

CHAPTER 6

Operational Data

| | |
|--|-----|
| STATUS OF FINANCIAL ASSETS (NONCONSOLIDATED) | |
| 1. Status of Nonperforming Assets According to Borrower's Classification | 182 |
| 2. Status of Risk-Monitored Loans | 182 |
| 3. Status of Loans in Trust from Contract for Replacement of Loss | 184 |
| 4. Ability to Pay Benefits (Solvency Margin Ratio) | 184 |
| 5. Unrealized Gains/Losses from Assets (Company Total) | 186 |
| 6. Data on Fair Value of Securities (Company Total) | 187 |
| 7. Data on Fair Value of Assets Held in Trust (Company Total) | 189 |
| 8. Fair Value of Derivative Transactions (Company Total) | 190 |
| 9. Ordinary Profit (Core Operating Profit) | 200 |
| MAIN BUSINESS INDICATORS | |
| 10. Policies in Force and New Policies | 201 |
| 11. Annualized Premiums | 202 |
| 12. New Policies by Product | 203 |
| 13. Policies in Force by Product | 205 |
| 14. Amount of Policies in Force by Coverage Type | 207 |
| 15. Individual Insurance and Annuity Policy Amounts in Force by Product | 208 |
| 16. Trends and Transitions of Policies | 209 |
| INSURANCE POLICY INDICATORS | |
| 17. Increase in Policy Amounts in Force | 211 |
| 18. Increase in New Policies | 211 |
| 19. Average Policy Coverage (Individual Insurance) | 212 |
| 20. Percentage of New Policies (Compared with Beginning of the Same Fiscal Year) | 212 |
| 21. Rate of Cancellation and Expiration (Compared with Beginning of the Same Fiscal Year) | 212 |
| 22. Average New Policy Premium (Individual Insurance Policies with Monthly Payments) | 213 |
| 23. Mortality Rate (Primary Individual Insurance Policies) | 213 |
| 24. Incidence of Events Covered by Riders (Individual Insurance) | 213 |
| 25. Percentage of Premium Earned of Insured Amount Classified by Type of Third-Sector Insurance Benefits or Type of Insurance | 213 |
| 26. Operating Expenses Percentage (Operating Expenses as a Percentage of Premium Revenues) | 213 |
| 27. Number of Major Insurance Companies that Accepted Reinsurance Agreements | 214 |
| 28. Ratio of Reinsurance Premiums to Total Premiums Written by the Top Five Insurance Companies Using Reinsurance | 214 |
| 29. Ratio of Insurance Companies that Accepted Reinsurance Agreements by Ratings Assessed | 214 |
| 30. Unreceived Reinsurance Premiums | 214 |
| ACCOUNTING INDICATORS | |
| 31. Reserve for Outstanding Claims | 215 |
| 32. Policy Reserves | 215 |
| 33. Policy Reserves Balance | 215 |
| 34. Policy Reserves for Individual Insurance and Annuities (by Policy Year) | 215 |
| 35. 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 | 216 |
| 36. 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) | 216 |
| 37. Reserve for Dividends to Policyholders | 217 |
| 38. Allowance for Doubtful Accounts and Other Reserves | 217 |
| 39. Status of Allowance for Specific Overseas Debt | 218 |
| 40. Insurance Premiums | 218 |
| 41. Death and Other Claims | 219 |
| 42. Annuity Payments | 220 |
| 43. Health and Other Benefits | 220 |
| 44. Surrender Benefits | 221 |
| 45. Depreciation | 222 |
| 46. Operating Expenses | 222 |
| 47. Loans by Due Date | 222 |
| 48. Taxes | 223 |
| 49. Lease Transactions | 223 |
| INDICATORS RELATED TO INVESTMENT (GENERAL ACCOUNT) | |
| 50. Overview of the Fiscal Year Ended March 31, 2016, Investment (General Account) | 224 |
| 51. Portfolio Trends (General Account) | 225 |
| 52. Average Balance and Yield on Primary Assets (General Account) | 226 |
| 53. Investment Income (General Account) | 227 |
| 54. Investment Expenses (General Account) | 227 |
| 55. Interest, Dividends, and Other Income (General Account) | 227 |
| 56. Analysis of Interest, Dividends, and Other Income (General Account) | 228 |
| 57. Gain on Sales of Securities (General Account) | 228 |
| 58. Loss on Sales of Securities (General Account) | 228 |
| 59. Loss on Valuation of Securities (General Account) | 228 |
| 60. Proprietary Trading Securities (General Account) | 228 |
| 61. Proprietary Trading Securities Trading Volume (General Account) | 228 |
| 62. Securities Composition (General Account) | 229 |
| 63. Securities by Maturity Date (General Account) | 229 |
| 64. Bond Yields (General Account) | 230 |
| 65. Stocks Held—Breakdown by Industry (General Account) | 230 |
| 66. Loans (General Account) | 231 |
| 67. Industrial and Consumer Loans by Maturity Dates (General Account) | 231 |
| 68. Loans to Domestic Companies by Company Size (General Account) | 231 |
| 69. Breakdown of Industrial and Consumer Loans by Industry (General Account) | 232 |
| 70. Breakdown of Industrial and Consumer Loans by Use (General Account) | 233 |
| 71. Breakdown of Loans by Region (General Account) | 233 |
| 72. Breakdown of Loans by Collateral (General Account) | 233 |
| 73. Appraisal Value of Real Estate (General Account) | 233 |
| 74. Amount of Real Estate and Numbers Held (General Account) | 234 |
| 75. Tangible Fixed Assets (General Account) | 234 |
| 76. Gain and Loss on Disposals of Fixed Assets (General Account) | 235 |
| 77. Depreciation of Rental Real Estate and Other Assets (General Account) | 235 |
| 78. Status of Overseas Loans and Investments (General Account) | 236 |
| 79. Yield on Overseas Loans and Investments (General Account) | 237 |
| 80. Summary of New Public Sector Investment Underwriting and Loans (General Account) | 237 |
| 81. Breakdown of Other Assets (General Account) | 237 |
| 82. Loan Interest Rates | 238 |
| SECURITIES INDICATORS (GENERAL ACCOUNT) | |
| 83. Fair Value of Securities (General Account) | 239 |
| 84. Fair Value of Assets Held in Trust (General Account) | 240 |
| 85. Qualitative Information on Derivative Transactions (General Account) | 241 |
| 86. Credit Risk Amounts (General Account) | 242 |
| 87. Fair Value of Derivative Transactions, Combined Total with and without Hedge Accounting Applied (General Account) | 242 |
| SEPARATE ACCOUNT INDICATORS | |
| 88. Balance of Separate Account Assets | 247 |
| 89. Asset Management Overview for the Fiscal Year Ended March 31, 2016 (Separate Account Assets for Individual Variable Insurance and Individual Variable Annuities) | 247 |
| STATUS OF SEPARATE ACCOUNT FOR INDIVIDUAL VARIABLE INSURANCE | |
| 90. Policies in Force (Separate Account for Individual Variable Insurance) | 248 |
| 91. Breakdown of Assets' Year-End Balance (Separate Account for Individual Variable Insurance) | 248 |
| 92. Investment Income and Expenses (Separate Account for Individual Variable Insurance) | 248 |
| 93. Fair Value of Securities (Separate Account for Individual Variable Insurance) | 248 |
| 94. Fair Value of Assets Held in Trust (Separate Account for Individual Variable Insurance) | 249 |
| 95. Qualitative Information on Derivative Transactions (Separate Account for Individual Variable Insurance) | 249 |
| 96. Fair Value of Derivative Transactions, Combined Total with and without Hedge Accounting Applied (Separate Account for Individual Variable Insurance) | 249 |
| STATUS OF SEPARATE ACCOUNT FOR INDIVIDUAL VARIABLE ANNUITIES | |
| 97. Policies in Force (Separate Account for Individual Variable Annuities) | 251 |
| 98. Breakdown of Assets' Year-End Balance (Separate Account for Individual Variable Annuities) | 251 |
| 99. Investment Income and Expenses (Separate Account for Individual Variable Annuities) | 251 |
| 100. Fair Value of Securities (Separate Account for Individual Variable Annuities) | 252 |
| 101. Fair Value of Assets Held in Trust (Separate Account for Individual Variable Annuities) | 252 |
| 102. Qualitative Information on Derivative Transactions (Separate Account for Individual Variable Annuities) | 252 |
| 103. Fair Value of Derivative Transactions, Combined Total with and without Hedge Accounting Applied (Separate Account for Individual Variable Annuities) | 252 |
| STATUS OF SEPARATE ACCOUNT FOR GROUP ANNUITIES | |
| 104. Separate Account Assets by Product (Separate Account for Group Annuities) | 253 |
| 105. Status of First Treaty—Comprehensive Account (Separate Account for Group Annuities) | 253 |
| 106. Status of First Treaty—Stable Income Account and Accounts by Investment Category (Separate Account for Group Annuities) | 254 |
| STATUS OF FINANCIAL ASSETS (CONSOLIDATED) | |
| 107. Nippon Life Group Performance | 257 |
| 108. Principal Indicators of Operating Performance (Consolidated) | 257 |
| 109. Status of Nonperforming Assets According to Borrower's Classification (Consolidated) | 258 |
| 110. Status of Risk-Monitored Loans (Consolidated) | 258 |
| 111. Status of Insurance Claims Paying Ability of the Company and Insurance Subsidiaries (Consolidated Solvency Margin Ratio) | 259 |
| 112. Status of Insurance Claims Paying Ability of Insurance Subsidiaries (Solvency Margin Ratio) | 260 |
| 113. Segment Information | 260 |

* All figures are rounded down to the nearest unit.
 * % and ‰ are rounded to the nearest figure.

1. Status of Nonperforming Assets According to Borrower's Classification

| | Millions of Yen, % | | |
|-----------------------------------|--------------------|--------------------|--------------------|
| As of March 31 | 2016 | 2015 | 2014 |
| Bankrupt and quasi-bankrupt loans | ¥ 10,370 | ¥ 10,598 | ¥ 11,686 |
| Doubtful loans | 20,436 | 23,610 | 22,596 |
| Substandard loans | 4,029 | 4,107 | 4,749 |
| Subtotal | 34,836 | 38,316 | 39,033 |
| [Ratio to total] | [0.37%] | [0.35%] | [0.34%] |
| Normal loans | 9,405,636 | 11,000,199 | 11,365,046 |
| Total | ¥9,440,473 | ¥11,038,516 | ¥11,404,080 |

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 ¥1,036 million, ¥501 million and ¥703 million as of March 31, 2016, 2015 and 2014, respectively.

2. Status of Risk-Monitored Loans

| | Millions of Yen, % | | |
|---|--------------------|----------------|----------------|
| As of March 31 | 2016 | 2015 | 2014 |
| Loans to bankrupt borrowers | ¥ 1,969 | ¥ 2,179 | ¥ 2,339 |
| Delinquent loans | 28,828 | 32,009 | 31,941 |
| Loans that are delinquent for over three months | — | — | 23 |
| Restructured loans | 4,029 | 4,107 | 4,726 |
| Total | ¥34,827 | ¥38,297 | ¥39,030 |
| [Ratio to total loans] | [0.43%] | [0.46%] | [0.46%] |

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 ¥843 million, ¥277 million and ¥299 million as of March 31, 2016, 2015 and 2014, respectively. The amounts of delinquent loans were ¥192 million, ¥224 million and ¥403 million as of March 31, 2016, 2015 and 2014, 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 Companies 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, 2016)

| Self-assessment debtor classification | Claims based on Financial Reconstruction Law Applicable categories related to loans: (Loans, securities loaned, accrued interest, suspense payments, customers' liability for acceptances and guarantees, and private placements guaranteed by financial institutions) | Risk-monitored loans (Applicable: Only to loans) |
|---------------------------------------|--|---|
| Normal | Normal | Restructuring |
| On caution | Substandard | Delinquent for over three months |
| Doubtful | Doubtful | Delinquent |
| Quasi-bankrupt | Bankrupt and quasi-bankrupt | Bankrupt |
| Bankrupt | | |
| | ¥34.8 billion Percentage of total claims 0.37% | ¥34.8 billion Percentage of total loans 0.43% |

Status of Borrower Classification

| As of March 31, 2016 | Amount | Percentage |
|---|----------|------------|
| Loan balances | ¥8,121.4 | 100.0% |
| (After direct write-off of Category IV) | | |
| Noncategorized | 8,043.7 | 99.0 |
| Category II | 76.7 | 0.9 |
| Category III | 0.9 | 0.0 |
| Category IV | — | — |

Notes: 1. The amount of specific allowance for doubtful accounts provided for Category III loans was ¥0.7 billion.

2. The amount of Category IV that was directly written off from loans was ¥1.0 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 collectible 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, 2016, 2015 or 2014.

4. Ability to Pay Benefits (Solvency Margin Ratio)

Solvency Margin Ratio According to New Standard

| As of March 31 | | 2016 | 2015 | 2014 |
|---|---|---------------|---------------|---------------|
| Millions of Yen | | | | |
| Solvency margin gross amount | (A) | ¥12,172,555 | ¥13,421,043 | ¥9,437,173 |
| Foundation funds (<i>kikin</i>) and other reserve funds: | | 4,164,622 | 3,806,532 | 3,422,870 |
| Foundation funds and others | 1 | 1,548,925 | 1,491,371 | 1,486,123 |
| Reserve for price fluctuations in investments in securities | 2 | 947,384 | 778,723 | 623,312 |
| Contingency reserve | 3 | 1,400,590 | 1,250,248 | 1,005,760 |
| General allowance for doubtful accounts | 4 | 1,751 | 2,507 | 3,952 |
| Others | 10 | 265,970 | 283,681 | 303,722 |
| Net unrealized gains on available-for-sale securities (before tax) and deferred losses on derivatives under hedge accounting (before tax) × 90% | 5 | 5,719,951 | 7,581,433 | 4,221,212 |
| Net unrealized gains on real estate × 85% | 6 | 129,232 | 73,163 | 28,567 |
| Excess of continued Zillmerized reserve | 7 | 1,459,759 | 1,509,979 | 1,552,382 |
| Qualifying subordinated debt | 8 | 650,825 | 399,590 | 157,040 |
| Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculations | | — | — | — |
| Deduction clause | 9 | (357) | (366) | (428) |
| Others | 10 | 48,522 | 50,711 | 55,528 |
| Total amount of risk $\sqrt{(R_1+R_8)^2+(R_2+R_3+R_7)^2} + R_4$ | (B) | 2,693,788 | 2,883,641 | 2,422,583 |
| Underwriting risk R_1 | 11 | 124,832 | 127,656 | 131,177 |
| Underwriting risk of third-sector insurance R_8 | 12 | 76,984 | 75,389 | 74,655 |
| Anticipated yield risk R_2 | 13 | 386,141 | 386,107 | 389,635 |
| Minimum guarantee risk R_7 | 14 | 5,759 | 5,820 | 5,870 |
| Investment risk R_3 | 15 | 2,237,530 | 2,424,023 | 1,966,765 |
| Business management risk R_4 | 16 | 56,624 | 60,379 | 51,362 |
| Solvency margin ratio | $\frac{(A)}{(1/2) \times (B)} \times 100$ | 903.7% | 930.8% | 779.0% |

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 .

3. From March 31, 2016, net unrealized gains/losses on available-for-sale securities, as shown previously, have been reclassified as net unrealized gains/losses on available-for-sale securities (before tax) and deferred gains/losses on derivatives under hedge accounting (before tax). (Figures as of March 31, 2015 and 2014, are presented based on the previous standard.)

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 (Before Tax) and Deferred Losses on Derivatives Under Hedge Accounting (Before Tax)
The figures represent the amount calculated by multiplying the total of net unrealized gains on available-for-sale securities and deferred losses on derivatives under hedge accounting (portion related to available-for-sale securities) in the balance sheets before application of tax effect accounting by 90% when the total amount is positive, or by 100% when the total amount is negative.
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.

A deduction is also made with regard to the balance of unamortized ceding commission of reinsurance agreements that meet certain conditions.

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 | | |
|---|------------------------------|-----------------|-----------------|----------------|
| | | 2016 | 2015 | 2014 |
| Cash, deposits and call loans | Book value | ¥ 1,073.9 | ¥ 1,064.7 | ¥ 817.1 |
| | Fair value (appraisal value) | 1,073.9 | 1064.7 | 817.1 |
| | Net gains/losses | (0.0) | (0.0) | (0.0) |
| | Gains | 0.0 | 0.0 | 0.0 |
| | Losses | (0.0) | (0.0) | (0.0) |
| Proprietary trading securities*1 | Book value | — | — | — |
| | Fair value (appraisal value) | — | — | — |
| | Net gains/losses | — | — | — |
| | Gains | — | — | — |
| | Losses | — | — | — |
| Assets held in trust*2 | Book value | 1.9 | — | — |
| | Fair value (appraisal value) | 1.9 | — | — |
| | Net gains/losses | — | — | — |
| | Gains | — | — | — |
| | Losses | — | — | — |
| Investments in securities*3 | Book value | 44,760.6 | 41,415.4 | 39,678.7 |
| | Fair value (appraisal value) | 55,824.9 | 52,494.9 | 46,195.7 |
| | Net gains/losses | 11,064.3 | 11,079.5 | 6,517.0 |
| | Gains | 11,286.2 | 11,115.4 | 6,648.0 |
| | Losses | (221.9) | (35.9) | (130.9) |
| Loans | Book value | 8,121.4 | 8,357.6 | 8,528.9 |
| | Fair value (appraisal value) | 8,499.2 | 8,684.1 | 8,791.5 |
| | Net gains/losses | 377.7 | 326.5 | 262.5 |
| | Gains | 384.9 | 340.7 | 277.2 |
| | Losses | (7.1) | (14.2) | (14.6) |
| Real estate*4 | Book value | 1,231.2 | 1,252.8 | 1,266.1 |
| | Fair value (appraisal value) | 1,360.1 | 1,312.1 | 1,257.0 |
| | Net gains/losses | 128.8 | 59.3 | (9.0) |
| | Gains | 284.5 | 227.9 | 179.4 |
| | Losses | (155.6) | (168.6) | (188.5) |
| Other assets | Book value | 1,727.6 | 1,768.4 | 1,809.4 |
| | Fair value (appraisal value) | 1,768.6 | 1,807.6 | 1,853.1 |
| | Net gains/losses | 40.9 | 39.2 | 43.6 |
| | Gains | 40.9 | 39.2 | 43.7 |
| | Losses | (0.0) | (0.0) | (0.0) |
| Total assets | Book value | 56,916.9 | 53,859.1 | 52,100.4 |
| | Fair value (appraisal value) | 68,528.8 | 65,363.7 | 58,914.6 |
| | Net gains/losses | 11,611.8 | 11,504.5 | 6,814.1 |
| | Gains | 11,996.6 | 11,723.4 | 7,148.4 |
| | Losses | (384.7) | (218.8) | (334.2) |

*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 ¥23.1 billion, ¥26.7 billion and ¥42.6 billion as of March 31, 2016, 2015 and 2014, respectively.

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

* Please refer to the following pages: Fair Value of Securities (General Account), p. 239, Fair Value of Securities (Separate Account for Individual Variable Insurance), and p. 248, Fair Value of Securities (Separate Account for Individual Variable Annuities), p. 252

1. Valuation gains/losses from trading securities

| Millions of Yen | | | | | | |
|--------------------|----------------------|--|----------------------|--|----------------------|--|
| As of March 31 | 2016 | | 2015 | | 2014 | |
| | Balance sheet amount | Valuation gains/losses included in profit and loss | Balance sheet amount | Valuation gains/losses included in profit and loss | Balance sheet amount | Valuation gains/losses included in profit and loss |
| Trading securities | ¥1,164,557 | ¥(94,479) | ¥1,005,262 | ¥44,376 | ¥1,098,298 | ¥7,295 |

Notes: 1. Balance sheet amounts of assets held in trust included in trading securities and valuation gains/losses included in profit and loss include net gains/losses on derivative transactions.
2. Figures above do not include cash, deposits and call loans within assets held in trust that are 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 | 2016 | | | | | 2015 | | | | |
| | Book value | Fair value | Net gains/losses | Gains | Losses | Book value | Fair value | Net gains/losses | Gains | Losses |
| Policy-reserve-matching bonds | ¥20,561,330 | ¥25,052,761 | ¥ 4,491,430 | ¥ 4,491,476 | ¥ (46) | ¥20,673,896 | ¥23,292,429 | ¥ 2,618,532 | ¥ 2,618,977 | ¥ (444) |
| Held-to-maturity debt securities | — | — | — | — | — | — | — | — | — | — |
| Investments in subsidiaries and affiliates | 7,711 | 66,925 | 59,214 | 59,214 | — | 7,711 | 37,474 | 29,763 | 29,763 | — |
| Available-for-sale securities | 22,622,202 | 29,138,346 | 6,516,143 | 6,730,510 | (214,367) | 19,337,667 | 27,722,703 | 8,385,035 | 8,419,299 | (34,263) |
| Domestic bonds | 2,991,174 | 3,259,659 | 268,484 | 269,652 | (1,168) | 2,355,340 | 2,512,314 | 156,973 | 157,781 | (807) |
| Domestic stocks | 3,971,012 | 7,627,755 | 3,656,742 | 3,809,871 | (153,129) | 3,944,517 | 8,936,459 | 4,991,942 | 5,015,264 | (23,321) |
| Foreign securities | 13,612,891 | 16,016,923 | 2,404,031 | 2,453,632 | (49,600) | 11,889,668 | 15,009,565 | 3,119,897 | 3,129,530 | (9,633) |
| Foreign bonds | 11,480,603 | 13,353,311 | 1,872,708 | 1,903,204 | (30,496) | 9,752,012 | 12,005,458 | 2,253,446 | 2,255,097 | (1,651) |
| Foreign stocks and other securities | 2,132,287 | 2,663,611 | 531,323 | 550,428 | (19,104) | 2,137,655 | 3,004,106 | 866,451 | 874,432 | (7,981) |
| Other securities | 1,291,359 | 1,478,140 | 186,780 | 197,244 | (10,463) | 806,288 | 922,498 | 116,209 | 116,705 | (496) |
| Monetary receivables purchased | 25,464 | 25,571 | 107 | 109 | (2) | 38,852 | 38,866 | 13 | 16 | (2) |
| Negotiable certificates of deposit | 730,300 | 730,296 | (3) | 0 | (3) | 303,000 | 302,999 | (0) | 0 | (1) |
| Total | ¥43,191,244 | ¥54,258,032 | ¥11,066,788 | ¥11,281,201 | ¥(214,413) | ¥40,019,275 | ¥51,052,607 | ¥11,033,331 | ¥11,068,039 | ¥(34,707) |
| Domestic bonds | 23,086,371 | 27,802,985 | 4,716,613 | 4,717,784 | (1,171) | 22,497,508 | 25,233,003 | 2,735,494 | 2,736,685 | (1,191) |
| Domestic stocks | 3,971,012 | 7,627,755 | 3,656,742 | 3,809,871 | (153,129) | 3,944,517 | 8,936,459 | 4,991,942 | 5,015,264 | (23,321) |
| Foreign securities | 13,692,392 | 16,159,118 | 2,466,725 | 2,516,325 | (49,600) | 11,969,216 | 15,122,920 | 3,153,703 | 3,163,337 | (9,633) |
| Foreign bonds | 11,552,393 | 13,428,580 | 1,876,186 | 1,906,683 | (30,496) | 9,823,849 | 12,081,339 | 2,257,489 | 2,259,141 | (1,651) |
| Foreign stocks and other securities | 2,139,998 | 2,730,537 | 590,538 | 609,642 | (19,104) | 2,145,366 | 3,041,580 | 896,214 | 904,196 | (7,981) |
| Other securities | 1,291,359 | 1,478,140 | 186,780 | 197,244 | (10,463) | 806,288 | 922,498 | 116,209 | 116,705 | (496) |
| Monetary receivables purchased | 419,808 | 459,737 | 39,929 | 39,974 | (45) | 498,744 | 534,726 | 35,982 | 36,045 | (63) |
| Negotiable certificates of deposit | 730,300 | 730,296 | (3) | 0 | (3) | 303,000 | 302,999 | (0) | 0 | (1) |

| As of March 31 | 2014 | | | | |
|--|--------------------|--------------------|-------------------|-------------------|-------------------|
| | Book value | Fair value | Net gains/losses | Gains | Losses |
| Policy-reserve-matching bonds | ¥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 | 61,779 | 54,068 | 54,068 | — |
| Available-for-sale securities | 18,015,822 | 22,677,237 | 4,661,415 | 4,779,182 | (117,767) |
| Domestic bonds | 2,056,317 | 2,155,038 | 98,721 | 99,802 | (1,081) |
| Domestic stocks | 4,081,909 | 6,911,256 | 2,829,346 | 2,923,269 | (93,923) |
| Foreign securities | 11,109,726 | 12,793,176 | 1,683,449 | 1,704,975 | (21,525) |
| Foreign bonds | 9,031,217 | 10,143,846 | 1,112,629 | 1,131,575 | (18,945) |
| Foreign stocks and other securities | 2,078,509 | 2,649,329 | 570,820 | 573,399 | (2,579) |
| Other securities | 504,806 | 554,709 | 49,902 | 51,134 | (1,231) |
| Monetary receivables purchased | 28,061 | 28,057 | (4) | — | (4) |
| Negotiable certificates of deposit | 235,000 | 234,999 | (0) | 0 | (0) |
| Total | ¥38,159,910 | ¥44,675,402 | ¥6,515,492 | ¥6,641,999 | ¥(126,506) |
| Domestic bonds | 21,568,091 | 23,421,564 | 1,853,472 | 1,863,225 | (9,752) |
| Domestic stocks | 4,081,909 | 6,911,256 | 2,829,346 | 2,923,269 | (93,923) |
| Foreign securities | 11,199,464 | 12,940,877 | 1,741,412 | 1,762,938 | (21,526) |
| Foreign bonds | 9,113,244 | 10,229,768 | 1,116,523 | 1,135,470 | (18,946) |
| Foreign stocks and other securities | 2,086,220 | 2,711,108 | 624,888 | 627,467 | (2,579) |
| Other securities | 504,806 | 554,709 | 49,902 | 51,134 | (1,231) |
| Monetary receivables purchased | 570,636 | 611,996 | 41,359 | 41,430 | (70) |
| Negotiable certificates of deposit | 235,000 | 234,999 | (0) | 0 | (0) |

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 | 2016 | | | 2015 | | | 2014 | | |
|---|----------------------|-------------|------------|----------------------|-------------|------------|----------------------|-------------|------------|
| | 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 | ¥20,553,296 | ¥25,044,772 | ¥4,491,476 | ¥20,576,578 | ¥23,195,555 | ¥2,618,977 | ¥19,723,454 | ¥21,532,202 | ¥1,808,748 |
| Domestic bonds | 20,088,505 | 24,536,637 | 4,448,132 | 20,047,635 | 22,626,539 | 2,578,904 | 19,100,466 | 20,863,889 | 1,763,422 |
| Foreign securities | 71,717 | 75,196 | 3,478 | 71,655 | 75,699 | 4,043 | 81,594 | 85,489 | 3,895 |
| Monetary receivables purchased | 393,073 | 432,939 | 39,865 | 457,286 | 493,315 | 36,029 | 541,392 | 582,823 | 41,430 |
| Bonds whose fair value does not exceed balance sheet amount | 8,034 | 7,988 | (46) | 97,318 | 96,874 | (444) | 412,922 | 404,183 | (8,738) |
| Domestic bonds | 6,691 | 6,688 | (3) | 94,532 | 94,148 | (383) | 411,307 | 402,636 | (8,671) |
| Foreign securities | 72 | 72 | (0) | 181 | 180 | (0) | 432 | 431 | (1) |
| Monetary receivables purchased | 1,270 | 1,227 | (42) | 2,604 | 2,544 | (60) | 1,182 | 1,115 | (66) |

(2) Held-to-maturity debt securities

No ending balance as of March 31, 2016, 2015 or 2014.

(3) Available-for-sale securities

Millions of Yen

| As of March 31 | 2016 | | | 2015 | | | 2014 | | |
|---|-------------|----------------------|------------|-------------|----------------------|------------|-------------|----------------------|------------|
| | 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 | ¥19,659,331 | ¥26,389,841 | ¥6,730,510 | ¥18,305,947 | ¥26,725,246 | ¥8,419,299 | ¥15,453,071 | ¥20,232,254 | ¥4,779,182 |
| Domestic bonds | 2,956,078 | 3,225,730 | 269,652 | 2,231,394 | 2,389,176 | 157,781 | 1,998,843 | 2,098,646 | 99,802 |
| Domestic stocks | 3,195,109 | 7,004,981 | 3,809,871 | 3,728,318 | 8,743,582 | 5,015,264 | 3,205,936 | 6,129,206 | 2,923,269 |
| Foreign securities | 12,142,241 | 14,595,873 | 2,453,632 | 11,561,325 | 14,690,856 | 3,129,530 | 9,732,154 | 11,437,129 | 1,704,975 |
| Other securities | 927,801 | 1,125,046 | 197,244 | 690,908 | 807,614 | 116,705 | 431,137 | 482,272 | 51,134 |
| Monetary receivables purchased | 2,800 | 2,910 | 109 | 1,000 | 1,016 | 16 | — | — | — |
| Negotiable certificates of deposit | 435,300 | 435,300 | 0 | 93,000 | 93,000 | 0 | 85,000 | 85,000 | 0 |
| Bonds whose balance sheet amount does not exceed book value | 2,962,871 | 2,748,504 | (214,367) | 1,031,720 | 997,457 | (34,263) | 2,562,750 | 2,444,983 | (117,767) |
| Domestic bonds | 35,096 | 33,928 | (1,168) | 123,945 | 123,138 | (807) | 57,473 | 56,392 | (1,081) |
| Domestic stocks | 775,903 | 622,773 | (153,129) | 216,198 | 192,876 | (23,321) | 875,973 | 782,049 | (93,923) |
| Foreign securities | 1,470,650 | 1,421,049 | (49,600) | 328,342 | 318,709 | (9,633) | 1,377,572 | 1,356,047 | (21,525) |
| Other securities | 363,557 | 353,093 | (10,463) | 115,380 | 114,883 | (496) | 73,669 | 72,437 | (1,231) |
| Monetary receivables purchased | 22,663 | 22,661 | (2) | 37,852 | 37,850 | (2) | 28,061 | 28,057 | (4) |
| Negotiable certificates of deposit | 295,000 | 294,996 | (3) | 210,000 | 209,998 | (1) | 150,000 | 149,999 | (0) |

(4) Book value of securities without fair value

Millions of Yen

| As of March 31 | 2016 | 2015 | 2014 |
|---|-------------------|-------------------|-------------------|
| Policy-reserve-matching bonds | ¥— | ¥— | ¥— |
| Held-to-maturity debt securities | — | — | — |
| Unlisted foreign bonds | — | — | — |
| Others | — | — | — |
| Investments in subsidiaries and affiliates | 692,045 | 292,859 | 231,983 |
| Available-for-sale securities | 863,780 | 899,785 | 994,216 |
| Unlisted domestic stocks (excluding stocks sold over the counter) | 104,736 | 101,002 | 196,549 |
| Unlisted foreign stocks (excluding stocks sold over the counter) | 525,736 | 587,413 | 622,487 |
| Unlisted foreign bonds | — | — | — |
| Others | 233,307 | 211,370 | 175,179 |
| Total | ¥1,555,826 | ¥1,192,645 | ¥1,226,199 |

Note: Of securities without fair value, the net income on currency exchange valuation of assets denominated in foreign currencies was ¥37,482 million, ¥82,167 million and ¥42,893 million as of March 31, 2016, 2015 and 2014, respectively.

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)

| Millions of Yen | | | |
|----------------------|--------|------|------|
| As of March 31 | 2016 | 2015 | 2014 |
| Assets held in trust | | | |
| Balance sheet amount | ¥1,934 | ¥— | ¥— |
| Fair value | 1,934 | — | — |
| Net gains/losses | — | — | — |
| Gains | — | — | — |
| Losses | — | — | — |

Notes: 1. Fair value is based on a reasonably calculated price by the trustee of assets held in trust.
2. Balance sheet amount includes net gains/losses on derivative transactions within assets held in trust.

Assets held in trust for trading purposes

| Millions of Yen | | | | | | |
|---|----------------------|--|----------------------|--|----------------------|--|
| As of March 31 | 2016 | | 2015 | | 2014 | |
| | Balance sheet amount | Valuation gains/losses included in profit and loss | Balance sheet amount | Valuation gains/losses included in profit and loss | Balance sheet amount | Valuation gains/losses included in profit and loss |
| Assets held in trust for trading purposes | ¥1,934 | ¥(65) | ¥— | ¥— | ¥— | ¥— |

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

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

No ending balance as of March 31, 2016, 2015 or 2014.

8. Fair Value of Derivative Transactions (Company Total)

* Please refer to the following pages: Qualitative Information on Derivative Transactions (General Account), p. 241, Qualitative Information on Derivative Transactions (Separate Account for Individual Variable Insurance), p. 249, Qualitative Information on Derivative Transactions (Separate Account for Individual Variable Annuities), p. 252.

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

| | | | | | | Millions of Yen |
|------------------------------|---------------|-------------------|-----------------|------------|-----------|-------------------|
| | Interest rate | Currencies | Equities | Bonds | Others | Total |
| As of March 31 | | | | | | |
| | | | | | | 2016 |
| Hedge accounting applied | ¥7,019 | ¥ (62,759) | ¥(8,055) | ¥— | ¥— | ¥ (63,794) |
| Hedge accounting not applied | (12) | (4,905) | 181 | 11 | — | (4,725) |
| Total | ¥7,007 | ¥ (67,664) | ¥(7,873) | ¥11 | ¥— | ¥ (68,520) |
| As of March 31 | | | | | | |
| | | | | | | 2015 |
| Hedge accounting applied | ¥ — | ¥(215,623) | ¥ (174) | ¥— | ¥— | ¥(215,798) |
| Hedge accounting not applied | — | 552 | (92) | — | — | 459 |
| Total | ¥ — | ¥(215,070) | ¥ (267) | ¥— | ¥— | ¥(215,338) |
| As of March 31 | | | | | | |
| | | | | | | 2014 |
| Hedge accounting applied | ¥ — | ¥(278,457) | ¥ — | ¥— | ¥— | ¥(278,457) |
| Hedge accounting not applied | — | (496) | 181 | — | — | (314) |
| Total | ¥ — | ¥(278,953) | ¥ 181 | ¥— | ¥— | ¥(278,772) |

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

(2) Hedge accounting not applied

• Interest rate-related

| | | | | | | | | Millions of Yen | |
|-------------------------|--|-----------------|------------|------------------|-----------------|-------------|------------------|-----------------|--|
| As of March 31 | | 2016 | | | | 2015 | | | |
| Category | Type | Contract amount | | Net gains/losses | Contract amount | | Net gains/losses | | |
| | | Over 1 year | Fair value | | Over 1 year | Fair value | | | |
| Over-the-counter | Interest rate swaps | | | | | | | | |
| | Receive fixed interest rate/ pay variable interest rate | ¥1,000 | ¥1,000 | ¥ (0) | ¥ (0) | ¥— | ¥— | ¥— | |
| | Pay fixed interest rate/ receive variable interest rate | 2,500 | 2,500 | (11) | (11) | — | — | — | |
| Total | | | | ¥(12) | | | | ¥— | |
| As of March 31 | | 2014 | | | | | | | |
| Category | Type | Contract amount | | Net gains/losses | Contract amount | | Net gains/losses | | |
| | | Over 1 year | Fair value | | Over 1 year | Fair value | | | |
| Over-the-counter | Interest rate swaps | | | | | | | | |
| | Receive fixed interest rate/ pay variable interest rate | ¥— | ¥— | ¥— | ¥— | ¥— | ¥— | ¥— | |
| | Pay fixed interest rate/ receive variable interest rate | — | — | — | — | — | — | — | |
| Total | | | | ¥— | | | | ¥— | |

Note: Net gains/losses represent the fair value.

8. Fair Value of Derivative Transactions (Company Total), continued

(Reference) Interest rate swap contracts by maturity dates

| | | | | | | | Millions of Yen, % |
|--|--------------------|---------------------------------|----------------------------------|----------------------------------|-----------------------------------|---------------|--------------------|
| Maturity dates | 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 | Total |
| As of March 31 | | | | | | | 2016 |
| Interest rate swaps | | | | | | | |
| Receive fixed interest rate/ pay variable interest rate | | | | | | | |
| Notional amount | ¥— | ¥— | ¥— | ¥— | ¥ — | ¥1,000 | ¥1,000 |
| Average fixed interest rate to receive | — | — | — | — | — | 0.16% | 0.16% |
| Average variable interest rate to pay | — | — | — | — | — | 0.02% | 0.02% |
| Interest rate swaps | | | | | | | |
| Pay fixed interest rate/ receive variable interest rate | | | | | | | |
| Notional amount | — | — | — | — | ¥1,500 | ¥1,000 | ¥2,500 |
| Average fixed interest rate to pay | — | — | — | — | 0.25% | 0.16% | 0.21% |
| Average variable interest rate to receive | — | — | — | — | 0.03% | 0.02% | 0.03% |
| As of March 31 | | | | | | | 2015 |
| Interest rate swaps | | | | | | | |
| Receive fixed interest rate/ pay variable interest rate | | | | | | | |
| Notional amount | ¥— | ¥— | ¥— | ¥— | ¥ — | ¥ — | ¥ — |
| Average fixed interest rate to receive | — | — | — | — | — | — | — |
| Average variable interest rate to pay | — | — | — | — | — | — | — |
| Interest rate swaps | | | | | | | |
| Pay fixed interest rate/ receive variable interest rate | | | | | | | |
| Notional amount | — | — | — | — | — | — | — |
| Average fixed interest rate to pay | — | — | — | — | — | — | — |
| Average variable interest rate to receive | — | — | — | — | — | — | — |
| As of March 31 | | | | | | | 2014 |
| Interest rate swaps | | | | | | | |
| Receive fixed interest rate/ pay variable interest rate | | | | | | | |
| Notional amount | ¥— | ¥— | ¥— | ¥— | ¥ — | ¥ — | ¥ — |
| Average fixed interest rate to receive | — | — | — | — | — | — | — |
| Average variable interest rate to pay | — | — | — | — | — | — | — |
| Interest rate swaps | | | | | | | |
| Pay fixed interest rate/ receive variable interest rate | | | | | | | |
| Notional amount | — | — | — | — | — | — | — |
| Average fixed interest rate to pay | — | — | — | — | — | — | — |
| Average variable interest rate to receive | — | — | — | — | — | — | — |

Business Performance
Highlights

Nippon Life's
Management Strategy

Initiatives for Stakeholders

Corporate Governance and
Management of Nippon Life

Documents Related to
Management

Financial Data

Operational Data

8. Fair Value of Derivative Transactions (Company Total), continued

• Currency-related

Millions of Yen

| As of March 31 | | 2016 | | | | 2015 | | | |
|------------------|------------------------------------|-----------------|--------|------------|----------------------|-----------------|-----|------------|----------------------|
| Category | Type | Contract amount | | Fair value | Net gains/ losses | Contract amount | | Fair value | Net gains/ losses |
| | | Over 1 year | | | | Over 1 year | | | |
| Over-the-counter | Foreign exchange forward contracts | | | | | | | | |
| | Sold | ¥343,147 | ¥ — | ¥(4,959) | ¥(4,959) | ¥128,722 | ¥ — | ¥ 1,577 | ¥ 1,577 |
| | U.S. Dollar | 98,761 | — | 866 | 866 | 31,946 | — | 3 | 3 |
| | Euro | 37,559 | — | (667) | (667) | 52,841 | — | 801 | 801 |
| | Purchased | 241,744 | — | 206 | 206 | 101,518 | — | (1,024) | (1,024) |
| | U.S. Dollar | 148,895 | — | (383) | (383) | 38,747 | — | (282) | (282) |
| | Euro | 19,934 | — | 290 | 290 | 31,021 | — | (300) | (300) |
| | Currency options | | | | | | | | |
| | Sold | | | | | | | | |
| | Call | | | | | | | | |
| | | — | — | — | — | — | — | — | — |
| | | [—] | [—] | — | — | [—] | [—] | — | — |
| | U.S. Dollar | — | — | — | — | — | — | — | — |
| | | [—] | [—] | — | — | [—] | [—] | — | — |
| | Euro | — | — | — | — | — | — | — | — |
| | | [—] | [—] | — | — | [—] | [—] | — | — |
| | Put | — | — | — | — | — | — | — | — |
| | | [—] | [—] | — | — | [—] | [—] | — | — |
| | U.S. Dollar | — | — | — | — | — | — | — | — |
| | | [—] | [—] | — | — | [—] | [—] | — | — |
| | Euro | — | — | — | — | — | — | — | — |
| | | [—] | [—] | — | — | [—] | [—] | — | — |
| | Purchased | — | — | — | — | — | — | — | — |
| | Call | — | — | — | — | — | — | — | — |
| | | [—] | [—] | — | — | [—] | [—] | — | — |
| | U.S. Dollar | — | — | — | — | — | — | — | — |
| | | [—] | [—] | — | — | [—] | [—] | — | — |
| | Euro | — | — | — | — | — | — | — | — |
| | | [—] | [—] | — | — | [—] | [—] | — | — |
| | Put | — | — | — | — | — | — | — | — |
| | | [—] | [—] | — | — | [—] | [—] | — | — |
| | U.S. Dollar | — | — | — | — | — | — | — | — |
| | | [—] | [—] | — | — | [—] | [—] | — | — |
| | Euro | — | — | — | — | — | — | — | — |
| | | [—] | [—] | — | — | [—] | [—] | — | — |
| | Currency swaps | 72,700 | 72,700 | (152) | (152) | — | — | — | — |
| | U.S. Dollar | — | — | — | — | — | — | — | — |
| | Euro | — | — | — | — | — | — | — | — |
| | Australian Dollar | 72,700 | 72,700 | (152) | (152) | — | — | — | — |
| Total | | | | | ¥(4,905) | | | | ¥ 552 |

8. Fair Value of Derivative Transactions (Company Total), continued

• Currency-related, continued

| As of March 31 | | 2014 | | | | |
|-----------------------|---|-----------------|-----|------------|----------------------|---|
| | | Contract amount | | Fair value | Net gains/ losses | |
| Category | Type | Over 1 year | | | | |
| Over-the-counter | Foreign exchange forward contracts | | | | | |
| | Sold | ¥191,560 | ¥ — | ¥(1,241) | ¥(1,241) | |
| | U.S. Dollar | 72,671 | — | (406) | (406) | |
| | Euro | 79,330 | — | (465) | (465) | |
| | Purchased | 138,392 | — | 745 | 745 | |
| | U.S. Dollar | 74,003 | — | 382 | 382 | |
| | Euro | 41,009 | — | 137 | 137 | |
| | Currency options | | | | | |
| | Sold | | | | | |
| | Call | | | | | |
| | | | — | — | — | — |
| | U.S. Dollar | [—] | [—] | — | — | |
| | Euro | — | — | — | — | |
| | | [—] | [—] | — | — | |
| | Put | | | | | |
| | U.S. Dollar | [—] | [—] | — | — | |
| | Euro | — | — | — | — | |
| | | [—] | [—] | — | — | |
| | Purchased | | | | | |
| | Call | | | | | |
| | | | — | — | — | — |
| U.S. Dollar | [—] | [—] | — | — | | |
| Euro | — | — | — | — | | |
| | [—] | [—] | — | — | | |
| Put | | | | | | |
| U.S. Dollar | [—] | [—] | — | — | | |
| Euro | — | — | — | — | | |
| | [—] | [—] | — | — | | |
| Currency swaps | | | | | | |
| U.S. Dollar | — | — | — | — | | |
| Euro | — | — | — | — | | |
| Australian Dollar | — | — | — | — | | |
| Total | | | | ¥ (496) | | |

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 represent the fair value for forward transactions and swap transactions, and the difference between option premiums and fair value for options transactions.

Business Performance
Highlights

Nippon Life's
Management Strategy

Initiatives for Stakeholders

Corporate Governance and
Management of Nippon Life

Documents Related to
Management

Financial Data

Operational Data

8. Fair Value of Derivative Transactions (Company Total), continued

• Equity-related

Millions of Yen

| As of March 31 | | 2016 | | | | 2015 | | | |
|------------------|--------------------------|-----------------|------|------------|------------------|-----------------|------|------------|------------------|
| Category | Type | Contract amount | | Fair value | Net gains/losses | Contract amount | | Fair value | Net gains/losses |
| | | Over 1 year | | | | Over 1 year | | | |
| Exchange-traded | Equity index futures | | | | | | | | |
| | Sold | ¥ 6,726 | ¥ — | ¥ (70) | ¥ (70) | ¥22,669 | ¥ — | ¥(206) | ¥(206) |
| | Purchased | 26,485 | — | 229 | 229 | 7,155 | — | 31 | 31 |
| Over-the-counter | Equity forward contracts | | | | | | | | |
| | Sold | — | — | (25) | (25) | — | — | — | — |
| | Purchased | — | — | — | — | — | — | — | — |
| | Equity options | | | | | | | | |
| | Sold | | | | | | | | |
| | Call | — | — | — | — | — | — | — | — |
| | | | [—] | [—] | | | [—] | [—] | |
| | Put | — | — | — | — | — | — | — | — |
| | | | [—] | [—] | | | [—] | [—] | |
| | Purchased | | | | | | | | |
| Call | 257 | 257 | 104 | 48 | 295 | 295 | 138 | 82 | |
| | | [55] | [55] | | | [55] | [55] | | |
| Put | — | — | — | — | — | — | — | — | |
| | | [—] | [—] | | | [—] | [—] | | |
| Total | | | | | ¥181 | | | | ¥ (92) |

| As of March 31 | | 2014 | | | |
|------------------|--------------------------|-----------------|------|------------|------------------|
| Category | Type | Contract amount | | Fair value | Net gains/losses |
| | | Over 1 year | | | |
| Exchange-traded | Equity index futures | | | | |
| | Sold | ¥12,476 | ¥ — | ¥(121) | ¥(121) |
| | Purchased | 9,811 | — | 277 | 277 |
| Over-the-counter | Equity forward contracts | | | | |
| | Sold | — | — | — | — |
| | Purchased | — | — | — | — |
| | Equity options | | | | |
| | Sold | | | | |
| | Call | — | — | — | — |
| | | | [—] | [—] | |
| | Put | — | — | — | — |
| | | | [—] | [—] | |
| | Purchased | | | | |
| Call | 227 | 227 | 81 | 25 | |
| | | [55] | [55] | | |
| Put | — | — | — | — | |
| | | [—] | [—] | | |
| Total | | | | | ¥ 181 |

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 represent the fair value for futures transactions and forward transactions, and the difference between option premiums and fair value for options transactions.

8. Fair Value of Derivative Transactions (Company Total), continued

- Bond-related

Millions of Yen

| As of March 31 | | 2016 | | | | 2015 | | | |
|-----------------|-------------------|-----------------|----|------------|------------------|-----------------|----|------------|------------------|
| Category | Type | Contract amount | | Fair value | Net gains/losses | Contract amount | | Fair value | Net gains/losses |
| | | Over 1 year | | | | Over 1 year | | | |
| Exchange-traded | Bond futures Sold | ¥5,911 | ¥— | ¥11 | ¥11 | ¥— | ¥— | ¥— | ¥— |
| | Purchased | — | — | — | — | — | — | — | — |
| Total | | | | | ¥11 | | | | ¥— |

| As of March 31 | | 2014 | | | |
|-----------------|-------------------|-----------------|----|------------|------------------|
| Category | Type | Contract amount | | Fair value | Net gains/losses |
| | | Over 1 year | | | |
| Exchange-traded | Bond futures Sold | ¥— | ¥— | ¥— | ¥— |
| | Purchased | — | — | — | — |
| Total | | | | | ¥— |

Note: Net gains/losses represent the fair value.

- Others

No ending balance as of March 31, 2016, 2015 or 2014.

(3) Hedge accounting applied

- Interest rate-related

Millions of Yen

| As of March 31 | | | | 2016 | | | | 2015 | | | | |
|------------------|---------------------------|---------------------|-----------------------|--|------------|------------------|-----------------|------------|------------------|----|----|----|
| Category | Hedge accounting method | Type | Main hedged items | Contract amount | | Net gains/losses | Contract amount | | Net gains/losses | | | |
| | | | | Over 1 year | Fair value | | Over 1 year | Fair value | | | | |
| Over-the-counter | Deferred hedge accounting | Interest rate swaps | Insurance liabilities | Receive fixed interest rate/pay variable interest rate | ¥175,000 | ¥175,000 | ¥7,019 | ¥7,019 | ¥— | ¥— | ¥— | ¥— |
| | | | | Pay fixed interest rate/receive variable interest rate | — | — | — | — | — | — | — | — |
| Total | | | | | | ¥7,019 | | | ¥— | | | |

| As of March 31 | | | | 2014 | | | | |
|------------------|---------------------------|---------------------|-----------------------|--|------------|------------------|----|----|
| Category | Hedge accounting method | Type | Main hedged items | Contract amount | | Net gains/losses | | |
| | | | | Over 1 year | Fair value | | | |
| Over-the-counter | Deferred hedge accounting | Interest rate swaps | Insurance liabilities | Receive fixed interest rate/pay variable interest rate | ¥— | ¥— | ¥— | ¥— |
| | | | | Pay fixed interest rate/receive variable interest rate | — | — | — | — |
| Total | | | | | | ¥— | | |

Note: Net gains/losses represent the fair value.

8. Fair Value of Derivative Transactions (Company Total), continued

(Reference) Interest rate swap contracts by maturity dates

| | | | | | | | Millions of Yen, % |
|--|--------------------|---------------------------------|----------------------------------|----------------------------------|-----------------------------------|---------------|--------------------|
| Maturity dates | 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 | Total |
| As of March 31 | | | | | | | 2016 |
| Interest rate swaps | | | | | | | |
| Receive fixed interest rate/ pay variable interest rate | | | | | | | |
| Notional amount | ¥— | ¥— | ¥— | ¥— | ¥— | ¥175,000 | ¥175,000 |
| Average fixed interest rate to receive | — | — | — | — | — | 0.79% | 0.79% |
| Average variable interest rate to pay | — | — | — | — | — | 0.02% | 0.02% |
| Interest rate swaps | | | | | | | |
| Pay fixed interest rate/ receive variable interest rate | | | | | | | |
| Notional amount | — | — | — | — | — | — | — |
| Average fixed interest rate to pay | — | — | — | — | — | — | — |
| Average variable interest rate to receive | — | — | — | — | — | — | — |
| As of March 31 | | | | | | | 2015 |
| Interest rate swaps | | | | | | | |
| Receive fixed interest rate/ pay variable interest rate | | | | | | | |
| Notional amount | ¥— | ¥— | ¥— | ¥— | ¥— | ¥— | ¥— |
| Average fixed interest rate to receive | — | — | — | — | — | — | — |
| Average variable interest rate to pay | — | — | — | — | — | — | — |
| Interest rate swaps | | | | | | | |
| Pay fixed interest rate/ receive variable interest rate | | | | | | | |
| Notional amount | — | — | — | — | — | — | — |
| Average fixed interest rate to pay | — | — | — | — | — | — | — |
| Average variable interest rate to receive | — | — | — | — | — | — | — |
| As of March 31 | | | | | | | 2014 |
| Interest rate swaps | | | | | | | |
| Receive fixed interest rate/ pay variable interest rate | | | | | | | |
| Notional amount | ¥— | ¥— | ¥— | ¥— | ¥— | ¥— | ¥— |
| Average fixed interest rate to receive | — | — | — | — | — | — | — |
| Average variable interest rate to pay | — | — | — | — | — | — | — |
| Interest rate swaps | | | | | | | |
| Pay fixed interest rate/ receive variable interest rate | | | | | | | |
| Notional amount | — | — | — | — | — | — | — |
| Average fixed interest rate to pay | — | — | — | — | — | — | — |
| Average variable interest rate to receive | — | — | — | — | — | — | — |

8. Fair Value of Derivative Transactions (Company Total), continued

• Currency-related

Millions of Yen

| | 2016 | | | | 2015 | | | |
|--|-------------------|------------------|-------------------|----------------------|-------------------|----------------|-------------------|----------------------|
| | Contract amount | | Fair value | Net gains/ losses | Contract amount | | Fair value | Net gains/ losses |
| | Over 1 year | | | | Over 1 year | | | |
| Over-the-counter | | | | | | | | |
| Fair value hedge accounting (main hedged items: foreign currency-denominated bonds) | | | | | | | | |
| Foreign exchange forward contracts | | | | | | | | |
| Sold | ¥7,324,437 | ¥ — | ¥ 116,237 | ¥ 116,237 | ¥6,359,778 | ¥ — | ¥ 108,900 | ¥ 108,900 |
| U.S. Dollar | 4,749,328 | — | 70,579 | 70,579 | 3,923,249 | — | (980) | (980) |
| Euro | 1,477,859 | — | 1,729 | 1,729 | 1,177,636 | — | 80,663 | 80,663 |
| Purchased | — | — | — | — | — | — | — | — |
| U.S. Dollar | — | — | — | — | — | — | — | — |
| Euro | — | — | — | — | — | — | — | — |
| Currency options | | | | | | | | |
| Sold | | | | | | | | |
| Call | | | | | | | | |
| U.S. Dollar | [—] | [—] | — | — | [—] | [—] | — | — |
| Euro | [—] | [—] | — | — | [—] | [—] | — | — |
| Put | | | | | | | | |
| U.S. Dollar | [—] | [—] | — | — | [—] | [—] | — | — |
| Euro | [—] | [—] | — | — | [—] | [—] | — | — |
| Purchased | | | | | | | | |
| Call | | | | | | | | |
| U.S. Dollar | [—] | [—] | — | — | [—] | [—] | — | — |
| Euro | [—] | [—] | — | — | [—] | [—] | — | — |
| Put | | | | | | | | |
| U.S. Dollar | [—] | [—] | — | — | [—] | [—] | — | — |
| Euro | [—] | [—] | — | — | [—] | [—] | — | — |
| Deferred hedge accounting (main hedged items: foreign stock forecasted transaction) | | | | | | | | |
| Foreign exchange forward contracts | | | | | | | | |
| Sold | — | — | — | — | — | — | — | — |
| U.S. Dollar | — | — | — | — | — | — | — | — |
| Euro | — | — | — | — | — | — | — | — |
| Purchased | 56,256 | — | 2,393 | 2,393 | — | — | — | — |
| U.S. Dollar | — | — | — | — | — | — | — | — |
| Euro | — | — | — | — | — | — | — | — |
| Deferred hedge accounting (main hedged items: foreign currency-denominated bonds) | | | | | | | | |
| Currency swaps | 1,121,771 | 1,075,210 | (181,390) | (181,390) | 956,429 | 937,682 | (324,523) | (324,523) |
| U.S. Dollar | 531,840 | 511,318 | (106,043) | (106,043) | 455,251 | 446,215 | (168,560) | (168,560) |
| Euro | 471,011 | 444,971 | (77,719) | (77,719) | 398,270 | 388,559 | (131,035) | (131,035) |
| Total | | | ¥ (62,759) | | | | ¥(215,623) | |

Business Performance
Highlights

Nippon Life's
Management Strategy

Initiatives for Stakeholders

Corporate Governance and
Management of Nippon Life

Documents Related to
Management

Financial Data

Operational Data

8. Fair Value of Derivative Transactions (Company Total), continued

• Currency-related, Continued

| | 2014 | | | Net gains/ losses |
|--|-----------------|---------|------------|----------------------|
| | Contract amount | | Fair value | |
| | Over 1 year | | | |
| Over-the-counter | | | | |
| Fair value hedge accounting (main hedged items: foreign currency-denominated bonds) | | | | |
| Foreign exchange forward contracts | | | | |
| Sold | ¥5,907,965 | ¥ — | ¥ (84,869) | ¥ (84,869) |
| U.S. Dollar | 3,363,587 | — | (17,640) | (17,640) |
| Euro | 1,167,211 | — | (11,761) | (11,761) |
| Purchased | — | — | — | — |
| U.S. Dollar | — | — | — | — |
| Euro | — | — | — | — |
| Currency options | | | | |
| Sold | | | | |
| Call | | | | |
| U.S. Dollar | [—] | [—] | — | — |
| Euro | — | — | — | — |
| Put | | | | |
| U.S. Dollar | [—] | [—] | — | — |
| Euro | — | — | — | — |
| Purchased | | | | |
| Call | | | | |
| U.S. Dollar | [—] | [—] | — | — |
| Euro | — | — | — | — |
| Put | | | | |
| U.S. Dollar | [—] | [—] | — | — |
| Euro | — | — | — | — |
| Deferred hedge accounting (main hedged items: foreign stock forecasted transaction) | | | | |
| Foreign exchange forward contracts | | | | |
| Sold | — | — | — | — |
| U.S. Dollar | — | — | — | — |
| Euro | — | — | — | — |
| Purchased | — | — | — | — |
| U.S. Dollar | — | — | — | — |
| Euro | — | — | — | — |
| Deferred hedge accounting (main hedged items: foreign currency-denominated bonds) | | | | |
| Currency swaps | 775,154 | 775,154 | (193,587) | (193,587) |
| U.S. Dollar | 360,642 | 360,642 | (69,508) | (69,508) |
| Euro | 365,624 | 365,624 | (116,616) | (116,616) |
| Total | | | | ¥(278,457) |

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 represent the fair value for forward transactions and swap transactions, and the difference between option premiums and fair value for options transactions.

8. Fair Value of Derivative Transactions (Company Total), continued

- Equity-related

Millions of Yen

| As of March 31 | | | | 2016 | | | | 2015 | | | |
|------------------|-----------------------------|--------------------------|-----------------------------|-----------------|------------|----------|-------------------|-----------------|------------|--------|-------------------|
| Category | Hedge accounting method | Type | Main hedged items | Contract amount | | | Net gains/ losses | Contract amount | | | Net gains/ losses |
| | | | | Over 1 year | Fair value | | | Over 1 year | Fair value | | |
| Over-the-counter | Fair value hedge accounting | Equity forward contracts | Stocks and other securities | ¥204,474 | ¥— | ¥(8,055) | ¥(8,055) | ¥40,731 | ¥— | ¥(174) | ¥(174) |
| | | Sold | | — | — | — | — | — | — | — | — |
| | | Purchased | | | | | | | | | |
| Total | | | | ¥(8,055) | | | | ¥(174) | | | |

| As of March 31 | | | | 2014 | | | |
|------------------|-----------------------------|--------------------------|-----------------------------|-----------------|------------|----|-------------------|
| Category | Hedge accounting method | Type | Main hedged items | Contract amount | | | Net gains/ losses |
| | | | | Over 1 year | Fair value | | |
| Over-the-counter | Fair value hedge accounting | Equity forward contracts | Stocks and other securities | ¥— | ¥— | ¥— | ¥— |
| | | Sold | | — | — | — | — |
| | | Purchased | | | | | |
| Total | | | | ¥— | | | |

Note: Net gains/losses represent the fair value.

- Bond-related

No ending balance as of March 31, 2016, 2015 or 2014.

- Others

No ending balance as of March 31, 2016, 2015 or 2014.

9. Ordinary Profit (Core Operating Profit)

| Millions of Yen | | | |
|---|-------------------|-------------------|-------------------|
| Fiscal years ended March 31 | 2016 | 2015 | 2014 |
| Core operating income | ¥7,649,714 | ¥7,052,679 | ¥6,451,810 |
| Revenues from insurance and reinsurance | 6,080,915 | 5,337,118 | 4,825,577 |
| Insurance premiums | 6,079,922 | 5,336,204 | 4,824,669 |
| Reinsurance revenue | 993 | 913 | 907 |
| Investment income | 1,404,493 | 1,532,935 | 1,421,483 |
| Interest, dividends, and other income | 1,396,181 | 1,371,789 | 1,296,640 |
| Gain on redemptions of securities | 7,104 | 5,023 | 248 |
| Reversal of general allowance for doubtful accounts | 756 | 1,444 | 1,526 |
| Other investment income | 452 | 489 | 441 |
| Gain from separate accounts, net | — | 154,187 | 122,626 |
| Other ordinary income | 163,799 | 182,625 | 204,748 |
| Income from annuity riders | 10,297 | 7,329 | 7,836 |
| Income from deferred benefits | 118,134 | 126,913 | 153,912 |
| Reversal of reserve for outstanding claims | — | 1,652 | 4,266 |
| Reversal of policy reserves | — | — | — |
| Reversal of accrued retirement benefits | 6,539 | 19,980 | 12,250 |
| Other income | 28,827 | 26,749 | 26,482 |
| Other core operating income | 505 | — | — |
| Core operating expenses | 6,951,580 | 6,373,589 | 5,859,364 |
| Benefits and other payments | 3,749,890 | 3,932,183 | 3,778,221 |
| Death and other claims | 966,870 | 1,022,096 | 1,016,847 |
| Annuity payments | 826,229 | 839,921 | 857,662 |
| Health and other benefits | 702,169 | 721,112 | 769,645 |
| Surrender benefits | 847,635 | 959,865 | 839,852 |
| Other refunds | 405,400 | 387,696 | 292,927 |
| Reinsurance premiums | 1,585 | 1,491 | 1,284 |
| Provision for policy reserves* | 2,226,002 | 1,464,932 | 1,153,342 |
| Investment expenses | 111,200 | 72,617 | 69,807 |
| Interest expenses | 14,477 | 9,876 | 7,792 |
| Loss on redemptions of securities | 23,947 | 21,595 | 24,628 |
| Provision for general allowance for doubtful accounts | — | — | — |
| Depreciation of rental real estate and other assets | 15,649 | 15,307 | 15,410 |
| Other investment expenses | 25,935 | 25,839 | 21,976 |
| Loss from separate accounts, net | 31,190 | — | — |
| Operating expenses | 574,672 | 563,371 | 561,860 |
| Other ordinary expenses | 289,814 | 340,484 | 296,133 |
| Deferred benefit payments | 178,733 | 232,820 | 197,808 |
| Taxes | 47,323 | 44,508 | 34,643 |
| Depreciation | 45,566 | 46,455 | 47,308 |
| Provision for accrued retirement benefits | — | — | — |
| Deferred asset amortization (Insurance Business Act, Article 113) | — | — | — |
| Other expenses | 18,191 | 16,700 | 16,371 |
| Other core operating expenses | — | — | — |
| Core operating profit | A 698,134 | 679,090 | 592,445 |

| Millions of Yen | | | |
|--|----------------------------|------------------|------------------|
| Fiscal years ended March 31 | 2016 | 2015 | 2014 |
| Capital gains | ¥ 94,194 | ¥ 242,029 | ¥ 262,138 |
| Gain on proprietary trading securities | — | — | — |
| Gain from assets held in trust, net | — | 4 | 5 |
| Gain on trading securities | — | — | — |
| Gain on sales of securities | 94,194 | 242,024 | 260,438 |
| Gain on derivative financial instruments, net | — | — | — |
| Foreign exchange gains, net | — | — | 1,693 |
| Other capital gains | — | — | — |
| Capital losses | 105,929 | 68,376 | 116,502 |
| Loss on proprietary trading securities | — | — | — |
| Loss from assets held in trust, net | 65 | — | — |
| Loss on trading securities | — | — | — |
| Loss on sales of securities | 13,596 | 18,357 | 57,738 |
| Loss on valuation of securities | 35,783 | 3,258 | 22,254 |
| Loss on derivative financial instruments, net | 55,888 | 46,342 | 36,508 |
| Foreign exchange losses, net | 91 | 417 | — |
| Other capital losses | 505 | — | — |
| Net capital gains/losses | B (11,734) | 173,652 | 145,635 |
| Core operating profit, including net capital gains/losses | A+B 686,399 | 852,743 | 738,081 |
| Nonrecurring gains | 1,474 | — | 141 |
| Reinsurance revenue | — | — | — |
| Reversal of contingency reserve | — | — | — |
| Reversal of specific allowance for doubtful accounts | 1,474 | — | 141 |
| Other nonrecurring gains | — | — | — |
| Nonrecurring losses | 150,363 | 245,501 | 225,606 |
| Reinsurance premiums | — | — | — |
| Provision for contingency reserve | 150,342 | 244,488 | 225,606 |
| Provision for specific allowance for doubtful accounts | — | 1,012 | — |
| Provision of allowance for specific overseas debts | — | — | — |
| Write-offs of loans | 21 | 0 | 0 |
| Other nonrecurring losses | — | — | — |
| Nonrecurring gains/losses | C (148,889) | (245,501) | (225,464) |
| Ordinary profit | A + B + C ¥ 537,509 | ¥ 607,241 | ¥ 512,616 |

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

(Reference) Breakdown of other core operating income and others

| Millions of Yen | | | |
|--|------|------|------|
| Fiscal years ended March 31 | 2016 | 2015 | 2014 |
| Other core operating income | ¥505 | ¥— | ¥— |
| Foreign exchange gains related to foreign currency-denominated insurance products | 505 | — | — |
| Other core operating expenses | — | — | — |
| Foreign exchange gains and losses related to foreign currency-denominated insurance products | — | — | — |
| Other capital gains | — | — | — |
| Foreign exchange gains and losses related to foreign currency-denominated insurance products | — | — | — |
| Other capital losses | 505 | — | — |
| Foreign exchange losses related to foreign currency-denominated insurance products | 505 | — | — |

10. Policies in Force and New Policies

1. Policies in force

(1) Number of policies

| As of March 31 | 2016 | | 2015 | | 2014 | |
|----------------------|--------------------|-----------------------------|--------------------|-----------------------------|--------------------|-----------------------------|
| | Number of policies | Rate of increase (decrease) | Number of policies | Rate of increase (decrease) | Number of policies | Rate of increase (decrease) |
| Individual insurance | 23,123,904 | 12.1% | 20,635,640 | 15.1% | 17,927,849 | 22.0% |
| Individual annuities | 3,525,175 | 2.2 | 3,448,386 | 1.6 | 3,392,874 | 5.6 |

(2) Policy amounts

| As of March 31 | 2016 | | 2015 | | 2014 | |
|----------------------|--------------|-----------------------------|--------------|-----------------------------|--------------|-----------------------------|
| | Amount | Rate of increase (decrease) | Amount | Rate of increase (decrease) | Amount | Rate of increase (decrease) |
| Individual insurance | ¥145,116,359 | (1.0)% | ¥146,649,364 | (2.8)% | ¥150,854,564 | (3.5)% |
| Individual annuities | 21,810,757 | 1.7 | 21,456,152 | 2.0 | 21,041,351 | 6.9 |
| Group insurance | 93,289,908 | 0.7 | 92,595,488 | 0.6 | 92,059,146 | 0.1 |
| Group annuities | 12,375,730 | 6.0 | 11,680,646 | 3.1 | 11,327,050 | 3.8 |

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 | 2016 | | 2015 | | 2014 | |
|-----------------------------|--------------------|-----------------------------|--------------------|-----------------------------|--------------------|-----------------------------|
| | Number of policies | Rate of increase (decrease) | Number of policies | Rate of increase (decrease) | Number of policies | Rate of increase (decrease) |
| Individual insurance | 4,412,165 | 0.3% | 4,397,742 | (6.1)% | 4,682,528 | 0.4% |
| Individual annuities | 223,367 | 5.7 | 211,364 | (38.3) | 342,424 | 65.2 |

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

(2) Policy amounts

| Fiscal years ended March 31 | | 2016 | | 2015 | | 2014 | |
|-----------------------------|--|-------------------|-----------------------------|-------------------|-----------------------------|-------------------|-----------------------------|
| | | Amount | Rate of increase (decrease) | Amount | Rate of increase (decrease) | Amount | Rate of increase (decrease) |
| Individual insurance | New policies, including conversions | ¥9,401,022 | 23.2% | ¥7,627,828 | 4.8% | ¥7,277,643 | (9.3)% |
| | New policies, excluding conversions | 9,636,705 | 16.6 | 8,268,132 | 2.6 | 8,062,318 | (4.5) |
| | By conversion | (235,682) | — | (640,303) | — | (784,674) | — |
| Individual annuities | New policies, including conversions | 1,462,618 | (4.9) | 1,538,155 | (36.8) | 2,431,876 | 58.7 |
| | New policies, excluding conversions | 1,445,461 | (5.1) | 1,523,036 | (36.2) | 2,387,520 | 56.4 |
| | By conversion | 17,156 | 13.5 | 15,118 | (65.9) | 44,355 | 623.1 |
| Group insurance | New policies, including conversions | 374,131 | (43.2) | 658,737 | 10.4 | 596,798 | 55.6 |
| | New policies, excluding conversions | 374,131 | (43.2) | 658,737 | 10.4 | 596,798 | 55.6 |
| | By conversion | [4,188,304] | (7.5) | [4,528,137] | 20.3 | [3,764,497] | (21.2) |
| Group annuities | New policies, including conversions | 1,618 | (96.3) | 43,951 | 3,253.4 | 1,310 | (81.9) |
| | New policies, excluding conversions | 1,618 | (96.3) | 43,951 | 3,253.4 | 1,310 | (81.9) |
| | 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.

11. Annualized Premiums

1. Policies in force

Millions of Yen, %

| As of March 31 | 2016 | | 2015 | | 2014 | |
|---|-------------------|-----------------------------|-------------------|-----------------------------|-------------------|-----------------------------|
| | Amount | Rate of increase (decrease) | Amount | Rate of increase (decrease) | Amount | Rate of increase (decrease) |
| Individual insurance | ¥2,548,656 | 3.6% | ¥2,459,168 | 2.0% | ¥2,411,362 | 1.5% |
| Individual annuities | 881,414 | 2.1 | 863,253 | 0.7 | 857,412 | 2.0 |
| Total | ¥3,430,070 | 3.2% | ¥3,322,422 | 1.6% | ¥3,268,774 | 1.6% |
| Medical coverage, living benefits, and others | ¥ 612,542 | 2.1 | ¥ 600,200 | 0.7 | ¥ 595,747 | 0.6 |

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 | 2016 | | 2015 | | 2014 | |
|---|-----------------|-----------------------------|-----------------|-----------------------------|-----------------|-----------------------------|
| | Amount | Rate of increase (decrease) | Amount | Rate of increase (decrease) | Amount | Rate of increase (decrease) |
| Individual insurance | ¥267,337 | 15.8% | ¥230,830 | 5.9% | ¥217,995 | (2.8)% |
| Individual annuities | 55,628 | (2.4) | 57,025 | (28.5) | 79,797 | 49.2 |
| Total | ¥322,966 | 12.2 | ¥287,855 | (3.3) | ¥297,792 | 7.3 |
| Medical coverage, living benefits, and others | ¥ 49,339 | 19.9% | ¥ 41,154 | 0.2% | ¥ 41,085 | 2.6% |

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).

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

12. New Policies by Product

| Fiscal years ended March 31 | | Number of Policies, Millions of Yen | | | | | |
|-----------------------------|---|-------------------------------------|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|-----------------------------------|
| | | 2016 | | 2015 | | 2014 | |
| | | Policies | Amount | Policies | Amount | Policies | Amount |
| Individual insurance | Mortality insurance | [3,854,029] 2,015,365 | ¥[13,832,390] 7,502,405 | [4,237,477] 2,110,788 | ¥[15,311,733] 7,672,295 | [4,460,326] 2,070,803 | ¥[15,746,999] 7,266,329 |
| | Term life insurance | [387,036] 151,736 | [5,815,071] 2,500,815 | [418,917] 155,818 | [6,221,477] 2,400,150 | [441,207] 153,775 | [6,333,926] 2,177,469 |
| | Whole life insurance | [298,454] 184,878 | [1,218,235] 922,286 | [373,318] 228,821 | [1,479,480] 1,123,806 | [406,046] 200,207 | [1,536,771] 977,776 |
| | Lump-sum payment whole life insurance with variable accumulation rate | 54,977 | 250,024 | 1,072 | 11,133 | 132 | 2,254 |
| | Lump-sum payment increasing whole life insurance with variable assumed rate | 64,179 | 551,353 | 56,234 | 475,253 | 51,963 | 448,017 |
| | Dread disease insurance | [479,830] 230,135 | [1,611,726] 793,524 | [636,436] 300,804 | [2,338,609] 1,078,859 | [701,158] 324,894 | [2,560,737] 1,155,650 |
| | Physical disability insurance | [529,807] 280,286 | [1,809,006] 1,008,687 | [581,196] 296,138 | [1,969,765] 1,043,733 | [616,357] 298,299 | [2,032,690] 1,039,444 |
| | Nursing care insurance | [532,440] 276,548 | [2,217,162] 1,119,761 | [595,044] 306,711 | [2,474,538] 1,200,775 | [599,417] 288,555 | [2,452,501] 1,089,184 |
| | General medical insurance | [652,716] 334,855 | [—] — | [685,609] 337,573 | [—] — | [747,935] 356,477 | [—] — |
| | Children's general medical insurance | 15,330 | — | 15,155 | — | 15,927 | — |
| | Cancer medical insurance | [401,402] 171,721 | [—] — | [422,920] 168,658 | [—] — | [417,680] 138,021 | [—] — |
| | Limited injury insurance | [429,143] 242,096 | [—] — | [443,276] 235,562 | [—] — | [453,861] 233,984 | [—] — |
| | Increasing term life insurance | [6,049] 5,958 | [259,966] 256,109 | [5,066] 5,008 | [211,995] 209,104 | [4,559] 4,485 | [185,361] 181,793 |
| | Long-term life insurance with low cash surrender value | 1,163 | 96,920 | 1,583 | 126,445 | 2,579 | 192,804 |
| | Medical life insurance | 41 | 2 | 127 | 7 | 226 | 13 |
| | Lump-sum payment whole life insurance for retirement | 547 | 2,483 | 561 | 2,588 | 330 | 1,462 |
| | Medical life insurance for retirement | 915 | 313 | 963 | 331 | 949 | 364 |
| | Term rider | [34] 34 | [124] 124 | [32] 32 | [105] 105 | [33] 33 | [94] 94 |
| | Life and mortality insurance | [492,193] 341,094 | [2,691,476] 1,972,068 | [107,530] 86,074 | [525,005] 468,578 | [121,021] 97,560 | [598,639] 532,822 |
| | Endowment insurance | [54,256] 48,816 | [233,403] 218,764 | [53,439] 47,717 | [228,272] 212,167 | [62,301] 55,573 | [264,685] 243,125 |
| | Term life with survival benefit insurance | [29,213] 15,103 | [78,255] 41,949 | [33,479] 17,745 | [90,542] 50,219 | [34,747] 18,014 | [99,288] 55,031 |
| | Dread disease insurance coverage with continuous support | [388,320] 256,771 | [2,174,512] 1,506,048 | [—] — | [—] — | [—] — | [—] — |
| | Juvenile insurance | 20,404 | 205,303 | 20,612 | 206,187 | 23,973 | 234,660 |
| | Multi-increase endowment rider | 26 | 2 | 35 | 3 | 48 | 5 |
| | Pure endowment | 65,943 | 162,230 | 52,735 | 127,258 | 101,181 | 263,166 |
| | Educational endowment insurance | 65,943 | 162,230 | 52,735 | 127,258 | 101,181 | 263,166 |
| | Subtotal | [4,412,165] 2,422,402 | [16,686,098] 9,636,705 | [4,397,742] 2,249,597 | [15,963,996] 8,268,132 | [4,682,528] 2,269,544 | [16,608,804] 8,062,318 |
| | | | <9,401,022> | | <7,627,828> | | <7,277,643> |

Business Performance Highlights

Nippon Life's Management Strategy

Initiatives for Stakeholders

Corporate Governance and Management of Nippon Life

Documents Related to Management

Financial Data

Operational Data

12. New Policies by Product, continued

| Fiscal years ended March 31 | | Number of Policies, Millions of Yen | | | | | |
|------------------------------------|---|-------------------------------------|------------------|----------------|------------------|----------------|------------------|
| | | 2016 | | 2015 | | 2014 | |
| | | Policies | Amount | Policies | Amount | Policies | Amount |
| Individual annuities | Nissay annuities | [223,122] | ¥ [1,508,437] | [210,039] | ¥ [1,577,418] | [339,756] | ¥ [2,501,795] |
| | | 213,973 | 1,443,959 | 200,609 | 1,515,778 | 323,388 | 2,373,177 |
| | Annuities with variable accumulation rate | 245 | 1,502 | 1,325 | 7,258 | 2,668 | 14,342 |
| | Subtotal | 214,218 | 1,445,461 | 201,934 | 1,523,036 | 326,056 | 2,387,520 |
| | | <1,462,618> | | <1,538,155> | | <2,431,876> | |
| Group insurance | Group term life insurance | 20,563 | 21,225 | 36,866 | 36,615 | 81,295 | 51,772 |
| | General welfare group term life insurance | 180,582 | 352,718 | 131,067 | 346,050 | 168,972 | 504,357 |
| | Group credit life insurance | 30 | 187 | 485,737 | 276,070 | 29,976 | 40,668 |
| | Subtotal | 201,175 | 374,131 | 653,670 | 658,737 | 280,243 | 596,798 |
| Group annuities | New corporate pension plans | — | — | 2,760,522 | 43,315 | — | — |
| | Insured contributory pension plans | 13,636 | 792 | 11,730 | 96 | 519 | 13 |
| | Defined benefit corporate pension plans | — | 663 | — | 58 | — | 1,141 |
| | Employees' pension fund insurance | — | — | — | — | 3,105 | 49 |
| | Defined contribution pension plans | — | 163 | — | 480 | — | 106 |
| Subtotal | 13,636 | 1,618 | 2,772,252 | 43,951 | 3,624 | 1,310 | |
| Workers' asset-formation insurance | Workers' asset-formation savings insurance | 2,923 | 362 | 3,210 | 427 | 4,411 | 475 |
| | Workers' asset-formation housing funding insurance | 642 | 48 | 587 | 46 | 865 | 38 |
| | Subtotal | 3,565 | 410 | 3,797 | 473 | 5,276 | 513 |
| Workers' asset-formation annuities | 1,401 | 69 | 1,124 | 73 | 1,933 | 70 | |
| Subtotal | 1,401 | 69 | 1,124 | 73 | 1,933 | 70 | |
| Medical life insurance | Individual type | 8 | 0 | 14 | 0 | 28 | 0 |
| | Group type | 21,099 | 86 | 14,856 | 69 | 63,031 | 381 |
| | Subtotal | 21,107 | 86 | 14,870 | 69 | 63,059 | 381 |
| Disability income insurance | Group disability income insurance | 848 | 224 | 13,427 | 1,224 | 6,401 | 395 |
| | Group long-term disability income support insurance | 129,744 | 2,230 | — | — | — | — |
| | Subtotal | 130,592 | 2,455 | 13,427 | 1,224 | 6,401 | 395 |
| Reinsurance assumed | — | — | 26 | — | — | — | |

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. Policies for term rider and multi-increase endowment rider are not included in the subtotals.

4. 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.

5. Amounts for individual annuities represent annuity resources at the start of annuity payments.

6. Amounts for group annuities, workers' asset-formation insurance and workers' asset-formation annuities are the first-time premium revenues.

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

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

13. Policies in Force by Product

| As of March 31 | | 2016 | | 2015 | | 2014 | |
|--|--|--------------------|-------------------|--------------------|-------------------|--------------------|--------------|
| | | Policies | Amount | Policies | Amount | Policies | Amount |
| Individual insurance | Mortality insurance | 20,899,827 | ¥133,744,523 | 18,738,452 | ¥136,761,889 | 15,938,334 | ¥140,099,874 |
| | Term life insurance | 1,540,977 | 28,022,963 | 1,295,351 | 24,670,524 | 983,132 | 20,532,176 |
| | Whole life insurance | 4,719,910 | 29,345,826 | 4,510,943 | 28,743,954 | 4,205,552 | 27,812,623 |
| | Lump-sum payment whole life insurance with variable accumulation rate | 111,800 | 676,367 | 62,719 | 481,964 | 67,444 | 517,186 |
| | Lump-sum payment increasing whole life insurance with variable accumulation rate | 266,794 | 2,187,774 | 216,225 | 1,763,105 | 170,114 | 1,385,689 |
| | Whole life insurance with term rider | 2,244,916 | 47,669,189 | 2,695,472 | 58,870,659 | 3,245,704 | 72,930,693 |
| | Variable life insurance (whole life type) | 33,562 | 482,252 | 34,064 | 495,518 | 34,621 | 508,030 |
| | Variable life insurance with term rider (whole life type) | 421 | 12,216 | 601 | 17,659 | 812 | 23,528 |
| | Term life insurance with dread disease term rider | 84,097 | 376,125 | 102,454 | 481,056 | 123,000 | 591,297 |
| | Whole life insurance with dread disease term rider | 29,118 | 186,089 | 29,834 | 191,178 | 30,568 | 196,550 |
| | Dread disease insurance | 2,142,878 | 7,850,048 | 1,829,848 | 6,884,159 | 1,310,463 | 5,013,007 |
| | Physical disability insurance | 1,954,872 | 6,558,622 | 1,592,516 | 5,360,708 | 1,124,321 | 3,815,628 |
| | Nursing care insurance | 1,928,053 | 8,038,376 | 1,564,018 | 6,561,198 | 1,080,883 | 4,595,371 |
| | Cancer insurance | 184,807 | 24,485 | 196,704 | 26,169 | 211,554 | 28,301 |
| | Hospitalization medical insurance | 67,949 | 99 | 71,708 | 72 | 76,307 | 48 |
| | General medical insurance | 2,532,900 | — | 2,084,014 | — | 1,545,534 | — |
| | Children's general medical insurance | 53,917 | — | 42,049 | — | 29,259 | — |
| | Cancer medical insurance | 1,438,872 | — | 1,149,187 | — | 799,477 | — |
| | Limited injury insurance | 1,490,684 | — | 1,190,175 | — | 832,692 | — |
| | Increasing term life insurance | 26,357 | 1,115,326 | 23,682 | 995,055 | 21,734 | 919,738 |
| | Long-term life insurance with low cash surrender value | 5,106 | 401,398 | 4,063 | 312,318 | 2,559 | 190,818 |
| | Medical life insurance | 2,434 | 144 | 3,775 | 225 | 3,883 | 231 |
| | Lump-sum payment whole life insurance for retirement | 9,502 | 43,211 | 9,177 | 41,701 | 8,841 | 40,010 |
| | Medical life insurance for retirement | 12,922 | 5,403 | 12,380 | 5,274 | 11,777 | 5,133 |
| | Former Dowa Life Insurance | 16,979 | 149,614 | 17,493 | 157,269 | 18,103 | 165,926 |
| | Term rider | 119,765 | 598,986 | 143,085 | 702,115 | 171,436 | 827,882 |
| | Life and mortality insurance | 2,008,226 | 10,826,098 | 1,744,775 | 9,498,531 | 1,888,499 | 10,490,014 |
| | Endowment insurance | 849,342 | 3,629,354 | 902,142 | 3,848,878 | 972,998 | 4,127,999 |
| | Endowment insurance with term rider <i>Kurashi no Hoken</i> | 45,645 | 653,115 | 54,679 | 780,068 | 68,863 | 964,588 |
| | Variable life insurance (defined term type) | 1,627 | 7,735 | 1,724 | 8,382 | 1,820 | 8,931 |
| | Term life with survival benefit insurance | 229,906 | 1,454,194 | 237,044 | 1,652,435 | 239,671 | 1,860,848 |
| | Dread disease insurance coverage with continuous support | 381,157 | 2,134,471 | — | — | — | — |
| Juvenile insurance | 498,373 | 2,469,380 | 546,869 | 2,641,521 | 602,664 | 2,848,288 | |
| Former Dowa Life Insurance | 2,176 | 3,507 | 2,317 | 4,017 | 2,483 | 4,724 | |
| Multi-increase endowment rider | 13,496 | 3,533 | 14,904 | 3,971 | 15,404 | 4,167 | |
| Term rider with survival benefit | 249,092 | 470,807 | 298,381 | 559,255 | 360,210 | 670,466 | |
| Pure endowment | 215,851 | 545,736 | 152,413 | 388,942 | 101,016 | 264,675 | |
| Educational endowment insurance | 215,704 | 543,710 | 152,260 | 386,775 | 100,861 | 262,427 | |
| Pure endowment with nursing care benefit | 147 | 2,026 | 153 | 2,167 | 155 | 2,247 | |
| Subtotal | 23,123,904 | 145,116,359 | 20,635,640 | 146,649,364 | 17,927,849 | 150,854,564 | |

Number of Policies, Millions of Yen

Business Performance Highlights

Nippon Life's Management Strategy

Initiatives for Stakeholders

Corporate Governance and Management of Nippon Life

Documents Related to Management

Financial Data

Operational Data

13. Policies in Force by Product, continued

| As of March 31 | | 2016 | | 2015 | | 2014 | |
|------------------------------------|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | Policies | Amount | Policies | Amount | Policies | Amount |
| Individual annuities | Nissay annuities | 3,011,592 | ¥18,881,793 | 2,910,386 | ¥18,367,883 | 2,816,397 | ¥17,740,383 |
| | Individual fixed annuities <i>Sounen no Sekkei</i> | 127 | 435 | 141 | 520 | 182 | 598 |
| | Annuities focused on survival coverage | 382,230 | 2,356,513 | 388,366 | 2,401,182 | 394,641 | 2,446,943 |
| | Variable assumed rate-type annuities | 6,118 | 18,852 | 6,826 | 22,119 | 8,196 | 26,781 |
| | Annuities with variable accumulation rate | 83,778 | 364,037 | 98,388 | 448,954 | 124,682 | 583,626 |
| | Guaranteed minimum maturity benefit equity-indexed annuities | 275 | 1,101 | 308 | 1,275 | 411 | 1,881 |
| | Nissay investment-type annuities | 8,847 | 57,605 | 11,618 | 82,080 | 15,513 | 104,851 |
| | Former Dowa Life Insurance | 3,636 | 15,885 | 3,751 | 16,429 | 3,838 | 16,920 |
| | Annuity rider | 26,700 | 94,736 | 26,627 | 94,371 | 26,810 | 96,720 |
| | Term rider annualized payment | 1,871 | 19,794 | 1,974 | 21,331 | 2,203 | 22,639 |
| | Annuity for spouse term rider | 1 | 1 | 1 | 1 | 1 | 2 |
| Subtotal | 3,525,175 | 21,810,757 | 3,448,386 | 21,456,152 | 3,392,874 | 21,041,351 | |
| Group insurance | Group term life insurance | 8,724,830 | 22,548,324 | 8,965,172 | 22,609,586 | 9,153,708 | 22,839,246 |
| | General welfare group term life insurance | 5,399,265 | 36,023,725 | 5,204,204 | 35,354,766 | 5,177,151 | 34,493,354 |
| | Group credit life insurance | 12,319,957 | 34,673,936 | 12,451,349 | 34,586,246 | 12,076,150 | 34,679,549 |
| | Consumer credit group insurance | 45,726 | 643 | 47,085 | 703 | 48,398 | 1,547 |
| | Group endowment insurance | 2 | 0 | 4 | 0 | 8 | 0 |
| | Group whole life insurance | 55 | 45 | 59 | 49 | 69 | 57 |
| | Life insurance for dependents of disabled | 47,103 | 28,030 | 48,767 | 28,890 | 50,675 | 29,927 |
| | Annuities rider (group term life insurance) | 9,703 | 15,204 | 10,106 | 15,245 | 10,465 | 15,462 |
| | Subtotal | 26,499,538 | 93,289,908 | 26,677,979 | 92,595,488 | 26,465,949 | 92,059,146 |
| Group annuities | Corporate pension plans | 1,075 | 4,476 | 1,109 | 4,594 | 1,147 | 4,746 |
| | New insured pension plans | 4,974,373 | 827,526 | 8,243,720 | 783,126 | 7,898,475 | 769,698 |
| | Insured contributory pension plans | 3,368,310 | 4,024,754 | 3,376,246 | 3,894,536 | 3,405,233 | 3,810,069 |
| | Defined benefit corporate pension plans | — | 6,267,776 | — | 5,678,410 | — | 5,290,469 |
| | National pension fund insurance | — | 552 | — | 550 | — | 1,099 |
| | Employees' pension fund insurance | 2,053,284 | 489,495 | 2,564,062 | 589,808 | 3,187,625 | 641,629 |
| | Group pure endowment insurance | — | 53,364 | — | 82,294 | — | 236,858 |
| | Defined contribution pension plans | — | 707,784 | — | 647,325 | — | 572,478 |
| Subtotal | 10,397,042 | 12,375,730 | 14,185,137 | 11,680,646 | 14,492,480 | 11,327,050 | |
| Workers' asset-formation insurance | Workers' asset-formation savings insurance | 99,119 | 285,777 | 102,367 | 280,160 | 105,678 | 274,143 |
| | Workers' asset-formation housing funding insurance | 14,355 | 42,247 | 15,391 | 45,038 | 16,566 | 47,636 |
| | Workers' asset-formation benefits savings insurance | 19,489 | 1,855 | 19,838 | 1,776 | 20,048 | 1,803 |
| | Workers' asset-formation fund savings insurance | 591 | 14 | 612 | 14 | 613 | 13 |
| | Subtotal | 133,554 | 329,895 | 138,208 | 326,990 | 142,905 | 323,596 |
| Workers' asset-formation annuities | Workers' asset-formation annuities | 281 | 783 | 298 | 862 | 316 | 954 |
| | Workers' asset-formation funding annuities | 55,523 | 121,675 | 56,987 | 125,720 | 58,884 | 129,698 |
| Subtotal | 55,804 | 122,459 | 57,285 | 126,583 | 59,200 | 130,652 | |
| Medical life insurance | Individual type | 773 | 3 | 870 | 4 | 994 | 4 |
| | Group type | 876,672 | 3,555 | 900,211 | 3,459 | 893,850 | 3,372 |
| Subtotal | 877,445 | 3,558 | 901,081 | 3,463 | 894,844 | 3,376 | |
| Disability income insurance | Group disability income insurance | 129,142 | 22,312 | 130,933 | 22,699 | 132,670 | 22,350 |
| | Group long-term disability income support insurance | 129,744 | 2,230 | — | — | — | — |
| Subtotal | 258,886 | 24,543 | 130,933 | 22,699 | 132,670 | 22,350 | |
| Reinsurance assumed | 37,566 | 60,465 | 42,024 | 69,055 | 18,191 | 29,755 | |

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 includes term life with survival benefit insurance (BIG YOU) and term life with survival benefit insurance (Melody).

5. Policies for 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. Amounts 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.

14. Amount of Policies in Force by Coverage Type

| As of March 31 | | Millions of Yen | | | |
|--|--|----------------------|---------------------|--------------------|--------------|
| | | 2016 | 2015 | 2014 | |
| Death protection | Death protection due to illness/accident | Individual insurance | ¥144,570,077 | ¥146,259,585 | ¥150,588,691 |
| | | Individual annuities | — | — | — |
| | | Group insurance | 93,274,704 | 92,580,242 | 92,043,684 |
| | | Group annuities | — | — | — |
| | Total including other types | 237,905,248 | 238,908,883 | 242,662,130 | |
| | Death protection due to accident | Individual insurance | [18,564,107] | [20,829,707] | [23,522,358] |
| | | Individual annuities | [205,699] | [225,241] | [254,878] |
| | | Group insurance | [3,261,897] | [3,375,799] | [3,460,801] |
| | | Group annuities | [—] | [—] | [—] |
| Total including other types | [22,106,113] | [24,580,013] | [27,284,394] | | |
| Death protection due to specific causes | Individual insurance | [220,373] | [235,529] | [254,710] | |
| | Individual annuities | [—] | [—] | [—] | |
| | Group insurance | [122,186] | [100,677] | [101,022] | |
| | Group annuities | [—] | [—] | [—] | |
| Total including other types | [342,560] | [336,206] | [355,732] | | |
| Pure endowment | Maturity and survival benefits | Individual insurance | 546,281 | 389,778 | 270,864 |
| | | Individual annuities | 19,919,699 | 19,621,499 | 19,311,679 |
| | | Group insurance | 681 | 627 | 748 |
| | | Group annuities | — | — | — |
| | Total including other types | 20,540,394 | 20,088,552 | 19,662,631 | |
| | Annuity | Individual insurance | [98,602] | [124,385] | [158,867] |
| | | Individual annuities | [2,516,721] | [2,470,922] | [2,416,585] |
| | | Group insurance | [2,065] | [2,083] | [2,099] |
| | | Group annuities | [—] | [—] | [—] |
| Total including other types | [2,625,516] | [2,605,679] | [2,586,035] | | |
| Other | Individual insurance | — | — | — | |
| | Individual annuities | 1,891,057 | 1,834,652 | 1,729,671 | |
| | Group insurance | 14,522 | 14,617 | 14,713 | |
| | Group annuities | 12,375,730 | 11,680,646 | 11,327,050 | |
| Total including other types | 14,659,934 | 13,906,844 | 13,446,345 | | |
| Hospitalization coverage | Coverage for hospitalization due to accident | Individual insurance | [43,729] | [44,439] | [45,266] |
| | | Individual annuities | [1,292] | [1,353] | [1,413] |
| | | Group insurance | [1,437] | [1,534] | [1,567] |
| | | Group annuities | [—] | [—] | [—] |
| | Total including other types | [50,018] | [50,789] | [51,624] | |
| | Coverage for hospitalization due to illness | Individual insurance | [43,618] | [44,303] | [45,096] |
| | | Individual annuities | [1,281] | [1,341] | [1,400] |
| | | Group insurance | [—] | [—] | [—] |
| | | Group annuities | [—] | [—] | [—] |
| Total including other types | [48,457] | [49,108] | [49,874] | | |
| Coverage for hospitalization due to other causes | Individual insurance | [48,274] | [49,640] | [51,285] | |
| | Individual annuities | [257] | [271] | [286] | |
| | Group insurance | [39] | [40] | [42] | |
| | Group annuities | [—] | [—] | [—] | |
| Total including other types | [48,571] | [49,952] | [51,614] | | |
| Disability coverage | Individual insurance | — | — | — | |
| | Individual annuities | — | — | — | |
| | Group insurance | — | — | — | |
| | Group annuities | — | — | — | |
| | Total including other types | 24,543 | 22,699 | 22,350 | |

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. Amounts 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. Amounts for annuity of pure endowment show annual annuity amounts.
4. Amounts 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. Amounts for hospitalization coverage show daily hospitalization benefits.
6. Amounts 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.

Business Performance Highlights

Nippon Life's Management Strategy

Initiatives for Stakeholders

Corporate Governance and Management of Nippon Life

Documents Related to Management

Financial Data

Operational Data

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

| As of March 31 | | Number of Policies | | |
|---------------------|------------------------------------|---------------------|---------------------|---------------------|
| | | 2016 | 2015 | 2014 |
| Disability coverage | Individual insurance | [7,199,165] | [7,149,892] | [7,072,795] |
| | Individual annuities | [70,117] | [73,254] | [76,370] |
| | Group insurance | [2,520,382] | [2,602,371] | [2,693,953] |
| | Group annuities | [—] | [—] | [—] |
| | Total including other types | [9,789,664] | [9,825,517] | [9,843,118] |
| Surgical coverage | Individual insurance | [10,282,892] | [10,489,335] | [10,751,185] |
| | Individual annuities | [283,457] | [296,894] | [310,208] |
| | Group insurance | [—] | [—] | [—] |
| | Group annuities | [—] | [—] | [—] |
| | Total including other types | [10,566,349] | [10,786,229] | [11,061,393] |

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

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

| As of March 31 | | Millions of Yen | | |
|---------------------------------|--|--------------------|--------------------|--------------------|
| | | 2016 | 2015 | 2014 |
| Mortality insurance | Whole life insurance | ¥ 33,016,771 | ¥ 31,610,501 | ¥ 30,194,784 |
| | Whole life insurance with term rider | 47,669,189 | 58,870,659 | 72,930,693 |
| | Term life insurance | 51,815,394 | 44,908,093 | 35,448,980 |
| | Total including other types | 133,744,523 | 136,761,889 | 140,099,874 |
| Life and mortality insurance | Endowment insurance | 3,629,354 | 3,848,878 | 4,127,999 |
| | Endowment insurance with term rider | 653,115 | 780,068 | 964,588 |
| | Term life insurance with survival benefits | 1,454,194 | 1,652,435 | 1,860,848 |
| | Total including other types | 10,826,098 | 9,498,531 | 10,490,014 |
| Pure endowment | Family pure endowment | 543,710 | 386,775 | 262,427 |
| | Total including other types | 545,736 | 388,942 | 264,675 |
| Annuities | Individual annuities | 21,810,757 | 21,456,152 | 21,041,351 |
| Hospitalization/accident riders | Accident rider with extra premium | 6,179,644 | 6,840,612 | 7,624,525 |
| | Injury rider | 12,476,400 | 13,940,698 | 15,987,176 |
| | Accident coverage rider | — | 176 | 449 |
| | General medical rider | 16,376 | 18,580 | 21,107 |
| | Hospitalization due to accident rider | 10,673 | 12,393 | 14,586 |
| | Hospitalization due to illness rider | 10,544 | 12,239 | 14,395 |
| | Hospitalization due to adult disease rider | 1,085 | 1,402 | 1,813 |
| | Hospital visit rider | 1,402 | 1,726 | 2,146 |
| | Long-term hospitalization rider | 19 | 23 | 30 |
| | Hospitalization rider for women | 543 | 661 | 830 |
| | Limited injury rider | 67,664 | 82,802 | 101,688 |
| | Hospitalization due to cancer rider | 11,227 | 13,413 | 16,111 |
| | Short-term hospitalization rider | 3,642 | 4,413 | 5,432 |

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 includes 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.

16. Trends and Transitions of Policies

1. Individual insurance

| Fiscal years ended March 31 | 2016 | | 2015 | | 2014 | |
|--|-------------------|---------------------|-------------------|---------------------|-------------------|---------------------|
| | Policies | Amount | Policies | Amount | Policies | Amount |
| At the beginning of the fiscal year | 20,635,640 | ¥146,649,364 | 17,927,849 | ¥150,854,564 | 14,696,758 | ¥156,313,280 |
| New policies | 2,422,402 | 9,636,705 | 2,249,597 | 8,268,132 | 2,269,544 | 8,062,318 |
| Renewals | 18,595 | 720,803 | 18,433 | 903,873 | 20,894 | 1,009,932 |
| Reinstatements | 1,904 | 25,165 | 3,117 | 39,136 | 5,342 | 76,016 |
| Increase from conversion | 1,989,763 | 7,049,393 | 2,148,145 | 7,695,864 | 2,412,984 | 8,546,486 |
| Increase from variable amount | — | 1,499 | — | 1,189 | — | 684 |
| Death | 75,157 | 634,407 | 67,894 | 618,920 | 59,849 | 583,171 |
| Maturity | 146,925 | 580,364 | 173,003 | 668,371 | 193,398 | 776,897 |
| Decrease of benefits | — | 1,261,514 | — | 1,492,842 | — | 1,729,686 |
| Decrease from conversion | 522,475 | 7,285,076 | 431,750 | 8,336,168 | 415,237 | 9,331,160 |
| Cancellation | 1,179,350 | 6,676,786 | 1,014,205 | 6,969,167 | 772,667 | 7,256,921 |
| Expiration | 11,714 | 184,215 | 16,884 | 256,178 | 30,361 | 446,260 |
| Decrease from variable amount | — | 2,302 | — | 170 | — | 292 |
| Decrease due to other changes | 8,779 | 2,341,905 | 7,765 | 2,771,577 | 6,161 | 3,029,764 |
| At the end of the fiscal year | 23,123,904 | 145,116,359 | 20,635,640 | 146,649,364 | 17,927,849 | 150,854,564 |
| [Rate of increase (decrease)] | [12.1%] | [(1.0)%] | [15.1%] | [(2.8)%] | [22.0%] | [(3.5)%] |
| Net increase (decrease) | 2,488,264 | (1,533,004) | 2,707,791 | (4,205,200) | 3,231,091 | (5,458,716) |
| [Rate of decrease] | [(8.1)%] | [—%] | [(16.2)%] | [—%] | [(3.8)%] | [—%] |

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. Amount represents 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.

2. Individual annuities

| Fiscal years ended March 31 | 2016 | | 2015 | | 2014 | |
|--|------------------|---------------------------|------------------|---------------------------|------------------|---------------------------|
| | Policies | Amount | Policies | Amount | Policies | Amount |
| At the beginning of the fiscal year | 3,448,386 | ¥<2,469,210> | 3,392,874 | ¥<2,414,805> | 3,214,212 | ¥<2,258,502> |
| New policies | 214,218 | <154,391> | 201,934 | <163,314> | 326,056 | <256,538> |
| Reinstatements | 32 | 176 | 55 | 379 | 136 | 901 |
| Increase from conversion | 9,149 | 64,478 | 9,430 | 61,639 | 16,368 | 128,617 |
| Death | 10,218 | 49,789 | 10,455 | 51,760 | 10,491 | 53,826 |
| Completion of payments | 24,338 | 17,452 | 20,044 | 14,630 | 18,135 | 13,558 |
| Decrease of insurance amount | — | 68,077 | — | 69,314 | — | 57,012 |
| Decrease from conversion | 7,791 | 47,321 | 7,903 | 46,520 | 14,295 | 84,262 |
| Cancellation | 89,762 | 584,031 | 90,159 | 587,794 | 86,631 | 549,331 |
| Expiration | 762 | 4,461 | 1,045 | 6,542 | 1,535 | 9,755 |
| Decrease due to other changes | 13,739 | 154,446 | 26,301 | 179,793 | 32,811 | 199,065 |
| At the end of the fiscal year | 3,525,175 | <2,515,083> | 3,448,386 | <2,469,210> | 3,392,874 | <2,414,805> |
| [Rate of increase] | [2.2%] | [1.7%] | [1.6%] | [2.0%] | [5.6%] | [6.9%] |
| Net increase | 76,789 | 354,605 | 55,512 | 414,801 | 178,662 | 1,358,823 |
| [Rate of (decrease) increase] | [38.3%] | [(14.5)%] | [(68.9)%] | [(69.5)%] | [176.1%] | [113.8%] |

Notes: 1. Amount represents 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. Amounts in angle brackets show annual amounts of annuities.

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

16. Trends and Transitions of Policies, continued

3. Group insurance

| Fiscal years ended March 31 | 2016 | | 2015 | | 2014 | |
|--|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|
| | Policies | Amount | Policies | Amount | Policies | Amount |
| At the beginning of the fiscal year | 26,677,979 | ¥92,595,488 | 26,465,949 | ¥92,059,146 | 26,412,470 | ¥91,960,978 |
| New policies | 201,175 | 374,131 | 653,670 | 658,737 | 280,243 | 596,798 |
| Renewals | 13,806,610 | 57,245,555 | 13,885,807 | 57,012,478 | 13,789,412 | 56,432,723 |
| Midterm enrollment | 2,001,603 | 6,652,524 | 2,004,144 | 7,063,698 | 2,199,346 | 7,185,930 |
| Increase of insurance amount | — | 2,124,545 | — | 1,844,862 | — | 1,425,782 |
| Death | 48,703 | 106,732 | 50,338 | 109,636 | 51,088 | 113,441 |
| Maturity | 14,172,043 | 57,596,570 | 14,170,231 | 57,599,046 | 13,900,275 | 56,754,292 |
| Withdrawal | 1,932,544 | 4,962,896 | 2,017,741 | 5,039,160 | 2,129,386 | 5,444,013 |
| Decrease of insurance amount | — | 2,922,748 | — | 3,057,643 | — | 3,121,155 |
| Cancellation | 35,545 | 130,804 | 90,725 | 214,452 | 32,557 | 118,944 |
| Expiration | 79 | 920 | 8,531 | 26,297 | 57 | 274 |
| Decrease due to other changes | (1,085) | (19,975) | (5,975) | (4,458) | 102,159 | (10,686) |
| At the end of the fiscal year | 26,499,538 | 93,289,908 | 26,677,979 | 92,595,488 | 26,465,949 | 92,059,146 |
| [Rate of increase (decrease)] | [(0.7)%] | [0.7%] | [0.8%] | [0.6%] | [0.2%] | [0.1%] |
| Net increase (decrease) | (178,441) | 694,420 | 212,030 | 536,342 | 53,479 | 98,168 |
| [Rate of increase (decrease)] | [—%] | [29.5%] | [296.5%] | [446.4%] | [—%] | [(86.5)%] |

Notes: 1. Amount represents the total of primary coverage portions of mortality insurance, life and mortality insurance, and annuity riders.
2. Policies represent the number of insured persons.

4. Group annuities

| Fiscal years ended March 31 | 2016 | | 2015 | | 2014 | |
|--|--------------------|--------------------|-------------------|--------------------|-------------------|--------------------|
| | Policies | Amount | Policies | Amount | Policies | Amount |
| At the beginning of the fiscal year | 14,185,137 | ¥11,680,646 | 14,492,480 | ¥11,327,050 | 14,604,752 | ¥10,911,548 |
| New policies | 13,636 | 1,618 | 2,772,252 | 43,951 | 3,624 | 1,310 |
| Annuity payments | 3,472,172 | 387,881 | 3,751,366 | 362,970 | 3,986,597 | 346,103 |
| Single payments | 485,457 | 416,875 | 675,899 | 421,435 | 719,229 | 446,881 |
| Cancellation | 3,376,411 | 196,478 | 37,858 | 189,080 | 18,119 | 36,650 |
| At the end of the fiscal year | 10,397,042 | 12,375,730 | 14,185,137 | 11,680,646 | 14,492,480 | 11,327,050 |
| [Rate of increase (decrease)] | [(26.7)%] | [6.0%] | [(2.1)%] | [3.1%] | [(0.8)%] | [3.8%] |
| Net increase (decrease) | (3,788,095) | 695,084 | (307,343) | 353,596 | (112,272) | 415,501 |
| [Rate of decrease] | [—%] | [96.6%] | [—%] | [(14.9)%] | [—%] | [(4.4)%] |

Notes: 1. Amounts 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. Policies represent the number of insured persons.

17. Increase in Policy Amounts in Force

1. Number of policies in force and rate of increase

| Fiscal years ended March 31 | 2016 | | 2015 | | 2014 | |
|------------------------------------|------------|-----------------------------|------------|-----------------------------|------------|-----------------------------|
| | Policies | Rate of increase (decrease) | Policies | Rate of increase (decrease) | Policies | Rate of increase (decrease) |
| Individual insurance | 23,123,904 | 12.1% | 20,635,640 | 15.1% | 17,927,849 | 22.0% |
| Mortality insurance | 20,899,827 | 11.5 | 18,738,452 | 17.6 | 15,938,334 | 26.0 |
| Life and mortality insurance | 2,008,226 | 15.1 | 1,744,775 | (7.6) | 1,888,499 | (7.9) |
| Pure endowment | 215,851 | 41.6 | 152,413 | 50.9 | 101,016 | 62,642.9 |
| Individual annuities | 3,525,175 | 2.2 | 3,448,386 | 1.6 | 3,392,874 | 5.6 |
| Group insurance | 26,499,538 | (0.7) | 26,677,979 | 0.8 | 26,465,949 | 0.2 |
| Group annuities | 10,397,042 | (26.7) | 14,185,137 | (2.1) | 14,492,480 | (0.8) |
| Workers' asset-formation insurance | 133,554 | (3.4) | 138,208 | (3.3) | 142,905 | (2.9) |
| Workers' asset-formation annuities | 55,804 | (2.6) | 57,285 | (3.2) | 59,200 | (2.3) |
| Medical life insurance | 877,445 | (2.6) | 901,081 | 0.7 | 894,844 | (0.0) |
| Disability income insurance | 258,886 | 97.7 | 130,933 | (1.3) | 132,670 | (0.2) |

Note: 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. Amount of insurance policies in force and rate of increase

| Fiscal years ended March 31 | 2016 | | 2015 | | 2014 | |
|------------------------------------|------------|-----------------------------|------------|-----------------------------|------------|-----------------------------|
| | Amount | Rate of increase (decrease) | Amount | Rate of increase (decrease) | Amount | Rate of increase (decrease) |
| Individual insurance | ¥145,116.3 | (1.0)% | ¥146,649.3 | (2.8)% | ¥150,854.5 | (3.5)% |
| Mortality insurance | 133,744.5 | (2.2) | 136,761.8 | (2.4) | 140,099.8 | (3.1) |
| Life and mortality insurance | 10,826.0 | 14.0 | 9,498.5 | (9.5) | 10,490.0 | (10.2) |
| Pure endowment | 545.7 | 40.3 | 388.9 | 47.0 | 264.6 | 10,915.6 |
| Individual annuities | 21,810.7 | 1.7 | 21,456.1 | 2.0 | 21,041.3 | 6.9 |
| Group insurance | 93,289.9 | 0.7 | 92,595.4 | 0.6 | 92,059.1 | 0.1 |
| Group annuities | 12,375.7 | 6.0 | 11,680.6 | 3.1 | 11,327.0 | 3.8 |
| Workers' asset-formation insurance | 329.8 | 0.9 | 326.9 | 1.0 | 323.5 | 0.4 |
| Workers' asset-formation annuities | 122.4 | (3.3) | 126.5 | (3.1) | 130.6 | (3.1) |
| Medical life insurance | 3.5 | 2.8 | 3.4 | 2.6 | 3.3 | 3.1 |
| Disability income insurance | 24.5 | 8.1 | 22.6 | 1.6 | 22.3 | (0.4) |

Notes: 1. Amounts 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. Amounts 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.

18. Increase in New Policies

1. Number of new policies and rate of increase

| Fiscal years ended March 31 | 2016 | | 2015 | | 2014 | |
|------------------------------------|-----------|-----------------------------|-----------|-----------------------------|-----------|-----------------------------|
| | Policies | Rate of increase (decrease) | Policies | Rate of increase (decrease) | Policies | Rate of increase (decrease) |
| Individual insurance | 2,422,402 | 7.7% | 2,249,597 | (0.9)% | 2,269,544 | 12.0% |
| Mortality insurance | 2,015,365 | (4.5) | 2,110,788 | 1.9 | 2,070,803 | 7.5 |
| Life and mortality insurance | 341,094 | 296.3 | 86,074 | (11.8) | 97,560 | (2.4) |
| Pure endowment | 65,943 | 25.0 | 52,735 | (47.9) | 101,181 | — |
| Individual annuities | 214,218 | 6.1 | 201,934 | (38.1) | 326,056 | 70.8 |
| Group insurance | 201,175 | (69.2) | 653,670 | 133.3 | 280,243 | 160.2 |
| Group annuities | 13,636 | (99.5) | 2,772,252 | 76,397.0 | 3,624 | (94.2) |
| Workers' asset-formation insurance | 3,565 | (6.1) | 3,797 | (28.0) | 5,276 | 6.7 |
| Workers' asset-formation annuities | 1,401 | 24.6 | 1,124 | (41.9) | 1,933 | 5.8 |
| Medical life insurance | 21,107 | 41.9 | 14,870 | (76.4) | 63,059 | (3.6) |
| Disability income insurance | 130,592 | 872.6 | 13,427 | 109.8 | 6,401 | (84.3) |

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.

18. Increase in New Policies, continued

2. Amount of new policies and rate of increase

Billions of Yen, %

| Fiscal years ended March 31 | 2016 | | 2015 | | 2014 | |
|------------------------------------|----------|-----------------------------|----------|-----------------------------|----------|-----------------------------|
| | Amount | Rate of increase (decrease) | Amount | Rate of increase (decrease) | Amount | Rate of increase (decrease) |
| Individual insurance | ¥9,636.7 | 16.6% | ¥8,268.1 | 2.6% | ¥8,062.3 | (4.5)% |
| Mortality insurance | 7,502.4 | (2.2) | 7,672.2 | 5.6 | 7,266.3 | (7.7) |
| Life and mortality insurance | 1,972.0 | 320.9 | 468.5 | (12.1) | 532.8 | (5.9) |
| Pure endowment | 162.2 | 27.5 | 127.2 | (51.6) | 263.1 | — |
| Individual annuities | 1,445.4 | (5.1) | 1,523.0 | (36.2) | 2,387.5 | 56.4 |
| Group insurance | 374.1 | (43.2) | 658.7 | 10.4 | 596.7 | 55.6 |
| Group annuities | 1.6 | (96.3) | 43.9 | 3,253.4 | 1.3 | (81.9) |
| Workers' asset-formation insurance | 0.4 | (13.3) | 0.4 | (7.8) | 0.5 | 51.3 |
| Workers' asset-formation annuities | 0.0 | (4.9) | 0.0 | 3.3 | 0.0 | (2.6) |
| Medical life insurance | 0.0 | 24.1 | 0.0 | (81.8) | 0.3 | 6.4 |
| Disability income insurance | 2.4 | 100.5 | 1.2 | 209.9 | 0.3 | (95.1) |

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

2. Amounts 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.

19. 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 | | |
|------------------------------|---|---------------|---------------|--|---------------|---------------|
| | 2016 | 2015 | 2014 | 2016 | 2015 | 2014 |
| Mortality insurance | ¥3,722 | ¥3,634 | ¥3,508 | ¥6,399 | ¥7,298 | ¥8,790 |
| Life and mortality insurance | 5,781 | 5,443 | 5,461 | 5,390 | 5,443 | 5,554 |
| Pure endowment | 2,460 | 2,413 | 2,600 | 2,528 | 2,551 | 2,620 |
| Average | ¥3,978 | ¥3,675 | ¥3,552 | ¥6,275 | ¥7,106 | ¥8,414 |

Note: Average policy coverage for new policies excludes converted policies.

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

%

| Fiscal years ended March 31 | 2016 | 2015 | 2014 |
|-----------------------------|------|------|------|
| Individual insurance | 6.6% | 5.5% | 5.2% |
| Individual annuities | 7.4 | 7.9 | 13.2 |
| Group insurance | 0.4 | 0.7 | 0.6 |

Notes: 1. Excludes converted policies.

2. For individual annuities, the ratio of policies prior to start of annuity payments is provided.

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

%

| Fiscal years ended March 31 | 2016 | 2015 | 2014 |
|-----------------------------|------|------|------|
| Individual insurance | 5.5% | 5.8% | 6.0% |
| Individual annuities | 3.3 | 3.4 | 3.4 |
| Group insurance | 1.0 | 1.6 | 2.0 |

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.

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

| Fiscal years ended March 31 | Yen | | |
|---|---------|---------|---------|
| | 2016 | 2015 | 2014 |
| Average premium of new individual policies (monthly payment policies) | ¥44,609 | ¥44,316 | ¥45,892 |

Notes: 1. Excludes converted policies.
2. Policies with annualized monthly payments.

23. Mortality Rate (Primary Individual Insurance Policies)

| Fiscal years ended March 31 | ‰ | | |
|-----------------------------|-------|-------|-------|
| | 2016 | 2015 | 2014 |
| Number of policies | 3.43‰ | 3.51‰ | 3.66‰ |
| Insurance amount | 4.34 | 4.15 | 3.79 |

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.)

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

| Fiscal years ended March 31 | 2016 | | 2015 | | 2014 | |
|--------------------------------------|---------------------------------|---|---------------------------------|---|---------------------------------|---|
| | 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 | 0.287‰ | 0.306‰ | 0.280‰ | 0.272‰ | 0.276‰ | 0.257‰ |
| Disability | 0.376 | 0.142 | 0.371 | 0.145 | 0.326 | 0.123 |
| Hospitalization due to accident | 5.911 | 135.7 | 5.995 | 139.8 | 5.803 | 137.7 |
| Hospitalization due to illness | 68.931 | 1,039.0 | 67.064 | 1,036.5 | 64.324 | 1,016.0 |
| Hospitalization due to adult disease | 16.344 | 309.3 | 15.365 | 299.2 | 14.349 | 287.1 |
| Surgery due to illness or injury | 59.827 | / | 57.384 | / | 53.506 | / |
| Surgery due to adult disease | 13.712 | / | 12.018 | / | 10.304 | / |

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.

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

| Fiscal years ended March 31 | % | | |
|-----------------------------|-------|-------|-------|
| | 2016 | 2015 | 2014 |
| Third-sector incidence rate | 32.9% | 33.3% | 34.0% |
| Medical care | 35.3 | 34.9 | 34.5 |
| Cancer | 34.0 | 34.5 | 36.3 |
| Nursing care | 16.7 | 17.4 | 16.7 |
| Others | 31.2 | 32.6 | 34.8 |

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.

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

| Fiscal years ended March 31 | % | | |
|---|------|-------|-------|
| | 2016 | 2015 | 2014 |
| Operating efficiency (Operating expenses as a percentage of premium revenues) | 9.5% | 10.6% | 11.6% |

27. Number of Major Insurance Companies that Accepted Reinsurance Agreements

| Fiscal years ended March 31 | Number of Insurance Companies | | |
|---|-------------------------------|-------|--------|
| | 2016 | 2015 | 2014 |
| Number of major insurance companies using reinsurance | 9 [—] | 9 [—] | 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).

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

| Fiscal years ended March 31 | % | | |
|--|-----------|-----------|-----------|
| | 2016 | 2015 | 2014 |
| Ratio of reinsurance premiums paid to the top five insurance companies | 84.4% [—] | 83.4% [—] | 87.0% [—] |

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).

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

| Fiscal years ended March 31 | % | | |
|---------------------------------|-----------|-----------|-----------|
| | 2016 | 2015 | 2014 |
| Over A | 99.9% [—] | 98.0% [—] | 97.7% [—] |
| Over BBB and below A | — [—] | 1.8 [—] | 2.0 [—] |
| Others (Below BBB or no rating) | 0.1 [—] | 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).

30. Unreceived Reinsurance Premiums

| Fiscal years ended March 31 | Millions of Yen | | |
|---------------------------------|-----------------|---------|----------|
| | 2016 | 2015 | 2014 |
| Unreceived reinsurance premiums | ¥118 [—] | ¥68 [—] | ¥104 [—] |

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).

31. Reserve for Outstanding Claims

| As of March 31 | | 2016 | 2015 | 2014 |
|-------------------------------|---------------------------------------|-----------------|-----------------|-----------------|
| Millions of Yen | | | | |
| Death and other claims | Mortality insurance claims | ¥ 80,236 | ¥ 75,798 | ¥ 81,031 |
| | Accident insurance claims | 1,795 | 1,945 | 2,708 |
| | Serious disability insurance claims | 14,824 | 17,536 | 14,383 |
| | Maturity insurance amount | 5,509 | 5,396 | 7,362 |
| | Others | 79 | 64 | 84 |
| | Subtotal | 102,444 | 100,741 | 105,570 |
| | Annuity payments | 3,469 | 3,291 | 3,334 |
| | Health and other benefits | 32,991 | 33,544 | 35,581 |
| | Surrender benefits | 173,749 | 55,868 | 49,695 |
| | Deferred benefit payments | 3,352 | 3,696 | 4,717 |
| | Total including other reserves | ¥316,631 | ¥197,929 | ¥199,582 |

32. Policy Reserves

| As of March 31 | | 2016 | 2015 | 2014 |
|---------------------------------|----------------------------|---------------------|---------------------|---------------------|
| Millions of Yen | | | | |
| Policy reserves | Individual insurance | ¥ 27,055,159 | ¥ 25,844,601 | ¥ 24,878,955 |
| (Excluding contingency reserve) | [General Account] | [26,943,101] | [25,716,175] | [24,764,048] |
| | [Separate Account] | [112,058] | [128,426] | [114,906] |
| | Individual annuities | 10,100,882 | 9,922,285 | 9,799,592 |
| | [General Account] | [10,047,909] | [9,844,681] | [9,699,075] |
| | [Separate Account] | [52,972] | [77,604] | [100,516] |
| | Group insurance | 49,514 | 48,323 | 48,266 |
| | [General Account] | [49,514] | [48,323] | [48,266] |
| | [Separate Account] | [—] | [—] | [—] |
| | Group annuities | 12,375,730 | 11,680,646 | 11,327,050 |
| | [General Account] | [11,198,814] | [10,794,619] | [10,360,409] |
| | [Separate Account] | [1,176,916] | [886,026] | [966,640] |
| | Other | 454,037 | 455,208 | 455,871 |
| | [General Account] | [454,037] | [455,208] | [455,871] |
| | [Separate Account] | [—] | [—] | [—] |
| | Subtotal | 50,035,325 | 47,951,066 | 46,509,736 |
| | [General Account] | [48,693,377] | [46,859,008] | [45,327,671] |
| | [Separate Account] | [1,341,948] | [1,092,057] | [1,182,064] |
| | Contingency reserve | 1,400,590 | 1,250,248 | 1,005,760 |
| | Total | ¥ 51,435,915 | ¥ 49,201,314 | ¥ 47,515,496 |
| | [General Account] | [50,093,967] | [48,109,257] | [46,333,432] |
| | [Separate Account] | [1,341,948] | [1,092,057] | [1,182,064] |

33. Policy Reserves Balance

| As of March 31 | | 2016 | 2015 | 2014 |
|-----------------|-------------------------|--------------------|--------------------|--------------------|
| Millions of Yen | | | | |
| | Insurance reserve funds | ¥49,162,543 | ¥47,131,161 | ¥45,743,615 |
| | Unearned premiums | 872,781 | 819,904 | 766,120 |
| | Refund reserve | — | — | — |
| | Contingency reserve | 1,400,590 | 1,250,248 | 1,005,760 |
| | Total | ¥51,435,915 | ¥49,201,314 | ¥47,515,496 |

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

1. Policy reserves valuation method and valuation ratio

| As of March 31 | | 2016 | 2015 | 2014 |
|-------------------------|--|--------------------------|--------------------------|--------------------------|
| % | | | | |
| Valuation method | Policies subject to the standard policy reserves | Net level premium method | Net level premium method | Net level premium method |
| | Policies not subject to the standard policy reserves | Net level premium method | Net level premium method | Net level premium method |
| | Valuation ratio (excluding contingency reserve) | 100.0% | 100.0% | 100.0% |

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

2. For valuation ratio, policies subject to the standard policy reserves represent the ratio in accordance with the method 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.

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

2. Policy reserves (breakdown by policy year)

| Policy year | Balance of policy reserves | | | Millions of Yen, % |
|-----------------------|----------------------------|--------------------|--------------------|-----------------------|
| | 2016 | 2015 | 2014 | Assumed interest rate |
| As of March 31 | | | | |
| -1980 | ¥ 79,729 | ¥ 88,968 | ¥ 99,097 | 2.75-5.00% |
| 1981-1985 | 1,726,611 | 1,833,774 | 1,981,199 | 2.75-5.50 |
| 1986-1990 | 6,166,471 | 6,201,516 | 6,230,816 | 2.75-5.50 |
| 1991-1995 | 7,762,774 | 7,710,925 | 7,659,237 | 2.75-5.50 |
| 1996-2000 | 3,292,870 | 3,375,051 | 3,480,631 | 1.50-2.75 |
| 2001-2005 | 2,981,921 | 3,165,220 | 3,358,024 | 1.00-1.50 |
| 2006-2010 | 5,862,131 | 6,081,674 | 6,359,735 | 1.00-1.50 |
| 2011 | 1,807,145 | 1,827,125 | 1,832,596 | 0.85-1.50 |
| 2012 | 2,121,040 | 2,105,192 | 2,056,825 | 0.60-1.50 |
| 2013 | 1,683,101 | 1,570,222 | 1,404,960 | 0.50-1.00 |
| 2014 | 1,734,522 | 1,601,184 | — | 0.50-1.00 |
| 2015 | 1,772,691 | — | — | 0.50-3.45 |
| Total | ¥36,991,010 | ¥35,560,856 | ¥34,463,124 | |

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.

35. 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 | | |
|---|-----------------|------|------|
| | 2016 | 2015 | 2014 |
| Policy reserves balance (general account) | ¥— | ¥— | ¥— |

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.

36. 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 | | |
|------------------------|-----------------|-------|-------|
| | 2016 | 2015 | 2014 |
| Insurance reserve fund | ¥ — | ¥ — | ¥ — |
| Contingency reserve | 2,951 | 2,896 | 3,415 |

37. Reserve for Dividends to Policyholders

Millions of Yen

| | Individual insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Other insurance | Total |
|--|----------------------|----------------------|-----------------|-----------------|--|-----------------|------------|
| | | | | | | | |
| Fiscal year ended March 31 | | | | | | | |
| Balance at the end of the previous fiscal year | ¥ 980,595 | ¥ 26,118 | ¥ 12,204 | ¥ 6,984 | ¥ 5,553 | ¥6,016 | ¥1,037,472 |
| Transfer to reserve from surplus in the previous fiscal year | 23,631 | 2,326 | 118,857 | 112,159 | — | 324 | 257,299 |
| Increase in interest | 22,746 | 286 | 3 | 0 | 4 | 0 | 23,041 |
| Other increases | — | — | — | — | — | — | — |
| Policyholder dividends paid out during the fiscal year | 65,941 | 1,704 | 118,847 | 113,548 | 568 | 2,190 | 302,799 |
| Other decreases | — | — | — | — | — | — | — |
| Balance at the end of the current fiscal year | ¥ 961,031 | ¥ 27,027 | ¥ 12,217 | ¥ 5,595 | ¥ 4,989 | ¥4,150 | ¥1,015,013 |
| | [704,584] | [13,112] | [3,156] | [17] | [4,579] | [217] | [725,667] |
| Fiscal year ended March 31 | | | | | | | |
| 2015 | | | | | | | |
| Balance at the end of the previous fiscal year | ¥1,010,902 | ¥ 25,580 | ¥ 15,509 | ¥ 7,081 | ¥ 5,926 | ¥5,851 | ¥1,070,852 |
| 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 | — | — | — | — | — | — | — |
| Balance at the end of the current fiscal year | ¥ 980,595 | ¥ 26,118 | ¥ 12,204 | ¥ 6,984 | ¥ 5,553 | ¥6,016 | ¥1,037,472 |
| | [708,273] | [12,683] | [2,996] | [17] | [4,916] | [195] | [729,082] |
| Fiscal year ended March 31 | | | | | | | |
| 2014 | | | | | | | |
| Balance at the end of the previous fiscal year | ¥1,046,593 | ¥ 25,349 | ¥ 14,238 | ¥ 7,070 | ¥ 6,369 | ¥5,472 | ¥1,105,093 |
| 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 | — | — | — | — | — | — | — |
| Balance at the end of the current fiscal year | ¥1,010,902 | ¥ 25,580 | ¥ 15,509 | ¥ 7,081 | ¥ 5,926 | ¥5,851 | ¥1,070,852 |
| | [720,889] | [12,564] | [2,749] | [17] | [5,301] | [132] | [741,655] |

Note: The numbers in brackets indicate accumulated dividends reserved.

38. Allowance for Doubtful Accounts and Other Reserves

Millions of Yen

| As of March 31 | 2016 | | 2015 | | 2014 | | |
|--|--|-------------------|---------|-------------------|-----------|-------------------|-----------|
| | Amount | Increase/decrease | Amount | Increase/decrease | Amount | Increase/decrease | |
| Allowance for doubtful accounts ¹ | General allowance for doubtful accounts | ¥ 1,751 | ¥(756) | ¥ 2,507 | ¥ (1,444) | ¥ 3,952 | ¥ (1,526) |
| | Specific allowance for doubtful accounts | 1,773 | (2,305) | 4,078 | 1,006 | 3,072 | (154) |
| | Allowance for specific overseas debt | — | — | — | — | — | — |
| Accrued bonuses for directors and audit and supervisory board members ² | 87 | 12 | 74 | 24 | 50 | (2) | |
| Accrued retirement benefits ³ | 358,762 | (6,539) | 365,302 | (19,980) | 385,283 | (47,900) | |
| Accrued retirement benefits for directors and audit and supervisory board members ⁴ | 4,391 | 116 | 4,274 | (128) | 4,403 | 28 | |
| Reserve for program points ⁵ | 9,420 | (3,751) | 13,171 | 561 | 12,609 | 3,044 | |
| Reserve for price fluctuations in investments in securities ⁶ | 947,384 | 168,661 | 778,723 | 155,411 | 623,312 | 195,783 | |

* 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. Reserve for price fluctuations in investments in securities is recorded based on the provisions of Article 115 of the Insurance Business Act.

39. Status of Allowance for Specific Overseas Debt

1. Allowance for specific overseas debt

No ending balance as of March 31, 2016, 2015 or 2014

2. Balance of debt by creditor countries

No ending balance as of March 31, 2016, 2015 or 2014

40. Insurance Premiums

1. Premiums by payment methods

| | | Millions of Yen | | |
|---------------------------------------|--------------------|-------------------|-------------------|-------------------|
| Fiscal years ended March 31 | | 2016 | 2015 | 2014 |
| Individual insurance | | ¥3,258,020 | ¥3,038,186 | ¥2,709,488 |
| | Lump-sum payment | 1,330,970 | 1,132,529 | 827,082 |
| | Annual payment | 504,419 | 460,228 | 407,736 |
| | Semiannual payment | 5,977 | 7,059 | 8,301 |
| | Monthly payment | 1,416,653 | 1,438,369 | 1,466,369 |
| Individual annuities | | 518,919 | 507,474 | 463,023 |
| | Lump-sum payment | 4,281 | 9,534 | 16,754 |
| | Annual payment | 142,970 | 136,278 | 114,610 |
| | Semiannual payment | 3,473 | 3,723 | 4,062 |
| | Monthly payment | 368,194 | 357,938 | 327,595 |
| Group insurance | | 260,725 | 259,308 | 257,819 |
| Group annuities | | 1,988,163 | 1,476,123 | 1,338,207 |
| Total including other premiums | | ¥6,079,922 | ¥5,336,204 | ¥4,824,669 |

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 | | 2016 | 2015 | 2014 |
| Individual insurance | Initial year premium | ¥1,615,019 | ¥1,450,035 | ¥1,127,191 |
| | Subsequent year premiums | 2,161,920 | 2,095,625 | 2,045,320 |
| Individual annuities | | 3,776,940 | 3,545,660 | 3,172,512 |
| Group insurance | Initial year premium | 1,377 | 1,820 | 1,417 |
| | Subsequent year premiums | 259,347 | 257,488 | 256,402 |
| Group annuities | | 260,725 | 259,308 | 257,819 |
| Group annuities | Initial year premium | 9,068 | 50,488 | 6,956 |
| | Subsequent year premiums | 1,979,095 | 1,425,635 | 1,331,250 |
| Group annuities | | 1,988,163 | 1,476,123 | 1,338,207 |
| Total including other premiums | Initial year premium | 1,627,900 | 1,506,507 | 1,139,385 |
| | Subsequent year premiums | 4,452,021 | 3,829,697 | 3,685,284 |
| Total | | 6,079,922 | 5,336,204 | 4,824,669 |
| [Percent increase (decrease)] | | [13.9%] | [(10.6)%] | [(9.7)%] |

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.

41. Death and Other Claims

1. Amount

Millions of Yen

| | Individual insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Medical life insurance | Disability income insurance | Reinsurance assumed | Total |
|--|----------------------|----------------------|-----------------|-----------------|--|------------------------|-----------------------------|---------------------|-------------------|
| Fiscal year ended March 31 2016 | | | | | | | | | |
| Mortality | ¥535,896 | ¥1,246 | ¥ 97,857 | ¥ — | ¥ — | ¥ 8 | ¥ 0 | ¥104 | ¥ 635,113 |
| Accident | 6,993 | 15 | 346 | — | 169 | — | — | — | 7,524 |
| Serious disability | 67,592 | 73 | 8,663 | — | — | — | — | 3 | 76,333 |
| Maturity | 237,343 | 29 | 0 | 7,202 | 3,212 | — | — | — | 247,788 |
| Others | — | — | — | — | — | — | 110 | 0 | 110 |
| Total | ¥847,826 | ¥1,364 | ¥106,867 | ¥ 7,202 | ¥3,381 | ¥ 8 | ¥111 | ¥108 | ¥ 966,870 |
| Fiscal year ended March 31 2015 | | | | | | | | | |
| 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 |
| Total | ¥883,031 | ¥1,210 | ¥110,043 | ¥24,553 | ¥3,067 | ¥ 8 | ¥69 | ¥112 | ¥1,022,096 |
| Fiscal year ended March 31 2014 | | | | | | | | | |
| 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 |
| Total | ¥864,473 | ¥ 993 | ¥113,413 | ¥34,081 | ¥3,694 | ¥11 | ¥66 | ¥114 | ¥1,016,847 |

2. Number of claims paid

Number of Claims

| | Individual insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Medical life insurance | Disability income insurance | Reinsurance assumed | Total |
|--|----------------------|----------------------|-----------------|-----------------|--|------------------------|-----------------------------|---------------------|----------------|
| Fiscal year ended March 31 2016 | | | | | | | | | |
| Mortality | 59,313 | 537 | 46,781 | — | — | 282 | 7 | 88 | 107,008 |
| Accident | 832 | 16 | 193 | — | 7 | — | — | — | 1,048 |
| Serious disability | 19,350 | 17 | 3,612 | — | — | — | — | 5 | 22,984 |
| Maturity | 59,479 | 233 | 2 | 2 | 3,952 | — | — | — | 63,668 |
| Others | — | — | — | — | — | — | 144 | 4 | 148 |
| Total | 138,974 | 803 | 50,588 | 2 | 3,959 | 282 | 151 | 97 | 194,856 |
| Fiscal year ended March 31 2015 | | | | | | | | | |
| 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 |
| Total | 154,518 | 699 | 52,456 | 4 | 6,590 | 287 | 129 | 87 | 214,770 |
| Fiscal year ended March 31 2014 | | | | | | | | | |
| 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 |
| Total | 156,751 | 583 | 52,966 | 5 | 4,852 | 299 | 131 | 102 | 215,689 |

42. Annuity Payments

Millions of Yen, Number of Policies

| | Individual insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Medical life insurance | Disability income insurance | Reinsurance assumed | Total |
|-----------------------------------|----------------------|----------------------|-----------------|-----------------|--|------------------------|-----------------------------|---------------------|-----------|
| Fiscal year ended March 31 | | | | | 2016 | | | | |
| Annuities paid | ¥42,280 | ¥384,747 | ¥ 2,387 | ¥ 387,826 | ¥ 8,972 | ¥— | ¥— | ¥13 | ¥ 826,229 |
| Number of policies | 32,529 | 491,795 | 34,001 | 8,831,892 | 30,073 | — | — | 31 | 9,420,321 |
| Fiscal year ended March 31 | | | | | 2015 | | | | |
| 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 |
| Fiscal year ended March 31 | | | | | 2014 | | | | |
| 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 |

43. Health and Other Benefits

1. Amount

Millions of Yen

| | Individual insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Medical life insurance | Disability income insurance | Reinsurance assumed | Total |
|--|----------------------|----------------------|-----------------|-----------------|--|------------------------|-----------------------------|---------------------|-----------------|
| Fiscal year ended March 31 | | | | | 2016 | | | | |
| Hospitalization due to accident benefits | ¥ 6,807 | ¥ 172 | ¥ 82 | ¥ — | ¥ — | ¥ 172 | ¥— | ¥ 2 | ¥ 7,237 |
| Hospitalization due to illness benefits | 67,384 | 1,506 | — | — | — | 1,462 | — | 23 | 70,376 |
| Disability benefits | 3,445 | 11 | 34 | — | 3 | — | — | — | 3,494 |
| Surgical benefits | 52,630 | 1,442 | — | — | — | 1,773 | — | 11 | 55,858 |
| Survival benefits | 114,103 | 109 | — | — | 2,203 | — | — | — | 116,415 |
| Death benefits | 4,847 | 26,733 | 6 | — | 558 | — | — | — | 32,144 |
| Group annuity single benefits | — | — | — | 396,642 | — | — | — | — | 396,642 |
| Other benefits | 6 | 0 | 3 | 19,959 | — | — | — | 29 | 19,999 |
| Total | ¥249,225 | ¥29,975 | ¥126 | ¥416,601 | ¥2,764 | ¥3,408 | ¥— | ¥67 | ¥702,169 |
| Fiscal year ended March 31 | | | | | 2015 | | | | |
| 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 |
| Total | ¥264,095 | ¥33,363 | ¥137 | ¥416,855 | ¥3,319 | ¥3,286 | ¥— | ¥55 | ¥721,112 |
| Fiscal year ended March 31 | | | | | 2014 | | | | |
| 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 |
| Total | ¥278,601 | ¥37,262 | ¥162 | ¥446,347 | ¥3,991 | ¥3,230 | ¥— | ¥50 | ¥769,645 |

43. Health and Other Benefits, continued

2. Number of policies

| | Number of Policies | | | | | | | | |
|--|----------------------|----------------------|-----------------|-----------------|--|------------------------|-----------------------------|---------------------|------------------|
| | Individual insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Medical life insurance | Disability income insurance | Reinsurance assumed | Total |
| Fiscal year ended March 31 | | | | | | | | | |
| 2016 | | | | | | | | | |
| Hospitalization due to accident benefits | 63,465 | 1,966 | 3,226 | — | — | 10,784 | — | 112 | 79,553 |
| Hospitalization due to illness benefits | 770,321 | 24,978 | — | — | — | 23,900 | — | 1,823 | 821,022 |
| Disability benefits | 36,413 | 112 | 123 | — | 1 | — | — | — | 36,649 |
| Surgical benefits | 445,939 | 17,215 | — | — | — | 14,653 | — | 856 | 478,663 |
| Survival benefits | 357,960 | 979 | — | — | 1,011 | — | — | — | 359,950 |
| Death benefits | 4,489 | 5,741 | 451 | — | 235 | — | — | — | 10,916 |
| Group annuity single benefits | — | — | — | 614,317 | — | — | — | — | 614,317 |
| Other benefits | 15 | 2 | 298 | 7 | — | — | — | 14,540 | 14,862 |
| Total | 1,678,602 | 50,993 | 4,098 | 614,324 | 1,247 | 49,337 | — | 17,331 | 2,415,932 |
| Fiscal year ended March 31 | | | | | | | | | |
| 2015 | | | | | | | | | |
| 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 |
| Total | 1,693,205 | 51,984 | 4,231 | 803,608 | 1,517 | 47,717 | — | 3,387 | 2,605,649 |
| Fiscal year ended March 31 | | | | | | | | | |
| 2014 | | | | | | | | | |
| 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 |
| Total | 1,718,850 | 52,635 | 4,255 | 857,133 | 1,796 | 46,147 | — | 2,946 | 2,683,762 |

44. Surrender Benefits

| | Millions of Yen | | | | | | | | |
|------------------------------------|----------------------|----------------------|-----------------|-----------------|--|------------------------|-----------------------------|---------------------|-----------------|
| | Individual insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Medical life insurance | Disability income insurance | Reinsurance assumed | Total |
| Fiscal years ended March 31 | | | | | | | | | |
| 2016 | ¥607,531 | ¥127,299 | ¥— | ¥ 78,580 | ¥34,223 | ¥— | ¥— | ¥— | ¥847,635 |
| 2015 | 603,684 | 141,913 | — | 179,805 | 34,462 | — | — | — | 959,865 |
| 2014 | 618,375 | 153,257 | — | 31,572 | 36,647 | — | 0 | — | 839,852 |

45. Depreciation

| | | | | | Millions of Yen, % |
|-----------------------------------|------------------|---------------------------|--------------------------|------------------------|-------------------------------------|
| | Acquisition cost | Current-year depreciation | Accumulated depreciation | Balance as of March 31 | Accumulated depreciation percentage |
| Fiscal year ended March 31 | | | 2016 | | |
| Tangible fixed assets | ¥615,013 | ¥12,747 | ¥424,839 | ¥190,173 | 69.1% |
| Buildings | 546,389 | 8,327 | 372,528 | 173,860 | 68.2 |
| Lease assets | 10,568 | 1,747 | 4,360 | 6,207 | 41.3 |
| Other tangible fixed assets | 58,055 | 2,672 | 47,950 | 10,105 | 82.6 |
| Intangible fixed assets | 193,229 | 32,099 | 115,536 | 77,693 | 59.8 |
| Others | 8,044 | 720 | 4,540 | 3,504 | 56.4 |
| Total | ¥816,287 | ¥45,566 | ¥544,916 | ¥271,370 | 66.8% |
| Fiscal year ended March 31 | | | 2015 | | |
| 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 |
| Total | ¥824,668 | ¥46,455 | ¥545,586 | ¥279,081 | 66.2% |
| Fiscal year ended March 31 | | | 2014 | | |
| 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 |
| Total | ¥800,707 | ¥47,308 | ¥534,600 | ¥266,106 | 66.8% |

46. Operating Expenses

| | | | | Millions of Yen | | |
|-------------------------------------|--|-----------------|-----------------|-----------------|--|--|
| Fiscal years ended March 31 | | 2016 | 2015 | 2014 | | |
| Marketing operations | | ¥230,286 | ¥220,033 | ¥220,462 | | |
| Marketing administration | | 83,868 | 85,035 | 81,832 | | |
| General and administrative expenses | | 260,516 | 258,303 | 259,564 | | |
| Total | | ¥574,672 | ¥563,371 | ¥561,860 | | |

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 ¥6,134 million in the fiscal year ended March 31, 2016, ¥6,155 million in the fiscal year ended March 31, 2015, and ¥7,449 million in the fiscal year ended March 31, 2014.

47. 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 | | |
| As of March 31 | | | 2016 | | | | | | |
| Loans payable | ¥ 1,368 | ¥2,736 | ¥5,386 | ¥4,880 | ¥10,685 | ¥ — | ¥ 25,057 | | |
| Corporate bonds | — | — | — | — | — | 650,825 | 650,825 | | |
| Cash received as collateral under securities lending transactions | 661,819 | — | — | — | — | — | 661,819 | | |
| As of March 31 | | | 2015 | | | | | | |
| 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 | | |
| As of March 31 | | | 2014 | | | | | | |
| 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 | | |

48. Taxes

| Fiscal years ended March 31 | | 2016 | 2015 | 2014 |
|-----------------------------|------------------------------|----------------|----------------|----------------|
| National tax | | ¥25,902 | ¥25,967 | ¥18,705 |
| | Consumption tax | 21,518 | 20,053 | 13,361 |
| | Special local corporate tax | 3,995 | 5,488 | 4,960 |
| | Documentary stamp tax | 348 | 412 | 361 |
| | Registration and license tax | 32 | 9 | 0 |
| | Other national tax | 7 | 2 | 22 |
| Local tax | | 21,420 | 18,541 | 15,938 |
| | Local consumption tax | 5,806 | 5,377 | 3,340 |
| | Corporate enterprise tax | 9,532 | 7,113 | 6,431 |
| | Fixed-asset tax | 5,169 | 5,143 | 5,254 |
| | Real estate acquisition tax | 37 | 4 | 0 |
| | Corporate income tax | 865 | 895 | 905 |
| | Automobile tax | 2 | 2 | 2 |
| | Other local tax | 6 | 4 | 3 |
| Total | | ¥47,323 | ¥44,508 | ¥34,643 |

49. Lease Transactions

Lease Transactions (lessee side)

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

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

| As of March 31 | | 2016 | 2015 | 2014 |
|--|-----------------------|-----------|-----------|-------------|
| Acquisition cost | Tangible fixed assets | ¥— | ¥— | ¥553 |
| | Total | ¥— | ¥— | ¥553 |
| Accumulated depreciation | Tangible fixed assets | ¥— | ¥— | ¥553 |
| | Total | ¥— | ¥— | ¥553 |
| Year-end balance of leased properties | Tangible fixed assets | ¥— | ¥— | ¥— |
| | Total | ¥— | ¥— | ¥— |

② Future minimum lease payments' year-end balance

No ending balance for the fiscal years ended March 31, 2016, 2015 or 2014.

③ Lease fees paid and depreciation

| Fiscal years ended March 31 | | 2016 | 2015 | 2014 |
|-----------------------------|--|------|------|------|
| Lease fees paid | | ¥— | ¥— | ¥— |
| Depreciation | | — | — | 9 |

④ Calculation method for depreciation

The straight-line method is applied.

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

(2) Operating lease contracts

| Fiscal year ended March 31 | | 2016 | 2015 | 2014 |
|---|--------------------|-------------|-------------|-------------|
| Future minimum lease payments' year-end balance | One year and under | ¥ 60 | ¥ 54 | ¥ 47 |
| | Over one year | 44 | 80 | 102 |
| | Total | ¥105 | ¥135 | ¥150 |

Lease Transactions (lessor side)

(1) Operating lease contracts

| Fiscal year ended March 31 | | 2016 | 2015 | 2014 |
|---|--------------------|----------------|----------------|----------------|
| Future minimum lease payments' year-end balance | One year and under | ¥13,132 | ¥11,394 | ¥ 7,587 |
| | Over one year | 38,757 | 39,223 | 20,094 |
| | Total | ¥51,890 | ¥50,618 | ¥27,682 |

50. Overview of the Fiscal Year Ended March 31, 2016, Investment (General Account)

① Investment environment

In the fiscal year ended March 31, 2016, the Japanese economy experienced a slower pace of economic recovery in the first half of the fiscal year, primarily due to concerns about the Chinese economy decelerating in the wake of the devaluation of the Chinese yuan and a drop in exports. In the second half of the fiscal year, the economy staged a gradual recovery, partly due to improving corporate earnings mainly in the nonmanufacturing sector amid continuing improvement in employment and income levels, despite signs of weakness in some economic conditions.

- The Nikkei Stock Average started the fiscal year at ¥19,206. From mid-August, the index declined in line with concerns about the Chinese economy decelerating in the wake of the devaluation of the Chinese yuan and a deterioration in investor sentiment. However, the Nikkei Stock Average temporarily increased around December, reflecting favorable views of the U.S. interest rate hike. Nevertheless, in response to the yen's sharp appreciation and a drop in crude oil prices around the fiscal year-end, the index finished at ¥16,758 at the end of March.
- The yield rate on 10-year government bonds started the fiscal year at 0.40%. The rate then began moving upward again, driven by a sense of caution over interest rate rises in the U.S. and Germany. However, the rate declined from mid-August due to concerns over the deceleration of the Chinese economy and a decline in expectations for an early interest rate hike by the Federal Reserve Board. In the second half of the fiscal year, the yield rate continued to decline in response to the introduction of negative interest rates by the Bank of Japan, finishing at -0.05% at the end of March.
- The yen-U.S. dollar exchange rate started the fiscal year at the ¥120 level. Thereafter, the U.S. dollar depreciated due to concerns over the deceleration of the Chinese economy and a decline in expectations for an early interest rate hike by the Federal Reserve Board. In the second half of the fiscal year, although the Federal Reserve Board raised its policy rate in December, the U.S. dollar was sold as a result of a decline in expectations for additional interest rate hikes. Consequently, the yen-U.S. dollar exchange rate finished at ¥112.68 at the end of March.

The yen-euro exchange rate started the fiscal year at the ¥130 level. Subsequently, the euro was bought following an interest rate hike in Germany. In the second half of the fiscal year, the euro was being sold against the yen, in response to the European Central Bank's accommodative stance. The yen-euro rate finished at ¥127.70 at the end of March.

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. The Company also continues to steadily work on investments that can earn excess return, such as corporate bonds and securitization products, as well as the asset management field including private equity and hedge funds, with careful attention to diversified investment and risks, from a standpoint of diversification of earning opportunities.

③ Overview of investment results

In the fiscal year ended March 31, 2016, 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.

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.

50. Overview of the Fiscal Year Ended March 31, 2016, Investment (General Account), continued

| As of March 31 | Billions of Yen, % | | |
|------------------------|--------------------|----------------------|---------------|
| | 2016 | Increase (decrease)* | Breakdown |
| General Account | ¥62,075.8 | ¥2,797.7 | 100.0% |
| Domestic bonds | 23,354.8 | 588.8 | 37.6 |
| Domestic stocks | 8,107.6 | 367.5 | 13.1 |
| Foreign securities | 17,158.1 | 1,747.1 | 27.6 |
| Loans | 8,121.4 | (236.1) | 13.1 |
| Real estate | 1,677.9 | (18.6) | 2.7 |

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

51. Portfolio Trends (General Account)

1. Asset structure

| As of March 31 | Millions of Yen, % | | | | | |
|---|--------------------|---------------|--------------------|---------------|--------------------|---------------|
| | 2016 | | 2015 | | 2014 | |
| Cash, deposits and call loans | ¥ 1,003,732 | 1.6% | ¥ 1,004,703 | 1.6% | ¥ 750,029 | 1.3% |
| Receivables under resale agreements | — | — | — | — | — | — |
| Receivables under securities borrowing transactions | — | — | — | — | 159,856 | 0.3 |
| Monetary receivables purchased | 419,915 | 0.7 | 498,758 | 0.8 | 570,632 | 1.0 |
| Proprietary trading securities | — | — | — | — | — | — |
| Assets held in trust | 1,934 | 0.0 | — | — | — | — |
| Investments in securities | 50,133,752 | 80.8 | 48,833,977 | 79.8 | 43,270,714 | 77.9 |
| Domestic bonds | 23,354,856 | 37.6 | 22,654,482 | 37.0 | 21,666,813 | 39.0 |
| Domestic stocks | 8,107,641 | 13.1 | 9,075,285 | 14.8 | 7,145,629 | 12.9 |
| Foreign securities | 17,158,155 | 27.6 | 16,144,907 | 26.4 | 13,876,024 | 25.0 |
| Foreign bonds | 13,425,101 | 21.6 | 12,077,295 | 19.7 | 10,225,874 | 18.4 |
| Foreign stocks and other securities | 3,733,053 | 6.0 | 4,067,611 | 6.6 | 3,650,150 | 6.6 |
| Other securities | 1,513,098 | 2.4 | 959,302 | 1.6 | 582,246 | 1.0 |
| Loans | 8,121,484 | 13.1 | 8,357,620 | 13.7 | 8,528,979 | 15.4 |
| Policy loans | 695,878 | 1.1 | 736,564 | 1.2 | 782,280 | 1.4 |
| Industrial and consumer loans | 7,425,606 | 12.0 | 7,621,055 | 12.5 | 7,746,698 | 13.9 |
| Real estate | 1,677,960 | 2.7 | 1,696,561 | 2.8 | 1,702,455 | 3.1 |
| Investment property | 1,079,619 | 1.7 | 1,079,961 | 1.8 | 1,070,541 | 1.9 |
| Deferred tax assets | — | — | — | — | — | — |
| Other assets | 720,625 | 1.2 | 784,460 | 1.3 | 587,678 | 1.1 |
| Allowance for doubtful accounts | (3,524) | (0.0) | (6,585) | (0.0) | (7,024) | (0.0) |
| Total | ¥62,075,880 | 100.0% | ¥61,169,494 | 100.0% | ¥55,563,321 | 100.0% |
| Foreign currency-denominated assets | ¥15,178,335 | 24.5% | ¥13,978,755 | 22.9% | ¥11,672,863 | 21.0% |

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, 2016: ¥661,819; March 31, 2015: ¥529,989 million; and March 31, 2014: ¥802,691 million.)

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

51. Portfolio Trends (General Account), continued

2. Increases/decreases in assets

| Fiscal years ended March 31 | Millions of Yen | | |
|---|------------------|-------------------|-------------------|
| | 2016 | 2015 | 2014 |
| Cash, deposits and call loans | ¥ (970) | ¥ 254,673 | ¥ 100,224 |
| Receivables under resale agreements | — | — | — |
| Receivables under securities borrowing transactions | — | (159,856) | 9,146 |
| Monetary receivables purchased | (78,842) | (71,874) | (185,688) |
| Proprietary trading securities | — | — | — |
| Assets held in trust | 1,934 | — | — |
| Investments in securities | 1,299,774 | 5,563,263 | 2,069,467 |
| Domestic bonds | 700,373 | 987,668 | 776,207 |
| Domestic stocks | (967,644) | 1,929,656 | 470,801 |
| Foreign securities | 1,013,248 | 2,268,882 | 677,275 |
| Foreign bonds | 1,347,805 | 1,851,421 | 404,877 |
| Foreign stocks and other securities | (334,557) | 417,460 | 272,398 |
| Other securities | 553,796 | 377,055 | 145,181 |
| Loans | (236,135) | (171,359) | (52,822) |
| Policy loans | (40,686) | (45,715) | (53,180) |
| Industrial and consumer loans | (195,448) | (125,643) | 357 |
| Real estate | (18,600) | (5,894) | 42,410 |
| Investment property | (341) | 9,419 | 43,546 |
| Deferred tax assets | — | — | — |
| Other assets | (63,834) | 196,782 | (65,102) |
| Allowance for doubtful accounts | 3,061 | 438 | 1,680 |
| Total | ¥ 906,386 | ¥5,606,173 | ¥1,919,315 |
| Foreign currency-denominated assets | ¥1,199,579 | ¥2,305,892 | ¥ 762,356 |

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

Fiscal year ended March 31, 2016: ¥131,829 million increase

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

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

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

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

| Fiscal years ended March 31 | Millions of Yen, % | | | | | |
|---|--------------------|--------------|--------------------|--------------|--------------------|--------------|
| | 2016 | | 2015 | | 2014 | |
| | Average balance | Yield | Average balance | Yield | Average balance | Yield |
| Cash, deposits and call loans | ¥ 685,869 | 0.08% | ¥ 521,601 | 0.09% | ¥ 392,705 | 0.14% |
| Receivables under resale agreements | — | — | — | — | — | — |
| Receivables under securities borrowing transactions | 186,727 | 0.08 | 255,694 | 0.08 | 143,821 | 0.09 |
| Monetary receivables purchased | 469,759 | 2.01 | 545,795 | 2.07 | 650,996 | 2.11 |
| Proprietary trading securities | — | — | — | — | — | — |
| Assets held in trust | 92 | (63.56) | — | — | — | — |
| Investments in securities | 41,463,009 | 2.70 | 39,414,840 | 3.23 | 38,147,462 | 3.01 |
| Domestic bonds | 22,589,409 | 1.88 | 22,022,643 | 1.93 | 21,263,860 | 1.99 |
| Domestic stocks | 4,194,354 | 5.42 | 4,061,079 | 8.51 | 4,321,504 | 8.02 |
| Foreign securities | 13,625,254 | 3.30 | 12,586,698 | 3.75 | 11,993,688 | 3.02 |
| Foreign bonds | 10,532,810 | 2.49 | 9,511,205 | 3.06 | 8,995,507 | 2.77 |
| Foreign stocks and other securities | 3,092,444 | 6.06 | 3,075,492 | 5.87 | 2,998,181 | 3.78 |
| Loans | 8,261,017 | 1.85 | 8,395,813 | 1.94 | 8,571,851 | 2.02 |
| Industrial and consumer loans | 7,546,140 | 1.57 | 7,638,678 | 1.66 | 7,767,012 | 1.74 |
| Real estate | 1,691,354 | 2.82 | 1,710,118 | 2.67 | 1,658,224 | 2.60 |
| Investment property | 1,082,829 | 4.40 | 1,083,923 | 4.22 | 1,029,739 | 4.16 |
| General account total | ¥54,229,051 | 2.42% | ¥52,279,572 | 2.83% | ¥50,942,300 | 2.70% |
| Overseas investments | ¥14,209,561 | 3.21% | ¥13,085,479 | 3.66% | ¥12,458,548 | 2.98% |

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.

53. Investment Income (General Account)

| Millions of Yen | | | |
|---|-------------------|-------------------|-------------------|
| Fiscal years ended March 31 | 2016 | 2015 | 2014 |
| Interest, dividends, and other income | ¥1,396,181 | ¥1,371,789 | ¥1,296,640 |
| Gain on proprietary trading securities | — | — | — |
| Gain from assets held in trust, net | — | 4 | 5 |
| Gain from trading securities | — | — | — |
| Gain on sales of securities | 94,194 | 242,024 | 260,438 |
| Gain on redemptions of securities | 7,104 | 5,023 | 248 |
| Gain on derivative financial instruments, net | — | — | — |
| Foreign exchange gains, net | — | — | 1,693 |
| Reversal of allowance for doubtful accounts | 2,230 | 431 | 1,667 |
| Other investment income | 452 | 489 | 441 |
| Total | ¥1,500,162 | ¥1,619,764 | ¥1,561,137 |

54. Investment Expenses (General Account)

| Millions of Yen | | | |
|---|-----------------|-----------------|-----------------|
| Fiscal years ended March 31 | 2016 | 2015 | 2014 |
| Interest expenses | ¥ 14,477 | ¥ 9,876 | ¥ 7,792 |
| Loss on proprietary trading securities | — | — | — |
| Loss from assets held in trust, net | 65 | — | — |
| Loss from trading securities | — | — | — |
| Loss on sales of securities | 13,596 | 18,357 | 57,738 |
| Loss on valuation of securities | 35,783 | 3,258 | 22,254 |
| Loss on redemptions of securities | 23,947 | 21,595 | 24,628 |
| Loss on derivative financial instruments, net | 55,888 | 46,342 | 36,508 |
| Foreign exchange losses, net | 91 | 417 | — |
| Provision for allowance for doubtful accounts | — | — | — |
| Write-offs of loans | 21 | 0 | 0 |
| Depreciation of rental real estate and other assets | 15,649 | 15,307 | 15,410 |
| Other investment expenses | 25,935 | 25,839 | 21,976 |
| Total | ¥185,455 | ¥140,994 | ¥186,309 |

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

| Millions of Yen | | | |
|--|-------------------|-------------------|-------------------|
| Fiscal years ended March 31 | 2016 | 2015 | 2014 |
| Interest on deposits and savings | ¥ 251 | ¥ 276 | ¥ 268 |
| Interest on securities and dividends | 1,144,694 | 1,113,858 | 1,029,275 |
| Interest on bonds | 412,853 | 412,807 | 406,979 |
| Domestic stock dividends | 174,216 | 161,824 | 155,012 |
| Interest/dividends on foreign securities | 538,748 | 516,267 | 452,658 |
| Interest on loans | 153,346 | 161,231 | 171,827 |
| Real estate rental income | 85,682 | 82,716 | 79,237 |
| Total including other income | ¥1,396,181 | ¥1,371,789 | ¥1,296,640 |

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

Millions of Yen

| Fiscal years ended March 31 | 2016 | | | 2015 | | | 2014 | | |
|--|------------------------------------|--|---------------------------|------------------------------------|--|---------------------------|------------------------------------|--|---------------------------|
| | Change in asset allocation balance | Increase (decrease) from interest variance | Total increase (decrease) | Change in asset allocation balance | Increase (decrease) from interest variance | Total increase (decrease) | Change in asset allocation balance | Increase (decrease) from interest variance | Total increase (decrease) |
| Interest, dividends, and other income | ¥51,153 | ¥(26,762) | ¥24,391 | ¥34,037 | ¥41,111 | ¥75,148 | ¥44,827 | ¥34,803 | ¥79,630 |
| Cash, deposits and call loans | 139 | (67) | 72 | 115 | (22) | 92 | 24 | (15) | 9 |
| Securities | 57,881 | (27,045) | 30,835 | 34,195 | 50,387 | 84,583 | 54,395 | 38,918 | 93,313 |
| Loans | (2,588) | (5,297) | (7,885) | (3,528) | (7,066) | (10,595) | (1,494) | (4,974) | (6,468) |
| Real estate | (907) | 3,874 | 2,966 | 2,479 | 998 | 3,478 | (2,264) | (1,106) | (3,370) |

57. Gain on Sales of Securities (General Account)

Millions of Yen

| Fiscal years ended March 31 | 2016 | 2015 | 2014 |
|---|----------------|-----------------|-----------------|
| Domestic bonds | ¥12,616 | ¥ 12,929 | ¥ 16,879 |
| Domestic stocks and other securities | 75,975 | 216,749 | 239,424 |
| Foreign securities | 5,602 | 12,345 | 4,135 |
| Total including other gains on sales of securities | ¥94,194 | ¥242,024 | ¥260,438 |

58. Loss on Sales of Securities (General Account)

Millions of Yen

| Fiscal years ended March 31 | 2016 | 2015 | 2014 |
|--|----------------|----------------|----------------|
| Domestic bonds | ¥ 612 | ¥ 1,468 | ¥ 1,774 |
| Domestic stocks and other securities | 656 | 9,889 | 13,678 |
| Foreign securities | 12,318 | 6,998 | 42,277 |
| Total including other losses on sales of securities | ¥13,596 | ¥18,357 | ¥57,738 |

59. Loss on Valuation of Securities (General Account)

Millions of Yen

| Fiscal years ended March 31 | 2016 | 2015 | 2014 |
|--|----------------|---------------|----------------|
| Domestic bonds | ¥ — | ¥ — | ¥ — |
| Domestic stocks and other securities | 14,640 | 113 | 21,477 |
| Foreign securities | 20,937 | 3,083 | 713 |
| Total including other losses on valuation of securities | ¥35,783 | ¥3,258 | ¥22,254 |

60. Proprietary Trading Securities (General Account)

No ending balance as of March 31, 2016, 2015 or 2014.

61. Proprietary Trading Securities Trading Volume (General Account)

No ending balance for the fiscal years ended March 31, 2016, 2015 or 2014.

62. Securities Composition (General Account)

| As of March 31 | 2016 | | 2015 | | 2014 | |
|-------------------------------------|--------------------|---------------|--------------------|---------------|--------------------|---------------|
| | Millions of Yen | % | Millions of Yen | % | Millions of Yen | % |
| Domestic bonds | ¥23,354,856 | 46.6% | ¥22,654,482 | 46.4% | ¥21,666,813 | 50.1% |
| National government bonds | 19,616,970 | 39.1 | 18,485,293 | 37.9 | 17,244,401 | 39.9 |
| Local government bonds | 1,281,178 | 2.6 | 1,439,472 | 2.9 | 1,522,147 | 3.5 |
| Corporate bonds | 2,456,706 | 4.9 | 2,729,716 | 5.6 | 2,900,264 | 6.7 |
| Public entity bonds | 1,127,052 | 2.2 | 1,349,133 | 2.8 | 1,483,935 | 3.4 |
| Domestic stocks | 8,107,641 | 16.2 | 9,075,285 | 18.6 | 7,145,629 | 16.5 |
| Foreign securities | 17,158,155 | 34.2 | 16,144,907 | 33.1 | 13,876,024 | 32.1 |
| Foreign bonds | 13,425,101 | 26.8 | 12,077,295 | 24.7 | 10,225,874 | 23.6 |
| Foreign stocks and other securities | 3,733,053 | 7.4 | 4,067,611 | 8.3 | 3,650,150 | 8.4 |
| Other securities | 1,513,098 | 3.0 | 959,302 | 2.0 | 582,246 | 1.3 |
| Total | ¥50,133,752 | 100.0% | ¥48,833,977 | 100.0% | ¥43,270,714 | 100.0% |

63. Securities by Maturity Date (General Account)

| As of March 31 | 2016 | | | | | | Total |
|-------------------------------------|-------------------|-----------------------------|------------------------------|------------------------------|-------------------------------|---|--------------------|
| | 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) | |
| Investments in securities | ¥ 1,279,755 | ¥2,074,272 | ¥2,795,402 | ¥2,616,023 | ¥5,270,410 | ¥36,097,886 | ¥50,133,752 |
| Domestic bonds | | | | | | | |
| National government bonds | 322,969 | 556,872 | 741,966 | 977,877 | 2,869,668 | 14,147,616 | 19,616,970 |
| Local government bonds | 282,756 | 186,633 | 138,719 | 3,276 | 56,530 | 613,263 | 1,281,178 |
| Corporate bonds | 224,714 | 506,415 | 130,039 | 126,768 | 223,034 | 1,245,734 | 2,456,706 |
| Domestic stocks | | | | | | 8,107,641 | 8,107,641 |
| Foreign securities | 430,298 | 780,532 | 1,564,427 | 1,400,027 | 1,573,471 | 11,409,398 | 17,158,155 |
| Foreign bonds | 429,093 | 767,333 | 1,536,061 | 1,355,821 | 1,527,912 | 7,808,879 | 13,425,101 |
| Foreign stocks and other securities | 1,205 | 13,198 | 28,365 | 44,205 | 45,559 | 3,600,518 | 3,733,053 |
| Other securities | 19,017 | 43,818 | 220,250 | 108,074 | 547,705 | 574,232 | 1,513,098 |
| Monetary receivables purchased | 22,905 | 621 | 4,962 | 12,017 | 36,870 | 342,537 | 419,915 |
| Negotiable certificates of deposit | 730,296 | — | — | — | — | — | 730,296 |
| Total | ¥2,032,957 | ¥2,074,894 | ¥2,800,365 | ¥2,628,041 | ¥5,307,280 | ¥36,440,424 | ¥51,283,964 |
| Investments in securities | ¥ 902,325 | ¥2,813,000 | ¥2,502,366 | ¥2,486,104 | ¥4,137,520 | ¥35,992,661 | ¥48,833,977 |
| Domestic bonds | | | | | | | |
| National government bonds | 347,589 | 774,739 | 567,049 | 842,359 | 2,242,634 | 13,710,919 | 18,485,293 |
| Local government bonds | 71,231 | 466,415 | 277,525 | 12,348 | 7,475 | 604,475 | 1,439,472 |
| Corporate bonds | 218,196 | 526,506 | 356,333 | 98,366 | 228,861 | 1,301,451 | 2,729,716 |
| Domestic stocks | | | | | | 9,075,285 | 9,075,285 |
| Foreign securities | 243,757 | 1,002,967 | 1,187,023 | 1,412,504 | 1,426,425 | 10,872,229 | 16,144,907 |
| Foreign bonds | 240,904 | 1,002,702 | 1,154,635 | 1,360,405 | 1,372,215 | 6,946,432 | 12,077,295 |
| Foreign stocks and other securities | 2,852 | 264 | 32,387 | 52,099 | 54,210 | 3,925,796 | 4,067,611 |
| Other securities | 21,550 | 42,371 | 114,434 | 120,523 | 232,123 | 428,299 | 959,302 |
| Monetary receivables purchased | 42,036 | — | 2,124 | 18,663 | 42,682 | 393,251 | 498,758 |
| Negotiable certificates of deposit | 302,999 | — | — | — | — | — | 302,999 |
| Total | ¥1,247,360 | ¥2,813,000 | ¥2,504,490 | ¥2,504,767 | ¥4,180,202 | ¥36,385,912 | ¥49,635,734 |
| Investments in securities | ¥ 828,321 | ¥2,705,026 | ¥2,168,749 | ¥2,247,209 | ¥3,579,956 | ¥31,741,451 | ¥43,270,714 |
| Domestic bonds | | | | | | | |
| National government bonds | 244,430 | 920,510 | 644,197 | 628,718 | 1,725,967 | 13,080,576 | 17,244,401 |
| Local government bonds | 118,648 | 501,389 | 210,208 | 154,008 | 6,782 | 531,110 | 1,522,147 |
| Corporate bonds | 212,854 | 563,785 | 474,647 | 116,808 | 212,464 | 1,319,703 | 2,900,264 |
| Domestic stocks | | | | | | 7,145,629 | 7,145,629 |
| Foreign securities | 233,747 | 713,756 | 799,791 | 1,290,638 | 1,486,263 | 9,351,827 | 13,876,024 |
| Foreign bonds | 225,730 | 713,756 | 784,395 | 1,255,889 | 1,421,828 | 5,824,273 | 10,225,874 |
| Foreign stocks and other securities | 8,016 | 0 | 15,396 | 34,749 | 64,434 | 3,527,553 | 3,650,150 |
| Other securities | 18,641 | 5,583 | 39,904 | 57,035 | 148,478 | 312,604 | 582,246 |
| Monetary receivables purchased | 35,307 | 10,007 | 4,071 | 9,189 | 48,851 | 463,205 | 570,632 |
| Negotiable certificates of deposit | 234,999 | — | — | — | — | — | 234,999 |
| Total | ¥1,098,627 | ¥2,715,033 | ¥2,172,821 | ¥2,256,399 | ¥3,628,807 | ¥32,204,656 | ¥44,076,345 |

64. Bond Yields (General Account)

| As of March 31 | % | | |
|------------------------------|-------|-------|-------|
| | 2016 | 2015 | 2014 |
| Domestic bonds | 1.86% | 1.93% | 1.98% |
| Foreign bonds | 3.54 | 3.83 | 3.85 |
| Japanese yen denominated | 1.78 | 1.85 | 1.87 |
| Foreign currency denominated | 3.69 | 4.06 | 4.12 |

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

| As of March 31 | Millions of Yen, % | | | | | | | | |
|--|--------------------|-------------------|---------------|---|-------------------|---------------|---|-------------------|---------------|
| | 2016 | | 2015 | | 2014 | | | | |
| Fishery, agriculture and forestry | ¥ | 3,430 | 0.0% | ¥ | 2,952 | 0.0% | ¥ | 2,781 | 0.0% |
| Mining | | 4,272 | 0.1 | | 6,291 | 0.1 | | 3,667 | 0.1 |
| Construction | | 147,918 | 1.8 | | 131,224 | 1.4 | | 110,717 | 1.5 |
| Manufacturing | | | | | | | | | |
| Food | | 339,973 | 4.2 | | 320,932 | 3.5 | | 219,245 | 3.1 |
| Textiles and apparel | | 120,699 | 1.5 | | 127,717 | 1.4 | | 91,613 | 1.3 |
| Pulp and paper | | 22,581 | 0.3 | | 23,600 | 0.3 | | 24,317 | 0.3 |
| Chemicals | | 664,443 | 8.2 | | 826,874 | 9.1 | | 564,175 | 7.9 |
| Pharmaceuticals | | 751,003 | 9.3 | | 806,554 | 8.9 | | 612,084 | 8.6 |
| Oil and coal products | | 18,743 | 0.2 | | 23,430 | 0.3 | | 23,308 | 0.3 |
| Rubber products | | 100,146 | 1.2 | | 114,715 | 1.3 | | 84,419 | 1.2 |
| Glass and ceramic products | | 69,450 | 0.9 | | 82,956 | 0.9 | | 73,413 | 1.0 |
| Iron and steel | | 125,452 | 1.5 | | 196,031 | 2.2 | | 165,342 | 2.3 |
| Nonferrous metals | | 70,169 | 0.9 | | 88,106 | 1.0 | | 76,466 | 1.1 |
| Metal products | | 40,313 | 0.5 | | 42,579 | 0.5 | | 40,918 | 0.6 |
| Machinery | | 424,178 | 5.2 | | 530,986 | 5.9 | | 430,179 | 6.0 |
| Electric appliances | | 850,100 | 10.5 | | 1,048,614 | 11.6 | | 851,662 | 11.9 |
| Transportation equipment | | 1,236,635 | 15.3 | | 1,612,561 | 17.8 | | 1,199,999 | 16.8 |
| Precision instruments | | 124,839 | 1.5 | | 146,486 | 1.6 | | 116,989 | 1.6 |
| Other products | | 99,927 | 1.2 | | 98,675 | 1.1 | | 79,368 | 1.1 |
| Electric power and gas | | 384,074 | 4.7 | | 421,373 | 4.6 | | 382,850 | 5.4 |
| Transportation, information and communication | | | | | | | | | |
| Land transportation | | 562,887 | 6.9 | | 585,584 | 6.5 | | 423,741 | 5.9 |
| Marine transportation | | 6,699 | 0.1 | | 10,362 | 0.1 | | 10,106 | 0.1 |
| Air transportation | | 11,312 | 0.1 | | 10,667 | 0.1 | | 8,132 | 0.1 |
| Warehousing and harbor transportation services | | 12,250 | 0.2 | | 15,180 | 0.2 | | 12,967 | 0.2 |
| Information and communication | | 166,546 | 2.1 | | 116,231 | 1.3 | | 110,456 | 1.5 |
| Trade and services | | | | | | | | | |
| Wholesale trade | | 252,797 | 3.1 | | 290,651 | 3.2 | | 255,385 | 3.6 |
| Retail trade | | 233,523 | 2.9 | | 235,532 | 2.6 | | 182,798 | 2.6 |
| Finance and insurance | | | | | | | | | |
| Banking | | 478,295 | 5.9 | | 674,978 | 7.4 | | 617,460 | 8.6 |
| Securities and trading | | 55,434 | 0.7 | | 67,913 | 0.7 | | 66,883 | 0.9 |
| Insurance | | 480,159 | 5.9 | | 158,575 | 1.7 | | 104,032 | 1.5 |
| Other financial services | | 49,636 | 0.6 | | 52,440 | 0.6 | | 45,131 | 0.6 |
| Real estate | | 46,758 | 0.6 | | 51,900 | 0.6 | | 48,951 | 0.7 |
| Services | | 152,987 | 1.9 | | 152,598 | 1.7 | | 106,059 | 1.5 |
| Total | | ¥8,107,641 | 100.0% | | ¥9,075,285 | 100.0% | | ¥7,145,629 | 100.0% |

66. Loans (General Account)

| | | Millions of Yen | | |
|--|--|--------------------|--------------------|--------------------|
| As of March 31 | | 2016 | 2015 | 2014 |
| Policy loans | | ¥ 695,878 | ¥ 736,564 | ¥ 782,280 |
| Premium loans | | 50,595 | 55,310 | 60,605 |
| Policyholder loans | | 645,282 | 681,254 | 721,675 |
| Industrial and consumer loans | | 7,425,606 | 7,621,055 | 7,746,698 |
| [Loans to non-residents] | | [194,648] | [231,237] | [243,918] |
| Corporate loans—international and domestic | | 5,502,029 | 5,608,792 | 5,677,218 |
| [Corporate loans—domestic] | | [5,359,360] | [5,437,229] | [5,498,719] |
| Loans to national, international and government-affiliated organizations | | 41,920 | 41,672 | 47,500 |
| Loans to public entities | | 471,191 | 506,940 | 526,387 |
| Housing loans | | 849,704 | 889,896 | 906,647 |
| Consumer loans | | 472,711 | 498,781 | 523,768 |
| Other loans | | 88,046 | 74,971 | 65,176 |
| Total | | ¥ 8,121,484 | ¥ 8,357,620 | ¥ 8,528,979 |

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

| | | Millions of Yen | | | | | | |
|---------------------|------------------|-------------------|---------------------------|----------------------------|----------------------------|-----------------------------|--|-------|
| As of March 31 | | 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 |
| 2016 | | | | | | | | |
| Fixed-rate loans | ¥ 879,198 | ¥1,523,171 | ¥1,194,429 | ¥ 822,174 | ¥ 829,747 | ¥1,695,614 | ¥6,944,335 | |
| Variable-rate loans | 44,303 | 97,396 | 133,957 | 49,583 | 60,395 | 95,635 | 481,270 | |
| Total loans | ¥ 923,502 | ¥1,620,567 | ¥1,328,386 | ¥ 871,757 | ¥ 890,142 | ¥1,791,249 | ¥7,425,606 | |
| 2015 | | | | | | | | |
| 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 | |
| Total loans | ¥ 893,935 | ¥1,725,515 | ¥1,220,424 | ¥ 999,473 | ¥ 957,999 | ¥1,823,705 | ¥7,621,055 | |
| 2014 | | | | | | | | |
| 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 | |
| Total loans | ¥ 918,681 | ¥1,597,913 | ¥1,400,812 | ¥1,007,514 | ¥1,050,712 | ¥1,771,064 | ¥7,746,698 | |

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

| | | Number of Borrowers, Millions of Yen, % | | | | | |
|--|------------------------------|---|---------------|-------------------|---------------|-------------------|---------------|
| As of March 31 | | 2016 | | 2015 | | 2014 | |
| Large companies | Number of borrowers | 927 | 37.8% | 950 | 39.9% | 969 | 42.3% |
| | Amount of loans | ¥4,744,618 | 88.5 | ¥4,845,343 | 89.1 | ¥4,959,238 | 90.2 |
| Medium-sized companies | Number of borrowers | 341 | 13.9 | 320 | 13.4 | 322 | 14.0 |
| | Amount of loans | ¥ 76,661 | 1.4 | ¥ 74,449 | 1.4 | ¥ 72,837 | 1.3 |
| Small companies | Number of borrowers | 1,183 | 48.3 | 1,110 | 46.6 | 1,002 | 43.7 |
| | Amount of loans | ¥ 538,080 | 10.0 | ¥ 517,436 | 9.5 | ¥ 466,644 | 8.5 |
| Total loans to domestic companies | Number of borrowers | 2,451 | 100.0 | 2,380 | 100.0 | 2,293 | 100.0 |
| | Total amount of loans | ¥5,359,360 | 100.0% | ¥5,437,229 | 100.0% | ¥5,498,719 | 100.0% |

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.

| | | Industry Type | | | |
|------------------------|-----------------------------|--|--|---|--|
| Company size | | 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 | |
| | More than 300 employees and | Paid-in capital between ¥0.3 billion and ¥1 billion | | Paid-in capital ¥1 billion or more | |
| Medium-sized companies | | | | 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 | |
| | More than 100 employees and | Paid-in capital between ¥0.05 billion and ¥1 billion | | Paid-in capital ¥1 billion or more | |
| Medium-sized companies | | | | 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 | |

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

| | | Millions of Yen, % | | | | | |
|---|-------------------|--------------------|-------------------|---------------|-------------------|---------------|--|
| As of March 31 | 2016 | | 2015 | | 2014 | | |
| Domestic | | | | | | | |
| Manufacturing | ¥1,364,582 | 18.4% | ¥1,409,591 | 18.5% | ¥1,521,835 | 19.6% | |
| Food | 102,978 | 1.4 | 101,240 | 1.3 | 104,081 | 1.3 | |
| Textiles and apparel | 34,830 | 0.5 | 35,822 | 0.5 | 47,517 | 0.6 | |
| Wood, wood products | 2,141 | 0.0 | 1,901 | 0.0 | 1,807 | 0.0 | |
| Pulp and paper | 77,060 | 1.0 | 76,897 | 1.0 | 95,487 | 1.2 | |
| Printing | 18,770 | 0.3 | 19,968 | 0.3 | 20,358 | 0.3 | |
| Chemicals | 268,815 | 3.6 | 282,199 | 3.7 | 302,055 | 3.9 | |
| Oil and coal products | 77,631 | 1.0 | 77,913 | 1.0 | 81,058 | 1.0 | |
| Ceramics, soil and stone | 44,067 | 0.6 | 46,646 | 0.6 | 48,627 | 0.6 | |
| Iron and steel | 185,893 | 2.5 | 199,372 | 2.6 | 221,430 | 2.9 | |
| Nonferrous metals | 20,564 | 0.3 | 22,229 | 0.3 | 27,258 | 0.4 | |
| Metal products | 15,108 | 0.2 | 17,234 | 0.2 | 16,713 | 0.2 | |
| General purpose, production, and industrial machinery | 134,698 | 1.8 | 135,507 | 1.8 | 145,507 | 1.9 | |
| Electric appliances | 144,967 | 2.0 | 141,334 | 1.9 | 143,670 | 1.9 | |
| Transportation equipment | 194,183 | 2.6 | 206,716 | 2.7 | 220,003 | 2.8 | |
| Other manufacturing products | 42,870 | 0.6 | 44,606 | 0.6 | 46,258 | 0.6 | |
| Agriculture and forestry | — | — | — | — | 0 | 0.0 | |
| Fishery | 2,000 | 0.0 | 2,000 | 0.0 | 2,000 | 0.0 | |
| Mining, quarrying and gravel mining | 5,551 | 0.1 | 6,563 | 0.1 | 8,127 | 0.1 | |
| Construction | 40,351 | 0.5 | 43,209 | 0.6 | 44,531 | 0.6 | |
| Electric power, gas, heat supply and waterworks | 1,191,687 | 16.0 | 1,193,031 | 15.7 | 1,171,578 | 15.1 | |
| Information and communication | 161,703 | 2.2 | 174,606 | 2.3 | 183,073 | 2.4 | |
| Logistics and postal services | 695,679 | 9.4 | 714,449 | 9.4 | 719,674 | 9.3 | |
| Wholesale trade | 866,191 | 11.7 | 900,419 | 11.8 | 906,481 | 11.7 | |
| Retail trade | 55,643 | 0.7 | 53,115 | 0.7 | 53,113 | 0.7 | |
| Financing and insurance | 589,436 | 7.9 | 620,602 | 8.1 | 618,417 | 8.0 | |
| Real estate | 412,217 | 5.6 | 397,833 | 5.2 | 367,605 | 4.7 | |
| Rental and leasing services | 261,583 | 3.5 | 263,204 | 3.5 | 242,925 | 3.1 | |
| Professional, scientific, and technical services | 1,166 | 0.0 | 1,827 | 0.0 | 1,956 | 0.0 | |
| Lodging | 3,846 | 0.1 | 4,040 | 0.1 | 5,216 | 0.1 | |
| Restaurants | 3,159 | 0.0 | 3,752 | 0.0 | 4,637 | 0.1 | |
| Lifestyle and leisure | 67,944 | 0.9 | 25,738 | 0.3 | 27,499 | 0.4 | |
| Education and training | 1,574 | 0.0 | 1,815 | 0.0 | 2,311 | 0.0 | |
| Medical and welfare | 683 | 0.0 | 1,157 | 0.0 | 1,832 | 0.0 | |
| Other services | 14,392 | 0.2 | 4,013 | 0.1 | 3,857 | 0.0 | |
| Local organizations and public entities | 168,975 | 2.3 | 179,917 | 2.4 | 185,205 | 2.4 | |
| Individuals (residential/consumption/local taxes/other) | 1,322,585 | 17.8 | 1,388,924 | 18.2 | 1,430,896 | 18.5 | |
| Subtotal | 7,230,957 | 97.4 | 7,389,817 | 97.0 | 7,502,780 | 96.9 | |
| Overseas | | | | | | | |
| Governments and public entities | 51,978 | 0.7 | 59,674 | 0.8 | 65,419 | 0.8 | |
| Financial institutions | 15,000 | 0.2 | 20,000 | 0.3 | 25,000 | 0.3 | |
| Commerce and industry | 127,669 | 1.7 | 151,562 | 2.0 | 153,498 | 2.0 | |
| Subtotal | 194,648 | 2.6 | 231,237 | 3.0 | 243,918 | 3.1 | |
| Total loans | ¥7,425,606 | 100.0% | ¥7,621,055 | 100.0% | ¥7,746,698 | 100.0% | |

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

| As of March 31 | Millions of Yen, % | | | | | |
|---------------------|--------------------|---------------|-------------------|---------------|-------------------|---------------|
| | 2016 | | 2015 | | 2014 | |
| Capital investments | ¥2,528,526 | 34.1% | ¥2,621,040 | 34.4% | ¥2,683,384 | 34.6% |
| Operations | 4,897,079 | 65.9 | 5,000,014 | 65.6 | 5,063,314 | 65.4 |
| Total loans | ¥7,425,606 | 100.0% | ¥7,621,055 | 100.0% | ¥7,746,698 | 100.0% |

71. Breakdown of Loans by Region (General Account)

| As of March 31 | Millions of Yen, % | | | | | |
|----------------|--------------------|---------------|-------------------|---------------|-------------------|---------------|
| | 2016 | | 2015 | | 2014 | |
| Hokkaido | ¥ 66,754 | 1.2% | ¥ 66,391 | 1.2% | ¥ 69,699 | 1.3% |
| Tohoku | 131,457 | 2.5 | 128,096 | 2.4 | 128,606 | 2.3 |
| Kanto | 3,429,965 | 64.0 | 3,521,239 | 64.8 | 3,528,357 | 64.2 |
| Chubu | 494,657 | 9.2 | 491,961 | 9.0 | 513,685 | 9.3 |
| Kinki | 863,512 | 16.1 | 819,965 | 15.1 | 837,072 | 15.2 |
| Chugoku | 118,122 | 2.2 | 138,481 | 2.5 | 151,576 | 2.8 |
| Shikoku | 80,236 | 1.5 | 95,890 | 1.8 | 106,421 | 1.9 |
| Kyushu | 174,653 | 3.3 | 175,203 | 3.2 | 163,300 | 3.0 |
| Total | ¥5,359,360 | 100.0% | ¥5,437,229 | 100.0% | ¥5,498,719 | 100.0% |

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

72. Breakdown of Loans by Collateral (General Account)

| As of March 31 | Millions of Yen, % | | | | | |
|--|--------------------|---------------|-------------------|---------------|-------------------|---------------|
| | 2016 | | 2015 | | 2014 | |
| Secured loans | ¥ 35,015 | 0.5% | ¥ 34,831 | 0.5% | ¥ 39,716 | 0.5% |
| Loans secured by securities | 9,224 | 0.1 | 9,423 | 0.1 | 10,951 | 0.1 |
| Loans secured by real estate, movables and foundations | 17,351 | 0.2 | 17,959 | 0.2 | 23,830 | 0.3 |
| Loans secured by personal guarantees | 8,440 | 0.1 | 7,448 | 0.1 | 4,934 | 0.1 |
| Guarantee loans | 198,295 | 2.7 | 199,716 | 2.6 | 214,906 | 2.8 |
| Fiduciary loans | 5,869,878 | 79.0 | 5,997,829 | 78.7 | 6,061,660 | 78.2 |
| Other loans | 1,322,416 | 17.8 | 1,388,678 | 18.2 | 1,430,415 | 18.5 |
| Total loans | ¥7,425,606 | 100.0% | ¥7,621,055 | 100.0% | ¥7,746,698 | 100.0% |
| Subordinated loans | ¥ 196,120 | 2.6% | ¥ 240,000 | 3.1% | ¥ 295,000 | 3.8% |

73. Appraisal Value of Real Estate (General Account)

| As of March 31 | Billions of Yen | | |
|------------------------------------|-----------------|----------------|---------------|
| | 2016 | 2015 | 2014 |
| Land and land lease rights | | | |
| Balance sheet amount | ¥1,231.2 | ¥1,252.8 | ¥1,266.1 |
| Fair value (appraisal value) | 1,360.1 | 1,312.1 | 1,257.0 |
| Net unrealized gains/losses | 1 | 128.8 | 59.3 |
| Gain | 284.5 | 227.9 | 179.4 |
| Loss | (155.6) | (168.6) | (188.5) |
| Revaluation differences | 2 | 23.1 | 26.7 |
| | 1+2 | ¥ 152.0 | ¥ 86.0 |
| | | | ¥ 33.6 |

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.

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

| As of March 31 | Millions of Yen, Number of Buildings | | |
|---|--------------------------------------|-------------------|-------------------|
| | 2016 | 2015 | 2014 |
| Amount of real estate | ¥1,677,960 | ¥1,696,561 | ¥1,702,455 |
| For business operations | 598,340 | 616,600 | 631,913 |
| For lease | 1,079,619 | 1,079,961 | 1,070,541 |
| Number of buildings held for leasing | 313 | 333 | 339 |

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

75. Tangible Fixed Assets (General Account)

| | Millions of Yen, % | | | | | | |
|-----------------------------------|--------------------------------|----------------------------|------------------------------------|--------------------------------|----------------------------------|--------------------------|-------------------------------------|
| | Ending balance of prior period | Increase in current period | Decrease in current period | Depreciation in current period | Ending balance of current period | Accumulated depreciation | Accumulated depreciation percentage |
| Fiscal year ended March 31 | | | | 2016 | | | |
| Land | ¥1,173,623 | ¥ 2,053 | ¥ 23,188 [2,251] | ¥ — | ¥1,152,488 | ¥ — | —% |
| Buildings | 514,952 | 18,440 | 9,826 [2,540] | 23,540 | 500,025 | 1,105,056 | 68.8 |
| Lease assets | 5,007 | 3,026 | 74 | 1,750 | 6,209 | 4,368 | 41.3 |
| Construction in progress | 7,985 | 41,052 | 23,591 | — | 25,446 | — | — |
| Other tangible fixed assets | 11,679 | 2,055 | 153 | 2,872 | 10,708 | 55,447 | 83.8 |
| Total | ¥1,713,248 | ¥ 66,628 | ¥ 56,834 [4,791] | ¥28,163 | ¥1,694,878 | ¥1,164,872 | —% |
| Of which assets are being leased | ¥1,102,818 | ¥ 47,706 | ¥ 29,837 [4,429] | ¥15,212 | ¥1,105,475 | ¥ 735,255 | —% |
| Fiscal year ended March 31 | | | | 2015 | | | |
| 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 |
| Total | ¥1,718,217 | ¥116,391 | ¥ 94,048 [18,418] | ¥27,311 | ¥1,713,248 | ¥1,159,761 | —% |
| Of which assets are being leased | ¥1,088,798 | ¥53,575 | ¥ 24,707 [18,054] | ¥14,847 | ¥1,102,818 | ¥ 727,718 | —% |
| Fiscal year ended March 31 | | | | 2014 | | | |
| 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 |
| Total | ¥1,676,301 | ¥129,066 | ¥ 59,033 [4,714] | ¥28,118 | ¥1,718,217 | ¥1,132,867 | —% |
| Of which assets are being leased | ¥1,047,120 | ¥ 92,580 | ¥ 35,938 [4,553] | ¥14,963 | ¥1,088,798 | ¥ 708,228 | —% |

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.

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

| Fiscal years ended March 31 | Millions of Yen | | | | | |
|----------------------------------|-----------------|---------------|---------------|---------------|---------------|---------------|
| | 2016 | | 2015 | | 2014 | |
| | Gain | Loss | Gain | Loss | Gain | Loss |
| Tangible fixed assets | ¥8,545 | ¥9,429 | ¥4,024 | ¥3,176 | ¥2,750 | ¥5,937 |
| Land | 4,071 | 4,836 | 3,286 | 702 | 1,950 | 2,858 |
| Buildings | 4,472 | 4,375 | 717 | 2,103 | 795 | 2,922 |
| Lease assets | — | — | — | — | — | — |
| Other assets | 0 | 217 | 20 | 370 | 4 | 156 |
| Intangible fixed assets | 62 | 211 | 0 | 95 | — | 79 |
| Others | — | 245 | — | 151 | — | 235 |
| Total | ¥8,608 | ¥9,887 | ¥4,025 | ¥3,423 | ¥2,750 | ¥6,252 |
| Of which assets are being leased | ¥7,383 | ¥6,949 | ¥3,890 | ¥ 851 | ¥2,497 | ¥3,312 |

77. Depreciation of Rental Real Estate and Other Assets (General Account)

| Fiscal year ended March 31 | Millions of Yen, % | | | | |
|----------------------------|--------------------|--------------------------------|--------------------------|----------------------------------|-------------------------------------|
| | Acquisition cost | Depreciation in current period | Accumulated depreciation | Balance at end of current period | Accumulated depreciation percentage |
| | 2016 | | | | |
| Tangible fixed assets | ¥1,066,803 | ¥15,415 | ¥740,033 | ¥326,769 | 69.4% |
| Buildings | 1,058,692 | 15,212 | 732,528 | 326,164 | 69.2 |
| Lease assets | 9 | 3 | 7 | 1 | 81.0 |
| Others | 8,100 | 200 | 7,497 | 603 | 92.3 |
| Intangible fixed assets | 1 | 0 | 0 | 0 | 43.3 |
| Other assets | 4,039 | 233 | 2,195 | 1,843 | 54.4 |
| Total | ¥1,070,843 | ¥15,649 | ¥742,229 | ¥328,614 | 69.3% |
| 2015 | | | | | |
| Tangible fixed assets | ¥1,066,315 | ¥15,086 | ¥732,714 | ¥333,600 | 68.7% |
| Buildings | 1,056,512 | 14,847 | 723,623 | 332,888 | 68.5 |
| Lease assets | 27 | 3 | 8 | 18 | 31.0 |
| Others | 9,776 | 235 | 9,082 | 693 | 92.9 |
| Intangible fixed assets | 1 | 0 | 0 | 0 | 23.3 |
| Other assets | 4,032 | 220 | 1,966 | 2,066 | 48.8 |
| Total | ¥1,070,348 | ¥15,307 | ¥734,681 | ¥335,667 | 68.6% |
| 2014 | | | | | |
| Tangible fixed assets | ¥1,028,609 | ¥15,200 | ¥715,129 | ¥313,480 | 69.5% |
| Buildings | 1,018,984 | 14,962 | 706,185 | 312,799 | 69.3 |
| Lease assets | 9 | 1 | 5 | 4 | 52.4 |
| Others | 9,614 | 235 | 8,938 | 675 | 93.0 |
| Intangible fixed assets | 1 | 0 | 0 | 1 | 3.3 |
| Other assets | 4,315 | 209 | 2,908 | 1,406 | 67.4 |
| Total | ¥1,032,926 | ¥15,410 | ¥718,038 | ¥314,887 | 69.5% |

Business Performance Highlights

Nippon Life's Management Strategy

Initiatives for Stakeholders

Corporate Governance and Management of Nippon Life

Documents Related to Management

Financial Data

Operational Data

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

1. Breakdown by asset composition

| | | 2016 | | 2015 | | 2014 | |
|---|--------------------|---------------|--------------------|---------------|--------------------|---------------|--|
| As of March 31 | | | | | | | |
| Millions of Yen, % | | | | | | | |
| Foreign currency-denominated assets | | | | | | | |
| Foreign bonds | ¥12,671,286 | 70.9% | ¥11,212,767 | 66.6% | ¥ 9,232,001 | 63.9% | |
| Foreign stocks | 557,599 | 3.1 | 595,818 | 3.5 | 449,969 | 3.1 | |
| Cash, deposits and other assets | 1,949,449 | 10.9 | 2,170,170 | 12.9 | 1,990,892 | 13.8 | |
| Subtotal | 15,178,335 | 84.9 | 13,978,755 | 83.0 | 11,672,863 | 80.8 | |
| Foreign currency-denominated assets with fixed yen value | | | | | | | |
| Foreign bonds | — | — | — | — | — | — | |
| Cash, deposits and other assets | 248,196 | 1.4 | 231,775 | 1.4 | 205,128 | 1.4 | |
| Subtotal | 248,196 | 1.4 | 231,775 | 1.4 | 205,128 | 1.4 | |
| Japanese yen-denominated assets | | | | | | | |
| Loans to nonresidents | 94,119 | 0.5 | 109,456 | 0.7 | 121,112 | 0.8 | |
| Foreign bonds and other assets | 2,348,493 | 13.1 | 2,515,279 | 14.9 | 2,454,649 | 17.0 | |
| Subtotal | 2,442,612 | 13.7 | 2,624,736 | 15.6 | 2,575,762 | 17.8 | |
| Net overseas loans and investment | ¥17,869,145 | 100.0% | ¥16,835,268 | 100.0% | ¥14,453,753 | 100.0% | |

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

2. Overseas loans and investments by geographic area

| | | Millions of Yen, % | | | | | | | |
|-----------------------------|--------------------|--------------------|--------------------|-----------------------------|-------------------|------------------------|-----------------|---------------|---------|
| | | Foreign securities | | | | | | | |
| | | Bonds | | Stocks and other securities | | Loans to non-residents | | | |
| | | Value | Percent | Value | Percent | Value | Percent | Value | Percent |
| As of March 31 | | 2016 | | | | | | | |
| North America | ¥ 7,780,564 | 45.3% | ¥ 7,360,123 | 54.8% | ¥ 420,440 | 11.3% | ¥106,750 | 54.8% | |
| Europe | 5,377,036 | 31.3 | 4,760,358 | 35.5 | 616,678 | 16.5 | 38,000 | 19.5 | |
| Oceania | 491,444 | 2.9 | 488,946 | 3.6 | 2,498 | 0.1 | 4,824 | 2.5 | |
| Asia | 571,041 | 3.3 | 265,220 | 2.0 | 305,821 | 8.2 | 3,478 | 1.8 | |
| Central and South America | 2,738,872 | 16.0 | 351,257 | 2.6 | 2,387,615 | 64.0 | 10,609 | 5.5 | |
| Middle East | — | — | — | — | — | — | — | — | |
| Africa | — | — | — | — | — | — | 4,485 | 2.3 | |
| International organizations | 199,196 | 1.2 | 199,196 | 1.5 | — | — | 26,500 | 13.6 | |
| Total | ¥17,158,155 | 100.0% | ¥13,425,101 | 100.0% | ¥3,733,053 | 100.0% | ¥194,648 | 100.0% | |
| As of March 31 | | 2015 | | | | | | | |
| 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 | |
| Total | ¥16,144,907 | 100.0% | ¥12,077,295 | 100.0% | ¥4,067,611 | 100.0% | ¥231,237 | 100.0% | |
| As of March 31 | | 2014 | | | | | | | |
| 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 | |
| Total | ¥13,876,024 | 100.0% | ¥10,225,874 | 100.0% | ¥3,650,150 | 100.0% | ¥243,918 | 100.0% | |

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

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

3. Composition of foreign currency-denominated assets by currency

| As of March 31 | Millions of Yen, % | | | | | |
|--|--------------------|---------------|--------------------|---------------|--------------------|---------------|
| | 2016 | | 2015 | | 2014 | |
| U.S. dollar | ¥ 8,975,002 | 59.1% | ¥ 8,130,597 | 58.2% | ¥ 6,369,488 | 54.6% |
| Euro | 3,155,403 | 20.8 | 2,809,501 | 20.1 | 2,567,863 | 22.0 |
| British pound | 1,591,259 | 10.5 | 1,751,142 | 12.5 | 1,469,250 | 12.6 |
| Australian dollar | 555,885 | 3.7 | 543,266 | 3.9 | 688,684 | 5.9 |
| Canadian dollar | 271,358 | 1.8 | 46,604 | 0.3 | 42,790 | 0.4 |
| Polish zloty | 216,061 | 1.4 | 338,355 | 2.4 | 340,169 | 2.9 |
| Others | 413,364 | 2.7 | 359,287 | 2.6 | 194,616 | 1.7 |
| Net foreign currency-denominated assets | ¥15,178,335 | 100.0% | ¥13,978,755 | 100.0% | ¥11,672,863 | 100.0% |

Note: The six currencies are broken down and shown by rank in terms of their outstanding balance as of March 31, 2016.

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

| Fiscal years ended March 31 | % | | |
|---|-------|-------|-------|
| | 2016 | 2015 | 2014 |
| Yield on overseas loans and investments | 3.21% | 3.66% | 2.98% |

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

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

| Fiscal years ended March 31 | Millions of Yen, % | | | | | |
|----------------------------------|--------------------|---------------|-----------------|---------------|-----------------|---------------|
| | 2016 | | 2015 | | 2014 | |
| Public bonds | | | | | | |
| National government bonds | ¥148,384 | 95.2% | ¥183,369 | 91.7% | ¥182,033 | 94.3% |
| Local government bonds | — | — | — | — | — | — |
| Government-guaranteed bonds | — | — | — | — | — | — |
| Subtotal | 148,384 | 95.2 | 183,369 | 91.7 | 182,033 | 94.3 |
| Loans | | | | | | |
| Public corporations and agencies | 7,442 | 4.8 | 6,322 | 3.2 | 3,430 | 1.8 |
| Other public entities | — | — | 10,340 | 5.2 | 7,509 | 3.9 |
| Subtotal | 7,442 | 4.8 | 16,662 | 8.3 | 10,939 | 5.7 |
| Total | ¥155,826 | 100.0% | ¥200,031 | 100.0% | ¥192,972 | 100.0% |

81. Breakdown of Other Assets (General Account)

| Fiscal year ended March 31 | Millions of Yen | | | | |
|-----------------------------------|------------------|----------------------------|----------------------------|--------------------------|----------------------------------|
| | Acquisition cost | Increase in current period | Decrease in current period | Accumulated depreciation | Balance at end of current period |
| Fiscal year ended March 31 | | | | | |
| | | | | | |
| Deferred assets | ¥ 6,603 | ¥2,129 | ¥ 534 | ¥4,139 | ¥ 4,058 |
| Others | 8,811 | 1,992 | 2,006 | 2,597 | 6,200 |
| Total | ¥15,414 | ¥4,121 | ¥2,540 | ¥6,736 | ¥10,258 |
| Fiscal year ended March 31 | | | | | |
| | | | | | |
| Deferred assets | ¥ 6,290 | ¥1,586 | ¥ 121 | ¥4,070 | ¥ 3,684 |
| Others | 8,704 | 1,896 | 1,789 | 2,643 | 6,168 |
| Total | ¥14,995 | ¥3,482 | ¥1,910 | ¥6,714 | ¥ 9,852 |
| Fiscal year ended March 31 | | | | | |
| | | | | | |
| Deferred assets | ¥ 7,645 | ¥ 574 | ¥ 104 | ¥5,130 | ¥ 2,984 |
| Others | 9,695 | 1,612 | 2,600 | 2,638 | 6,067 |
| Total | ¥17,340 | ¥2,186 | ¥2,704 | ¥7,769 | ¥ 9,052 |

83. Fair Value of Securities (General Account)

1. Valuation gains/losses of trading securities

Millions of Yen

| As of March 31 | 2016 | | 2015 | | 2014 | |
|--------------------|----------------------|---|----------------------|---|----------------------|---|
| | Balance sheet amount | Valuation gains/ losses included in profit and loss | Balance sheet amount | Valuation gains/ losses included in profit and loss | Balance sheet amount | Valuation gains/ losses included in profit and loss |
| Trading securities | ¥913 | ¥(65) | ¥— | ¥— | ¥— | ¥— |

Notes: 1. Balance sheet amounts of assets held in trust included in trading securities and valuation gains/losses included in profit and loss include net gains/losses on derivative transactions.
2. Figures above do not include cash, deposits and call loans within assets held in trust that are included in trading securities.

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

Millions of Yen

| As of March 31 | 2016 | | | | | 2015 | | | | |
|--|--------------------|--------------------|--------------------|--------------------|-------------------|--------------------|--------------------|--------------------|--------------------|------------------|
| | 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 | ¥20,561,330 | ¥25,052,761 | ¥ 4,491,430 | ¥ 4,491,476 | ¥ (46) | ¥20,673,896 | ¥23,292,429 | ¥ 2,618,532 | ¥ 2,618,977 | ¥ (444) |
| Held-to-maturity debt securities | — | — | — | — | — | — | — | — | — | — |
| Investments in subsidiaries and affiliates | 7,711 | 66,925 | 59,214 | 59,214 | — | 7,711 | 37,474 | 29,763 | 29,763 | — |
| Available-for-sale securities | 22,622,202 | 29,138,346 | 6,516,143 | 6,730,510 | (214,367) | 19,337,667 | 27,722,703 | 8,385,035 | 8,419,299 | (34,263) |
| Domestic bonds | 2,991,174 | 3,259,659 | 268,484 | 269,652 | (1,168) | 2,355,340 | 2,512,314 | 156,973 | 157,781 | (807) |
| Domestic stocks | 3,971,012 | 7,627,755 | 3,656,742 | 3,809,871 | (153,129) | 3,944,517 | 8,936,459 | 4,991,942 | 5,015,264 | (23,321) |
| Foreign securities | 13,612,891 | 16,016,923 | 2,404,031 | 2,453,632 | (49,600) | 11,889,668 | 15,009,565 | 3,119,897 | 3,129,530 | (9,633) |
| Foreign bonds | 11,480,603 | 13,353,311 | 1,872,708 | 1,903,204 | (30,496) | 9,752,012 | 12,005,458 | 2,253,446 | 2,255,097 | (1,651) |
| Foreign stocks and other securities | 2,132,287 | 2,663,611 | 531,323 | 550,428 | (19,104) | 2,137,655 | 3,004,106 | 866,451 | 874,432 | (7,981) |
| Other securities | 1,291,359 | 1,478,140 | 186,780 | 197,244 | (10,463) | 806,288 | 922,498 | 116,209 | 116,705 | (496) |
| Monetary receivables purchased | 25,464 | 25,571 | 107 | 109 | (2) | 38,852 | 38,866 | 13 | 16 | (2) |
| Negotiable certificates of deposit | 730,300 | 730,296 | (3) | 0 | (3) | 303,000 | 302,999 | (0) | 0 | (1) |
| Total | ¥43,191,244 | ¥54,258,032 | ¥11,066,788 | ¥11,281,201 | ¥(214,413) | ¥40,019,275 | ¥51,052,607 | ¥11,033,331 | ¥11,068,039 | ¥(34,707) |
| Domestic bonds | 23,086,371 | 27,802,985 | 4,716,613 | 4,717,784 | (1,171) | 22,497,508 | 25,233,003 | 2,735,494 | 2,736,685 | (1,191) |
| Domestic stocks | 3,971,012 | 7,627,755 | 3,656,742 | 3,809,871 | (153,129) | 3,944,517 | 8,936,459 | 4,991,942 | 5,015,264 | (23,321) |
| Foreign securities | 13,692,392 | 16,159,118 | 2,466,725 | 2,516,325 | (49,600) | 11,969,216 | 15,122,920 | 3,153,703 | 3,163,337 | (9,633) |
| Foreign bonds | 11,552,393 | 13,428,580 | 1,876,186 | 1,906,683 | (30,496) | 9,823,849 | 12,081,339 | 2,257,489 | 2,259,141 | (1,651) |
| Foreign stocks and other securities | 2,139,998 | 2,730,537 | 590,538 | 609,642 | (19,104) | 2,145,366 | 3,041,580 | 896,214 | 904,196 | (7,981) |
| Other securities | 1,291,359 | 1,478,140 | 186,780 | 197,244 | (10,463) | 806,288 | 922,498 | 116,209 | 116,705 | (496) |
| Monetary receivables purchased | 419,808 | 459,737 | 39,929 | 39,974 | (45) | 498,744 | 534,726 | 35,982 | 36,045 | (63) |
| Negotiable certificates of deposit | 730,300 | 730,296 | (3) | 0 | (3) | 303,000 | 302,999 | (0) | 0 | (1) |

| As of March 31 | 2014 | | | | |
|--|--------------------|--------------------|-------------------|-------------------|-------------------|
| Types of securities | Book value | Fair value | Net gains/ losses | Gains | Losses |
| Policy-reserve-matching bonds | ¥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 | 61,779 | 54,068 | 54,068 | — |
| Available-for-sale securities | 18,015,822 | 22,677,237 | 4,661,415 | 4,779,182 | (117,767) |
| Domestic bonds | 2,056,317 | 2,155,038 | 98,721 | 99,802 | (1,081) |
| Domestic stocks | 4,081,909 | 6,911,256 | 2,829,346 | 2,923,269 | (93,923) |
| Foreign securities | 11,109,726 | 12,793,176 | 1,683,449 | 1,704,975 | (21,525) |
| Foreign bonds | 9,031,217 | 10,143,846 | 1,112,629 | 1,131,575 | (18,945) |
| Foreign stocks and other securities | 2,078,509 | 2,649,329 | 570,820 | 573,399 | (2,579) |
| Other securities | 504,806 | 554,709 | 49,902 | 51,134 | (1,231) |
| Monetary receivables purchased | 28,061 | 28,057 | (4) | — | (4) |
| Negotiable certificates of deposit | 235,000 | 234,999 | (0) | 0 | (0) |
| Total | ¥38,159,910 | ¥44,675,402 | ¥6,515,492 | ¥6,641,999 | ¥(126,506) |
| Domestic bonds | 21,568,091 | 23,421,564 | 1,853,472 | 1,863,225 | (9,752) |
| Domestic stocks | 4,081,909 | 6,911,256 | 2,829,346 | 2,923,269 | (93,923) |
| Foreign securities | 11,199,464 | 12,940,877 | 1,741,412 | 1,762,938 | (21,526) |
| Foreign bonds | 9,113,244 | 10,229,768 | 1,116,523 | 1,135,470 | (18,946) |
| Foreign stocks and other securities | 2,086,220 | 2,711,108 | 624,888 | 627,467 | (2,579) |
| Other securities | 504,806 | 554,709 | 49,902 | 51,134 | (1,231) |
| Monetary receivables purchased | 570,636 | 611,996 | 41,359 | 41,430 | (70) |
| Negotiable certificates of deposit | 235,000 | 234,999 | (0) | 0 | (0) |

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

83. 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 | | 2016 | 2015 | 2014 |
| Policy-reserve-matching bonds | ¥ | — | ¥ — | ¥ — |
| Held-to-maturity debt securities | | — | — | — |
| Unlisted foreign bonds | | — | — | — |
| Others | | — | — | — |
| Investments in subsidiaries and affiliates | | 692,045 | 292,859 | 231,983 |
| Available-for-sale securities | | 863,780 | 899,785 | 994,216 |
| Unlisted domestic stocks (excluding over-the-counter stocks) | | 104,736 | 101,002 | 196,549 |
| Unlisted foreign stocks (excluding over-the-counter stocks) | | 525,736 | 587,413 | 622,487 |
| Unlisted foreign bonds | | — | — | — |
| Others | | 233,307 | 211,370 | 175,179 |
| Total | | ¥1,555,826 | ¥1,192,645 | ¥1,226,199 |

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, 2016: ¥37,482 million; March 31, 2015: ¥82,167 million; and March 31, 2014: ¥42,893 million.

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

| | | Millions of Yen | | |
|-----------------------------|--|-----------------|------|------|
| As of March 31 | | 2016 | 2015 | 2014 |
| Assets held in trust | | | | |
| Balance sheet amount | | ¥1,934 | ¥— | ¥— |
| Fair value | | 1,934 | — | — |
| Net gains/losses | | — | — | — |
| Gains | | — | — | — |
| Losses | | — | — | — |

Notes: 1. Fair value is based on a reasonably calculated price by the trustee of assets held in trust.
2. Balance sheet amount includes net gains/losses on derivative transactions within assets held in trust.

Assets held in trust for investment

| | | Millions of Yen | | | | | |
|-------------------------------------|----------------------|--|----------------------|--|----------------------|--|--|
| As of March 31 | 2016 | | 2015 | | 2014 | | |
| | Balance sheet amount | Valuation gains/losses included in profit and loss | Balance sheet amount | Valuation gains/losses included in profit and loss | Balance sheet amount | Valuation gains/losses included in profit and loss | |
| Assets held in trust for investment | ¥1,934 | ¥(65) | ¥— | ¥— | ¥— | ¥— | |

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

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

No ending balance as of March 31, 2016, 2015 or 2014.

85. Qualitative Information on Derivative Transactions (General Account)

1. Transaction details

The following are derivative transactions that the Company uses:

- Interest rate-related: Interest rate futures, interest rate swaps, and swaptions
- Currency-related: Foreign exchange forward contracts, currency options, and currency swaps
- Equity-related: Equity index futures, equity index options, equity options, and equity forwards
- 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

Equity option transactions:

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

Foreign exchange forward contracts 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 rate swap transactions and currency swaps:

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

Equity forward transactions:

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

The Company mainly applies the following hedge accounting methods: The exceptional accounting treatment ("*Tokurei-shori*") for interest rate swaps is applied to hedge the cash flow volatility of certain loans denominated in Japanese yen and certain loans denominated in foreign currencies; deferred hedge accounting for interest rate swaps is applied to hedge the interest rate fluctuation exposures on certain insurance policies, based on the Industry Audit Committee Report No. 26, "Accounting and Auditing Treatments related to Application of Accounting for Financial Instruments in the Insurance Industry" issued by the Japanese Institute of Certified Public Accountants; deferred hedge accounting and designated hedge accounting ("*Furiate-shori*") for currency swaps are applied to hedge the cash flow volatility caused by foreign exchange rate fluctuations on certain foreign currency-denominated bonds, certain foreign currency-denominated loans, and foreign currency-denominated subordinated corporate bonds issued by the Company; fair value hedge accounting and deferred hedge accounting for foreign exchange forward contracts are applied to hedge the price fluctuation exposures related to foreign exchange rate fluctuations on certain foreign currency-denominated bonds and other instruments and certain foreign currency-denominated stocks; and fair value hedge accounting for equity forward contracts is applied to hedge the price fluctuation exposures on certain domestic stocks. 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.

86. Credit Risk Amounts (General Account)

| As of March 31 | 2016 | | 2015 | | 2014 | |
|--|---|-------------------------|---|-------------------------|---|-------------------------|
| | Notional principal (contract amount) | Credit risk estimate | Notional principal (contract amount) | Credit risk estimate | Notional principal (contract amount) | Credit risk estimate |
| Interest rate swaps | ¥ 178,500 | ¥ 11,558 | ¥ — | ¥ — | ¥ — | ¥ — |
| Currency swaps | 1,194,471 | 103,902 | 956,429 | 64,984 | 775,154 | 54,399 |
| Foreign exchange forward contracts | 7,457,802 | 219,443 | 6,257,977 | 199,896 | 5,994,843 | 68,426 |
| Equity forward contracts | 210,088 | 15,758 | 40,532 | 2,857 | — | — |
| Equity options (purchase) | 257 | 69 | 295 | 105 | 227 | 46 |
| Other derivative financial instruments | — | — | — | — | — | — |
| Total | ¥9,041,119 | ¥350,732 | ¥7,255,234 | ¥267,843 | ¥6,770,226 | ¥122,872 |

Note: Excludes currency-related derivatives corresponding to assets and liabilities denominated in foreign currencies.

87. 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)

| As of March 31 | Millions of Yen | | | | | |
|------------------------------|-----------------|-------------------|-----------------|-----------|-----------|-------------------|
| | Interest rate | Currencies | Equities | Bonds | Others | Total |
| 2016 | | | | | | |
| Hedge accounting applied | ¥7,019 | ¥ (62,759) | ¥(8,055) | ¥— | ¥— | ¥ (63,794) |
| Hedge accounting not applied | (12) | (3,011) | 23 | — | — | (3,000) |
| Total | ¥7,007 | ¥ (65,770) | ¥(8,032) | ¥— | ¥— | ¥ (66,795) |
| 2015 | | | | | | |
| Hedge accounting applied | ¥ — | ¥(215,623) | ¥ (174) | ¥— | ¥— | ¥(215,798) |
| Hedge accounting not applied | — | 1 | 82 | — | — | 83 |
| Total | ¥ — | ¥(215,622) | ¥ (92) | ¥— | ¥— | ¥(215,714) |
| 2014 | | | | | | |
| Hedge accounting applied | ¥ — | ¥(278,457) | ¥ — | ¥— | ¥— | ¥(278,457) |
| Hedge accounting not applied | — | (2) | 25 | — | — | 22 |
| Total | ¥ — | ¥(278,459) | ¥ 25 | ¥— | ¥— | ¥(278,434) |

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

(2) Interest rate-related

| As of March 31 | Millions of Yen | | | | | | | |
|------------------|--|-------------|------------|----------------------|-----------------|------|----------------------|----|
| | Category | Type | 2016 | | | 2015 | | |
| Contract amount | | | Fair value | Net gains/ losses | Contract amount | | Net gains/ losses | |
| Over 1 year | | Over 1 year | | | | | | |
| Over-the-counter | Interest rate swaps | | | | | | | |
| | Receive fixed interest rate/ pay variable interest rate | ¥176,000 | ¥176,000 | ¥7,019 | ¥7,019 | ¥— | ¥— | ¥— |
| | Pay fixed interest rate/ receive variable interest rate | 2,500 | 2,500 | (11) | (11) | — | — | — |
| Total | | | | ¥7,007 | | | ¥— | |
| 2014 | | | | | | | | |
| Over-the-counter | Interest rate swaps | | | | | | | |
| | Receive fixed interest rate/ pay variable interest rate | ¥— | ¥— | ¥— | ¥— | ¥— | ¥— | ¥— |
| | Pay fixed interest rate/ receive variable interest rate | — | — | — | — | — | — | — |
| Total | | | | ¥— | | | ¥— | |

Note: Net gains/losses represent the fair value.

(Reference) Interest rate swap contracts by maturity dates

| | | Millions of Yen, % | | | | | | | | |
|----------------|--|---|---------------------------|----------------------------|----------------------------|-----------------------------|---------------|----------|-----------------|--|
| Maturity dates | | 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 | Total | | |
| 2016 | Interest rate swaps | Notional amount | ¥— | ¥— | ¥— | ¥— | ¥— | ¥176,000 | ¥176,000 | Business Performance Highlights |
| | Receive fixed interest rate/pay variable interest rate | Average fixed interest rate to receive | — | — | — | — | — | 0.79% | 0.79% | |
| | | Average variable interest rate to pay | — | — | — | — | — | 0.02% | 0.02% | |
| 2016 | Interest rate swaps | Notional amount | — | — | — | — | ¥1,500 | ¥1,000 | ¥2,500 | Nippon Life's Management Strategy |
| | Pay fixed interest rate/receive variable interest rate | Average fixed interest rate to pay | — | — | — | — | 0.25% | 0.16% | 0.21% | |
| | | Average variable interest rate to receive | — | — | — | — | 0.03% | 0.02% | 0.03% | |
| 2015 | Interest rate swaps | Notional amount | — | — | — | — | — | — | — | Initiatives for Stakeholders |
| | Receive fixed interest rate/pay variable interest rate | Average fixed interest rate to receive | — | — | — | — | — | — | — | |
| | | Average variable interest rate to pay | — | — | — | — | — | — | — | |
| 2014 | Interest rate swaps | Notional amount | — | — | — | — | — | — | — | Corporate Governance and Management of Nippon Life |
| | Pay fixed interest rate/receive variable interest rate | Average fixed interest rate to pay | — | — | — | — | — | — | — | |
| | | Average variable interest rate to receive | — | — | — | — | — | — | — | |
| 2014 | Interest rate swaps | Notional amount | — | — | — | — | — | — | — | Documents Related to Management |
| | Receive fixed interest rate/pay variable interest rate | Average fixed interest rate to receive | — | — | — | — | — | — | — | |
| | | Average variable interest rate to pay | — | — | — | — | — | — | — | |
| 2014 | Interest rate swaps | Notional amount | — | — | — | — | — | — | — | Financial Data |
| | Pay fixed interest rate/receive variable interest rate | Average fixed interest rate to pay | — | — | — | — | — | — | — | |
| | | Average variable interest rate to receive | — | — | — | — | — | — | — | |

87. 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 | | 2016 | | | | 2015 | | | |
|-------------------------|---|-------------------|------------------|------------------|-------------------|-------------------|----------------|------------------|-------------------|
| Category | Type | Contract amount | | Fair value | Net gains/losses | Contract amount | | Fair value | Net gains/losses |
| | | Over 1 year | | | | Over 1 year | | | |
| Over-the-counter | Foreign exchange forward contracts | | | | | | | | |
| | Sold | ¥7,431,623 | ¥ — | ¥ 113,472 | ¥ 113,472 | ¥6,363,628 | ¥ — | ¥ 108,878 | ¥ 108,878 |
| | U.S. Dollar | 4,762,411 | — | 71,132 | 71,132 | 3,926,740 | — | (1,002) | (1,002) |
| | Euro | 1,480,309 | — | 1,811 | 1,811 | 1,177,636 | — | 80,663 | 80,663 |
| | Purchased | 137,350 | — | 2,300 | 2,300 | 3,203 | — | 23 | 23 |
| | U.S. Dollar | 76,843 | — | (109) | (109) | 3,194 | — | 22 | 22 |
| | Euro | 19 | — | 0 | 0 | 9 | — | 0 | 0 |
| | Currency options | | | | | | | | |
| | Sold | | | | | | | | |
| | Call | | | | | | | | |
| | | — | — | — | — | — | — | — | — |
| | U.S. Dollar | [—] | [—] | — | — | [—] | [—] | — | — |
| | Euro | — | — | — | — | — | — | — | — |
| | Put | | | | | | | | |
| | | — | — | — | — | — | — | — | — |
| | U.S. Dollar | [—] | [—] | — | — | [—] | [—] | — | — |
| | Euro | — | — | — | — | — | — | — | — |
| | Purchased | | | | | | | | |
| | Call | | | | | | | | |
| | | — | — | — | — | — | — | — | — |
| | U.S. Dollar | [—] | [—] | — | — | [—] | [—] | — | — |
| | Euro | — | — | — | — | — | — | — | — |
| | Put | | | | | | | | |
| | | — | — | — | — | — | — | — | — |
| | U.S. Dollar | [—] | [—] | — | — | [—] | [—] | — | — |
| | Euro | — | — | — | — | — | — | — | — |
| | Currency swaps | 1,194,471 | 1,147,910 | (181,543) | (181,543) | 956,429 | 937,682 | (324,523) | (324,523) |
| | U.S. Dollar | 531,840 | 511,318 | (106,043) | (106,043) | 455,251 | 446,215 | (168,560) | (168,560) |
| | Euro | 471,011 | 444,971 | (77,719) | (77,719) | 398,270 | 388,559 | (131,035) | (131,035) |
| Total | | | | | ¥ (65,770) | | | | ¥(215,622) |

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

(3) Currency-related, continued

Millions of Yen

| As of March 31 | | 2014 | | | | |
|-----------------------|---|-------------------|----------------|-------------------|-------------------|---|
| Category | Type | Contract amount | | Fair value | Net gains/losses | |
| | | | Over 1 year | | | |
| Over-the-counter | Foreign exchange forward contracts | | | | | |
| | Sold | ¥5,909,183 | ¥ — | ¥ (84,878) | ¥ (84,878) | |
| | U.S. Dollar | 3,364,436 | — | (17,647) | (17,647) | |
| | Euro | 1,167,211 | — | (11,761) | (11,761) | |
| | Purchased | 774 | — | 6 | 6 | |
| | U.S. Dollar | 739 | — | 6 | 6 | |
| | Euro | 35 | — | 0 | 0 | |
| | Currency options | | | | | |
| | Sold | | | | | |
| | Call | | | | | |
| | | | — | — | — | — |
| | | | [—] | [—] | | |
| | | U.S. Dollar | — | — | — | — |
| | | | [—] | [—] | | |
| | | Euro | — | — | — | — |
| | | | [—] | [—] | | |
| | Put | | | | | |
| | | | — | — | — | — |
| | | | [—] | [—] | | |
| | | U.S. Dollar | — | — | — | — |
| | | | [—] | [—] | | |
| | | Euro | — | — | — | — |
| | | | [—] | [—] | | |
| Purchased | | | | | | |
| Call | | | | | | |
| | | — | — | — | — | |
| | | [—] | [—] | | | |
| | U.S. Dollar | — | — | — | — | |
| | | [—] | [—] | | | |
| | Euro | — | — | — | — | |
| | | [—] | [—] | | | |
| Put | | | | | | |
| | | — | — | — | — | |
| | | [—] | [—] | | | |
| | U.S. Dollar | — | — | — | — | |
| | | [—] | [—] | | | |
| | Euro | — | — | — | — | |
| | | [—] | [—] | | | |
| Currency swaps | | | | | | |
| | | 775,154 | 775,154 | (193,587) | (193,587) | |
| | U.S. Dollar | 360,642 | 360,642 | (69,508) | (69,508) | |
| | Euro | 365,624 | 365,624 | (116,616) | (116,616) | |
| Total | | | | | ¥(278,459) | |

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 represent the fair value for forward transactions and swap transactions, and the difference between option premiums and fair value for options transactions.

Business Performance Highlights

Nippon Life's Management Strategy

Initiatives for Stakeholders

Corporate Governance and Management of Nippon Life

Documents Related to Management

Financial Data

Operational Data

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

(4) Equity-related

Millions of Yen

| As of March 31 | | 2016 | | | | 2015 | | | | |
|------------------|--------------------------|-----------------|------|------------|------------------|-----------------|------|------------|------------------|------------|
| Category | Type | Contract amount | | Fair value | Net gains/losses | Contract amount | | Fair value | Net gains/losses | |
| | | Over 1 year | | | | Over 1 year | | | | |
| Over-the-counter | Equity forward contracts | | | | | | | | | |
| | Sold | ¥204,474 | ¥— | ¥(8,080) | ¥(8,080) | ¥40,731 | ¥— | ¥(174) | ¥(174) | |
| | Purchased | — | — | — | — | — | — | — | — | |
| | Equity options | | | | | | | | | |
| | Sold | | | | | | | | | |
| | Call | — | — | — | — | — | — | — | — | |
| | Put | [—] | [—] | — | — | [—] | [—] | — | — | |
| | Purchased | | | | | | | | | |
| | Call | 257 | 257 | 104 | 48 | 295 | 295 | 138 | 82 | |
| | Put | [55] | [55] | — | — | [55] | [55] | — | — | |
| | | [—] | [—] | — | — | [—] | [—] | — | — | |
| Total | | | | | | | | | ¥(8,032) | |
| | | | | | | | | | ¥(92) | |
| As of March 31 | | 2014 | | | | | | | | |
| Category | Type | Contract amount | | Fair value | Net gains/losses | | | | | |
| | | Over 1 year | | | | | | | | |
| Over-the-counter | Equity forward contracts | | | | | | | | | |
| | Sold | ¥— | ¥— | ¥— | ¥— | | | | | |
| | Purchased | — | — | — | — | | | | | |
| | Equity options | | | | | | | | | |
| | Sold | | | | | | | | | |
| | Call | — | — | — | — | | | | | |
| | Put | [—] | [—] | — | — | | | | | |
| | Purchased | | | | | | | | | |
| | Call | 227 | 227 | 81 | 25 | | | | | |
| | Put | [55] | [55] | — | — | | | | | |
| | | [—] | [—] | — | — | | | | | |
| Total | | | | | | | | | | ¥25 |

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

(5) Bond-related

No ending balance as of March 31, 2016, 2015 or 2014.

(6) Others

No ending balance as of March 31, 2016, 2015 or 2014.

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.

88. Balance of Separate Account Assets

| As of March 31 | Millions of Yen, % | | | | | |
|-------------------------------|--------------------|---------------|-------------------|---------------|-------------------|---------------|
| | 2016 | | 2015 | | 2014 | |
| Individual variable insurance | ¥ 113,805 | 8.3% | ¥ 131,518 | 11.8% | ¥ 116,835 | 9.5% |
| Individual variable annuities | 52,973 | 3.8 | 77,605 | 7.0 | 100,517 | 8.2 |
| Group annuities | 1,211,177 | 87.9 | 904,386 | 81.2 | 1,010,045 | 82.3 |
| Separate account total | ¥1,377,955 | 100.0% | ¥1,113,510 | 100.0% | ¥1,227,398 | 100.0% |

89. Asset Management Overview for the Fiscal Year Ended March 31, 2016 (Separate Account Assets for Individual Variable Insurance and Individual Variable Annuities)

In the fiscal year ended March 31, 2016, 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 rose due to improvement in corporate earnings and expectation toward public pension fund investment reform. However, in August, stock prices declined sharply over concerns of a slowdown in the Chinese economy, and from the start of 2016, they declined over concerns of a slowdown in the global economy and as a consequence of the strengthening yen. Over the fiscal year as a whole, the market declined considerably with the Nikkei Stock Average decreasing approximately 12%.

Amid this operating environment, the investment return on individual variable insurance for the fiscal year ended March 31, 2016, was negative at 6.56%.

This also represented investment return of 105.30% (2.48% 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

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

| As of March 31 | Number of Policies, Millions of Yen | | | | | |
|--|-------------------------------------|-----------------|---------------|-----------------|---------------|-----------------|
| | 2016 | | 2015 | | 2014 | |
| | Policies | Amount | Policies | Amount | Policies | Amount |
| Variable insurance (defined term type) | 1,627 | ¥ 7,735 | 1,724 | ¥ 8,382 | 1,820 | ¥ 8,931 |
| Variable insurance (whole life type) | 33,983 | 494,469 | 34,665 | 513,177 | 35,433 | 531,558 |
| Total | 35,610 | ¥502,204 | 36,389 | ¥521,560 | 37,253 | ¥540,490 |

Note: Amounts include term life insurance riders.

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

| As of March 31 | Millions of Yen, % | | | | | |
|-------------------------------------|--------------------|---------------|-----------------|---------------|-----------------|---------------|
| | 2016 | | 2015 | | 2014 | |
| Cash, deposits and call loans | ¥ 7,039 | 6.2% | ¥ 4,013 | 3.1% | ¥ 5,013 | 4.3% |
| Investments in securities | 89,384 | 78.5 | 119,486 | 90.9 | 104,906 | 89.8 |
| Domestic bonds | 13,049 | 11.5 | 25,449 | 19.4 | 28,784 | 24.6 |
| Domestic stocks | 37,522 | 33.0 | 51,154 | 38.9 | 36,538 | 31.3 |
| Foreign securities | 38,812 | 34.1 | 42,882 | 32.6 | 39,584 | 33.9 |
| Foreign bonds | 13,016 | 11.4 | 13,432 | 10.2 | 14,253 | 12.2 |
| Foreign stocks and other securities | 25,796 | 22.7 | 29,449 | 22.4 | 25,331 | 21.7 |
| Other securities | — | — | — | — | — | — |
| Loans | — | — | — | — | — | — |
| Others | 17,380 | 15.3 | 8,018 | 6.1 | 6,915 | 5.9 |
| Allowance for doubtful accounts | — | — | — | — | — | — |
| Total | ¥113,805 | 100.0% | ¥131,518 | 100.0% | ¥116,835 | 100.0% |

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

| Fiscal years ended March 31 | Millions of Yen | | |
|---|-----------------|----------------|----------------|
| | 2016 | 2015 | 2014 |
| Interest, dividends, and other income | ¥ 2,139 | ¥ 2,228 | ¥ 2,097 |
| Gain on sales of securities | 8,556 | 10,153 | 11,538 |
| Gain on redemptions of securities | — | 0 | — |
| Gain on valuation of securities | (11,528) | 9,477 | 2,179 |
| Foreign exchange gains, net | — | 85 | 18 |
| Gain on derivative financial instruments, net | — | 1,631 | — |
| Other investment income | 19 | 15 | 8 |
| Loss on sales of securities | 2,398 | 1,499 | 1,286 |
| Loss on redemptions of securities | — | 0 | 0 |
| Loss on valuation of securities | 3,473 | (213) | (720) |
| Foreign exchange losses, net | 102 | — | — |
| Loss on derivative financial instruments, net | 688 | — | 124 |
| Other investment expenses | 3 | 3 | 1 |
| Net investment income | ¥(7,479) | ¥22,301 | ¥15,150 |

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.

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

Valuation gains/losses on trading securities

| As of March 31 | Millions of Yen | | | | | |
|--------------------|----------------------|--|----------------------|--|----------------------|--|
| | 2016 | | 2015 | | 2014 | |
| | Balance sheet amount | Valuation gains/losses included in profit and loss | Balance sheet amount | Valuation gains/losses included in profit and loss | Balance sheet amount | Valuation gains/losses included in profit and loss |
| Trading securities | ¥89,384 | ¥(15,002) | ¥119,486 | ¥9,691 | ¥104,906 | ¥2,900 |

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

No ending balance as of March 31, 2016, 2015 or 2014.

95. 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 forward contracts |
| Equity-related: | Equity index futures |
| Bond-related: | Bond futures |

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 based on reference prices, such as the TTM rate and discount rates, matched to certain assets and liabilities denominated in foreign currencies.

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

96. 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 | | | | | | |
| As of March 31 2016 | | | | | | |
| Hedge accounting applied | ¥— | ¥ — | ¥— | ¥— | ¥— | ¥ — |
| Hedge accounting not applied | — | (43) | 64 | 0 | — | 21 |
| Total | ¥— | ¥(43) | ¥64 | ¥0 | ¥— | ¥21 |
| As of March 31 2015 | | | | | | |
| Hedge accounting applied | ¥— | ¥ — | ¥— | ¥— | ¥— | ¥ — |
| Hedge accounting not applied | — | (48) | 20 | — | — | (27) |
| Total | ¥— | ¥(48) | ¥20 | ¥— | ¥— | ¥(27) |
| As of March 31 2014 | | | | | | |
| Hedge accounting applied | ¥— | ¥ — | ¥— | ¥— | ¥— | ¥ — |
| Hedge accounting not applied | — | 4 | 70 | — | — | 74 |
| Total | ¥— | ¥ 4 | ¥70 | ¥— | ¥— | ¥ 74 |

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, 2016, 2015 or 2014.

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

(3) Currency-related

Millions of Yen

| As of March 31 | | 2016 | | | | 2015 | | | |
|------------------|------------------------------------|-----------------|----|------------|------------------|-----------------|----|------------|------------------|
| Category | Type | Contract amount | | Fair value | Net gains/losses | Contract amount | | Fair value | Net gains/losses |
| | | Over 1 year | | | | Over 1 year | | | |
| Over-the-counter | Foreign exchange forward contracts | | | | | | | | |
| | Sold | ¥ 7,371 | ¥— | ¥(85) | ¥(85) | ¥5,317 | ¥— | ¥(27) | ¥(27) |
| | U.S. Dollar | 2,774 | — | 2 | 2 | 1,250 | — | (3) | (3) |
| | Euro | 3,579 | — | (72) | (72) | 3,022 | — | (30) | (30) |
| | Purchased | 10,406 | — | 42 | 42 | 7,509 | — | (21) | (21) |
| | U.S. Dollar | 6,487 | — | (16) | (16) | 4,651 | — | (34) | (34) |
| | Euro | 2,434 | — | 37 | 37 | 2,041 | — | 16 | 16 |
| Total | | | | | ¥(43) | | | | ¥(48) |

| As of March 31 | | 2014 | | | |
|------------------|------------------------------------|-----------------|----|------------|------------------|
| Category | Type | Contract amount | | Fair value | Net gains/losses |
| | | Over 1 year | | | |
| Over-the-counter | Foreign exchange forward contracts | | | | |
| | Sold | ¥3,230 | ¥— | ¥ 2 | ¥ 2 |
| | U.S. Dollar | 908 | — | (3) | (3) |
| | Euro | 1,890 | — | 9 | 9 |
| | Purchased | 3,212 | — | 1 | 1 |
| | U.S. Dollar | 2,380 | — | 3 | 3 |
| | Euro | 485 | — | (3) | (3) |
| Total | | | | | ¥ 4 |

Note: Net gains/losses represent the fair value.

(4) Equity-related

Millions of Yen

| As of March 31 | | 2016 | | | | 2015 | | | |
|-----------------|----------------------|-----------------|----|------------|------------------|-----------------|----|------------|------------------|
| Category | Type | Contract amount | | Fair value | Net gains/losses | Contract amount | | Fair value | Net gains/losses |
| | | Over 1 year | | | | Over 1 year | | | |
| Exchange-traded | Equity index futures | | | | | | | | |
| | Sold | ¥ — | ¥— | ¥— | ¥— | ¥2,233 | ¥— | ¥ (4) | ¥ (4) |
| | Purchased | 10,784 | — | 64 | 64 | 2,165 | — | 24 | 24 |
| Total | | | | | ¥64 | | | | ¥20 |

| As of March 31 | | 2014 | | | |
|-----------------|----------------------|-----------------|----|------------|------------------|
| Category | Type | Contract amount | | Fair value | Net gains/losses |
| | | Over 1 year | | | |
| Exchange-traded | Equity index futures | | | | |
| | Sold | ¥ 9 | ¥— | ¥ (0) | ¥ (0) |
| | Purchased | 1,842 | — | 70 | 70 |
| Total | | | | | ¥70 |

Note: Net gains/losses represent the fair value.

(5) Bond-related

Millions of Yen

| As of March 31 | | 2016 | | | | 2015 | | | |
|-----------------|--------------|-----------------|----|------------|------------------|-----------------|----|------------|------------------|
| Category | Type | Contract amount | | Fair value | Net gains/losses | Contract amount | | Fair value | Net gains/losses |
| | | Over 1 year | | | | Over 1 year | | | |
| Exchange-traded | Bond futures | | | | | | | | |
| | Sold | ¥454 | ¥— | ¥ 0 | ¥ 0 | ¥— | ¥— | ¥— | ¥— |
| | Purchased | — | — | — | — | — | — | — | — |
| Total | | | | | ¥ 0 | | | | ¥— |

| As of March 31 | | 2014 | | | |
|-----------------|--------------|-----------------|----|------------|------------------|
| Category | Type | Contract amount | | Fair value | Net gains/losses |
| | | Over 1 year | | | |
| Exchange-traded | Bond futures | | | | |
| | Sold | ¥— | ¥— | ¥— | ¥— |
| | Purchased | — | — | — | — |
| Total | | | | | ¥— |

Note: Net gains/losses represent the fair value.

(6) Others

No ending balance as of March 31, 2016, 2015 or 2014.

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

| As of March 31 | 2016 | | 2015 | | 2014 | |
|-------------------------------|----------|---------|----------|---------|----------|----------|
| | Policies | Value | Policies | Value | Policies | Value |
| Individual variable annuities | 7,501 | ¥52,972 | 10,443 | ¥77,604 | 14,505 | ¥100,516 |

Note: Amounts represent policy reserves.

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

| As of March 31 | 2016 | | 2015 | | 2014 | |
|-------------------------------------|----------------|---------------|----------------|---------------|-----------------|---------------|
| | ¥ | —% | ¥ | —% | ¥ | —% |
| Cash, deposits and call loans | — | — | — | — | — | — |
| Investments in securities | 51,114 | 96.5 | 75,228 | 96.9 | 97,993 | 97.5 |
| Domestic bonds | 12,853 | 24.3 | 13,859 | 17.9 | 17,947 | 17.9 |
| Domestic stocks | — | — | — | — | — | — |
| Foreign securities | — | — | — | — | — | — |
| Foreign bonds | — | — | — | — | — | — |
| Foreign stocks and other securities | — | — | — | — | — | — |
| Other securities | 38,261 | 72.2 | 61,368 | 79.1 | 80,045 | 79.6 |
| Loans | — | — | — | — | — | — |
| Others | 1,858 | 3.5 | 2,376 | 3.1 | 2,523 | 2.5 |
| Allowance for doubtful accounts | — | — | — | — | — | — |
| Total | ¥52,973 | 100.0% | ¥77,605 | 100.0% | ¥100,517 | 100.0% |

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

| Fiscal years ended March 31 | 2016 | 2015 | 2014 |
|---|----------------|----------------|----------------|
| Interest, dividends, and other income | ¥ 7,176 | ¥ 8,600 | ¥ 7,973 |
| Gain on sales of securities | 455 | 789 | 861 |
| Gain on redemptions of securities | — | — | — |
| Gain on valuation of securities | (8,150) | 3,270 | 4,083 |
| Foreign exchange gains, net | — | — | — |
| Gain on derivative financial instruments, net | — | — | — |
| Other investment income | 0 | 0 | 0 |
| Loss on sales of securities | 0 | 2 | 10 |
| Loss on redemptions of securities | — | — | — |
| Loss on valuation of securities | — | (28) | (141) |
| Foreign exchange losses, net | — | — | — |
| Loss on derivative financial instruments, net | — | — | — |
| Other investment expenses | 0 | 0 | 0 |
| Net investment income | ¥ (519) | ¥12,688 | ¥13,049 |

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.

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

Valuation gains/losses on trading securities

| As of March 31 | 2016 | | 2015 | | 2014 | |
|--------------------|----------------------|--|----------------------|--|----------------------|--|
| | Balance sheet amount | Valuation gains/losses included in profit and loss | Balance sheet amount | Valuation gains/losses included in profit and loss | Balance sheet amount | Valuation gains/losses included in profit and loss |
| Trading securities | ¥51,114 | ¥(8,150) | ¥75,228 | ¥3,299 | ¥97,993 | ¥4,225 |

Millions of Yen

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

No ending balance as of March 31, 2016, 2015 or 2014.

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

No ending balance as of March 31, 2016, 2015 or 2014.

103. 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, 2016, 2015 or 2014.

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

| As of March 31 | Millions of Yen | | |
|------------------------------------|-------------------|-----------------|-------------------|
| | 2016 | 2015 | 2014 |
| Separate account 1st treaty | ¥ 853,452 | ¥886,795 | ¥ 839,711 |
| Comprehensive account | 334,407 | 391,970 | 387,338 |
| Stable income account | 280,707 | 230,987 | 169,983 |
| Account by investment categories | 238,337 | 263,836 | 282,388 |
| Separate account 2nd treaty | 340,839 | 0 | 155,225 |
| Defined contribution pension plans | 16,885 | 17,591 | 15,109 |
| Total | ¥1,211,177 | ¥904,386 | ¥1,010,045 |

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

105. 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, 2016

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, 2016

From midyear until the end of the fiscal year, stock markets on a global scale weakened mainly due to a drop in crude oil prices and concerns of a slowdown in the Chinese economy. Domestic bonds rose 6.29%, domestic stocks declined 12.57%, foreign bonds declined 2.66% and foreign stocks declined 9.92%. Investment return for the fiscal year (percentage change in the unit price) was -6.65%.

2. Asset allocation in the fiscal year ended March 31, 2016 (Comprehensive Account)

| Asset allocation | 2016 | Asset allocation results (Fiscal years ended March 31) | | | | | Asset management results compared with standard asset allocation for 2016 |
|--|---------------|--|---------------|---------------|---------------|---------------------|--|
| | | 2016 | | | | | |
| | | End of Mar. | End of Dec. | End of Sept. | End of June | 2015 End of Mar. | |
| Japanese yen-denominated bonds | 30.0% | 19.0% | 13.9% | 23.4% | 22.2% | 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 | 35.6 | 42.0 | 36.8 | 36.8 | 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 | 11.0 | 10.1 | 10.8 | 11.4 | 10.5 | 9.9 | The percentage of asset allocation to bonds denominated in foreign currencies on a yearly basis was low early in the fiscal year and mostly held low throughout the fiscal year. |
| Foreign currency-denominated stocks* | 24.0 | 29.8 | 27.4 | 25.1 | 25.5 | 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 | 5.5 | 5.8 | 3.3 | 5.0 | 4.9 | — |
| Total | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | — |

* Regarding allocation to stocks denominated in foreign currencies of 24.0%, 2.0% was allocated to stocks in emerging countries (Asia).

105. 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 | | |
|--|-----------------|-----------------|-----------------|
| | 2016 | 2015 | 2014 |
| | Fair value | Fair value | Fair value |
| Japanese yen-denominated bonds | ¥ 58,440 | ¥ 88,164 | ¥105,294 |
| Japanese yen-denominated stocks | 109,308 | 141,749 | 121,948 |
| Foreign currency-denominated bonds | 31,155 | 37,851 | 46,525 |
| Foreign currency-denominated stocks | 91,479 | 95,671 | 84,978 |
| Call loans and other short-term assets | 16,841 | 18,915 | 23,368 |
| Total | ¥307,224 | ¥382,350 | ¥382,113 |

4. Investment return ratio (Comprehensive Account)

| Fiscal years ended March 31 | % | | |
|-----------------------------|---------|--------|--------|
| | 2016 | 2015 | 2014 |
| Unit price fluctuation | (6.65)% | 20.22% | 14.83% |

106. 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, 2016 (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, 2016

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, 2016 (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, 2016

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, 2016

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, 2016

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, 2016

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.

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

(5) 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, 2016**

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

(6) 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, 2016**

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

(7) 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, 2016**

Throughout the fiscal year, the Company made flexible adjustments to the duration. Regarding the country allocation, the weighting was increased for European quasi-core and periphery countries and other areas in response to a continuation of monetary easing by the ECB.

(8) 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, 2016**

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

(9) 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, 2016**

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.

(10) 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, 2016**

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

(11) 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, 2016**

In the interest of maintaining liquidity and in pursuit of stable earnings, the Company invested mainly in overnight unsecured call loans.

106. 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 | | |
|---|-----------------|-----------------|-----------------|
| | 2016 | 2015 | 2014 |
| | Fair value | Fair value | Fair value |
| Stable income account | ¥278,440 | ¥229,945 | ¥158,361 |
| Domestic bond accounts | 77,552 | 77,846 | 77,752 |
| Market Tracking Domestic Bond Account | 40,903 | 19,747 | 10,349 |
| Domestic stock accounts | 17,301 | 20,176 | 19,896 |
| Quantitative Investment Management Domestic Stock Account | 1,099 | 2,934 | 2,479 |
| OTC/small-cap equity accounts | 0 | 0 | 95 |
| Market Tracking Domestic Stock Account | 10,722 | 20,071 | 10,778 |
| Foreign bond accounts | 25,496 | 30,104 | 19,335 |
| Foreign bond accounts with currency hedging | 1,270 | 1,613 | 22,593 |
| Market Tracking Foreign Bond Account | 11,985 | 18,348 | 12,221 |
| Foreign stock accounts | 16,834 | 17,283 | 20,841 |
| Market Tracking Foreign Stock Account | 15,298 | 29,679 | 15,416 |
| Money market accounts | 15,380 | 18,673 | 49,324 |
| Total | ¥512,279 | ¥486,418 | ¥419,438 |

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

| Fiscal years ended March 31 | % | | |
|---|------------------------|------------------------|------------------------|
| | 2016 | 2015 | 2014 |
| | Unit price fluctuation | Unit price fluctuation | Unit price fluctuation |
| Stable income account | (0.17)% | 3.18% | 1.48% |
| Domestic bond accounts | 5.85 | 3.61 | 0.62 |
| Market Tracking Domestic Bond Account | 5.43 | 2.96 | 0.46 |
| Domestic stock accounts | (10.39) | 30.99 | 18.54 |
| Quantitative Investment Management Domestic Stock Account | (10.84) | 31.55 | 18.18 |
| OTC/small-cap equity accounts | — | 9.63 | 23.67 |
| Market Tracking Domestic Stock Account | (10.76) | 30.81 | 18.08 |
| Foreign bond accounts | (2.62) | 12.94 | 15.39 |
| Foreign bond accounts with currency hedging | 1.38 | 10.17 | 1.63 |
| Market Tracking Foreign Bond Account | (2.66) | 12.16 | 15.25 |
| Foreign stock accounts | (8.30) | 23.98 | 31.27 |
| Market Tracking Foreign Stock Account | (8.79) | 23.89 | 31.58 |
| Money market accounts | 0.08 | 0.09 | 0.08 |

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

107. 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. The Nippon Life Group has ten consolidated subsidiaries and ten equity method affiliates. (See p. 117)

• Life Insurance Business Field

In order to flexibly respond to our customers' various needs, we made MITSUI LIFE INSURANCE COMPANY LIMITED ("Mitsui Life") a consolidated subsidiary in December 2015. Mitsui Life's revenues from insurance and reinsurance in the previous fiscal year was ¥550.1 billion (+0.9% year on year), its ordinary profit was ¥41.8 billion (−17.5%) and its net income was ¥20.3 billion (+103.6%). Since it became a subsidiary, its consolidated revenues from insurance and reinsurance in the fourth quarter was ¥147.3 billion, its ordinary profit was ¥10.7 billion and its net income was ¥2.0 billion.

• 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, 2016, Nissay Asset Management recorded a 13.2% year-on-year increase in assets under management to

¥9,850.9 billion, including a 7.5% decrease in the investment advisory business to ¥4,291.4 billion and a 36.9% increase in the investment trusts business to ¥5,559.4 billion. Ordinary profit at Nissay Asset Management was ¥10.9 billion with net income of ¥7.4 billion.

• Information Technology Field

Our activities in information technology were mainly centered on Nissay Information Technology Co., Ltd. In addition to the system development of *Long Dream GOLD* and *Wrap Dream*, products marketed through bancassurance channels, we built systems relating to the new social security and tax number system.

In the fiscal year ended March 31, 2016, Nissay Information Technology had sales of ¥68.0 billion, up 26.1% year on year, ordinary profit of ¥4.0 billion, up 72.9% year on year, and net income of ¥2.8 billion, up 114.0% year on year.

* The amounts for fiscal year ended March 31, 2016, include the operating results resulting from the merger with Nissay Computer Co., Ltd.

As a result of these overall activities, consolidated total ordinary income amounted to ¥8,057.5 billion, up 8.7% year on year. Total ordinary expenses amounted to ¥7,496.2 billion, up 10.4% year on year, while ordinary profit was ¥561.3 billion, down 9.3%. After provision for reserve for dividends to policyholders (limited company), income taxes, noncontrolling interests, extraordinary gains of ¥112.0 billion and extraordinary losses of ¥188.3 billion, net surplus attributable to the parent company in the current year increased by 31.0% to ¥403.4 billion. On the consolidated balance sheet, surplus at the end of the fiscal year amounted to ¥630.7 billion and total assets rose 12.7% to ¥70,607.9 billion.

108. Principal Indicators of Operating Performance (Consolidated)

| | Billions of Yen | | |
|--|-----------------|-----------|-----------|
| Fiscal years ended March 31 | 2016 | 2015 | 2014 |
| Total ordinary income | ¥ 8,057.5 | ¥ 7,410.0 | ¥ 6,829.2 |
| Ordinary profit | 561.3 | 618.6 | 523.2 |
| Net surplus attributable to the parent company | 403.4 | 308.0 | 247.1 |
| Comprehensive (loss) income | (809.7) | 2,958.6 | 985.0 |
| Net cash provided by operating activities | 2,719.0 | 1,788.1 | 1,521.4 |
| Net cash used in investing activities | (2,663.6) | (1,774.7) | (1,461.8) |
| Net cash provided by (used in) financing activities | 268.5 | 201.3 | (25.8) |

Note: From the fiscal year ended March 31, 2016, "net surplus (net loss)" has been presented as "net surplus (net loss) attributable to the parent company."

| | Billions of Yen, Number, % | | |
|---|----------------------------|-----------|-----------|
| As of March 31 | 2016 | 2015 | 2014 |
| Total assets | ¥70,607.9 | ¥62,648.6 | ¥57,090.2 |
| Solvency margin ratio | 922.7% | 943.3% | 795.5% |
| Cash and cash equivalents at the end of the year | 1,410.5 | 1,086.5 | 872.0 |
| Number of consolidated subsidiaries and affiliates | 10 | 9 | 9 |
| Number of affiliates accounted for under the equity method | 10 | 5 | 5 |
| Number of employees | 83,707 | 73,610 | 73,578 |

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.

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

| | | Millions of Yen, % | | |
|-----------------------------------|----------------------|--------------------|--------------------|--------------------|
| As of March 31 | | 2016 | 2015 | 2014 |
| Bankrupt and quasi-bankrupt loans | 1 | ¥ 10,396 | ¥ 10,650 | ¥ 11,728 |
| Doubtful loans | 2 | 20,622 | 23,678 | 22,685 |
| Substandard loans | 3 | 4,029 | 4,107 | 4,749 |
| Subtotal | | 35,048 | 38,436 | 39,163 |
| [Ratio to total] | | [0.32%] | [0.35%] | [0.34%] |
| Normal loans | 4 | 10,965,012 | 10,971,009 | 11,318,802 |
| Total | 1 + 2 + 3 + 4 | ¥11,000,061 | ¥11,009,446 | ¥11,357,965 |

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 ¥1,333 million, ¥743 million and ¥1,082 million as of March 31, 2016, 2015 and 2014, respectively.

110. Status of Risk-Monitored Loans (Consolidated)

| | | Millions of Yen, % | | |
|---|----------------------|--------------------|----------------|----------------|
| As of March 31 | | 2016 | 2015 | 2014 |
| Loans to bankrupt borrowers | 1 | ¥ 1,978 | ¥ 2,181 | ¥ 2,336 |
| Delinquent loans | 2 | 29,031 | 32,127 | 32,074 |
| Loans that are delinquent for over three months | 3 | — | — | 23 |
| Restructured loans | 4 | 4,029 | 4,107 | 4,726 |
| Total | 1 + 2 + 3 + 4 | ¥35,039 | ¥38,417 | ¥39,160 |
| [Ratio to total loans] | | [0.37%] | [0.46%] | [0.46%] |

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 ¥867 million, ¥315 million and ¥356 million as of March 31, 2016, 2015 and 2014, respectively. The amounts of delinquent loans were ¥465 million, ¥427 million and ¥726 million as of March 31, 2016, 2015 and 2014, 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 Companies 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.

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

| As of March 31 | | 2016 | 2015 | 2014 |
|---|---|-----------------|---------------|---------------|
| | | Millions of Yen | | |
| Solvency margin gross amount | (A) | ¥12,479,088 | ¥13,303,975 | ¥9,434,311 |
| Foundation funds (<i>kikin</i>) and other reserve funds: | | 4,390,194 | 3,876,544 | 3,486,074 |
| Foundation funds and others | | 1,730,592 | 1,559,750 | 1,547,207 |
| Reserve for price fluctuations in investments in securities | | 963,730 | 778,723 | 623,312 |
| Contingency reserve | | 1,425,637 | 1,250,248 | 1,005,760 |
| Extraordinary contingency reserve | | — | — | — |
| General allowance for doubtful accounts | | 3,441 | 4,139 | 6,071 |
| Others | | 266,792 | 283,681 | 303,722 |
| Net unrealized gains on available-for-sale securities (before tax) and deferred losses on derivatives under hedge accounting (before tax) × 90% | | 5,730,365 | 7,594,244 | 4,225,944 |
| Net unrealized gains on real estate × 85% | | 131,422 | 73,241 | 28,638 |
| Total amount of unrecognized actuarial gains/losses and unrecognized prior service cost | | (41,133) | (42,670) | 28,983 |
| Excess of continued Zillmerized reserve | | 1,604,361 | 1,509,979 | 1,552,382 |
| Qualifying subordinated debt | | 800,825 | 399,590 | 157,040 |
| Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculations | | — | — | — |
| Deduction clause | | (205,561) | (157,665) | (100,279) |
| Others | | 68,614 | 50,711 | 55,528 |
| 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) | 2,704,855 | 2,820,475 | 2,371,701 |
| Underwriting risk | R ₁ | 145,594 | 127,656 | 131,177 |
| General underwriting risk | R ₅ | — | — | — |
| Huge disaster risk | R ₆ | — | — | — |
| Underwriting risk of third-sector insurance | R ₈ | 87,509 | 78,260 | 77,619 |
| Underwriting risk related to small amount and short-term insurance providers | R ₉ | — | — | — |
| Anticipated yield risk | R ₂ | 446,886 | 386,107 | 389,635 |
| Minimum guarantee risk | R ₇ | 16,854 | 5,820 | 5,870 |
| Investment risk | R ₃ | 2,173,426 | 2,361,668 | 1,916,372 |
| Business management risk | R ₄ | 57,405 | 59,190 | 50,413 |
| Solvency margin ratio | $\frac{(A)}{(1/2) \times (B)} \times 100$ | 922.7% | 943.3% | 795.5% |

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

3. From March 31, 2016, net unrealized gains/losses on available-for-sale securities, as shown previously, have been reclassified as net unrealized gains/losses on available-for-sale securities (before tax) and deferred gains/losses on derivatives under hedge accounting (before tax). (Figures as of March 31, 2015 and 2014, are presented based on the previous standard.)

Business Performance
Highlights

Nippon Life's
Management Strategy

Initiatives for Stakeholders

Corporate Governance and
Management of Nippon Life

Documents Related to
Management

Financial Data

Operational Data

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

MITSUI LIFE INSURANCE COMPANY LIMITED

| As of March 31 | | 2016 | 2015 | 2014 |
|--|---|-----------------|---------------|---------------|
| | | Millions of Yen | | |
| Solvency margin gross amount | (A) | ¥838,741 | ¥837,731 | ¥667,057 |
| Capital stock and others | | 266,494 | 246,138 | 236,382 |
| Reserve for price fluctuations in investments in securities | | 16,346 | 14,045 | 11,976 |
| Contingency reserve | | 25,046 | 36,143 | 39,408 |
| General allowance for doubtful accounts | | 146 | 195 | 291 |
| Net unrealized gains/losses on available-for-sale securities (before tax) and deferred gains/losses on derivatives under hedge accounting (before tax) × 90% | | 238,524 | 273,443 | 146,737 |
| Net unrealized gains/losses on real estate × 85% (100% in the case of net unrealized losses) | | (23,220) | (26,796) | (45,674) |
| Excess of continued Zillmerized reserve | | 144,602 | 131,139 | 119,817 |
| Qualifying subordinated debt | | 150,000 | 150,000 | 152,700 |
| Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculations | | — | — | — |
| Deduction clause | | (113) | (113) | (5,000) |
| Others | | 20,913 | 13,535 | 10,418 |
| Total amount of risk $[(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2]^{1/2} + R_4$ | (B) | 201,210 | 206,230 | 205,710 |
| Underwriting risk | R ₁ | 20,791 | 21,047 | 21,761 |
| Underwriting risk of third-sector insurance | R ₈ | 8,146 | 8,288 | 8,486 |
| Anticipated yield risk | R ₂ | 62,284 | 66,991 | 71,536 |
| Minimum guarantee risk | R ₇ | 11,095 | 16,600 | 21,037 |
| Investment risk | R ₃ | 121,220 | 115,916 | 106,268 |
| Business management risk | R ₄ | 4,470 | 4,576 | 4,581 |
| Solvency margin ratio | $\frac{(A)}{(1/2) \times (B)} \times 100$ | 833.6% | 812.4% | 648.5% |

Notes: 1. The amounts and figures in the table above are calculated based on the provision 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 R7.

3. From March 31, 2016, net unrealized gains/losses on available-for-sale securities, as shown previously, have been reclassified as net unrealized gains/losses on available-for-sale securities (before tax) and deferred gains/losses on derivatives under hedge accounting (before tax). (Figures as of March 31, 2015 are presented based on the previous standard.)

113. Segment Information

For the fiscal year ended March 31, 2014, to the fiscal year ended March 31, 2016, 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.