

## 5. Status of Financial Assets (Non-Consolidated)

### 5-1 Loans by Borrower Category

(Millions of yen, %)

As of March 31	2015	2016	2017
Bankrupt or quasi-bankrupt loans	¥ —	¥ —	¥ —
Doubtful loans	—	—	—
Substandard loans	—	—	—
Subtotal	—	—	—
(Percentage in total)	( — )	( — )	( — )
Normal loans	10,291,347	9,197,548	9,070,318
<b>Total</b>	<b>10,291,347</b>	<b>9,197,548</b>	<b>9,070,318</b>

Notes:

- Bankrupt or quasi-bankrupt loans are loans to borrowers who have fallen into bankruptcy for reasons such as the commencement of bankruptcy proceedings or reorganization proceedings, or the petition for commencement of rehabilitation proceedings, and loans similar to these.
- Doubtful loans are loans for which principal and interest are unlikely to be collected or received as stipulated in an agreement due to the borrower's deteriorating financial conditions and results even though the borrower has not fallen into bankruptcy.
- Substandard loans are past due loans for three months or more and restructured loans.  
"Past due loans for three months or more" are loans for which principal or interest payments are delinquent for three months or more under the term of the loans from the day following the contractual due date (excluding the loans noted in 1 and 2). "Restructured loans" are loans for which certain concessions favorable to borrowers, such as interest reduction or exemption, postponement of principal or interest payments, debt waiver or other arrangements, have been made for the purpose of assisting and supporting the borrowers in the restructuring of their business (excluding the loans noted in 1 and 2, and past due loans for three months or more).
- Normal loans are loans which do not fall under the loans noted in 1 to 3 above as there are no particular problems found with the borrower's financial conditions and results.

### 5-2 Status of Risk-Monitored Loans

There were no such outstanding balances as of March 31, 2015, 2016 and 2017.

### 5-3 Loans Concerning the Trusts with Contracts Indemnifying the Principal Amounts

There were no such outstanding balances as of March 31, 2015, 2016 and 2017.

## 5-4 Status of Insurance Claims Paying Ability (Solvency Margin Ratio)

(Millions of yen)

As of March 31	2015	2016	2017
Total amount of solvency margin (A)	¥ 5,697,257	¥ 5,541,363	¥ 5,420,173
Capital stock, etc.	1,386,560	1,439,299	1,491,298
Reserve for price fluctuations	712,167	782,268	788,712
Contingency reserve	2,498,711	2,374,846	2,254,027
General reserve for possible loan losses	77	71	59
(Net unrealized gains (losses) on available-for-sale securities (before taxes)-Net deferred gains (losses) on hedges (before taxes)) × 90% (if negative, × 100%)	703,549	505,374	399,297
Net unrealized gains (losses) on real estate × 85% (if negative, × 100%)	(10,077)	(3,474)	103
Excess of continued Zillmerized reserve	406,267	442,977	486,674
Capital raised through debt financing	–	–	–
Amounts within “excess of continued Zillmerized reserve” and “capital raised through debt financing” not calculated into the margin	–	–	–
Deductions	–	–	–
Other	–	–	–
Total amount of risk $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	694,176	706,716	840,902
Insurance risk R <sub>1</sub>	163,796	159,046	153,070
Underwriting risk of third-sector insurance R <sub>8</sub>	88,568	78,262	69,104
Anticipated yield risk R <sub>2</sub>	184,450	170,717	158,838
Minimum guarantee risk R <sub>7</sub>	–	–	–
Investment risk R <sub>3</sub>	443,294	476,159	631,173
Business management risk R <sub>4</sub>	17,602	17,683	20,243
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	1,641.4%	1,568.1%	1,289.1%

Note: These figures are calculated based on the provisions set forth in the public notification No. 50 issued by the Ministry of Finance in 1996 and Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act.

For the above figures as of March 31, 2016 onwards, the total amount of solvency margin was partially amended in accordance with the Cabinet Office Ordinance No. 16 of 2016. (The figures as of March 31, 2015 provided above were determined based on existing standards.)

## 5-5 Fair Value Information of Securities (Company Total)

### (1) Fair Value Information of Securities

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

The Company did not hold securities for trading as of March 31, 2015, 2016 and 2017.

#### 2) Fair Value Information of Securities (with Fair Value, Other than Trading Securities)

(Millions of yen)

As of March 31	2015					2016					2017				
	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	¥ 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	¥ 40,441,881	¥ 46,518,693	¥ 6,076,812	¥6,149,942	¥ 73,129
Policy-reserve-matching bonds	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	-	12,517,334	13,697,410	1,180,075	1,204,445	24,370
Equities of subsidiaries and affiliates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Available-for-sale securities	9,411,484	10,193,205	781,721	784,470	2,748	9,918,112	10,479,639	561,527	658,164	96,636	12,522,618	12,966,282	443,664	657,830	214,165
Corporate and government bonds	5,105,394	5,203,999	98,605	99,163	558	4,012,950	4,115,794	102,844	103,597	752	4,758,489	4,796,899	38,409	71,613	33,204
Domestic stocks	713,204	996,906	283,701	285,545	1,844	1,065,422	1,202,513	137,091	195,326	58,235	1,302,336	1,626,015	323,679	342,436	18,757
Foreign securities	1,850,911	2,248,231	397,319	397,666	346	3,682,785	4,001,136	318,351	355,894	37,542	4,658,641	4,748,683	90,041	237,280	147,238
Foreign corporate and government bonds	1,537,712	1,863,492	325,779	326,126	346	3,299,371	3,590,822	291,450	319,363	27,912	4,219,602	4,248,732	29,130	175,028	145,898
Foreign stocks and other securities	313,198	384,738	71,539	71,539	-	383,413	410,314	26,901	36,531	9,630	439,038	499,950	60,911	62,252	1,340
Other securities	-	-	-	-	-	100,000	100,044	44	150	105	1,428,000	1,417,122	(10,877)	4,086	14,964
Monetary claims bought	446,973	449,068	2,095	2,095	-	426,954	430,150	3,195	3,195	-	25,149	27,561	2,411	2,411	-
Negotiable certificates of deposit	1,295,000	1,295,000	-	-	-	630,000	630,000	-	-	-	350,000	350,000	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>68,600,251</b>	<b>75,094,328</b>	<b>6,494,077</b>	<b>6,497,580</b>	<b>3,502</b>	<b>65,721,357</b>	<b>75,294,714</b>	<b>9,573,357</b>	<b>9,669,994</b>	<b>96,637</b>	<b>65,481,834</b>	<b>73,182,386</b>	<b>7,700,552</b>	<b>8,012,218</b>	<b>311,665</b>
Corporate and government bonds	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	57,619,705	64,911,866	7,292,160	7,422,865	130,704
Domestic stocks	713,204	996,906	283,701	285,545	1,844	1,065,422	1,202,513	137,091	195,326	58,235	1,302,336	1,626,015	323,679	342,436	18,757
Foreign securities	1,948,911	2,350,125	401,213	401,560	346	3,780,785	4,103,523	322,738	360,281	37,542	4,756,641	4,849,819	93,178	240,417	147,238
Foreign corporate and government bonds	1,635,712	1,965,386	329,673	330,020	346	3,397,371	3,693,209	295,837	323,750	27,912	4,317,602	4,349,869	32,266	178,164	145,898
Foreign stocks and other securities	313,198	384,738	71,539	71,539	-	383,413	410,314	26,901	36,531	9,630	439,038	499,950	60,911	62,252	1,340
Other securities	-	-	-	-	-	100,000	100,044	44	150	105	1,428,000	1,417,122	(10,877)	4,086	14,964
Monetary claims bought	446,973	449,068	2,095	2,095	-	426,954	430,150	3,195	3,195	-	25,149	27,561	2,411	2,411	-
Negotiable certificates of deposit	1,295,000	1,295,000	-	-	-	630,000	630,000	-	-	-	350,000	350,000	-	-	-
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 and its book value was ¥1,686,170 million with net unrealized gains of ¥380,716 million as of March 31, 2017, ¥1,448,835 million with net unrealized gains of ¥163,992 million as of March 31, 2016 and ¥1,026,403 million with net unrealized gains of ¥355,241 million as of March 31, 2015.

## ○ Held-to-maturity bonds

(Millions of yen)

As of March 31	2015			2016			2017		
	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference
Those for which fair value exceeds the balance sheet amount	¥43,624,994	¥48,162,650	¥ 4,537,655	¥42,239,421	¥49,752,514	¥ 7,513,093	¥39,154,981	¥45,304,923	¥ 6,149,942
Corporate and government bonds	43,526,994	48,060,756	4,533,761	42,141,421	49,650,127	7,508,706	39,056,981	45,203,787	6,146,805
Foreign securities	98,000	101,894	3,894	98,000	102,387	4,387	98,000	101,136	3,136
Other	-	-	-	-	-	-	-	-	-
Those for which fair value does not exceed the balance sheet amount	70,564	70,025	(539)	400	399	(0)	1,286,899	1,213,770	(73,129)
Corporate and government bonds	70,564	70,025	(539)	400	399	(0)	1,286,899	1,213,770	(73,129)
Foreign securities	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-

## ○ Policy-reserve-matching bonds

(Millions of yen)

As of March 31	2015			2016			2017		
	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference
Those for which fair value exceeds the balance sheet amount	¥15,462,719	¥16,638,173	¥ 1,175,453	¥13,563,423	¥15,062,160	¥ 1,498,737	¥12,120,004	¥13,324,449	¥ 1,204,445
Corporate and government bonds	15,462,719	16,638,173	1,175,453	13,563,423	15,062,160	1,498,737	12,120,004	13,324,449	1,204,445
Foreign securities	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Those for which fair value does not exceed the balance sheet amount	30,488	30,273	(214)	-	-	-	397,330	372,960	(24,370)
Corporate and government bonds	30,488	30,273	(214)	-	-	-	397,330	372,960	(24,370)
Foreign securities	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-

## ○ Available-for-sale securities

(Millions of yen)

As of March 31	2015			2016			2017		
	Book value	Balance sheet amount	Difference	Book value	Balance sheet amount	Difference	Book value	Balance sheet amount	Difference
Those for which the balance sheet amount exceeds book value	¥ 6,252,670	¥ 6,680,055	¥ 427,384	¥ 6,365,429	¥ 6,791,735	¥ 426,306	¥ 5,448,692	¥ 5,706,039	¥ 257,346
Corporate and government bonds	4,768,988	4,868,151	99,163	3,660,820	3,764,417	103,597	3,086,086	3,157,699	71,613
Domestic stocks	-	-	-	-	-	-	39,912	44,117	4,205
Foreign securities	1,455,693	1,781,819	326,126	2,602,654	2,922,017	319,363	1,697,544	1,872,573	175,028
Other securities	-	-	-	75,000	75,150	150	600,000	604,086	4,086
Monetary claims bought	27,989	30,084	2,095	26,954	30,150	3,195	25,149	27,561	2,411
Negotiable certificates of deposit	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Those for which the balance sheet amount does not exceed book value	2,132,410	2,131,505	(904)	2,103,847	2,075,076	(28,770)	5,387,754	5,193,356	(194,398)
Corporate and government bonds	336,406	335,848	(558)	352,130	351,377	(752)	1,672,403	1,639,199	(33,204)
Domestic stocks	-	-	-	-	-	-	10,294	9,963	(331)
Foreign securities	82,019	81,673	(346)	696,717	668,804	(27,912)	2,527,056	2,381,158	(145,898)
Other securities	-	-	-	25,000	24,894	(105)	828,000	813,035	(14,964)
Monetary claims bought	418,983	418,983	-	399,999	399,999	-	-	-	-
Negotiable certificates of deposit	1,295,000	1,295,000	-	630,000	630,000	-	350,000	350,000	-
Other	-	-	-	-	-	-	-	-	-

• 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	2015	2016	2017
Held-to-maturity bonds	¥ -	¥ -	¥ -
Unlisted foreign bonds	-	-	-
Other	-	-	-
Policy-reserve-matching bonds	-	-	-
Equities of subsidiaries and affiliates	984	984	984
Available-for-sale securities	20,000	-	4,239
Unlisted domestic stocks (excluding OTC traded equities)	-	-	4,239
Unlisted foreign stocks (excluding OTC traded equities)	20,000	-	-
Unlisted foreign bonds	-	-	-
Other	-	-	-
<b>Total</b>	<b>20,984</b>	<b>984</b>	<b>5,223</b>

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

(Millions of yen)

As of March 31	2015					2016					2017				
	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	¥1,434,943	¥1,434,943	¥ -	¥ -	¥ -	¥1,644,547	¥1,644,547	¥ -	¥ -	¥ -	¥2,127,042	¥2,127,042	¥ -	¥ -	¥ -

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

The Company did not have money held in trust for trading purposes as of March 31, 2015, 2016 and 2017.

### 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	2015					2016					2017				
	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	1,079,701	1,434,943	355,241	357,085	1,844	1,480,555	1,644,547	163,992	231,857	67,865	1,746,326	2,127,042	380,716	400,483	19,767
Domestic stock fund	765,237	1,048,938	283,701	285,545	1,844	1,090,727	1,227,819	137,091	195,326	58,235	1,306,142	1,625,946	319,804	338,231	18,426
Foreign stock fund	158,944	195,510	36,565	36,565	-	228,532	235,713	7,180	16,811	9,630	273,163	315,104	41,941	43,282	1,340
Foreign bond fund	155,519	190,493	34,974	34,974	-	161,295	181,015	19,720	19,720	-	167,020	185,990	18,970	18,970	-

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

#### **1) Qualitative Information**

##### **(i) Detail of the transactions**

The main derivative transactions used by the Company are as follows:

- Interest rate-related: Interest rate swaps
- Currency-related: Foreign exchange contracts

##### **(ii) Policy for using derivative transactions**

The Company uses derivative transactions for the purpose of hedging interest rate risk and foreign exchange fluctuation risk of our investment assets. The Company limits the use of derivative transactions to the purpose of hedging in principle and their use is not meant for speculative purposes.

##### **(iii) Purposes of the use of derivative transactions**

The main purposes of the use of derivative transactions for the Company are as follows:

- Interest rate swaps are used for converting floating interest rate loans of the Company into fixed interest rate loans.
- Foreign exchange contracts are used to determine the yen value of the foreign currency cash flows associated with the purchase, sale and redemption of foreign-currency-denominated assets, as well as for hedging foreign exchange fluctuation risk for a portion of foreign-currency-denominated assets.

Of the above transactions, for the interest rate swaps used for converting floating interest rate loans into fixed interest rate loans, the Company applies the exceptional treatment and deferred hedge accounting for interest rate swaps, and applies fair value hedge accounting for the foreign exchange contracts used for hedging foreign exchange fluctuation risk for a portion of foreign-currency-denominated assets.

##### **(iv) Description of the risks**

Derivative transactions used by the Company are exposed to market risk (risks due to fluctuations in interest rates and foreign exchange rates) and credit risk (risks of transaction partners' default, including bankruptcy).

The Company uses derivative transactions for the purpose, in principle, of hedging the risks of our investment assets, and therefore it believes that the market-related risk of derivative transactions is reduced and limited.

Meanwhile, as we select transaction partners with superior creditworthiness based on their

ratings and other factors, the credit risk of derivative transactions is believed to be limited. The Company conducts derivative transactions over the counter.

##### **(v) Risk management framework**

The Company has formulated the Basic Risk Management Policy, whereby the investment policies of derivative transactions are provided, limiting the use of derivative transactions to the purpose of hedging and prohibiting their use for speculative purposes.

In addition, we prevent risks by setting credit limits for each transaction partner selected on the basis of superior creditworthiness verified by their ratings and other factors.

The Risk Management Department is in place as an organizational unit responsible for comprehensively managing all types of risks, as part of an effort to reinforce our internal management system.

##### **(vi) Additional notes about quantitative information**

- Additional notes about credit risk  
We calculate the credit risk amount associated with derivative transactions by using the current exposure method.

- Additional notes about the calculation of fair value

We calculate fair value on the following basis:

[Interest rate swaps]

Theoretical values are calculated by discounting the difference in future cash flows to present values based on the published market interest rate.

[Foreign exchange contracts]

Fair value is calculated using the forward foreign exchange rate as of the fiscal year-end date.

- Additional notes about net unrealized gains (losses)

We use derivative transactions as a means to hedge the market risk of our investment assets in principle, and there are no so-called transactions for trading purposes.

Profit or loss from derivative transactions and the hedged investments is recognized on a combined basis, whereby the effect of a reduction in interest rate risk and foreign exchange fluctuation risk has been verified.

## 2) Quantitative information

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

(Millions of yen)

	Interest rate related	Currency related	Stock related	Bond related	Others	Total
As of March 31, 2015	¥ 971	¥ 493	¥ –	¥ –	¥ –	¥ 1,465
Portion with hedge accounting applied	971	493	–	–	–	1,465
Portion with hedge accounting not applied	–	–	–	–	–	–
As of March 31, 2016	2,060	4,644	–	–	–	6,704
Portion with hedge accounting applied	2,060	4,644	–	–	–	6,704
Portion with hedge accounting not applied	–	–	–	–	–	–
<b>As of March 31, 2017</b>	<b>1,364</b>	<b>(4,657)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(3,292)</b>
<b>Portion with hedge accounting applied</b>	<b>1,364</b>	<b>(4,657)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(3,292)</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, 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.
2. 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.
3. Of the hedge accounting applied as of March 31, 2017, the portion with hedge accounting (the fair value hedge method) applied to the net loss (currency related ¥4,657 million) is accrued in the statement of income.

### Derivative transactions to which hedge accounting is not applied

#### (ii) Interest rate-related derivatives

There were no such outstanding balances as of March 31, 2015, 2016 and 2017.

#### (iii) Currency-related derivatives

There were no such outstanding balances as of March 31, 2015, 2016 and 2017.

#### (iv) Stock-related derivatives

There were no such outstanding balances as of March 31, 2015, 2016 and 2017.

#### (v) Bond-related derivatives

There were no such outstanding balances as of March 31, 2015, 2016 and 2017.

#### (vi) Others

There were no such outstanding balances as of March 31, 2015, 2016 and 2017.

## Derivative transactions to which hedge accounting is applied

## (ii) Interest rate-related derivatives

(Millions of yen)

Hedge accounting method	Type	Major hedged item	As of March 31, 2015			As of March 31, 2016			As of March 31, 2017		
			Contract amount		Fair value	Contract amount		Fair value	Contract amount		Fair value
				Contract amount due after 1 year			Contract amount due after 1 year			Contract amount due after 1 year	
Deferred hedge method	Interest rate swaps Receivable fixed rate / Payable floating rate	Loans	¥ 13,750	¥13,750	¥ 32	¥ 13,750	¥13,750	¥ 197	¥ 11,750	¥11,750	¥ 71
Exceptional treatment for interest rate swaps	Interest rate swaps Receivable fixed rate / Payable floating rate	Loans	88,200	65,500	938	65,500	46,050	1,862	46,050	39,750	1,293
Total					971			2,060			1,364

Note: Fair value (current value) of interest rate swaps is represented by net unrealized gains (losses).

## 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, 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 floating interest payment	0.17	0.16	0.18	0.20	0.24	0.24	0.19
Fixed payment swap notional principal	–	–	–	–	–	–	–
Average fixed interest payment	–	–	–	–	–	–	–
Average floating interest receipt	–	–	–	–	–	–	–
<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 floating interest payment	0.09	0.05	0.11	0.15	0.10	0.13	0.09
Fixed payment swap notional principal	–	–	–	–	–	–	–
Average fixed interest payment	–	–	–	–	–	–	–
Average floating interest receipt	–	–	–	–	–	–	–
<b>As of March 31, 2017</b>	6,300	19,300	10,050	12,150	10,000	–	57,800
Fixed receipt swap notional principal	6,300	19,300	10,050	12,150	10,000	–	57,800
Average fixed interest receipt	0.24	0.47	0.48	0.90	1.05	–	0.64
Average floating interest payment	0.02	0.08	0.09	0.16	0.14	–	0.10
Fixed payment swap notional principal	–	–	–	–	–	–	–
Average fixed interest payment	–	–	–	–	–	–	–
Average floating interest receipt	–	–	–	–	–	–	–



**(iii) Currency-related derivatives**

(Millions of yen)

Hedge accounting method	Type	Major hedged item	As of March 31, 2015			As of March 31, 2016			As of March 31, 2017		
			Contract amount		Fair value	Contract amount		Fair value	Contract amount		Fair value
				Contract amount due after 1 year			Contract amount due after 1 year			Contract amount due after 1 year	
Fair value hedge accounting	Foreign exchange contracts	Available-for-sale securities	¥ 363,120	¥ -	¥ 493	¥1,693,683	¥ -	¥ 4,644	¥2,438,390	¥ -	¥ (4,657)
	Sold										
	U.S. dollars		172,008	-	(12,843)	392,081	-	5,408	1,603,918	-	(5,630)
	Euros		191,112	-	13,337	1,301,602	-	(764)	834,472	-	973
	Purchased		-	-	-	-	-	-	-	-	
Total					493			4,644		(4,657)	

Notes:

1. Fair value is calculated using forward foreign exchange rates at the fiscal year-end.
2. Fair value of foreign exchange contracts is represented by net unrealized gains (losses).

**(iv) Stock-related derivatives**

There were no such outstanding balances as of March 31, 2015, 2016 and 2017.

**(v) Bond-related derivatives**

There were no such outstanding balances as of March 31, 2015, 2016 and 2017.

**(vi) Others**

There were no such outstanding balances as of March 31, 2015, 2016 and 2017.

## 5-6 Breakdown of Ordinary Profit (Core Profit)

(Millions of yen)

For the years ended March 31		2015	2016	2017
Core profit	A	¥ 515,417	¥ 464,285	¥ 390,070
Capital gains		94,683	46,180	141,677
Gains on money held in trust		32,762	44,939	56,535
Gains on trading securities		–	–	–
Gains on sales of securities		61,908	1,241	85,142
Gains on derivative financial instruments		–	–	–
Gains on foreign exchanges		12	–	–
Other capital gains		–	–	–
Capital losses		30,527	41,748	192,860
Losses on money held in trust		–	–	–
Losses on trading securities		–	–	–
Losses on sales of securities		4,963	1,592	124,734
Losses on valuation of securities		–	–	–
Losses on derivative financial instruments		773	1,511	20,599
Losses on foreign exchanges		–	402	3,362
Other capital losses		24,790	38,242	44,163
Net capital gains (losses)	B	64,156	4,432	(51,182)
Core profit including net capital gains (losses)	A+B	579,573	468,717	338,887
Other one-time gains		90,087	123,864	120,819
Reinsurance income		–	–	–
Reversal of contingency reserve		90,087	123,864	120,819
Reversal of specific reserve for possible loan losses		–	–	–
Other		–	–	–
Other one-time losses		176,491	179,558	180,359
Reinsurance premiums		–	–	–
Provision for contingency reserve		–	–	–
Provision for specific reserve for possible loan losses		–	–	–
Provision for reserve for specific foreign loans		–	–	–
Write-off of loans		–	–	–
Other		176,491	179,558	180,359
Other one-time profits (losses)	C	(86,403)	(55,694)	(59,539)
Ordinary profit	A+B+C	493,169	413,023	279,347

## Notes:

- Amount equivalent to income gains associated with money held in trust (¥24,790 million for 2015, ¥38,242 million for 2016 and ¥44,130 million for 2017) is recognized as “other capital losses” and included in core profit.
- Amount equivalent to income gains associated with derivative financial instruments (¥33 million for 2017) is recognized as “other capital losses” and included in core profit.
- “Other” in “other one-time losses” includes the amount of additional policy reserves accumulated pursuant to Article 69, Paragraph 5 of the Ordinance for Enforcement of the Insurance Business Act (¥176,491 million for 2015, ¥179,558 million for 2016 and ¥180,359 million for 2017).