

## Consolidated Statement of Operation

		¥ millions	US\$ thousands
Years ended March 31,	2016	2015	2016
<b>Ordinary revenues:</b>			
Income from insurance premiums	¥1,574,506	¥1,958,055	\$13,973,252
Investment income:			
Interest, dividends and income from real estate for rent	290,725	287,966	2,580,094
Gains from monetary trusts, net	5,172	—	45,900
Gains on investments in trading securities, net	—	20,056	—
Gains on sales of securities	77,403	34,433	686,930
Gains on redemption of securities	3,198	—	28,385
Foreign exchange gains, net	801	1,606	7,110
Reversal of reserve for possible loan losses	137	148	1,223
Other investment income	2,268	4,557	20,136
Gains on separate accounts, net	—	35,455	—
Total investment income	379,707	384,223	3,369,781
Other ordinary income:			
Other ordinary income	71,665	69,847	636,010
Total other ordinary income	71,665	69,847	636,010
Equity in earnings of affiliates	46	38	413
<b>Total ordinary revenues</b>	<b>2,025,925</b>	<b>2,412,165</b>	<b>17,979,458</b>
<b>Ordinary expenses:</b>			
Insurance claims and other payments:			
Insurance claims	376,421	355,635	3,340,627
Annuity payments	349,387	457,550	3,100,706
Insurance benefits	163,812	177,425	1,453,784
Surrender payments	341,583	351,229	3,031,448
Other payments	71,693	59,692	636,256
Total insurance claims and other payments	1,302,899	1,401,534	11,562,824
Provision for policy and other reserves:			
Provision for reserve for outstanding claims	—	2,423	—
Provision for policy reserve	194,321	482,607	1,724,545
Interest portion of reserve for policyholder dividends	65	108	582
Total provision for policy and other reserves	194,387	485,139	1,725,128
Investment expenses:			
Interest expenses	909	1,841	8,069
Losses from monetary trusts, net	—	1,744	—
Losses on investments in trading securities, net	7,823	—	69,427
Losses on sales of securities	16,357	6,972	145,165
Devaluation losses on securities	4,101	1,065	36,402
Losses from derivatives, net	22,180	33,948	196,842
Write-off of loans	4	6	43
Depreciation of real estate for rent	4,991	5,176	44,297
Other investment expenses	15,533	15,672	137,858
Losses on separate accounts, net	5,575	—	49,481
Total investment expenses	77,477	66,427	687,588
Operating expenses	198,999	199,435	1,766,060
Other ordinary expenses	80,727	70,686	716,429
<b>Total ordinary expenses</b>	<b>1,854,490</b>	<b>2,223,222</b>	<b>16,458,030</b>
<b>Ordinary profit</b>	<b>¥ 171,434</b>	<b>¥ 188,943</b>	<b>\$ 1,521,427</b>

(continued)

Years ended March 31,	¥ millions		US\$ thousands
	2016	2015	2016
<b>Extraordinary gains:</b>			
Gains on disposal of fixed assets	¥ 4	¥ 67	\$ 43
State subsidy	158	55	1,410
Compensation for transfer	—	102	—
<b>Total extraordinary gains</b>	<b>163</b>	<b>225</b>	<b>1,453</b>
<b>Extraordinary losses:</b>			
Losses on disposal of fixed assets	1,356	1,028	12,034
Impairment losses (Note 15)	4,203	1,995	37,307
Provision for reserve for price fluctuations	20,568	5,150	182,540
Head office transfer cost	2,591	99	22,997
Other extraordinary losses	718	56	6,377
<b>Total extraordinary losses</b>	<b>29,438</b>	<b>8,331</b>	<b>261,257</b>
<b>Provision for reserve for policyholder dividends</b>	<b>31,920</b>	<b>32,555</b>	<b>283,281</b>
<b>Income before income taxes</b>	<b>110,239</b>	<b>148,281</b>	<b>978,342</b>
<b>Income taxes:</b>			
Current	46,075	44,147	408,902
Deferred	(8,561)	9,755	(75,984)
<b>Total income taxes</b>	<b>37,513</b>	<b>53,903</b>	<b>332,918</b>
<b>Profit</b>	<b>72,726</b>	<b>94,378</b>	<b>645,423</b>
<b>Profit attributable to non-controlling interests</b>	<b>179</b>	<b>163</b>	<b>1,590</b>
<b>Profit attributable to owners of parent</b>	<b>¥ 72,547</b>	<b>¥ 94,215</b>	<b>\$643,833</b>

## Consolidated Statement of Comprehensive Income

Years ended March 31,	¥ millions		US\$ thousands
	2016	2015	2016
<b>Profit</b>	<b>¥ 72,726</b>	<b>¥ 94,378</b>	<b>\$ 645,423</b>
<b>Other comprehensive income:</b>			
Net unrealized gains (losses) on securities	(162,509)	261,950	(1,442,224)
Deferred gains (losses) on hedging instruments	5,139	(5,478)	45,615
Land revaluation	155	369	1,377
Foreign currency translation adjustments	0	0	0
Share of other comprehensive income of associates accounted for using the equity method	(4)	9	(41)
<b>Total other comprehensive income (Note 16)</b>	<b>(157,219)</b>	<b>256,851</b>	<b>(1,395,272)</b>
<b>Comprehensive income</b>	<b>¥ (84,492)</b>	<b>¥351,230</b>	<b>\$ (749,848)</b>
(Breakdown)			
Comprehensive income attributable to owners of parent	(84,673)	351,065	(751,451)
Comprehensive income attributable to non-controlling interests	180	165	1,602

See notes to consolidated financial statements.