

# BUSINESS PERFORMANCE HIGHLIGHTS

- Financial Information
- Non-Financial Information



## Individual Market Sales Field

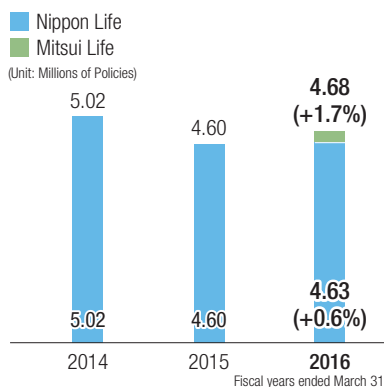
### ▶ New Policies

#### Number of Policies Sold

[Domestic Total (Nippon Life+Mitsui Life)]

**4.68 million**

[Nonconsolidated] **4.63 million**

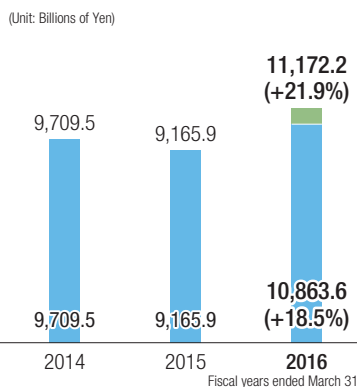


#### Amount of New Policies

[Domestic Total (Nippon Life+Mitsui Life)]

**¥11,172.2 billion**

[Nonconsolidated] **¥10,863.6 billion**



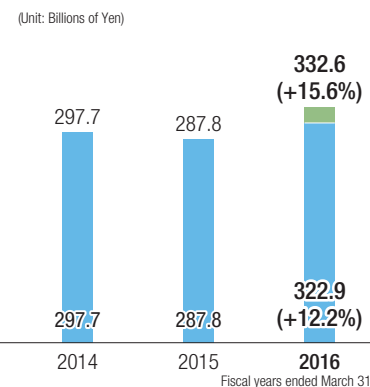
For the fiscal year ended March 31, 2016

#### Annualized Premiums on New Policies

[Domestic Total (Nippon Life+Mitsui Life)]

**¥332.6 billion**

[Nonconsolidated] **¥322.9 billion**



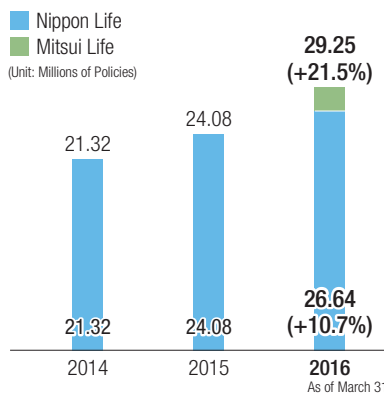
### ▶ Policies in Force

#### Number of Policies in Force

[Domestic Total (Nippon Life+Mitsui Life)]

**29.25 million**

[Nonconsolidated] **26.64 million**

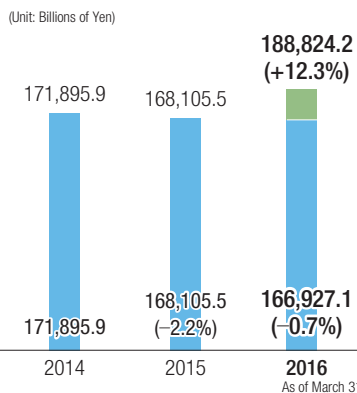


#### Amount of Policies in Force

[Domestic Total (Nippon Life+Mitsui Life)]

**¥188,824.2 billion**

[Nonconsolidated] **¥166,927.1 billion**



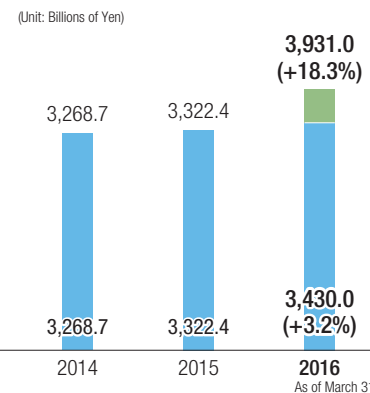
As of March 31, 2016

#### Annualized Premiums for Policies in Force

[Domestic Total (Nippon Life+Mitsui Life)]

**¥3,931.0 billion**

[Nonconsolidated] **¥3,430.0 billion**



Notes: 1. Amount of annualized premiums on new policies which includes net increase due to conversions.

2. Annualized premiums, the amount for an entire year, are calculated by applying coefficients based on the premium payment method to a single premium payment amount. (The premium divided by the coverage period is used for single payments).

3. Amount of new policies and policies in force represents the total sum of: the individual insurance coverage amount for individual insurance, the individual annuity resources amount (amount of future annuity payments translated to value at the start of annuity payments) for individual annuities in the case of policies prior to the start of annuity payments, and the policy reserves amount (amount of reserves accumulated for future payments of annuities and others) for individual annuities in the case of policies after the start of annuity payments.

4. Number of policies sold represents the total of new policies and policies after conversions.

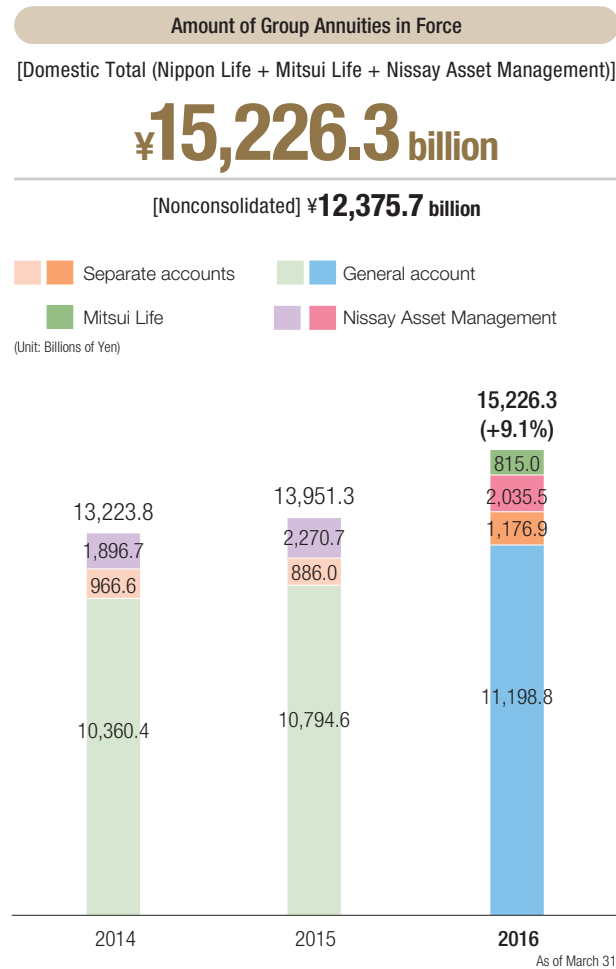
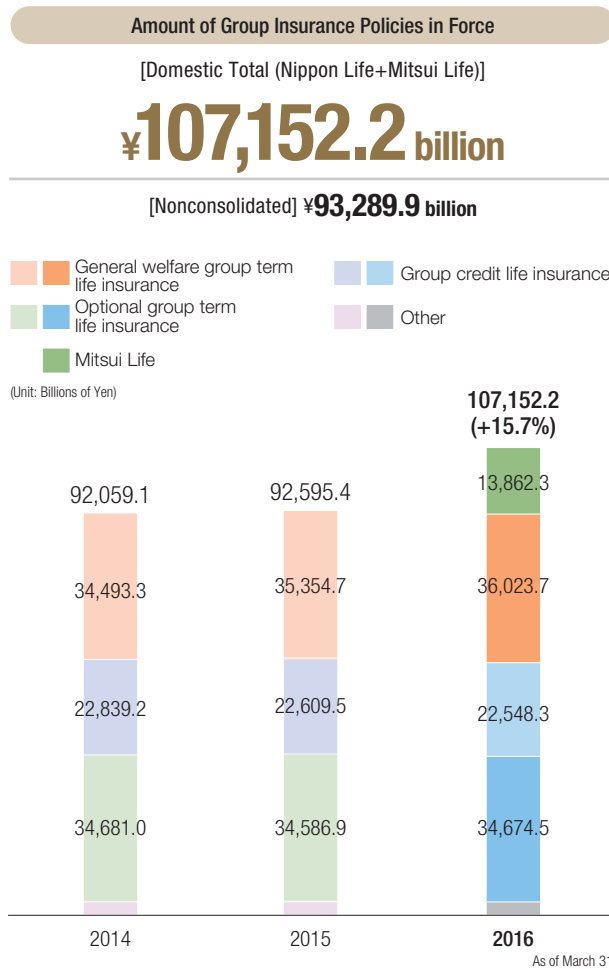
5. For Mitsui Life, new policies reflect those for the fourth quarter of the fiscal year ended March 31, 2016, and policies in force are the number at the end of that fiscal year.

On a nonconsolidated basis, the number of policies sold, annualized premiums on new policies, and the amount of new policies all rose. Growth was fueled in part by *Nissay Mirai no Katachi "Five Stars" Plan with Dread Disease Insurance Coverage with Continuous Support*, introduced in April 2015, and *Long Dream GOLD*—a single-premium whole life insurance policy with a variable accumulation rate in a designated currency, introduced in July 2015. While the amount of policies in force decreased, the number of policies in force increased for the

fourth consecutive year and annualized premiums for policies in force rose for the fifth straight year. Furthermore, the amount of policies in force declined less than in the previous year as surrender and lapse rates improved.

Cumulative domestic figures for both new policies and policies in force grew across the board for numbers, amounts, and annualized premiums, partly since Mitsui Life's performance was reflected.

## Corporate Market Sales Field



Notes: 1. Mitsui Life results at the end of fiscal 2015 have been included.  
 2. Nissay Asset Management's figures are included in the amount of group annuities in force.  
 3. The amount of group annuities in force for Nippon Life and Mitsui Life represents each company's respective policy reserves total amount, and for Nissay Asset Management represents assets under management.

On a nonconsolidated basis, we grew the amount of group insurance policies in force by working to meet corporate customers' needs, including through consulting. In addition, group annuity assets increased, buoyed by the receipt of a large-scale project.

Cumulative domestic figures rose for both the amount of group insurance policies in force and the amount of group annuities in force, partly since Mitsui Life's performance was reflected.

## Revenues from Insurance and Reinsurance

For the fiscal year ended March 31, 2016

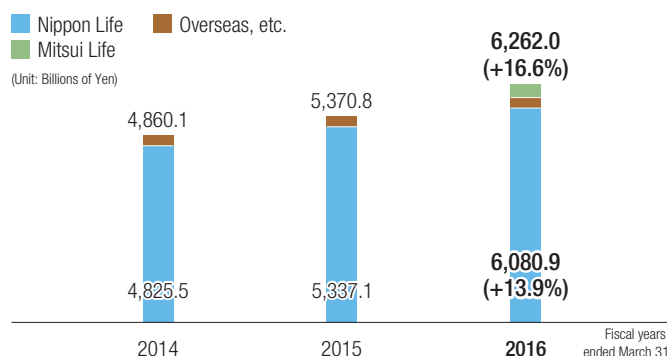
[Consolidated]

¥6,262.0 billion

[Nonconsolidated]

Fiscal year ended March 31, 2016  
¥6,080.9 billion

### Revenues from Insurance and Reinsurance (Consolidated)



Revenues from insurance and reinsurance comprises insurance and reinsurance premiums paid by policyholders.

Premium income breaks down into the following categories: individual insurance, individual annuities, group insurance, and group annuities (see page 218).

In the fiscal year ended March 31, 2016, revenues from insurance and reinsurance totaled ¥6,080.9 billion on a nonconsolidated basis and ¥6,262.0 billion on a consolidated basis.

- Notes: 1. Mitsui Life's figure is for the fourth quarter of the fiscal year ended March 31, 2016, the portion that is reflected in consolidated results.  
2. Total revenues from insurance and reinsurance denote consolidated revenue from insurance and reinsurance from Nippon Life, Mitsui Life, and Nippon Life Insurance Company of America.

## Core Operating Profit

For the fiscal year ended March 31, 2016

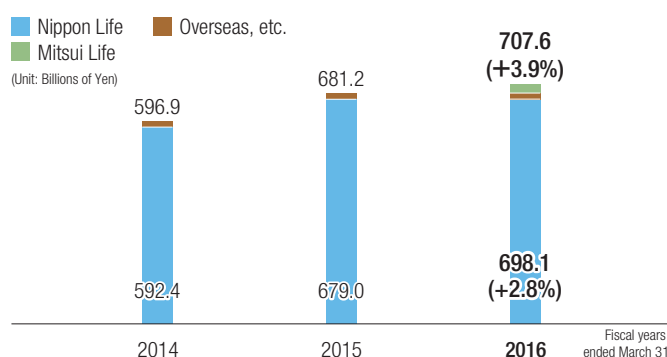
[Group]

¥707.6 billion

[Nonconsolidated]

Fiscal year ended March 31, 2016  
¥698.1 billion

### Trends in Core Operating Profit (Group)



Core operating profit mainly consists of income related to insurance (the net of income from premiums less payments for insurance claims and business costs) and investment operations, including interest and dividend income. It is the fundamental index that reflects an insurance company's earnings position on a flow basis. For the fiscal year ended March 31, 2016, nonconsolidated core operating profit stood at ¥698.1 billion and core operating profit from the Group's insurance operations was ¥707.6 billion, remaining at a high level (see p. 200).

- Notes: 1. Mitsui Life's figure is for the fourth quarter of the fiscal year ended March 31, 2016, the portion that is reflected in consolidated results.  
2. Core operating profit from the Group's insurance operations is calculated based on Nippon Life's core operating profit, Mitsui Life's core operating profit, and equity in overseas life insurance subsidiary and affiliates' net income before taxes with some internal transaction adjustments.

### Ordinary Profit (Nonconsolidated)

(Unit: Billion of Yen)

	2014	2015	2016
Core operating profit	¥592.4	¥679.0	¥698.1
Expense difference	72.7	79.5	65.6
Risk difference	404.8	408.9	432.0
Interest difference	114.7	190.6	200.4
Capital gain/loss	145.6	173.6	(11.7)
Non-recurring gain/loss	(225.4)	(245.5)	(148.8)
Ordinary profit	512.6	607.2	537.5

- Notes: 1. Core operating profit + capital gain/loss + non-recurring gain/loss = ordinary profit  
2. The breakdown of core profit (expense difference, risk difference, and interest difference) has been calculated using a proprietary method giving consideration to the Company's unique factors, such as the composition of policies in force.  
3. Capital gain/loss includes gain/loss on sales of securities and loss on valuation of securities and others.  
4. Non-recurring gain/loss includes provision for and reversal of contingency reserves and others.

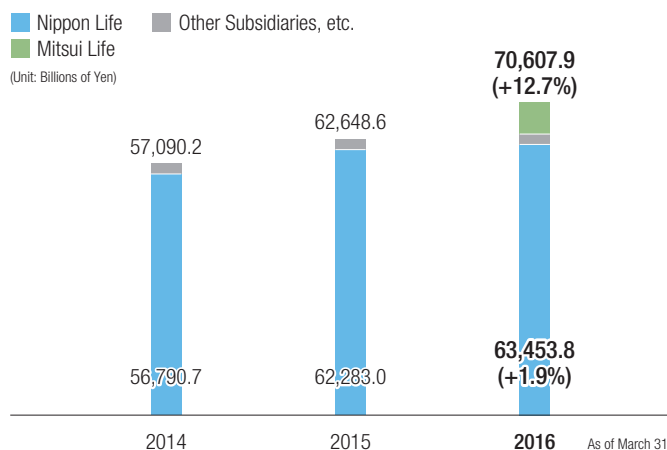
## Total Assets

As of March 31,  
2016

[Consolidated] **¥70,607.9 billion**

[Nonconsolidated] As of March 31, 2016  
**¥63,453.8 billion**

### ▶ Trends in Total Assets (Consolidated)



General business companies break down total assets into the categories of current assets, fixed assets, and deferred assets. However, life insurance companies show break downs of total assets by each asset category backed by policyholder reserves (see pages 120 and 156).

In the fiscal year ended March 31, 2016, total assets were ¥63,453.8 billion on a nonconsolidated basis and ¥70,607.9 billion on a consolidated basis.

## Solvency Margin Ratio

As of March 31, 2016

[Consolidated]

**922.7 %**

[Nonconsolidated]

As of March 31, 2016  
**903.7 %**

The solvency margin ratio is the total value of the solvency margin (equity plus unrealized gain/loss on securities, etc.) divided by the quantified amount of all risks exceeding those that can normally be forecast, including major natural disasters and a large drop in stock prices. The solvency margin is used by regulatory agencies as an indicator of the amount of surplus capacity available to make payments. When this ratio falls below 200%, an insurance company

is subject to an order by the regulatory agencies to improve business.

The solvency margin ratio as of March 31, 2016 was 903.7% on a non-consolidated basis and 922.7% on a consolidated basis, which ensures a high level of preparedness for paying benefits with sufficient surplus capacity to fully cover risk (see pages 184 and 259).

### ► Solvency Margin Ratio

[Nonconsolidated]

(Unit: Billions of Yen)

As of March 31		2014	2015	2016	[Consolidated] 2016
Total solvency margin	(A)	9,437.1	13,421.0	12,172.5	12,479.0
Total amount of risk	(B)	2,422.5	2,883.6	2,693.7	2,704.8
Solvency margin ratio	$\frac{(A)}{(1/2) \times (B)} \times 100$	779.0%	930.8%	903.7%	922.7%

## Unrealized Gain/Loss on Securities

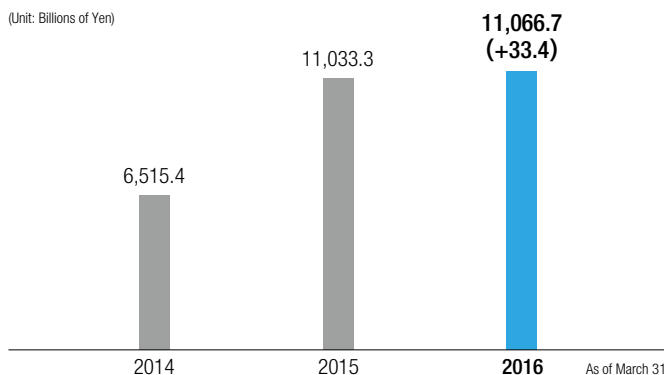
As of March 31, 2016

[Nonconsolidated]

**¥11,066.7 billion**

### ► Trends in Unrealized Gain/Loss on Securities

(Unit: Billions of Yen)



Unrealized gain/loss on securities indicates the difference between the market value of securities and the book value. Unrealized gain/loss on securities, although affected by economic conditions, is one of the indicators for preparing against risk (see p. 187).

## Investment Income

As of March 31,  
2016

[Nonconsolidated]

# ¥1,500.1 billion

In the fiscal year ended March 31, 2016, share prices rose for a time on the back of strong corporate performances. Nevertheless, market conditions were quite volatile, owing partially to concerns about emerging economies slowing. Furthermore, already low interest rates slid further following the Bank of Japan's introduction of a negative interest rate policy.

Even in this environment, we strove to increase returns by stepping up investment in the overseas credit field, where interest rates are relatively high, while maintaining our fundamental policy of a diversified portfolio.

In addition, we worked towards our target of investing ¥1 trillion in emerging economies and environment-related growth and new domains over the three to five years from the fiscal year ended March 31, 2016. By forging

ahead with these initiatives, we generated interest, dividends, and other income of ¥1,396.1 billion (up 1.8% year on year), marking the sixth straight year of positive returns.

Moreover, we set our sights in real estate investment on enhancing our earnings capacity and improving our portfolio through the securitization of some of our property holdings. To that end, we established Nissay Realty Management, a subsidiary to manage the assets of our private real estate investment trust (REIT), in November 2015.

In line with Japan's Stewardship Code, we also endeavored to strengthen dialogue to support the medium- to long-term growth of companies we invest in as a long-term investor.

### ► Main Investment-Related Revenues and Expenditures (Nonconsolidated)

(Unit: Billions of Yen)

Fiscal years ended March 31	2014	2015	2016
<b>Investment income</b>	¥1,683.7	¥1,773.9	¥1,500.1
Interest, dividend and other income	1,296.6	1,371.7	1,396.1
Gain on sales of securities	260.4	242.0	94.1
Gain from separate accounts, net	122.6	154.1	–
<b>Investment expenses</b>	186.3	140.9	216.6
Loss on sales of securities	57.7	18.3	13.5
Loss on valuation of securities	22.2	3.2	35.7
Loss on separate accounts, net	–	–	31.1
<b>Net proceeds from investments</b>	1,497.4	1,632.9	1,283.5
Proceeds from investments in the general account	1,374.8	1,478.7	1,314.7

Note: Aggregate investment income and investment expenses in the separate accounts are included in either gain or loss from separate accounts, net.

## Equity

As of March 31,  
2016

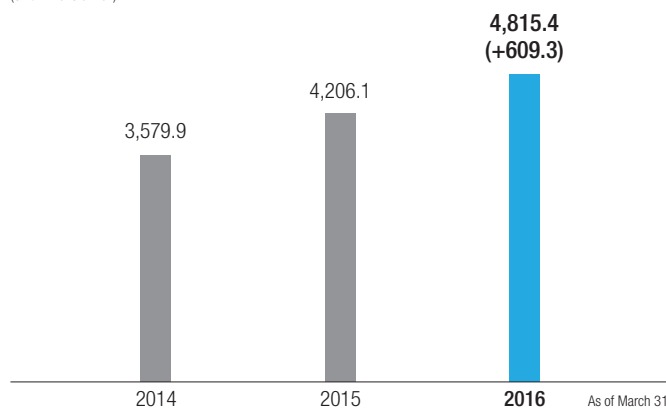
[Nonconsolidated]

# ¥4,815.4 billion

Including foundation funds (*kikin*)  
and reserves of ¥4,164.6 billion

### ► Trends in Equity (Nonconsolidated)

(Unit: Billions of Yen)



Equity is the sum of foundation funds (*kikin*), reserves and other items (foundation funds and the reserve for redemption of foundation funds, which are included in net assets on the balance sheets, and the contingency reserve and reserve for price fluctuations in investments in securities, which are included in liabilities on the balance sheets), and subordinated bonds.

Nippon Life works to build up equity. This equity is a financial resource for responding to risks that do not include unrealized gain on securities, which is easily affected by the economic environment. More specifically, even if management risks such as a massive natural disaster or dramatic decline in stock prices occur, this financial platform enables Nippon Life to pay out insurance claims and benefits as stipulated in insurance policies. This equity is also a source of future dividend payments.

Equity was ¥4,815.4 billion as of March 31, 2016 as Nippon Life maintained a high level of equity in order to ensure financial soundness.

### ► Equity Replacement Ratio (Nonconsolidated)

(Unit: Billions of Yen)

As of March 31	2014	2015	2016
Foundation funds ( <i>kikin</i> ) and reserves	¥3,422.8	¥3,806.5	¥4,164.6
Net assets	1,486.1	1,491.3	1,548.9
Equalized reserve for dividends to policyholders	50.0	50.0	50.0
Liabilities	1,936.7	2,315.1	2,615.6
Contingency reserve	1,005.7	1,250.2	1,400.5
Reserve for price fluctuations in investments in securities	623.3	778.7	947.3
Subordinated bonds	157.0	399.5	650.8
<b>Equity</b>	<b>3,579.9</b>	<b>4,206.1</b>	<b>4,815.4</b>

Note: Net assets are shown as the amount after the appropriation of retained earnings after deducting valuations, conversions and others from total net assets on the balance sheets.



## High Level of Real Net Assets

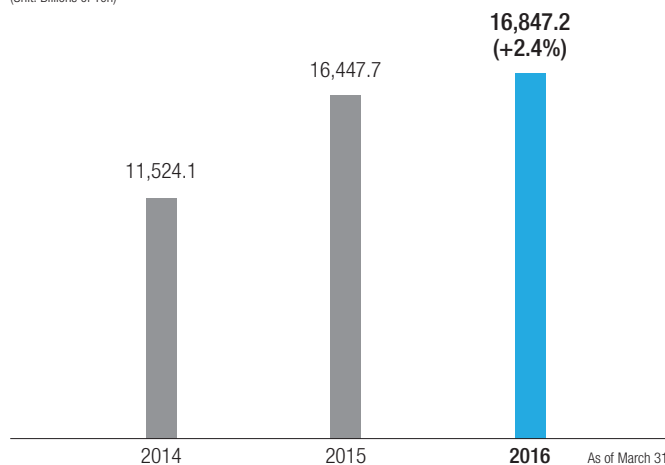
As of March 31, 2016

[Nonconsolidated]

# ¥16,847.2 billion

### ▶ Trends in Real Net Assets (Nonconsolidated)

(Unit: Billions of Yen)



Real net assets are calculated by subtracting total liabilities, other than contingency reserves and other liability items highly similar to equity, from total assets at market value. Real net assets are an approximation of an insurance company's liquidation value. If real net assets are negative, the regulatory agencies may judge that liabilities exceed assets in real terms, and an insurance company may be subject to an order by the regulatory agency to suspend business.

Our nonconsolidated real net assets stood at ¥16,847.2 billion as of March 31, 2016.

## Excellent Ratings from Ratings Companies

Ratings (as of July 1, 2016)



Issued by third-party ratings agencies, ratings are an evaluation of an insurance company's ability to pay insurance claims. (Ratings are not a guarantee that claims and other payments will be fulfilled.)

### ▶ Ranking Standard

AAA	The higher rank has the higher capacity to meet payment obligations.
AA	
A	
BBB	
BB	
B	

#### R&I's Definition of "AA" Rating

<http://www.r-i.co.jp/eng/>

A very high degree of capacity for the payment of insurance claims and excellence in several key factors of evaluation.

#### S&P's Definition of "A" Rating

<http://www.standardandpoors.com>

Strong capacity to fulfill insurance policy obligations; but compared with the top "AAA" rating, the "AA" rating is somewhat susceptible to adverse economic conditions and changes in circumstances.

#### Moody's Definition of "A" Rating

<http://www.moodys.com/>

Obligations judged to be upper-medium grade and subject to low credit risk.

\*1 The ratings are based on information and data up to the time of each rating and are subject to change in the future.

\*2 Nippon Life received the ratings from R&I, S&P, and Moody's after officially requesting them and providing detailed information for more accurate evaluation.

\*3 Plus (+) or minus (-) signs following the ratings show relative standing within the major rating categories.

## Main Balance Sheet Items

### (Nonconsolidated)

		(Unit: Billion of Yen)
As of March 31		2016
<b>Total assets</b>		<b>63,453.8</b> (A)
Cash and deposits		953.9
Call loans		120.0
Monetary receivables purchased		419.9
Assets held in trust		1.9
Investments in securities		51,297.3 (B)
Loans		8,121.4
Tangible fixed assets		1,694.8
Intangible fixed assets		169.5
Reinsurance receivables		0.4
Other assets		637.2
Customers' liability for acceptances and guarantees		40.5
Allowance for doubtful accounts		(3.5)
<b>Total liabilities</b>		<b>57,160.7</b>
Policy reserves and other reserves:		52,767.5 (C)
Policy reserves		51,435.9
Reinsurance payables		0.5
Corporate bonds		650.8
Other liabilities		1,627.2
Accrued bonuses for directors and audit and supervisory board members		0.0
Accrued retirement benefits		358.7
Accrued retirement benefits for directors and audit and supervisory board members		4.3
Reserve for program points		9.4
Reserve for price fluctuations in investments in securities		947.3 (D)
Deferred tax liabilities		644.5
Deferred tax liabilities for land revaluation		109.3
Acceptances and guarantees		40.5
<b>Total net assets</b>		<b>6,293.0</b>
Foundation funds	①	200.0 (E)
Reserve for redemption of foundation funds	②	1,100.0
Reserve for revaluation	③	0.6
Surplus	④	479.8
Total foundation funds and others (=①+②+③+④)		1,780.4
Net unrealized gains on available-for-sale securities, net of tax	⑤	4,722.7
Deferred losses on derivatives under hedge accounting, net of tax	⑥	(123.9)
Land revaluation losses	⑦	(86.2)
Total valuations, conversions, and others (=⑤+⑥+⑦)		4,512.6
<b>Total liabilities and net assets</b>		<b>63,453.8</b>

#### (A) Total Assets

Total assets as of March 31, 2016 were ¥63,453.8 billion, with total general and separate account assets of ¥62,075.8 billion and ¥1,377.9 billion, respectively.

#### (B) Investments in Securities

From the standpoint of increasing profits for policyholders through the medium- and long-term improvement of revenues and profits, Nippon Life in particular holds domestic bonds, including national government bonds, local government bonds, and corporate bonds, all of which present potential for stable yen-denominated returns. Also, within the range of allowable risks, Nippon Life invests in domestic stocks, foreign securities and other securities. As of March 31, 2016, total investments in securities amounted to ¥51,297.3 billion.

Net unrealized gains on available-for-sale securities, the difference between the market value and book value of the securities, was ¥11,066.7 billion.

### (Consolidated)

		(Unit: Billion of Yen)
As of March 31		2016
<b>Total assets</b>		<b>70,607.9</b>
Cash and deposits		1,351.5
Call loans		120.0
Monetary receivables purchased		436.6
Assets held in trust		2.1
Investments in securities		56,100.2
Loans		9,456.2
Tangible fixed assets		1,923.5
Intangible fixed assets		177.4
Reinsurance receivables		0.8
Other assets		1,003.9
Deferred tax assets		4.9
Customers' liability for acceptances and guarantees		36.1
Allowance for doubtful accounts		(5.6)
<b>Total liabilities</b>		<b>64,153.8</b>
Policy reserves and other reserves:		58,929.0 (C)
Policy reserves		57,490.8
Reinsurance payables		0.7
Corporate bonds		650.8
Other liabilities		2,291.4
Accrued bonuses for directors and audit and supervisory board members		0.0
Net defined benefit liability		460.4
Accrued retirement benefits for directors and audit and supervisory board members		5.2
Reserve for program points		9.4
Reserve for price fluctuations in investments in securities		963.7 (D)
Deferred tax liabilities		697.4
Deferred tax liabilities for land revaluation		109.3
Acceptances and guarantees		36.1
<b>Total net assets</b>		<b>6,454.0</b>
Foundation funds		200.0 (E)
Reserve for redemption of foundation funds		1,100.0
Reserve for revaluation		0.6
Consolidated surplus		630.7
Total foundation funds and others		1,931.4
Net unrealized gains on available-for-sale securities, net of tax		4,721.0
Deferred losses on derivatives under hedge accounting, net of tax		(123.9)
Land revaluation losses		(86.2)
Foreign currency translation adjustments		24.8
Remeasurement of defined benefit plans		(29.6)
Total accumulated other comprehensive income		4,506.1
Non-controlling interests		16.4
<b>Total liabilities and net assets</b>		<b>70,607.9</b>

#### (C) Policy Reserves

Policy reserves are reserves that must be accumulated under the Insurance Business Act in order to prepare for payments of future insurance claims and other benefits. As of March 31, 2016, policy reserves stood at ¥51,435.9 billion.

#### (D) Reserve for Price Fluctuations in Investments in Securities

Reserve for price fluctuations in investments in securities are accumulated in accordance with the Insurance Business Act to cover losses caused by a future decrease in prices of assets whose value is likely to fluctuate, such as stocks. As of March 31, 2016, the reserve for price fluctuations in investments in securities stood at ¥947.3 billion.

#### (E) Foundation Funds (*Kikin*)/Reserve for Redemption of Foundation Funds

In accordance with the Insurance Business Act, foundation funds (*kikin*) serve as the financial base for mutual companies while providing a means of financing granted only to mutual companies and corresponding to the capital of joint stock companies. As of March 31, 2016, Nippon Life redeemed ¥50.0 billion in foundation funds (*kikin*) that it had solicited and newly solicited ¥50.0 billion. As a result, foundation funds (*kikin*) and reserve for redemption of foundation funds amounted to ¥200.0 billion and ¥1,100.0 billion, respectively.

\*Please see page 120 and 156 for Balance Sheets.

## Main Items in Statement of Income

### (Nonconsolidated)

(Unit: Billion of Yen)

Fiscal year ended March 31	2016	
<b>① Ordinary income:</b>	<b>7,744.8</b>	
Revenues from insurance and reinsurance	6,080.9	(F)
Investment income:	1,500.1	(G)
Interest, dividend and other income	1,396.1	
Gain on sales of securities	94.1	
Other ordinary income	163.7	
<b>② Ordinary expenses:</b>	<b>7,207.3</b>	
Benefits and other payments:	3,749.8	(H)
Death and other claims	966.8	
Annuity payments	826.2	
Health and other benefits	702.1	
Surrender benefits	847.6	
Other refunds	405.4	
Provision for policy reserves:	2,376.3	
Provision for policy reserves	2,234.6	
Provision for interest on reserve for dividends to policyholders	23.0	
Investment expenses:	216.6	(I)
Loss on sales of securities	13.5	
Loss on valuation of securities	35.7	
Loss on derivative financial instruments, net	55.8	
Operating expenses	574.6	
Other ordinary expenses	289.8	
<b>③ Ordinary profit (=①-②)</b>	<b>537.5</b>	
<b>④ Extraordinary gains</b>	<b>8.6</b>	
<b>⑤ Extraordinary losses:</b>	<b>186.3</b>	
Provision for reserve for price fluctuations in investments in securities	168.6	
<b>⑥ Extraordinary gains (losses) (=④-⑤)</b>	<b>(177.7)</b>	
<b>⑦ Surplus before income taxes (=③+⑥):</b>	<b>359.8</b>	
Income taxes, current	113.6	
Income taxes, deferred	(41.8)	
<b>⑧ Total income taxes</b>	<b>71.7</b>	
<b>⑨ Net surplus (=⑦-⑧)</b>	<b>288.0</b>	(J)

#### (F) Revenues from Insurance and Reinsurance

Comprising insurance and reinsurance premiums paid by policyholders, revenues from insurance and reinsurance for the fiscal year ended March 31, 2016 was ¥6,080.9 billion.

#### (G) Investment Income

This includes interest, dividend and other income as well as gain on sales of securities. For the fiscal year ended March 31, 2016, investment income totaled ¥1,500.1 billion.

#### (H) Benefits and Other Payments

These consist of payments related to insurance policies, including death and other claims, annuity payments, health and other benefits and surrender benefits. For the fiscal year ended March 31, 2016, benefits and other payments were ¥3,749.8 billion.

### (Consolidated)

(Unit: Billion of Yen)

Fiscal year ended March 31	2016	
<b>① Ordinary income:</b>	<b>8,057.5</b>	
Revenues from insurance and reinsurance	6,262.0	
Investment income:	1,527.3	
Interest, dividend and other income	1,421.7	
Gain on sales of securities	95.2	
Other ordinary income	268.2	
<b>② Ordinary expenses:</b>	<b>7,496.2</b>	
Benefits and other payments:	3,948.7	
Death and other claims	1,015.4	
Annuity payments	851.5	
Health and other benefits	780.7	
Surrender benefits	890.8	
Other refunds	408.1	
Provision for policy reserves:	2,332.1	
Provision for policy reserves	2,191.4	
Provision for interest on reserve for dividends to policyholders	23.0	
Investment expenses:	231.5	
Loss on sales of securities	14.8	
Loss on valuation of securities	36.7	
Loss on derivative financial instruments, net	8.2	
Operating expenses	624.9	
Other ordinary expenses	358.9	
<b>③ Ordinary profit (=①-②)</b>	<b>561.3</b>	
<b>④ Extraordinary gains:</b>	<b>112.0</b>	
Gain on bargain purchase	102.9	
<b>⑤ Extraordinary losses:</b>	<b>188.3</b>	
Provision for reserve for price fluctuations in investments in securities	169.2	
<b>⑥ Extraordinary gains (losses) (=④-⑤)</b>	<b>(76.2)</b>	
<b>⑦ Provision for reserve for dividends to policyholders (limited company)</b>	<b>4.4</b>	
<b>⑧ Surplus before income taxes (=③+⑥-⑦):</b>	<b>480.6</b>	
Income taxes, current	120.4	
Income taxes, deferred	(45.0)	
<b>⑨ Total income taxes</b>	<b>75.4</b>	
<b>⑩ Net surplus (=⑧-⑨)</b>	<b>405.1</b>	
<b>⑪ Net surplus attributable to noncontrolling interests</b>	<b>1.6</b>	
<b>⑫ Net surplus attributable to the parent company</b>	<b>403.4</b>	

#### (I) Investment Expenses

These are expenses including loss on sales of securities and loss on valuation of securities and others. For the fiscal year ended March 31, 2016, investment expenses amounted to ¥216.6 billion.

#### (J) Net Surplus

This item represents ordinary profit after accounting for extraordinary gains and losses, income taxes and other items. The net surplus for the fiscal year ended March 31, 2016 totaled ¥288.0 billion.

\*Please see page 122 and 158 for Statements of Income.

## Number of Customers (Number of Insured Persons, etc.) and Number of Corporate Clients

As of March 31, 2016

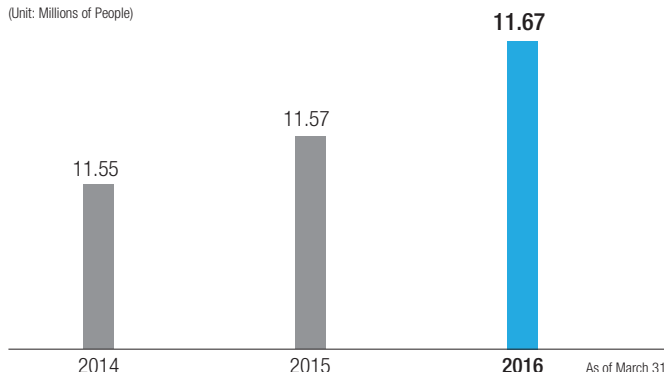
[Nonconsolidated]

# 11.67 million people

(Mitsui Life: 1.95 million people)

### Trends in Number of Customers (Number of Insured Persons, etc.) (Nonconsolidated)

(Unit: Millions of People)



We regard our over 10 million customers as the business foundation upon which our business rests, and bolstering that base is one of the goals in our three-year management plan.

We had 11.67 million customers as of March 31, 2016, some 100 thousand more than at the end of the previous fiscal year.

We will stay committed to expanding our customer base in order to keep fulfilling our mission as a life insurance company—to serve as a source of security and safety for our customers.

\*The number of customers (number of insured persons, etc.) is mainly the number of insured persons enrolled in individual insurance and individual annuities, plus customers who have deferred maturity benefits and other payments, plus customers who have enrolled in policies offered by Aioi Nissay Dowa Insurance Co., Ltd. through Nippon Life.

As of March 31, 2016

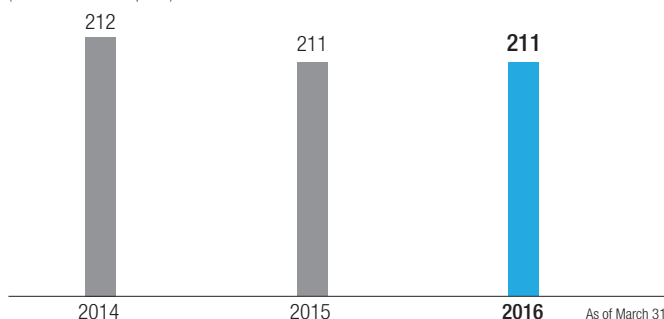
[Nonconsolidated]

# 211 thousand companies

(Mitsui Life: 55 thousand companies)

### Trends in Number of Corporate Clients (Nonconsolidated)

(Unit: Thousands of Companies)



In addition to individual customers, we serve over 200 thousand corporate clients.

We will continue to work to build up and reinforce these relationships further from many angles, including financing and provision of corporate coverage to enhance company and employee benefits.

\*The number of corporate clients is the number of corporate policyholders of all types of policies plus the number of companies with which we have business, financing, and other relationships that do not pertain to insurance products.

## Number of Sales Representatives

As of March 31, 2016

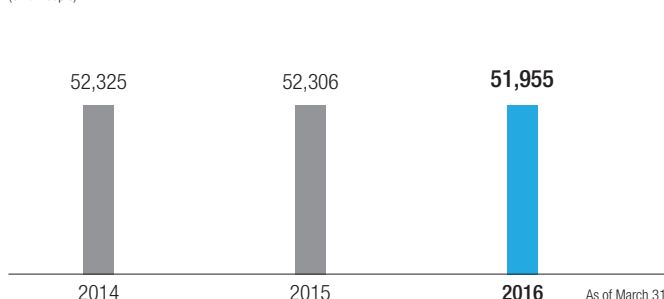
[Nonconsolidated]

# 51,955 people

(Mitsui Life: 7,280 people)

### Trends in Number of Sales Representatives (Nonconsolidated)

(Unit: People)



Our network of roughly 50,000 sales representatives is the channel through which we have built enduring relationships of trust with customers through face-to-face interactions.

Moving ahead, we will keep endeavoring to maintain and expand our sales representative organization to ensure consistently high quality customer service.

## Customer Satisfaction Survey

For the fiscal  
year ended  
March 31, 2016

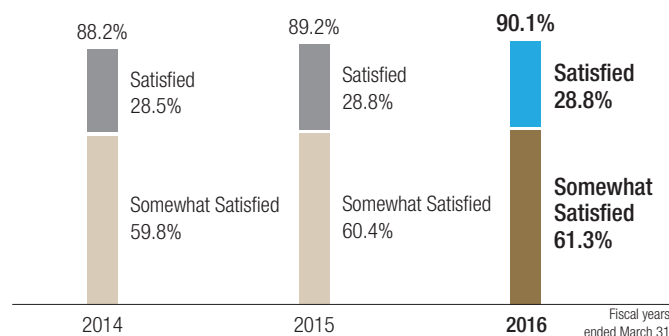
[Nonconsolidated]

Ratio of "satisfied" or  
"somewhat satisfied"  
responses

# 90.1 %

Satisfied **28.8%**  
Somewhat Satisfied **61.3%**

### ► Trends in Customer Satisfaction Survey (Nonconsolidated)



We conduct an annual survey of policyholders with the aim of evaluating our initiatives from the customer's point of view and using the feedback to improve our products and services. In the survey conducted in the fiscal year ended March 31, 2016, we received a customer satisfaction score (the ratio of customers who replied "satisfied" or "somewhat satisfied") of 90.1%.

## Total Payments of Death and Other Claims, Annuity Payments, Health and Other Benefits

For the fiscal  
year ended  
March 31, 2016

[Nonconsolidated]

# ¥2,495.2 billion

(Total for individuals  
and companies)

Total payments of Death and Other Claims, Annuity Payments, Health and Other Benefits (total for individuals and companies) were ¥2,495.2 billion in the fiscal year ended March 31, 2016. Nippon Life is committed to continuing to make payments with speed and reliability.

### ► Total Payments of Death and Other Claims, Annuity Payments, Health and Other Benefits (Nonconsolidated)

(Unit: Billions of Yen)

Fiscal years ended March 31	2014	2015	2016
Total	¥2,644.1	¥2,583.1	¥2,495.2
Insurance claims	1,016.8	1,022.0	966.8
Annuities	857.6	839.9	826.2
Benefits	769.6	721.1	702.1

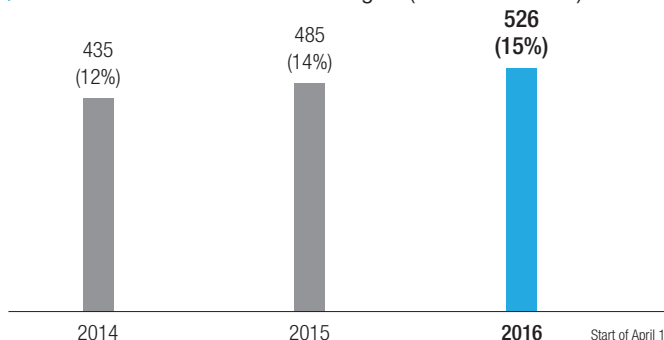
## Number of Female Managers

Start of April 1, 2016

[Nonconsolidated]

**526**

▶ Trends in Number of Female Managers (Nonconsolidated)



\* Figures in parentheses denote the ratio of female managers

To ensure that women play an ongoing role in management, we are actively working to promote women to supervisory positions and develop future female leaders. Women accounted for about 30% of employees newly appointed to managerial positions in fiscal 2016. A total of 526 female managers are now active across the organization, including seven division managers.

We will strive to bring the ratio of management positions filled by women to at least 20% by the start of fiscal 2020, aiming for 30% in the 2020s.

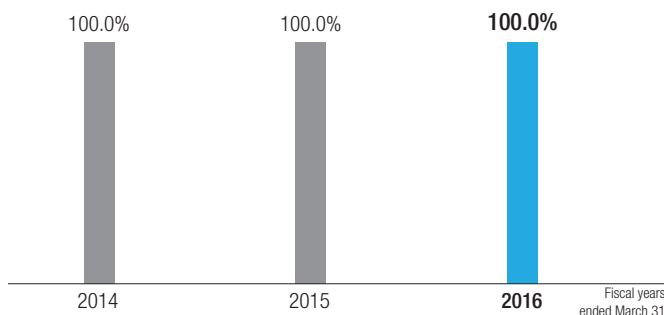
## Ratio of Male Employees Taking Childcare Leave

For the Fiscal year ended March 31, 2016

[Nonconsolidated]

**100 %**

▶ Trends in Childcare Leave Acquisition Rate (Nonconsolidated)



Since fiscal 2013, we have set a companywide target of 100% of male employees taking childcare leave.

All 312 male employees eligible to take childcare leave in fiscal 2016 did so, marking the third consecutive year of a 100% acquisition rate since we launched this initiative.

Over 1,000 male employees have taken childcare leave to date.

\* Nippon Life's childcare leave program: Childcare leave may be taken by employees from the day after a child reaches 18 months from birth to the following March 31.