

## Financial Results for the Nine Months Ended December 31, 2014 (Summary)

### 1. Business Performance

- ◇ Due to the purposed tightening of the sales of single premium whole life insurance in the bancassurance channel, premium and other income totaled ¥2,566 billion, decreased 7.2% year on year while exceeded the budget
- ◇ Annualized new premiums totaled ¥126.9 billion, decreased by 6.6% year on year
  - ・Agency distribution channel achieved ¥70.8 billion, increased by 2.5% year on year
  - ・Due to the strong sales of the new product, "Best style" and "Medical style", third-sector insurance totaled ¥24.8 billion, increased by 26.7% year on year
- ◇ Annualized premiums from business in force achieved ¥2,133 billion, increased by 0.4% compared with the end of fiscal 2013

#### ○ Breakdown of premium income

(billions of yen)

	Nine months ended December 31, 2014		Nine months ended December 31, 2013
		Change	
Premium and other income*	2,566.0	Δ7.2%	2,766.5
Individual life insurance and annuities	1,658.1	Δ9.8%	1,838.5
Agency Distribution Channel	980.4	0.7%	973.4
Bancassurance Channel	641.1	Δ22.3%	824.9
Group life insurance and group pension	873.6	Δ2.0%	891.6

\*Represent premium income and reinsurance refunds

#### ○ Annualized new premiums

(individual life insurance and annuities)

(billions of yen)

	Nine months ended December 31, 2014		Nine months ended December 31, 2013
		Change	
Annualized new premiums	126.9	Δ6.6%	135.8
Agency Distribution Channel	70.8	2.5%	69.1
Bancassurance Channel	54.1	Δ16.2%	64.6
Third-sector insurance* premiums	24.8	26.7%	19.5

\*Third-sector insurance includes benefits related to medical insurance, living benefits and premium payment waiver

#### ○ Annualized premiums from business in force

(individual life insurance and annuities)

(billions of yen)

	As of December 31, 2014		As of March 31, 2014
		Change	
Annualized premiums	2,133.0	0.4%	2,125.2

«Reference» Quality indicators of policies

○ Surrender and lapse (individual life insurance and annuities) (billions of yen, %)

	Nine months ended December 31, 2014	Change	Nine months ended
			December 31, 2013
Annualized premiums of surrendered and lapsed policies	53.6	1.8%	52.7
Surrender and lapse rate	3.40	Δ0.11 pts	3.50

Note: The calculation of surrender and lapse rate is based on the policy amounts and is not annualized

○ Persistency rate (individual life insurance and annuities) (%)

	Nine months ended December 31, 2014	Change	Nine months ended
			December 31, 2013
13th month persistency rate	93.6	0.1 pts	93.5
25th month persistency rate	85.9	Δ0.9 pts	86.8

Note: The calculation of persistency rate is based on the policy amounts

## 2. Indicators of profitability

◇ Base profit totaled ¥334.6 billion due to the rise in interest and dividends income, up ¥19.7 billion, increased by 6.3% year on year

○ Base profit (billions of yen)

	Nine months ended December 31, 2014	Change	Nine months ended
			December 31, 2013
Base profit	334.6	19.7	314.9

«Reference»

○ Capital gains/losses (billions of yen)

	Nine months ended December 31, 2014	Change	Nine months ended
			December 31, 2013
Capital gains/losses	133.7	Δ 20.0	153.8
Gains/losses on securities sold	181.8	Δ 11.4	193.3

### 3. Indicators of financial soundness

- ◇ Solvency margin ratio stood at 1,041.8%, continuously exceeded 1,000% due to the increase of unrealized gains on securities and others
- ◇ Unrealized gains in general account investment assets totaled ¥5,465.2 billion due to the rising stock price, domestic and overseas interest rates decline and the depreciation of the yen, ¥2,010.6 billion increase compared with the end of fiscal 2013

#### ○ Solvency margin ratio

(billions of yen, %)

	As of December 31, 2014		As of March 31, 2014
		Change	
Solvency margin ratio	1,041.8	96.3 pts	945.5
Total solvency margin (A)	6,879.1	1,349.9	5,529.2
Total risk (B)	1,320.5	150.9	1,169.5

Note: Solvency margin ratio = (A)/(1/2x(B))x100

Calculated by the method deemed to be reasonable in accordance with the laws and regulations

#### ○ Real net assets

(billions of yen, %)

	As of December 31, 2014		As of March 31, 2014
		Change	
Real net assets	8,689.7	2,251.6	6,438.0
Ratio in general account investment assets	24.7	5.5 pts	19.2

Note: Calculated by the method deemed to be reasonable in accordance with the laws and regulations

#### ○ Internal reserves

(billions of yen)

	As of December 31, 2014		As of March 31, 2014
		Change	
Internal reserves	2,400.3	294.8	2,105.4

#### ○ Unrealized gains in general account investment assets

(billions of yen)

	As of December 31, 2014		As of March 31, 2014
		Change	
Unrealized gains in general account investment assets	5,465.2	2,010.6	3,454.5
Securities with market price*	5,141.2	1,970.8	3,170.4
Domestic bonds	1,870.3	764.7	1,105.5
Stocks	2,072.8	611.0	1,461.7
Foreign securities	1,148.7	579.6	569.0

\*Including securities that are deemed appropriate to handle under the Financial Instruments and Exchange Act

#### ○ Breakeven Points

Breakeven Points indicate the level of Nikkei 225/TOPIX at which unrealized gains and losses cancel out on domestic stocks held if the Company's portfolio and the market indices fully correlate

	As of December 31, 2014	As of March 31, 2014
Nikkei 225	approx.7,800yen	approx.7,800yen
TOPIX	approx.630pts	approx.630pts

Note: The approximate breakeven points are ¥7,900 for Nikkei 225 and 630 pts for TOPIX as calculated based on the historical correlation coefficient between the Company's portfolio and stock market indices.