

## 5. Main Business Indicators

### 5-1 Five-Year Summary of Selected Financial Data and Other Information (Non-Consolidated)

(Billions of yen unless specifically indicated)

As of/For the years ended March 31	2012	2013	2014	2015	2016
Ordinary income	¥ 12,538.6	¥ 11,834.9	¥ 11,233.9	¥ 10,169.2	¥ 9,605.8
Ordinary profit	531.3	529.3	463.5	493.1	413.0
Core profit	571.6	570.0	482.0	515.4	464.2
Net income	67.7	91.0	63.4	81.7	86.3
Capital stock (Number of shares issued: thousands of shares)	500.0 (20,000)	500.0 (20,000)	500.0 (20,000)	500.0 (20,000)	500.0 (600,000)
Total assets	93,688.6	90,462.3	87,088.6	84,911.9	81,543.6
Separate account	–	–	–	–	–
Policy reserves	85,143.8	81,401.9	77,745.4	75,112.6	72,362.5
Loans	13,929.0	12,691.5	11,020.5	9,977.3	8,978.4
Securities	74,587.1	72,558.1	69,378.9	66,277.2	63,610.8
Solvency margin ratio (%)	1,336.1%	1,467.9%	1,623.4%	1,641.4%	1,568.1%
Number of employees (persons)	6,741	6,789	6,948	7,153	7,378
Policy amount in force	25,824.7	31,675.3	37,179.5	42,774.9	47,882.7
Individual insurance	23,043.1	28,480.7	33,735.6	39,159.0	44,406.2
Individual annuities	2,781.5	3,194.6	3,443.8	3,615.9	3,476.4
Group insurance	–	–	–	–	–
Policy amount in force for group annuities	–	–	–	–	–

Notes:

1. The number of shares issued reflects the 30:1 stock split effective August 1, 2015.

2. "Policy amount in force" is the total of individual insurance, individual annuities and group insurance.

Figures for "individual annuities" are the total of (a) the accumulated contribution payment as of the date of annuity payment commencement for the annuity before payments commence and (b) the amount of policy reserves for the annuity after payments have commenced.

## 5-2 Selected Financial Data and Other Information

### (1) Policies in Force and New Policies

#### 1) Policies in Force

(Number of policies, millions of yen, %)

As of March 31	2014				2015				2016			
	Number of policies		Policy amount		Number of policies		Policy amount		Number of policies		Policy amount	
		Year-on-year comparison		Year-on-year comparison		Year-on-year comparison		Year-on-year comparison		Year-on-year comparison		Year-on-year comparison
Individual insurance	11,668,254	118.2%	¥ 33,735,661	118.5%	13,539,479	116.0%	¥ 39,159,046	116.1%	15,350,407	113.4%	¥ 44,406,257	113.4%
Individual annuities	1,194,072	112.9	3,443,863	107.8	1,318,287	110.4	3,615,908	105.0	1,367,445	103.7	3,476,492	96.1
Group insurance	—	—	—	—	—	—	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—	—	—	—	—	—	—

Note: Policy amounts for individual annuities are the total of (a) the accumulated contribution payment as of the date of annuity payment commencement for the annuity before payments commence and (b) the amount of policy reserves for the annuity after payments have commenced.

#### 2) New Policies

(Number of policies, millions of yen, %)

For the years ended March 31	2014					2015					2016				
	Number of policies		Policy amount			Number of policies		Policy amount			Number of policies		Policy amount		
		Year-on-year comparison		Year-on-year comparison	Net increase arising from the conversion		Year-on-year comparison		Year-on-year comparison	Net increase arising from the conversion		Year-on-year comparison		Year-on-year comparison	Net increase arising from the conversion
Individual insurance	2,233,907	101.2%	¥ 6,559,803	100.7%	—	2,381,977	106.6%	¥ 7,002,593	106.8%	—	2,397,286	100.6%	¥ 7,168,485	102.4%	—
Individual annuities	148,824	81.8	524,095	82.7	—	137,965	92.7	493,582	94.2	—	63,542	46.1	219,721	44.5	—
Group insurance	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Note: Policy amounts for individual annuities are the total of the accumulated contribution payment as of the date of annuity payment commencement.

### (2) Annualized Premiums

#### 1) Policies in Force

(Millions of yen, %)

As of March 31	2014		2015		2016	
		Year-on-year comparison		Year-on-year comparison		Year-on-year comparison
Individual insurance	¥ 2,192,230	118.1%	¥ 2,526,861	115.3%	¥ 2,863,561	113.3%
Individual annuities	661,402	99.1	673,838	101.9	656,079	97.4
<b>Total</b>	<b>¥ 2,853,633</b>	<b>113.1</b>	<b>¥ 3,200,699</b>	<b>112.2</b>	<b>¥ 3,519,640</b>	<b>110.0</b>
Medical coverage, living benefits and other	227,460	121.1	257,460	113.2	293,413	114.0

Notes:

- Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. For lump-sum payments, annualized premiums are calculated by dividing the total premium by the insured period.
- Medical coverage, living benefits and other includes medical benefits (including hospitalization and surgery benefits), living benefits (including limited illness and nursing care benefits), and premium payment waivers benefits (excluding disability and including specified diseases and nursing benefits).

## 2) New Policies

(Millions of yen, %)

For the years ended March 31	2014		2015		2016	
		Year-on-year comparison		Year-on-year comparison		Year-on-year comparison
Individual insurance	¥ 439,081	101.7%	¥ 457,852	104.3%	¥ 485,374	106.0%
Individual annuities	179,878	80.7	162,575	90.4	105,100	64.6
<b>Total</b>	<b>¥ 618,960</b>	<b>94.6</b>	<b>¥ 620,427</b>	<b>100.2</b>	<b>¥ 590,474</b>	<b>95.2</b>
Medical coverage, living benefits and other	49,175	120.4	41,120	83.6	49,588	120.6

Notes:

- Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. For lump-sum payments, annualized premiums are calculated by dividing the total premium by the insured period.
- Medical coverage, living benefits and other includes medical benefits (including hospitalization and surgery benefits), living benefits (including limited illness and nursing care benefits) and premium payment waivers benefits (excluding disability and including specified diseases and nursing benefits).

## (3) New Policies by Product

(Number of policies, millions of yen)

For the years ended March 31	2014		2015		2016	
	Number of policies	Policy amount	Number of policies	Policy amount	Number of policies	Policy amount
Individual insurance	2,233,907	¥ 6,559,803	2,381,977	¥ 7,002,593	2,397,286	¥ 7,168,485
Ordinary whole life insurance	351,885	1,176,837	292,827	1,002,218	385,036	1,198,852
Fixed amount type	98,192	247,766	84,197	226,816	187,082	456,306
Increased amount type	253,693	929,071	208,630	775,402	197,954	742,546
Special whole life insurance	304,736	1,002,628	297,911	1,052,297	277,490	1,027,512
Ordinary term insurance	610	1,470	539	1,209	409	914
Ordinary endowment insurance	963,201	2,459,956	777,359	2,163,389	941,743	2,668,545
Special endowment insurance	432,143	1,724,894	344,033	1,380,944	310,548	1,214,803
Designated endowment insurance	2,651	2,873	1,400	1,738	1,033	1,299
Educational endowment insurance	168,086	178,939	930	992	–	–
Educational endowment insurance with scholarship annuity	10,595	12,203	112	125	–	–
Educational endowment insurance (H24)	–	–	666,866	1,399,677	481,027	1,056,557
Individual annuities	148,824	¥ 524,095	137,965	¥ 493,582	63,542	¥ 219,721
Immediate term annuity	40,910	137,231	29,758	101,282	15,172	51,411
Deferred term annuity	107,914	386,863	108,207	392,300	48,370	168,310
Asset-formation insurance	34	¥ 0	26	¥ 0	20	¥ 0
Asset-formation savings insurance	32	0	25	0	20	0
Asset-formation housing funding insurance	2	0	1	0	–	–
Asset-formation annuities	3	¥ 12	3	¥ 13	–	¥ –
Asset-formation whole life annuity	3	12	3	13	–	–

Notes:

- Figures for number of policies for asset-formation insurance and asset-formation annuities are the number of insured persons.
- Policy amounts for individual annuities and asset-formation annuities are the total of the accumulated contribution payment as of the date of annuity payment commencement.
- Amount for asset-formation insurance is the amount of the first premium payment.
- Educational endowment insurance (H24) includes educational endowment insurance (H24) (without premium protection agreement).

**(4) Policies in Force by Product**

(Number of policies, millions of yen)

As of March 31	2014		2015		2016	
	Number of policies	Policy amount	Number of policies	Policy amount	Number of policies	Policy amount
Individual insurance	11,668,254	¥33,735,661	13,539,479	¥39,159,046	<b>15,350,407</b>	<b>¥44,406,257</b>
Ordinary whole life insurance	1,688,020	5,684,650	1,899,469	6,383,252	<b>2,194,077</b>	<b>7,241,490</b>
Fixed amount type	368,198	925,012	440,434	1,120,353	<b>612,244</b>	<b>1,534,396</b>
Increased amount type	1,319,822	4,759,638	1,459,035	5,262,898	<b>1,581,833</b>	<b>5,707,093</b>
Special whole life insurance	1,094,695	3,448,724	1,357,312	4,376,825	<b>1,590,936</b>	<b>5,237,290</b>
Whole life insurance with nursing care benefit	134	401	129	379	<b>125</b>	<b>364</b>
Ordinary term insurance	3,492	14,883	3,662	15,662	<b>3,661</b>	<b>16,037</b>
Ordinary endowment insurance	4,987,377	12,483,847	5,544,136	13,917,569	<b>6,218,219</b>	<b>15,677,004</b>
Special endowment insurance	2,495,667	10,123,843	2,723,853	11,003,909	<b>2,909,065</b>	<b>11,676,158</b>
Designated endowment insurance	77,884	128,732	71,809	128,600	<b>67,638</b>	<b>124,761</b>
Educational endowment insurance	1,224,533	1,700,681	1,183,928	1,784,974	<b>1,150,421</b>	<b>1,857,689</b>
Educational endowment insurance with scholarship annuity	95,945	147,778	93,014	155,717	<b>90,494</b>	<b>161,289</b>
Educational endowment insurance (H24)	–	–	661,691	1,390,168	<b>1,125,323</b>	<b>2,412,328</b>
Husband-and-wife insurance	80	196	75	183	<b>73</b>	<b>175</b>
Whole life insurance with whole life annuity	426	1,917	400	1,799	<b>374</b>	<b>1,665</b>
Husband-and-wife insurance with husband-and-wife annuity	1	3	1	3	<b>1</b>	<b>3</b>
Individual annuities	1,194,072	¥ 3,443,863	1,318,287	¥ 3,615,908	<b>1,367,445</b>	<b>¥ 3,476,492</b>
Immediate whole life annuity	1,041	4,819	1,034	4,528	<b>1,030</b>	<b>4,294</b>
Deferred whole life annuity	11,233	90,188	10,827	86,320	<b>10,494</b>	<b>83,196</b>
Whole life annuity with additional nursing annuity	5	51	5	51	<b>5</b>	<b>51</b>
Immediate term annuity	358,219	790,194	383,967	765,755	<b>394,959</b>	<b>684,684</b>
Deferred term annuity	823,562	2,558,528	922,442	2,759,172	<b>960,945</b>	<b>2,704,185</b>
Immediate husband-and-wife annuity	2	7	2	6	<b>2</b>	<b>6</b>
Deferred husband-and-wife annuity	10	72	10	72	<b>10</b>	<b>72</b>
Asset-formation insurance	258	¥ 217	216	¥ 175	<b>168</b>	<b>¥ 136</b>
Asset-formation savings insurance	247	209	208	165	<b>161</b>	<b>126</b>
Asset-formation housing funding insurance	11	7	8	10	<b>7</b>	<b>9</b>
Asset-formation annuities	10	¥ 42	12	¥ 51	<b>12</b>	<b>¥ 51</b>
Asset-formation whole life annuity	10	42	12	51	<b>12</b>	<b>51</b>

## Notes:

- Figures for number of policies for asset-formation insurance and asset-formation annuities are the number of insured persons.
- Policy amounts for individual annuities and asset-formation annuities are the total of (a) the accumulated contribution payment as of the date of annuity payment commencement for the annuity before payments commence and (b) the amount of policy reserves for the annuity after payments have commenced.
- Amount for asset-formation insurance is the amount of policy reserves.
- Educational endowment insurance (H24) includes educational endowment insurance (H24) (without premium protection agreement).

## (5) Policies in Force by Benefit Type

(Millions of yen)

As of March 31			Policy amount in force		
			2014	2015	2016
Death benefit	General death	Individual insurance	¥ 33,735,661	¥ 37,768,877	¥ 41,993,929
		Individual annuities	–	–	–
		Group insurance	–	–	–
		Group annuities	–	–	–
		Net, including others	93,556,044	88,291,510	84,007,365
	Accidental death	Individual insurance	[ 40,373,430]	[ 46,526,034]	[ 51,394,045]
		Individual annuities	[ 14,952]	[ 15,447]	[ 15,113]
		Group insurance	[ –]	[ –]	[ –]
		Group annuities	[ –]	[ –]	[ –]
		Net, including others	[ 140,859,570]	[ 132,584,532]	[ 124,324,080]
	Other conditional death	Individual insurance	[ –]	[ –]	[ –]
		Individual annuities	[ –]	[ –]	[ –]
		Group insurance	[ –]	[ –]	[ –]
		Group annuities	[ –]	[ –]	[ –]
		Net, including others	[ –]	[ –]	[ –]
Survival benefit	Maturity/living benefits	Individual insurance	–	1,390,168	2,412,328
		Individual annuities	1,399,386	1,433,551	1,286,840
		Group insurance	–	–	–
		Group annuities	–	–	–
		Net, including others	4,745,182	5,717,790	6,229,815
	Annuities	Individual insurance	[ 22,774]	[ 22,062]	[ 21,450]
		Individual annuities	[ 423,765]	[ 470,687]	[ 488,335]
		Group insurance	[ –]	[ –]	[ –]
		Group annuities	[ –]	[ –]	[ –]
		Net, including others	[ 1,890,380]	[ 1,725,640]	[ 1,564,838]
	Others	Individual insurance	–	–	–
		Individual annuities	2,044,477	2,182,357	2,189,651
		Group insurance	–	–	–
		Group annuities	–	–	–
		Net, including others	12,081,083	11,927,372	11,692,836
Hospitalization benefit	Hospitalization due to accident	Individual insurance	[ 38,507]	[ 42,604]	[ 46,427]
		Individual annuities	[ 36]	[ 37]	[ 36]
		Group insurance	[ –]	[ –]	[ –]
		Group annuities	[ –]	[ –]	[ –]
		Net, including others	[ 121,598]	[ 114,039]	[ 107,383]
	Hospitalization due to illness	Individual insurance	[ 37,833]	[ 41,924]	[ 45,750]
		Individual annuities	[ 8]	[ 9]	[ 8]
		Group insurance	[ –]	[ –]	[ –]
		Group annuities	[ –]	[ –]	[ –]
		Net, including others	[ 120,237]	[ 112,858]	[ 106,359]
	Other conditional hospitalization	Individual insurance	[ 6,316]	[ 7,003]	[ 7,644]
		Individual annuities	[ 5]	[ 6]	[ 5]
		Group insurance	[ –]	[ –]	[ –]
		Group annuities	[ –]	[ –]	[ –]
		Net, including others	[ 14,033]	[ 13,543]	[ 13,129]

Notes:

1. Values within brackets “[ ]” are supplementary benefits of the basic policy and rider benefits.
2. Amounts for individual annuities in the maturity/living benefits column in survival benefit are the accumulated contribution payments as of the date of annuity payment commencement for the annuity before payments commence.
3. Amounts of annuities in survival benefit are the amounts of annuities to be paid annually.
4. Amounts of others in survival benefit are the amounts of policy reserves for individual annuities (the annuity after payments have commenced).
5. Amounts for hospitalization benefits are the amounts of daily hospitalization benefits.

(Number of policies)

As of March 31		Number of policies in force		
		2014	2015	2016
Disability benefit	Individual insurance	[ 8,581,023]	[ 9,451,508]	[ 10,199,136]
	Individual annuities	[ 4,041]	[ 4,181]	[ 4,091]
	Group insurance	[ -]	[ -]	[ -]
	Group annuities	[ -]	[ -]	[ -]
	Net, including others	[ 29,200,037]	[ 27,208,821]	[ 25,383,257]
Surgery benefit	Individual insurance	[ 9,246,191]	[ 10,343,759]	[ 11,485,819]
	Individual annuities	[ 6,511]	[ 6,755]	[ 6,606]
	Group insurance	[ -]	[ -]	[ -]
	Group annuities	[ -]	[ -]	[ -]
	Net, including others	[ 29,521,468]	[ 27,826,182]	[ 26,468,796]

Note: Values within brackets “[ ]” are supplementary benefits of the basic policy and rider benefits.

## (6) Policies in Force by Type of Policy of Individual Insurance and Individual Annuity

(Millions of yen)

As of March 31		2014	2015	2016
Death protection insurance	Whole life insurance	¥ 9,133,776	¥ 10,760,457	¥ 12,479,144
	Whole life insurance with term rider	-	-	-
	Term insurance	14,883	15,662	16,037
	Net, including others	9,150,580	10,777,922	12,496,850
Mixed insurance	Endowment insurance	22,736,423	25,050,079	27,477,924
	Endowment insurance with term rider	-	-	-
	Net, including others	24,585,080	26,990,955	29,497,078
Pure endowment insurance		-	1,390,168	2,412,328
Annuities	Individual annuities	3,443,863	3,615,908	3,476,492
Accident/illness riders	Accident rider	23,845,990	26,207,252	28,171,519
	Nursing care rider	265	243	232
	Accident hospitalization rider	46	42	38
	Illness hospitalization rider	1	1	1
	Illness and accident hospitalization rider	1,788	1,711	1,645
	Non-participating accident hospitalization rider	655	666	666
	Non-participating illness and accident hospitalization rider	36,052	40,221	44,112

Notes:

1. Policy amounts for individual annuities are the total of (a) the accumulated contribution payment as of the date of annuity payment commencement for the annuity before payments commence and (b) the amount of policy reserves for the annuity after payments have commenced.
2. Amounts for hospitalization riders are the amounts of daily hospitalization benefits.

## (7) Trend of Changes in Policies

### 1) Individual Insurance

(Number of policies, millions of yen, %)

For the years ended March 31	2014		2015		2016	
	Number of policies	Policy amount	Number of policies	Policy amount	Number of policies	Policy amount
At the beginning of the fiscal year	9,871,863	¥ 28,480,738	11,668,254	¥ 33,735,661	13,539,479	¥ 39,159,046
New policies	2,233,907	6,559,803	2,381,977	7,002,593	2,397,286	7,168,485
Renewals	—	—	—	—	—	—
Reinstatements	9,134	24,010	10,739	29,138	11,025	30,100
Increase in coverage amount	[ 3 ]	0	[ — ]	—	[ 2 ]	0
Increase by conversion	—	—	—	—	—	—
Death	12,454	31,218	15,839	39,277	19,350	47,668
Maturity	2,217	2,499	4,733	5,913	6,907	8,794
Decrease in coverage amount	[ 43,414 ]	139,138	[ 58,691 ]	182,528	[ 74,484 ]	227,725
Decrease by conversion	—	—	—	—	—	—
Surrender	365,007	1,157,886	424,434	1,353,923	490,707	1,592,068
Lapse	65,075	193,955	74,557	220,088	75,747	223,992
Decrease by other changes	1,897	(195,808)	1,928	(193,385)	4,672	(148,873)
At the end of the fiscal year	11,668,254	33,735,661	13,539,479	39,159,046	15,350,407	44,406,257
[Increase ratio]	[ 18.2 %]	[ 18.5 %]	[ 16.0 %]	[ 16.1 %]	[ 13.4 %]	[ 13.4 %]
Net increase	1,796,391	5,254,922	1,871,225	5,423,385	1,810,928	5,247,211
[Increase ratio]	[ (3.1)%]	[ (3.4)%]	[ 4.2 %]	[ 3.2 %]	[ (3.2)%]	[ (3.2)%]

Notes:

- The policy amounts are the total of policy amounts for the main part of death protection insurance, mixed insurance and pure endowment insurance.
- Number of policies for increase in coverage amount and decrease in coverage amount is not included in "at the end of the fiscal year" or in "net increase."
- Policy amount for increase in coverage amount includes the amount of policy amount increase agreements, similar type policy amount increase agreements, policy term extension agreements and payment period extension agreements.

### 2) Individual Annuities

(Number of policies, millions of yen, %)

For the years ended March 31	2014		2015		2016	
	Number of policies	Policy amount	Number of policies	Policy amount	Number of policies	Policy amount
At the beginning of the fiscal year	1,058,046	¥ 3,194,646	1,194,072	¥ 3,443,863	1,318,287	¥ 3,615,908
New policies	148,824	524,095	137,965	493,582	63,542	219,721
Reinstatements	62	233	87	370	93	383
Increase by conversion	—	—	—	—	—	—
Death	4,201	11,376	5,183	13,072	5,987	13,968
Full payment	—	—	—	—	—	—
Decrease in coverage amount	[ 205 ]	719	[ 251 ]	802	[ 254 ]	807
Decrease by conversion	—	—	—	—	—	—
Surrender	8,220	27,155	8,145	27,139	8,009	25,903
Lapse	359	1,261	414	1,509	411	1,575
Decrease by other changes	80	234,598	95	279,384	70	317,267
At the end of the fiscal year	1,194,072	3,443,863	1,318,287	3,615,908	1,367,445	3,476,492
[Increase ratio]	[ 12.9 %]	[ 7.8 %]	[ 10.4 %]	[ 5.0 %]	[ 3.7 %]	[ (3.9)%]
Net increase	136,026	249,216	124,215	172,045	49,158	(139,416)
[Increase ratio]	[ (20.3)%]	[ (39.7)%]	[ (8.7)%]	[ (31.0)%]	[ (60.4)%]	[ (181.0)%]

Notes:

- Policy amounts for individual annuities are the total of (a) the accumulated contribution payment as of the date of annuity payment commencement for the annuity before payments commence and (b) the amount of policy reserves for the annuity after payments have commenced.
- Number of policies for decrease in coverage amount is not included in "at the end of the fiscal year" or in "net increase."



### 3) Group Insurance

Not applicable.

### 4) Group Annuities

Not applicable.

### (8) Embedded Value (“EV”)

The Company has been disclosing EV calculated on the basis of the European Embedded Value Principles (“EEV Principles”) since the end of the year ended March 31, 2013.

Notes:

1. The EEV Principles and Guidance were published in May 2004 by the CFO Forum, a group representing the Chief Financial Officers of major European insurance companies, in order to improve consistency and transparency in EV calculation and reporting.
2. The calculation of EV is based on many assumptions, including future outlook, which involves certain risks and uncertainties. Since actual performance may differ materially from the assumptions, we strongly recommend that users exercise caution.

### 1) EV Results

(Billions of yen)

As of March 31	2015 (Revised (Note 1))	2016	
			Increase (Decrease)
EV	¥ 3,501.3	¥ 2,718.3	¥ (782.9)
Adjusted net worth	1,739.6	1,894.3	154.6
Total net assets on the balance sheet (Note 2)	1,412.0	1,472.4	60.3
Reserve for price fluctuations (Note 3)	85.3	146.4	61.1
Contingency reserve (Note 3)	315.8	363.1	47.3
Others (Note 4)	59.3	76.4	17.1
Tax effect on the above	(132.8)	(164.1)	(31.2)
Value of in-force covered business	1,761.6	824.0	(937.6)
Certainty equivalent present value of future profits	2,137.2	1,559.7	(577.5)
Time value of financial options and guarantees	(292.7)	(567.1)	(274.4)
Cost of holding required capital	(0.1)	(0.0)	0.1
Allowance for non-financial risk	(82.7)	(168.5)	(85.7)

For the year ended March 31	2015	2016	
			Increase (Decrease)
Value of new business	¥ 134.2	¥ 118.2	¥ (15.9)
Certainty equivalent present value of future profits	172.3	179.2	6.9
Time value of financial options and guarantees	(31.0)	(51.4)	(20.3)
Cost of holding required capital	(3.2)	(3.2)	(0.0)
Allowance for non-financial risk	(3.8)	(6.3)	(2.4)

Notes:

1. For the EV as of March 31, 2016, we have revised the allocation of unrealized gains/losses on securities and certain other assets in respect of insurance policies, such that the unrealized gains/losses are included within the VIF rather than the ANW. For consistency, the EV as of March 31, 2015 is revised to reflect equivalent allocation of unrealized gains/losses. For details, please refer to “5) Notes on the Use of Results (ii).”
2. The total net assets are the total net assets as on the consolidated balance sheet, excluding the total amount of accumulated other comprehensive income.
3. Excluding amounts in respect of the Postal Life Insurance policies that are included in the VIF.
4. Unrealized gains/losses on securities, loans, and general reserve for possible loan losses (excluding those related to insurance policies) and unfunded retirement benefit obligations (unrecognized prior service cost and unrecognized actuarial differences).



## 2) Movement Analysis

(Billions of yen)

	Adjusted net worth	Value of in-force covered business	EV
Values as of March 31, 2015	¥ 2,975.5	¥ 525.8	¥ 3,501.3
(1) Change in allocation of unrealized gains/losses between ANW and VIF	(1,235.8)	1,235.8	–
Values as of March 31, 2015 (Revised)	¥ 1,739.6	¥ 1,761.6	¥ 3,501.3
(2) Opening adjustments	(24.5)	–	(24.5)
Values as of March 31, 2015 after adjustment	1,715.1	1,761.6	3,476.7
(3) Value of new business	–	118.2	118.2
(4) Expected existing business contribution (risk-free rate)	0.3	54.4	54.8
(5) Expected existing business contribution (in excess of risk-free rate)	0.6	22.6	23.2
(6) Expected transfer from value of in-force covered business to adjusted net worth	139.9	(139.9)	–
On in-force at the beginning of the fiscal year	171.0	(171.0)	–
On new business	(31.0)	31.0	–
(7) Non-economic experience variances	12.0	1.3	13.3
(8) Non-economic assumption changes	(2.4)	8.9	6.5
(9) Economic variances	28.5	(1,003.2)	(974.7)
Values as of March 31, 2016	¥ 1,894.3	¥ 824.0	¥ 2,718.3

## 3) Sensitivities

(Billions of yen)

Assumptions	EV		Value of new business	
		Change in EV		Change in value of new business
Base Scenario March 31, 2016	¥ 2,718.3	¥ –	¥ 118.2	¥ –
Sensitivity 1 50bp increase in risk-free rate	3,369.9	651.6	205.2	87.0
Sensitivity 2 50bp decrease in risk-free rate	1,850.4	(867.9)	49.5	(68.6)
Sensitivity 3 10% decrease in equity and real estate value	2,644.6	(73.7)	118.2	–
Sensitivity 4 10% decrease in maintenance expenses	2,908.7	190.3	138.7	20.4
Sensitivity 5 10% decrease in surrender and lapse rates	2,713.1	(5.2)	126.7	8.4
Sensitivity 6 5% decrease in claim incidence rates for life business	2,841.2	122.8	126.0	7.8
Sensitivity 7 5% decrease in claim incidence rates for annuity business	2,516.9	(201.4)	118.3	0.0
Sensitivity 8 Change the required capital to statutory minimum	2,718.3	0.0	120.6	2.3
Sensitivity 9 25% increase in implied volatilities of equity and real estate values	2,660.7	(57.5)	117.3	(0.8)
Sensitivity 10 25% increase in implied volatilities of swaptions	2,513.6	(204.6)	98.4	(19.8)

## 4) Main EV Assumptions

### (i) Economic Assumptions

Based on the assets held by the Company, the risk-free rates for use in the certainty equivalent calculation have been determined based on Japanese government bonds as at the valuation date.

The table at right shows, for selected terms, the risk-free rates (converted to spot rates) used for the calculation. The Company assumed that the forward rates for terms longer than 40 years were the same as the 40 year forward rate.

Term (Years)	For calculation of the value of in-force covered business		For calculation of the value of new business	
	March 31, 2015	March 31, 2016	September 30, 2014	September 30, 2015
1	0.030%	(0.154)%	0.065%	0.010%
2	0.037%	(0.206)%	0.078%	0.015%
3	0.057%	(0.229)%	0.093%	0.018%
4	0.093%	(0.205)%	0.122%	0.037%
5	0.131%	(0.190)%	0.167%	0.062%
10	0.402%	(0.048)%	0.529%	0.352%
15	0.817%	0.209%	1.001%	0.785%
20	1.198%	0.454%	1.441%	1.203%
25	1.406%	0.601%	1.678%	1.430%
30	1.450%	0.571%	1.749%	1.497%
40	1.581%	0.683%	1.890%	1.631%

Source: Analysis of Ministry of Finance data

### (ii) Non-Economic Assumptions

All cash flows (premiums, expenses, claims and benefits, cash surrender values, taxes, etc.) are projected applying the best estimate assumptions up to the termination of the policies. Best estimate assumptions are specified by product group, considering recent experience and expected future prospects.

## 5) Notes on the Use of Results

- (i) As the profits arising from the release of the contingency reserve and reserve for price fluctuations related to the Postal Life Insurance policies form a part of the reinsurance dividend paid to the Management Organization, the EV calculations take into consideration the profits net of this reinsurance dividend. Therefore, the contingency reserve and reserve for price fluctuations related to these policies are included in the VIF, rather than the ANW, as it is assumed that these reserves will be released in the future.
- (ii) For the EV as of March 31, 2016, the Company has revised the allocation of unrealized gains/losses on securities and certain other assets in respect of insurance policies underwritten after postal service privatization on October 1, 2007, such that the unrealized gains/losses are included within the VIF rather than the ANW. For consistency, the EV as of March 31, 2015 is revised to reflect the equivalent allocation of unrealized gains and losses. Both before and after the revision, the VIF is calculated considering statutory accounting and our dividend policy, such that unrealized gains/losses on assets in respect of insurance policies are a source of earnings which affect policyholder dividends. As a result, the total EV is unchanged by the revision. Unrealized gains on assets in respect of Postal Life Insurance policies were already considered in the VIF, rather than in ANW, and are unaffected by the change.
- (iii) The Company requested an independent actuarial firm to review the assumptions and the calculation of the Company's EV results and obtained a written opinion verifying the validity. For further details of this written opinion and the Company's EV, please refer to the Company's website ([http://www.jp-life.japanpost.jp/en/news/2016/en\\_news\\_id000040.html](http://www.jp-life.japanpost.jp/en/news/2016/en_news_id000040.html)).

## 6) (Reference) EV based on the ultimate forward rate

The EVs measured by using the ultimate forward rate as of March 31, 2015 and March 31, 2016 were ¥3,613.7 billion and ¥3,151.0 billion, respectively and the values of new business for the year ended March 31, 2015 and the year ended March 31, 2016 were ¥154.9 billion and ¥143.5 billion, respectively. For details, please see our website ([http://www.jp-life.japanpost.jp/en/news/2016/en\\_news\\_id000043.html](http://www.jp-life.japanpost.jp/en/news/2016/en_news_id000043.html)).

Note: The risk-free rate is an important assumption for the valuation of life insurance liabilities. Regarding the level of interest rates at longer durations, for which sufficiently liquid markets and reliable data are not available, we take an approach utilizing an ultimate forward rate assumed to converge over a period of time to a fixed ultimate level, commonly set based on macroeconomic or other methods instead of by the previous method of setting the assumed forward rate to be constant at and beyond the last duration for which market data are available.

## 5-3 Insurance Policy Indicators

### (1) Policies in Force and New Policies

#### 1) Policies in Force

(Number of policies, millions of yen, %)

As of March 31	2014				2015				2016			
	Number of policies		Policy amount		Number of policies		Policy amount		Number of policies		Policy amount	
		Rate of increase/decrease		Rate of increase/decrease		Rate of increase/decrease		Rate of increase/decrease		Rate of increase/decrease		Rate of increase/decrease
Individual insurance	11,668,254	18.2%	¥ 33,735,661	18.5%	13,539,479	16.0%	¥ 39,159,046	16.1%	15,350,407	13.4%	¥ 44,406,257	13.4%
Death protection insurance	2,786,768	25.0	9,150,580	24.8	3,260,973	17.0	10,777,922	17.8	3,789,174	16.2	12,496,850	15.9
Mixed insurance	8,881,486	16.2	24,585,080	16.2	9,616,815	8.3	26,990,955	9.8	10,435,910	8.5	29,497,078	9.3
Pure endowment insurance	—	—	—	—	661,691	—	1,390,168	—	1,125,323	70.1	2,412,328	73.5
Individual annuities	1,194,072	12.9	3,443,863	7.8	1,318,287	10.4	3,615,908	5.0	1,367,445	3.7	3,476,492	(3.9)
Group insurance	—	—	—	—	—	—	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—	—	—	—	—	—	—
Asset-formation insurance	258	(7.5)	217	2.6	216	(16.3)	175	(19.4)	168	(22.2)	136	(22.3)
Asset-formation annuities	10	42.9	42	40.6	12	20.0	51	20.9	12	0.0	51	0.0

Notes:

- Figures for number of policies for asset-formation insurance and asset-formation annuities are the number of insured persons.
- Policy amounts for individual annuities and asset-formation annuities are the total of (a) the accumulated contribution payment as of the date of annuity payment commencement for the annuity before payments commence and (b) the amount of policy reserves for the annuity after payments have commenced.
- Amount for asset-formation insurance is the amount of policy reserves.

#### 2) New Policies

(Number of policies, millions of yen, %)

For the years ended March 31	2014				2015				2016			
	Number of policies		Policy amount		Number of policies		Policy amount		Number of policies		Policy amount	
		Rate of increase/decrease		Rate of increase/decrease		Rate of increase/decrease		Rate of increase/decrease		Rate of increase/decrease		Rate of increase/decrease
Individual insurance	2,233,907	1.2%	¥ 6,559,803	0.7%	2,381,977	6.6%	¥ 7,002,593	6.8%	2,397,286	0.6%	¥ 7,168,485	2.4%
Death protection insurance	657,231	19.4	2,180,936	18.0	591,277	(10.0)	2,055,726	(5.7)	662,935	12.1	2,227,279	8.3
Mixed insurance	1,576,676	(4.9)	4,378,867	(6.2)	1,123,834	(28.7)	3,547,189	(19.0)	1,253,324	11.5	3,884,648	9.5
Pure endowment insurance	—	—	—	—	666,866	—	1,399,677	—	481,027	(27.9)	1,056,557	(24.5)
Individual annuities	148,824	(18.2)	524,095	(17.3)	137,965	(7.3)	493,582	(5.8)	63,542	(53.9)	219,721	(55.5)
Group insurance	—	—	—	—	—	—	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—	—	—	—	—	—	—
Asset-formation insurance	34	(27.7)	0	(34.7)	26	(23.5)	0	(24.8)	20	(23.1)	0	(18.8)
Asset-formation annuities	3	200.0	12	177.5	3	0.0	13	5.3	—	(100.0)	—	(100.0)

Notes:

- Figures for number of policies for asset-formation insurance and asset-formation annuities are the number of insured persons.
- Policy amounts for individual annuities and asset-formation annuities are the total of the accumulated contribution payment as of the date of annuity payment commencement.
- Amount for asset-formation insurance is the amount of the first premium payment.

## (2) Average Policy Amount of New Policies and Policies in Force (individual insurance)

(Thousands of yen)

Items	New Policies			Policies in Force		
	For the year ended March 31, 2014	For the year ended March 31, 2015	For the year ended March 31, 2016	As of March 31, 2014	As of March 31, 2015	As of March 31, 2016
Individual insurance	¥ 2,936	¥ 2,939	¥ 2,990	¥ 2,891	¥ 2,892	¥ 2,892
Death protection insurance	3,318	3,476	3,359	3,283	3,305	3,298
Mixed insurance	2,777	3,156	3,099	2,768	2,806	2,826
Pure endowment insurance	–	2,098	2,196	–	2,100	2,143

## (3) Ratio of New Policies (against the policy in force at the beginning of fiscal year)

(%)

For the years ended March 31	2014	2015	2016
Individual insurance	23.0%	20.8%	18.3%
Individual annuities	16.4	14.3	6.1
Group insurance	–	–	–

Note: This refers to the ratio of the policy amount of new policies against the policy amount in force at the beginning of fiscal year.

## (4) Ratio of Surrender and Lapse (against the policy in force at the beginning of fiscal year)

(%)

For the years ended March 31	2014	2015	2016
Individual insurance	5.2%	5.1%	5.1%
Individual annuities	1.5	1.5	1.4
Group insurance	–	–	–

Notes:

- Ratio of surrender and lapse is calculated based on the policy amount associated with surrenders and lapses as modified by decrease or increase in policy amount, as well as the amount of the policy reinstatement.
- Ratio of surrender and lapse for individual annuities is based on the annuity before payments commence.

## (5) Average Premium for New Policies of Individual Insurance (monthly payment agreement)

(Yen)

For the years ended March 31	2014	2015	2016
Individual insurance	¥ 230,040	¥ 242,088	¥ 259,071

Note: These are annual premiums for the policies involving monthly payment agreement.

## (6) Mortality Rates (basic policies in individual insurance)

(‰)

For the years ended March 31	2014	2015	2016
In terms of number of policies	1.16‰	1.26‰	1.34‰
In terms of policy amount	1.00	1.08	1.14

Notes:

- Mortality rates are calculated by dividing the number of/policy amount for policies filing death claim by the number of/policy amount for policies exposed to risk.
- Number of/policy amount for policies exposed to risk is calculated by the formula as follows:  
(Number of/policy amount for policies in force at the beginning of fiscal year + number of/policy amount for policies in force at the end of fiscal year + the number of/policy amount for policies filing death claim) ÷ 2

## (7) Ratio of Riders Filing Claim (individual insurance)

(%)

For the years ended March 31		2014	2015	2016
Accident death benefit	In terms of number of policies	0.08%	0.09%	<b>0.10%</b>
	In terms of policy amount	0.07	0.07	<b>0.08</b>
Disability benefit	In terms of number of policies	0.12	0.14	<b>0.15</b>
	In terms of policy amount	0.04	0.04	<b>0.05</b>
Accident hospitalization benefit	In terms of number of policies	3.40	3.94	<b>4.28</b>
	In terms of policy amount	0.12	0.13	<b>0.13</b>
Illness hospitalization benefit	In terms of number of policies	32.40	34.78	<b>37.52</b>
	In terms of policy amount	0.68	0.72	<b>0.78</b>
Accident surgery benefit	In terms of number of policies	2.48	2.68	<b>2.80</b>
	In terms of policy amount	0.04	0.04	<b>0.05</b>
Illness surgery benefit	In terms of number of policies	19.60	21.13	<b>22.77</b>
	In terms of policy amount	0.50	0.54	<b>0.57</b>
Accident outpatient benefit	In terms of number of policies	0.36	0.37	<b>0.41</b>
	In terms of policy amount	0.00	0.00	<b>0.01</b>
Illness outpatient benefit	In terms of number of policies	1.30	1.28	<b>1.42</b>
	In terms of policy amount	0.02	0.02	<b>0.02</b>
Nursing care benefit	In terms of number of policies	0.00	0.00	<b>0.00</b>
	In terms of policy amount	0.00	0.00	<b>0.00</b>
Accident long-term hospitalization benefit	In terms of number of policies	0.08	0.08	<b>0.09</b>
	In terms of policy amount	0.00	0.00	<b>0.00</b>
Illness long-term hospitalization benefit	In terms of number of policies	0.63	0.70	<b>0.75</b>
	In terms of policy amount	0.02	0.02	<b>0.02</b>

Notes:

- Ratio of the number of/policy amount for riders filing claim is calculated by dividing the number of/policy amount for riders filing claim by the number of/policy amount for policies exposed to risk.
- Number of/policy amount for policies exposed to risk is calculated by the formula as follows:  

$$(\text{Number of/policy amount for policies in force at the beginning of fiscal year} + \text{number of/policy amount for policies in force at the end of fiscal year} + \text{the number of/policy amount for policies filing full-paid rider claim}) \div 2$$

**(8) Ratio of Operating Expenses (against premium revenues)**

(%)

For the year ended March 31, 2014	For the year ended March 31, 2015	For the year ended March 31, 2016
8.68	8.61	<b>9.93</b>

**(9) In the Cases Where Insurance Policies are Reinsured, Number of Principal Insurance Companies Accepting Reinsurance**

(Number of companies)

For the year ended March 31, 2014	For the year ended March 31, 2015	For the year ended March 31, 2016
1	1	<b>3</b>

Note: This is not applicable to third-sector insurance, in which the accumulation of insurance premium reserves is not required pursuant to Article 71 of the Ordinance for Enforcement of the Insurance Business Act.

**(10) In the Cases Where Insurance Policies are Reinsured, Ratio of Reinsurance Premiums Paid to the Top Five Reinsurers in Terms of the Volume of Reinsurance Premiums Paid, Against Reinsurance Premiums Paid to All Reinsurers Accepting Reinsurance**

(%)

For the year ended March 31, 2014	For the year ended March 31, 2015	For the year ended March 31, 2016
100.0%	100.0%	<b>100.0%</b>

Note: This is not applicable to third-sector insurance, in which the accumulation of insurance premium reserves is not required pursuant to Article 71 of the Ordinance for Enforcement of the Insurance Business Act.

**(11) In the Cases Where Insurance Policies are Reinsured, Ratio of Reinsurance Premiums Paid, of Each Group of Principal Reinsurers Accepting Reinsurance, Where the Grouping is Done Based on Ratings by a Rating Agency**

(%)

Category of credit ratings	For the year ended March 31, 2014	For the year ended March 31, 2015	For the year ended March 31, 2016
A or superior	100.0%	100.0%	<b>100.0%</b>
BBB or superior	–	–	–
Other	–	–	–

Notes:

- The above ratings are based on the ratings provided by Standard & Poor's at each fiscal year-end, where "A or superior" represents A- or superior, while "BBB or superior" represents the range from BBB- to less than A-.
- This is not applicable to third-sector insurance, in which the accumulation of insurance premium reserves is not required pursuant to Article 71 of the Ordinance for Enforcement of the Insurance Business Act.

**(12) Amount of Reinsurance Proceeds Yet to be Recovered**

(Millions of yen)

As of March 31, 2014	As of March 31, 2015	As of March 31, 2016
¥ 232	¥ 627	<b>¥ 1,177</b>

Note: This is not applicable to third-sector insurance, in which the accumulation of insurance premium reserves is not required pursuant to Article 71 of the Ordinance for Enforcement of the Insurance Business Act.

**(13) Ratio of the Insurance Amount Paid Against Earned Premiums by Reason of Benefit or Class of Insurance in Third-Sector Insurance**

(%)

For the years ended March 31	2014	2015	2016
Claim-filing ratio in third-sector insurance	44.9%	42.6%	<b>42.5%</b>
Medical (Illness)	34.3	33.1	<b>33.0</b>
Cancer	–	–	–
Nursing care	30.7	49.7	<b>42.2</b>
Other	96.3	92.0	<b>93.0</b>

## 5-4 Accounting Data

### (1) Reserve for Outstanding Claims

(Millions of yen)

As of March 31		2014	2015	2016
Insurance claims	Death benefits	¥ 12,286	¥ 14,602	¥ 9,975
	Accidental benefits	1,667	1,786	1,602
	Serious disability benefits	277	424	298
	Maturity benefits	229	437	560
	Other	790,774	670,870	587,905
	Subtotal	805,235	688,122	600,342
Annuity payments		4,702	4,486	4,916
Benefits		10,878	12,483	13,886
Surrender benefits		10,549	10,916	13,596
Deferred insurance benefits payment		—	—	—
Net, including other reserve for outstanding claims		831,690	718,156	635,167

### (2) Policy Reserves

(Millions of yen)

As of March 31		2014	2015	2016
Policy reserves [excluding contingency reserve]	Individual insurance	¥ 13,988,727	¥ 17,002,000	¥ 19,917,093
	[General account]	[ 13,988,727]	[ 17,002,000]	[ 19,917,093]
	[Separate account]	[ —]	[ —]	[ —]
	Individual annuities	3,288,109	3,454,976	3,358,246
	[General account]	[ 3,288,109]	[ 3,454,976]	[ 3,358,246]
	[Separate account]	[ —]	[ —]	[ —]
	Group insurance	—	—	—
	[General account]	[ —]	[ —]	[ —]
	[Separate account]	[ —]	[ —]	[ —]
	Group annuities	—	—	—
	[General account]	[ —]	[ —]	[ —]
	[Separate account]	[ —]	[ —]	[ —]
	Other	57,879,855	52,156,913	46,712,315
	[General account]	[ 57,879,855]	[ 52,156,913]	[ 46,712,315]
[Separate account]	[ —]	[ —]	[ —]	
Subtotal	75,156,691	72,613,890	69,987,656	
[General account]	[ 75,156,691]	[ 72,613,890]	[ 69,987,656]	
[Separate account]	[ —]	[ —]	[ —]	
Contingency reserve		2,588,798	2,498,711	2,374,846
Total		77,745,490	75,112,601	72,362,503
[General account]		[ 77,745,490]	[ 75,112,601]	[ 72,362,503]
[Separate account]		[ —]	[ —]	[ —]

Note: Other includes asset-formation insurance, asset-formation annuities and receiving reinsurance.

### (3) Balance of Policy Reserves

(Millions of yen)

	Insurance premium reserves	Unearned premiums	Reserve for refunds	Contingency reserve	Total
As of March 31, 2014	¥ 63,668,814	¥ 11,487,877	¥ —	¥ 2,588,798	¥ 77,745,490
As of March 31, 2015	60,938,274	11,675,615	—	2,498,711	75,112,601
<b>As of March 31, 2016</b>	<b>58,405,526</b>	<b>11,582,129</b>	<b>—</b>	<b>2,374,846</b>	<b>72,362,503</b>



#### (4) Reserving Method, Reserve Ratio and Reserve Balance for Policy Reserves in Individual Insurance and Individual Annuities (by contract year)

##### 1) Reserving Method and Reserve Ratio for Policy Reserves

As of March 31		2014	2015	2016
Reserving method	Contracts subject to the standard policy reserves	The method prescribed by Ordinance No. 48 issued by the Ministry of Finance in 1996 (standard policy reserves)	The method prescribed by Ordinance No. 48 issued by the Ministry of Finance in 1996 (standard policy reserves)	<b>The method prescribed by Ordinance No. 48 issued by the Ministry of Finance in 1996 (standard policy reserves)</b>
	Contracts outside the scope of the standard policy reserves	—	—	—
Reserve ratio (excluding contingency reserve)		100.0%	100.0%	<b>100.0%</b>

Notes:

- Individual insurance and individual annuities are subject to the reserving method and the reserve ratio. Asset-formation insurance, asset-formation annuities and reinsurance contracts from the Management Organization are not included here, while they are computed based on the net level premium method.
- Reserve ratios here are the ratios against insurance premium reserves and unearned premiums as calculated by the method prescribed by the public notification No. 48 issued by the Ministry of Finance in 1996.

##### 2) Balance of Policy Reserves (by contract year)

(Millions of yen)

Contract year	Balance of policy reserves	Assumed rates of return
For the years ended March 31, 2008 to 2011	¥ 9,176,135	1.00%-1.50%
For the year ended March 31, 2012	3,020,511	0.80%-1.50%
For the year ended March 31, 2013	3,011,922	0.70%-1.50%
For the year ended March 31, 2014	2,852,618	0.70%-1.00%
For the year ended March 31, 2015	2,958,775	0.55%-1.00%
For the year ended March 31, 2016	2,255,377	0.50%-1.00%

Notes:

- Balance of policy reserves includes policy reserves for individual insurance and individual annuities (excluding policy reserves in the separate account and the contingency reserve).
- Assumed rates of return here refer to the main assumed rates of return applicable to policy reserves by contract year.

#### (5) Balance of Policy Reserves in General Account Associated with Insurance Policies Involving a Separate Account with a Guarantee for Minimum Insurance Claims and Others, Their Calculation Methods and the Multiplier Used in Such Calculation

Not applicable as of March 31, 2014, 2015 and 2016.

#### (6) Rationality and Adequacy of the Confirmation under Article 121, Paragraph 1, Item 1 of the Insurance Business Act (limited to the confirmation pertaining to third-sector insurance)

##### 1) Principles for Ensuring Appropriateness of Reserving Practice for Policy Reserves in Third-sector Insurance

We carry out the liability adequacy test and stress test as required by laws and regulations in order to ensure a sufficient level of policy reserves.

The scope of the stress test includes the applicable products of Postal Life Insurance.

##### 2) Rationality and Adequacy of Risk Frequency and Others Assumed for the Purpose of the Liability Adequacy Test and Stress Test

For the purpose of assuming the risk frequency, we calculate the occurrence ratio that covers the fluctuations of payment of hospitalization benefits and others with a certain probability (99% and 97.7%) during the next 10 years, based on the historical actual payment of hospitalization benefits and others.

### 3) Results of the Liability Adequacy Test and Stress Test

We have verified as a result of the stress test that there is no need for an additional provision of contingency reserve or policy reserves in the third-sector insurance, as the expected occurrence ratio we assumed beforehand adequately covers the risks expected to materialize in the future.

#### (7) Reserve for Policyholder Dividends

(Millions of yen)

	Individual insurance	Individual annuities	Group insurance	Group annuities	Asset-formation insurance Asset-formation annuities	Other insurance	Total
<b>For the year ended March 31, 2014</b>							
Balance at the beginning of the fiscal year	¥ 37,081	¥ 918	¥ -	¥ -	¥ -	¥ 2,358,946	¥ 2,396,947
Interest accrual	106	2	-	-	-	4,518	4,627
Reduction due to policyholder dividends paid	996	10	-	-	-	419,516	420,523
Reduction due to the acquisition of additional annuity	-	2	-	-	-	436	438
Provision for reserve for policyholder dividends	18,925	408	-	-	-	222,812	242,146
Balance at the end of the fiscal year	55,117	1,317	-	-	-	2,166,325	2,222,759
	[ 35,563]	[ 901]	[ -]	[ -]	[ -]	[ -]	[ 36,464]
<b>For the year ended March 31, 2015</b>							
Balance at the beginning of the fiscal year	55,117	1,317	-	-	-	2,166,325	2,222,759
Interest accrual	179	4	-	-	-	1,313	1,497
Reduction due to policyholder dividends paid	1,788	17	-	-	-	347,881	349,687
Reduction due to the acquisition of additional annuity	-	3	-	-	-	369	372
Provision for reserve for policyholder dividends	10,361	(3)	-	-	-	190,363	200,722
Balance at the end of the fiscal year	63,869	1,297	-	-	-	2,009,752	2,074,919
	[ 52,991]	[ 1,295]	[ -]	[ -]	[ -]	[ -]	[ 54,287]
<b>For the year ended March 31, 2016</b>							
<b>Balance at the beginning of the fiscal year</b>	<b>63,869</b>	<b>1,297</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,009,752</b>	<b>2,074,919</b>
<b>Interest accrual</b>	<b>129</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>132</b>
<b>Reduction due to policyholder dividends paid</b>	<b>2,395</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>313,832</b>	<b>316,246</b>
<b>Reduction due to the acquisition of additional annuity</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>313</b>	<b>315</b>
<b>Provision for reserve for policyholder dividends</b>	<b>7,544</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>170,458</b>	<b>178,004</b>
<b>Balance at the end of the fiscal year</b>	<b>69,148</b>	<b>1,280</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,866,065</b>	<b>1,936,494</b>
	[ 61,238]	[ 1,279]	[ -]	[ -]	[ -]	[ -]	[ 62,518]

Note: Figures within brackets “[ ]” are accumulated dividends. Meanwhile, the reserve for policyholder dividends associated with the reinsurance from the Management Organization (¥2,166,325 million for the year ended March 31, 2014, ¥2,009,752 million for the year ended March 31, 2015 and ¥1,866,065 million for the year ended March 31, 2016) is scheduled to be distributed/paid to the Management Organization, based on the reinsurance contract.

**(8) Reserves**

(Millions of yen)

For the years ended March 31		2014			2015			2016		
		Balance at the beginning of the fiscal year	Balance at the end of the fiscal year	Changes in the fiscal year	Balance at the beginning of the fiscal year	Balance at the end of the fiscal year	Changes in the fiscal year	Balance at the beginning of the fiscal year	Balance at the end of the fiscal year	Changes in the fiscal year
Reserve for Possible Loan Losses	General reserve for possible loan losses	¥ 83	¥ 91	¥ 8	¥ 91	¥ 77	¥ (14)	¥ 77	¥ 71	¥ (6)
	Specific reserve for possible loan losses	1,012	944	(68)	944	865	(78)	865	701	(164)
	Reserve for specific foreign loans	–	–	–	–	–	–	–	–	–
Reserve for possible claim payments		7,003	1,881	(5,122)	1,881	–	(1,881)	–	–	–
Reserve for employees' retirement benefits		58,331	59,385	1,053	64,489	65,645	1,156	65,645	66,675	1,030
Reserve for directors' retirement benefits		164	0	(164)	–	–	–	–	–	–
Reserve for price fluctuations		522,872	614,233	91,360	614,233	712,167	97,934	712,167	782,268	70,100

Note: Reason for reserving and its calculation method are omitted here as they are stated in the notes to non-consolidated financial statements.

**(9) Provision for Reserve for Specific Foreign Loans**

Not applicable for the years ended March 31, 2014, 2015 and 2016.

**(10) Capital Stock, etc.**

(Millions of yen)

		Balance at the beginning of the year ended March 31, 2016	Increase in the fiscal year	Decrease in the fiscal year	Balance at the end of the year ended March 31, 2016	Remarks
Capital stock		¥ 500,000	¥ –	¥ –	¥ 500,000	
Of which shares issued	[Common stock]	[20,000 thousand shares]	[580,000 thousand shares]	–	[600,000 thousand shares]	(Notes 1 and 2)
		500,000	–	–	500,000	
	Total	500,000	–	–	500,000	
Capital surplus	[Legal capital surplus]	405,044	–	–	405,044	
	[Other capital surplus]	95,000	–	–	95,000	
	Total	500,044	–	–	500,044	

Notes:

1. The Company implemented a 30:1 stock split of its common stock effective August 1, 2015.
2. The increase of 580,000 thousand shares issued of common stock is attributable to the stock split.

## (11) Premiums

(Millions of yen)

For the year ended March 31	2014	2015	2016
Individual insurance	¥ 3,231,507	¥ 3,771,275	¥ 3,827,844
(Lump-sum payment)	—	—	—
(Annual payment)	—	—	—
(Semi-annual payment)	—	—	—
(Monthly payment)	3,231,507	3,771,275	3,827,844
Individual annuities	524,287	486,361	259,398
(Lump-sum payment)	386,491	321,477	226,117
(Annual payment)	—	—	—
(Semi-annual payment)	—	—	—
(Monthly payment)	137,796	164,883	33,281
Group insurance	—	—	—
Group annuities	—	—	—
Net, including other premiums	5,911,269	5,954,839	5,409,598

Note: Net, including other premiums includes asset-formation insurance, asset-formation annuities and reinsurance.

### • Premiums by Income Year

(Millions of yen)

For the year ended March 31		2014	2015	2016
Individual insurance	First-year premiums	¥ 902,119	¥ 908,172	¥ 793,045
	Premiums for the following years	2,853,675	3,349,464	3,294,197
Individual annuities	Subtotal	3,755,795	4,257,637	4,087,242
Group insurance	First-year premiums	—	—	—
	Premiums for the following years	—	—	—
Group annuities	Subtotal	—	—	—
Net, including other premiums	First-year premiums	902,127	908,178	793,050
	Premiums for the following years	5,009,141	5,046,661	4,616,548
	Total	5,911,269	5,954,839	5,409,598

Note: Net, including other premiums includes asset-formation insurance, asset-formation annuities and reinsurance.

**(12) Insurance Claims****1) Insurance Claims (amounts)**

(Millions of yen)

	Death benefits	Accidental benefits	Serious disability benefits	Maturity benefits	Other	Total
For the year ended March 31, 2014						
Individual insurance	¥ 28,225	¥ 2,550	¥ 761	¥ 2,316	¥ –	¥ 33,854
Individual annuities	–	–	–	–	–	–
Group insurance	–	–	–	–	–	–
Group annuities	–	–	–	–	–	–
Asset-formation insurance, asset-formation annuities	–	–	–	46	–	46
Other insurance	–	–	–	–	9,477,426	9,477,426
<b>Total</b>	<b>28,225</b>	<b>2,550</b>	<b>761</b>	<b>2,362</b>	<b>9,477,426</b>	<b>9,511,326</b>
For the year ended March 31, 2015						
Individual insurance	36,089	3,125	775	5,710	–	45,701
Individual annuities	–	–	–	–	–	–
Group insurance	–	–	–	–	–	–
Group annuities	–	–	–	–	–	–
Asset-formation insurance, asset-formation annuities	–	–	–	73	–	73
Other insurance	–	–	–	–	8,208,198	8,208,198
<b>Total</b>	<b>36,089</b>	<b>3,125</b>	<b>775</b>	<b>5,784</b>	<b>8,208,198</b>	<b>8,253,973</b>
For the year ended March 31, 2016						
<b>Individual insurance</b>	<b>44,905</b>	<b>3,636</b>	<b>1,080</b>	<b>8,670</b>	<b>–</b>	<b>58,293</b>
<b>Individual annuities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Group insurance</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Group annuities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Asset-formation insurance, asset-formation annuities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>66</b>	<b>–</b>	<b>66</b>
<b>Other insurance</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>7,518,791</b>	<b>7,518,791</b>
<b>Total</b>	<b>44,905</b>	<b>3,636</b>	<b>1,080</b>	<b>8,736</b>	<b>7,518,791</b>	<b>7,577,151</b>

Note: Other insurance includes reinsurance.

## 2) Insurance Claims (number of benefits)

(Number of benefits)

	Death benefits	Accidental benefits	Serious disability benefits	Maturity benefits	Other	Total
For the year ended March 31, 2014						
Individual insurance	11,582	1,163	285	2,046	–	15,076
Individual annuities	–	–	–	–	–	–
Group insurance	–	–	–	–	–	–
Group annuities	–	–	–	–	–	–
Asset-formation insurance, asset-formation annuities	–	–	–	39	–	39
Other insurance	–	–	–	–	25,741,659	25,741,659
<b>Total</b>	<b>11,582</b>	<b>1,163</b>	<b>285</b>	<b>2,085</b>	<b>25,741,659</b>	<b>25,756,774</b>
For the year ended March 31, 2015						
Individual insurance	14,747	1,412	291	4,603	–	21,053
Individual annuities	–	–	–	–	–	–
Group insurance	–	–	–	–	–	–
Group annuities	–	–	–	–	–	–
Asset-formation insurance, asset-formation annuities	–	–	–	42	–	42
Other insurance	–	–	–	–	22,599,566	22,599,566
<b>Total</b>	<b>14,747</b>	<b>1,412</b>	<b>291</b>	<b>4,645</b>	<b>22,599,566</b>	<b>22,620,661</b>
For the year ended March 31, 2016						
<b>Individual insurance</b>	<b>18,342</b>	<b>1,651</b>	<b>420</b>	<b>6,813</b>	<b>–</b>	<b>27,226</b>
<b>Individual annuities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Group insurance</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Group annuities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Asset-formation insurance, asset-formation annuities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>45</b>	<b>–</b>	<b>45</b>
<b>Other insurance</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>20,119,804</b>	<b>20,119,804</b>
<b>Total</b>	<b>18,342</b>	<b>1,651</b>	<b>420</b>	<b>6,858</b>	<b>20,119,804</b>	<b>20,147,075</b>

Note: Other insurance includes reinsurance.

## (13) Annuities

(Millions of yen)

For the year ended March 31, 2014						
Individual insurance	Individual annuities	Group insurance	Group annuities	Asset-formation insurance, asset-formation annuities	Other insurance	Total
¥ 19	¥ 256,726	¥ –	¥ –	¥ –	¥ –	¥ 256,746

For the year ended March 31, 2015						
Individual insurance	Individual annuities	Group insurance	Group annuities	Asset-formation insurance, asset-formation annuities	Other insurance	Total
¥ 29	¥ 304,067	¥ –	¥ –	¥ –	¥ –	¥ 304,096

For the year ended March 31, 2016						
Individual insurance	Individual annuities	Group insurance	Group annuities	Asset-formation insurance, asset-formation annuities	Other insurance	Total
¥ 44	¥ 340,859	¥ -	¥ -	¥ -	¥ -	¥ 340,904

## (14) Benefits

### 1) Benefits (amounts)

(Millions of yen)

	Death benefits	Hospitalization benefits	Surgery benefits	Disability benefits	Living benefits	Other	Total
For the year ended March 31, 2014							
Individual insurance	¥ -	¥ 19,030	¥ 12,646	¥ 892	¥ 877	¥ 457	¥ 33,904
Individual annuities	-	24	8	2	-	0	36
Group insurance	-	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-	-
Asset-formation insurance, asset-formation annuities	-	-	-	-	-	-	-
Other insurance	-	-	-	-	-	-	-
<b>Total</b>	-	19,055	12,655	895	877	457	33,941
For the year ended March 31, 2015							
Individual insurance	1	22,782	15,545	1,012	1,606	560	41,509
Individual annuities	-	20	8	-	-	0	29
Group insurance	-	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-	-
Asset-formation insurance, asset-formation annuities	-	-	-	-	-	-	-
Other insurance	-	-	-	-	-	-	-
<b>Total</b>	1	22,802	15,553	1,012	1,606	561	41,538
For the year ended March 31, 2016							
<b>Individual insurance</b>	<b>13</b>	<b>26,621</b>	<b>18,131</b>	<b>1,243</b>	<b>2,475</b>	<b>665</b>	<b>49,150</b>
<b>Individual annuities</b>	<b>-</b>	<b>27</b>	<b>10</b>	<b>3</b>	<b>-</b>	<b>0</b>	<b>41</b>
<b>Group insurance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Group annuities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Asset-formation insurance, asset-formation annuities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other insurance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>13</b>	<b>26,648</b>	<b>18,142</b>	<b>1,246</b>	<b>2,475</b>	<b>666</b>	<b>49,192</b>



## 2) Benefits (number of benefits)

(Number of benefits)

	Death benefits	Hospitalization benefits	Surgery benefits	Disability benefits	Living benefits	Other	Total
For the year ended March 31, 2014							
Individual insurance	–	305,901	171,122	1,002	5,490	6,481	489,996
Individual annuities	–	131	87	1	–	6	225
Group insurance	–	–	–	–	–	–	–
Group annuities	–	–	–	–	–	–	–
Asset-formation insurance, asset-formation annuities	–	–	–	–	–	–	–
Other insurance	–	–	–	–	–	–	–
<b>Total</b>	<b>–</b>	<b>306,032</b>	<b>171,209</b>	<b>1,003</b>	<b>5,490</b>	<b>6,487</b>	<b>490,221</b>
For the year ended March 31, 2015							
Individual insurance	38	372,041	211,756	1,239	8,722	8,004	601,800
Individual annuities	–	150	91	–	–	6	247
Group insurance	–	–	–	–	–	–	–
Group annuities	–	–	–	–	–	–	–
Asset-formation insurance, asset-formation annuities	–	–	–	–	–	–	–
Other insurance	–	–	–	–	–	–	–
<b>Total</b>	<b>38</b>	<b>372,191</b>	<b>211,847</b>	<b>1,239</b>	<b>8,722</b>	<b>8,010</b>	<b>602,047</b>
For the year ended March 31, 2016							
<b>Individual insurance</b>	<b>110</b>	<b>441,230</b>	<b>251,830</b>	<b>1,480</b>	<b>12,833</b>	<b>9,498</b>	<b>716,981</b>
<b>Individual annuities</b>	<b>–</b>	<b>176</b>	<b>112</b>	<b>1</b>	<b>–</b>	<b>3</b>	<b>292</b>
<b>Group insurance</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Group annuities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Asset-formation insurance, asset-formation annuities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Other insurance</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>110</b>	<b>441,406</b>	<b>251,942</b>	<b>1,481</b>	<b>12,833</b>	<b>9,501</b>	<b>717,273</b>

## (15) Surrender Benefits

(Millions of yen)

For the year ended March 31, 2014						
Individual insurance	Individual annuities	Group insurance	Group annuities	Asset-formation insurance, asset-formation annuities	Other insurance	Total
¥ 204,209	¥ 16,031	¥ –	¥ –	¥ 23	¥ –	¥ 220,263

For the year ended March 31, 2015						
Individual insurance	Individual annuities	Group insurance	Group annuities	Asset-formation insurance, asset-formation annuities	Other insurance	Total
¥ 274,490	¥ 16,778	¥ –	¥ –	¥ 20	¥ –	¥ 291,290

For the year ended March 31, 2016						
Individual insurance	Individual annuities	Group insurance	Group annuities	Asset-formation insurance, asset-formation annuities	Other insurance	Total
¥ 362,654	¥ 16,188	¥ –	¥ –	¥ 18	¥ –	¥ 378,862

## (16) Depreciation and Amortization

(Millions of yen, %)

	Cost	Depreciation and amortization in the fiscal year	Accumulated depreciation and amortization	Balance at the end of the fiscal year	Accumulated depreciation percentage
For the year ended March 31, 2014					
Tangible fixed assets	¥ 110,424	¥ 6,103	¥ 63,476	¥ 46,948	57.5
Buildings	49,323	1,889	16,036	33,287	32.5
Leased assets	2,432	364	976	1,456	40.2
Other tangible fixed assets	58,668	3,848	46,463	12,204	79.2
Intangible fixed assets	265,078	28,091	139,038	126,040	52.5
Others	260	22	97	162	37.5
Total	375,764	34,217	202,612	173,152	53.9
For the year ended March 31, 2015					
Tangible fixed assets	117,097	5,750	63,535	53,562	54.3
Buildings	51,541	2,070	17,365	34,176	33.7
Leased assets	3,138	438	1,167	1,970	37.2
Other tangible fixed assets	62,417	3,241	45,001	17,415	72.1
Intangible fixed assets	325,147	29,770	167,566	157,580	51.5
Others	294	31	128	166	43.7
Total	442,539	35,552	231,230	211,308	52.3
For the year ended March 31, 2016					
Tangible fixed assets	134,865	6,672	63,808	71,056	47.3
Buildings	68,688	2,946	19,379	49,308	28.2
Leased assets	2,978	472	1,248	1,730	41.9
Other tangible fixed assets	63,198	3,253	43,181	20,017	68.3
Intangible fixed assets	382,704	30,465	193,835	188,868	50.6
Others	634	61	189	445	29.9
Total	518,204	37,199	257,834	260,370	49.6

Notes:

1. "Buildings" is booked as the sum total of buildings, facilities and structures.
2. "Intangible fixed assets" includes software in progress.

## (17) Operating Expenses

(Millions of yen)

For the years ended March 31	2014	2015	2016
Sales activity expenses	¥ 190,508	¥ 182,243	¥ 191,078
Sales administration expenses	13,847	17,147	18,041
General administration expenses	308,690	313,025	327,968
Total	513,046	512,417	537,087

Note: General administration expenses include the contributions to the Life Insurance Policyholders Protection Corporation of Japan (¥1,636 million for the year ended March 31, 2014, ¥1,636 million for the year ended March 31, 2015, and ¥1,923 million for the year ended March 31, 2016), pursuant to Article 259 of the Insurance Business Act.

## (18) Taxes

(Millions of yen)

For the years ended March 31	2014	2015	2016
National taxes	¥ 25,545	¥ 37,213	¥ 37,537
Consumption tax	19,535	30,479	32,941
Special local corporation tax	5,122	5,801	3,820
Stamp duty	801	773	773
Registration license tax	0	156	1
Other national taxes	85	2	0
Local taxes	12,647	17,024	19,359
Local consumption tax	4,883	8,224	8,888
Enterprise tax	6,619	7,504	9,160
Fixed property tax	881	868	1,015
Real estate acquisition tax	–	176	2
Business office tax	247	249	291
Automobile tax	–	–	–
Other local taxes	14	0	0
<b>Total</b>	<b>38,193</b>	<b>54,238</b>	<b>56,896</b>

Note: Fixed property tax includes city planning tax.

## (19) Lease Transactions

Lease transactions (as lessee)

[Finance lease transactions without transfer of ownership that apply accounting treatment equivalent to those for operating lease transactions]

Not applicable for the years ended March 31, 2014, 2015 and 2016.

## (20) Borrowings by Maturity Date

(Millions of yen)

	Due in 1 year or less	Due after 1 year through 3 years	Due after 3 years through 5 years	Due after 5 years through 7 years	Due after 7 years through 10 years	Due after 10 years or having no maturity date	Total
<b>As of March 31, 2014</b>							
Payables under securities lending transactions	¥ 3,703,176	¥ –	¥ –	¥ –	¥ –	¥ –	¥ 3,703,176
<b>Total</b>	<b>3,703,176</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3,703,176</b>
<b>As of March 31, 2015</b>							
Payables under securities lending transactions	3,658,492	–	–	–	–	–	3,658,492
<b>Total</b>	<b>3,658,492</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3,658,492</b>
<b>As of March 31, 2016</b>							
Payables under securities lending transactions	3,648,478	–	–	–	–	–	3,648,478
<b>Total</b>	<b>3,648,478</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3,648,478</b>

## 5-5 Indicators Related to Asset Management (General Account)

### (1) Portfolio Trends

#### Asset Structure, Increase/Decrease in Assets

(Millions of yen, %)

As of March 31	2014			2015			2016		
	Amount	Percentage	Increase/ decrease	Amount	Percentage	Increase/ decrease	Amount	Percentage	Increase/ decrease
Cash, deposits, call loans	¥ 1,893,601	2.2	¥ 965,968	¥ 2,651,397	3.1	¥ 757,796	¥ 2,216,037	2.7	¥ (435,359)
Receivables under resale agreements	-	-	-	-	-	-	-	-	-
Receivables under securities borrowing transactions	2,822,188	3.2	490,901	2,720,856	3.2	(101,332)	3,008,591	3.7	287,734
Monetary claims bought	107,448	0.1	(319,969)	449,068	0.5	341,619	430,150	0.5	(18,918)
Trading account securities	-	-	-	-	-	-	-	-	-
Money held in trust	581,627	0.7	324,795	1,434,943	1.7	853,315	1,644,547	2.0	209,604
Securities	69,378,975	79.7	(3,179,205)	66,277,244	78.1	(3,101,731)	63,610,890	78.0	(2,666,354)
Corporate and government bonds	68,138,527	78.2	(3,516,419)	64,294,767	75.7	(3,843,759)	59,821,039	73.4	(4,473,728)
Domestic stocks	984	0.0	-	984	0.0	-	984	0.0	-
Foreign securities	1,239,464	1.4	337,214	1,981,492	2.3	742,028	3,688,822	4.5	1,707,329
Foreign corporate and government bonds	1,099,464	1.3	337,214	1,961,492	2.3	862,028	3,688,822	4.5	1,727,329
Foreign stocks and other securities	140,000	0.2	-	20,000	0.0	(120,000)	-	-	(20,000)
Other securities	-	-	-	-	-	-	100,044	0.1	100,044
Loans	11,020,585	12.7	(1,670,968)	9,977,345	11.8	(1,043,239)	8,978,437	11.0	(998,907)
Policy loans	54,271	0.1	18,347	74,097	0.1	19,825	95,629	0.1	21,532
Industrial and commercial loans	763,298	0.9	86,506	806,259	0.9	42,961	829,027	1.0	22,768
Loans to the Management Organization	10,203,015	11.7	(1,775,822)	9,096,988	10.7	(1,106,026)	8,053,780	9.9	(1,043,208)
Real estate	75,662	0.1	1,657	112,286	0.1	36,624	123,747	0.2	11,460
Investment property	-	-	-	-	-	-	-	-	-
Deferred tax assets	592,665	0.7	131,151	548,210	0.6	(44,455)	712,615	0.9	164,405
Other	616,907	0.7	(118,129)	741,537	0.9	124,629	819,378	1.0	77,841
Reserve for possible loan losses	(1,036)	(0.0)	59	(943)	(0.0)	92	(772)	(0.0)	170
General account total	87,088,626	100.0	(3,373,737)	84,911,946	100.0	(2,176,680)	81,543,623	100.0	(3,368,322)
Foreign currency denominated assets	1,128,780	1.3	469,826	2,196,349	2.6	1,067,568	3,949,417	4.8	1,753,068

Notes:

1. "Loans to the Management Organization" includes lending to the Management Organization (Postal Life Insurance Account).
2. "Real estate" is booked as the sum total of land, buildings and construction in progress.

## (2) Yield

(%)

For the year ended March 31	2014	2015	2016
Cash, deposits and call loans	0.05	0.05	0.05
Receivables under resale agreements	–	–	–
Receivables under securities borrowing transactions	–	–	–
Monetary claims bought	0.34	0.32	0.26
Trading account securities	–	–	–
Money held in trust	3.04	3.54	3.37
Securities	1.71	1.73	1.66
Corporate and government bonds	1.71	1.70	1.63
Domestic stocks	–	–	–
Foreign securities	1.95	2.87	2.10
Loans	2.31	2.25	2.19
Industrial and commercial loans	1.58	1.53	1.51
Real estate	–	–	–
General account total	1.71	1.70	1.62
Overseas loans and investments	1.98	2.88	2.22

Notes:

1. Yields are calculated by dividing investment income less investment expenses by the daily average balance based on book value.
2. General account total includes assets related to securities trusts.
3. "Overseas loans and investments" is the total of assets denominated in foreign currencies and yen-denominated assets.

## (3) Average Balance on Primary Assets

(Millions of yen)

For the year ended March 31	2014	2015	2016
Cash, deposits and call loans	¥ 508,225	¥ 697,545	¥ 957,918
Receivables under resale agreements	–	–	–
Receivables under securities borrowing transactions	–	–	–
Monetary claims bought	169,426	213,732	265,032
Trading account securities	–	–	–
Money held in trust	322,995	932,276	1,336,401
Securities	72,303,279	68,089,151	65,745,089
Corporate and government bonds	71,275,552	66,560,265	62,636,408
Domestic stocks	984	984	984
Foreign securities	1,026,743	1,527,902	3,068,762
Loans	11,817,657	10,738,264	9,686,940
Industrial and commercial loans	723,681	780,733	793,687
Real estate	74,029	100,636	119,810
General account total	89,156,089	85,268,102	83,153,764
Overseas loans and investments	1,086,882	1,820,170	3,412,008

Notes:

1. General account total includes assets related to securities trusts.
2. "Real estate" is booked as the sum total of land, buildings and construction in progress.
3. "Overseas loans and investments" is the total of assets denominated in foreign currencies and yen-denominated assets.

**(4) Investment Income**

(Millions of yen)

For the year ended March 31	2014	2015	2016
Interest and dividend income	¥ 1,458,190	¥ 1,365,796	¥ 1,308,679
Gains on trading account securities	–	–	–
Gains on money held in trust	9,736	32,762	44,939
Gains on trading securities	–	–	–
Gains on sales of securities	71,074	61,908	1,241
Gains on redemption of securities	54	36	36
Gains on derivative financial instruments	–	–	–
Gains on foreign exchanges	1,452	12	–
Reversal of reserve for possible loan losses	–	14	6
Other investment income	107	215	63
Total	1,540,615	1,460,745	1,354,966

**(5) Investment Expenses**

(Millions of yen)

For the year ended March 31	2014	2015	2016
Interest expenses	¥ 4,963	¥ 4,298	¥ 4,370
Losses on trading account securities	–	–	–
Losses on money held in trust	–	–	–
Losses on trading securities	–	–	–
Losses on sales of securities	10,205	4,963	1,592
Losses on valuation of securities	–	–	–
Losses on redemption of securities	62	44	664
Losses on derivative financial instruments	2,161	773	1,511
Losses on foreign exchanges	–	–	402
Provision for reserve for possible loan losses	8	–	–
Write-off loans	–	–	–
Depreciation of real estate for lease and other assets	–	–	–
Other investment expenses	721	915	1,209
Total	18,122	10,994	9,749

## (6) Interest, Dividends and Other Income

(Millions of yen)

For the year ended March 31	2014	2015	2016
Interest on deposits	¥ 465	¥ 694	¥ 692
Interest and dividends on securities	1,180,339	1,119,333	1,090,551
Interest on corporate and government bonds	1,152,433	1,074,732	1,023,237
Domestic stock dividends	–	–	–
Interest and dividends on foreign securities	27,906	44,600	67,313
Interest on loans	12,478	13,489	14,017
Interest on loans to the Management Organization	260,797	227,682	198,205
Rent revenue from real estate	–	–	–
Net, including other income	1,458,190	1,365,796	1,308,679

## (7) Gains on Sales of Securities

(Millions of yen)

For the year ended March 31	2014	2015	2016
Japanese government bonds and other bonds	¥ 70,968	¥ 56,869	¥ 8
Domestic stocks and other securities	–	–	–
Foreign securities	106	5,038	1,233
Net, including other gains on sales of securities	71,074	61,908	1,241

## (8) Losses on Sales of Securities

(Millions of yen)

For the year ended March 31	2014	2015	2016
Japanese government bonds and other bonds	¥ 2,948	¥ –	¥ –
Domestic stocks and other securities	–	–	–
Foreign securities	7,256	4,963	1,592
Net, including other losses on sales of securities	10,205	4,963	1,592

## (9) Losses on Valuation of Securities

Not applicable as of March 31, 2014, 2015 and 2016.



**(10) Proprietary Trading Securities**

Not applicable as of March 31, 2014, 2015 and 2016.

**(11) Proceeds on Sales of Proprietary Trading Securities**

Not applicable as of March 31, 2014, 2015 and 2016.

**(12) Securities Composition**

(Millions of yen, %)

As of March 31	2014		2015		2016	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Corporate and government bonds	¥ 68,138,527	98.2	¥ 64,294,767	97.0	¥ 59,821,039	94.0
Japanese government bonds	52,522,914	75.7	48,086,445	72.6	44,178,631	69.5
Japanese local government bonds	9,173,780	13.2	9,555,857	14.4	9,405,494	14.8
Japanese corporate bonds	6,441,832	9.3	6,652,464	10.0	6,236,913	9.8
Public entity bonds	4,060,169	5.9	4,240,887	6.4	4,151,928	6.5
Domestic stocks	984	0.0	984	0.0	984	0.0
Foreign securities	1,239,464	1.8	1,981,492	3.0	3,688,822	5.8
Foreign corporate and government bonds	1,099,464	1.6	1,961,492	3.0	3,688,822	5.8
Foreign stocks and other securities	140,000	0.2	20,000	0.0	–	–
Other securities	–	–	–	–	100,044	0.2
Total	69,378,975	100.0	66,277,244	100.0	63,610,890	100.0

### (13) Securities by Maturity Date

(Millions of yen)

	Due in 1 year or less	Due after 1 year through 3 years	Due after 3 years through 5 years	Due after 5 years through 7 years	Due after 7 years through 10 years	Due after 10 years or having no maturity date	Total
<b>As of March 31, 2014</b>	<b>¥ 5,947,902</b>	<b>¥13,047,132</b>	<b>¥11,038,215</b>	<b>¥ 4,695,520</b>	<b>¥ 7,426,365</b>	<b>¥28,035,587</b>	<b>¥70,190,724</b>
<b>Securities</b>	<b>5,162,602</b>	<b>13,047,132</b>	<b>11,038,215</b>	<b>4,695,520</b>	<b>7,426,365</b>	<b>28,009,139</b>	<b>69,378,975</b>
Japanese government bonds	4,337,884	10,137,211	7,114,491	1,730,372	3,211,422	25,991,532	52,522,914
Japanese local government bonds	369,133	1,290,360	2,150,133	1,904,499	2,516,451	943,201	9,173,780
Japanese corporate bonds	455,584	1,603,752	1,589,107	858,753	1,042,779	891,855	6,441,832
<b>Stocks</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>984</b>	<b>984</b>
<b>Foreign securities</b>	<b>-</b>	<b>15,807</b>	<b>184,483</b>	<b>201,894</b>	<b>655,712</b>	<b>181,565</b>	<b>1,239,464</b>
Foreign corporate and government bonds	-	15,807	184,483	201,894	655,712	41,565	1,099,464
Foreign stocks and other securities	-	-	-	-	-	140,000	140,000
<b>Other securities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Monetary claims bought</b>	<b>81,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,448</b>	<b>107,448</b>
<b>Negotiable certificates of deposit</b>	<b>704,300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>704,300</b>
<b>Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As of March 31, 2015</b>	<b>8,033,323</b>	<b>12,094,811</b>	<b>7,044,877</b>	<b>5,252,746</b>	<b>6,849,337</b>	<b>28,746,217</b>	<b>68,021,312</b>
<b>Securities</b>	<b>6,319,339</b>	<b>12,094,811</b>	<b>7,044,877</b>	<b>5,252,746</b>	<b>6,849,337</b>	<b>28,716,133</b>	<b>66,277,244</b>
Japanese government bonds	5,239,170	8,108,693	3,493,485	1,753,254	2,784,240	26,707,601	48,086,445
Japanese local government bonds	435,823	1,809,681	2,126,745	2,127,428	2,056,248	999,930	9,555,857
Japanese corporate bonds	644,345	1,966,464	1,273,042	899,062	930,926	938,622	6,652,464
<b>Stocks</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>984</b>	<b>984</b>
<b>Foreign securities</b>	<b>-</b>	<b>209,972</b>	<b>151,603</b>	<b>473,000</b>	<b>1,077,921</b>	<b>68,994</b>	<b>1,981,492</b>
Foreign corporate and government bonds	-	209,972	151,603	473,000	1,077,921	48,994	1,961,492
Foreign stocks and other securities	-	-	-	-	-	20,000	20,000
<b>Other securities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Monetary claims bought</b>	<b>418,983</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,084</b>	<b>449,068</b>
<b>Negotiable certificates of deposit</b>	<b>1,295,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,295,000</b>
<b>Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As of March 31, 2016</b>	<b>6,240,545</b>	<b>11,176,068</b>	<b>5,296,948</b>	<b>5,377,509</b>	<b>6,684,076</b>	<b>29,895,893</b>	<b>64,671,040</b>
<b>Securities</b>	<b>5,210,545</b>	<b>11,176,068</b>	<b>5,296,948</b>	<b>5,377,509</b>	<b>6,684,076</b>	<b>29,865,742</b>	<b>63,610,890</b>
Japanese government bonds	3,398,766	6,939,719	1,723,155	2,162,625	2,994,719	26,959,644	44,178,631
Japanese local government bonds	858,586	2,189,881	2,120,597	1,797,979	1,397,692	1,040,757	9,405,494
Japanese corporate bonds	953,191	1,798,271	984,814	1,024,778	490,802	985,054	6,236,913
<b>Stocks</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>984</b>	<b>984</b>
<b>Foreign securities</b>	<b>-</b>	<b>248,195</b>	<b>468,380</b>	<b>392,126</b>	<b>1,800,861</b>	<b>779,257</b>	<b>3,688,822</b>
Foreign corporate and government bonds	-	248,195	468,380	392,126	1,800,861	779,257	3,688,822
Foreign stocks and other securities	-	-	-	-	-	-	-
<b>Other securities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100,044</b>	<b>100,044</b>
<b>Monetary claims bought</b>	<b>399,999</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,150</b>	<b>430,150</b>
<b>Negotiable certificates of deposit</b>	<b>630,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>630,000</b>
<b>Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note: Includes the handling of securities based on the Accounting Standard for Financial Instruments and its Implementation Guidance (ASBJ Statement No. 10).

**(14) Bond Term-End Balance Yield**

(%)

As of March 31	2014	2015	2016
Corporate and government bonds	1.63	1.62	<b>1.64</b>
Foreign corporate and government bonds	2.38	2.46	<b>2.17</b>

**(15) Breakdown of Local Government Bonds by Region**

(Millions of yen)

As of March 31	2014	2015	2016
Hokkaido	¥ 219,140	¥ 216,261	¥ <b>212,169</b>
Tohoku	75,457	79,880	<b>81,034</b>
Kanto	2,195,188	2,258,807	<b>2,164,978</b>
Chubu	962,679	1,016,316	<b>1,023,277</b>
Kinki	898,265	916,662	<b>940,934</b>
Chugoku	254,851	281,093	<b>292,457</b>
Shikoku	77,991	83,167	<b>84,685</b>
Kyushu	614,000	642,712	<b>615,464</b>
Other	3,876,204	4,060,955	<b>3,990,494</b>
Total	9,173,780	9,555,857	<b>9,405,494</b>

Note: "Other" indicates the balance of joint issuance local government bonds.

## (16) Shareholdings by Industry Sector

(Millions of yen, %)

As of March 31	2014		2015		2016	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Fishery, agriculture and forestry	¥ -	-	¥ -	-	¥ -	-
Mining	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Manufacturing						
Foods	-	-	-	-	-	-
Textiles and apparel	-	-	-	-	-	-
Pulp and paper	-	-	-	-	-	-
Chemicals	-	-	-	-	-	-
Pharmaceuticals	-	-	-	-	-	-
Oil and coal products	-	-	-	-	-	-
Rubber products	-	-	-	-	-	-
Glass and ceramic products	-	-	-	-	-	-
Iron and steel	-	-	-	-	-	-
Nonferrous metals	-	-	-	-	-	-
Metal products	-	-	-	-	-	-
Machinery	-	-	-	-	-	-
Electric appliances	-	-	-	-	-	-
Transportation equipment	-	-	-	-	-	-
Precision instruments	-	-	-	-	-	-
Other products	-	-	-	-	-	-
Electric power and gas	-	-	-	-	-	-
Transportation, information and communications						
Land transportation	-	-	-	-	-	-
Marine transportation	-	-	-	-	-	-
Air transportation	-	-	-	-	-	-
Warehousing and port transportation services	-	-	-	-	-	-
Information and communications	984	100.0	984	100.0	984	100.0
Trade and services						
Wholesale trade	-	-	-	-	-	-
Retail trade	-	-	-	-	-	-
Finance and insurance						
Banking	-	-	-	-	-	-
Securities and trading	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Other financial services	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Services	-	-	-	-	-	-
<b>Total</b>	<b>984</b>	<b>100.0</b>	<b>984</b>	<b>100.0</b>	<b>984</b>	<b>100.0</b>

Note: Industry sector category is based on the sector classification table of the Securities Identification Code Committee.

**(17) Loans**

(Millions of yen)

As of March 31	2014	2015	2016
Policy loans	¥ 54,271	¥ 74,097	¥ 95,629
Policyholder loans	54,270	74,096	95,628
Policy premium loans	0	0	1
Industrial and commercial loans	10,966,313	9,903,247	8,882,807
(Loans to non-residents)	( - )	( - )	( - )
Loans to companies	10,462,147	9,370,103	8,293,303
(Loans to domestic corporations)	(10,462,147)	( 9,370,103)	( 8,293,303)
Loans to state, international organizations and government organizations	-	-	-
Loans to public bodies and public businesses	504,165	533,144	589,504
Housing loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Total</b>	<b>11,020,585</b>	<b>9,977,345</b>	<b>8,978,437</b>

Note: Loans to the Management Organization (Postal Life Insurance account) are recorded as loans to companies, as they are classified into loans to companies in "finance and insurance" in the Loans Questionnaire by Industrial Type in the "Guideline of Entry Statistics Questionnaire" as specified by the Research and Statistics Department, the Bank of Japan.

**(18) Loans by Contractual Maturity Date**

(Millions of yen)

	Due in 1 year or less	Due after 1 year through 3 years	Due after 3 years through 5 years	Due after 5 years through 7 years	Due after 7 years through 10 years	Due after 10 years or having no maturity date	Total
<b>Total industrial and commercial loans as of March 31, 2014</b>	¥ 1,071,617	¥ 2,619,145	¥ 1,704,473	¥ 1,476,533	¥ 1,832,874	¥ 2,261,669	¥10,966,313
Variable rate loans	17,380	42,150	24,550	7,500	11,150	10,000	112,730
Fixed rate loans	1,054,237	2,576,995	1,679,923	1,469,033	1,821,724	2,251,669	10,853,583
<b>Total industrial and commercial loans as of March 31, 2015</b>	1,029,154	2,394,514	1,598,396	1,389,612	1,657,335	1,834,234	9,903,247
Variable rate loans	22,700	25,750	22,300	10,050	16,150	5,000	101,950
Fixed rate loans	1,006,454	2,368,764	1,576,096	1,379,562	1,641,185	1,829,234	9,801,297
<b>Total industrial and commercial loans as of March 31, 2016</b>	<b>1,004,959</b>	<b>2,173,092</b>	<b>1,504,175</b>	<b>1,289,343</b>	<b>1,399,825</b>	<b>1,511,411</b>	<b>8,882,807</b>
Variable rate loans	19,450	24,550	8,400	8,600	13,250	5,000	79,250
Fixed rate loans	985,509	2,148,542	1,495,775	1,280,743	1,386,575	1,506,411	8,803,557

Notes:

1. "Fixed rate loans" includes loans to the Management Organization (Postal Life Insurance Account).
2. Among the loans to the Management Organization (Postal Life Insurance Account), the legal designated period is accrued as current maturity.

## (19) Loans to Domestic Companies by Company Size

(Number of borrowers, millions of yen, %)

As of March 31		2014		2015		2016	
			Percentage		Percentage		Percentage
Large companies	Number of borrowers	41	93.2	45	90.0	41	87.2
	Amount of loans	¥ 243,210	2.3	¥ 255,110	2.7	¥ 220,410	2.7
Medium-sized companies	Number of borrowers	–	–	–	–	–	–
	Amount of loans	–	–	–	–	–	–
Small companies	Number of borrowers	3	6.8	5	10.0	6	12.8
	Amount of loans	10,218,937	97.7	9,114,993	97.3	8,072,893	97.3
Total loans to domestic companies	Number of borrowers	44	100.0	50	100.0	47	100.0
	Amount of loans	10,462,147	100.0	9,370,103	100.0	8,293,303	100.0

Notes:

- Loans to the Management Organization (Postal Life Insurance Account) are classified as “small and medium-sized companies” in the “Corporate Guideline of Entry Statistics Questionnaire” as specified by the Research and Statistics Department, the Bank of Japan.
- Classifications are defined as shown below.
- Number of borrowers indicates the number of borrowers identified by name and is not the number of loans.

Industry type	1. All industries (excluding 2–4)		2. Retail and restaurant		3. Service		4. Wholesale	
Large companies		Paid-in capital over ¥1 billion		Paid-in capital over ¥1 billion		Paid-in capital over ¥1 billion		Paid-in capital over ¥1 billion
Medium-sized companies	More than 300 employees	Paid-in capital between ¥0.3 billion and ¥1 billion	More than 50 employees	Paid-in capital between ¥0.05 billion and ¥1 billion	More than 100 employees	Paid-in capital between ¥0.05 billion and ¥1 billion	More than 100 employees	Paid-in capital between ¥0.1 billion and ¥1 billion
Small companies	Paid-in capital under ¥0.3 billion or fewer than 300 employees		Paid-in capital under ¥0.05 billion or fewer than 50 employees		Paid-in capital under ¥0.05 billion or fewer than 100 employees		Paid-in capital under ¥0.1 billion or fewer than 100 employees	

**(20) Breakdown of Loans by Industry**

(Millions of yen, %)

As of March 31	2014		2015		2016	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
<b>Domestic</b>						
Manufacturing	¥ 79,040	0.7	¥ 74,040	0.7	¥ 67,040	0.8
Foods	8,800	0.1	8,800	0.1	8,800	0.1
Textiles and apparel	2,000	0.0	2,000	0.0	–	–
Wood, wood products	–	–	–	–	–	–
Pulp and paper	11,950	0.1	11,950	0.1	11,950	0.1
Printing	5,000	0.0	5,000	0.1	–	–
Chemicals	10,150	0.1	10,150	0.1	10,150	0.1
Oil and coal products	4,650	0.0	4,650	0.0	4,650	0.1
Ceramics, soil and stone	7,000	0.1	7,000	0.1	7,000	0.1
Iron and steel	8,000	0.1	8,000	0.1	8,000	0.1
Nonferrous metals	–	–	–	–	–	–
Metal products	–	–	–	–	–	–
General purpose, production and industrial machinery	1,490	0.0	1,490	0.0	1,490	0.0
Electric appliances	15,000	0.1	10,000	0.1	10,000	0.1
Transportation equipment	5,000	0.0	5,000	0.1	5,000	0.1
Other manufacturing products	–	–	–	–	–	–
Agriculture and forestry	–	–	–	–	–	–
Fishery	–	–	–	–	–	–
Mining, quarrying and gravel extraction	–	–	–	–	–	–
Construction	–	–	900	0.0	900	0.0
Electric power, gas, heat supply and waterworks	–	–	–	–	–	–
Information and communications	7,950	0.1	9,350	0.1	4,350	0.0
Transportation and postal	43,662	0.4	49,824	0.5	48,245	0.5
Wholesale trade	64,400	0.6	64,600	0.7	48,700	0.5
Retail trade	–	–	–	–	–	–
Financing and insurance	10,248,115	93.5	9,149,788	92.4	8,101,280	91.2
Real estate	18,980	0.2	21,600	0.2	22,787	0.3
Rental	–	–	–	–	–	–
Academic research, specialist and technology services	–	–	–	–	–	–
Lodging	–	–	–	–	–	–
Restaurant	–	–	–	–	–	–
Lifestyle-related services, amusement	–	–	–	–	–	–
Education and learning support	–	–	–	–	–	–
Medical and welfare	–	–	–	–	–	–
Other services	–	–	–	–	–	–
Local organizations and public entities	504,165	4.6	533,144	5.4	589,504	6.6
Individuals (residential/consumption/local taxes/other)	–	–	–	–	–	–
Total	10,966,313	100.0	9,903,247	100.0	8,882,807	100.0
<b>Overseas</b>						
Governments and public entities	–	–	–	–	–	–
Financial institutions	–	–	–	–	–	–
Commerce and industry, etc.	–	–	–	–	–	–
Total	–	–	–	–	–	–
<b>Total industrial and commercial loans</b>	<b>10,966,313</b>	<b>100.0</b>	<b>9,903,247</b>	<b>100.0</b>	<b>8,882,807</b>	<b>100.0</b>

## Notes:

- Domestic classification is based on the industrial classification of the Bank of Japan's rental payment previous to loans (by industry and new loans for equipment rentals).
- Loans to the Management Organization (Postal Life Insurance Account) are classified as "financing and insurance" in the Loans Questionnaire by Industrial Type of "the Guideline of Entry Statistics Questionnaire" as specified by the Research and Statistics Department, the Bank of Japan.

## (21) Breakdown of Industrial Loans by Use

(Millions of yen, %)

As of March 31	2014		2015		2016	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Capital investments	¥ 419,032	3.8	¥ 453,077	4.6	¥ 516,941	5.8
Operations	10,547,281	96.2	9,450,170	95.4	8,365,865	94.2
<b>Total</b>	<b>10,966,313</b>	<b>100.0</b>	<b>9,903,247</b>	<b>100.0</b>	<b>8,882,807</b>	<b>100.0</b>

Note: Loans to the Management Organization (Postal Life Insurance Account) are classified as "operations."

## (22) Breakdown of Loans by Region

(Millions of yen, %)

As of March 31	2014		2015		2016	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Hokkaido	¥ –	–	¥ –	–	¥ –	–
Tohoku	32,217	0.3	31,042	0.3	35,468	0.4
Kanto	10,536,982	96.1	9,443,809	95.4	8,368,828	94.2
Chubu	135,290	1.2	156,417	1.6	160,858	1.8
Kinki	165,455	1.5	177,852	1.8	209,510	2.4
Chugoku	16,642	0.2	15,672	0.2	27,430	0.3
Shikoku	8,812	0.1	8,218	0.1	7,624	0.1
Kyushu	70,912	0.6	70,234	0.7	73,087	0.8
<b>Total</b>	<b>10,966,313</b>	<b>100.0</b>	<b>9,903,247</b>	<b>100.0</b>	<b>8,882,807</b>	<b>100.0</b>

Notes:

- Loans to individuals, non-residents and for insurance policies are not included.
- Regional classification depends on the location of the borrower's headquarters.
- Loans to the Management Organization (Postal Life Insurance Account) are classified under "Kanto," as the organization is located in Tokyo.

## (23) Breakdown of Loans by Collateral

(Millions of yen, %)

As of March 31	2014		2015		2016	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Secured loans	¥ 1,922	0.0	¥ 1,844	0.0	¥ 2,953	0.0
Loans secured by securities	–	–	–	–	–	–
Loans secured by real estate, movable property or foundation	–	–	–	–	–	–
Loans secured by nominative claims	1,922	0.0	1,844	0.0	2,953	0.0
Guaranteed loans	24,600	0.2	25,840	0.3	29,650	0.3
Credit loans	736,775	6.7	778,574	7.9	796,424	9.0
Other	10,203,015	93.0	9,096,988	91.9	8,053,780	90.7
Industrial and commercial loans	10,966,313	100.0	9,903,247	100.0	8,882,807	100.0
Subordinated loans	–	–	–	–	–	–

Note: Loans to the Management Organization (Postal Life Insurance Account) are classified as "other."



## (24) Tangible Fixed Assets

### 1) Tangible Fixed Assets

(Millions of yen, %)

	Balance at the end of the previous fiscal year	Increase in the fiscal year	Decrease in the fiscal year	Depreciation in the fiscal year	Balance at the end of the fiscal year	Accumulated depreciation	Accumulated depreciation percentage
For the year ended March 31, 2014							
Land	¥ 40,726	¥ –	¥ –	¥ –	¥ 40,726	¥ –	–
Buildings, net	33,262	1,967	52	1,889	33,287	16,036	32.5
Leased assets, net	1,335	513	27	364	1,456	976	40.2
Construction in progress	15	3,792	2,159	–	1,648	–	–
Others, net	10,628	5,589	164	3,848	12,204	46,463	79.2
Total	85,968	11,863	2,405	6,103	89,322	63,476	–
(Includes rentals and other real estate)	–	–	–	–	–	–	–
For the year ended March 31, 2015							
Land	40,726	27,624	–	–	68,350	–	–
Buildings, net	33,287	3,911	952	2,070	34,176	17,365	33.7
Leased assets, net	1,456	959	6	438	1,970	1,167	37.2
Construction in progress	1,648	12,445	4,334	–	9,759	–	–
Others, net	12,204	8,567	115	3,241	17,415	45,001	72.1
Total	89,322	53,510	5,409	5,750	131,672	63,535	–
(Includes rentals and other real estate)	–	–	–	–	–	–	–
For the year ended March 31, 2016							
Land	68,350	54	142	–	68,262	–	–
Buildings, net	34,176	18,755	676	2,946	49,308	19,379	28.2
Leased assets, net	1,970	242	10	472	1,730	1,248	41.9
Construction in progress	9,759	16,830	20,413	–	6,175	–	–
Others, net	17,415	5,948	92	3,253	20,017	43,181	68.3
Total	131,672	41,831	21,335	6,672	145,495	63,808	–
(Includes rentals and other real estate)	–	–	–	–	–	–	–

### 2) Breakdown of Real Estate Holdings by Use

(Millions of yen, number of buildings)

As of March 31	2014	2015	2016
Value of real estate holdings	¥ 75,662	¥ 112,286	¥ 123,747
For business operations	75,662	112,286	123,747
For lease	–	–	–
Number of buildings held for leasing	–	–	–

Note: "Value of real estate holdings" is booked as the sum total of land, buildings (including facilities and structures) and construction in progress.

## (25) Gains on Disposal of Fixed Assets

(Millions of yen)

For the year ended March 31	2014	2015	2016
Tangible fixed assets	¥ –	¥ –	¥ 341
Land	–	–	341
Buildings	–	–	–
Leased assets	–	–	–
Other assets	–	–	–
Intangible fixed assets	–	–	–
Others	–	–	–
Total	–	–	341
Includes rentals and other real estate	–	–	–

## (26) Losses on Disposal of Fixed Assets

(Millions of yen)

For the year ended March 31	2014	2015	2016
Tangible fixed assets	¥ 248	¥ 1,358	¥ 1,118
Land	–	–	–
Buildings	57	1,273	1,007
Leased assets	27	6	10
Other assets	163	78	100
Intangible fixed assets	8,389	69	417
Others	–	3	112
<b>Total</b>	<b>8,638</b>	<b>1,432</b>	<b>1,647</b>
Includes rentals and other real estate	–	–	–

Note: "Buildings" is booked as the sum total of buildings, facilities and structures.

## (27) Depreciation on Real Estate, Movable and Other Assets Held for Leasing

Not applicable for the years ended March 31, 2014, 2015 and 2016.

## (28) Overseas Loans and Investments

### 1) Breakdown by Asset Composition

(Millions of yen, %)

As of March 31		2014		2015		2016	
		Amount	Percentage	Amount	Percentage	Amount	Percentage
Foreign-currency-denominated assets	Foreign corporate and government bonds	¥1,068,324	76.2	¥2,001,781	84.6	¥3,719,819	90.7
	Foreign stocks	60,455	4.3	194,567	8.2	229,405	5.6
	Cash and cash equivalents	–	–	–	–	192	0.0
	Subtotal	1,128,780	80.5	2,196,349	92.8	3,949,417	96.3
Foreign-currency-denominated assets with fixed yen value	Foreign corporate and government bonds	–	–	–	–	–	–
	Cash and cash equivalents	–	–	–	–	–	–
	Subtotal	–	–	–	–	–	–
Yen-denominated assets	Loans to non-residents	–	–	–	–	–	–
	Foreign corporate and government bonds and other assets	273,801	19.5	169,882	7.2	149,911	3.7
	Subtotal	273,801	19.5	169,882	7.2	149,911	3.7
Net overseas loans and investments		1,402,581	100.0	2,366,231	100.0	4,099,329	100.0

Note: "Foreign-currency-denominated assets with fixed yen value" is recorded under assets on the balance sheets as 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						Loans to non-residents	
	Foreign securities		Corporate and government bonds		Stocks and other securities		Value	Percentage
	Value	Percentage	Value	Percentage	Value	Percentage		
As of March 31, 2014	¥ 1,402,581	100.0	¥ 1,099,464	100.0	¥ 303,117	100.0	¥ –	–
North America	854,523	60.9	799,786	72.7	54,737	18.1	–	–
Europe	190,897	13.6	185,178	16.8	5,718	1.9	–	–
Oceania	16,499	1.2	16,499	1.5	–	–	–	–
Asia	–	–	–	–	–	–	–	–
Central and South America	242,661	17.3	–	–	242,661	80.1	–	–
Middle East	–	–	–	–	–	–	–	–
Africa	–	–	–	–	–	–	–	–
International organization	98,000	7.0	98,000	8.9	–	–	–	–
As of March 31, 2015	2,366,231	100.0	1,961,492	100.0	404,738	100.0	–	–
North America	1,596,736	67.5	1,418,613	72.3	178,122	44.0	–	–
Europe	318,609	13.5	302,164	15.4	16,445	4.1	–	–
Oceania	101,266	4.3	101,266	5.2	–	–	–	–
Asia	–	–	–	–	–	–	–	–
Central and South America	210,171	8.9	–	–	210,171	51.9	–	–
Middle East	–	–	–	–	–	–	–	–
Africa	–	–	–	–	–	–	–	–
International organization	139,447	5.9	139,447	7.1	–	–	–	–
As of March 31, 2016	4,099,136	100.0	3,688,822	100.0	410,314	100.0	–	–
North America	2,152,359	52.5	1,942,082	52.6	210,277	51.2	–	–
Europe	1,461,585	35.7	1,442,457	39.1	19,128	4.7	–	–
Oceania	94,783	2.3	94,783	2.6	–	–	–	–
Asia	–	–	–	–	–	–	–	–
Central and South America	180,908	4.4	–	–	180,908	44.1	–	–
Middle East	–	–	–	–	–	–	–	–
Africa	–	–	–	–	–	–	–	–
International organization	209,499	5.1	209,499	5.7	–	–	–	–

## 3) Composition of Foreign-Currency-Denominated Assets by Currency

(Millions of yen, %)

As of March 31	2014		2015		2016	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
U.S. dollar	¥ 955,973	84.7	¥ 1,824,884	83.1	¥ 2,441,056	61.8
Euro	148,185	13.1	180,615	8.2	1,329,283	33.7
British pound	23,409	2.1	109,698	5.0	104,034	2.6
Australian dollar	–	–	77,679	3.5	71,141	1.8
Canadian dollar	1,211	0.1	3,470	0.2	3,901	0.1
Total	1,128,780	100.0	2,196,349	100.0	3,949,417	100.0

## (29) Yield on Overseas Loans and Investments

(%)

For the year ended March 31	2014	2015	2016
Yield on overseas loans and investments	1.98	2.88	2.22

## (30) Summary of New Public-Sector Investment Underwriting and Loans

(Millions of yen)

For the year ended March 31		2014	2015	2016
Public bonds	Japanese government bonds	¥ –	¥ –	¥ –
	Japanese local government bonds	–	–	–
	Public entity bonds	25	14	16
	Subtotal	25	14	16
Loans	Government organizations	–	–	–
	Public entities	68,886	50,456	79,812
	Subtotal	68,886	50,456	79,812
Total		68,912	50,471	79,829

## (31) Loan Interest Rates

Not applicable for the years ended March 31, 2014, 2015 and 2016

## (32) Other Assets

(Millions of yen)

Asset class	Cost	Increase in the fiscal year	Decrease in the fiscal year	Accumulated depreciation and amortization	Balance at the end of the fiscal year	Remarks
For the year ended March 31, 2014						
Other	¥ 2,886	¥ 9,134	¥ 8,912	¥ –	¥ 3,108	
Total	2,886	9,134	8,912	–	3,108	
For the year ended March 31, 2015						
Other	3,108	5,221	6,172	–	2,157	
Total	3,108	5,221	6,172	–	2,157	
For the year ended March 31, 2016						
Other	2,157	5,722	5,764	–	2,115	
Total	2,157	5,722	5,764	–	2,115	

## 5-6 Fair Value Information of Securities (General Account)

### (1) Fair Value of Securities

#### 1) Net Valuation Gain/Loss of Trading Securities

Japan Post Insurance did not hold securities for trading as of March 31, 2014, 2015 and 2016.

#### 2) Fair Value Information of Securities (with fair value, other than trading securities)

(Millions of yen)

As of March 31	2014					2015					2016				
	Book value	Fair value	Net unrealized gains (losses)			Book value	Fair value	Net unrealized gains (losses)			Book value	Fair value	Net unrealized gains (losses)		
			Gains	Losses				Gains	Losses				Gains	Losses	
Held-to-maturity bonds	¥ 45,257,324	¥ 48,427,090	¥ 3,169,765	¥3,174,107	¥ 4,342	¥ 43,695,559	¥ 48,232,675	¥ 4,537,116	¥4,537,655	¥ 539	¥ 42,239,821	¥ 49,752,914	¥ 7,513,092	¥7,513,093	¥ 0
Policy-reserve-matching bonds	17,953,667	19,052,820	1,099,152	1,100,453	1,300	15,493,208	16,668,447	1,175,238	1,175,453	214	13,563,423	15,062,160	1,498,737	1,498,737	-
Equities of subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Available-for-sale securities	7,148,598	7,414,127	265,529	278,007	12,478	9,411,484	10,193,205	781,721	784,470	2,748	9,918,112	10,479,639	561,527	658,164	96,636
Corporate and government bonds	4,927,726	5,025,535	97,809	100,097	2,287	5,105,394	5,203,999	98,605	99,163	558	4,012,950	4,115,794	102,844	103,597	752
Domestic stocks	337,777	412,261	74,484	78,011	3,527	713,204	996,906	283,701	285,545	1,844	1,065,422	1,202,513	137,091	195,326	58,235
Foreign securities	1,072,516	1,164,581	92,065	98,718	6,652	1,850,911	2,248,231	397,319	397,666	346	3,682,785	4,001,136	318,351	355,894	37,542
Foreign corporate and government bonds	917,500	1,001,464	83,964	90,616	6,652	1,537,712	1,863,492	325,779	326,126	346	3,299,371	3,590,822	291,450	319,363	27,912
Foreign stocks and other securities	155,016	163,117	8,101	8,101	-	313,198	384,738	71,539	71,539	-	383,413	410,314	26,901	36,531	9,630
Other securities	-	-	-	-	-	-	-	-	-	-	100,000	100,044	44	150	105
Monetary claims bought	106,278	107,448	1,170	1,181	11	446,973	449,068	2,095	2,095	-	426,954	430,150	3,195	3,195	-
Negotiable certificates of deposit	704,300	704,300	-	-	-	1,295,000	1,295,000	-	-	-	630,000	630,000	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	70,359,590	74,894,037	4,534,446	4,552,568	18,121	68,600,251	75,094,328	6,494,077	6,497,580	3,502	65,721,357	75,294,714	9,573,357	9,669,994	96,637
Corporate and government bonds	68,040,718	72,403,664	4,362,946	4,370,876	7,930	64,196,162	70,003,228	5,807,066	5,808,378	1,312	59,718,195	68,828,482	9,110,287	9,111,040	753
Domestic stocks	337,777	412,261	74,484	78,011	3,527	713,204	996,906	283,701	285,545	1,844	1,065,422	1,202,513	137,091	195,326	58,235
Foreign securities	1,170,516	1,266,362	95,846	102,499	6,652	1,948,911	2,350,125	401,213	401,560	346	3,780,785	4,103,523	322,738	360,281	37,542
Foreign corporate and government bonds	1,015,500	1,103,245	87,745	94,397	6,652	1,635,712	1,965,386	329,673	330,020	346	3,397,371	3,693,209	295,837	323,750	27,912
Foreign stocks and other securities	155,016	163,117	8,101	8,101	-	313,198	384,738	71,539	71,539	-	383,413	410,314	26,901	36,531	9,630
Other securities	-	-	-	-	-	-	-	-	-	-	100,000	100,044	44	150	105
Monetary claims bought	106,278	107,448	1,170	1,181	11	446,973	449,068	2,095	2,095	-	426,954	430,150	3,195	3,195	-
Negotiable certificates of deposit	704,300	704,300	-	-	-	1,295,000	1,295,000	-	-	-	630,000	630,000	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

- This table includes the handling of securities under the Financial Instruments and Exchange Act.
- This table includes money held in trust other than trading securities for which the book value was ¥1,448,835 million with a gain of ¥163,992 million as of March 31, 2016, ¥1,026,403 million with a gain of ¥355,241 million as of March 31, 2015 and ¥492,793 million with a gain of ¥82,585 million as of March 31, 2014.

The book values of securities for which the fair values are deemed extremely difficult to determine are as follows.

(Millions of yen)

As of March 31	2014	2015	2016
Held-to-maturity bonds	¥ -	¥ -	¥ -
Unlisted foreign bonds	-	-	-
Other	-	-	-
Policy-reserve-matching bonds	-	-	-
Equities of subsidiaries and affiliates	984	984	984
Available-for-sale securities	140,000	20,000	-
Unlisted domestic stocks (excluding OTC-traded equities)	-	-	-
Unlisted foreign stocks (excluding OTC-traded equities)	140,000	20,000	-
Unlisted foreign bonds	-	-	-
Other	-	-	-
<b>Total</b>	<b>140,984</b>	<b>20,984</b>	<b>984</b>

## (2) Fair Value of Money Held in Trust

(Millions of yen)

As of March 31	2014					2015					2016				
	Balance sheet amount	Fair value	Net unrealized gains (losses)		Balance sheet amount	Fair value	Net unrealized gains (losses)		Balance sheet amount	Fair value	Net unrealized gains (losses)				
			Gains	Losses			Gains	Losses			Gains	Losses			
Money held in trust	¥ 581,627	¥ 581,627	¥ -	¥ -	¥ -	¥ 1,434,943	¥ 1,434,943	¥ -	¥ -	¥ -	¥ 1,644,547	¥ 1,644,547	¥ -	¥ -	

### 1) Money Held in Trust for Trading Purposes

Japan Post Insurance did not hold money held in trust for trading purposes as of March 31, 2014, 2015 and 2016.

### 2) Assets Held-to-Maturity in Trust/Assets Held for Reserves in Trust/Other Money Held in Trust

(Millions of yen)

As of March 31	2014					2015					2016				
	Book value	Fair value	Net unrealized gains (losses)		Book value	Fair value	Net unrealized gains (losses)		Book value	Fair value	Net unrealized gains (losses)				
			Gains	Losses			Gains	Losses			Gains	Losses			
Assets held-to-maturity in trust	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -	¥ -		
Assets held for reserves in trust	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other money held in trust	499,042	581,627	82,585	86,112	3,527	1,079,701	1,434,943	355,241	357,085	1,844	1,480,555	1,644,547	163,992	231,857	67,865
Domestic stock fund	342,583	417,067	74,484	78,011	3,527	765,237	1,048,938	283,701	285,545	1,844	1,090,727	1,227,819	137,091	195,326	58,235
Foreign stock fund	55,742	60,755	5,013	5,013	-	158,944	195,510	36,565	36,565	-	228,532	235,713	7,180	16,811	9,630
Foreign bond fund	100,716	103,804	3,087	3,087	-	155,519	190,493	34,974	34,974	-	161,295	181,015	19,720	19,720	-

### 3) Balances of Securities in Money Held in Trust

(Millions of yen)

	Due in 1 year or less	Due after 1 year through 3 years	Due after 3 years through 5 years	Due after 5 years through 7 years	Due after 7 years through 10 years	Due after 10 years or having no maturity date	Total
<b>As of March 31, 2014</b>							
Domestic stock						¥ 412,261	
Foreign securities						163,117	
Foreign corporate and government bonds						—	
Foreign stocks and other securities						163,117	¥ 575,379
<b>As of March 31, 2015</b>							
Domestic stock						996,906	
Foreign securities						384,738	
Foreign corporate and government bonds						—	
Foreign stocks and other securities						384,738	1,381,644
<b>As of March 31, 2016</b>							
Domestic stock						1,202,513	
Foreign securities						410,314	
Foreign corporate and government bonds						—	
Foreign stocks and other securities						410,314	1,612,827

### 4) Currency Composition of Money Held in Trust

(Millions of yen, %)

As of March 31	2014		2015		2016	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Japanese yen	¥ 412,261	71.7	¥ 996,906	72.2	¥ 1,202,513	74.6
U.S. dollar	156,187	27.1	364,823	26.4	387,285	24.0
Euro	—	—	—	—	—	—
Others	6,930	1.2	19,915	1.4	23,029	1.4
Total	575,379	100.0	1,381,644	100.0	1,612,827	100.0

Note: Excluding cash and deposits

## 5) Industry Composition of Japanese Stocks of Money Held in Trust

(Millions of yen, %)

As of March 31	2014		2015		2016	
	Fair value	Percentage	Fair value	Percentage	Fair value	Percentage
Fishery, agriculture and forestry	¥ 308	0.1	¥ 559	0.1	¥ 801	0.1
Mining	1,973	0.5	3,022	0.3	3,003	0.2
Construction	10,616	2.6	29,857	3.0	41,353	3.4
Manufacturing						
Foods	15,978	3.9	41,889	4.2	62,603	5.2
Textiles and apparel	2,979	0.7	5,604	0.6	6,517	0.5
Pulp and paper	1,236	0.3	1,706	0.2	2,328	0.2
Chemicals	22,226	5.4	50,087	5.0	67,118	5.6
Pharmaceuticals	19,132	4.6	57,218	5.7	74,337	6.2
Oil and coal products	2,502	0.6	9,614	1.0	4,046	0.3
Rubber products	3,837	0.9	10,529	1.1	25,414	2.1
Glass and ceramic products	4,196	1.0	6,766	0.7	8,050	0.7
Iron and steel	6,612	1.6	12,032	1.2	12,174	1.0
Nonferrous metals	4,170	1.0	12,243	1.2	13,116	1.1
Metal products	2,874	0.7	4,884	0.5	5,650	0.5
Machinery	21,365	5.2	47,724	4.8	57,642	4.8
Electric appliances	52,032	12.6	109,326	11.0	144,451	12.0
Transportation equipment	48,147	11.7	125,236	12.6	136,059	11.3
Precision instruments	5,903	1.4	23,188	2.3	15,440	1.3
Other products	5,974	1.4	10,460	1.0	13,261	1.1
Electric power and gas	9,206	2.2	14,463	1.5	18,050	1.5
Transportation, information and communications						
Land transportation	15,514	3.8	40,836	4.1	45,044	3.7
Marine transportation	1,528	0.4	2,446	0.2	1,992	0.2
Air transportation	2,124	0.5	7,150	0.7	8,575	0.7
Warehousing and port transportation services	932	0.2	1,670	0.2	1,704	0.1
Information and communications	30,676	7.4	92,457	9.3	124,335	10.3
Trade and services						
Wholesale trade	19,273	4.7	69,127	6.9	70,010	5.8
Retail trade	17,244	4.2	36,775	3.7	51,225	4.3
Finance and insurance						
Banking	38,556	9.4	81,461	8.2	75,608	6.3
Securities and trading	6,951	1.7	10,079	1.0	10,842	0.9
Insurance	9,045	2.2	18,380	1.8	24,695	2.1
Other financial services	5,343	1.3	9,349	0.9	13,446	1.1
Real estate	13,723	3.3	23,379	2.3	29,266	2.4
Services	10,070	2.4	27,373	2.7	34,344	2.9
<b>Total</b>	<b>412,261</b>	<b>100.0</b>	<b>996,906</b>	<b>100.0</b>	<b>1,202,513</b>	<b>100.0</b>



### (3) Combined Fair Value of Derivative Transactions (with or without Hedge Accounting)

#### (i) Breakdown of gains and losses (breakdown of hedge accounting applied and not applied portions)

(Millions of yen)

	Interest rate related	Currency related	Stock related	Bond related	Others	Total
As of March 31, 2014	¥ 326	¥ (15,655)	¥ –	¥ –	¥ –	¥ (15,328)
Portion with hedge accounting applied	326	(15,655)	–	–	–	(15,328)
Portion with hedge accounting not applied	–	–	–	–	–	–
As of March 31, 2015	971	493	–	–	–	1,465
Portion with hedge accounting applied	971	493	–	–	–	1,465
Portion with hedge accounting not applied	–	–	–	–	–	–
<b>As of March 31, 2016</b>	<b>2,060</b>	<b>4,644</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>6,704</b>
<b>Portion with hedge accounting applied</b>	<b>2,060</b>	<b>4,644</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>6,704</b>
<b>Portion with hedge accounting not applied</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

## Notes:

1. Of the hedge accounting applied as of March 31, 2014, the portion with hedge accounting (the fair value hedge method) applied to the net loss (currency related ¥15,655 million) is accrued in the statement of income.
2. Of the hedge accounting applied as of March 31, 2015, the portion with hedge accounting (the fair value hedge method) applied to the net gain (currency related ¥493 million) is accrued in the statement of income.
3. Of the hedge accounting applied as of March 31, 2016, the portion with hedge accounting (the fair value hedge method) applied to the net gain (currency related ¥4,644 million) is accrued in the statement of income.

**(ii) Interest rate related**

(Millions of yen)

Category	As of March 31 Type	2014			2015			2016					
		Contract amount, etc.		Fair value	Net gain/loss	Contract amount, etc.		Fair value	Net gain/loss	Contract amount, etc.		Fair value	Net gain/loss
			Over one year				Over one year				Over one year		
Over-the-counter	Interest rate swap												
	Fixed interest receipt/ variable interest payment	¥112,730	¥95,350	¥326	¥326	¥101,950	¥79,250	¥971	¥971	¥79,250	¥59,800	¥2,060	¥2,060
<b>Total</b>					326				971				2,060

Note: The fair value (current price) of swap transactions is indicated in the net gain/loss column.

**Reference: Outstanding balances of interest rate swaps by contractual maturity date**

(Millions of yen, %)

Category	Due in 1 year or less	Due after 1 year through 3 years	Due after 3 years through 5 years	Due after 5 years through 7 years	Due after 7 years through 10 years	Due after 10 years or having no maturity date	Total
<b>As of March 31, 2014</b>	¥17,380	¥42,150	¥24,550	¥7,500	¥11,150	¥10,000	¥112,730
Fixed receipt swap notional principal	17,380	42,150	24,550	7,500	11,150	10,000	112,730
Average fixed interest receipt	0.82	0.53	0.39	0.55	0.93	1.05	0.63
Average variable interest payment	0.36	0.23	0.20	0.26	0.28	0.28	0.25
<b>As of March 31, 2015</b>	22,700	25,750	22,300	10,050	16,150	5,000	101,950
Fixed receipt swap notional principal	22,700	25,750	22,300	10,050	16,150	5,000	101,950
Average fixed interest receipt	0.55	0.44	0.45	0.48	0.94	1.12	0.58
Average variable interest payment	0.17	0.16	0.18	0.20	0.24	0.24	0.19
<b>As of March 31, 2016</b>	19,450	24,550	8,400	8,600	13,250	5,000	79,250
Fixed receipt swap notional principal	19,450	24,550	8,400	8,600	13,250	5,000	79,250
Average fixed interest receipt	0.50	0.39	0.52	0.61	0.94	1.12	0.59
Average variable interest payment	0.09	0.05	0.11	0.15	0.10	0.13	0.09

**(iii) Currency related**

(Millions of yen)

Category	As of March 31 Type	2014			2015			2016					
		Contract amount, etc.		Fair value	Net gain/loss	Contract amount, etc.		Fair value	Net gain/loss	Contract amount, etc.		Fair value	Net gain/loss
			Over one year				Over one year				Over one year		
Over-the-counter	Foreign exchange forward contracts												
	Sold	¥404,257	¥-	¥(15,655)	¥(15,655)	¥363,120	¥-	¥493	¥493	¥1,693,683	¥-	¥4,644	¥4,644
	U.S. dollar	270,312	-	(6,817)	(6,817)	172,008	-	(12,843)	(12,843)	392,081	-	5,408	5,408
	Euro	133,944	-	(8,837)	(8,837)	191,112	-	13,337	13,337	1,301,602	-	(764)	(764)
	Purchased	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>					(15,655)				493				4,644

Notes:

1. Future quotation for the exchange rate at the end of the fiscal year is used.
2. The net gain/loss is described for the exchange contract fair value.

**(iv) Stock related**

There were no such outstanding balances as of March 31, 2014, 2015 and 2016.

**(v) Bond related**

There were no such outstanding balances as of March 31, 2014, 2015 and 2016.

**(vi) Others**

There were no such outstanding balances as of March 31, 2014, 2015 and 2016.

## 6. Indicators for Separate Accounts

Not applicable.