

OPERATIONAL DATA

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		* % and ‰ are rounded to the nearest figure.	

STATUS OF FINANCIAL ASSETS (NONCONSOLIDATED)

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

	Millions of Yen, %		
As of March 31	2017	2016	2015
Bankrupt and quasi-bankrupt loans	¥ 10,095	¥ 10,370	¥ 10,598
Doubtful loans	18,796	20,436	23,610
Substandard loans	3,171	4,029	4,107
Subtotal	32,063	34,836	38,316
[Ratio to total]	[0.31%]	[0.37%]	[0.35%]
Normal loans	10,214,183	9,405,636	11,000,199
Total	¥10,246,246	¥9,440,473	¥11,038,516

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 ¥531 million, ¥1,036 million and ¥501 million as of March 31, 2017, 2016 and 2015, respectively.

2. Status of Risk-Monitored Loans

	Millions of Yen, %		
As of March 31	2017	2016	2015
Loans to bankrupt borrowers	¥ 1,764	¥ 1,969	¥ 2,179
Delinquent loans	27,122	28,828	32,009
Loans that are delinquent for over three months	—	—	—
Restructured loans	3,171	4,029	4,107
Total	¥32,058	¥34,827	¥38,297
[Ratio to total loans]	[0.41%]	[0.43%]	[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 ¥399 million, ¥843 million, and ¥277 million as of March 31, 2017, 2016, and 2015, respectively. The amounts of delinquent loans were ¥132 million, ¥192 million, and ¥224 million as of March 31, 2017, 2016, and 2015, 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

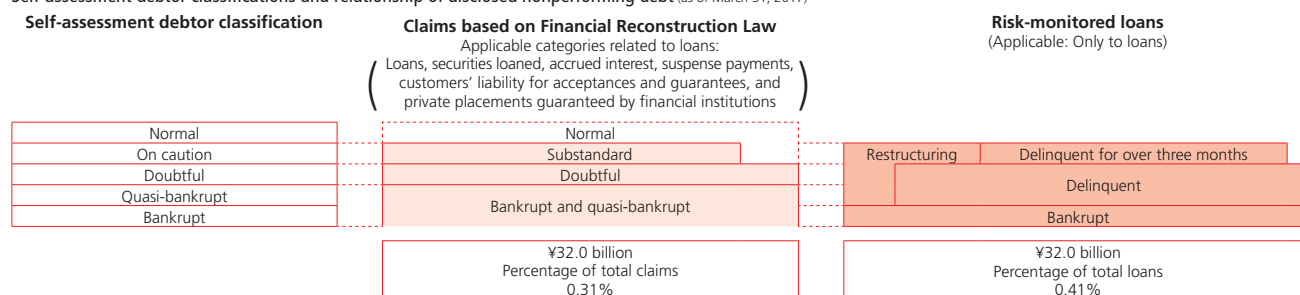
a) Estimation of disposal of solid collateral and solid guarantees

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, 2017)



Status of Borrower Classification

As of March 31, 2017		Billions of Yen, %	
	Amount	Percentage	
Loan balances			
(After direct write-off of Category IV)	¥7,749.5	100.0%	
Noncategorized	7,687.8	99.2	
Category II	61.1	0.8	
Category III	0.4	0.0	
Category IV	—	—	

Notes: 1. The amount of specific allowance for doubtful accounts provided for Category III loans was ¥0.3 billion.

2. The amount of Category IV that was directly written off from loans was ¥0.5 billion.

Standards for allowance for doubtful accounts

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

Reserve principles:

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

STATUS OF FINANCIAL ASSETS (NONCONSOLIDATED)

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

No ending balance as of March 31, 2017, 2016, or 2015.

4. Ability to Pay Benefits (Solvency Margin Ratio)

Solvency Margin Ratio According to New Standard

As of March 31		2017	2016	2015
Millions of Yen				
Solvency margin gross amount	(A)	¥12,596,032	¥12,172,555	¥13,421,043
Foundation funds (<i>kikin</i>) and other reserve funds:		4,454,276	4,164,622	3,806,532
Foundation funds and others	1	1,556,001	1,548,925	1,491,371
Reserve for price fluctuations in investments in securities	2	1,116,795	947,384	778,723
Contingency reserve	3	1,523,431	1,400,590	1,250,248
General allowance for doubtful accounts	4	1,503	1,751	2,507
Others	10	256,544	265,970	283,681
Net unrealized gains on available-for-sale securities (before tax) and deferred losses on derivatives under hedge accounting (before tax) × 90%	5	5,630,908	5,719,951	7,581,433
Net unrealized gains on real estate × 85%	6	210,229	129,232	73,163
Excess of continued Zillmerized reserve	7	1,415,384	1,459,759	1,509,979
Qualifying subordinated debt	8	840,825	650,825	399,590
Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculations		—	—	—
Deduction clause	9	(252)	(357)	(366)
Others	10	44,661	48,522	50,711
Total amount of risk $\sqrt{(R_1+R_8)^2+(R_2+R_3+R_7)^2} + R_4$	(B)	2,811,478	2,693,788	2,883,641
Underwriting risk R_1	11	122,718	124,832	127,656
Underwriting risk of third-sector insurance R_8	12	78,064	76,984	75,389
Anticipated yield risk R_2	13	386,043	386,141	386,107
Minimum guarantee risk R_7	14	5,708	5,759	5,820
Investment risk R_3	15	2,353,474	2,237,530	2,424,023
Business management risk R_4	16	58,920	56,624	60,379
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$		896.0%	903.7%	930.8%

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

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

1. Foundation Funds and Other Reserve Funds
The amount after excluding estimated distributed income (interest on foundation funds and provision for reserve for dividends to policyholders) from the appropriation of surplus plus total valuations, conversions, and others included under total net assets on the balance sheets.
2. Reserve for Price Fluctuations in Investments in Securities
The amount of the reserve for price fluctuations in investments in securities on the balance sheets.
3. Contingency Reserve
The amount of the contingency reserve, which is a part of policy reserves on the balance sheets.
4. General Allowance for Doubtful Accounts
The amount of the general allowance for doubtful accounts, listed as allowance for doubtful accounts on the balance sheets.
5. Net Unrealized Gains on Available-for-Sale Securities (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).

STATUS OF FINANCIAL ASSETS (NONCONSOLIDATED)

Status of Foundation Funds (*Kikin*) and Subordinated Corporate Bonds

Foundation Funds (*Kikin*) Status

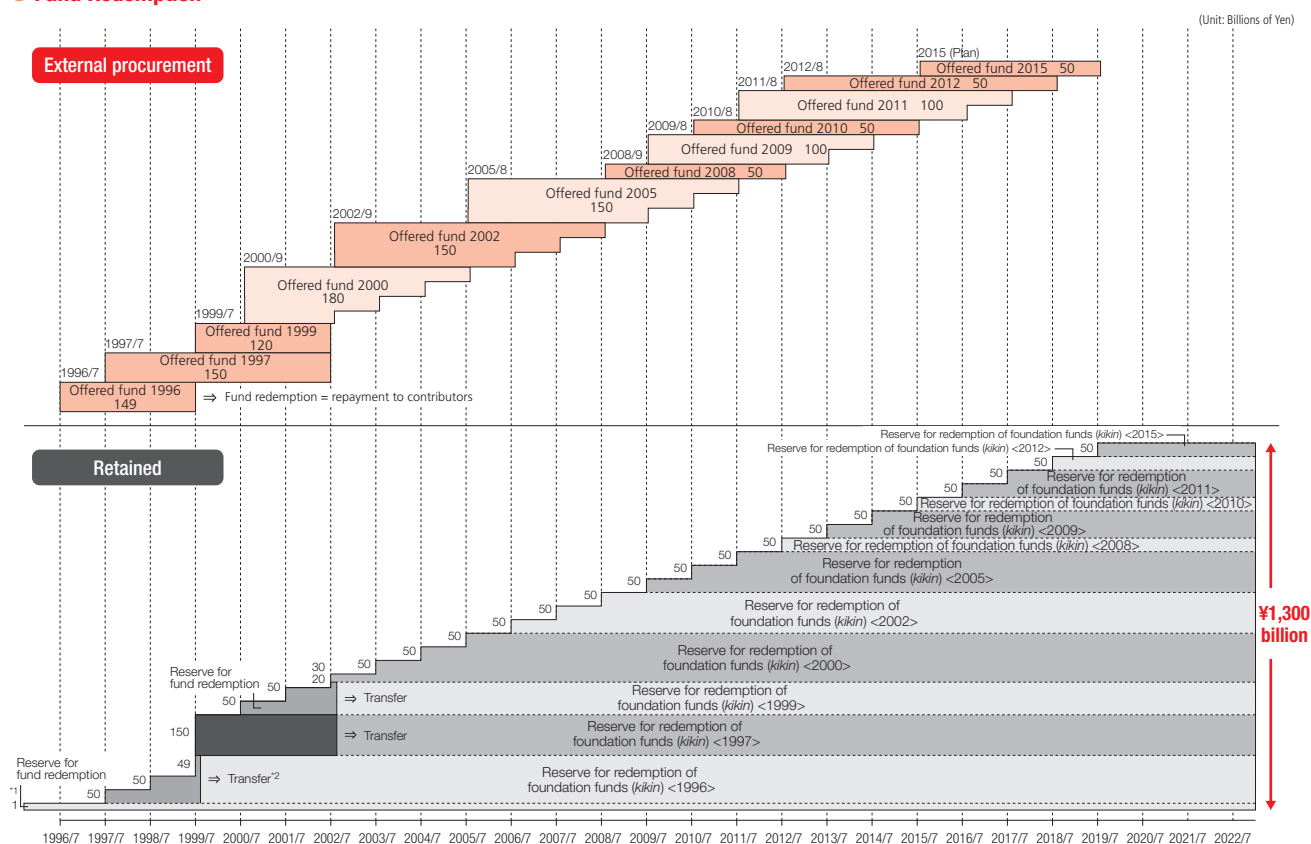
We solicit foundation funds in order to enhance our ability to respond to risk. As a result of reoffering funds 12 times since revisions were made to the Insurance Business Act in 1996, our total foundation funds, including funds and the reserve for redemption of foundation funds, reached ¥1,300 billion as of the end of the fiscal year ended March 31, 2017.

● Fund Contributors (as of March 31, 2017)

Amount of Fund Contributions	¥150 billion	Number of Fund Contributors	3	
Names of Fund Contributor	Fund Contributions to Nippon Life		Investments of the Company in Fund Contributors	
	Amount (Billions of Yen)	Fund contribution (Percentage)	Shares held (Thousands of Shares)	Voting rights (Percentage)
Nippon Life 2011 Fund Special Purpose Company	¥50	33.33%	—	—%
Nippon Life 2012 Fund Special Purpose Company	50	33.33	—	—
Nippon Life 2015 Fund Special Purpose Company	50	33.33	—	—

Notes: 1. Nippon Life 2011 Fund Special Purpose Company, Nippon Life 2012 Fund Special Purpose Company, and Nippon Life 2015 Fund Special Purpose Company issue special corporate bonds backed by claims on the funds. Issuance proceeds are used to purchase claims on the funds. Nippon Life has no specified investments in the Nippon Life 2011 Fund Special Purpose Company, Nippon Life 2012 Fund Special Purpose Company, or Nippon Life 2015 Fund Special Purpose Company.
2. Fund contributors are the three above-mentioned entities.

● Fund Redemption



*1 As stipulated by the Insurance Business Act, the minimum fund amount is ¥1 billion.

*2 Article 56 of the Insurance Business Act: When redeeming the fund, an amount equivalent to the redemption amount must be accumulated as a reserve for redemption of foundation funds. Reserve for fund redemption is a voluntary reserve and it is transferred to reserve for redemption of foundation funds (*kikin*) when the foundation funds (*kikin*) are redeemed.

*3 The redemption of ¥150 billion of reserve for fund redemption expected to occur between the fiscal year ended March 31, 2000, and the fiscal year ended March 31, 2002, was completed earlier than expected.

Subordinated Corporate Bonds Status

● Issued Subordinated Corporate Bonds (as of July 1, 2017)

Date of issuance	Type	Principal amount	Maturity*
Oct. 18, 2012	US dollar-denominated subordinated corporate bonds with interest deferral options	US\$2.0 billion	Oct. 2042
Oct. 16, 2014	US dollar-denominated subordinated corporate bonds with interest deferral options	US\$2.25 billion	Oct. 2044
Apr. 30, 2015	JPY-denominated subordinated corporate bonds with interest deferral options	¥75.0 billion	Apr. 2045
Jan. 20, 2016	US dollar-denominated subordinated corporate bonds with interest deferral options	US\$1.5 billion	Jan. 2046
Apr. 27, 2016	JPY-denominated subordinated corporate bonds with interest deferral options	¥70.0 billion	Apr. 2046
		¥30.0 billion	Apr. 2051
Nov. 20, 2016	JPY-denominated subordinated corporate bonds with interest deferral options	¥75.0 billion	Nov. 2046
		¥15.0 billion	May 2051
Apr. 19, 2017	JPY-denominated subordinated corporate bonds with interest deferral options	¥100.0 billion	Apr. 2047

* The corporate bonds listed above are callable on the day on which 10 years have passed since the date of issuance of the corporate bonds and on every date that falls five, or a multiple of five, years thereafter (provided however that the corporate bonds issued on October 18, 2012, are callable on each interest payment date in and after October 2022) until the corporate bonds are fully redeemed at the discretion of Nippon Life subject to prior approval or the like by the regulatory authority.

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

As of March 31		Billions of Yen		
		2017	2016	2015
Cash, deposits, and call loans	Book value	¥ 1,187.0	¥ 1,073.9	¥ 1,064.7
	Fair value (appraisal value)	1,187.0	1,073.9	1,064.7
	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	3.3	1.9	—
	Fair value (appraisal value)	3.3	1.9	—
	Net gains/losses	—	—	—
	Gains	—	—	—
	Losses	—	—	—
Investments in securities*3	Book value	46,681.8	44,760.6	41,415.4
	Fair value (appraisal value)	56,774.2	55,824.9	52,494.9
	Net gains/losses	10,092.3	11,064.3	11,079.5
	Gains	10,486.2	11,286.2	11,115.4
	Losses	(393.8)	(221.9)	(35.9)
Loans	Book value	7,749.5	8,121.4	8,357.6
	Fair value (appraisal value)	8,060.4	8,499.2	8,684.1
	Net gains/losses	310.9	377.7	326.5
	Gains	319.5	384.9	340.7
	Losses	(8.6)	(7.1)	(14.2)
Real estate*4	Book value	1,185.1	1,231.2	1,252.8
	Fair value (appraisal value)	1,384.1	1,360.1	1,312.1
	Net gains/losses	198.9	128.8	59.3
	Gains	343.2	284.5	227.9
	Losses	(144.2)	(155.6)	(168.6)
Other assets	Book value	1,663.6	1,727.6	1,768.4
	Fair value (appraisal value)	1,692.0	1,768.6	1,807.6
	Net gains/losses	28.3	40.9	39.2
	Gains	28.4	40.9	39.2
	Losses	(0.0)	(0.0)	(0.0)
Total assets	Book value	58,470.7	56,916.9	53,859.1
	Fair value (appraisal value)	69,101.4	68,528.8	65,363.7
	Net gains/losses	10,630.6	11,611.8	11,504.5
	Gains	11,177.4	11,996.6	11,723.4
	Losses	(546.7)	(384.7)	(218.8)

*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 ¥48.3 billion, ¥23.1 billion, and ¥26.7 billion as of March 31, 2017, 2016, and 2015, respectively.

STATUS OF FINANCIAL ASSETS (NONCONSOLIDATED)

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

* Please refer to the following pages: Fair Value of Securities (General Account), p. 251, Fair Value of Securities (Separate Account for Individual Variable Insurance), p. 261, and Fair Value of Securities (Separate Account for Individual Variable Annuities), p. 265.

1. Valuation gains/losses from trading securities

As of March 31	2017		2016		2015	
	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	¥1,156,327	¥9,492	¥1,164,557	¥(94,479)	¥1,005,262	¥44,376

Millions of Yen

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)

As of March 31	2017					2016				
	Book value	Fair value	Net gains/losses	Gains	Losses	Book value	Fair value	Net gains/losses	Gains	Losses
Policy-reserve-matching bonds	¥19,659,282	¥23,331,438	¥ 3,672,156	¥ 3,682,343	¥ (10,187)	¥20,561,330	¥25,052,761	¥ 4,491,430	¥ 4,491,476	¥ (46)
Held-to-maturity debt securities	—	—	—	—	—	—	—	—	—	—
Investments in subsidiaries and affiliates	14,251	87,590	73,339	73,339	—	7,711	66,925	59,214	59,214	—
Available-for-sale securities	25,330,807	31,658,751	6,327,943	6,702,045	(374,101)	22,622,202	29,138,346	6,516,143	6,730,510	(214,367)
Domestic bonds	2,954,772	3,142,882	188,109	194,582	(6,472)	2,991,174	3,259,659	268,484	269,652	(1,168)
Domestic stocks	4,027,300	8,321,536	4,294,236	4,387,968	(93,732)	3,971,012	7,627,755	3,656,742	3,809,871	(153,129)
Foreign securities	15,932,510	17,634,372	1,701,862	1,952,467	(250,605)	13,612,891	16,016,923	2,404,031	2,453,632	(49,600)
Foreign bonds	13,236,689	14,324,503	1,087,813	1,321,449	(233,635)	11,480,603	13,353,311	1,872,708	1,903,204	(30,496)
Foreign stocks and other securities	2,695,820	3,309,868	614,048	631,018	(16,970)	2,132,287	2,663,611	531,323	550,428	(19,104)
Other securities	1,679,439	1,823,107	143,667	166,956	(23,288)	1,291,359	1,478,140	186,780	197,244	(10,463)
Monetary receivables purchased	39,184	39,251	66	68	(1)	25,464	25,571	107	109	(2)
Negotiable certificates of deposit	697,600	697,601	1	1	(0)	730,300	730,296	(3)	0	(3)
Total	¥45,004,341	¥55,077,780	¥10,073,439	¥10,457,728	¥(384,288)	¥43,191,244	¥54,258,032	¥11,066,788	¥11,281,201	¥(214,413)
Domestic bonds	¥22,272,069	¥26,102,503	¥ 3,830,434	¥ 3,847,062	¥ (16,628)	¥23,086,371	¥27,802,985	¥ 4,716,613	¥ 4,717,784	¥ (1,171)
Domestic stocks	4,027,300	8,321,536	4,294,236	4,387,968	(93,732)	3,971,012	7,627,755	3,656,742	3,809,871	(153,129)
Foreign securities	16,000,810	17,778,148	1,777,337	2,027,942	(250,605)	13,692,392	16,159,118	2,466,725	2,516,325	(49,600)
Foreign bonds	13,291,669	14,381,618	1,089,949	1,323,584	(233,635)	11,552,393	13,428,580	1,876,186	1,906,683	(30,496)
Foreign stocks and other securities	2,709,141	3,396,529	687,387	704,357	(16,970)	2,139,998	2,730,537	590,538	609,642	(19,104)
Other securities	1,680,369	1,824,037	143,667	166,956	(23,288)	1,291,359	1,478,140	186,780	197,244	(10,463)
Monetary receivables purchased	326,190	353,953	27,763	27,796	(33)	419,808	459,737	39,929	39,974	(45)
Negotiable certificates of deposit	697,600	697,601	1	1	(0)	730,300	730,296	(3)	0	(3)

Millions of Yen

As of March 31	2015				
	Book value	Fair value	Net gains/losses	Gains	Losses
Policy-reserve-matching bonds	¥20,673,896	¥23,292,429	¥ 2,618,532	¥ 2,618,977	¥ (444)
Held-to-maturity debt securities	—	—	—	—	—
Investments in subsidiaries and affiliates	7,711	37,474	29,763	29,763	—
Available-for-sale securities	19,337,667	27,722,703	8,385,035	8,419,299	(34,263)
Domestic bonds	2,355,340	2,512,314	156,973	157,781	(807)
Domestic stocks	3,944,517	8,936,459	4,991,942	5,015,264	(23,321)
Foreign securities	11,889,668	15,009,565	3,119,897	3,129,530	(9,633)
Foreign bonds	9,752,012	12,005,458	2,253,446	2,255,097	(1,651)
Foreign stocks and other securities	2,137,655	3,004,106	866,451	874,432	(7,981)
Other securities	806,288	922,498	116,209	116,705	(496)
Monetary receivables purchased	38,852	38,866	13	16	(2)
Negotiable certificates of deposit	303,000	302,999	(0)	0	(1)
Total	¥40,019,275	¥51,052,607	¥11,033,331	¥11,068,039	¥(34,707)
Domestic bonds	¥22,497,508	¥25,233,003	¥ 2,735,494	¥ 2,736,685	¥ (1,191)
Domestic stocks	3,944,517	8,936,459	4,991,942	5,015,264	(23,321)
Foreign securities	11,969,216	15,122,920	3,153,703	3,163,337	(9,633)
Foreign bonds	9,823,849	12,081,339	2,257,489	2,259,141	(1,651)
Foreign stocks and other securities	2,145,366	3,041,580	896,214	904,196	(7,981)
Other securities	806,288	922,498	116,209	116,705	(496)
Monetary receivables purchased	498,744	534,726	35,982	36,045	(63)
Negotiable certificates of deposit	303,000	302,999	(0)	0	(1)

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

As of March 31	2017			2016			2015		
	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	¥19,393,560	¥23,075,904	¥3,682,343	¥20,553,296	¥25,044,772	¥4,491,476	¥20,576,578	¥23,195,555	¥2,618,977
Domestic bonds	19,055,356	22,707,836	3,652,479	20,088,505	24,536,637	4,448,132	20,047,635	22,626,539	2,578,904
Foreign securities	54,979	57,114	2,135	71,717	75,196	3,478	71,655	75,699	4,043
Monetary receivables purchased	283,224	310,953	27,728	393,073	432,939	39,865	457,286	493,315	36,029
Bonds whose fair value does not exceed balance sheet amount	265,721	255,534	(10,187)	8,034	7,988	(46)	97,318	96,874	(444)
Domestic bonds	261,940	251,784	(10,155)	6,691	6,688	(3)	94,532	94,148	(383)
Foreign securities	—	—	—	72	72	(0)	181	180	(0)
Monetary receivables purchased	3,781	3,749	(31)	1,270	1,227	(42)	2,604	2,544	(60)

(2) Held-to-maturity debt securities

No ending balance as of March 31, 2017, 2016, or 2015.

(3) Available-for-sale securities

As of March 31	2017			2016			2015		
	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	¥17,324,053	¥24,026,098	¥6,702,045	¥19,659,331	¥26,389,841	¥6,730,510	¥18,305,947	¥26,725,246	¥8,419,299
Domestic bonds	2,523,610	2,718,192	194,582	2,956,078	3,225,730	269,652	2,231,394	2,389,176	157,781
Domestic stocks	3,283,750	7,671,718	4,387,968	3,195,109	7,004,981	3,809,871	3,728,318	8,743,582	5,015,264
Foreign securities	10,020,827	11,973,295	1,952,467	12,142,241	14,595,873	2,453,632	11,561,325	14,690,856	3,129,530
Other securities	905,547	1,072,503	166,956	927,801	1,125,046	197,244	690,908	807,614	116,705
Monetary receivables purchased	2,717	2,786	68	2,800	2,910	109	1,000	1,016	16
Negotiable certificates of deposit	587,600	587,601	1	435,300	435,300	0	93,000	93,000	0
Bonds whose balance sheet amount does not exceed book value	8,006,753	7,632,652	(374,101)	2,962,871	2,748,504	(214,367)	1,031,720	997,457	(34,263)
Domestic bonds	431,162	424,690	(6,472)	35,096	33,928	(1,168)	123,945	123,138	(807)
Domestic stocks	743,549	649,817	(93,732)	775,903	622,773	(153,129)	216,198	192,876	(23,321)
Foreign securities	5,911,682	5,661,076	(250,605)	1,470,650	1,421,049	(49,600)	328,342	318,709	(9,633)
Other securities	773,892	750,603	(23,288)	363,557	353,093	(10,463)	115,380	114,883	(496)
Monetary receivables purchased	36,466	36,464	(1)	22,663	22,661	(2)	37,852	37,850	(2)
Negotiable certificates of deposit	110,000	109,999	(0)	295,000	294,996	(3)	210,000	209,998	(1)

(4) Book value of securities of which the fair value is extremely difficult to be determined

As of March 31	2017		2016		2015	
	¥	—	¥	—	¥	—
Policy-reserve-matching bonds	—	—	—	—	—	—
Held-to-maturity debt securities	—	—	—	—	—	—
Unlisted foreign bonds	—	—	—	—	—	—
Others	—	—	—	—	—	—
Investments in subsidiaries and affiliates	823,477	—	692,045	—	292,859	—
Available-for-sale securities	724,358	—	863,780	—	899,785	—
Unlisted domestic stocks (excluding stocks sold over the counter)	55,109	—	104,736	—	101,002	—
Unlisted foreign stocks (excluding stocks sold over the counter)	428,236	—	525,736	—	587,413	—
Unlisted foreign bonds	—	—	—	—	—	—
Others	241,012	—	233,307	—	211,370	—
Total	¥1,547,836	—	¥1,555,826	—	¥1,192,645	—

Note: Of securities of which the fair value is extremely difficult to be determined, the net income on currency exchange valuation of assets denominated in foreign currencies was ¥46,717 million, ¥37,482 million, and ¥82,167 million as of March 31, 2017, 2016, and 2015, respectively.

STATUS OF FINANCIAL ASSETS (NONCONSOLIDATED)

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	2017	2016	2015
Assets held in trust			
Balance sheet amount	¥3,397	¥1,934	¥—
Fair value	3,397	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	2017		2016		2015	
	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	¥3,397	¥(1,974)	¥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, 2017, 2016, or 2015.

8. Fair Value of Derivative Transactions (Company Total)

* Please refer to the following pages: Qualitative Information on Derivative Transactions (General Account), p. 253, Qualitative Information on Derivative Transactions (Separate Account for Individual Variable Insurance), p. 262, and Qualitative Information on Derivative Transactions (Separate Account for Individual Variable Annuities), p. 265.

(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						2017
Hedge accounting applied	¥(3,883)	¥ 5,032	¥(64,855)	¥—	¥—	¥ (63,706)
Hedge accounting not applied	—	8,002	(6,651)	13	—	1,364
Total	¥(3,883)	¥ 13,035	¥(71,506)	¥13	¥—	¥ (62,341)
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)

Note: Net gains/losses from applying the fair value hedge included in gain and loss on hedge accounting applied (gain in currencies of ¥91,703 million and loss in equities of ¥64,855 million as of March 31, 2017, and gain in currencies of ¥116,237 million and loss in equities of ¥8,055 million as of March 31, 2016) and net gains/losses included in hedge accounting not applied are recorded on the statements of income.

(2) Hedge accounting not applied

- Interest rate-related

						Millions of Yen				
As of March 31		2017				2016				
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		2015			
Category	Type	Contract amount		Net gains/losses	
		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.

STATUS OF FINANCIAL ASSETS (NONCONSOLIDATED)

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							2017
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							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	—	—	—	—	—	—	—

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

• Currency-related

Millions of Yen

As of March 31		2017				2016				
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	¥211,288	¥	—	¥2,532	¥2,532	¥343,147	¥	¥(4,959)	¥(4,959)
	U.S. Dollar	114,958		—	1,617	1,617	98,761		866	866
	Euro	48,119		—	318	318	37,559		(667)	(667)
	Australian Dollar	21,384		—	424	424	63,020		(1,175)	(1,175)
	British Pound	18,434		—	119	119	58,561		(566)	(566)
	Purchased	60,929		—	(236)	(236)	241,744		206	206
	U.S. Dollar	31,827		—	(74)	(74)	148,895		(383)	(383)
	Euro	19,559		—	(195)	(195)	19,934		290	290
	Australian Dollar	2,842		—	10	10	32,965		191	191
	British Pound	2,195		—	(4)	(4)	34,568		(11)	(11)
	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	224,649	224,649	5,706	5,706	72,700	72,700	(152)	(152)	
	Pay U.S. Dollar/ Receive Yen	—	—	—	—	—	—	—	—	
	Pay Euro/ Receive Yen	—	—	—	—	—	—	—	—	
	Pay Yen/ Receive Australian Dollar	210,486	210,486	5,320	5,320	72,700	72,700	(152)	(152)	
Total					¥8,002				¥(4,905)	

STATUS OF FINANCIAL ASSETS (NONCONSOLIDATED)

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

• Currency-related, continued

As of March 31		2015			
Category	Type	Contract amount		Fair value	Net gains/ losses
		Over 1 year			
Millions of Yen					
Over-the-counter	Foreign exchange forward contracts				
	Sold	¥128,722	¥ —	¥ 1,577	¥ 1,577
	U.S. Dollar	31,946	—	3	3
	Euro	52,841	—	801	801
	Australian Dollar	20,227	—	305	305
	British Pound	16,730	—	414	414
	Purchased	101,518	—	(1,024)	(1,024)
	U.S. Dollar	38,747	—	(282)	(282)
	Euro	31,021	—	(300)	(300)
	Australian Dollar	14,837	—	(226)	(226)
	British Pound	14,000	—	(216)	(216)
	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				
	Pay U.S. Dollar/ Receive Yen	—	—	—	—
	Pay Euro/ Receive Yen	—	—	—	—
	Pay Yen/ Receive Australian Dollar	—	—	—	—
Total				¥ 552	

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		2017				2016			
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	¥ 23,804	¥ —	¥ 170	¥ 170	¥ 6,726	¥ —	¥ (70)	¥ (70)
	Purchased	21,768	—	(104)	(104)	26,485	—	229	229
	Equity index options								
	Sold								
	Call	—	—	—	—	—	—	—	—
		[—]	[—]			[—]	[—]		
	Put	—	—	—	—	—	—	—	—
		[—]	[—]			[—]	[—]		
	Purchased								
Call	—	—	—	—	—	—	—	—	
	[—]	[—]			[—]	[—]			
Put	254,802	56,727	5,123	(6,522)	—	—	—	—	
	(11,645)	(4,098)			[—]	[—]			
Over-the-counter	Equity forward contracts								
	Sold	—	—	(275)	(275)	—	—	(25)	(25)
	Purchased	—	—	—	—	—	—	—	—
	Equity index options								
	Sold								
	Call	—	—	—	—	—	—	—	—
		[—]	[—]			[—]	[—]		
	Put	—	—	—	—	—	—	—	—
		[—]	[—]			[—]	[—]		
	Purchased								
Call	290	290	136	80	257	257	104	48	
	[55]	[55]			[55]	[55]			
Put	—	—	—	—	—	—	—	—	
	[—]	[—]			[—]	[—]			
Total				¥(6,651)				¥181	

STATUS OF FINANCIAL ASSETS (NONCONSOLIDATED)

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

As of March 31		2015			
Category	Type	Contract amount		Fair value	Net gains/losses
		Over 1 year			
Exchange-traded	Equity index futures				
	Sold	¥22,669	¥ —	¥(206)	¥(206)
	Purchased	7,155	—	31	31
	Equity index options				
	Sold				
	Call	—	—	—	—
	Put	[—]	[—]	—	—
	Purchased				
	Call	—	—	—	—
	Put	[—]	[—]	—	—
Over-the-counter	Equity forward contracts				
	Sold	—	—	—	—
	Purchased	—	—	—	—
	Equity index options				
	Sold				
	Call	—	—	—	—
	Put	[—]	[—]	—	—
	Purchased				
	Call	295	295	138	82
	Put	[55]	[55]	—	—
		[—]	[—]		
Total					¥ (92)

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.

• Bond-related

As of March 31		2017				2016			
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	¥21,954	¥—	¥13	¥13	¥5,911	¥—	¥11	¥11
	Purchased	—	—	—	—	—	—	—	—
Total									¥13

Millions of Yen

As of March 31		2015			
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, 2017, 2016, or 2015.

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

(3) Hedge accounting applied

- Interest rate-related

Millions of Yen

As of March 31				2017				2016					
Category	Hedge accounting method	Type	Main hedged items	Contract amount		Fair value	Net gains/losses	Contract amount		Fair value	Net gains/losses		
				Over 1 year				Over 1 year					
Over-the-counter	Deferred hedge accounting	Interest rate swaps	Insurance liabilities	Receive fixed interest rate/pay variable interest rate	¥344,000	¥344,000	¥(3,796)	¥(3,796)	¥175,000	¥175,000	¥7,019	¥7,019	
				Pay fixed interest rate/receive variable interest rate	—	—	—	—	—	—	—	—	
		Interest rate swaps		Loans	Receive fixed interest rate/pay variable interest rate	¥ 10,000	¥ 10,000	¥ (86)	¥ (86)	—	—	—	—
					Pay fixed interest rate/receive variable interest rate	—	—	—	—	—	—	—	—
Total				¥(3,883)				¥7,019					

As of March 31				2015					
Category	Hedge accounting method	Type	Main hedged items	Contract amount		Fair value	Net gains/losses		
				Over 1 year					
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	—	—	—	—	
		Interest rate swaps		Loans	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.

STATUS OF FINANCIAL ASSETS (NONCONSOLIDATED)

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							2017
Interest rate swaps							
Receive fixed interest rate/ pay variable interest rate							
Notional amount	¥—	¥—	¥4,000	¥6,000	¥—	¥344,000	¥354,000
Average fixed interest rate to receive	—	—	(0.05)%	(0.02)%	—	0.70%	0.68%
Average variable interest rate to pay	—	—	0.03%	0.03%	—	0.04%	0.04%
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							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	—	—	—	—	—	—	—

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

• Currency-related

Millions of Yen

	2017				2016					
	Contract amount		Fair value	Net gains/ losses	Contract amount		Fair value	Net gains/ losses		
	Over 1 year	Yen			Over 1 year	Yen				
Over-the-counter										
Fair value hedge accounting (main hedged items: foreign currency-denominated bonds)										
Foreign exchange forward contracts										
Sold	¥9,592,816	¥	—	¥ 91,703	¥ 91,703	¥7,324,437	¥	—	¥ 116,237	¥ 116,237
U.S. Dollar	5,405,762		—	42,281	42,281	4,749,328		—	70,579	70,579
Euro	2,722,764		—	22,297	22,297	1,477,859		—	1,729	1,729
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	1,122,572	1,080,645	(86,670)	(86,670)	1,121,771	1,075,210	(181,390)	(181,390)	(181,390)	(181,390)
Pay U.S. Dollar/Receive Yen	532,388	495,649	(83,474)	(83,474)	531,840	511,318	(106,043)	(106,043)	(106,043)	(106,043)
Pay Euro/Receive Yen	471,264	466,075	(21,234)	(21,234)	471,011	444,971	(77,719)	(77,719)	(77,719)	(77,719)
Pay British Pound/Receive Yen	118,919	118,919	18,038	18,038	118,919	118,919	2,371	2,371	2,371	2,371
Total				¥ 5,032					¥ (62,759)	

STATUS OF FINANCIAL ASSETS (NONCONSOLIDATED)

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

• Currency-related, continued

	2015		Fair value	Net gains/ losses
	Contract amount	Over 1 year		
Over-the-counter				
Fair value hedge accounting (main hedged items: foreign currency- denominated bonds)				
Foreign exchange forward contracts				
Sold	¥6,359,778	¥ —	¥ 108,900	¥ 108,900
U.S. Dollar	3,923,249	—	(980)	(980)
Euro	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	—	—	—	—
U.S. Dollar	—	—	—	—
Euro	—	—	—	—
Deferred hedge accounting (main hedged items: foreign currency-denominated bonds)				
Currency swaps	956,429	937,682	(324,523)	(324,523)
Pay U.S. Dollar/Receive Yen	455,251	446,215	(168,560)	(168,560)
Pay Euro/Receive Yen	398,270	388,559	(131,035)	(131,035)
Pay British Pound/Receive Yen	—	—	—	—
Total				¥(215,623)

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				2017			2016				
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	Domestic stocks	¥214,693	¥—	¥(64,855)	¥(64,855)	¥204,474	¥—	¥(8,055)	¥(8,055)
		Sold Purchased		—	—	—	—	—	—	—	—
Total				¥(64,855)			¥(8,055)				

As of March 31				2015			
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	Domestic stocks	¥40,731	¥—	¥(174)	¥(174)
		Sold Purchased		—	—	—	—
Total				¥(174)			

Note: Net gains/losses represent the fair value.

- Bond-related

No ending balance as of March 31, 2017, 2016, or 2015.

- Others

No ending balance as of March 31, 2017, 2016, or 2015.

STATUS OF FINANCIAL ASSETS (NONCONSOLIDATED)

9. Ordinary Profit (Core Operating Profit)

Millions of Yen			
Fiscal years ended March 31	2017	2016	2015
Core operating income	¥6,212,299	¥7,649,714	¥7,052,679
Revenues from insurance and reinsurance	4,647,334	6,080,915	5,337,118
Insurance premiums	4,646,209	6,079,922	5,336,204
Reinsurance revenue	1,125	993	913
Investment income	1,407,457	1,404,493	1,532,935
Interest, dividends, and other income	1,365,628	1,396,181	1,371,789
Gain on redemptions of securities	5,805	7,104	5,023
Reversal of general allowance for doubtful accounts	248	756	1,444
Other investment income	702	452	489
Gain from separate accounts, net	35,072	—	154,187
Other ordinary income	143,375	163,799	182,625
Income from annuity riders	9,442	10,297	7,329
Income from deferred benefits	106,290	118,134	126,913
Reversal of reserve for outstanding claims	—	—	1,652
Reversal of policy reserves	—	—	—
Reversal of accrued retirement benefits	131	6,539	19,980
Other income	27,510	28,827	26,749
Other core operating income	14,131	505	—
Core operating expenses	5,577,327	6,951,580	6,373,589
Benefits and other payments	3,529,231	3,749,890	3,932,183
Death and other claims	1,018,393	966,870	1,022,096
Annuity payments	836,311	826,229	839,921
Health and other benefits	658,966	702,169	721,112
Surrender benefits	801,780	847,635	959,865
Other refunds	212,024	405,400	387,696
Reinsurance premiums	1,754	1,585	1,491
Provision for policy reserves*	1,145,111	2,226,002	1,464,932
Investment expenses	93,962	111,200	72,617
Interest expenses	18,996	14,477	9,876
Loss on redemptions of securities	32,958	23,947	21,595
Provision for general allowance for doubtful accounts	—	—	—
Depreciation of rental real estate and other assets	15,337	15,649	15,307
Other investment expenses	26,670	25,935	25,839
Loss from separate accounts, net	—	31,190	—
Operating expenses	572,159	574,672	563,371
Other ordinary expenses	236,861	289,814	340,484
Deferred benefit payments	126,767	178,733	232,820
Taxes	44,541	47,323	44,508
Depreciation	47,578	45,566	46,455
Provision for accrued retirement benefits	—	—	—
Deferred asset amortization (Insurance Business Act, Article 113)	—	—	—
Other expenses	17,974	18,191	16,700
Other core operating expenses	—	—	—
Core operating profit	A 634,972	698,134	679,090

Millions of Yen			
Fiscal years ended March 31	2017	2016	2015
Capital gains	¥ 254,013	¥ 94,194	¥ 242,029
Gain on proprietary trading securities	—	—	—
Gain from assets held in trust, net	—	—	4
Gain on trading securities	—	—	—
Gain on sales of securities	254,013	94,194	242,024
Gain on derivative financial instruments, net	—	—	—
Foreign exchange gains, net	—	—	—
Other capital gains	—	—	—
Capital losses	282,954	105,929	68,376
Loss on proprietary trading securities	—	—	—
Loss from assets held in trust, net	1,976	65	—
Loss on trading securities	—	—	—
Loss on sales of securities	118,770	13,596	18,357
Loss on valuation of securities	27,738	35,783	3,258
Loss on derivative financial instruments, net	119,127	55,888	46,342
Foreign exchange losses, net	1,209	91	417
Other capital losses	14,131	505	—
Net capital gains/losses	B (28,941)	(11,734)	173,652
Core operating profit, including net capital gains/losses	A+B 606,030	686,399	852,743
Nonrecurring gains	494	1,474	—
Reinsurance revenue	—	—	—
Reversal of contingency reserve	—	—	—
Reversal of specific allowance for doubtful accounts	494	1,474	—
Other nonrecurring gains	—	—	—
Nonrecurring losses	148,060	150,363	245,501
Reinsurance premiums	—	—	—
Provision for contingency reserve	122,841	150,342	244,488
Provision for specific allowance for doubtful accounts	—	—	1,012
Provision of allowance for specific overseas debts	—	—	—
Write-offs of loans	—	21	0
Other nonrecurring losses	25,219	—	—
Nonrecurring gains/losses	C (147,566)	(148,889)	(245,501)
Ordinary profit	A + B + C ¥ 458,464	¥ 537,509	¥ 607,241

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

9. Ordinary Profit (Core Operating Profit), continued

(Reference) Breakdown of other core operating income and others

	Millions of Yen		
Fiscal years ended March 31	2017	2016	2015
Other core operating income	¥14,131	¥505	¥—
Foreign exchange gains related to foreign currency-denominated insurance products	7,508	505	—
Interest income related to swap transactions for foreign currency-denominated insurance products and swap transactions for hedging purposes	6,622	—	—
Other core operating expenses	—	—	—
Foreign exchange losses related to foreign currency-denominated insurance products	—	—	—
Interest expenses related to swap transactions for foreign currency-denominated insurance products and swap transactions for hedging purposes	—	—	—
Other capital gains	—	—	—
Foreign exchange gains related to foreign currency-denominated insurance products	—	—	—
Interest income related to swap transactions for foreign currency-denominated insurance products and swap transactions for hedging purposes	—	—	—
Other capital losses	14,131	505	—
Foreign exchange losses related to foreign currency-denominated insurance products	7,508	505	—
Interest expenses related to swap transactions for foreign currency-denominated insurance products and swap transactions for hedging purposes	6,622	—	—
Other nonrecurring gains	—	—	—
Other nonrecurring losses	25,219	—	—
Provision for allowance for investment loss	25,219	—	—

MAIN BUSINESS INDICATORS

10. Policies in Force and New Policies

1. Policies in force

(1) Number of policies

As of March 31	2017		2016		2015	
	Number of policies	Rate of increase (decrease)	Number of policies	Rate of increase (decrease)	Number of policies	Rate of increase (decrease)
Individual insurance	24,986,167	8.1%	23,123,904	12.1%	20,635,640	15.1%
Individual annuities	3,805,757	8.0	3,525,175	2.2	3,448,386	1.6

Number of Policies, %

(2) Policy amounts

As of March 31	2017		2016		2015	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥143,237,023	(1.3)%	¥145,116,359	(1.0)%	¥146,649,364	(2.8)%
Individual annuities	23,230,646	6.5	21,810,757	1.7	21,456,152	2.0
Group insurance	94,326,350	1.1	93,289,908	0.7	92,595,488	0.6
Group annuities	12,625,426	2.0	12,375,730	6.0	11,680,646	3.1

Millions of Yen, %

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

(1) Number of policies

Fiscal years ended March 31	2017		2016		2015	
	Number of policies	Rate of increase (decrease)	Number of policies	Rate of increase (decrease)	Number of policies	Rate of increase (decrease)
Individual insurance	3,915,903	(11.2)%	4,412,165	0.3%	4,397,742	(6.1)%
Individual annuities	425,638	90.6	223,367	5.7	211,364	(38.3)

Number of Policies, %

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

(2) Policy amounts

Fiscal years ended March 31	2017		2016		2015	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥ 8,518,783	(9.4)%	¥ 9,401,022	23.2 %	¥ 7,627,828	4.8 %
New policies, including conversions	8,981,907	(6.8)	9,636,705	16.6	8,268,132	2.6
By conversion	(463,124)	—	(235,682)	—	(640,303)	—
Individual annuities	2,527,577	72.8	1,462,618	(4.9)	1,538,155	(36.8)
New policies, including conversions	2,509,993	73.6	1,445,461	(5.1)	1,523,036	(36.2)
By conversion	17,583	2.5	17,156	13.5	15,118	(65.9)
Group insurance	568,286	51.9	374,131	(43.2)	658,737	10.4
New policies, including conversions	568,286	51.9	374,131	(43.2)	658,737	10.4
By conversion	[4,328,609]	3.3	[4,188,304]	(7.5)	[4,528,137]	20.3
Group annuities	3,657	126.0	1,618	(96.3)	43,951	3,253.4
New policies, including conversions	3,657	126.0	1,618	(96.3)	43,951	3,253.4
By conversion	—	—	—	—	—	—

Millions of Yen, %

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	2017		2016		2015	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥2,608,945	2.4%	¥2,548,656	3.6%	¥2,459,168	2.0%
Individual annuities	953,846	8.2	881,414	2.1	863,253	0.7
Total	¥3,562,791	3.9%	¥3,430,070	3.2%	¥3,322,422	1.6%
Medical coverage, living benefits, and others	¥ 622,378	1.6%	¥ 612,542	2.1%	¥ 600,200	0.7%

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	2017		2016		2015	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥234,946	(12.1)%	¥267,337	15.8 %	¥230,830	5.9 %
Individual annuities	111,450	100.3	55,628	(2.4)	57,025	(28.5)
Total	¥346,396	7.3 %	¥322,966	12.2 %	¥287,855	(3.3)%
Medical coverage, living benefits, and others	¥ 46,347	(6.1)%	¥ 49,339	19.9 %	¥ 41,154	0.2 %

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.

MAIN BUSINESS INDICATORS

12. New Policies by Product

Fiscal years ended March 31		2017		2016		2015	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual insurance	Mortality insurance	[3,434,729]	¥[12,387,639]	[3,854,029]	¥[13,832,390]	[4,237,477]	¥[15,311,733]
		1,805,097	7,024,110	2,015,365	7,502,405	2,110,788	7,672,295
	Term life insurance	[344,777]	[5,337,819]	[387,036]	[5,815,071]	[418,917]	[6,221,477]
		140,560	2,629,460	151,736	2,500,815	155,818	2,400,150
	Whole life insurance	[189,191]	[800,763]	[298,454]	[1,218,235]	[373,318]	[1,479,480]
		90,155	521,057	184,878	922,286	228,821	1,123,806
	Lump-sum payment whole life insurance with variable accumulation rate	63,833	282,475	54,977	250,024	1,072	11,133
	Lump-sum payment increasing whole life insurance with variable assumed rate	179	1,759	64,179	551,353	56,234	475,253
	Dread disease insurance	[477,987]	[1,576,734]	[479,830]	[1,611,726]	[636,436]	[2,338,609]
		247,165	817,707	230,135	793,524	300,804	1,078,859
	Physical disability insurance	[475,856]	[1,647,736]	[529,807]	[1,809,006]	[581,196]	[1,969,765]
		256,718	956,301	280,286	1,008,687	296,138	1,043,733
	Nursing care insurance	[491,761]	[2,018,600]	[532,440]	[2,217,162]	[595,044]	[2,474,538]
		270,627	1,097,733	276,548	1,119,761	306,711	1,200,775
	General medical insurance	[597,718]	[—]	[652,716]	[—]	[685,609]	[—]
		312,752	—	334,855	—	337,573	—
	Children's general medical insurance	15,788	—	15,330	—	15,155	—
	Cancer medical insurance	[373,846]	[—]	[401,402]	[—]	[422,920]	[—]
		165,866	—	171,721	—	168,658	—
	Limited injury insurance	[387,967]	[—]	[429,143]	[—]	[443,276]	[—]
		225,721	—	242,096	—	235,562	—
	Increasing term life insurance	[13,465]	[619,551]	[6,049]	[259,966]	[5,066]	[211,995]
		13,372	615,416	5,958	256,109	5,008	209,104
	Long-term life insurance with low cash surrender value	1,126	100,289	1,163	96,920	1,583	126,445
	Medical life insurance	9	0	41	2	127	7
	Lump-sum payment whole life insurance for retirement	348	1,523	547	2,483	561	2,588
	Medical life insurance for retirement	878	310	915	313	963	331
	Term rider	[29]	[75]	[34]	[124]	[32]	[105]
		29	75	34	124	32	105
	Life and mortality insurance	[400,569]	[2,268,198]	[492,193]	[2,691,476]	[107,530]	[525,005]
		295,051	1,756,598	341,094	1,972,068	86,074	468,578
Endowment insurance	[57,635]	[256,224]	[54,256]	[233,403]	[53,439]	[228,272]	
	52,610	242,673	48,816	218,764	47,717	212,167	
Term life with survival benefit insurance	[31,566]	[82,903]	[29,213]	[78,255]	[33,479]	[90,542]	
	18,678	49,873	15,103	41,949	17,745	50,219	
Dread disease insurance coverage with continuous support	[285,878]	[1,699,350]	[388,320]	[2,174,512]	[—]	[—]	
	198,273	1,234,332	256,771	1,506,048	—	—	
Dread disease insurance with maternity support benefits	3,628	10,884	—	—	—	—	
Juvenile insurance	21,862	218,833	20,404	205,303	20,612	206,187	
Multi-increase endowment rider	18	2	26	2	35	3	
Pure endowment	80,605	201,198	65,943	162,230	52,735	127,258	
Educational endowment insurance	80,605	201,198	65,943	162,230	52,735	127,258	
	[3,915,903]	[14,857,035]	[4,412,165]	[16,686,098]	[4,397,742]	[15,963,996]	
Subtotal	2,180,753	8,981,907	2,422,402	9,636,705	2,249,597	8,268,132	
		<8,518,783>		<9,401,022>		<7,627,828>	

12. New Policies by Product, continued

Fiscal years ended March 31		Number of Policies, Millions of Yen					
		2017		2016		2015	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual annuities	Nissay annuities	[379,495]	¥ [2,329,972]	[223,122]	¥ [1,508,437]	[210,039]	¥ [1,577,418]
		369,271	2,261,055	213,973	1,443,959	200,609	1,515,778
	Long-life insurance	39,819	218,900	—	—	—	—
	Annuities with variable accumulation rate	—	—	245	1,502	1,325	7,258
	Nissay investment-type annuities	6,324	30,038	—	—	—	—
	Subtotal	415,414	2,509,993	214,218	1,445,461	201,934	1,523,036
			<2,527,577>		<1,462,618>		<1,538,155>
Group insurance	Group term life insurance	46,350	64,235	20,563	21,225	36,866	36,615
	Dread disease insurance (Group type)	5,997	7,234	—	—	—	—
	General welfare group term life insurance	151,932	496,803	180,582	352,718	131,067	346,050
	Group credit life insurance	1	13	30	187	485,737	276,070
	Subtotal	204,280	568,286	201,175	374,131	653,670	658,737
Group annuities	Insured contributory pension plans	5,069	2,228	13,636	792	11,730	96
	Defined benefit corporate pension plans	—	1,156	—	663	—	58
	Group pure endowment insurance	—	104	—	—	—	—
	Defined contribution pension plans	—	167	—	163	—	480
	Subtotal	5,069	3,657	13,636	1,618	2,772,252	43,951
Workers' asset-formation insurance	Workers' asset-formation savings insurance	2,869	274	2,923	362	3,210	427
	Workers' asset-formation housing funding insurance	542	27	642	48	587	46
	Subtotal	3,411	302	3,565	410	3,797	473
Workers' asset-formation annuities	1,229	65	1,401	69	1,124	73	
Subtotal	1,229	65	1,401	69	1,124	73	
Medical life insurance	Individual type	3	0	8	0	14	0
	Group type	11,234	52	21,099	86	14,856	69
	Subtotal	11,237	52	21,107	86	14,870	69
Disability income insurance	Group disability income insurance	14,037	1,403	848	224	13,427	1,224
	Group long-term disability income support insurance	507,943	11,093	129,744	2,230	—	—
	Subtotal	521,980	12,497	130,592	2,455	13,427	1,224

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, and disability income insurance 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.

MAIN BUSINESS INDICATORS

13. Policies in Force by Product

As of March 31		2017		2016		2015	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual insurance	Mortality insurance	22,521,236	¥130,805,252	20,899,827	¥133,744,523	18,738,452	¥136,761,889
	Term life insurance	1,723,866	30,670,709	1,540,977	28,022,963	1,295,351	24,670,524
	Whole life insurance	4,809,224	29,499,173	4,719,910	29,345,826	4,510,943	28,743,954
	Lump-sum payment whole life insurance with variable accumulation rate	168,938	917,447	111,800	676,367	62,719	481,964
	Lump-sum payment increasing whole life insurance with variable assumed rate	250,779	2,037,353	266,794	2,187,774	216,225	1,763,105
	Whole life insurance with term rider	1,867,748	38,480,903	2,244,916	47,669,189	2,695,472	58,870,659
	Variable life insurance (whole life type)	33,035	471,097	33,562	482,252	34,064	495,518
	Variable life insurance with term rider (whole life type)	265	7,953	421	12,216	601	17,659
	Term life insurance with dread disease term rider	77,644	344,294	84,097	376,125	102,454	481,056
	Whole life insurance with dread disease term rider	28,460	181,555	29,118	186,089	29,834	191,178
	Dread disease insurance	2,428,860	8,706,634	2,142,878	7,850,048	1,829,848	6,884,159
	Physical disability insurance	2,232,453	7,487,190	1,954,872	6,558,622	1,592,516	5,360,708
	Nursing care insurance	2,220,591	9,190,801	1,928,053	8,038,376	1,564,018	6,561,198
	Cancer insurance	173,925	22,887	184,807	24,485	196,704	26,169
	Hospitalization medical insurance	64,489	126	67,949	99	71,708	72
	General medical insurance	2,891,937	—	2,532,900	—	2,084,014	—
	Children's general medical insurance	65,433	—	53,917	—	42,049	—
	Cancer medical insurance	1,674,594	—	1,438,872	—	1,149,187	—
	Limited injury insurance	1,724,847	—	1,490,684	—	1,190,175	—
	Increasing term life insurance	36,371	1,591,298	26,357	1,115,326	23,682	995,055
	Long-term life insurance with low cash surrender value	6,081	488,984	5,106	401,398	4,063	312,318
	Medical life insurance	2,193	129	2,434	144	3,775	225
	Lump-sum payment whole life insurance for retirement	9,589	43,754	9,502	43,211	9,177	41,701
	Medical life insurance for retirement	13,432	5,519	12,922	5,403	12,380	5,274
	Former Dowo Life Insurance	16,482	142,892	16,979	149,614	17,493	157,269
	Term rider	101,082	514,543	119,765	598,986	143,085	702,115
	Life and mortality insurance	2,171,836	11,692,039	2,008,226	10,826,098	1,744,775	9,498,531
	Endowment insurance	806,550	3,439,376	849,342	3,629,354	902,142	3,848,878
	Endowment insurance with term rider <i>Kurashi no Hoken</i>	39,268	562,399	45,645	653,115	54,679	780,068
	Variable life insurance (defined term type)	1,195	5,570	1,627	7,735	1,724	8,382
	Term life with survival benefit insurance	229,769	1,319,233	229,906	1,454,194	237,044	1,652,435
	Dread disease insurance coverage with continuous support	628,589	3,605,889	381,157	2,134,471	—	—
	Dread disease insurance with maternity support benefits	3,606	10,818	—	—	—	—
	Juvenile insurance	460,932	2,342,493	498,373	2,469,380	546,869	2,641,521
	Former Dowo Life Insurance	1,927	2,934	2,176	3,507	2,317	4,017
	Multi-increase endowment rider	12,299	3,181	13,496	3,533	14,904	3,971
	Term rider with survival benefit	209,765	400,142	249,092	470,807	298,381	559,255
	Pure endowment	293,095	739,730	215,851	545,736	152,413	388,942
	Educational endowment insurance	292,951	737,811	215,704	543,710	152,260	386,775
	Pure endowment with nursing care benefit	144	1,919	147	2,026	153	2,167
	Subtotal	24,986,167	143,237,023	23,123,904	145,116,359	20,635,640	146,649,364

13. Policies in Force by Product, continued

Number of Policies, Millions of Yen

As of March 31		2017		2016		2015	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual annuities	Nissay annuities	3,266,172	¥20,187,690	3,011,592	¥18,881,793	2,910,386	¥18,367,883
	Individual fixed annuities <i>Sounen no Sekkei</i>	108	377	127	435	141	520
	Annuities focused on survival coverage	376,110	2,314,854	382,230	2,356,513	388,366	2,401,182
	Long-life insurance	38,985	214,036	—	—	—	—
	Variable assumed rate-type annuities	5,942	16,093	6,118	18,852	6,826	22,119
	Annuities with variable accumulation rate	73,320	293,835	83,778	364,037	98,388	448,954
	Guaranteed minimum maturity benefit equity-indexed annuities	240	989	275	1,101	308	1,275
	Nissay investment-type annuities	12,837	73,915	8,847	57,605	11,618	82,080
	Former Dowa Life Insurance	3,517	15,414	3,636	15,885	3,751	16,429
	Annuity rider	26,683	94,308	26,700	94,736	26,627	94,371
	Term rider annualized payment	1,842	19,128	1,871	19,794	1,974	21,331
	Annuity for spouse term rider	1	0	1	1	1	1
	Subtotal	3,805,757	23,230,646	3,525,175	21,810,757	3,448,386	21,456,152
Group insurance	Group term life insurance	8,741,095	22,600,332	8,724,830	22,548,324	8,965,172	22,609,586
	Dread disease insurance (Group type)	5,947	7,173	—	—	—	—
	General welfare group term life insurance	5,546,693	36,576,956	5,399,265	36,023,725	5,204,204	35,354,766
	Group credit life insurance	12,161,375	35,099,126	12,319,957	34,673,936	12,451,349	34,586,246
	Consumer credit group insurance	44,626	585	45,726	643	47,085	703
	Group endowment insurance	1	0	2	0	4	0
	Group whole life insurance	46	40	55	45	59	49
	Life insurance for dependents of disabled	45,239	27,100	47,103	28,030	48,767	28,890
	Annuities rider (group term life insurance)	9,325	15,035	9,703	15,204	10,106	15,245
	Subtotal	26,509,108	94,326,350	26,499,538	93,289,908	26,677,979	92,595,488
Group annuities	Corporate pension plans	1,029	4,316	1,075	4,476	1,109	4,594
	New insured pension plans	5,109,923	942,114	4,974,373	827,526	8,243,720	783,126
	Insured contributory pension plans	3,364,367	4,176,185	3,368,310	4,024,754	3,376,246	3,894,536
	Defined benefit corporate pension plans	—	6,328,364	—	6,267,776	—	5,678,410
	Variable annuity pension investment fund insurance	—	0	—	—	—	—
	National pension fund insurance	—	554	—	552	—	550
	Employees' pension fund insurance	1,252,060	365,104	2,053,284	489,495	2,564,062	589,808
	Group pure endowment insurance	—	50,967	—	53,364	—	82,294
	Defined contribution pension plans	—	757,820	—	707,784	—	647,325
	Subtotal	9,727,379	12,625,426	10,397,042	12,375,730	14,185,137	11,680,646
Workers' asset-formation insurance	Workers' asset-formation savings insurance	96,084	292,081	99,119	285,777	102,367	280,160
	Workers' asset-formation housing funding insurance	13,506	40,070	14,355	42,247	15,391	45,038
	Workers' asset-formation benefits savings insurance	19,205	1,410	19,489	1,855	19,838	1,776
	Workers' asset-formation fund savings insurance	579	13	591	14	612	14
	Subtotal	129,374	333,577	133,554	329,895	138,208	326,990
Workers' asset-formation annuities	Workers' asset-formation annuities	266	711	281	783	298	862
	Workers' asset-formation funding annuities	53,726	117,763	55,523	121,675	56,987	125,720
Subtotal	53,992	118,474	55,804	122,459	57,285	126,583	
Medical life insurance	Individual type	690	3	773	3	870	4
	Group type	850,069	3,607	876,672	3,555	900,211	3,459
Subtotal	850,759	3,610	877,445	3,558	901,081	3,463	
Disability income insurance	Group disability income insurance	135,861	22,701	129,142	22,312	130,933	22,699
	Group long-term disability income support insurance	397,834	9,740	129,744	2,230	—	—
	Subtotal	533,695	32,442	258,886	24,543	130,933	22,699
Reinsurance assumed	31,681	31,778	37,566	60,465	42,024	69,055	

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. 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.

MAIN BUSINESS INDICATORS

14. Amount of Policies in Force by Coverage Type

As of March 31		2017	2016	2015	
Millions of Yen					
Death protection	Death protection due to illness/accident	Individual insurance	¥142,497,029	¥144,570,077	¥146,259,585
		Individual annuities	—	—	—
		Group insurance	94,311,315	93,274,704	92,580,242
		Group annuities	—	—	—
	Total including other types		236,840,123	237,905,248	238,908,883
	Death protection due to accident	Individual insurance	[16,608,503]	[18,564,107]	[20,829,707]
		Individual annuities	[189,464]	[205,699]	[225,241]
		Group insurance	[3,287,645]	[3,261,897]	[3,375,799]
		Group annuities	[—]	[—]	[—]
	Total including other types		[20,121,816]	[22,106,113]	[24,580,013]
	Death protection due to specific causes	Individual insurance	[205,985]	[220,373]	[235,529]
		Individual annuities	[—]	[—]	[—]
Group insurance		[123,593]	[122,186]	[100,677]	
Group annuities		[—]	[—]	[—]	
Total including other types		[329,579]	[342,560]	[336,206]	
Pure endowment	Maturity and survival benefits	Individual insurance	739,993	546,281	389,778
		Individual annuities	21,292,773	19,919,699	19,621,499
		Group insurance	716	681	627
		Group annuities	—	—	—
	Total including other types		22,104,354	20,540,394	20,088,552
	Annuity	Individual insurance	[77,955]	[98,602]	[124,385]
		Individual annuities	[2,666,727]	[2,516,721]	[2,470,922]
		Group insurance	[2,023]	[2,065]	[2,083]
		Group annuities	[—]	[—]	[—]
	Total including other types		[2,754,613]	[2,625,516]	[2,605,679]
	Other	Individual insurance	—	—	—
		Individual annuities	1,937,873	1,891,057	1,834,652
Group insurance		14,319	14,522	14,617	
Group annuities		12,625,426	12,375,730	11,680,646	
Total including other types		14,958,800	14,659,934	13,906,844	
Hospitalization coverage	Coverage for hospitalization due to accident	Individual insurance	[42,966]	[43,729]	[44,439]
		Individual annuities	[1,231]	[1,292]	[1,353]
		Group insurance	[1,420]	[1,437]	[1,534]
		Group annuities	[—]	[—]	[—]
	Total including other types		[49,228]	[50,018]	[50,789]
	Coverage for hospitalization due to illness	Individual insurance	[42,874]	[43,618]	[44,303]
		Individual annuities	[1,221]	[1,281]	[1,341]
		Group insurance	[—]	[—]	[—]
		Group annuities	[—]	[—]	[—]
	Total including other types		[47,705]	[48,457]	[49,108]
	Coverage for hospitalization due to other causes	Individual insurance	[46,857]	[48,274]	[49,640]
		Individual annuities	[246]	[257]	[271]
Group insurance		[39]	[39]	[40]	
Group annuities		[—]	[—]	[—]	
Total including other types		[47,143]	[48,571]	[49,952]	
Disability coverage	Individual insurance	—	—	—	
	Individual annuities	—	—	—	
	Group insurance	—	—	—	
	Group annuities	—	—	—	
Total including other types		32,442	24,543	22,699	

- 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.

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

As of March 31		Number of Policies		
		2017	2016	2015
Disability coverage	Individual insurance	[7,192,114]	[7,199,165]	[7,149,892]
	Individual annuities	[67,097]	[70,117]	[73,254]
	Group insurance	[2,489,460]	[2,520,382]	[2,602,371]
	Group annuities	[—]	[—]	[—]
	Total including other types	[9,748,671]	[9,789,664]	[9,825,517]
Surgical coverage	Individual insurance	[10,076,451]	[10,282,892]	[10,489,335]
	Individual annuities	[269,873]	[283,457]	[296,894]
	Group insurance	[—]	[—]	[—]
	Group annuities	[—]	[—]	[—]
	Total including other types	[10,346,324]	[10,566,349]	[10,786,229]

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		
		2017	2016	2015
Mortality insurance	Whole life insurance	¥ 33,554,528	¥ 33,016,771	¥ 31,610,501
	Whole life insurance with term rider	38,480,903	47,669,189	58,870,659
	Term life insurance	51,491,840	51,815,394	44,908,093
	Total including other types	130,805,252	133,744,523	136,761,889
Life and mortality insurance	Endowment insurance	3,439,376	3,629,354	3,848,878
	Endowment insurance with term rider	562,399	653,115	780,068
	Term life insurance with survival benefits	1,319,233	1,454,194	1,652,435
	Total including other types	11,692,039	10,826,098	9,498,531
Pure endowment	Family pure endowment	737,811	543,710	386,775
Total including other types	739,730	545,736	388,942	
Annuities	Individual annuities	23,230,646	21,810,757	21,456,152
Hospitalization/accident riders	Accident rider with extra premium	5,605,597	6,179,644	6,840,612
	Injury rider	11,096,827	12,476,400	13,940,698
	Accident coverage rider	—	—	176
	General medical rider	14,455	16,376	18,580
	Hospitalization due to accident rider	9,259	10,673	12,393
	Hospitalization due to illness rider	9,151	10,544	12,239
	Hospitalization due to adult disease rider	829	1,085	1,402
	Hospital visit rider	1,145	1,402	1,726
	Long-term hospitalization rider	16	19	23
	Hospitalization rider for women	449	543	661
	Limited injury rider	55,144	67,664	82,802
	Hospitalization due to cancer rider	9,365	11,227	13,413
Short-term hospitalization rider	2,991	3,642	4,413	

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.

MAIN BUSINESS INDICATORS

16. Trends and Transitions of Policies

1. Individual insurance

Fiscal years ended March 31	2017		2016		2015	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year	23,123,904	¥145,116,359	20,635,640	¥146,649,364	17,927,849	¥150,854,564
New policies	2,180,753	8,981,907	2,422,402	9,636,705	2,249,597	8,268,132
Renewals	9,277	665,476	18,595	720,803	18,433	903,873
Reinstatements	1,242	15,254	1,904	25,165	3,117	39,136
Increase from conversion	1,735,150	5,875,128	1,989,763	7,049,393	2,148,145	7,695,864
Increase from variable amount	—	927	—	1,499	—	1,189
Death	84,004	670,372	75,157	634,407	67,894	618,920
Maturity	120,148	457,124	146,925	580,364	173,003	668,371
Decrease of benefits	—	1,105,007	—	1,261,514	—	1,492,842
Decrease from conversion	541,730	6,338,252	522,475	7,285,076	431,750	8,336,168
Cancellation	1,297,657	6,568,415	1,179,350	6,676,786	1,014,205	6,969,167
Expiration	8,817	140,418	11,714	184,215	16,884	256,178
Decrease from variable amount	—	401	—	2,302	—	170
Decrease due to other changes	11,803	2,138,037	8,779	2,341,905	7,765	2,771,577
At the end of the fiscal year	24,986,167	143,237,023	23,123,904	145,116,359	20,635,640	146,649,364
[Rate of increase (decrease)]	[8.1%]	[(1.3)%]	[12.1%]	[(1.0)%]	[15.1%]	[(2.8)%]
Net increase (decrease)	1,862,263	(1,879,336)	2,488,264	(1,533,004)	2,707,791	(4,205,200)
[Rate of decrease]	[(25.2)%]	[—%]	[(8.1)%]	[—%]	[(16.2)%]	[—%]

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	2017		2016		2015	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year	3,525,175	¥<2,515,083>	3,448,386	¥<2,469,210>	3,392,874	¥<2,414,805>
New policies	415,414	<260,280>	214,218	<154,391>	201,934	<163,314>
Reinstatements	31	208	32	176	55	379
Increase from conversion	10,224	68,917	9,149	64,478	9,430	61,639
Death	10,465	49,117	10,218	49,789	10,455	51,760
Completion of payments	28,308	19,376	24,338	17,452	20,044	14,630
Decrease of insurance amount	—	63,568	—	68,077	—	69,314
Decrease from conversion	8,134	51,333	7,791	47,321	7,903	46,520
Cancellation	87,695	559,550	89,762	584,031	90,159	587,794
Expiration	575	3,243	762	4,461	1,045	6,542
Decrease due to other changes	9,910	168,492	13,739	154,446	26,301	179,793
At the end of the fiscal year	3,805,757	<2,665,149>	3,525,175	<2,515,083>	3,448,386	<2,469,210>
[Rate of increase]	[8.0%]	[6.5%]	[2.2%]	[1.7%]	[1.6%]	[2.0%]
Net increase	280,582	1,419,889	76,789	354,605	55,512	414,801
[Rate of increase (decrease)]	[265.4%]	[300.4%]	[38.3%]	[(14.5)%]	[(68.9)%]	[(69.5)%]

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	2017		2016		2015	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year	26,499,538	¥93,289,908	26,677,979	¥92,595,488	26,465,949	¥92,059,146
New policies	204,280	568,286	201,175	374,131	653,670	658,737
Renewals	14,013,409	58,295,699	13,806,610	57,245,555	13,885,807	57,012,478
Midterm enrollment	2,127,842	7,384,495	2,001,603	6,652,524	2,004,144	7,063,698
Increase of insurance amount	—	2,049,392	—	2,124,545	—	1,844,862
Death	47,808	104,376	48,703	106,732	50,338	109,636
Maturity	14,103,600	58,722,260	14,172,043	57,596,570	14,170,231	57,599,046
Withdrawal	2,157,856	5,673,564	1,932,544	4,962,896	2,017,741	5,039,160
Decrease of insurance amount	—	2,678,123	—	2,922,748	—	3,057,643
Cancellation	25,746	78,809	35,545	130,804	90,725	214,452
Expiration	360	1,590	79	920	8,531	26,297
Decrease due to other changes	591	1,126	(1,085)	(19,975)	(5,975)	(4,458)
At the end of the fiscal year	26,509,108	94,326,350	26,499,538	93,289,908	26,677,979	92,595,488
[Rate of increase (decrease)]	[0.0%]	[1.1%]	[(0.7)%]	[0.7%]	[0.8%]	[0.6%]
Net increase (decrease)	9,570	1,036,442	(178,441)	694,420	212,030	536,342
[Rate of increase]	[—%]	[49.3%]	[—%]	[29.5%]	[296.5%]	[446.4%]

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	2017		2016		2015	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year	10,397,042	¥12,375,730	14,185,137	¥11,680,646	14,492,480	¥11,327,050
New policies	5,069	3,657	13,636	1,618	2,772,252	43,951
Annuity payments	3,065,097	399,552	3,472,172	387,881	3,751,366	362,970
Single payments	459,233	394,155	485,457	416,875	675,899	421,435
Cancellation	285,869	103,413	3,376,411	196,478	37,858	189,080
At the end of the fiscal year	9,727,379	12,625,426	10,397,042	12,375,730	14,185,137	11,680,646
[Rate of increase (decrease)]	[(6.4)%]	[2.0%]	[(26.7)%]	[6.0%]	[(2.1)%]	[3.1%]
Net increase (decrease)	(669,663)	249,695	(3,788,095)	695,084	(307,343)	353,596
[Rate of increase (decrease)]	[—%]	[(64.1)%]	[—%]	[96.6%]	[—%]	[(14.9)%]

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

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

3. Policies represent the number of insured persons.

INSURANCE POLICY INDICATORS

17. Increase in Policy Amounts in Force

1. Number of policies in force and rate of increase

Fiscal years ended March 31	2017		2016		2015	
	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)
Individual insurance	24,986,167	8.1 %	23,123,904	12.1 %	20,635,640	15.1 %
Mortality insurance	22,521,236	7.8	20,899,827	11.5	18,738,452	17.6
Life and mortality insurance	2,171,836	8.1	2,008,226	15.1	1,744,775	(7.6)
Pure endowment	293,095	35.8	215,851	41.6	152,413	50.9
Individual annuities	3,805,757	8.0	3,525,175	2.2	3,448,386	1.6
Group insurance	26,509,108	0.0	26,499,538	(0.7)	26,677,979	0.8
Group annuities	9,727,379	(6.4)	10,397,042	(26.7)	14,185,137	(2.1)
Workers' asset-formation insurance	129,374	(3.1)	133,554	(3.4)	138,208	(3.3)
Workers' asset-formation annuities	53,992	(3.2)	55,804	(2.6)	57,285	(3.2)
Medical life insurance	850,759	(3.0)	877,445	(2.6)	901,081	0.7
Disability income insurance	533,695	106.2	258,886	97.7	130,933	(1.3)

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	2017		2016		2015	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥143,237.0	(1.3)%	¥145,116.3	(1.0)%	¥146,649.3	(2.8)%
Mortality insurance	130,805.2	(2.2)	133,744.5	(2.2)	136,761.8	(2.4)
Life and mortality insurance	11,692.0	8.0	10,826.0	14.0	9,498.5	(9.5)
Pure endowment	739.7	35.5	545.7	40.3	388.9	47.0
Individual annuities	23,230.6	6.5	21,810.7	1.7	21,456.1	2.0
Group insurance	94,326.3	1.1	93,289.9	0.7	92,595.4	0.6
Group annuities	12,625.4	2.0	12,375.7	6.0	11,680.6	3.1
Workers' asset-formation insurance	333.5	1.1	329.8	0.9	326.9	1.0
Workers' asset-formation annuities	118.4	(3.3)	122.4	(3.3)	126.5	(3.1)
Medical life insurance	3.6	1.5	3.5	2.8	3.4	2.6
Disability income insurance	32.4	32.2	24.5	8.1	22.6	1.6

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	2017		2016		2015	
	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)
Individual insurance	2,180,753	(10.0)%	2,422,402	7.7 %	2,249,597	(0.9)%
Mortality insurance	1,805,097	(10.4)	2,015,365	(4.5)	2,110,788	1.9
Life and mortality insurance	295,051	(13.5)	341,094	296.3	86,074	(11.8)
Pure endowment	80,605	22.2	65,943	25.0	52,735	(47.9)
Individual annuities	415,414	93.9	214,218	6.1	201,934	(38.1)
Group insurance	204,280	1.5	201,175	(69.2)	653,670	133.3
Group annuities	5,069	(62.8)	13,636	(99.5)	2,772,252	76,397.0
Workers' asset-formation insurance	3,411	(4.3)	3,565	(6.1)	3,797	(28.0)
Workers' asset-formation annuities	1,229	(12.3)	1,401	24.6	1,124	(41.9)
Medical life insurance	11,234	(46.8)	21,107	41.9	14,870	(76.4)
Disability income insurance	521,980	299.7	130,592	872.6	13,427	109.8

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	2017		2016		2015	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥8,981.9	(6.8)%	¥9,636.7	16.6 %	¥8,268.1	2.6 %
Mortality insurance	7,024.1	(6.4)	7,502.4	(2.2)	7,672.2	5.6
Life and mortality insurance	1,756.5	(10.9)	1,972.0	320.9	468.5	(12.1)
Pure endowment	201.1	24.0	162.2	27.5	127.2	(51.6)
Individual annuities	2,509.9	73.6	1,445.4	(5.1)	1,523.0	(36.2)
Group insurance	568.2	51.9	374.1	(43.2)	658.7	10.4
Group annuities	3.6	126.0	1.6	(96.3)	43.9	3,253.4
Workers' asset-formation insurance	0.3	(26.2)	0.4	(13.3)	0.4	(7.8)
Workers' asset-formation annuities	0.0	(6.5)	0.0	(4.9)	0.0	3.3
Medical life insurance	0.0	(38.5)	0.0	24.1	0.0	(81.8)
Disability income insurance	12.4	408.9	2.4	100.5	1.2	209.9

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		
	2017	2016	2015	2017	2016	2015
Mortality insurance	¥3,891	¥3,722	¥3,634	¥5,808	¥6,399	¥7,298
Life and mortality insurance	5,953	5,781	5,443	5,383	5,390	5,443
Pure endowment	2,496	2,460	2,413	2,523	2,528	2,551
Average	4,118	3,978	3,675	5,732	6,275	7,106

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	2017	2016	2015
Individual insurance	6.2%	6.6%	5.5%
Individual annuities	12.6	7.4	7.9
Group insurance	0.6	0.4	0.7

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	2017	2016	2015
Individual insurance	5.4%	5.5%	5.8%
Individual annuities	3.1	3.3	3.4
Group insurance	0.8	1.0	1.6

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.

INSURANCE POLICY INDICATORS

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

Fiscal years ended March 31	Yen		
	2017	2016	2015
Average premium of new individual policies (monthly payment policies)	¥53,283	¥44,609	¥44,316

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

23. Mortality Rate (Primary Individual Insurance Policies)

Fiscal years ended March 31	‰		
	2017	2016	2015
Number of policies	3.49‰	3.43‰	3.51‰
Insurance amount	4.64	4.34	4.15

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	2017		2016		2015	
	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	0.300‰	0.303‰	0.287‰	0.306‰	0.280‰	0.272‰
Disability	0.399	0.144	0.376	0.142	0.371	0.145
Hospitalization due to accident	6.001	138.7	5.911	135.7	5.995	139.8
Hospitalization due to illness	70.565	1,048.4	68.931	1,039.0	67.064	1,036.5
Hospitalization due to adult disease	17.465	328.1	16.344	309.3	15.365	299.2
Surgery due to illness or injury	61.735		59.827		57.384	
Surgery due to adult disease	15.235		13.712		12.018	

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	%		
	2017	2016	2015
Third-sector incidence rate	32.4%	32.9%	33.3%
Medical care	35.5	35.3	34.9
Cancer	32.8	34.0	34.5
Nursing care	16.4	16.7	17.4
Others	30.5	31.2	32.6

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

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

Fiscal years ended March 31	%		
	2017	2016	2015
Operating efficiency (Operating expenses as a percentage of premium revenues)	12.3%	9.5%	10.6%

27. Number of Major Insurance Companies that Accepted Reinsurance Agreements

Fiscal years ended March 31	Number of Insurance Companies		
	2017	2016	2015
Number of major insurance companies using reinsurance	10 [—]	9 [—]	9 [—]

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	%		
	2017	2016	2015
Ratio of reinsurance premiums paid to the top five insurance companies	81.6% [—]	84.4% [—]	83.4% [—]

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	%		
	2017	2016	2015
Over A	96.8% [—]	99.9% [—]	98.0% [—]
Over BBB and below A	— [—]	— [—]	1.8 [—]
Others (Below BBB or no rating)	3.2 [—]	0.1 [—]	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		
	2017	2016	2015
Unreceived reinsurance premiums	¥106 [—]	¥118 [—]	¥68 [—]

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

		Millions of Yen		
As of March 31		2017	2016	2015
Death and other claims	Mortality insurance claims	¥ 84,139	¥ 80,236	¥ 75,798
	Accident insurance claims	1,592	1,795	1,945
	Serious disability insurance claims	13,429	14,824	17,536
	Maturity insurance amount	6,280	5,509	5,396
	Others	51	79	64
	Subtotal	105,492	102,444	100,741
Annuity payments		3,927	3,469	3,291
Health and other benefits		32,194	32,991	33,544
Surrender benefits		202,646	173,749	55,868
Deferred benefit payments		2,796	3,352	3,696
Total including other reserves		¥347,747	¥316,631	¥197,929

32. Policy Reserves

		Millions of Yen		
As of March 31		2017	2016	2015
Policy reserves (Excluding contingency reserve)	Individual insurance	¥ 27,541,806	¥ 27,055,159	¥ 25,844,601
	[General Account]	[27,429,081]	[26,943,101]	[25,716,175]
	[Separate Account]	[112,724]	[112,058]	[128,426]
	Individual annuities	10,455,902	10,100,882	9,922,285
	[General Account]	[10,413,999]	[10,047,909]	[9,844,681]
	[Separate Account]	[41,903]	[52,972]	[77,604]
	Group insurance	49,360	49,514	48,323
	[General Account]	[49,360]	[49,514]	[48,323]
	[Separate Account]	—	—	—
	Group annuities	12,625,426	12,375,730	11,680,646
	[General Account]	[11,487,302]	[11,198,814]	[10,794,619]
	[Separate Account]	[1,138,124]	[1,176,916]	[886,026]
	Other	454,367	454,037	455,208
	[General Account]	[454,367]	[454,037]	[455,208]
	[Separate Account]	—	—	—
	Subtotal	51,126,862	50,035,325	47,951,066
	[General Account]	[49,834,110]	[48,693,377]	[46,859,008]
	[Separate Account]	[1,292,752]	[1,341,948]	[1,092,057]
Contingency reserve		1,523,431	1,400,590	1,250,248
Total		¥ 52,650,294	¥ 51,435,915	¥ 49,201,314
[General Account]		[51,357,541]	[50,093,967]	[48,109,257]
[Separate Account]		[1,292,752]	[1,341,948]	[1,092,057]

33. Policy Reserves Balance

		Millions of Yen		
As of March 31		2017	2016	2015
Insurance reserve funds		¥50,036,243	¥49,162,543	¥47,131,161
Unearned premiums		1,090,619	872,781	819,904
Refund reserve		—	—	—
Contingency reserve		1,523,431	1,400,590	1,250,248
Total		¥52,650,294	¥51,435,915	¥49,201,314

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

1. Policy reserves valuation method and valuation ratio

		%		
As of March 31		2017	2016	2015
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			Assumed interest rate
	2017	2016	2015	
As of March 31				
-1980	¥ 71,668	¥ 79,729	¥ 88,968	2.75-5.00%
1981-1985	1,681,129	1,726,611	1,833,774	2.75-5.50
1986-1990	6,058,566	6,166,471	6,201,516	2.75-5.50
1991-1995	7,824,292	7,762,774	7,710,925	2.75-5.50
1996-2000	3,236,758	3,292,870	3,375,051	1.50-2.75
2001-2005	2,899,553	2,981,921	3,165,220	1.00-1.50
2006-2010	5,620,539	5,862,131	6,081,674	1.00-1.50
2011	1,725,443	1,807,145	1,827,125	0.85-1.50
2012	2,118,349	2,121,040	2,105,192	0.60-1.50
2013	1,764,523	1,683,101	1,570,222	0.50-1.00
2014	1,823,110	1,734,522	1,601,184	0.50-1.00
2015	1,936,576	1,772,691	—	0.50-3.45
2016	1,082,569	—	—	0.25-3.56
Total	¥37,843,080	¥36,991,010	¥35,560,856	

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		
	2017	2016	2015
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 9, 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 9, 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%).

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), continued

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

		Millions of Yen		
As of March 31		2017	2016	2015
Insurance reserve fund		¥ —	¥ —	¥ —
Contingency reserve		2,758	2,951	2,896

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		2017						
Balance at the end of the previous fiscal year		¥ 961,031	¥ 27,027	¥ 12,217	¥ 5,595	¥ 4,989	¥4,150	¥1,015,013
Transfer to reserve from surplus in the previous fiscal year		23,115	3,093	122,273	79,654	—	1,720	229,857
Increase in interest		22,195	258	1	0	3	0	22,458
Other increases		—	—	—	—	—	—	—
Policyholder dividends paid out during the fiscal year		56,372	1,708	123,611	81,784	508	2,242	266,227
Other decreases		—	—	—	—	—	—	—
Balance at the end of the current fiscal year		¥ 949,970	¥ 28,670	¥ 10,882	¥ 3,465	¥ 4,484	¥3,629	¥1,001,102
		[709,787]	[14,080]	[3,399]	[16]	[4,300]	[206]	[731,791]
Fiscal year ended March 31		2016						
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]

Note: The numbers in brackets indicate accumulated dividends reserved.

38. Allowance for Doubtful Accounts and Other Reserves

As of March 31		Millions of Yen					
		2017		2016		2015	
		Amount	Increase/ decrease	Amount	Increase/ decrease	Amount	Increase/ decrease
Allowance for doubtful accounts ¹	General allowance for doubtful accounts	¥ 1,503	¥ (248)	¥ 1,751	¥ (756)	¥ 2,507	¥ (1,444)
	Specific allowance for doubtful accounts	1,379	(393)	1,773	(2,305)	4,078	1,006
	Allowance for specific overseas debt	—	—	—	—	—	—
Allowance for investment loss ²		25,219	25,219	—	—	—	—
Accrued bonuses for directors and audit and supervisory board members ³		79	(7)	87	12	74	24
Accrued retirement benefits ⁴		358,630	(131)	358,762	(6,539)	365,302	(19,980)
Accrued retirement benefits for directors and audit and supervisory board members ⁵		4,498	106	4,391	116	4,274	(128)
Reserve for program points ⁶		9,013	(406)	9,420	(3,751)	13,171	561
Reserve for price fluctuations in investments in securities ⁷		1,116,795	169,411	947,384	168,661	778,723	155,411

* Reasons for recording:

1. Allowance for doubtful accounts is recorded to cover bad debt losses.
2. Allowance for investment loss is recorded to cover losses from investment.
3. Allotted for executive bonus payments and recorded accordingly.
4. Accrued retirement benefits are recorded to prepare for employee retirement benefit and pension payments.
5. Allotted for executive retirement bonus payments.
6. Reserve for program points is recorded to prepare for expenses from the use of points granted to policyholders.
7. 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, 2017, 2016, or 2015

2. Balance of debt by creditor countries

No ending balance as of March 31, 2017, 2016, or 2015

40. Insurance Premiums

1. Premiums by payment method

		Millions of Yen		
Fiscal years ended March 31		2017	2016	2015
Individual insurance		¥2,443,961	¥3,258,020	¥3,038,186
	Lump-sum payment	390,347	1,330,970	1,132,529
	Annual payment	644,680	504,419	460,228
	Semiannual payment	5,115	5,977	7,059
	Monthly payment	1,403,817	1,416,653	1,438,369
Individual annuities		682,503	518,919	507,474
	Lump-sum payment	33,195	4,281	9,534
	Annual payment	258,172	142,970	136,278
	Semiannual payment	3,259	3,473	3,723
	Monthly payment	387,875	368,194	357,938
Group insurance		263,403	260,725	259,308
Group annuities		1,202,981	1,988,163	1,476,123
Total including other premiums		¥4,646,209	¥6,079,922	¥5,336,204

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		2017	2016	2015
Individual insurance	Initial year premium	¥ 779,845	¥1,615,019	¥1,450,035
Individual annuities	Subsequent year premiums	2,346,619	2,161,920	2,095,625
	Subtotal	3,126,465	3,776,940	3,545,660
Group insurance	Initial year premium	1,598	1,377	1,820
	Subsequent year premiums	261,805	259,347	257,488
	Subtotal	263,403	260,725	259,308
Group annuities	Initial year premium	12,103	9,068	50,488
	Subsequent year premiums	1,190,878	1,979,095	1,425,635
	Subtotal	1,202,981	1,988,163	1,476,123
Total including other premiums	Initial year premium	796,112	1,627,900	1,506,507
	Subsequent year premiums	3,850,097	4,452,021	3,829,697
	Total	¥4,646,209	¥6,079,922	¥5,336,204
	[Percent increase (decrease)]	[(23.6)%]	[13.9%]	[(10.6)%]

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

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 2017									
Mortality	¥572,879	¥1,350	¥ 95,307	¥ —	¥ —	¥ 4	¥ 0	¥129	¥ 669,673
Accident	6,373	19	293	—	91	—	—	—	6,778
Serious disability	68,207	98	8,592	—	—	—	—	1	76,900
Maturity	247,907	19	0	13,687	3,336	—	—	—	264,950
Others	—	—	—	—	—	—	77	13	90
Total	¥895,368	¥1,488	¥104,193	¥13,687	¥3,427	¥ 4	¥ 77	¥145	¥1,018,393
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

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 2017									
Mortality	65,854	750	46,039	—	—	206	8	123	112,980
Accident	782	24	191	—	7	—	—	—	1,004
Serious disability	20,571	28	3,553	—	—	—	—	4	24,156
Maturity	58,162	185	1	4	5,026	—	—	—	63,378
Others	—	—	—	—	—	—	277	198	475
Total	145,369	987	49,784	4	5,033	206	285	325	201,993
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

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					2017				
Annuities paid	¥38,450	¥387,188	¥ 2,334	¥ 399,524	¥ 8,813	¥—	¥—	¥—	¥ 836,311
Number of policies	31,591	512,140	32,429	7,060,087	30,077	—	—	—	7,666,324
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

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					2017				
Death benefits	¥ 4,760	¥24,840	¥ 6	¥ —	¥ 555	¥ —	¥—	¥—	¥ 30,162
Hospitalization due to accident benefits	6,820	183	76	—	—	168	—	2	7,251
Hospitalization due to illness benefits	67,334	1,514	—	—	—	1,475	—	21	70,346
Surgical benefits	52,960	1,430	—	—	—	1,798	—	11	56,200
Disability benefits	3,345	12	46	—	13	—	—	—	3,417
Survival benefits	95,377	155	—	—	1,739	—	—	—	97,272
Group annuity single benefits	—	—	—	376,515	—	—	—	—	376,515
Other benefits	7	0	1	17,756	—	—	—	33	17,800
Total	¥230,606	¥28,137	¥130	¥394,272	¥2,308	¥3,441	¥—	¥69	¥658,966
Fiscal year ended March 31					2016				
Death benefits	¥ 4,847	¥26,733	¥ 6	¥ —	¥ 558	¥ —	¥—	¥—	¥ 32,144
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
Surgical benefits	52,630	1,442	—	—	—	1,773	—	11	55,858
Disability benefits	3,445	11	34	—	3	—	—	—	3,494
Survival benefits	114,103	109	—	—	2,203	—	—	—	116,415
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				
Death benefits	¥ 5,196	¥30,047	¥ 6	¥ 118	¥ 531	¥ —	¥—	¥ 6	¥ 35,905
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
Surgical benefits	52,182	1,448	—	—	—	1,645	—	12	55,289
Disability benefits	3,483	17	35	—	(4)	—	—	—	3,532
Survival benefits	128,012	64	—	—	2,792	—	—	—	130,869
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

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 2017									
Death benefits	4,471	5,536	429	—	235	—	—	—	10,671
Hospitalization due to accident benefits	63,096	2,019	3,044	—	—	9,861	—	166	78,186
Hospitalization due to illness benefits	775,146	25,265	—	—	—	24,615	—	1,792	826,818
Surgical benefits	450,456	17,097	—	—	—	14,885	—	934	483,372
Disability benefits	37,002	99	137	—	2	—	—	—	37,240
Survival benefits	290,890	1,395	—	—	783	—	—	—	293,068
Group annuity single benefits	—	—	—	589,191	—	—	—	—	589,191
Other benefits	18	3	158	4	—	—	—	9,897	10,080
Total	1,621,079	51,414	3,768	589,195	1,020	49,361	—	12,789	2,328,626
Fiscal year ended March 31 2016									
Death benefits	4,489	5,741	451	—	235	—	—	—	10,916
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
Surgical benefits	445,939	17,215	—	—	—	14,653	—	856	478,663
Disability benefits	36,413	112	123	—	1	—	—	—	36,649
Survival benefits	357,960	979	—	—	1,011	—	—	—	359,950
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									
Death benefits	4,723	6,422	423	—	263	—	—	2	11,833
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
Surgical benefits	437,954	17,301	—	—	—	13,418	—	780	469,453
Disability benefits	35,292	118	120	—	1	—	—	—	35,531
Survival benefits	388,037	492	—	—	1,253	—	—	—	389,782
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

44. Surrender Benefits

Millions of Yen

Fiscal years ended March 31	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset-formation insurance and annuities	Medical life insurance	Disability income insurance	Reinsurance assumed	Total
2017	¥580,503	¥113,623	¥—	¥ 74,933	¥32,719	¥—	¥—	¥—	¥801,780
2016	607,531	127,299	—	78,580	34,223	—	—	—	847,635
2015	603,684	141,913	—	179,805	34,462	—	—	—	959,865

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			2017		
Tangible fixed assets	¥619,904	¥12,805	¥425,816	¥194,088	68.7%
Buildings	546,044	8,467	373,173	172,870	68.3
Lease assets	17,358	2,207	5,620	11,737	32.4
Other tangible fixed assets	56,501	2,130	47,022	9,479	83.2
Intangible fixed assets	230,629	34,045	149,525	81,103	64.8
Others	8,672	726	5,297	3,375	61.1
Total	¥859,206	¥47,578	¥580,639	¥278,567	67.6%
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%

46. Operating Expenses

	Millions of Yen		
Fiscal years ended March 31	2017	2016	2015
Marketing operations	¥233,347	¥230,286	¥220,033
Marketing administration	81,869	83,868	85,035
General and administrative expenses	256,942	260,516	258,303
Total	¥572,159	¥574,672	¥563,371

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 ¥5,840 million in the fiscal year ended March 31, 2017, ¥6,134 million in the fiscal year ended March 31, 2016, and ¥6,155 million in the fiscal year ended March 31, 2015.

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							
2017							
Loans payable	¥ 2,474	¥4,241	¥3,846	¥13,024	¥ 3,062	¥ —	¥ 26,649
Corporate bonds	—	—	—	—	—	840,825	840,825
Cash received as collateral under securities lending transactions	674,067	—	—	—	—	—	674,067
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

48. Taxes

Millions of Yen				
Fiscal years ended March 31		2017	2016	2015
National tax		¥24,264	¥25,902	¥25,967
	Consumption tax	20,510	21,518	20,053
	Special local corporate tax	3,377	3,995	5,488
	Documentary stamp tax	369	348	412
	Registration and license tax	1	32	9
	Other national tax	4	7	2
Local tax		20,277	21,420	18,541
	Local consumption tax	5,534	5,806	5,377
	Corporate enterprise tax	8,262	9,532	7,113
	Fixed-asset tax	5,132	5,169	5,143
	Real estate acquisition tax	439	37	4
	Corporate income tax	901	865	895
	Automobile tax	2	2	2
	Other local tax	4	6	4
Total		¥44,541	¥47,323	¥44,508

49. Lease Transactions

Lease Transactions (lessee side)

(1) Nonownership transfer lease transactions that have been recorded based on normal lease transaction methods

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

No ending balance for the fiscal years ended March 31, 2017, 2016, or 2015.

② Future minimum lease payments' year-end balance

No ending balance for the fiscal years ended March 31, 2017, 2016, or 2015.

③ Lease fees paid and depreciation

No ending balance for the fiscal years ended March 31, 2017, 2016, or 2015.

(2) Operating lease contracts

Fiscal years ended March 31		Millions of Yen		
		2017	2016	2015
Future minimum lease payments' year-end balance	One year and under	¥287	¥ 60	¥ 54
	Over one year	421	44	80
	Total	¥708	¥105	¥135

Lease Transactions (lessor side)

(1) Operating lease contracts

Fiscal years ended March 31		Millions of Yen		
		2017	2016	2015
Future minimum lease payments' year-end balance	One year and under	¥13,235	¥13,132	¥11,394
	Over one year	30,895	38,757	39,223
	Total	¥44,131	¥51,890	¥50,618

50. Overview of the Fiscal Year Ended March 31, 2017, Investment (General Account)

① Investment environment

In the fiscal year ended March 31, 2017, the Japanese economy started the fiscal year with largely flat growth, primarily due to the effects of falling resource prices and stagnant overseas economies, including newly emerging economies. From the summer onward, the Japanese economy started to gradually recover, owing to an improvement in production activity underpinned by solid exports, despite continued weakness in the level of consumer spending.

- The Nikkei Stock Average started the fiscal year at ¥16,758. Subsequently, the index declined at times in response to the outcome of the U.K. national referendum in June. The index then began to increase owing to the Bank of Japan's policies to support stock prices and the stronger U.S. dollar reflecting positive expectations for the policies of U.S. President Donald Trump. The index finished at ¥18,909 at the end of March.
- The yield rate on 10-year government bonds started the fiscal year at -0.05%. It then declined further to around -0.3% in July, mainly due to a stronger risk-off stance among investors reflecting the outcome of the U.K. national referendum. Thereafter, the rate showed signs of rising due to the introduction of a policy of quantitative and qualitative monetary easing with yield curve control by the Bank of Japan. However, the yield rate has remained at a low level, finishing at 0.07% at the end of March.
- The yen-U.S. dollar exchange rate started the fiscal year at the ¥112 level. Thereafter, the rate temporarily dipped below U.S.\$1=¥100 in response to the outcome of the U.K. national referendum. In the second half of the fiscal year, the yen temporarily depreciated to the ¥118 level following an interest rate hike by the Federal Reserve Board and positive expectations for the Trump administration. Thereafter, however, the outlook for the policies of the Trump administration became increasingly uncertain. Consequently, the yen-U.S. dollar exchange rate finished at ¥112.19 at the end of March.

The yen-euro exchange rate started the fiscal year at the ¥127 level. Subsequently, in response to the outcome of the U.K. national referendum, the yen temporarily appreciated to the ¥109 level. Thereafter, excessive concerns about the U.K. leaving the EU subsided, and the yen returned to the ¥124 level. However, a sense of caution lingered over the European political climate, including the French presidential election. The yen-euro exchange rate finished at ¥119.79 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, 2017, 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

Considering the low interest rate environment, the Company limited the additional accumulation of outstanding domestic bond balances.

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.

INDICATORS RELATED TO INVESTMENT (GENERAL ACCOUNT)

50. Overview of the Fiscal Year Ended March 31, 2017, Investment (General Account), continued

Billions of Yen, %			
As of March 31	2017	Increase (decrease)*	Breakdown
General Account	¥63,498.2	¥1,648.1	100.0%
Domestic bonds	22,460.1	(814.3)	35.4
Domestic stocks	8,695.2	(49.9)	13.7
Foreign securities	18,855.0	2,404.5	29.7
Loans	7,749.5	(371.9)	12.2
Real estate	1,619.2	(58.6)	2.6

* 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

Millions of Yen, %						
As of March 31	2017		2016		2015	
Cash, deposits, and call loans	¥ 1,077,906	1.7 %	¥ 1,003,732	1.6 %	¥ 1,004,703	1.6 %
Receivables under resale agreements	—	—	—	—	—	—
Receivables under securities borrowing transactions	—	—	—	—	—	—
Monetary receivables purchased	326,256	0.5	419,915	0.7	498,758	0.8
Proprietary trading securities	—	—	—	—	—	—
Assets held in trust	3,397	0.0	1,934	0.0	—	—
Investments in securities	51,871,554	81.7	50,133,752	80.8	48,833,977	79.8
Domestic bonds	22,460,179	35.4	23,354,856	37.6	22,654,482	37.0
Domestic stocks	8,695,235	13.7	8,107,641	13.1	9,075,285	14.8
Foreign securities	18,855,086	29.7	17,158,155	27.6	16,144,907	26.4
Foreign bonds	14,379,482	22.6	13,425,101	21.6	12,077,295	19.7
Foreign stocks and other securities	4,475,604	7.0	3,733,053	6.0	4,067,611	6.6
Other securities	1,861,053	2.9	1,513,098	2.4	959,302	1.6
Loans	7,749,527	12.2	8,121,484	13.1	8,357,620	13.7
Policy loans	654,701	1.0	695,878	1.1	736,564	1.2
Industrial and consumer loans	7,094,826	11.2	7,425,606	12.0	7,621,055	12.5
Real estate	1,619,295	2.6	1,677,960	2.7	1,696,561	2.8
Investment property	1,022,318	1.6	1,079,619	1.7	1,079,961	1.8
Deferred tax assets	—	—	—	—	—	—
Other assets	853,155	1.3	720,625	1.2	784,460	1.3
Allowance for doubtful accounts	(2,882)	(0.0)	(3,524)	(0.0)	(6,585)	(0.0)
Total	¥63,498,212	100.0 %	¥62,075,880	100.0 %	¥61,169,494	100.0 %
Foreign currency-denominated assets	¥17,036,197	26.8 %	¥15,178,335	24.5 %	¥13,978,755	22.9 %

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, 2017: ¥674,067 million; March 31, 2016: ¥661,819 million; and March 31, 2015: ¥529,989 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		
	2017	2016	2015
Cash, deposits, and call loans	¥ 74,173	¥ (970)	¥ 254,673
Receivables under resale agreements	—	—	—
Receivables under securities borrowing transactions	—	—	(159,856)
Monetary receivables purchased	(93,658)	(78,842)	(71,874)
Proprietary trading securities	—	—	—
Assets held in trust	1,463	1,934	—
Investments in securities	1,737,802	1,299,774	5,563,263
Domestic bonds	(894,676)	700,373	987,668
Domestic stocks	587,593	(967,644)	1,929,656
Foreign securities	1,696,931	1,013,248	2,268,882
Foreign bonds	954,380	1,347,805	1,851,421
Foreign stocks and other securities	742,550	(334,557)	417,460
Other securities	347,954	553,796	377,055
Loans	(371,956)	(236,135)	(171,359)
Policy loans	(41,176)	(40,686)	(45,715)
Industrial and consumer loans	(330,779)	(195,448)	(125,643)
Real estate	(58,665)	(18,600)	(5,894)
Investment property	(57,300)	(341)	9,419
Deferred tax assets	—	—	—
Other assets	132,530	(63,834)	196,782
Allowance for doubtful accounts	641	3,061	438
Total	¥1,422,331	¥ 906,386	¥5,606,173
Foreign currency-denominated assets	¥1,857,861	¥1,199,579	¥2,305,892

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

Fiscal year ended March 31, 2017: ¥12,248 million increase

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

Fiscal year ended March 31, 2015: ¥272,701 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, %					
	2017		2016		2015	
	Average balance	Yield	Average balance	Yield	Average balance	Yield
Cash, deposits, and call loans	¥ 406,673	(0.00)%	¥ 685,869	0.08 %	¥ 521,601	0.09%
Receivables under resale agreements	—	—	—	—	—	—
Receivables under securities borrowing transactions	—	—	186,727	0.08	255,694	0.08
Monetary receivables purchased	359,626	2.00	469,759	2.01	545,795	2.07
Proprietary trading securities	—	—	—	—	—	—
Assets held in trust	2,096	(94.29)	92	(63.56)	—	—
Investments in securities	44,670,810	2.35	41,463,009	2.70	39,414,840	3.23
Domestic bonds	22,638,931	1.93	22,589,409	1.88	22,022,643	1.93
Domestic stocks	4,373,601	7.54	4,194,354	5.42	4,061,079	8.51
Foreign securities	16,161,048	1.57	13,625,254	3.30	12,586,698	3.75
Foreign bonds	12,819,107	1.12	10,532,810	2.49	9,511,205	3.06
Foreign stocks and other securities	3,341,940	3.31	3,092,444	6.06	3,075,492	5.87
Loans	8,021,416	1.76	8,261,017	1.85	8,395,813	1.94
Industrial and consumer loans	7,347,695	1.50	7,546,140	1.57	7,638,678	1.66
Real estate	1,663,379	2.89	1,691,354	2.82	1,710,118	2.67
Investment property	1,065,422	4.51	1,082,829	4.40	1,083,923	4.22
General account total	¥56,688,779	2.19 %	¥54,229,051	2.42 %	¥52,279,572	2.83%
Overseas investments	¥16,755,760	1.58 %	¥14,209,561	3.21 %	¥13,085,479	3.66%

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.

INDICATORS RELATED TO INVESTMENT (GENERAL ACCOUNT)

53. Investment Income (General Account)

Millions of Yen			
Fiscal years ended March 31	2017	2016	2015
Interest, dividends, and other income	¥1,365,628	¥1,396,181	¥1,371,789
Gain on proprietary trading securities	—	—	—
Gain from assets held in trust, net	—	—	4
Gain from trading securities	—	—	—
Gain on sales of securities	254,013	94,194	242,024
Gain on redemptions of securities	5,805	7,104	5,023
Gain on derivative financial instruments, net	—	—	—
Foreign exchange gains, net	—	—	—
Reversal of allowance for doubtful accounts	742	2,230	431
Reversal of allowance for investment loss	—	—	—
Other investment income	702	452	489
Total	¥1,626,892	¥1,500,162	¥1,619,764

54. Investment Expenses (General Account)

Millions of Yen			
Fiscal years ended March 31	2017	2016	2015
Interest expenses	¥ 18,996	¥ 14,477	¥ 9,876
Loss on proprietary trading securities	—	—	—
Loss from assets held in trust, net	1,976	65	—
Loss from trading securities	—	—	—
Loss on sales of securities	118,770	13,596	18,357
Loss on valuation of securities	27,738	35,783	3,258
Loss on redemptions of securities	32,958	23,947	21,595
Loss on derivative financial instruments, net	119,127	55,888	46,342
Foreign exchange losses, net	1,209	91	417
Provision for allowance for doubtful accounts	—	—	—
Provision of allowance for investment loss	25,219	—	—
Write-offs of loans	—	21	0
Depreciation of rental real estate and other assets	15,337	15,649	15,307
Other investment expenses	26,670	25,935	25,839
Total	¥388,005	¥185,455	¥140,994

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

Millions of Yen			
Fiscal years ended March 31	2017	2016	2015
Interest on deposits and savings	¥ 76	¥ 251	¥ 276
Interest on securities and dividends	1,127,836	1,144,694	1,113,858
Interest on bonds	399,426	412,853	412,807
Domestic stock dividends	180,316	174,216	161,824
Interest/dividends on foreign securities	513,283	538,748	516,267
Interest on loans	141,124	153,346	161,231
Real estate rental income	84,499	85,682	82,716
Total including other income	¥1,365,628	¥1,396,181	¥1,371,789

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

Millions of Yen

Fiscal years ended March 31	2017			2016			2015		
	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	¥63,328	¥ (93,880)	¥ 30,552	¥51,153	¥(26,762)	¥24,391	¥34,037	¥41,111	¥ 75,148
Cash, deposits, and call loans	(210)	(229)	(439)	139	(67)	72	115	(22)	92
Securities	88,559	(105,418)	(16,858)	57,881	(27,045)	30,835	34,195	50,387	84,583
Loans	(4,447)	(7,773)	(12,221)	(2,588)	(5,297)	(7,885)	(3,528)	(7,066)	(10,595)
Real estate	(1,417)	234	(1,183)	(907)	3,874	2,966	2,479	998	3,478

57. Gain on Sales of Securities (General Account)

Millions of Yen

Fiscal years ended March 31	2017	2016	2015
Domestic bonds	¥ 27,575	¥12,616	¥ 12,929
Domestic stocks and other securities	194,152	75,975	216,749
Foreign securities	32,285	5,602	12,345
Total including other gains on sales of securities	¥254,013	¥94,194	¥242,024

58. Loss on Sales of Securities (General Account)

Millions of Yen

Fiscal years ended March 31	2017	2016	2015
Domestic bonds	¥ 1,184	¥ 612	¥ 1,468
Domestic stocks and other securities	8,182	656	9,889
Foreign securities	109,395	12,318	6,998
Total including other losses on sales of securities	¥118,770	¥13,596	¥18,357

59. Loss on Valuation of Securities (General Account)

Millions of Yen

Fiscal years ended March 31	2017	2016	2015
Domestic bonds	¥ —	¥ —	¥ —
Domestic stocks and other securities	13,662	14,640	113
Foreign securities	14,023	20,937	3,083
Total including other losses on valuation of securities	¥27,738	¥35,783	¥3,258

60. Proprietary Trading Securities (General Account)

No ending balance as of March 31, 2017, 2016, or 2015.

61. Proprietary Trading Securities Trading Volume (General Account)

No ending balance for the fiscal years ended March 31, 2017, 2016, or 2015.

INDICATORS RELATED TO INVESTMENT (GENERAL ACCOUNT)

62. Securities Composition (General Account)

Millions of Yen, %						
As of March 31	2017		2016		2015	
Domestic bonds	¥22,460,179	43.3%	¥23,354,856	46.6%	¥22,654,482	46.4%
National government bonds	19,258,685	37.1	19,616,970	39.1	18,485,293	37.9
Local government bonds	956,879	1.8	1,281,178	2.6	1,439,472	2.9
Corporate bonds	2,244,614	4.3	2,456,706	4.9	2,729,716	5.6
Public entity bonds	920,161	1.8	1,127,052	2.2	1,349,133	2.8
Domestic stocks	8,695,235	16.8	8,107,641	16.2	9,075,285	18.6
Foreign securities	18,855,086	36.3	17,158,155	34.2	16,144,907	33.1
Foreign bonds	14,379,482	27.7	13,425,101	26.8	12,077,295	24.7
Foreign stocks and other securities	4,475,604	8.6	3,733,053	7.4	4,067,611	8.3
Other securities	1,861,053	3.6	1,513,098	3.0	959,302	2.0
Total	¥51,871,554	100.0%	¥50,133,752	100.0%	¥48,833,977	100.0%

63. Securities by Maturity Date (General Account)

Millions of Yen							
As of March 31	1 year or under	Over 1 year through 3 years	Over 3 years through 5 years	Over 5 years through 7 years	Over 7 years through 10 years	Over 10 years (including securities with no fixed maturity)	Total
	2017						
Investments in securities	¥1,003,781	¥2,062,107	¥2,320,085	¥2,532,590	¥6,737,842	¥37,215,147	¥51,871,554
Domestic bonds							
National government bonds	318,860	484,183	791,349	1,141,404	3,358,781	13,164,104	19,258,685
Local government bonds	54,209	215,243	7,071	18,397	90,459	571,497	956,879
Corporate bonds	205,549	356,648	111,686	164,732	306,956	1,099,040	2,244,614
Domestic stocks						8,695,235	8,695,235
Foreign securities	377,684	863,084	1,263,009	1,116,606	2,129,189	13,105,512	18,855,086
Foreign bonds	376,748	838,451	1,226,754	1,088,490	2,069,112	8,779,925	14,379,482
Foreign stocks and other securities	936	24,633	36,255	28,115	60,076	4,325,586	4,475,604
Other securities	47,477	142,947	146,967	91,447	852,455	579,757	1,861,053
Monetary receivables purchased	35,999	—	7,620	7,800	20,058	254,778	326,256
Negotiable certificates of deposit	697,601	—	—	—	—	—	697,601
Total	¥1,737,381	¥2,062,107	¥2,327,705	¥2,540,390	¥6,757,901	¥37,469,925	¥52,895,413

63. Securities by Maturity Date (General Account), continued

Millions of Yen

As of March 31	2016						
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
As of March 31	2015						
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

INDICATORS RELATED TO INVESTMENT (GENERAL ACCOUNT)

64. Bond Yields (General Account)

As of March 31	2017	2016	2015
Domestic bonds	1.86%	1.86%	1.93%
Foreign bonds	3.25	3.54	3.83
Japanese yen denominated	1.41	1.78	1.85
Foreign currency denominated	3.35	3.69	4.06

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

As of March 31	2017		2016		2015	
	¥	%	¥	%	¥	%
Fishery, agriculture, and forestry	4,451	0.1%	3,430	0.0%	2,952	0.0%
Mining	1,365	0.0	4,272	0.1	6,291	0.1
Construction	143,793	1.7	147,918	1.8	131,224	1.4
Manufacturing						
Food	328,039	3.8	339,973	4.2	320,932	3.5
Textiles and apparel	122,438	1.4	120,699	1.5	127,717	1.4
Pulp and paper	25,879	0.3	22,581	0.3	23,600	0.3
Chemicals	854,761	9.8	664,443	8.2	826,874	9.1
Pharmaceuticals	737,101	8.5	751,003	9.3	806,554	8.9
Oil and coal products	24,227	0.3	18,743	0.2	23,430	0.3
Rubber products	98,233	1.1	100,146	1.2	114,715	1.3
Glass and ceramic products	86,402	1.0	69,450	0.9	82,956	0.9
Iron and steel	142,801	1.6	125,452	1.5	196,031	2.2
Nonferrous metals	85,431	1.0	70,169	0.9	88,106	1.0
Metal products	47,486	0.5	40,313	0.5	42,579	0.5
Machinery	531,789	6.1	424,178	5.2	530,986	5.9
Electric appliances	987,637	11.4	850,100	10.5	1,048,614	11.6
Transportation equipment	1,309,350	15.1	1,236,635	15.3	1,612,561	17.8
Precision instruments	114,380	1.3	124,839	1.5	146,486	1.6
Other products	100,304	1.2	99,927	1.2	98,675	1.1
Electric power and gas	361,750	4.2	384,074	4.7	421,373	4.6
Transportation, information, and communication						
Land transportation	534,076	6.1	562,887	6.9	585,584	6.5
Marine transportation	8,862	0.1	6,699	0.1	10,362	0.1
Air transportation	11,763	0.1	11,312	0.1	10,667	0.1
Warehousing and harbor transportation services	9,414	0.1	12,250	0.2	15,180	0.2
Information and communication	217,606	2.5	166,546	2.1	116,231	1.3
Trade and services						
Wholesale trade	283,286	3.3	252,797	3.1	290,651	3.2
Retail trade	240,135	2.8	233,523	2.9	235,532	2.6
Finance and insurance						
Banking	543,572	6.3	478,295	5.9	674,978	7.4
Securities and trading	58,191	0.7	55,434	0.7	67,913	0.7
Insurance	442,446	5.1	480,159	5.9	158,575	1.7
Other financial services	48,634	0.6	49,636	0.6	52,440	0.6
Real estate	42,273	0.5	46,758	0.6	51,900	0.6
Services	147,343	1.7	152,987	1.9	152,598	1.7
Total	¥8,695,235	100.0%	¥8,107,641	100.0%	¥9,075,285	100.0%

66. Loans (General Account)

Millions of Yen			
As of March 31	2017	2016	2015
Policy loans	¥ 654,701	¥ 695,878	¥ 736,564
Premium loans	46,626	50,595	55,310
Policyholder loans	608,075	645,282	681,254
Industrial and consumer loans	7,094,826	7,425,606	7,621,055
[Loans to nonresidents]	[158,389]	[194,648]	[231,237]
Corporate loans—international and domestic	5,303,432	5,502,029	5,608,792
[Corporate loans—domestic]	[5,181,511]	[5,359,360]	[5,437,229]
Loans to national, international, and government-affiliated organizations	29,055	41,920	41,672
Loans to public entities	419,835	471,191	506,940
Housing loans	792,738	849,704	889,896
Consumer loans	422,677	472,711	498,781
Other loans	127,086	88,046	74,971
Total	¥ 7,749,527	¥ 8,121,484	¥ 8,357,620

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

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	2017						
Fixed-rate loans	¥ 947,887	¥1,280,582	¥1,101,204	¥786,658	¥861,309	¥1,647,093	¥6,624,737
Variable-rate loans	58,710	94,690	116,604	59,690	42,936	97,455	470,089
Total loans	¥1,006,598	¥1,375,273	¥1,217,808	¥846,349	¥904,246	¥1,744,549	¥7,094,826
As of March 31	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
As of March 31	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

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

Number of Borrowers, Millions of Yen, %							
As of March 31	2017		2016		2015		
Large companies	Number of borrowers	889	35.5%	927	37.8%	950	39.9%
	Amount of loans	¥4,523,345	87.3	¥4,744,618	88.5	¥4,845,343	89.1
Medium-sized companies	Number of borrowers	347	13.9	341	13.9	320	13.4
	Amount of loans	75,825	1.5	76,661	1.4	74,449	1.4
Small companies	Number of borrowers	1,268	50.6	1,183	48.3	1,110	46.6
	Amount of loans	582,340	11.2	538,080	10.0	517,436	9.5
Total loans to domestic companies	Number of borrowers	2,504	100.0	2,451	100.0	2,380	100.0
	Total amount of loans	¥5,181,511	100.0%	¥5,359,360	100.0%	¥5,437,229	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	
Medium-sized companies	More than 300 employees and	Paid-in capital between ¥0.3 billion and ¥1 billion		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	
Medium-sized companies	More than 100 employees and	Paid-in capital between ¥0.05 billion and ¥1 billion		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		

INDICATORS RELATED TO INVESTMENT (GENERAL ACCOUNT)

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

As of March 31	Millions of Yen, %					
	2017		2016		2015	
Domestic						
Manufacturing	¥1,295,918	18.3%	¥1,364,582	18.4%	¥1,409,591	18.5%
Food	104,427	1.5	102,978	1.4	101,240	1.3
Textiles and apparel	33,674	0.5	34,830	0.5	35,822	0.5
Wood and wood products	2,664	0.0	2,141	0.0	1,901	0.0
Pulp and paper	72,722	1.0	77,060	1.0	76,897	1.0
Printing	17,764	0.3	18,770	0.3	19,968	0.3
Chemicals	253,596	3.6	268,815	3.6	282,199	3.7
Oil and coal products	72,681	1.0	77,631	1.0	77,913	1.0
Ceramics, soil, and stone	42,559	0.6	44,067	0.6	46,646	0.6
Iron and steel	196,641	2.8	185,893	2.5	199,372	2.6
Nonferrous metals	19,163	0.3	20,564	0.3	22,229	0.3
Metal products	14,411	0.2	15,108	0.2	17,234	0.2
General purpose, production, and industrial machinery	136,679	1.9	134,698	1.8	135,507	1.8
Electric appliances	121,494	1.7	144,967	2.0	141,334	1.9
Transportation equipment	176,363	2.5	194,183	2.6	206,716	2.7
Other manufacturing products	31,074	0.4	42,870	0.6	44,606	0.6
Agriculture and forestry	—	—	—	—	—	—
Fishery	2,000	0.0	2,000	0.0	2,000	0.0
Mining, quarrying, and gravel mining	5,064	0.1	5,551	0.1	6,563	0.1
Construction	35,279	0.5	40,351	0.5	43,209	0.6
Electric power, gas, heat supply, and waterworks	1,159,205	16.3	1,191,687	16.0	1,193,031	15.7
Information and communication	154,953	2.2	161,703	2.2	174,606	2.3
Logistics and postal services	660,811	9.3	695,679	9.4	714,449	9.4
Wholesale trade	862,721	12.2	866,191	11.7	900,419	11.8
Retail trade	57,418	0.8	55,643	0.7	53,115	0.7
Financing and insurance	562,387	7.9	589,436	7.9	620,602	8.1
Real estate	415,503	5.9	412,217	5.6	397,833	5.2
Rental and leasing services	247,686	3.5	261,583	3.5	263,204	3.5
Professional, scientific, and technical services	1,653	0.0	1,166	0.0	1,827	0.0
Lodging	15,322	0.2	3,846	0.1	4,040	0.1
Restaurants	3,208	0.0	3,159	0.0	3,752	0.0
Lifestyle and leisure	64,698	0.9	67,944	0.9	25,738	0.3
Education and training	1,723	0.0	1,574	0.0	1,815	0.0
Medical and welfare	1,212	0.0	683	0.0	1,157	0.0
Other services	15,517	0.2	14,392	0.2	4,013	0.1
Local organizations and public entities	158,614	2.2	168,975	2.3	179,917	2.4
Individuals (residential/consumption/local taxes/other)	1,215,537	17.1	1,322,585	17.8	1,388,924	18.2
Subtotal	6,936,437	97.8	7,230,957	97.4	7,389,817	97.0
Overseas						
Governments and public entities	36,468	0.5	51,978	0.7	59,674	0.8
Financial institutions	10,000	0.1	15,000	0.2	20,000	0.3
Commerce and industry	111,921	1.6	127,669	1.7	151,562	2.0
Subtotal	158,389	2.2	194,648	2.6	231,237	3.0
Total loans	¥7,094,826	100.0%	¥7,425,606	100.0%	¥7,621,055	100.0%

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

As of March 31	Millions of Yen, %					
	2017		2016		2015	
Capital investments	¥2,385,458	33.6%	¥2,528,526	34.1%	¥2,621,040	34.4%
Operations	4,709,367	66.4	4,897,079	65.9	5,000,014	65.6
Total loans	¥7,094,826	100.0%	¥7,425,606	100.0%	¥7,621,055	100.0%

71. Breakdown of Loans by Region (General Account)

As of March 31	Millions of Yen, %					
	2017		2016		2015	
Hokkaido	¥ 65,328	1.3%	¥ 66,754	1.2%	¥ 66,391	1.2%
Tohoku	120,697	2.3	131,457	2.5	128,096	2.4
Kanto	3,370,977	65.1	3,429,965	64.0	3,521,239	64.8
Chubu	465,304	9.0	494,657	9.2	491,961	9.0
Kinki	823,040	15.9	863,512	16.1	819,965	15.1
Chugoku	113,854	2.2	118,122	2.2	138,481	2.5
Shikoku	70,325	1.4	80,236	1.5	95,890	1.8
Kyushu	151,983	2.9	174,653	3.3	175,203	3.2
Total	¥5,181,511	100.0%	¥5,359,360	100.0%	¥5,437,229	100.0%

Notes: 1. Excludes personal loans, loans to nonresidents 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, %					
	2017		2016		2015	
Secured loans	¥ 36,496	0.5%	¥ 35,015	0.5%	¥ 34,831	0.5%
Loans secured by securities	9,087	0.1	9,224	0.1	9,423	0.1
Loans secured by real estate, movables, and foundations	18,491	0.3	17,351	0.2	17,959	0.2
Loans secured by personal guarantees	8,916	0.1	8,440	0.1	7,448	0.1
Guarantee loans	175,956	2.5	198,295	2.7	199,716	2.6
Fiduciary loans	5,666,957	79.9	5,869,878	79.0	5,997,829	78.7
Other loans	1,215,416	17.1	1,322,416	17.8	1,388,678	18.2
Total loans	¥7,094,826	100.0%	¥7,425,606	100.0%	¥7,621,055	100.0%
Subordinated loans	¥ 265,120	3.7%	¥ 196,120	2.6%	¥ 240,000	3.1%

73. Appraisal Value of Real Estate (General Account)

As of March 31	Billions of Yen		
	2017	2016	2015
Land and land lease rights			
Balance sheet amount	¥1,185.1	¥1,231.2	¥1,252.8
Fair value (appraisal value)	1,384.1	1,360.1	1,312.1
Net unrealized gains/losses	198.9	128.8	59.3
Gain	343.2	284.5	227.9
Loss	(144.2)	(155.6)	(168.6)
Revaluation differences	48.3	23.1	26.7
	1+2	¥ 152.0	¥ 86.0

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.

INDICATORS RELATED TO INVESTMENT (GENERAL ACCOUNT)

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

As of March 31	Millions of Yen, Number of Buildings		
	2017	2016	2015
Amount of real estate	¥1,619,295	¥1,677,960	¥1,696,561
For business operations	596,976	598,340	616,600
For lease	1,022,318	1,079,619	1,079,961
Number of buildings held for leasing	284	313	333

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	2017						
Land	¥1,152,488	¥ 2,074	¥ 47,322 [3,351]	¥ —	¥1,107,241	¥ —	—%
Buildings	500,025	22,589	27,427 [976]	23,416	471,770	1,093,329	69.9
Lease assets	6,209	7,738	0	2,209	11,738	5,629	32.4
Construction in progress	25,446	41,899	27,062	—	40,283	—	—
Other tangible fixed assets	10,708	1,639	86	2,294	9,968	53,611	84.3
Total	¥1,694,878	¥ 75,942	¥101,898 [4,328]	¥27,920	¥1,641,001	¥1,152,571	—%
Of which assets are being leased	¥1,105,475	¥ 39,152	¥ 76,594 [4,318]	¥14,950	¥1,053,083	¥ 722,131	—%
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	—%

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)

Millions of Yen						
Fiscal years ended March 31	2017		2016		2015	
	Gain	Loss	Gain	Loss	Gain	Loss
Tangible fixed assets	¥38,639	¥13,737	¥8,545	¥9,429	¥4,024	¥3,176
Land	27,683	4,073	4,071	4,836	3,286	702
Buildings	10,954	9,575	4,472	4,375	717	2,103
Lease assets	—	—	—	—	—	—
Other assets	1	88	0	217	20	370
Intangible fixed assets	256	698	62	211	0	95
Others	—	194	—	245	—	151
Total	¥38,895	¥14,630	¥8,608	¥9,887	¥4,025	¥3,423
Of which assets are being leased	¥38,076	¥ 8,761	¥7,383	¥6,949	¥3,890	¥ 851

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

Millions of Yen, %					
Fiscal year ended March 31	Acquisition cost	Depreciation in current period	Accumulated depreciation	Balance at end of current period	Accumulated depreciation percentage
Tangible fixed assets	¥1,026,144	¥15,114	¥726,754	¥299,389	70.8%
Buildings	1,019,055	14,949	720,155	298,899	70.7
Lease assets	9	1	9	0	95.2
Others	7,079	163	6,589	489	93.1
Intangible fixed assets	1	0	0	0	63.3
Other assets	3,985	222	2,383	1,601	59.8
Total	¥1,030,130	¥15,337	¥729,139	¥300,991	70.8%
Fiscal year ended March 31			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%
Fiscal year ended March 31			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%

INDICATORS RELATED TO INVESTMENT (GENERAL ACCOUNT)

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

1. Breakdown by asset composition

		Millions of Yen, %					
As of March 31	2017		2016		2015		
Foreign currency-denominated assets							
Foreign bonds	¥13,901,009	71.0%	¥12,671,286	70.9%	¥11,212,767	66.6%	
Foreign stocks	817,784	4.2	557,599	3.1	595,818	3.5	
Cash, deposits, and other assets	2,317,403	11.8	1,949,449	10.9	2,170,170	12.9	
Subtotal	17,036,197	87.0	15,178,335	84.9	13,978,755	83.0	
Foreign currency-denominated assets with fixed yen value							
Foreign bonds	—	—	—	—	—	—	
Cash, deposits, and other assets	248,414	1.3	248,196	1.4	231,775	1.4	
Subtotal	248,414	1.3	248,196	1.4	231,775	1.4	
Japanese yen-denominated assets							
Loans to nonresidents	58,896	0.3	94,119	0.5	109,456	0.7	
Foreign bonds and other assets	2,248,017	11.5	2,348,493	13.1	2,515,279	14.9	
Subtotal	2,306,913	11.8	2,442,612	13.7	2,624,736	15.6	
Net overseas loans and investment	¥19,591,525	100.0%	¥17,869,145	100.0%	¥16,835,268	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 nonresidents		
As of March 31	Value	Percent	Value	Percent	Value	Percent	Value	Percent
2017								
North America	¥ 8,936,117	47.4%	¥ 8,409,317	58.5%	¥ 526,799	11.8%	¥102,024	64.4%
Europe	5,288,063	28.0	4,714,776	32.8	573,287	12.8	30,000	18.9
Oceania	721,052	3.8	538,952	3.7	182,100	4.1	—	—
Asia	583,747	3.1	261,871	1.8	321,875	7.2	3,468	2.2
Central and South America	3,124,198	16.6	252,658	1.8	2,871,540	64.2	8,896	5.6
Middle East	—	—	—	—	—	—	—	—
Africa	—	—	—	—	—	—	—	—
International organizations	201,906	1.1	201,906	1.4	—	—	14,000	8.8
Total	¥18,855,086	100.0%	¥14,379,482	100.0%	¥4,475,604	100.0%	¥158,389	100.0%
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%
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%

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, %					
	2017		2016		2015	
U.S. dollar	¥10,514,703	61.7%	¥ 8,975,002	59.1%	¥ 8,130,597	58.2%
Euro	3,601,538	21.1	3,155,403	20.8	2,809,501	20.1
British pound	1,379,795	8.1	1,591,259	10.5	1,751,142	12.5
Australian dollar	654,856	3.8	555,885	3.7	543,266	3.9
Canadian dollar	427,167	2.5	271,358	1.8	46,604	0.3
Indian rupee	136,260	0.8	135,904	0.9	83,868	0.6
Others	321,875	1.9	493,521	3.3	613,774	4.4
Net foreign currency-denominated assets	¥17,036,197	100.0%	¥15,178,335	100.0%	¥13,978,755	100.0%

Note: The six currencies are broken down and shown by rank in terms of their outstanding balance as of March 31, 2017.

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

Fiscal years ended March 31	%		
	2017	2016	2015
Yield on overseas loans and investments	1.58%	3.21%	3.66%

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, %					
	2017		2016		2015	
Public bonds						
National government bonds	¥ 10,335	6.1%	¥148,384	84.4%	¥183,369	90.3%
Local government bonds	—	—	—	—	—	—
Public corporations and agencies bonds	1,659	1.0	20,000	11.4	2,948	1.5
Subtotal	11,995	7.1	168,384	95.8	186,318	91.8
Loans						
Government-affiliated organizations	155,962	92.0	2,942	1.7	3,172	1.6
Public entities	1,600	0.9	4,500	2.6	13,490	6.6
Subtotal	157,562	92.9	7,442	4.2	16,662	8.2
Total	¥169,557	100.0%	¥175,826	100.0%	¥202,980	100.0%

Note: Public bonds show the amount of new underwriting for each fiscal year, and loans show the amount of new loans to domestic entities for each fiscal year.

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	2017				
Deferred assets	¥ 8,405	¥ 771	¥ 209	¥5,169	¥ 3,798
Others	8,794	27,120	2,412	2,511	30,990
Total	¥17,199	¥27,891	¥2,621	¥7,680	¥34,789
Fiscal year ended March 31	2016				
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	2015				
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

INDICATORS RELATED TO INVESTMENT (GENERAL ACCOUNT)

82. Loan Interest Rates

		Type of loan									Dates, %
Prime rate (extra long-term 10-year prime rate loans)	Prime rate (long-term prime rate loans)	Housing loans						Consumer loans			
		Fixed interest rate	Variable interest rate optional with fixed interest rate	Variable interest rate (long-term loans)	Variable interest rate (short-term loans)	Fixed interest rate	Variable interest rate (long-term loans)	Variable interest rate (short-term loans)			
Fiscal year ended March 31		2015									
		4/1	3.62–4.28	4/1	2.97–3.96			4/1	3.62–3.96		
	7/10 1.15										
		8/1	3.57–4.28	8/1	2.92–3.96	8/1	1.15	8/1	3.57–3.96	8/1 1.45	
		10/1	3.45–4.28	10/1	2.80–3.96			10/1	3.45–3.96		
	12/10 1.10										
		1/1	3.40–4.23	1/1	2.80–3.91	1/1	1.10	1/1	3.40–3.91	1/1 1.40	
	1/9 1.05										
		2/1	3.32–4.15	2/1	2.67–3.83	2/1	1.05	2/1	3.32–3.83	2/1 1.35	
	2/10 1.15										
						3/1	1.15			3/1 1.45	
Fiscal year ended March 31		2016									
		4/1	3.32–4.25								
		5/1	3.32–4.30								
		8/1	3.37–4.35	8/1	2.72–3.88			8/1	3.37–3.88		
	9/10 1.10										
						10/1	1.10			10/1 1.40	
	2/10 1.00										
						3/1	1.00			3/1 1.30	
	3/10 0.95										
Fiscal year ending March 31		2017									
						4/1	0.95			4/1 1.25	
	7/8 0.90										
						8/1	0.90			8/1 1.20	
	8/10 0.95										
						9/1	0.95			9/1 1.25	
Fiscal year ending March 31		2018									

- Notes: 1. Fixed interest rates for housing loans and consumer loans are set at interest rates according to the lending period.
2. For housing loans, variable interest rates optional with fixed interest rates are set according to the fixed interest rate period of 2, 3, 5, 10 or 15 years.
3. Housing loan interest rates show interest rates at the time of initial lending.
4. Housing loan interest rates include group credit life insurance warranty fees.
5. Consumer loans show traditional mortgage-backed loans.
6. The table shown above represents loan interest rates relating to JPY-denominated loans.

* January 19, 2009.

SECURITIES INDICATORS (GENERAL ACCOUNT)

83. Fair Value of Securities (General Account)

1. Valuation gains/losses of trading securities

As of March 31	2017		2016		2015	
	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	¥2,821	¥(1,974)	¥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)

As of March 31	2017					2016				
	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	¥19,659,282	¥23,331,438	¥ 3,672,156	¥ 3,682,343	¥ (10,187)	¥20,561,330	¥25,052,761	¥ 4,491,430	¥ 4,491,476	¥ (46)
Held-to-maturity debt securities	—	—	—	—	—	—	—	—	—	—
Investments in subsidiaries and affiliates	14,251	87,590	73,339	73,339	—	7,711	66,925	59,214	59,214	—
Available-for-sale securities	25,330,807	31,658,751	6,327,943	6,702,045	(374,101)	22,622,202	29,138,346	6,516,143	6,730,510	(214,367)
Domestic bonds	2,954,772	3,142,882	188,109	194,582	(6,472)	2,991,174	3,259,659	268,484	269,652	(1,168)
Domestic stocks	4,027,300	8,321,536	4,294,236	4,387,968	(93,732)	3,971,012	7,627,755	3,656,742	3,809,871	(153,129)
Foreign securities	15,932,510	17,634,372	1,701,862	1,952,467	(250,605)	13,612,891	16,016,923	2,404,031	2,453,632	(49,600)
Foreign bonds	13,236,689	14,324,503	1,087,813	1,321,449	(233,635)	11,480,603	13,353,311	1,872,708	1,903,204	(30,496)
Foreign stocks and other securities	2,695,820	3,309,868	614,048	631,018	(16,970)	2,132,287	2,663,611	531,323	550,428	(19,104)
Other securities	1,679,439	1,823,107	143,667	166,956	(23,288)	1,291,359	1,478,140	186,780	197,244	(10,463)
Monetary receivables purchased	39,184	39,251	66	68	(1)	25,464	25,571	107	109	(2)
Negotiable certificates of deposit	697,600	697,601	1	1	(0)	730,300	730,296	(3)	0	(3)
Total	¥45,004,341	¥55,077,780	¥10,073,439	¥10,457,728	¥(384,288)	¥43,191,244	¥54,258,032	¥11,066,788	¥11,281,201	¥(214,413)
Domestic bonds	¥22,272,069	¥26,102,503	¥ 3,830,434	¥ 3,847,062	¥ (16,628)	¥23,086,371	¥27,802,985	¥ 4,716,613	¥ 4,717,784	¥ (1,171)
Domestic stocks	4,027,300	8,321,536	4,294,236	4,387,968	(93,732)	3,971,012	7,627,755	3,656,742	3,809,871	(153,129)
Foreign securities	16,000,810	17,778,148	1,777,337	2,027,942	(250,605)	13,692,392	16,159,118	2,466,725	2,516,325	(49,600)
Foreign bonds	13,291,669	14,381,618	1,089,949	1,323,584	(233,635)	11,552,393	13,428,580	1,876,186	1,906,683	(30,496)
Foreign stocks and other securities	2,709,141	3,396,529	687,387	704,357	(16,970)	2,139,998	2,730,537	590,538	609,642	(19,104)
Other securities	1,680,369	1,824,037	143,667	166,956	(23,288)	1,291,359	1,478,140	186,780	197,244	(10,463)
Monetary receivables purchased	326,190	353,953	27,763	27,796	(33)	419,808	459,737	39,929	39,974	(45)
Negotiable certificates of deposit	697,600	697,601	1	1	(0)	730,300	730,296	(3)	0	(3)

As of March 31	2015				
Types of securities	Book value	Fair value	Net gains/losses	Gains	Losses
Policy-reserve-matching bonds	¥20,673,896	¥23,292,429	¥ 2,618,532	¥ 2,618,977	¥ (444)
Held-to-maturity debt securities	—	—	—	—	—
Investments in subsidiaries and affiliates	7,711	37,474	29,763	29,763	—
Available-for-sale securities	19,337,667	27,722,703	8,385,035	8,419,299	(34,263)
Domestic bonds	2,355,340	2,512,314	156,973	157,781	(807)
Domestic stocks	3,944,517	8,936,459	4,991,942	5,015,264	(23,321)
Foreign securities	11,889,668	15,009,565	3,119,897	3,129,530	(9,633)
Foreign bonds	9,752,012	12,005,458	2,253,446	2,255,097	(1,651)
Foreign stocks and other securities	2,137,655	3,004,106	866,451	874,432	(7,981)
Other securities	806,288	922,498	116,209	116,705	(496)
Monetary receivables purchased	38,852	38,866	13	16	(2)
Negotiable certificates of deposit	303,000	302,999	(0)	0	(1)
Total	¥40,019,275	¥51,052,607	¥11,033,331	¥11,068,039	¥(34,707)
Domestic bonds	¥22,497,508	¥25,233,003	¥ 2,735,494	¥ 2,736,685	¥ (1,191)
Domestic stocks	3,944,517	8,936,459	4,991,942	5,015,264	(23,321)
Foreign securities	11,969,216	15,122,920	3,153,703	3,163,337	(9,633)
Foreign bonds	9,823,849	12,081,339	2,257,489	2,259,141	(1,651)
Foreign stocks and other securities	2,145,366	3,041,580	896,214	904,196	(7,981)
Other securities	806,288	922,498	116,209	116,705	(496)
Monetary receivables purchased	498,744	534,726	35,982	36,045	(63)
Negotiable certificates of deposit	303,000	302,999	(0)	0	(1)

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

SECURITIES INDICATORS (GENERAL ACCOUNT)

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 of which the fair value is extremely difficult to be determined

Millions of Yen			
As of March 31	2017	2016	2015
Policy-reserve-matching bonds	¥ —	¥ —	¥ —
Held-to-maturity debt securities	—	—	—
Unlisted foreign bonds	—	—	—
Others	—	—	—
Investments in subsidiaries and affiliates	823,477	692,045	292,859
Available-for-sale securities	724,358	863,780	899,785
Unlisted domestic stocks (excluding over-the-counter stocks)	55,109	104,736	101,002
Unlisted foreign stocks (excluding over-the-counter stocks)	428,236	525,736	587,413
Unlisted foreign bonds	—	—	—
Others	241,012	233,307	211,370
Total	¥1,547,836	¥1,555,826	¥1,192,645

Note: Of securities of which the fair value is extremely difficult to be determined, net gains (net losses) on foreign exchange valuation of assets denominated in foreign currencies were as follows:
As of March 31, 2017: ¥46,717 million; March 31, 2016: ¥37,482 million; and March 31, 2015: ¥82,167 million.

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

Millions of Yen			
As of March 31	2017	2016	2015
Assets held in trust			
Balance sheet amount	¥3,397	¥1,934	¥—
Fair value	3,397	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	2017		2016		2015	
	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	¥3,397	¥(1,974)	¥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, 2017, 2016 or 2015.

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 liquidation value or closing market price at year-end, 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 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 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.

SECURITIES INDICATORS (GENERAL ACCOUNT)

86. Credit Risk Amounts (General Account)

As of March 31	2017		2016		2015	
	Notional principal (contract amount)	Credit risk estimate	Notional principal (contract amount)	Credit risk estimate	Notional principal (contract amount)	Credit risk estimate
Interest rate swaps	¥ 354,000	¥ 12,204	¥ 178,500	¥ 11,558	¥ —	¥ —
Currency swaps	1,347,222	148,469	1,194,471	103,902	956,429	64,984
Foreign exchange forward contracts	9,548,043	235,346	7,457,802	219,443	6,257,977	199,896
Equity forward contracts	276,611	17,963	210,088	15,758	40,532	2,857
Equity options (purchase)	255,092	16,662	257	69	295	105
Currency options (purchase)	—	—	—	—	—	—
Equity index futures	—	—	—	—	—	—
Other derivative financial instruments	—	—	—	—	—	—
Total	¥11,780,970	¥430,646	¥9,041,119	¥350,732	¥7,255,234	¥267,843

Millions of Yen

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	2017					
	Interest rate	Currencies	Equities	Bonds	Others	Total
Hedge accounting applied	¥(3,883)	¥ 5,032	¥(64,855)	¥—	¥—	¥ (63,706)
Hedge accounting not applied	—	6,231	(6,717)	—	—	(486)
Total	¥(3,883)	¥ 11,263	¥(71,573)	¥—	¥—	¥ (64,192)
As of March 31	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)
As of March 31	2015					
Hedge accounting applied	¥ —	¥(215,623)	¥ (174)	¥—	¥—	¥(215,798)
Hedge accounting not applied	—	1	82	—	—	83
Total	¥ —	¥(215,622)	¥ (92)	¥—	¥—	¥(215,714)

Millions of Yen

Note: Net gains/losses from applying the fair value hedge included in gain and loss on hedge accounting applied (As of March 31, 2017: Currencies ¥91,703 million, Equities ¥(64,855) million; March 31, 2016: Currencies ¥116,237 million, Equities ¥(8,055) million) and net gains/losses included in hedge accounting not applied are recorded on the statements of income.

(2) Interest rate-related

As of March 31		2017				2016			
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	¥354,000	¥354,000	¥(3,883)	¥(3,883)	¥176,000	¥176,000	¥7,019	¥7,019
	Pay fixed interest rate/ receive variable interest rate	—	—	—	—	2,500	2,500	(11)	(11)
Total				¥(3,883)				¥7,007	
As of March 31		2015							
Category	Type	Contract amount		Net gains/losses					
		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				¥—					

Millions of Yen

Note: Net gains/losses represent the fair value.

87. Fair Value of Derivative Transactions, Combined Total with and without Hedge Accounting Applied (General Account), 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	
2017	Interest rate swaps	Notional amount	¥—	¥—	¥4,000	¥6,000	¥—	¥344,000	¥354,000
	Receive fixed interest rate/pay variable interest rate	Average fixed interest rate to receive	—	—	(0.05)%	(0.02)%	—	0.70%	0.68%
		Average variable interest rate to pay	—	—	0.03 %	0.03 %	—	0.04%	0.04%
	Interest rate swaps	Notional amount	—	—	—	—	—	—	—
	Pay fixed interest rate/receive variable interest rate	Average fixed interest rate to pay	—	—	—	—	—	—	—
		Average variable interest rate to receive	—	—	—	—	—	—	—
2016	Interest rate swaps	Notional amount	¥—	¥—	¥ —	¥ —	¥—	¥176,000	¥176,000
	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%
	Interest rate swaps	Notional amount	—	—	—	—	1,500	1,000	2,500
	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	¥—	¥—	¥ —	¥ —	¥—	¥ —	¥ —
	Receive fixed interest rate/pay variable interest rate	Average fixed interest rate to receive	—	—	—	—	—	—	—
		Average variable interest rate to pay	—	—	—	—	—	—	—
	Interest rate swaps	Notional amount	—	—	—	—	—	—	—
	Pay fixed interest rate/receive variable interest rate	Average fixed interest rate to pay	—	—	—	—	—	—	—
		Average variable interest rate to receive	—	—	—	—	—	—	—

SECURITIES INDICATORS (GENERAL ACCOUNT)

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

(3) Currency-related

As of March 31		2017				2016				
Category	Type	Contract amount		Fair value	Net gains/ losses	Contract amount		Fair value	Net gains/ losses	
		Over 1 year				Over 1 year				
Millions of Yen										
Over-the-counter	Foreign exchange forward contracts									
	Sold	¥9,629,648	¥ —	¥ 92,145	¥ 92,145	¥7,431,623	¥ —	¥ 113,472	¥ 113,472	
	U.S. Dollar	5,437,774	—	42,718	42,718	4,762,411	—	71,132	71,132	
	Euro	2,727,584	—	22,302	22,302	1,480,309	—	1,811	1,811	
	Purchased	10,458	—	82	82	137,350	—	2,300	2,300	
	U.S. Dollar	7,787	—	68	68	76,843	—	(109)	(109)	
	Euro	—	—	—	—	19	—	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		1,347,222	1,305,295	(80,963)	(80,963)	1,194,471	1,147,910	(181,543)	(181,543)	
Pay U.S. Dollar/ receive Yen		532,388	495,649	(83,474)	(83,474)	531,840	511,318	(106,043)	(106,043)	
Pay Euro/ receive Yen		471,264	466,075	(21,234)	(21,234)	471,011	444,971	(77,719)	(77,719)	
Pay Yen/ receive Australian Dollar		210,486	210,486	5,320	5,320	72,700	72,700	(152)	(152)	
Total					¥ 11,263				¥ (65,770)	

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

(3) Currency-related, continued

As of March 31		2015			
		Millions of Yen			
Category	Type	Contract amount		Fair value	Net gains/losses
			Over 1 year		
Over-the-counter	Foreign exchange forward contracts				
	Sold	¥6,363,628	¥ —	¥ 108,878	¥ 108,878
	U.S. Dollar	3,926,740	—	(1,002)	(1,002)
	Euro	1,177,636	—	80,663	80,663
	Purchased	3,203	—	23	23
	U.S. Dollar	3,194	—	22	22
	Euro	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		956,429	937,682	(324,523)	(324,523)
	Pay U.S. Dollar/ receive Yen	455,251	446,215	(168,560)	(168,560)
	Pay Euro/ receive Yen	398,270	388,559	(131,035)	(131,035)
	Pay Yen/ receive Australian Dollar	—	—	—	—
Total					¥(215,622)

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.

SECURITIES INDICATORS (GENERAL ACCOUNT)

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

(4) Equity-related

As of March 31		2017				2016			
Category	Type	Contract amount		Fair value	Net gains/ losses	Contract amount		Fair value	Net gains/ losses
		Over 1 year				Over 1 year			
Millions of Yen									
Stock exchange	Equity index futures								
	Sold	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
	Purchased	—	—	—	—	—	—	—	—
	Equity index options								
	Sold								
	Call	—	—	—	—	—	—	—	—
	Put	[—]	[—]	—	—	[—]	[—]	—	—
	Purchased								
	Call	—	—	—	—	—	—	—	—
	Put	254,802 [11,645]	56,727 [4,098]	5,123	(6,522)	—	—	—	—
Over-the- counter	Equity forward contracts								
	Sold	¥214,693	¥ —	¥(65,131)	¥(65,131)	¥204,474	¥ —	¥(8,080)	¥(8,080)
	Purchased	—	—	—	—	—	—	—	—
	Equity index options								
	Sold								
	Call	—	—	—	—	—	—	—	—
	Put	[—]	[—]	—	—	[—]	[—]	—	—
	Purchased								
	Call	290 [55]	290 [55]	136	80	257 [55]	257 [55]	104	48
	Put	—	—	—	—	—	—	—	—
		[—]	[—]			[—]	[—]		
Total					¥(71,573)				¥(8,032)

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

(4) Equity-related, continued

As of March 31		2015			
Category	Type	Contract amount		Fair value	Net gains/losses
		Over 1 year			
Stock exchange	Equity index futures				
	Sold	¥ —	¥ —	¥ —	¥ —
	Purchased	—	—	—	—
	Equity index options				
	Sold				
	Call	—	—	—	—
	Put	[—]	[—]	—	—
	Purchased				
	Call	—	—	—	—
	Put	[—]	[—]	—	—
Over-the-counter	Equity forward contracts				
	Sold	¥40,731	¥ —	¥(174)	¥(174)
	Purchased	—	—	—	—
	Equity index options				
	Sold				
	Call	—	—	—	—
	Put	[—]	[—]	—	—
	Purchased				
	Call	295	295	138	82
	Put	[55]	[55]	—	—
		[—]	[—]		
Total					¥ (92)

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.

(5) Bond-related

No ending balance as of March 31, 2017, 2016, or 2015.

(6) Others

No ending balance as of March 31, 2017, 2016, or 2015.

SEPARATE ACCOUNT INDICATORS

About the General Account and Separate Account

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

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

88. Balance of Separate Account Assets

As of March 31	Millions of Yen, %					
	2017		2016		2015	
Individual variable insurance	¥ 116,005	8.8%	¥ 113,805	8.3%	¥ 131,518	11.8%
Individual variable annuities	41,905	3.2	52,973	3.8	77,605	7.0
Group annuities	1,157,881	88.0	1,211,177	87.9	904,386	81.2
Separate account total	¥1,315,792	100.0%	¥1,377,955	100.0%	¥1,113,510	100.0%

89. Asset Management Overview for the Fiscal Year Ended March 31, 2017 (Separate Account Assets for Individual Variable Insurance and Individual Variable Annuities)

In regard to the stock prices at domestic and foreign exchanges, although there were phases of significant temporary fluctuations at the time of the U.K. public referendum in June 2016 and the U.S. presidential election in November 2016, prices significantly rose near the end of the fiscal year against the backdrop of global economic recovery and policy expectations for the new U.S. administration. Domestic and foreign interest rates increased centering on the U.S. and Europe with a backdrop of increases in the federal funds rate in December 2016.

Amid this operating environment, the investment return on individual variable insurance for the fiscal year ended March 31, 2017 was positive at 9.23%.

This also represented investment return of 124.24% (2.69% 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					
	2017		2016		2015	
	Policies	Amount	Policies	Amount	Policies	Amount
Variable insurance (defined term type)	1,195	¥ 5,570	1,627	¥ 7,735	1,724	¥ 8,382
Variable insurance (whole life type)	33,300	479,050	33,983	494,469	34,665	513,177
Total	34,495	¥484,621	35,610	¥502,204	36,389	¥521,560

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, %					
	2017		2016		2015	
Cash, deposits, and call loans	¥ 4,015	3.5%	¥ 7,039	6.2%	¥ 4,013	3.1%
Investments in securities	103,924	89.6	89,384	78.5	119,486	90.9
Domestic bonds	23,690	20.4	13,049	11.5	25,449	19.4
Domestic stocks	42,964	37.0	37,522	33.0	51,154	38.9
Foreign securities	37,269	32.1	38,812	34.1	42,882	32.6
Foreign bonds	9,143	7.9	13,016	11.4	13,432	10.2
Foreign stocks and other securities	28,126	24.2	25,796	22.7	29,449	22.4
Other securities	—	—	—	—	—	—
Loans	—	—	—	—	—	—
Others	8,066	7.0	17,380	15.3	8,018	6.1
Allowance for doubtful accounts	—	—	—	—	—	—
Total	¥116,005	100.0%	¥113,805	100.0%	¥131,518	100.0%

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

Fiscal years ended March 31	Millions of Yen		
	2017	2016	2015
Interest, dividends, and other income	¥ 1,901	¥ 2,139	¥ 2,228
Gain on sales of securities	4,389	8,556	10,153
Gain on redemptions of securities	—	—	0
Gain on valuation of securities	3,238	(11,528)	9,477
Foreign exchange gains, net	—	—	85
Gain on derivative financial instruments, net	760	—	1,631
Other investment income	6	19	15
Loss on sales of securities	2,744	2,398	1,499
Loss on redemptions of securities	—	—	0
Loss on valuation of securities	(2,297)	3,473	(213)
Foreign exchange losses, net	89	102	—
Loss on derivative financial instruments, net	—	688	—
Other investment expenses	2	3	3
Net investment income	¥(9,756)	¥ (7,479)	¥22,301

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					
	2017		2016		2015	
	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	¥103,924	¥5,536	¥89,384	¥(15,002)	¥119,486	¥9,691

STATUS OF SEPARATE ACCOUNT FOR INDIVIDUAL VARIABLE INSURANCE

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

No ending balance as of March 31, 2017, 2016, or 2015.

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 2017						
Hedge accounting applied	¥—	¥—	¥—	¥—	¥—	¥—
Hedge accounting not applied	—	6	15	1	—	23
Total	¥—	¥ 6	¥15	¥ 1	¥—	¥ 23
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)

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, 2017, 2016, or 2015.

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		2017				2016			
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	Foreign exchange forward contracts								
	Sold	¥7,669	¥—	¥ 22	¥ 22	¥ 7,371	¥—	¥(85)	¥(85)
	U.S. Dollar	2,682	—	(1)	(1)	2,774	—	2	2
	Euro	3,400	—	17	17	3,579	—	(72)	(72)
	Purchased	8,031	—	(15)	(15)	10,406	—	42	42
	U.S. Dollar	4,322	—	(6)	(6)	6,487	—	(16)	(16)
	Euro	2,767	—	(16)	(16)	2,434	—	37	37
Total		¥ 6				¥(43)			

As of March 31		2015			
Category	Type	Contract amount		Net gains/losses	
		Over 1 year	Fair value		
Over-the-counter	Foreign exchange forward contracts				
	Sold	¥5,317	¥—	¥(27)	¥(27)
	U.S. Dollar	1,250	—	(3)	(3)
	Euro	3,022	—	(30)	(30)
	Purchased	7,509	—	(21)	(21)
	U.S. Dollar	4,651	—	(34)	(34)
	Euro	2,041	—	16	16
Total		¥(48)			

Note: Net gains/losses represent the fair value.

(4) Equity-related

Millions of Yen

As of March 31		2017				2016			
Category	Type	Contract amount		Net gains/losses	Contract amount		Net gains/losses		
		Over 1 year	Fair value		Over 1 year	Fair value			
Exchange-traded	Equity index futures								
	Sold	¥2,281	¥—	¥12	¥12	¥ —	¥—	¥—	¥—
	Purchased	1,531	—	2	2	10,784	—	64	64
Total		¥15				¥64			

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

Note: Net gains/losses represent the fair value.

(5) Bond-related

Millions of Yen

As of March 31		2017				2016			
Category	Type	Contract amount		Net gains/losses	Contract amount		Net gains/losses		
		Over 1 year	Fair value		Over 1 year	Fair value			
Exchange-traded	Bond futures								
	Sold	¥2,105	¥—	¥ 1	¥ 1	¥454	¥—	¥ 0	¥ 0
	Purchased	—	—	—	—	—	—	—	—
Total		¥ 1				¥ 0			

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

Note: Net gains/losses represent the fair value.

(6) Others

No ending balance as of March 31, 2017, 2016, or 2015.

STATUS OF SEPARATE ACCOUNT FOR INDIVIDUAL VARIABLE ANNUITIES

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

As of March 31	2017		2016		2015	
	Policies	Value	Policies	Value	Policies	Value
Individual variable annuities	11,497	¥41,903	7,501	¥52,972	10,443	¥77,604

Note: Amounts represent policy reserves.

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

As of March 31	2017		2016		2015	
	¥	%	¥	%	¥	%
Cash, deposits, and call loans	—	—%	—	—%	—	—%
Investments in securities	40,573	96.8	51,114	96.5	75,228	96.9
Domestic bonds	10,422	24.9	12,853	24.3	13,859	17.9
Domestic stocks	—	—	—	—	—	—
Foreign securities	—	—	—	—	—	—
Foreign bonds	—	—	—	—	—	—
Foreign stocks and other securities	—	—	—	—	—	—
Other securities	30,150	71.9	38,261	72.2	61,368	79.1
Loans	—	—	—	—	—	—
Others	1,332	3.2	1,858	3.5	2,376	3.1
Allowance for doubtful accounts	—	—	—	—	—	—
Total	¥41,905	100.0%	¥52,973	100.0%	¥77,605	100.0%

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

Fiscal years ended March 31	Millions of Yen		
	2017	2016	2015
Interest, dividends, and other income	¥ 4,318	¥ 7,176	¥ 8,600
Gain on sales of securities	708	455	789
Gain on redemptions of securities	—	—	—
Gain on valuation of securities	(2,780)	(8,150)	3,270
Foreign exchange gains, net	—	—	—
Gain on derivative financial instruments, net	—	—	—
Other investment income	0	0	0
Loss on sales of securities	29	0	2
Loss on redemptions of securities	—	—	—
Loss on valuation of securities	110	—	(28)
Foreign exchange losses, net	—	—	—
Loss on derivative financial instruments, net	—	—	—
Other investment expenses	0	0	0
Net investment income	¥ 2,105	¥ (519)	¥12,688

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	2017		2016		2015	
	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	¥40,573	¥(2,891)	¥51,114	¥(8,150)	¥75,228	¥3,299

Millions of Yen

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

No ending balance as of March 31, 2017, 2016, or 2015.

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

No ending balance as of March 31, 2017, 2016, or 2015.

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, 2017, 2016, or 2015.

STATUS OF SEPARATE ACCOUNT FOR GROUP ANNUITIES

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

As of March 31	Millions of Yen		
	2017	2016	2015
Separate account first treaty	¥ 877,519	¥ 853,452	¥886,795
Comprehensive account	301,262	334,407	391,970
Stable income account	302,472	280,707	230,987
Account by investment categories	273,783	238,337	263,836
Separate account second treaty	261,994	340,839	0
Defined contribution pension plans	18,367	16,885	17,591
Total	¥1,157,881	¥1,211,177	¥904,386

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 105 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, 2017

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, 2017

From midyear until the end of the fiscal year, stock markets on a global scale strengthened mainly due to global economic recovery and policy expectations for the new U.S. administration. Domestic bonds declined 0.92%, domestic stocks rose 13.01%, foreign bonds declined 5.77%, and foreign stocks rose 14.13%. Investment return for the fiscal year (percentage change in the unit price) was 7.58%.

2. Asset allocation in the fiscal year ended March 31, 2017 (Comprehensive Account)

	Asset allocation	Asset allocation results (Fiscal years ended March 31)					Asset management results compared with standard asset allocation for 2017	
		2017	2016					
			End of Mar.	End of June	End of Sept.	End of Dec.		End of Mar.
Japanese yen-denominated bonds	29.0%	19.0%	26.1%	25.1%	22.8%	24.0%	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	33.0	35.6	33.8	37.4	36.7	33.2	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	11.6	11.0	9.2	8.0	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	22.6	23.1	27.4	26.5	The percentage of asset allocation to stocks denominated in foreign currencies on a yearly basis was high early in the fiscal year. However, throughout the fiscal year, the Company made flexible adjustments to asset allocation.	
Call loans and other short-term assets	3.0	5.5	5.9	3.3	3.9	8.4	—	
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		
	2017	2016	2015
	Fair value	Fair value	Fair value
Japanese yen-denominated bonds	¥ 69,709	¥ 58,440	¥ 88,164
Japanese yen-denominated stocks	96,606	109,308	141,749
Foreign currency-denominated bonds	23,168	31,155	37,851
Foreign currency-denominated stocks	76,966	91,479	95,671
Call loans and other short-term assets	24,389	16,841	18,915
Total	¥290,839	¥307,224	¥382,350

4. Investment return ratio (Comprehensive Account)

Fiscal years ended March 31	%		
	2017	2016	2015
Unit price fluctuation	7.58%	(6.65)%	20.22%

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

* Figures in Note 106 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, 2017 (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 the fiscal year ended March 31, 2017

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, 2017 (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, 2017

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 the fiscal year ended March 31, 2017

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, 2017

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, 2017

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.

STATUS OF SEPARATE ACCOUNT FOR GROUP ANNUITIES

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

(5) Market Tracking Domestic Stock 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 the fiscal year ended March 31, 2017

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, 2017

Throughout the fiscal year, the Company made flexible adjustments to the duration. Regarding the country allocation, the weighting was decreased for the U.S. on account of rising interest rates.

(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, 2017

Throughout the fiscal year, the Company made flexible adjustments to the duration. Regarding the country allocation, the weighting was decreased for the U.S. on account of rising interest rates.

(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 the fiscal year ended March 31, 2017

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, 2017

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 Stock 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 the fiscal year ended March 31, 2017

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, 2017

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

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		
	2017	2016	2015
	Fair value	Fair value	Fair value
Stable income account	¥302,358	¥278,440	¥229,945
Domestic bond accounts	68,459	77,552	77,846
Market Tracking Domestic Bond Account	79,305	40,903	19,747
Domestic stock accounts	18,212	17,301	20,176
Quantitative Investment Management Domestic Stock Account	1,219	1,099	2,934
Market Tracking Domestic Stock Account	6,707	10,722	20,071
Foreign bond accounts	22,303	25,496	30,104
Foreign bond accounts with currency hedging	2,975	1,270	1,613
Market Tracking Foreign Bond Account	8,857	11,985	18,348
Foreign stock accounts	16,399	16,834	17,283
Market Tracking Foreign Stock Account	11,841	15,298	29,679
Money market accounts	28,704	15,380	18,673
Total	¥567,340	¥512,279	¥486,418

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

Fiscal years ended March 31	%		
	2017	2016	2015
	Unit price fluctuation	Unit price fluctuation	Unit price fluctuation
Stable income account	(0.53)%	(0.17)%	3.18%
Domestic bond accounts	(0.93)	5.85	3.61
Market Tracking Domestic Bond Account	(1.21)	5.43	2.96
Domestic stock accounts	16.83	(10.39)	30.99
Quantitative Investment Management Domestic Stock Account	15.43	(10.84)	31.55
Market Tracking Domestic Stock Account	15.09	(10.76)	30.81
Foreign bond accounts	(5.52)	(2.62)	12.94
Foreign bond accounts with currency hedging	(1.77)	1.38	10.17
Market Tracking Foreign Bond Account	(5.43)	(2.66)	12.16
Foreign stock accounts	14.41	(8.30)	23.98
Market Tracking Foreign Stock Account	14.63	(8.79)	23.89
Money market accounts	0.00	0.08	0.09

STATUS OF FINANCIAL ASSETS (CONSOLIDATED)

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 11 consolidated subsidiaries and 10 equity method affiliates. (See p. 117)

• Domestic Life Insurance Business Field

MITSUI LIFE INSURANCE COMPANY LIMITED (“Mitsui Life”) worked to meet diversifying customer needs. In addition to launching a wide range of products, such as the mainstay product Taiju Select and the foreign-currency denominated product Dream Cruise Wide, Mitsui Life also started selling the Company’s *Increasing Term Life Insurance*.

Mitsui Life’s revenues from insurance and reinsurance in the previous fiscal year was ¥507.6 billion (–7.7% year on year), its ordinary profit was ¥57.9 billion (+38.6%), and its net income was ¥30.1 billion (+47.9%).

• Overseas Insurance Business Field

Aiming to expand net income from Group operations, the Company acquired 80% stake in the life insurance business of MLC Limited in October 2016, as the Company’s first serious large-scale majority investment overseas involving the acquisition of control, making this company a subsidiary.

Since it became a subsidiary, its consolidated revenues from insurance and reinsurance in the period from October to December 2016 was ¥49.8 billion and its net income was ¥3.8 billion.

• Asset Management Field

The Group worked to offer a wide range of products to meet the diversified asset management needs of its customers, such as multi-assets and alternatives, including domestic and foreign stocks and bonds, through discretionary

investment, investment advisory, and investment trusts provided by Nissay Asset Management Corporation.

In the fiscal year ended March 31, 2017, Nissay Asset Management recorded an 8.6% year-on-year increase in assets under management to ¥10,697.5 billion, including a 0.3% decrease in the investment advisory business to ¥4,279.8 billion and a 15.4% increase in the investment trusts business to ¥6,417.7 billion. Ordinary profit at Nissay Asset Management was ¥10.1 billion with net income of ¥7.5 billion.

• Information Technology Field

Our activities in information technology were mainly centered on Nissay Information Technology Co., Ltd. We carried out initiatives such as system development for new products to cater for the diversification of market needs and the effect of negative interest rates. In addition, we worked to provide high-quality information system services to the insurance, mutual aid, pension, and healthcare markets.

In the fiscal year ended March 31, 2017, Nissay Information Technology had sales of ¥70.6 billion, up 3.9% year on year, ordinary profit of ¥4.2 billion, up 7.0% year on year, and net income of ¥2.9 billion, up 3.6% year on year.

As a result of these overall activities, consolidated total ordinary income amounted to ¥7,301.8 billion, down 9.4% year on year. Total ordinary expenses amounted to ¥6,773.4 billion, down 9.6% year on year, while ordinary profit was ¥528.3 billion, down 5.9%. After provision for reserve for dividends to policyholders (limited company), income taxes, noncontrolling interests, extraordinary gains of ¥39.8 billion, and extraordinary losses of ¥196.2 billion, net surplus attributable to the parent company in the current year decreased by 25.2% to ¥301.9 billion. On the consolidated balance sheet, surplus at the end of the fiscal year amounted to ¥622.3 billion and total assets rose 2.6% to ¥72,464.2 billion.

108. Principal Indicators of Operating Performance (Consolidated)

	Billions of Yen		
Fiscal years ended March 31	2017	2016	2015
Total ordinary income	¥ 7,301.8	¥ 8,057.5	¥ 7,410.0
Ordinary profit	528.3	561.3	618.6
Net surplus attributable to the parent company	301.9	403.4	308.0
Comprehensive income (loss)	251.7	(809.7)	2,958.6
Net cash provided by operating activities	1,546.8	2,719.0	1,788.1
Net cash used in investing activities	(1,683.7)	(2,663.6)	(1,774.7)
Net cash provided by financing activities	261.3	268.5	201.3

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	2017	2016	2015
Total assets	¥72,464.2	¥70,607.9	¥62,648.6
Solvency margin ratio	933.9%	922.7%	943.3%
Cash and cash equivalents at the end of the year	1,541.4	1,410.5	1,086.5
Number of consolidated subsidiaries and affiliates	11	10	9
Number of affiliates accounted for under the equity method	10	10	5
Number of employees	85,171	83,707	73,610

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		2017	2016	2015
Bankrupt and quasi-bankrupt loans	1	¥ 10,077	¥ 10,396	¥ 10,650
Doubtful loans	2	18,967	20,622	23,678
Substandard loans	3	3,171	4,029	4,107
Subtotal		32,216	35,048	38,436
[Ratio to total]		[0.27%]	[0.32%]	[0.35%]
Normal loans	4	11,726,760	10,965,012	10,971,009
Total	1 + 2 + 3 + 4	¥11,758,976	¥11,000,061	¥11,009,446

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 ¥703 million, ¥1,333 million, and ¥743 million as of March 31, 2017, 2016, and 2015, respectively.

110. Status of Risk-Monitored Loans (Consolidated)

		Millions of Yen, %		
As of March 31		2017	2016	2015
Loans to bankrupt borrowers	1	¥ 1,771	¥ 1,978	¥ 2,181
Delinquent loans	2	27,267	29,031	32,127
Loans that are delinquent for over three months	3	—	—	—
Restructured loans	4	3,171	4,029	4,107
Total	1 + 2 + 3 + 4	¥32,210	¥35,039	¥38,417
[Ratio to total loans]		[0.36%]	[0.37%]	[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 ¥442 million, ¥867 million, and ¥315 million as of March 31, 2017, 2016, or 2015, respectively. The amounts of delinquent loans were ¥261 million, ¥465 million, and ¥427 million as of March 31, 2017, 2016, and 2015, 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.

STATUS OF FINANCIAL ASSETS (CONSOLIDATED)

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

As of March 31		Millions of Yen		
		2017	2016	2015
Solvency margin gross amount	(A)	¥13,078,231	¥12,479,088	¥13,303,975
Foundation funds (<i>kikin</i>) and other reserve funds:		4,778,735	4,390,194	3,876,544
Foundation funds and others		1,838,692	1,730,592	1,559,750
Reserve for price fluctuations in investments in securities		1,135,765	963,730	778,723
Contingency reserve		1,544,254	1,425,637	1,250,248
Extraordinary contingency reserve		—	—	—
General allowance for doubtful accounts		2,624	3,441	4,139
Others		257,398	266,792	283,681
Net unrealized gains on available-for-sale securities (before tax) and deferred losses on derivatives under hedge accounting (before tax) × 90%		5,644,495	5,730,365	7,594,244
Net unrealized gains on real estate × 85%		217,473	131,422	73,241
Total amount of unrecognized actuarial gains/losses and unrecognized prior service cost		(34,071)	(41,133)	(42,670)
Excess of continued Zillmerized reserve		1,565,220	1,604,361	1,509,979
Qualifying subordinated debt		1,020,825	800,825	399,590
Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculations		—	—	—
Deduction clause		(190,878)	(205,561)	(157,665)
Others		76,431	68,614	50,711
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)	2,800,770	2,704,855	2,820,475
Underwriting risk	R ₁	165,787	145,594	127,656
General underwriting risk	R ₅	—	—	—
Huge disaster risk	R ₆	—	—	—
Underwriting risk of third-sector insurance	R ₈	88,743	87,509	78,260
Underwriting risk related to small amount and short-term insurance providers	R ₉	—	—	—
Anticipated yield risk	R ₂	444,139	446,886	386,107
Minimum guarantee risk	R ₇	13,765	16,854	5,820
Investment risk	R ₃	2,271,347	2,173,426	2,361,668
Business management risk	R ₄	59,675	57,405	59,190
Solvency margin ratio	$\frac{(A)}{(1/2) \times (B)} \times 100$	933.9%	922.7%	943.3%

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.

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

MITSUI LIFE INSURANCE COMPANY LIMITED

		Millions of Yen		
As of March 31		2017	2016	2015
Solvency margin gross amount	(A)	¥906,502	¥838,741	¥837,731
Capital stock and others		296,116	266,494	246,138
Reserve for price fluctuations in investments in securities		18,970	16,346	14,045
Contingency reserve		20,822	25,046	36,143
General allowance for doubtful accounts		151	146	195
Net unrealized gains/losses on available-for-sale securities (before tax) and deferred gains/losses on derivatives under hedge accounting (before tax) × 90%		225,683	238,524	273,443
Net unrealized gains/losses on real estate × 85% (100% in the case of net unrealized losses)		(17,587)	(23,220)	(26,796)
Excess of continued Zillmerized reserve		149,835	144,602	131,139
Qualifying subordinated debt		180,000	150,000	150,000
Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculations		—	—	—
Deduction clause		(113)	(113)	(113)
Others		32,624	20,913	13,535
Total amount of risk $[(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2]^{1/2} + R_4$	(B)	198,240	201,210	206,230
Underwriting risk	R ₁	20,314	20,791	21,047
Underwriting risk of third-sector insurance	R ₈	8,239	8,146	8,288
Anticipated yield risk	R ₂	58,095	62,284	66,991
Minimum guarantee risk	R ₇	7,767	11,095	16,600
Investment risk	R ₃	125,856	121,220	115,916
Business management risk	R ₄	4,405	4,470	4,576
Solvency margin ratio	$\frac{(A)}{(1/2) \times (B)} \times 100$	914.5%	833.6%	812.4%

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.

113. Segment Information

For the fiscal year ended March 31, 2016, to the fiscal year ended March 31, 2017, 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.