

Operating Results and Market Trends

Key Business Performance

Years ended March 31

					¥ billions	%	US\$ billions ¹
	2011	2012	2013	2014	2015	YoY Change	2015
Policy Results²							
Policy basis							
New policy amount	¥ 6,441.9	¥ 6,630.9	¥ 7,158.9	¥ 6,639.8	¥ 7,227.2	8.8	\$ 60.1
Policy amount in force	58,133.9	58,780.1	59,996.5	60,699.8	62,117.7	2.3	516.9
Surrender and lapse amount	4,497.3	4,269.0	4,071.3	3,967.4	3,752.4	(5.4)	31.2
Annualized premium basis							
Annualized premiums of new policies	¥ 103.2	¥ 130.6	¥ 164.2	¥ 127.9	¥ 161.3	26.1	\$ 1.3
Third sector products	10.8	13.3	15.6	16.5	20.8	25.6	0.1
Annualized premiums of total policies	1,397.3	1,402.0	1,447.7	1,420.5	1,446.4	1.8	12.0
Third sector products	162.6	160.5	160.9	163.4	169.8	4.0	1.4
Statements of Operations Data							
Ordinary revenues	¥ 1,993.0	¥ 2,104.1	¥ 2,418.9	¥ 2,085.7	¥ 2,412.1	15.7	\$ 20.0
Income from insurance premiums	1,474.2	1,691.2	1,940.9	1,609.7	1,958.0	21.6	16.2
Core profit	107.7	144.9	182.4	210.2	182.7	(13.1)	1.5
Ordinary profit	94.9	120.8	151.6	186.2	188.9	1.5	1.5
Net income	23.8	26.7	63.7	78.9	94.2	19.3	0.7
Adjusted net income	36.5	35.0	78.0	92.4	94.2	1.9	0.7
Soundness							
Consolidated solvency margin ratio	—	810.6%	943.8%	1,115.0%	1,220.7%	105.7pt	—
Shareholder Returns³							
Dividends per share (¥, US\$)	¥ 45.0	¥ 22.5	¥ 22.5	¥ 25.0	¥ 25.0	—	\$ 0.20
Share buybacks	—	approx. [5.0]	approx. 3.0	approx. 10.0	approx. 30.0	approx. 20.0	approx. 0.24
Total return to shareholders	15.3	approx. 20.1	approx. 18.1	approx. 26.8	approx. 46.6	approx. 19.8	approx. 0.38
Embedded Value (EV)⁴							
Embedded value	¥ 1,369.1	¥ 1,543.0	¥ 1,664.4	¥ 1,970.1	¥ 2,298.0	327.8	\$ 19.1
Value of new business	54.7	68.3	61.6	89.1	93.0	3.8	0.7
Stock Price Information (Fiscal year-end)							
Stock price (¥, US\$)	¥ 1,025	¥ 959	¥ 1,136	¥ 1,227	¥ 1,654.5	34.8	\$13.76
Market capitalization	698.5	653.5	774.2	836.2	1,127.5	34.8	9.38
Social/Environmental Data							
Number of employees ⁵	20,451	19,863	19,455	18,806	18,319	(2.6)	
Male	4,342	4,197	3,991	3,852	3,702	(3.9)	
Female	16,109	15,666	15,464	14,954	14,617	(2.3)	
Electricity consumption (MWh=1,000 kWh)	130,174	109,570	106,440	99,302	95,866	(3.5)	
Office paper consumption (t)	200	184	162	163	160	(1.8)	
Green purchasing ratio (%)	94.8	95.9	95.7	95.4	96.0	0.6	

Notes

1 For convenience only, U.S. dollar figures have been calculated at the rate of U.S.\$1 = ¥120.17.

2 The total of individual insurance and individual annuities, as well as *J-type* and *T-type* product. The new policy amount includes net increase from conversions.

3 The Company conducted a 2 for 1 stock split on October 1, 2011.

4 Calculated based on EEV for March 31, 2011, and Group MCEV from March 31, 2012 on.

5 Figures are the simple sum of the non-consolidated financial data for Taiyo Life, Daido Life, and T&D Financial Life.