b>839,852</b>
<b>2013</b>	631,254	149,350	—	13,748	40,140	—	—	—	<b>834,495</b>

## 44. Depreciation

Millions of Yen, %					
	Acquisition cost	Current-year depreciation	Accumulated depreciation	Balance as of March 31	Accumulated depreciation percentage
<b>Fiscal year ended March 31</b>			<b>2015</b>		
Tangible fixed assets	¥625,085	¥12,224	¥427,046	¥198,038	68.3%
Buildings	553,702	7,634	371,638	182,063	67.1
Lease assets	11,467	1,698	6,478	4,988	56.5
Other tangible fixed assets	59,915	2,892	48,929	10,985	81.7
Intangible fixed assets	192,380	33,558	113,791	78,588	59.1
Others	7,202	672	4,747	2,454	65.9
<b>Total</b>	<b>¥824,668</b>	<b>¥46,455</b>	<b>¥545,586</b>	<b>¥279,081</b>	<b>66.2%</b>
<b>Fiscal year ended March 31</b>			<b>2014</b>		
Tangible fixed assets	¥594,195	¥12,917	¥417,738	¥176,457	70.3%
Buildings	524,080	7,866	362,704	161,376	69.2
Lease assets	11,456	1,372	7,721	3,735	67.4
Other tangible fixed assets	58,657	3,679	47,312	11,345	80.7
Intangible fixed assets	199,119	33,658	112,001	87,117	56.2
Others	7,392	732	4,860	2,531	65.8
<b>Total</b>	<b>¥800,707</b>	<b>¥47,308</b>	<b>¥534,600</b>	<b>¥266,106</b>	<b>66.8%</b>
<b>Fiscal year ended March 31</b>			<b>2013</b>		
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
<b>Total</b>	<b>¥800,188</b>	<b>¥57,839</b>	<b>¥523,416</b>	<b>¥276,772</b>	<b>65.4%</b>

## 45. Operating Expenses

Millions of Yen			
<b>Fiscal years ended March 31</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Marketing operations	¥220,033	¥220,462	¥225,913
Marketing administration	85,035	81,832	80,698
General and administrative expenses	258,303	259,564	260,308
<b>Total</b>	<b>¥563,371</b>	<b>¥561,860</b>	<b>¥566,920</b>

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. The Company'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 ¥6,155 million in the fiscal year ended March 31, 2015, ¥7,449 million in the fiscal year ended March 31, 2014 and ¥7,486 million in the fiscal year ended March 31, 2013.

## 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 (including loans with no fixed maturity)	Total
<b>As of March 31</b>			<b>2015</b>				
Loans payable	¥ 2	¥ 3	¥1,626	¥ 2	¥9,013	¥ —	¥ 10,649
Corporate bonds	—	—	—	—	—	399,590	399,590
Cash received as collateral under securities lending transactions	529,989	—	—	—	—	—	529,989
<b>As of March 31</b>			<b>2014</b>				
Loans payable	¥ 5	¥ 4	¥ 2	¥1,393	¥7,720	¥ —	¥ 9,127
Corporate bonds	—	—	—	—	—	157,040	157,040
Cash received as collateral under securities lending transactions	802,691	—	—	—	—	—	802,691
<b>As of March 31</b>			<b>2013</b>				
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



## 47. Taxes

Fiscal years ended March 31		Millions of Yen		
		2015	2014	2013
<b>National tax</b>		<b>¥25,967</b>	<b>¥18,705</b>	<b>¥19,894</b>
	Consumption tax	20,053	13,361	13,824
	Special local corporate tax	5,488	4,960	5,715
	Documentary stamp tax	412	361	354
	Registration and license tax	9	0	0
	Other national tax	2	22	0
<b>Local tax</b>		<b>18,541</b>	<b>15,938</b>	<b>17,481</b>
	Local consumption tax	5,377	3,340	3,456
	Corporate enterprise tax	7,113	6,431	7,745
	Fixed-asset tax	5,143	5,254	5,323
	Real estate acquisition tax	4	0	46
	Corporate income tax	895	905	903
	Automobile tax	2	2	3
	Other local tax	4	3	3
<b>Total</b>		<b>¥44,508</b>	<b>¥34,643</b>	<b>¥37,376</b>

## 48. Lease Transactions

### Lease Transactions (lessee side)

(1) Nonownership 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		Millions of Yen		
		2015	2014	2013
Acquisition cost	Tangible fixed assets	¥—	¥553	¥732
	<b>Total</b>	<b>¥—</b>	<b>¥553</b>	<b>¥732</b>
Accumulated depreciation	Tangible fixed assets	¥—	¥553	¥722
	<b>Total</b>	<b>¥—</b>	<b>¥553</b>	<b>¥722</b>
Year-end balance of leased properties	Tangible fixed assets	¥—	¥—	¥ 9
	<b>Total</b>	<b>¥—</b>	<b>¥—</b>	<b>¥ 9</b>

② Future minimum lease payments' year-end balance

No ending balance for the fiscal years ended March 31, 2015, 2014 or 2013.

③ Lease fees paid and depreciation

Fiscal years ended March 31		Millions of Yen		
		2015	2014	2013
Lease fees paid		¥—	¥—	¥113
Depreciation		—	9	117

④ Calculation method for depreciation

The straight-line method is applied.

\* Until the fiscal year ended March 31, 2008, nonownership 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		2015	2014	2013
Future minimum lease payments' year-end balance	One year and under	¥ 54	¥ 47	¥ 47
	Over one year	80	102	150
	<b>Total</b>	<b>¥135</b>	<b>¥150</b>	<b>¥197</b>

Millions of Yen

### Lease Transactions (lessor side)

#### (1) Operating lease contracts

Fiscal year ended March 31		2015	2014	2013
Future minimum lease payments' year-end balance	One year and under	¥11,394	¥ 7,587	¥ 6,488
	Over one year	39,223	20,094	12,816
	<b>Total</b>	<b>¥50,618</b>	<b>¥27,682</b>	<b>¥19,305</b>

Millions of Yen

## INDICATORS RELATED TO INVESTMENT (GENERAL ACCOUNT)

### 49. Overview of the Fiscal Year Ended March 31, 2015, Investment (General Account)

#### ① Investment environment

In the fiscal year ended March 31, 2015, the Japanese economy declined in the first half of the fiscal year as domestic demand dropped on a fallback from a rush to buy ahead of a consumption tax rate hike in April 2014. In the second half of the fiscal year, economic conditions improved slightly, underpinned primarily by a modest increase in exports, as well as a rebound in consumer spending as the effect of the fallback gradually subsided.

- The Nikkei Stock Average started the fiscal year at ¥14,827. Thereafter, the index rose through September on the back of strong U.S. economic indicators and further depreciation of the yen. In early October, the index temporarily declined due to a risk avoidance trend in response to concerns about a global economic recession. However, the Nikkei Stock Average regained momentum through the fiscal year end, supported by additional monetary easing by the Bank of Japan and expectations for capital inflows associated with public pension fund investment reforms in Japan. The index finished at ¥19,206 at the end of March.
- The yield rate on 10-year government bonds began the fiscal year at 0.64%. It then fell during the first half of the fiscal year in response to a decline in overseas interest rates due to expectations for additional easing by the European Central Bank amid continuing pressure from the Bank of Japan's government bond-buying operations. In the second half of the fiscal year, the yield rate continued to decrease in response to factors such as additional monetary easing by the Bank of Japan, a decline in global interest rate levels, and a drop in crude oil prices, briefly touching a record low at the 0.1% level in late January. The yield rate remained low through the fiscal year-end, albeit with a smaller decline after rebounding partially from the sharp drop earlier, finishing the fiscal year at 0.40% at the end of March.
- The yen-U.S. dollar exchange rate started at the ¥102 level, and continued to move in a narrow range. From August onward, however, the yen began to weaken against the U.S. dollar, in reaction to an announcement by the governor of the Bank of Japan expressing tolerance for further yen depreciation coupled with forecasts for an early interest-rate hike in the United

States. Following additional easing by the Bank of Japan at the end of October, the yen depreciated further. Since the start of 2015, the yen continued to trade between the higher ¥110 range and the lower ¥120 range, finishing at ¥120.17 at the end of March. The yen-euro exchange rate started at the ¥141 level. Thereafter, the yen gradually appreciated against the euro in response to growing expectations for additional easing by the European Central Bank. However, additional easing by the Bank of Japan then turned the tide and the yen began weakening against the euro toward the end of 2014, briefly touching the ¥149 level in December. The yen started appreciating again from January due to a decision by the European Central Bank to conduct additional easing. The yen-euro rate finished at ¥130.32 at the end of March 2015.

#### ② Investment policy

The Company creates portfolios that serve as core medium- to long-term investments, based on its 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, 2015, 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, 2015, 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 invested in foreign bonds that hedge the risk of exchange rate fluctuations, taking into consideration the advantages of yen interest rate assets.

#### 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 preexisting properties, among others.

		Billions of Yen, %		
As of March 31		2015	Increase (decrease)*	Breakdown
<b>General Account</b>		<b>¥61,169.4</b>	<b>¥1,943.3</b>	<b>100.0%</b>
Domestic bonds		22,654.4	929.4	37.0
Domestic stocks		9,075.2	(232.9)	14.8
Foreign securities		16,144.9	822.4	26.4
Loans		8,357.6	(171.3)	13.7
Real estate		1,696.5	(5.8)	2.8

\* 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

		Millions of Yen, %					
As of March 31	2015		2014		2013		
Cash, deposits and call loans	¥ 1,004,703	1.6%	¥ 750,029	1.3%	¥ 649,805	1.2%	
Receivables under resale agreements	—	—	—	—	—	—	
Receivables under securities borrowing transactions	—	—	159,856	0.3	150,709	0.3	
Monetary receivables purchased	498,758	0.8	570,632	1.0	756,320	1.4	
Proprietary trading securities	—	—	—	—	—	—	
Assets held in trust	—	—	—	—	—	—	
Investments in securities	48,833,977	79.8	43,270,714	77.9	41,201,247	76.8	
Domestic bonds	22,654,482	37.0	21,666,813	39.0	20,890,605	38.9	
Domestic stocks	9,075,285	14.8	7,145,629	12.9	6,674,827	12.4	
Foreign securities	16,144,907	26.4	13,876,024	25.0	13,198,749	24.6	
Foreign bonds	12,077,295	19.7	10,225,874	18.4	9,820,996	18.3	
Foreign stocks and other securities	4,067,611	6.6	3,650,150	6.6	3,377,752	6.3	
Other securities	959,302	1.6	582,246	1.0	437,065	0.8	
Loans	8,357,620	13.7	8,528,979	15.4	8,581,801	16.0	
Policy loans	736,564	1.2	782,280	1.4	835,460	1.6	
Industrial and consumer loans	7,621,055	12.5	7,746,698	13.9	7,746,341	14.4	
Real estate	1,696,561	2.8	1,702,455	3.1	1,660,045	3.1	
Investment property	1,079,961	1.8	1,070,541	1.9	1,026,995	1.9	
Deferred tax assets	—	—	—	—	—	—	
Other assets	784,460	1.3	587,678	1.1	652,780	1.2	
Allowance for doubtful accounts	(6,585)	(0.0)	(7,024)	(0.0)	(8,704)	(0.0)	
<b>Total</b>	<b>¥61,169,494</b>	<b>100.0%</b>	<b>¥55,563,321</b>	<b>100.0%</b>	<b>¥53,644,005</b>	<b>100.0%</b>	
Foreign currency-denominated assets	¥13,978,755	22.9%	¥11,672,863	21.0%	¥10,910,506	20.3%	

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, 2015: ¥529,989 million; March 31, 2014: ¥802,691 million; and March 31, 2013: ¥1,212,021 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

Fiscal years ended March 31	Millions of Yen		
	2015	2014	2013
Cash, deposits and call loans	¥ 254,673	¥ 100,224	¥ 58,357
Receivables under resale agreements	—	—	—
Receivables under securities borrowing transactions	(159,856)	9,146	(61,219)
Monetary receivables purchased	(71,874)	(185,688)	(126,749)
Proprietary trading securities	—	—	—
Assets held in trust	—	—	—
Investments in securities	5,563,263	2,069,467	4,720,362
Domestic bonds	987,668	776,207	1,763,655
Domestic stocks	1,929,656	470,801	837,870
Foreign securities	2,268,882	677,275	1,929,877
Foreign bonds	1,851,421	404,877	1,230,715
Foreign stocks and other securities	417,460	272,398	699,162
Other securities	377,055	145,181	188,959
Loans	(171,359)	(52,822)	(139,807)
Policy loans	(45,715)	(53,180)	(60,886)
Industrial and consumer loans	(125,643)	357	(78,921)
Real estate	(5,894)	42,410	(66,989)
Investment property	9,419	43,546	(56,311)
Deferred tax assets	—	—	(466,934)
Other assets	196,782	(65,102)	(140,921)
Allowance for doubtful accounts	438	1,680	5,180
<b>Total</b>	<b>¥5,606,173</b>	<b>¥1,919,315</b>	<b>¥3,781,278</b>
Foreign currency-denominated assets	¥2,305,892	¥ 762,356	¥1,548,359

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

Fiscal year ended March 31, 2015: ¥272,701 million decrease

Fiscal year ended March 31, 2014: ¥409,330 million decrease

Fiscal year ended March 31, 2013: ¥276,436 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)

Fiscal years ended March 31	Millions of Yen, %					
	2015		2014		2013	
	Average balance	Yield	Average balance	Yield	Average balance	Yield
Cash, deposits and call loans	¥ 521,601	0.09%	¥ 392,705	0.14%	¥ 366,212	0.04%
Receivables under resale agreements	—	—	—	—	—	—
Receivables under securities borrowing transactions	255,694	0.08	143,821	0.09	147,895	0.10
Monetary receivables purchased	545,795	2.07	650,996	2.11	829,597	2.07
Proprietary trading securities	—	—	—	—	—	—
Assets held in trust	—	—	—	—	—	—
Investments in securities	39,414,840	3.23	38,147,462	3.01	36,052,226	2.38
Domestic bonds	22,022,643	1.93	21,263,860	1.99	19,735,897	2.34
Domestic stocks	4,061,079	8.51	4,321,504	8.02	4,832,104	0.38
Foreign securities	12,586,698	3.75	11,993,688	3.02	11,185,339	3.41
Foreign bonds	9,511,205	3.06	8,995,507	2.77	8,457,193	3.40
Foreign stocks and other securities	3,075,492	5.87	2,998,181	3.78	2,728,145	3.44
Loans	8,395,813	1.94	8,571,851	2.02	8,644,311	2.11
Industrial and consumer loans	7,638,678	1.66	7,767,012	1.74	7,782,715	1.81
Real estate	1,710,118	2.67	1,658,224	2.60	1,704,962	2.26
Investment property	1,083,923	4.22	1,029,739	4.16	1,063,814	3.62
<b>General account total</b>	<b>¥52,279,572</b>	<b>2.83%</b>	<b>¥50,942,300</b>	<b>2.70%</b>	<b>¥49,132,535</b>	<b>2.01%</b>
Overseas investments	¥13,085,479	3.66%	¥12,458,548	2.98%	¥11,579,600	3.35%

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.

## 52. Investment Income (General Account)

Millions of Yen			
Fiscal years ended March 31	2015	2014	2013
Interest, dividends, and other income	¥1,371,789	¥1,296,640	¥1,217,010
Gain on proprietary trading securities	—	—	—
Gain from assets held in trust, net	4	5	13
Gain from trading securities	—	—	—
Gain on sales of securities	242,024	260,438	192,348
Gain on redemptions of securities	5,023	248	284
Gain on derivative financial instruments, net	—	—	—
Foreign exchange gains, net	—	1,693	1,201
Reversal of allowance for doubtful accounts	431	1,667	4,561
Other investment income	489	441	857
<b>Total</b>	<b>¥1,619,764</b>	<b>¥1,561,137</b>	<b>¥1,416,277</b>

## 53. Investment Expenses (General Account)

Millions of Yen			
Fiscal years ended March 31	2015	2014	2013
Interest expenses	¥ 9,876	¥ 7,792	¥ 4,717
Loss on proprietary trading securities	—	—	—
Loss from assets held in trust, net	—	—	—
Loss from trading securities	—	—	—
Loss on sales of securities	18,357	57,738	72,088
Loss on valuation of securities	3,258	22,254	98,668
Loss on redemptions of securities	21,595	24,628	30,526
Loss on derivative financial instruments, net	46,342	36,508	176,689
Foreign exchange losses, net	417	—	—
Provision for allowance for doubtful accounts	—	—	—
Write-offs of loans	0	0	1
Depreciation of rental real estate and other assets	15,307	15,410	23,954
Other investment expenses	25,839	21,976	21,503
<b>Total</b>	<b>¥140,994</b>	<b>¥186,309</b>	<b>¥428,149</b>

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

Millions of Yen			
Fiscal years ended March 31	2015	2014	2013
Interest on deposits and savings	¥ 276	¥ 268	¥ 272
Interest on securities and dividends	1,113,858	1,029,275	935,962
Interest on bonds	412,807	406,979	384,969
Domestic stock dividends	161,824	155,012	131,090
Interest/dividends on foreign securities	516,267	452,658	415,098
Interest on loans	161,231	171,827	178,296
Real estate rental income	82,716	79,237	82,608
<b>Total including other income</b>	<b>¥1,371,789</b>	<b>¥1,296,640</b>	<b>¥1,217,010</b>

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

Millions of Yen									
Fiscal years ended March 31	2015			2014			2013		
	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)
<b>Interest, dividends, and other income</b>	<b>¥34,037</b>	<b>¥41,111</b>	<b>¥ 75,148</b>	<b>¥44,827</b>	<b>¥34,803</b>	<b>¥79,630</b>	<b>¥32,264</b>	<b>¥(13,403)</b>	<b>¥18,861</b>
Cash, equivalents and call loans	115	(22)	92	24	(15)	9	(21)	(1)	(22)
Securities	34,195	50,387	84,583	54,395	38,918	93,313	52,762	(21,067)	31,694
Loans	(3,528)	(7,066)	(10,595)	(1,494)	(4,974)	(6,468)	(3,105)	(3,892)	(6,997)
Real estate	2,479	998	3,478	(2,264)	(1,106)	(3,370)	(1,906)	(1,353)	(3,259)

## 56. Gain on Sales of Securities (General Account)

				Millions of Yen		
Fiscal years ended March 31	2015	2014	2013			
Domestic bonds	¥ 12,929	¥ 16,879	¥ 76,133			
Domestic stocks and other securities	216,749	239,424	54,060			
Foreign securities	12,345	4,135	62,155			
<b>Total including other gains on sales of securities</b>	<b>¥242,024</b>	<b>¥260,438</b>	<b>¥192,348</b>			

## 57. Loss on Sales of Securities (General Account)

				Millions of Yen		
Fiscal years ended March 31	2015	2014	2013			
Domestic bonds	¥ 1,468	¥ 1,774	¥ 263			
Domestic stocks and other securities	9,889	13,678	56,528			
Foreign securities	6,998	42,277	15,295			
<b>Total including other losses on sales of securities</b>	<b>¥18,357</b>	<b>¥57,738</b>	<b>¥72,088</b>			

## 58. Loss on Valuation of Securities (General Account)

				Millions of Yen		
Fiscal years ended March 31	2015	2014	2013			
Domestic bonds	¥ —	¥ —	¥ —			
Domestic stocks and other securities	113	21,477	97,749			
Foreign securities	3,083	713	675			
<b>Total including other losses on valuation of securities</b>	<b>¥3,258</b>	<b>¥22,254</b>	<b>¥98,668</b>			

## 59. Proprietary Trading Securities (General Account)

No ending balance as of March 31, 2015, 2014 or 2013.

## 60. Proprietary Trading Securities Trading Volume (General Account)

No ending balance for the fiscal years ended March 31, 2015, 2014 or 2013.

## 61. Securities Composition (General Account)

							Millions of Yen, %	
As of March 31	2015		2014		2013			
Domestic bonds	¥22,654,482	46.4%	¥21,666,813	50.1%	¥20,890,605	50.7%		
National government bonds	18,485,293	37.9	17,244,401	39.9	16,253,262	39.4		
Local government bonds	1,439,472	2.9	1,522,147	3.5	1,585,931	3.8		
Corporate bonds	2,729,716	5.6	2,900,264	6.7	3,051,412	7.4		
Public entity bonds	1,349,133	2.8	1,483,935	3.4	1,533,462	3.7		
Domestic stocks	9,075,285	18.6	7,145,629	16.5	6,674,827	16.2		
Foreign securities	16,144,907	33.1	13,876,024	32.1	13,198,749	32.0		
Foreign bonds	12,077,295	24.7	10,225,874	23.6	9,820,996	23.8		
Foreign stocks and other securities	4,067,611	8.3	3,650,150	8.4	3,377,752	8.2		
Other securities	959,302	2.0	582,246	1.3	437,065	1.1		
<b>Total</b>	<b>¥48,833,977</b>	<b>100.0%</b>	<b>¥43,270,714</b>	<b>100.0%</b>	<b>¥41,201,247</b>	<b>100.0%</b>		

## 62. 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 (including securities with no fixed maturity)	Total
<b>As of March 31</b>	<b>2015</b>						
Investments in securities	¥ 902,325	¥2,813,000	¥2,502,366	¥2,486,104	¥4,137,520	¥35,992,661	<b>¥48,833,977</b>
Domestic bonds							
National government bonds	347,589	774,739	567,049	842,359	2,242,634	13,710,919	<b>18,485,293</b>
Local government bonds	71,231	466,415	277,525	12,348	7,475	604,475	<b>1,439,472</b>
Corporate bonds	218,196	526,506	356,333	98,366	228,861	1,301,451	<b>2,729,716</b>
Domestic stocks						9,075,285	<b>9,075,285</b>
Foreign securities	243,757	1,002,967	1,187,023	1,412,504	1,426,425	10,872,229	<b>16,144,907</b>
Foreign bonds	240,904	1,002,702	1,154,635	1,360,405	1,372,215	6,946,432	<b>12,077,295</b>
Foreign stocks and other securities	2,852	264	32,387	52,099	54,210	3,925,796	<b>4,067,611</b>
Other securities	21,550	42,371	114,434	120,523	232,123	428,299	<b>959,302</b>
Monetary receivables purchased	42,036	—	2,124	18,663	42,682	393,251	<b>498,758</b>
Negotiable certificates of deposit	302,999	—	—	—	—	—	<b>302,999</b>
<b>Total</b>	<b>¥1,247,360</b>	<b>¥2,813,000</b>	<b>¥2,504,490</b>	<b>¥2,504,767</b>	<b>¥4,180,202</b>	<b>¥36,385,912</b>	<b>¥49,635,734</b>
<b>As of March 31</b>	<b>2014</b>						
Investments in securities	¥ 828,321	¥2,705,026	¥2,168,749	¥2,247,209	¥3,579,956	¥31,741,451	<b>¥43,270,714</b>
Domestic bonds							
National government bonds	244,430	920,510	644,197	628,718	1,725,967	13,080,576	<b>17,244,401</b>
Local government bonds	118,648	501,389	210,208	154,008	6,782	531,110	<b>1,522,147</b>
Corporate bonds	212,854	563,785	474,647	116,808	212,464	1,319,703	<b>2,900,264</b>
Domestic stocks						7,145,629	<b>7,145,629</b>
Foreign securities	233,747	713,756	799,791	1,290,638	1,486,263	9,351,827	<b>13,876,024</b>
Foreign bonds	225,730	713,756	784,395	1,255,889	1,421,828	5,824,273	<b>10,225,874</b>
Foreign stocks and other securities	8,016	0	15,396	34,749	64,434	3,527,553	<b>3,650,150</b>
Other securities	18,641	5,583	39,904	57,035	148,478	312,604	<b>582,246</b>
Monetary receivables purchased	35,307	10,007	4,071	9,189	48,851	463,205	<b>570,632</b>
Negotiable certificates of deposit	234,999	—	—	—	—	—	<b>234,999</b>
<b>Total</b>	<b>¥1,098,627</b>	<b>¥2,715,033</b>	<b>¥2,172,821</b>	<b>¥2,256,399</b>	<b>¥3,628,807</b>	<b>¥32,204,656</b>	<b>¥44,076,345</b>
<b>As of March 31</b>	<b>2013</b>						
Investments in securities	¥ 710,738	¥1,817,032	¥3,165,287	¥1,986,236	¥3,639,981	¥29,881,969	<b>¥41,201,247</b>
Domestic bonds							
National government bonds	110,859	676,818	1,100,976	484,210	1,479,999	12,400,397	<b>16,253,262</b>
Local government bonds	102,645	216,483	489,521	299,512	25,098	452,669	<b>1,585,931</b>
Corporate bonds	288,007	449,647	553,956	336,412	162,974	1,260,413	<b>3,051,412</b>
Domestic stocks						6,674,827	<b>6,674,827</b>
Foreign securities	196,281	466,508	986,582	847,795	1,841,427	8,860,153	<b>13,198,749</b>
Foreign bonds	188,026	463,376	986,582	813,991	1,770,301	5,598,717	<b>9,820,996</b>
Foreign stocks and other securities	8,254	3,131	—	33,803	71,126	3,261,436	<b>3,377,752</b>
Other securities	12,944	7,575	34,248	18,306	130,480	233,509	<b>437,065</b>
Monetary receivables purchased	58,249	10,203	—	13,287	44,482	630,096	<b>756,320</b>
Negotiable certificates of deposit	298,997	—	—	—	—	—	<b>298,997</b>
<b>Total</b>	<b>¥1,067,985</b>	<b>¥1,827,236</b>	<b>¥3,165,287</b>	<b>¥1,999,524</b>	<b>¥3,684,464</b>	<b>¥30,512,065</b>	<b>¥42,256,565</b>

## 63. Bond Yields (General Account)

	%		
<b>As of March 31</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Domestic bonds	1.93%	1.98%	2.01%
Foreign bonds	3.83	3.85	3.86
Japanese yen denominated	1.85	1.87	1.98
Foreign currency denominated	4.06	4.12	4.15

## 64. Stocks Held—Breakdown by Industry (General Account)

		Millions of Yen, %					
As of March 31	2015		2014		2013		
<b>Fishery, agriculture and forestry</b>	¥ 2,952	0.0%	¥ 2,781	0.0%	¥ 2,986	0.0%	
<b>Mining</b>	6,291	0.1	3,667	0.1	3,456	0.1	
<b>Construction</b>	131,224	1.4	110,717	1.5	101,003	1.5	
<b>Manufacturing</b>							
Food	320,932	3.5	219,245	3.1	213,644	3.2	
Textiles and apparel	127,717	1.4	91,613	1.3	84,982	1.3	
Pulp and paper	23,600	0.3	24,317	0.3	19,834	0.3	
Chemicals	826,874	9.1	564,175	7.9	532,824	8.0	
Pharmaceuticals	806,554	8.9	612,084	8.6	647,354	9.7	
Oil and coal products	23,430	0.3	23,308	0.3	26,497	0.4	
Rubber products	114,715	1.3	84,419	1.2	75,156	1.1	
Glass and ceramic products	82,956	0.9	73,413	1.0	65,671	1.0	
Iron and steel	196,031	2.2	165,342	2.3	157,090	2.4	
Nonferrous metals	88,106	1.0	76,466	1.1	68,111	1.0	
Metal products	42,579	0.5	40,918	0.6	33,017	0.5	
Machinery	530,986	5.9	430,179	6.0	390,225	5.8	
Electric appliances	1,048,614	11.6	851,662	11.9	660,185	9.9	
Transportation equipment	1,612,561	17.8	1,199,999	16.8	1,099,167	16.5	
Precision instruments	146,486	1.6	116,989	1.6	91,751	1.4	
Other products	98,675	1.1	79,368	1.1	68,854	1.0	
<b>Electric power and gas</b>	421,373	4.6	382,850	5.4	342,035	5.1	
<b>Transportation, information and communication</b>							
Land transportation	585,584	6.5	423,741	5.9	448,800	6.7	
Marine transportation	10,362	0.1	10,106	0.1	10,480	0.2	
Air transportation	10,667	0.1	8,132	0.1	7,836	0.1	
Warehousing and harbor transportation services	15,180	0.2	12,967	0.2	10,743	0.2	
Information and communication	116,231	1.3	110,456	1.5	94,819	1.4	
<b>Trade and services</b>							
Wholesale trade	290,651	3.2	255,385	3.6	249,168	3.7	
Retail trade	235,532	2.6	182,798	2.6	168,049	2.5	
<b>Finance and insurance</b>							
Banking	674,978	7.4	617,460	8.6	654,061	9.8	
Securities and trading	67,913	0.7	66,883	0.9	60,822	0.9	
Insurance	158,575	1.7	104,032	1.5	98,350	1.5	
Other financial services	52,440	0.6	45,131	0.6	36,912	0.6	
<b>Real estate</b>	51,900	0.6	48,951	0.7	50,719	0.8	
<b>Services</b>	152,598	1.7	106,059	1.5	100,211	1.5	
<b>Total</b>	<b>¥9,075,285</b>	<b>100.0%</b>	<b>¥7,145,629</b>	<b>100.0%</b>	<b>¥6,674,827</b>	<b>100.0%</b>	

## 65. Loans (General Account)

		Millions of Yen		
As of March 31	2015	2014	2013	
<b>Policy loans</b>	<b>¥ 736,564</b>	<b>¥ 782,280</b>	<b>¥ 835,460</b>	
Premium loans	55,310	60,605	66,298	
Policyholder loans	681,254	721,675	769,162	
<b>Industrial and consumer loans</b>	<b>7,621,055</b>	<b>7,746,698</b>	<b>7,746,341</b>	
[Loans to non-residents]	[231,237]	[243,918]	[265,838]	
Corporate loans—international and domestic	5,608,792	5,677,218	5,712,061	
[Corporate loans—domestic]	[5,437,229]	[5,498,719]	[5,535,232]	
Loans to national, international and government-affiliated organizations	41,672	47,500	76,400	
Loans to public entities	506,940	526,387	512,521	
Housing loans	889,896	906,647	911,156	
Consumer loans	498,781	523,768	495,764	
Other loans	74,971	65,176	38,436	
<b>Total</b>	<b>¥ 8,357,620</b>	<b>¥ 8,528,979</b>	<b>¥ 8,581,801</b>	



## 66. 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 (including loans with no fixed maturity)	Total
<b>As of March 31</b>	<b>2015</b>						
Fixed-rate loans	¥ 863,149	¥1,662,482	¥1,141,116	¥ 952,917	¥ 916,989	¥1,726,317	¥7,262,972
Variable-rate loans	30,786	63,033	79,308	46,555	41,010	97,387	358,082
<b>Total loans</b>	<b>¥ 893,935</b>	<b>¥1,725,515</b>	<b>¥1,220,424</b>	<b>¥ 999,473</b>	<b>¥ 957,999</b>	<b>¥1,823,705</b>	<b>¥7,621,055</b>
<b>As of March 31</b>	<b>2014</b>						
Fixed-rate loans	¥ 881,181	¥1,542,418	¥1,340,672	¥ 970,970	¥1,000,083	¥1,657,930	¥7,393,258
Variable-rate loans	37,500	55,494	60,139	36,543	50,628	113,133	353,440
<b>Total loans</b>	<b>¥ 918,681</b>	<b>¥1,597,913</b>	<b>¥1,400,812</b>	<b>¥1,007,514</b>	<b>¥1,050,712</b>	<b>¥1,771,064</b>	<b>¥7,746,698</b>
<b>As of March 31</b>	<b>2013</b>						
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
<b>Total loans</b>	<b>¥1,009,501</b>	<b>¥1,614,443</b>	<b>¥1,453,556</b>	<b>¥ 920,495</b>	<b>¥1,153,311</b>	<b>¥1,595,033</b>	<b>¥7,746,341</b>

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

Number of Borrowers, Millions of Yen, %

<b>As of March 31</b>		<b>2015</b>		<b>2014</b>		<b>2013</b>	
Large companies	Number of borrowers	950	39.9%	969	42.3%	984	44.0%
	Amount of loans	¥4,845,343	89.1	¥4,959,238	90.2	¥5,034,444	91.0
Medium-sized companies	Number of borrowers	320	13.4	322	14.0	319	14.3
	Amount of loans	¥ 74,449	1.4	¥ 72,837	1.3	¥ 61,251	1.1
Small companies	Number of borrowers	1,110	46.6	1,002	43.7	935	41.8
	Amount of loans	¥ 517,436	9.5	¥ 466,644	8.5	¥ 439,537	7.9
<b>Total loans to domestic companies</b>	<b>Number of borrowers</b>	<b>2,380</b>	<b>100.0</b>	<b>2,293</b>	<b>100.0</b>	<b>2,238</b>	<b>100.0</b>
	<b>Total amount of loans</b>	<b>¥5,437,229</b>	<b>100.0%</b>	<b>¥5,498,719</b>	<b>100.0%</b>	<b>¥5,535,232</b>	<b>100.0%</b>

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	

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

		Millions of Yen, %					
As of March 31	2015		2014		2013		
<b>Domestic</b>							
Manufacturing	¥1,409,591	18.5%	¥1,521,835	19.6%	¥1,559,515	20.1%	
Food	101,240	1.3	104,081	1.3	105,889	1.4	
Textiles and apparel	35,822	0.5	47,517	0.6	48,449	0.6	
Wood, wood products	1,901	0.0	1,807	0.0	1,686	0.0	
Pulp and paper	76,897	1.0	95,487	1.2	92,119	1.2	
Printing	19,968	0.3	20,358	0.3	21,362	0.3	
Chemicals	282,199	3.7	302,055	3.9	287,866	3.7	
Oil and coal products	77,913	1.0	81,058	1.0	80,314	1.0	
Ceramics, soil and stone	46,646	0.6	48,627	0.6	49,728	0.6	
Iron and steel	199,372	2.6	221,430	2.9	234,420	3.0	
Nonferrous metals	22,229	0.3	27,258	0.4	33,140	0.4	
Metal products	17,234	0.2	16,713	0.2	12,393	0.2	
General purpose, production, and industrial machinery	135,507	1.8	145,507	1.9	135,806	1.8	
Electric appliances	141,334	1.9	143,670	1.9	157,942	2.0	
Transportation equipment	206,716	2.7	220,003	2.8	247,424	3.2	
Other manufacturing products	44,606	0.6	46,258	0.6	50,971	0.7	
Agriculture and forestry	—	—	0	0.0	2	0.0	
Fishery	2,000	0.0	2,000	0.0	2,000	0.0	
Mining, quarrying and gravel mining	6,563	0.1	8,127	0.1	9,399	0.1	
Construction	43,209	0.6	44,531	0.6	41,944	0.5	
Electric power, gas, heat supply and waterworks	1,193,031	15.7	1,171,578	15.1	1,128,989	14.6	
Information and communication	174,606	2.3	183,073	2.4	189,541	2.4	
Logistics and postal services	714,449	9.4	719,674	9.3	726,274	9.4	
Wholesale trade	900,419	11.8	906,481	11.7	895,236	11.6	
Retail trade	53,115	0.7	53,113	0.7	55,417	0.7	
Financing and insurance	620,602	8.1	618,417	8.0	644,056	8.3	
Real estate	397,833	5.2	367,605	4.7	342,142	4.4	
Rental and leasing services	263,204	3.5	242,925	3.1	250,359	3.2	
Professional, scientific, and technical services	1,827	0.0	1,956	0.0	1,605	0.0	
Lodging	4,040	0.1	5,216	0.1	5,783	0.1	
Restaurants	3,752	0.0	4,637	0.1	5,583	0.1	
Lifestyle and leisure	25,738	0.3	27,499	0.4	12,408	0.2	
Education and training	1,815	0.0	2,311	0.0	2,544	0.0	
Medical and welfare	1,157	0.0	1,832	0.0	2,464	0.0	
Other services	4,013	0.1	3,857	0.0	3,539	0.0	
Local organizations and public entities	179,917	2.4	185,205	2.4	194,210	2.5	
Individuals (residential/consumption/local taxes/other)	1,388,924	18.2	1,430,896	18.5	1,407,479	18.2	
<b>Subtotal</b>	<b>7,389,817</b>	<b>97.0</b>	<b>7,502,780</b>	<b>96.9</b>	<b>7,480,502</b>	<b>96.6</b>	
<b>Overseas</b>							
Governments and public entities	59,674	0.8	65,419	0.8	89,009	1.1	
Financial institutions	20,000	0.3	25,000	0.3	25,000	0.3	
Commerce and industry	151,562	2.0	153,498	2.0	151,829	2.0	
<b>Subtotal</b>	<b>231,237</b>	<b>3.0</b>	<b>243,918</b>	<b>3.1</b>	<b>265,838</b>	<b>3.4</b>	
<b>Total loans</b>	<b>¥7,621,055</b>	<b>100.0%</b>	<b>¥7,746,698</b>	<b>100.0%</b>	<b>¥7,746,341</b>	<b>100.0%</b>	

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

As of March 31	Millions of Yen, %					
	2015		2014		2013	
Capital investments	¥2,621,040	34.4%	¥2,683,384	34.6%	¥2,703,280	34.9%
Operations	5,000,014	65.6	5,063,314	65.4	5,043,060	65.1
<b>Total loans</b>	<b>¥7,621,055</b>	<b>100.0%</b>	<b>¥7,746,698</b>	<b>100.0%</b>	<b>¥7,746,341</b>	<b>100.0%</b>

## 70. Breakdown of Loans by Region (General Account)

As of March 31	Millions of Yen, %					
	2015		2014		2013	
Hokkaido	¥ 66,391	1.2%	¥ 69,699	1.3%	¥ 62,788	1.1%
Tohoku	128,096	2.4	128,606	2.3	130,950	2.4
Kanto	3,521,239	64.8	3,528,357	64.2	3,588,961	64.8
Chubu	491,961	9.0	513,685	9.3	509,733	9.2
Kinki	819,965	15.1	837,072	15.2	819,400	14.8
Chugoku	138,481	2.5	151,576	2.8	146,981	2.7
Shikoku	95,890	1.8	106,421	1.9	110,777	2.0
Kyushu	175,203	3.2	163,300	3.0	165,638	3.0
<b>Total</b>	<b>¥5,437,229</b>	<b>100.0%</b>	<b>¥5,498,719</b>	<b>100.0%</b>	<b>¥5,535,232</b>	<b>100.0%</b>

Notes: 1. Excludes personal loans, loans to nonresidents and policy loans.  
2. Regional classifications are based on the location of the headquarters of borrowers.

## 71. Breakdown of Loans by Collateral (General Account)

As of March 31	Millions of Yen, %					
	2015		2014		2013	
<b>Secured loans</b>	<b>¥ 34,831</b>	<b>0.5%</b>	<b>¥ 39,716</b>	<b>0.5%</b>	<b>¥ 43,855</b>	<b>0.6%</b>
Loans secured by securities	9,423	0.1	10,951	0.1	8,876	0.1
Loans secured by real estate, movables and foundations	17,959	0.2	23,830	0.3	31,238	0.4
Loans secured by personal guarantees	7,448	0.1	4,934	0.1	3,741	0.0
<b>Guarantee loans</b>	<b>199,716</b>	<b>2.6</b>	<b>214,906</b>	<b>2.8</b>	<b>233,555</b>	<b>3.0</b>
<b>Fiduciary loans</b>	<b>5,997,829</b>	<b>78.7</b>	<b>6,061,660</b>	<b>78.2</b>	<b>6,062,009</b>	<b>78.3</b>
<b>Other loans</b>	<b>1,388,678</b>	<b>18.2</b>	<b>1,430,415</b>	<b>18.5</b>	<b>1,406,920</b>	<b>18.2</b>
<b>Total loans</b>	<b>¥7,621,055</b>	<b>100.0%</b>	<b>¥7,746,698</b>	<b>100.0%</b>	<b>¥7,746,341</b>	<b>100.0%</b>
Subordinated loans	¥ 240,000	3.1%	¥ 295,000	3.8%	¥ 327,000	4.2%

## 72. Appraisal Value of Real Estate (General Account)

As of March 31	Billions of Yen		
	2015	2014	2013
<b>Land and land lease rights</b>			
Balance sheet amount	¥1,252.8	¥1,266.1	¥1,224.1
Fair value (appraisal value)	1,312.1	1,257.0	1,170.8
<b>Net unrealized gains/losses</b>	<b>59.3</b>	<b>(9.0)</b>	<b>(53.3)</b>
Gain	227.9	179.4	153.8
Loss	(168.6)	(188.5)	(207.1)
<b>Revaluation differences</b>	<b>26.7</b>	<b>42.6</b>	<b>44.6</b>
	1+2	¥ 86.0	¥ 33.6
			¥ (8.6)

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 in note 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.

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

As of March 31	Millions of Yen, Number of Buildings		
	2015	2014	2013
<b>Amount of real estate</b>	<b>¥1,696,561</b>	<b>¥1,702,455</b>	<b>¥1,660,045</b>
For business operations	616,600	631,913	633,049
For lease	1,079,961	1,070,541	1,026,995
<b>Number of buildings held for leasing</b>	<b>333</b>	<b>339</b>	<b>359</b>

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

## 74. 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
<b>Fiscal year ended March 31</b>				<b>2015</b>			
Land	¥1,185,348	¥ 8,522	¥ 20,248 [15,547]	¥ —	¥1,173,623	¥ —	—%
Buildings	474,175	67,170	3,912 [2,871]	22,481	514,952	1,095,261	68.0
Lease assets	3,740	2,997	28	1,701	5,007	6,487	56.4
Construction in progress	42,930	34,582	69,527	—	7,985	—	—
Other tangible fixed assets	12,020	3,119	333	3,127	11,679	58,012	83.2
<b>Total</b>	<b>¥1,718,217</b>	<b>¥116,391</b>	<b>¥ 94,048</b> <b>[18,418]</b>	<b>¥27,311</b>	<b>¥1,713,248</b>	<b>¥1,159,761</b>	<b>—%</b>
Of which assets are being leased	¥1,088,798	¥53,575	¥ 24,707 [18,054]	¥14,847	¥1,102,818	¥ 727,718	—%
<b>Fiscal year ended March 31</b>				<b>2014</b>			
Land	¥1,144,344	¥ 66,456	¥ 25,452 [2,848]	¥ —	¥1,185,348	¥ —	—%
Buildings	484,567	21,801	9,364 [1,865]	22,829	474,175	1,068,889	69.3
Lease assets	2,713	2,431	30	1,373	3,740	7,726	67.4
Construction in progress	31,132	35,838	24,040	—	42,930	—	—
Other tangible fixed assets	13,543	2,538	145	3,915	12,020	56,251	82.4
<b>Total</b>	<b>¥1,676,301</b>	<b>¥129,066</b>	<b>¥ 59,033</b> <b>[4,714]</b>	<b>¥28,118</b>	<b>¥1,718,217</b>	<b>¥1,132,867</b>	<b>—%</b>
Of which assets are being leased	¥1,047,120	¥ 92,580	¥ 35,938 [4,553]	¥14,963	¥1,088,798	¥ 708,228	—%
<b>Fiscal year ended March 31</b>				<b>2013</b>			
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
<b>Total</b>	<b>¥1,750,402</b>	<b>¥ 73,971</b>	<b>¥102,666</b> <b>[16,466]</b>	<b>¥45,406</b>	<b>¥1,676,301</b>	<b>¥1,132,993</b>	<b>—%</b>
Of which assets are being leased	¥1,088,462	¥ 38,065	¥ 55,913 [15,493]	¥23,494	¥1,047,120	¥ 716,278	—%

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.



## 77. Status of Overseas Loans and Investments (General Account)

### 1. Breakdown by asset composition

		2015		2014		2013	
As of March 31							
Millions of Yen, %							
<b>Foreign currency-denominated assets</b>							
Foreign bonds	¥11,212,767	66.6%	¥ 9,232,001	63.9%	¥ 8,671,195	63.2%	
Foreign stocks	595,818	3.5	449,969	3.1	443,450	3.2	
Cash, deposits and other assets	2,170,170	12.9	1,990,892	13.8	1,795,860	13.1	
<b>Subtotal</b>	<b>13,978,755</b>	<b>83.0</b>	<b>11,672,863</b>	<b>80.8</b>	<b>10,910,506</b>	<b>79.6</b>	
<b>Foreign currency-denominated assets with fixed yen value</b>							
Foreign bonds	—	—	—	—	—	—	
Cash, deposits and other assets	231,775	1.4	205,128	1.4	161,059	1.2	
<b>Subtotal</b>	<b>231,775</b>	<b>1.4</b>	<b>205,128</b>	<b>1.4</b>	<b>161,059</b>	<b>1.2</b>	
<b>Japanese yen-denominated assets</b>							
Loans to nonresidents	109,456	0.7	121,112	0.8	144,801	1.1	
Foreign bonds and other assets	2,515,279	14.9	2,454,649	17.0	2,493,379	18.2	
<b>Subtotal</b>	<b>2,624,736</b>	<b>15.6</b>	<b>2,575,762</b>	<b>17.8</b>	<b>2,638,180</b>	<b>19.2</b>	
<b>Net overseas loans and investment</b>	<b>¥16,835,268</b>	<b>100.0%</b>	<b>¥14,453,753</b>	<b>100.0%</b>	<b>¥13,709,746</b>	<b>100.0%</b>	

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
<b>As of March 31</b>		<b>2015</b>							
North America	¥ 6,703,628	41.5%	¥ 6,270,878	51.9%	¥ 432,750	10.6%	¥126,780	54.8%	
Europe	5,277,256	32.7	4,591,362	38.0	685,894	16.9	53,000	22.9	
Oceania	410,287	2.5	407,332	3.4	2,955	0.1	5,163	2.2	
Asia	535,297	3.3	257,012	2.1	278,284	6.8	1,000	0.4	
Central and South America	3,030,181	18.8	362,455	3.0	2,667,726	65.6	13,691	5.9	
Middle East	—	—	—	—	—	—	—	—	
Africa	—	—	—	—	—	—	5,101	2.2	
International organizations	188,254	1.2	188,254	1.6	—	—	26,500	11.5	
<b>Total</b>	<b>¥16,144,907</b>	<b>100.0%</b>	<b>¥12,077,295</b>	<b>100.0%</b>	<b>¥4,067,611</b>	<b>100.0%</b>	<b>¥231,237</b>	<b>100.0%</b>	
<b>As of March 31</b>		<b>2014</b>							
North America	¥ 5,305,121	38.2%	¥ 4,958,728	48.5%	¥ 346,393	9.5%	¥122,805	50.3%	
Europe	4,794,367	34.6	4,226,700	41.3	567,667	15.6	58,000	23.8	
Oceania	428,460	3.1	425,287	4.2	3,172	0.1	5,503	2.3	
Asia	355,667	2.6	178,651	1.7	177,016	4.8	1,070	0.4	
Central and South America	2,796,817	20.2	240,916	2.4	2,555,900	70.0	18,821	7.7	
Middle East	—	—	—	—	—	—	—	—	
Africa	—	—	—	—	—	—	5,717	2.3	
International organizations	195,589	1.4	195,589	1.9	—	—	32,000	13.1	
<b>Total</b>	<b>¥13,876,024</b>	<b>100.0%</b>	<b>¥10,225,874</b>	<b>100.0%</b>	<b>¥3,650,150</b>	<b>100.0%</b>	<b>¥243,918</b>	<b>100.0%</b>	
<b>As of March 31</b>		<b>2013</b>							
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	
<b>Total</b>	<b>¥13,198,749</b>	<b>100.0%</b>	<b>¥ 9,820,996</b>	<b>100.0%</b>	<b>¥3,377,752</b>	<b>100.0%</b>	<b>¥265,838</b>	<b>100.0%</b>	

Note: Applies only to foreign securities and loans to nonresidents among overseas investments.







# SECURITIES INDICATORS (GENERAL ACCOUNT)

## 82. Fair Value of Securities (General Account)

### 1. Net valuation gains/losses of trading securities

No net valuation gains/losses as of March 31, 2015, 2014 or 2013.

### 2. Fair value information of securities (with fair value, other than trading securities)

Millions of Yen

As of March 31	2015					2014				
	Book value	Fair value	Net gains/ losses	Gains	Losses	Book value	Fair value	Net gains/ losses	Gains	Losses
Types of securities										
Policy-reserve-matching bonds	¥20,673,896	¥23,292,429	¥ 2,618,532	¥ 2,618,977	¥ (444)	¥20,136,376	¥21,936,386	¥1,800,009	¥1,808,748	¥ (8,738)
Held-to-maturity debt securities	—	—	—	—	—	—	—	—	—	—
Investments in subsidiaries and affiliates	7,711	37,474	29,763	29,763	—	7,711	61,779	54,068	54,068	—
Available-for-sale securities	19,337,667	27,722,703	8,385,035	8,419,299	(34,263)	18,015,822	22,677,237	4,661,415	4,779,182	(117,767)
Domestic bonds	2,355,340	2,512,314	156,973	157,781	(807)	2,056,317	2,155,038	98,721	99,802	(1,081)
Domestic stocks	3,944,517	8,936,459	4,991,942	5,015,264	(23,321)	4,081,909	6,911,256	2,829,346	2,923,269	(93,923)
Foreign securities	11,889,668	15,009,565	3,119,897	3,129,530	(9,633)	11,109,726	12,793,176	1,683,449	1,704,975	(21,525)
Foreign bonds	9,752,012	12,005,458	2,253,446	2,255,097	(1,651)	9,031,217	10,143,846	1,112,629	1,131,575	(18,945)
Foreign stocks and other securities	2,137,655	3,004,106	866,451	874,432	(7,981)	2,078,509	2,649,329	570,820	573,399	(2,579)
Other securities	806,288	922,498	116,209	116,705	(496)	504,806	554,709	49,902	51,134	(1,231)
Monetary receivables purchased	38,852	38,866	13	16	(2)	28,061	28,057	(4)	—	(4)
Negotiable certificates of deposit	303,000	302,999	(0)	0	(1)	235,000	234,999	(0)	0	(0)
<b>Total</b>	<b>¥40,019,275</b>	<b>¥51,052,607</b>	<b>¥11,033,331</b>	<b>¥11,068,039</b>	<b>¥(34,707)</b>	<b>¥38,159,910</b>	<b>¥44,675,402</b>	<b>¥6,515,492</b>	<b>¥6,641,999</b>	<b>¥(126,506)</b>
Domestic bonds	22,497,508	25,233,003	2,735,494	2,736,685	(1,191)	21,568,091	23,421,564	1,853,472	1,863,225	(9,752)
Domestic stocks	3,944,517	8,936,459	4,991,942	5,015,264	(23,321)	4,081,909	6,911,256	2,829,346	2,923,269	(93,923)
Foreign securities	11,969,216	15,122,920	3,153,703	3,163,337	(9,633)	11,199,464	12,940,877	1,741,412	1,762,938	(21,526)
Foreign bonds	9,823,849	12,081,339	2,257,489	2,259,141	(1,651)	9,113,244	10,229,768	1,116,523	1,135,470	(18,946)
Foreign stocks and other securities	2,145,366	3,041,580	896,214	904,196	(7,981)	2,086,220	2,711,108	624,888	627,467	(2,579)
Other securities	806,288	922,498	116,209	116,705	(496)	504,806	554,709	49,902	51,134	(1,231)
Monetary receivables purchased	498,744	534,726	35,982	36,045	(63)	570,636	611,996	41,359	41,430	(70)
Negotiable certificates of deposit	303,000	302,999	(0)	0	(1)	235,000	234,999	(0)	0	(0)

As of March 31	2013				
Types of securities	Book value	Fair value	Net gains/ losses	Gains	Losses
Policy-reserve-matching bonds	¥19,603,424	¥21,659,962	¥2,056,538	¥2,065,986	¥ (9,448)
Held-to-maturity debt securities	—	—	—	—	—
Investments in subsidiaries and affiliates	7,711	44,436	36,725	36,725	—
Available-for-sale securities	17,673,517	21,305,305	3,631,788	3,913,256	(281,467)
Domestic bonds	1,968,345	2,067,063	98,718	100,561	(1,843)
Domestic stocks	4,305,831	6,437,752	2,131,920	2,392,688	(260,767)
Foreign securities	10,667,428	12,034,602	1,367,174	1,381,580	(14,406)
Foreign bonds	8,754,592	9,739,153	984,560	996,678	(12,117)
Foreign stocks and other securities	1,912,835	2,295,449	382,614	384,902	(2,288)
Other securities	374,619	408,607	33,987	38,425	(4,437)
Monetary receivables purchased	58,291	58,281	(10)	—	(10)
Negotiable certificates of deposit	299,000	298,997	(2)	0	(2)
<b>Total</b>	<b>¥37,284,652</b>	<b>¥43,009,704</b>	<b>¥5,725,051</b>	<b>¥6,015,967</b>	<b>¥(290,916)</b>
Domestic bonds	20,791,887	22,888,875	2,096,988	2,107,804	(10,816)
Domestic stocks	4,305,831	6,437,752	2,131,920	2,392,688	(260,767)
Foreign securities	10,756,982	12,165,246	1,408,263	1,422,672	(14,408)
Foreign bonds	8,836,436	9,825,360	988,923	1,001,044	(12,120)
Foreign stocks and other securities	1,920,546	2,339,885	419,339	421,627	(2,288)
Other securities	374,619	408,607	33,987	38,425	(4,437)
Monetary receivables purchased	756,331	810,224	53,893	54,377	(483)
Negotiable certificates of deposit	299,000	298,997	(2)	0	(2)

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

## 82. Fair Value of Securities (General Account), continued

### 2. Fair value information of securities (with fair value, other than trading securities), continued

#### Book value of securities without fair value

	Millions of Yen		
As of March 31	2015	2014	2013
Policy-reserve-matching bonds	¥ —	¥ —	¥ —
Held-to-maturity debt securities	—	—	—
Unlisted foreign bonds	—	—	—
Others	—	—	—
Investments in subsidiaries and affiliates	292,859	231,983	285,945
Available-for-sale securities	899,785	994,216	1,043,347
Unlisted domestic stocks (excluding over-the-counter stocks)	101,002	196,549	199,242
Unlisted foreign stocks (excluding over-the-counter stocks)	587,413	622,487	682,492
Unlisted foreign bonds	—	—	—
Others	211,370	175,179	161,612
<b>Total</b>	<b>¥1,192,645</b>	<b>¥1,226,199</b>	<b>¥1,329,292</b>

Note: Of securities without fair value, net gains (net losses) on foreign exchange valuation of assets denominated in foreign currencies were as follows: As of March 31, 2015: ¥82,167 million; March 31, 2014: ¥42,893 million; and March 31, 2013: ¥(100) million.

## 83. Fair Value of Assets Held in Trust (General Account)

No ending balance as of March 31, 2015, 2014 or 2013.

### Assets held in trust for investment

No ending balance as of March 31, 2015, 2014 or 2013.

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

No ending balance as of March 31, 2015, 2014 or 2013.

## 84. Qualitative Information on Derivative Transactions (General Account)

### 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:

Theoretical values based on volatility and other data obtained from external information vendors

##### 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 market 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 fair value movements on the hedging instruments and the hedged items in accordance with the Company's internal risk management policies.

## 85. Credit Risk Amounts (General Account)

Millions of Yen						
As of March 31	2015		2014		2013	
	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	956,429	64,984	775,154	54,399	532,131	37,348
Foreign exchange forward contracts	6,257,977	199,896	5,994,843	68,426	6,232,791	132,861
Interest options (purchase)	—	—	—	—	—	—
Currency options (purchase)	—	—	—	—	—	—
Other derivative financial instruments	40,827	2,963	227	46	233	25
<b>Total</b>	<b>¥7,255,234</b>	<b>¥267,843</b>	<b>¥6,770,226</b>	<b>¥122,872</b>	<b>¥6,765,155</b>	<b>¥170,235</b>

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

## 86. Fair Value of Derivative Transactions, Combined Total with and without Hedge Accounting Applied (General Account)

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

Millions of Yen						
As of March 31	Interest	Currencies	Stocks	Bonds	Others	Total
<b>2015</b>						
Hedge accounting applied	¥—	¥(215,623)	¥(174)	¥—	¥—	¥(215,798)
Hedge accounting not applied	—	1	82	—	—	83
<b>Total</b>	<b>¥—</b>	<b>¥(215,622)</b>	<b>¥ (92)</b>	<b>¥—</b>	<b>¥—</b>	<b>¥(215,714)</b>
<b>2014</b>						
Hedge accounting applied	¥—	¥(278,457)	¥ —	¥—	¥—	¥(278,457)
Hedge accounting not applied	—	(2)	25	—	—	22
<b>Total</b>	<b>¥—</b>	<b>¥(278,459)</b>	<b>¥ 25</b>	<b>¥—</b>	<b>¥—</b>	<b>¥(278,434)</b>
<b>2013</b>						
Hedge accounting applied	¥—	¥(259,287)	¥ —	¥—	¥—	¥(259,287)
Hedge accounting not applied	—	116	(7)	—	—	109
<b>Total</b>	<b>¥—</b>	<b>¥(259,170)</b>	<b>¥ (7)</b>	<b>¥—</b>	<b>¥—</b>	<b>¥(259,178)</b>

Note: Net gains/losses from applying the market 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, 2015, 2014 or 2013.

## 86. Fair Value of Derivative Transactions, Combined Total with and without Hedge Accounting Applied (General Account), continued

(3) Currency-related

Millions of Yen

As of March 31				2015	2014	2013			
Over-the-counter	Foreign exchange forward contracts	Sold	U.S. Dollar	Contract amount	¥3,926,740	¥3,364,436	¥3,737,391		
				Over 1 year	—	—	—		
				Fair value	3,927,743	3,382,084	3,823,660		
			Net gains/losses	(1,002)	(17,647)	(86,268)			
			Euro	Contract amount	1,177,636	1,167,211	947,299		
				Over 1 year	—	—	—		
		Fair value		1,096,973	1,178,973	945,882			
		<b>Total including others</b>			<b>Contract amount</b>	<b>6,363,628</b>	<b>5,909,183</b>	<b>6,073,626</b>	
					<b>Over 1 year</b>	<b>—</b>	<b>—</b>	<b>—</b>	
					<b>Fair value</b>	<b>6,254,750</b>	<b>5,994,062</b>	<b>6,225,815</b>	
					<b>Net gains/losses</b>	<b>108,878</b>	<b>(84,878)</b>	<b>(152,188)</b>	
		Purchased		U.S. Dollar	U.S. Dollar	Contract amount	3,194	739	2,357
						Over 1 year	—	—	—
						Fair value	3,217	745	2,340
					Net gains/losses	22	6	(17)	
Euro	Contract amount				9	35	4,626		
	Over 1 year				—	—	—		
	Fair value			9	35	4,636			
<b>Total including others</b>				<b>Contract amount</b>	<b>3,203</b>	<b>774</b>	<b>6,983</b>		
				<b>Over 1 year</b>	<b>—</b>	<b>—</b>	<b>—</b>		
				<b>Fair value</b>	<b>3,226</b>	<b>781</b>	<b>6,976</b>		
				<b>Net gains/losses</b>	<b>23</b>	<b>6</b>	<b>(7)</b>		
Currency options	Sold			Call	U.S. Dollar	Contract amount	—	—	—
						Over 1 year	—	—	—
						Fair value	—	—	—
					Net gains/losses	—	—	—	
		Euro	Contract amount		—	—	—		
			Over 1 year		—	—	—		
			Fair value	—	—	—			
		<b>Total including others</b>			<b>Contract amount</b>	<b>—</b>	<b>—</b>	<b>—</b>	
					<b>Over 1 year</b>	<b>—</b>	<b>—</b>	<b>—</b>	
					<b>Fair value</b>	<b>—</b>	<b>—</b>	<b>—</b>	
					<b>Net gains/losses</b>	<b>—</b>	<b>—</b>	<b>—</b>	
		Put	U.S. Dollar	U.S. Dollar	Contract amount	—	—	—	
					Over 1 year	—	—	—	
					Fair value	—	—	—	
			Net gains/losses	—	—	—			
Euro	Contract amount		—	—	—				
	Over 1 year		—	—	—				
	Fair value	—	—	—					
<b>Total including others</b>			<b>Contract amount</b>	<b>—</b>	<b>—</b>	<b>—</b>			
			<b>Over 1 year</b>	<b>—</b>	<b>—</b>	<b>—</b>			
			<b>Fair value</b>	<b>—</b>	<b>—</b>	<b>—</b>			
			<b>Net gains/losses</b>	<b>—</b>	<b>—</b>	<b>—</b>			
				¥	¥	¥			

## 86. Fair Value of Derivative Transactions, Combined Total with and without Hedge Accounting Applied (General Account), continued

(3) Currency-related, continued

As of March 31						Millions of Yen		
Over-the-counter	Currency options	Purchased	Call	U.S. Dollar	Contract amount	2015	2014	2013
						¥ —	¥ —	¥ —
					Over 1 year	(—)	(—)	(—)
					Fair value	—	—	—
					Net gains/losses	—	—	—
				Euro	Contract amount	—	—	—
					Over 1 year	(—)	(—)	(—)
					Fair value	—	—	—
					Net gains/losses	—	—	—
				<b>Total including others</b>	<b>Contract amount</b>	<b>—</b>	<b>—</b>	<b>—</b>
					<b>Over 1 year</b>	<b>(—)</b>	<b>(—)</b>	<b>(—)</b>
					<b>Fair value</b>	<b>—</b>	<b>—</b>	<b>—</b>
					<b>Net gains/losses</b>	<b>—</b>	<b>—</b>	<b>—</b>
			Put	U.S. Dollar	Contract amount	—	—	—
					Over 1 year	(—)	(—)	(—)
					Fair value	—	—	—
					Net gains/losses	—	—	—
				Euro	Contract amount	—	—	—
					Over 1 year	(—)	(—)	(—)
					Fair value	—	—	—
					Net gains/losses	—	—	—
				<b>Total including others</b>	<b>Contract amount</b>	<b>—</b>	<b>—</b>	<b>—</b>
					<b>Over 1 year</b>	<b>(—)</b>	<b>(—)</b>	<b>(—)</b>
					<b>Fair value</b>	<b>—</b>	<b>—</b>	<b>—</b>
					<b>Net gains/losses</b>	<b>—</b>	<b>—</b>	<b>—</b>
	Currency swaps			U.S. Dollar	Contract amount	455,251	360,642	243,995
					Over 1 year	446,215	360,642	242,749
					Fair value	(168,560)	(69,508)	(48,224)
					Net gains/losses	(168,560)	(69,508)	(48,224)
				Euro	Contract amount	398,270	365,624	279,075
					Over 1 year	388,559	365,624	279,075
					Fair value	(131,035)	(116,616)	(56,394)
					Net gains/losses	(131,035)	(116,616)	(56,394)
				<b>Total including others</b>	<b>Contract amount</b>	<b>956,429</b>	<b>775,154</b>	<b>532,131</b>
					<b>Over 1 year</b>	<b>937,682</b>	<b>775,154</b>	<b>530,884</b>
					<b>Fair value</b>	<b>(324,523)</b>	<b>(193,587)</b>	<b>(106,974)</b>
					<b>Net gains/losses</b>	<b>(324,523)</b>	<b>(193,587)</b>	<b>(106,974)</b>
<b>Total</b>					<b>Net gains/losses</b>	<b>¥(215,622)</b>	<b>¥(278,459)</b>	<b>¥(259,170)</b>

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 show the difference between the contract amount and fair value for forward agreements, the difference between option premiums and fair value for options transactions, and the current fair value or present value for swap transactions.

## 86. Fair Value of Derivative Transactions, Combined Total with and without Hedge Accounting Applied (General Account), continued

### (4) Stock-related

As of March 31				2015	2014	2013	
				Millions of Yen			
<b>Over-the-counter</b>	<b>Stock forward contract</b>	<b>Sold</b>	Contract amount	¥40,731	¥ —	¥ —	
			Over 1 year	—	—	—	
			Fair value	40,906	—	11	
			Net gains/losses	(174)	—	(11)	
		<b>Purchased</b>	Contract amount	—	—	—	
			Over 1 year	—	—	—	
			Fair value	—	—	—	
			Net gains/losses	—	—	—	
	<b>Stock options</b>	<b>Sold</b>	<b>Call</b>	Contract amount	—	—	
				Over 1 year	—	—	
				Fair value	—	—	
			Net gains/losses	—	—		
			<b>Put</b>	Contract amount	—	—	
				Over 1 year	—	—	
		Fair value		—	—		
				Net gains/losses	—	—	
		<b>Purchased</b>	<b>Call</b>	Contract amount	295	227	233
				Over 1 year	[55]	[55]	[65]
				Fair value	295	227	190
			Net gains/losses	[55]	[55]	[55]	
	<b>Put</b>		Contract amount	138	81	69	
			Over 1 year	82	25	4	
		Fair value	—	—	—		
			Net gains/losses	—	—		
			Contract amount	—	—		
			Over 1 year	—	—		
			Fair value	—	—		
			Net gains/losses	—	—		
<b>Total</b>			<b>Net gains/losses</b>	<b>¥ (92)</b>	<b>¥ 25</b>	<b>¥ (7)</b>	

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 show the difference between option premiums and fair value for options transactions.

### (5) Bond-related

No ending balance as of March 31, 2015, 2014 or 2013.

### (6) Others

No ending balance as of March 31, 2015, 2014 or 2013.

## 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.

### 87. Balance of Separate Account Assets

As of March 31	Millions of Yen, %					
	2015		2014		2013	
Individual variable insurance	¥ 131,518	11.8%	¥ 116,835	9.5%	¥ 109,933	8.9%
Individual variable annuities	77,605	7.0	100,517	8.2	132,512	10.7
Group annuities	904,386	81.2	1,010,045	82.3	996,372	80.4
<b>Separate account total</b>	<b>¥1,113,510</b>	<b>100.0%</b>	<b>¥1,227,398</b>	<b>100.0%</b>	<b>¥1,238,818</b>	<b>100.0%</b>

### 88. Asset Management Overview for the Fiscal Year Ended March 31, 2015 (Separate Account Assets for Individual Variable Insurance and Individual Variable Annuities)

In the fiscal year ended March 31, 2015, domestic interest rates declined mainly due to the Bank of Japan's monetary easing measures. In the first half of the fiscal year, domestic stock prices experienced a temporary decline against the backdrop of increasing geopolitical risk, highlighted by the crisis in Ukraine. However, the domestic stock market increased on the whole, supported primarily by the Bank of Japan's additional monetary easing measures at the end of October 2014 and an announcement by the Government Pension Investment Fund that it would increase its stock investment ratio. From the start of 2015, the domestic stock market continued to rise mainly based on expectations for capital inflows triggered by public pension fund investment reform. Over the fiscal year as a whole, the market made significant gains, with the Nikkei Stock Average increasing approximately 30%.

Amid this operating environment, the investment return on individual variable insurance for the fiscal year ended March 31, 2015, was positive at 20.55%.

This also represented investment return of 119.71% (2.81% on an annualized basis) 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 premium.



# STATUS OF SEPARATE ACCOUNT FOR INDIVIDUAL VARIABLE INSURANCE

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

As of March 31	2015		2014		2013	
	Policies	Amount	Policies	Amount	Policies	Amount
Variable insurance (defined term type)	1,724	¥ 8,382	1,820	¥ 8,931	1,950	¥ 9,734
Variable insurance (whole life type)	34,665	513,177	35,433	531,558	36,096	549,291
<b>Total</b>	<b>36,389</b>	<b>¥521,560</b>	<b>37,253</b>	<b>¥540,490</b>	<b>38,046</b>	<b>¥559,026</b>

Number of Policies, Millions of Yen

Note: Amounts include term life insurance riders.

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

As of March 31	2015		2014		2013	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Cash, deposits and call loans	¥ 4,013	3.1%	¥ 5,013	4.3%	¥ 8,006	7.3%
Investments in securities	119,486	90.9	104,906	89.8	95,506	86.9
Domestic bonds	25,449	19.4	28,784	24.6	22,851	20.8
Domestic stocks	51,154	38.9	36,538	31.3	38,592	35.1
Foreign securities	42,882	32.6	39,584	33.9	34,062	31.0
Foreign bonds	13,432	10.2	14,253	12.2	11,303	10.3
Foreign stocks and other securities	29,449	22.4	25,331	21.7	22,759	20.7
Other securities	—	—	—	—	—	—
Loans	—	—	—	—	—	—
Others	8,018	6.1	6,915	5.9	6,419	5.8
Allowance for doubtful accounts	—	—	—	—	—	—
<b>Total</b>	<b>¥131,518</b>	<b>100.0%</b>	<b>¥116,835</b>	<b>100.0%</b>	<b>¥109,933</b>	<b>100.0%</b>

Millions of Yen, %

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

Fiscal years ended March 31	Millions of Yen		
	2015	2014	2013
Interest, dividends, and other income	¥ 2,228	¥ 2,097	¥ 1,934
Gain on sales of securities	10,153	11,538	4,671
Gain on redemptions of securities	0	—	—
Gain on valuation of securities	9,477	2,179	8,401
Foreign exchange gains, net	85	18	29
Gain on derivative financial instruments, net	1,631	—	803
Other investment income	15	8	105
Loss on sales of securities	1,499	1,286	5,745
Loss on redemptions of securities	0	0	—
Loss on valuation of securities	(213)	(720)	(5,668)
Foreign exchange losses, net	—	—	—
Loss on derivative financial instruments, net	—	124	—
Other investment expenses	3	1	6
<b>Net investment income</b>	<b>¥22,301</b>	<b>¥15,150</b>	<b>¥15,862</b>

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.

## 92. Fair Value of Securities (Separate Account for Individual Variable Insurance)

### Net valuation gains/losses on trading securities

As of March 31	2015		2014		2013	
	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	¥119,486	¥9,691	¥104,906	¥2,900	¥95,506	¥14,069

Millions of Yen

## 93. Fair Value of Assets Held in Trust (Separate Account for Individual Variable Insurance)

No ending balance as of March 31, 2015, 2014 or 2013.

## 94. 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 mainly 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 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 fair value.

Foreign exchange contracts use theoretical prices calculated by the Company 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.

## 95. Fair 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						
<b>As of March 31 2015</b>						
Hedge accounting applied	¥—	¥ —	¥ —	¥—	¥—	¥ —
Hedge accounting not applied	—	(48)	20	—	—	(27)
<b>Total</b>	<b>¥—</b>	<b>¥(48)</b>	<b>¥ 20</b>	<b>¥—</b>	<b>¥—</b>	<b>¥ (27)</b>
<b>As of March 31 2014</b>						
Hedge accounting applied	¥—	¥ —	¥ —	¥—	¥—	¥ —
Hedge accounting not applied	—	4	70	—	—	74
<b>Total</b>	<b>¥—</b>	<b>¥ 4</b>	<b>¥ 70</b>	<b>¥—</b>	<b>¥—</b>	<b>¥ 74</b>
<b>As of March 31 2013</b>						
Hedge accounting applied	¥—	¥ —	¥ —	¥—	¥—	¥ —
Hedge accounting not applied	—	12	129	—	—	141
<b>Total</b>	<b>¥—</b>	<b>¥ 12</b>	<b>¥129</b>	<b>¥—</b>	<b>¥—</b>	<b>¥141</b>

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, 2015, 2014 or 2013.

## 95. Fair 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				2015	2014	2013
Over-the-counter Foreign exchange forward contracts	Sold	U.S. Dollar	Contract amount	¥1,250	¥ 908	¥ 72
			Over 1 year	—	—	—
			Fair value	1,253	912	71
		Net gains/losses	(3)	(3)	1	
		Euro	Contract amount	3,022	1,890	585
			Over 1 year	—	—	—
	Fair value		3,052	1,881	562	
	Total including others	Contract amount		5,317	3,230	874
		Over 1 year		—	—	—
		Fair value		5,344	3,227	842
	Net gains/losses		(27)	2	32	
	Purchased	U.S. Dollar	U.S. Dollar	Contract amount	4,651	2,380
Over 1 year				—	—	—
Fair value				4,617	2,383	639
Net gains/losses			(34)	3	(16)	
Euro			Contract amount	2,041	485	41
			Over 1 year	—	—	—
		Fair value	2,057	481	41	
Net gains/losses		16	(3)	(0)		
Total including others		Contract amount		7,509	3,212	832
		Over 1 year		—	—	—
		Fair value		7,488	3,213	812
Net gains/losses		(21)	1	(19)		
Total		Net gains/losses	¥ (48)	¥ 4	¥ 12	

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

### 4. Stock-related

As of March 31				2015	2014	2013	
Stock exchange	Stock index futures	Sold	Contract amount	¥2,233	¥ 9	¥ —	
			Over 1 year	—	—	—	
			Fair value	2,238	9	—	
			Net gains/losses	(4)	(0)	—	
			Purchased	Contract amount	2,165	1,842	5,437
		Over 1 year		—	—	—	
		Fair value		2,190	1,912	5,566	
		Net gains/losses		24	70	129	
		Total		Net gains/losses	¥ 20	¥ 70	¥ 129

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

### 5. Bond-related

No ending balance as of March 31, 2015, 2014 or 2013.

### 6. Others

No ending balance as of March 31, 2015, 2014 or 2013.

# STATUS OF SEPARATE ACCOUNT FOR INDIVIDUAL VARIABLE ANNUITIES

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

As of March 31	2015		2014		2013	
	Policies	Value	Policies	Value	Policies	Value
Individual variable annuities	10,443	¥77,604	14,505	¥100,516	19,995	¥132,502

Note: Amounts represent policy reserves.

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

As of March 31	2015		2014		2013	
	¥	—%	¥	—%	¥	—%
Cash, deposits and call loans	—	—	—	—	—	—
Investments in securities	75,228	96.9	97,993	97.5	129,120	97.4
Domestic bonds	13,859	17.9	17,947	17.9	24,711	18.6
Domestic stocks	—	—	—	—	—	—
Foreign securities	—	—	—	—	—	—
Foreign bonds	—	—	—	—	—	—
Foreign stocks and other securities	—	—	—	—	—	—
Other securities	61,368	79.1	80,045	79.6	104,408	78.8
Loans	—	—	—	—	—	—
Others	2,376	3.1	2,523	2.5	3,391	2.6
Allowance for doubtful accounts	—	—	—	—	—	—
<b>Total</b>	<b>¥77,605</b>	<b>100.0%</b>	<b>¥100,517</b>	<b>100.0%</b>	<b>¥132,512</b>	<b>100.0%</b>

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

Fiscal years ended March 31	Millions of Yen		
	2015	2014	2013
Interest, dividends, and other income	¥ 8,600	¥ 7,973	¥ 2,123
Gain on sales of securities	789	861	580
Gain on redemptions of securities	—	—	—
Gain on valuation of securities	3,270	4,083	9,564
Foreign exchange gains, net	—	—	—
Gain on derivative financial instruments, net	—	—	—
Other investment income	0	0	0
Loss on sales of securities	2	10	1,717
Loss on redemptions of securities	—	—	—
Loss on valuation of securities	(28)	(141)	(7,593)
Foreign exchange losses, net	—	—	—
Loss on derivative financial instruments, net	—	—	—
Other investment expenses	0	0	0
<b>Net investment income</b>	<b>¥12,688</b>	<b>¥13,049</b>	<b>¥18,143</b>

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.

## 99. Fair Value of Securities (Separate Account for Individual Variable Annuities)

Net valuation gains/losses on trading securities

Millions of Yen

As of March 31	2015		2014		2013	
	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	¥75,228	¥3,299	¥97,993	¥4,225	¥129,120	¥17,157

## 100. Fair Value of Assets Held in Trust (Separate Account for Individual Variable Annuities)

No ending balance as of March 31, 2015, 2014 or 2013.

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

No ending balance as of March 31, 2015, 2014 or 2013.

## 102. Fair 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, 2015, 2014 or 2013.

# STATUS OF SEPARATE ACCOUNT FOR GROUP ANNUITIES

## 103. Separate Account Assets by Product (Separate Account for Group Annuities)

As of March 31	Millions of Yen		
	2015	2014	2013
Separate account 1st treaty	¥886,795	¥ 839,711	¥814,936
Comprehensive account	391,970	387,338	463,973
Stable income account	230,987	169,983	74,133
Account by investment categories	263,836	282,388	276,829
Separate account 2nd treaty	0	155,225	168,160
Defined contribution pension plans	17,591	15,109	13,275
<b>Total</b>	<b>¥904,386</b>	<b>¥1,010,045</b>	<b>¥996,372</b>

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% in 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

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

\* Figures in Note 104 are stated at fair value, and rounded to the nearest whole unit.

### 1. Asset management principles and performance in the fiscal year ended March 31, 2015

#### 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 that 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, 2015

In the fiscal year ended March 31, 2015, the Bank of Japan implemented additional monetary easing measures, which had the effect of weakening the yen and bolstering stock prices. Against this backdrop, investment returns were positive across the board for bonds and stocks, both domestic and foreign (+3.65% on domestic bonds, +32.48% on domestic stocks, +13.05% on foreign bonds, and +24.37% on foreign stocks) and the investment return (percentage change in the unit price) was +20.22%.

### 2. Asset allocation in the fiscal year ended March 31, 2015 (Comprehensive Account)

	Asset allocation	Asset allocation results (Fiscal years ended March 31)					2014	Asset management results compared with standard asset allocation for 2015
		2015						
		End of Mar.	End of Dec.	End of Sept.	End of June	End of Mar.		
Japanese yen-denominated bonds	31.0%	28.2%	21.9%	24.8%	25.5%	23.1%	The percentage of asset allocation to yen-denominated bonds on a yearly basis was low early in the fiscal year and held low throughout the fiscal year.	
Japanese yen-denominated stocks	32.0	32.7	37.9	34.6	36.5	37.1	The percentage of asset allocation to yen-denominated stocks on a yearly basis was high early in the fiscal year and held high throughout the fiscal year.	
Foreign currency-denominated bonds	12.0	12.5	10.8	11.7	11.6	9.9	The percentage of asset allocation to bonds denominated in foreign currencies on a yearly basis was high early in the fiscal year and low toward the end of the fiscal year.	
Foreign currency-denominated stocks*	22.0	22.8	26.2	25.3	24.3	25.0	The percentage of asset allocation to stocks denominated in foreign currencies on a yearly basis was high early in the fiscal year and held high throughout the fiscal year.	
Call loans and other short-term assets	3.0	3.9	3.2	3.6	2.1	4.9	—	
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	—	

\* Regarding allocation to stocks denominated in foreign currencies of 22.0%, 1.0% was allocated to stocks in emerging countries (Asia).

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

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

As of March 31	Millions of Yen		
	2015	2014	2013
	Fair value	Fair value	Fair value
Japanese yen-denominated bonds	¥ 88,164	¥105,294	¥ 98,006
Japanese yen-denominated stocks	141,749	121,948	166,670
Foreign currency-denominated bonds	37,851	46,525	45,668
Foreign currency-denominated stocks	95,671	84,978	91,265
Call loans and other short-term assets	18,915	23,368	39,237
<b>Total</b>	<b>¥382,350</b>	<b>¥382,113</b>	<b>¥440,847</b>

### 4. Investment return ratio (Comprehensive Account)

Fiscal years ended March 31	%		
	2015	2014	2013
Unit price fluctuation	20.22%	14.83%	17.50%

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

\* Figures in Note 105 are stated at fair value, and rounded to the nearest whole unit.

### 1. Asset Management Principles and Performance in Fiscal Year

#### Ended March 31, 2015 (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, 2015

The risk volume 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, 2015 (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, 2015

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) that 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, 2015

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 the market benchmark.

*Benchmark: TOPIX (dividends included)*

#### • Performance in the fiscal year ended March 31, 2015

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, 2015

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.

## 105. 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, 2015

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) that uses a stratified sampling approach based on sector and market capitalization groupings.

*Benchmark: TOPIX (dividends included)*

- Performance in fiscal year ended March 31, 2015

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 basis)*

- Performance in the fiscal year ended March 31, 2015

Throughout the fiscal year, the Company made flexible adjustments to the duration. Regarding the country allocation, the weighting of European periphery countries and certain other areas was increased in response to additional monetary easing by the European Central Bank (ECB).

### (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, 2015

Throughout the fiscal year, the Company made flexible adjustments to the duration. Regarding the country allocation, the weighting of European periphery countries and certain other areas was increased in response to additional monetary easing by the ECB.

### (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, 2015

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, currency 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, 2015

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 that 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, 2015

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, 2015

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.



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

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

As of March 31	Millions of Yen		
	2015	2014	2013
	Fair value	Fair value	Fair value
Stable income account	¥229,945	¥158,361	¥ 69,358
Domestic bond accounts	77,846	77,752	79,534
Market Tracking Domestic Bond Account	19,747	10,349	8,710
Domestic stock accounts	20,176	19,896	27,284
Quantitative Investment Management Domestic Stock Account	2,934	2,479	5,689
OTC/small-cap equity accounts	0	95	594
Market Tracking Domestic Stock Account	20,071	10,778	10,731
Foreign bond accounts	30,104	19,335	19,863
Foreign bond accounts with currency hedging	1,613	22,593	35,369
Market Tracking Foreign Bond Account	18,348	12,221	8,269
Foreign stock accounts	17,283	20,841	28,441
Market Tracking Foreign Stock Account	29,679	15,416	10,992
Money market accounts	18,673	49,324	24,734
<b>Total</b>	<b>¥486,418</b>	<b>¥419,438</b>	<b>¥329,568</b>

Note: The following accounts began operation on September 27, 2012: the stable income account, Market Tracking Domestic Bond Account, Market Tracking Domestic Stock Account, Market Tracking Foreign Bond Account, and Market Tracking Foreign Stock Account.

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

Fiscal years ended March 31	%		
	2015	2014	2013
	Unit price fluctuation	Unit price fluctuation	Unit price fluctuation
Stable income account	3.18%	1.48%	3.45%
Domestic bond accounts	3.61	0.62	3.91
Market Tracking Domestic Bond Account	2.96	0.46	1.98
Domestic stock accounts	30.99	18.54	21.97
Quantitative Investment Management Domestic Stock Account	31.55	18.18	23.23
OTC/small-cap equity accounts	9.63	23.67	28.64
Market Tracking Domestic Stock Account	30.81	18.08	41.39
Foreign bond accounts	12.94	15.39	18.14
Foreign bond accounts with currency hedging	10.17	1.63	4.87
Market Tracking Foreign Bond Account	12.16	15.25	21.74
Foreign stock accounts	23.98	31.27	27.64
Market Tracking Foreign Stock Account	23.89	31.58	31.74
Money market accounts	0.09	0.08	0.11

Notes: 1. The following accounts began operation on September 27, 2012: the stable income account, Market Tracking Domestic Bond Account, Market Tracking Domestic Stock Account, Market Tracking Foreign Bond Account, and Market Tracking Foreign Stock Account.

2. Figures for OTC/small-cap equity accounts for the fiscal year ended March 31, 2015, are the percentage change through to July 2014.

# STATUS OF FINANCIAL ASSETS (CONSOLIDATED)

## 106. 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 nine consolidated subsidiaries and five equity method affiliates. (See p. 99)

#### • 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 Corporation.

In the fiscal year ended March 31, 2015, Nissay Asset Management recorded a 20.6% year-on-year increase in assets under management to ¥8,699.3 billion, including a 7.0% increase in the investment advisory business to ¥4,638.2 billion and a 41.2% increase in the investment trusts business to ¥4,061.1 billion. Ordinary profit at Nissay Asset Management was ¥5.8 billion with net income of ¥3.8 billion.

#### • Information Technology Field

Spearheaded by Nissay Information Technology Co., Ltd., the Company worked to develop the Nissay Mirai no Katachi "Five Stars" plan featuring dread disease insurance coverage with continuous support. This service is designed to provide long-term support to customers who contract a dread disease.

The Company also developed a new accounting system to successfully refine business management by, for example, strengthening internal controls and corporate governance. It also carried out development activities designed to enhance customer convenience by upgrading the content of the system supporting overall call center operations.

In the fiscal year ended March 31, 2015, Nissay Information Technology had sales of ¥53.9 billion, down 5.1% year on year, ordinary profit of ¥2.3 billion, down 29.7% year on year, and net income of ¥1.3 billion, down 42.1% year on year.

As a result of these overall activities, consolidated total ordinary income amounted to ¥7,410.0 billion, up 8.5% year on year. Total ordinary expenses amounted to ¥6,791.4 billion, up 7.7% year on year, while ordinary profit was ¥618.6 billion, up 18.2%. After income taxes, tax adjustments, minority interests, extraordinary gains of ¥4 billion and extraordinary losses of ¥181.8 billion, net surplus in the current year increased by 24.6% to ¥308.0 billion. On the consolidated balance sheet, surplus at the end of the fiscal year amounted to ¥541.5 billion and total assets rose 9.7% to ¥62,648.6 billion.

## 107. Principal Indicators of Operating Performance (Consolidated)

	Billions of Yen		
Fiscal years ended March 31	2015	2014	2013
Total ordinary income	¥ 7,410.0	¥ 6,829.2	¥ 7,201.3
Ordinary profit	618.6	523.2	402.2
Net surplus	308.0	247.1	247.9
Comprehensive income	2,958.6	985.0	1,701.5
Net cash provided by operating activities	1,788.1	1,521.4	2,219.9
Net cash used in investing activities	(1,774.7)	(1,461.8)	(2,305.4)
Net cash provided by (used in) financing activities	201.3	(25.8)	184.8

	Billions of Yen, Number, %		
As of March 31	2015	2014	2013
Total assets	¥62,648.6	¥57,090.2	¥55,165.6
Solvency margin ratio	943.3%	795.5%	717.1%
Cash and cash equivalents at the end of the year	1,086.5	872.0	820.7
Number of consolidated subsidiaries and affiliates	9	9	10
Number of affiliates accounted for under the equity method	5	5	4
Number of employees	73,610	73,578	72,832

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

## 108. Status of Nonperforming Assets According to Borrower's Classification (Consolidated)

		Millions of Yen, %		
As of March 31		2015	2014	2013
Bankrupt and quasi-bankrupt loans	1	¥ 10,650	¥ 11,728	¥ 12,607
Doubtful loans	2	23,678	22,685	24,948
Substandard loans	3	4,107	4,749	5,599
<b>Subtotal</b>		<b>38,436</b>	<b>39,163</b>	<b>43,154</b>
<b>[Ratio to total]</b>		<b>[0.35%]</b>	<b>[0.34%]</b>	<b>[0.37%]</b>
Normal loans	4	10,971,009	11,318,802	11,669,433
<b>Total</b>	<b>1 + 2 + 3 + 4</b>	<b>¥11,009,446</b>	<b>¥11,357,965</b>	<b>¥11,712,588</b>

Notes: 1. Bankrupt and quasi-bankrupt loans are nonperforming 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 nonperforming 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.

5. Classifications and calculation methods used in this table are based on the Ordinance for Enforcement of the Insurance Business Act. The table includes loans, securities lending, accrued interest, suspense payments, customer's liability for acceptances and guarantees, and guaranteed private offering loans of financial institutions.

6. For bankrupt and quasi-bankrupt loans, the estimated uncollectible amount calculated by subtracting the amount of collateral value or the amount collectible by the execution of guarantees from the balance of loans is directly deducted from the total loan amount. The estimated uncollectible amounts were ¥743 million, ¥1,082 million and ¥1,570 million as of March 31, 2015, 2014 and 2013, respectively.

## 109. Status of Risk-Monitored Loans (Consolidated)

		Millions of Yen, %		
As of March 31		2015	2014	2013
Loans to bankrupt borrowers	1	¥ 2,181	¥ 2,336	¥ 2,663
Delinquent loans	2	32,127	32,074	34,890
Loans that are delinquent for over three months	3	—	23	—
Restructured loans	4	4,107	4,726	5,599
<b>Total</b>	<b>1 + 2 + 3 + 4</b>	<b>¥38,417</b>	<b>¥39,160</b>	<b>¥43,153</b>
<b>[Ratio to total loans]</b>		<b>[0.46%]</b>	<b>[0.46%]</b>	<b>[0.51%]</b>

Notes: 1. For loans to bankrupt borrowers and quasi-bankrupt borrowers (including collateralized and guaranteed loans), an estimated uncollectible amount (calculated by subtracting estimated collectible 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 ¥315 million, ¥356 million and ¥495 million as of March 31, 2015, 2014 and 2013, respectively. The amounts of delinquent loans were ¥427 million, ¥726 million and ¥1,075 million as of March 31, 2015, 2014 and 2013, respectively.

2. 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.

3. 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.

4. 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.

5. 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, delinquent loans, and loans that are delinquent for over three months from above).

6. Based on the results of asset self-assessment, accrued interest on loans is not recorded as income for obligors that are bankrupt, essentially bankrupt or nearing bankruptcy.

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

As of March 31		Millions of Yen		
		2015	2014	2013
Solvency margin gross amount	(A)	¥13,303,975	¥9,434,311	¥8,033,068
Foundation funds ( <i>kikin</i> ) and other reserve funds:		3,876,544	3,486,074	3,063,443
Foundation funds and others		1,559,750	1,547,207	1,525,455
Reserve for price fluctuations in investments in securities		778,723	623,312	427,529
Contingency reserve		1,250,248	1,005,760	780,154
Extraordinary contingency reserve		—	—	—
General allowance for doubtful accounts		4,139	6,071	7,980
Others		283,681	303,722	322,322
Net unrealized gains/losses on available-for-sale securities × 90%		7,594,244	4,225,944	3,279,032
Net unrealized gains/losses on real estate × 85% (100% in the case of net unrealized losses)		73,241	28,638	(8,620)
Total amount of unrecognized actuarial gains/losses and unrecognized prior service cost		(42,670)	28,983	—
Excess of continued Zillmerized reserve		1,509,979	1,552,382	1,602,347
Qualifying subordinated debt		399,590	157,040	157,040
Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculations		—	—	—
Deduction clause		(157,665)	(100,279)	(92,877)
Others		50,711	55,528	32,704
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)	2,820,475	2,371,701	2,240,396
Underwriting risk	R <sub>1</sub>	127,656	131,177	135,383
General underwriting risk	R <sub>5</sub>	—	—	—
Huge disaster risk	R <sub>6</sub>	—	—	—
Underwriting risk of third-sector insurance	R <sub>8</sub>	78,260	77,619	75,959
Underwriting risk related to small amount and short-term insurance providers	R <sub>9</sub>	—	—	—
Anticipated yield risk	R <sub>2</sub>	386,107	389,635	394,708
Minimum guarantee risk	R <sub>7</sub>	5,820	5,870	7,382
Investment risk	R <sub>3</sub>	2,361,668	1,916,372	1,780,222
Business management risk	R <sub>4</sub>	59,190	50,413	47,873
<b>Solvency margin ratio</b>	$\frac{(A)}{(1/2) \times (B)} \times 100$	<b>943.3%</b>	<b>795.5%</b>	<b>717.1%</b>

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 FSA Public Notice No. 23 of 2011.

2. Solvency margin ratio as of March 31, 2015 and 2014, is calculated including the total amount of unrecognized actuarial differences and unrecognized prior service costs (the ratio as of March 31, 2013, was calculated based on the previously applied basis).

3. The standard method is used for the calculation of the amount equivalent to minimum guarantee risk  $R_7$ .

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

Not applicable.

## 112. Segment Information

For the fiscal year ended March 31, 2013, to the fiscal year ended March 31, 2015, 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.