[Unofficial Translation]

May 15, 2017

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President and Representative Director
Dai-ichi Life Holdings, Inc.
Code: 8750 (TSE First section)

Supplementary Materials for the Fiscal Year Ended March 31, 2017
(The Neo First Life Insurance Company, Limited)

May 15, 2017

Financial Results for the Fiscal Year Ended March 31, 2017

The Neo First Life Insurance Co., Ltd. (the "Company"; President: Yuji Tokuoka) announces its financial results for the fiscal year ended March 31, 2017.

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* Please note that this is an unofficial translation of the original disclosure in Japanese.

1. Business Highlights

(1) Annualized Net Premiums

Policies in Force (millions of yen except percentages)

	As of March 31, 2016		As of March 31, 2017	
		% of March 31, 2015 total		% of March 31, 2016 total
Individual insurance	3,938	106.2	5,357	136.0
Individual annuities	—	—	—	—
Total	3,938	106.2	5,357	136.0
Medical and survival benefits	1,179	133.5	2,504	212.4

New Policies (millions of yen except percentages)

	Year ended March 31, 2016		Year ended March 31, 2017	
		% of March 31, 2015 total		% of March 31, 2016 total
Individual insurance	368	633.4	1,595	433.0
Individual annuities	—	—	—	—
Total	368	633.4	1,595	433.0
Medical and survival benefits	333	2,127.2	1,420	425.3

Note: 1. Annualized net premiums are calculated by using multipliers for various premium payment terms to the premium per payment.

2. Annualized net premium for medical and survival benefits includes (a) premium related to medical benefits such as hospitalization and surgery benefits, (b) premium related to survival benefits such as specific illness and nursing benefits, and (c) premium related to premium waiver benefits, in which the disability cause is excluded but causes such as specific illness and nursing care are included.

(2) Sum Insured of Policies in Force and New Policies

Policies in Force

	As of March 31, 2016				As of March 31, 2017			
	Number of policies		Amount (billions of yen)		Number of policies		Amount (billions of yen)	
		% of March 31, 2015 total		% of March 31, 2015 total		% of March 31, 2016 total		% of March 31, 2016 total
Individual insurance	46,061	112.2	595.0	91.7	69,784	151.5	623.8	104.8
Individual annuities	—	—	—	—	—	—	—	—
Group insurance	—	—	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—	—	—

New Policies

	Year ended March 31, 2016						Year ended March 31, 2017					
	Number of policies		Amount (billions of yen)				Number of policies		Amount (billions of yen)			
		% of March 31, 2015 total		% of March 31, 2015 total	New business	Net increase from conversions		% of March 31, 2016 total		% of March 31, 2016 total	New business	Net increase from conversions
Individual insurance	8,290	898.2	4.1	33.2	4.1	—	27,447	331.1	78.0	1,875.7	78.0	—
Individual annuities	—	—	—	—	—	—	—	—	—	—	—	—
Group insurance	—	—	—	—	—	—	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—	—	—	—	—	—	—

(3) Profit and Loss Items (millions of yen except percentages)

	Year ended March 31, 2016		Year ended March 31, 2017	
		% of March 31, 2015 total		% of March 31, 2016 total
Premium and other income	3,892	102.0	4,789	123.0
Investment income	2	58.5	1	76.6
Benefits and claims	1,343	100.6	1,395	103.8
Investment expenses	0	70.9	0	65.0
Ordinary profit (loss)	(7,109)	—	(5,935)	83.3

(4) Total Assets (millions of yen except percentages)

	As of March 31, 2016		As of March 31, 2017	
		% of March 31, 2015 total		% of March 31, 2016 total
Total assets	29,771	534.3	24,377	81.9

2. Policies in Force as of March 31, 2017 by Benefit

(thousands, millions of yen)

		Individual insurance		Individual annuities		Group insurance		Total	
		Number of policies	Amount	Number of policies	Amount	Number of policies	Amount	Number of policies	Amount
Death benefits	General	67	623,849	—	—	—	—	67	623,849
	Accidental	—	—	—	—	—	—	—	—
	Others	—	—	—	—	—	—	—	—
Survival benefits		0	15	—	—	—	—	0	15
Hospitalization benefits	Accidental	55	247	—	—	—	—	55	247
	Illness	55	247	—	—	—	—	55	247
	Others	51	318	—	—	—	—	51	318
Injury benefits		—	—	—	—	—	—	—	—
Surgery benefits		69	—	—	—	—	—	69	—
Disability benefits		8	1,287	—	—	—	—	8	1,287
Others		31	21,017	—	—	—	—	31	21,017

Note: 1. Amounts in “Hospitalization benefits” show the amount of hospitalization benefit to be paid per day.
2. Amounts in “Disability benefits” show the amount of disability benefits paid per month.
3. Amounts in “Others” show the amount of the diagnosis benefits of the cancer medical treatment rider, etc.

3. Policyholder Dividends based on Financial Results for the Year ended March 31, 2017

As the Company deals only with nonparticipating individual insurance, there is no applicable item.

4. Investment of General Account Assets for the Fiscal Year Ended March 31, 2017

(1) Investment of Assets for the Fiscal Year Ended March 31, 2017

(i) Investment Environment

- During the fiscal year ended March 31, 2017, the Japanese economy experienced low growth due to the slowdown of the recovery in individual incomes while the global economy recovered and exports increased.
- The U.S. economy slowed down mainly as a result of the correction in the corporate sector due to a strong U.S. dollar, while individual consumption kept expanding backed by an improved employment and income environment.
- The European economy continued its moderate recovery owing to the monetary easing measures implemented by the European Central Bank (ECB).
- Given the economic environment described above, the investment environment was as follows:

[Domestic interest rates]

- The ten-year Japanese government bond (JGB) yield once declined close to the -0.3% level, caused by the negative interest rate policy of the Bank of Japan (BOJ). After that, the JGB yield remained stable around zero, because the BOJ set an operating target for the long-term interest rate under the quantitative and qualitative monetary easing measures with yield curve control.

Yield on ten-year government bonds:	April 1, 2016	-0.050%	→	March 31, 2017	0.065%

[Domestic Stocks]

- Although the Nikkei 225 fluctuated following unexpected events such as the Brexit referendum in the United Kingdom and the presidential election in the United States, it steadily increased due toa rise in U.S. stocks and the depreciation of the yen as a result of high expectations for the economic policies of the Trump administration.

Nikkei 225 Stock Average:	April 1, 2016	16,758	→	March 31, 2017	18,909
TOPIX:	April 1, 2016	1,347	→	March 31, 2017	1,512

[Foreign Currency]

- Although the dollar-yen exchange rate temporarily fell to the 100 level due to the cautious stance of the Federal Reserve Board (FRB) on the pace to raise interest rates, it increased above the 110 level due to high expectations of inflation in the United States and the FRB's additional rate hike.
- The euro-yen exchange rate also progressed while it strongly fluctuated due to the political events in the E.U. area.

yen /U.S. dollar:	April 1, 2016	¥112.68	→	March 31, 2017	¥112.19
yen/euro:	April 1, 2016	¥127.70	→	March 31, 2017	¥119.79

(ii) Investment Policies of the Company

The Company worked to secure stable funds, paying attention to safety and cashability (liquidity).
The Company does not hold securitized products at all, including those backed by subprime loans in the United States.

(iii) Investment Results

The balance of general account assets at the end of the fiscal year ended March 31, 2017 was ¥24,377 million, and the asset portfolio consisted of deposits of ¥22,407 million and bonds of ¥1,060 million.
Net investment income came to ¥1 million.

(2) Asset Composition (millions of yen except percentages)

	As of March 31, 2016		As of March 31, 2017	
	Carrying amount	%	Carrying amount	%
Cash, deposits, and call loans	26,739	89.8	22,407	91.9
Securities repurchased under resale agreements	—	—	—	—
Deposit paid for securities borrowing transactions	—	—	—	—
Monetary claims bought	—	—	—	—
Trading account securities	—	—	—	—
Money held in trust	—	—	—	—
Securities	2,280	7.7	1,060	4.3
Domestic bonds	1,364	4.6	1,060	4.3
Domestic stocks	—	—	—	—
Foreign securities	—	—	—	—
Foreign bonds	—	—	—	—
Foreign stocks and other securities	—	—	—	—
Other securities	916	3.1	—	—
Loans	—	—	—	—
Real estate	—	—	—	—
Deferred tax assets	—	—	—	—
Others	752	2.5	911	3.7
Reserve for possible loan losses	(1)	(0.0)	(1)	(0.0)
Total	29,771	100.0	24,377	100.0
Foreign currency-denominated assets	—	—	—	—

(3) Changes (Increase/Decrease) in Assets (millions of yen)

	Year ended March 31, 2016	Year ended March 31, 2017
Cash, deposits, and call loans	24,489	(4,332)
Securities repurchased under resale agreements	—	—
Deposit paid for securities borrowing transactions	—	—
Monetary claims bought	—	—
Trading account securities	—	—
Money held in trust	—	—
Securities	(600)	(1,220)
Domestic bonds	(601)	(304)
Domestic stocks	—	—
Foreign securities	—	—
Foreign bonds	—	—
Foreign stocks and other securities	—	—
Other securities	0	(916)
Loans	—	—
Real estate	—	—
Deferred tax assets	—	—
Others	311	158
Reserve for possible loan losses	0	0
Total	24,199	(5,393)
Foreign currency-denominated assets	—	—

(4) Investment Income (millions of yen)

		Year ended March 31, 2016	Year ended March 31, 2017
Interest and dividends		2	1
	Interest from bank deposits	—	—
	Interest and dividends from securities	2	1
	Interest from loans	—	—
	Rental income	—	—
	Other interest and dividends	—	—
Gains on trading account securities		—	—
Gains on money held in trust		—	—
Gains on investment in trading securities		—	—
Gains on sale of securities		—	—
	Gains on sale of domestic bonds	—	—
	Gains on sale of domestic stocks	—	—
	Gains on sale of foreign securities	—	—
	Others	—	—
Gain on redemption of securities		—	—
Derivative transaction gains		—	—
Foreign exchange gains		—	—
Reversal of reserve for possible loan losses		0	0
Other investment income		—	—
Total		2	1

(5) Investment Expense (millions of yen)

		Year ended March 31, 2016	Year ended March 31, 2017
Interest expenses		0	0
Losses on trading account securities		—	—
Losses on money held in trust		—	—
Losses on investment in trading securities		—	—
Losses on sale of securities		—	—
	Losses on sale of domestic bonds	—	—
	Losses on sale of domestic stocks	—	—
	Losses on sale of foreign securities	—	—
	Others	—	—
Losses on valuation of securities		—	—
	Losses on valuation of domestic bonds	—	—
	Losses on valuation of domestic stocks	—	—
	Losses on valuation of foreign securities	—	—
	Others	—	—
Loss on redemption of securities		—	—
Derivative transaction losses		—	—
Foreign exchange losses		—	—
Provision for reserve for possible loan losses		—	—
Write-down of loans		—	—
Depreciation of real estate for rent and others		—	—
Other investment expenses		—	—
Total		0	0

(6) Other Information on Investments

(i) Rates of return (%)

	Year ended March 31, 2016	Year ended March 31, 2017
Cash, deposits, and call loans	—	—
Securities repurchased under resale agreements	—	—
Deposit paid for securities borrowing transactions	—	—
Monetary claims bought	—	—
Trading account securities	—	—
Money held in trust	—	—
Securities	0.09	0.11
Domestic bonds	0.13	0.15
Domestic stocks	—	—
Foreign securities	—	—
Loans	—	—
Real estate	—	—
Total of general account	0.01	0.01
Foreign investments	—	—

Note: The rates of return above are calculated by dividing the net investment income included in ordinary profit by the average daily balance on a book value basis.

(ii) Valuation gains and losses on trading securities

Not applicable.

(iii) Fair Value Information on Securities (securities with fair value except for trading securities)

(millions of yen)

	As of March 31, 2016					As of March 31, 2017				
	Book value	Fair Value	Gains (losses)			Book value	Fair Value	Gains (losses)		
				Gains	Losses				Gains	Losses
Held-to-maturity bonds	—	—	—	—	—	300	297	(2)	0	2
Policy-reserve-matching bonds	—	—	—	—	—	—	—	—	—	—
Stocks of subsidiaries and affiliated companies	—	—	—	—	—	—	—	—	—	—
Available-for-sale securities	2,276	2,280	3	3	—	759	760	1	1	0
Domestic bonds	1,360	1,364	3	3	—	759	760	1	1	0
Domestic stocks	—	—	—	—	—	—	—	—	—	—
Foreign securities	—	—	—	—	—	—	—	—	—	—
Foreign bonds	—	—	—	—	—	—	—	—	—	—
Foreign stocks and other securities	—	—	—	—	—	—	—	—	—	—
Other securities	916	916	—	—	—	—	—	—	—	—
Monetary claims bought	—	—	—	—	—	—	—	—	—	—
Certificates of deposit	—	—	—	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—	—	—	—
Total	2,276	2,280	3	3	—	1,059	1,058	(1)	1	2
Domestic bonds	1,360	1,364	3	3	—	1,059	1,058	(1)	1	2
Domestic stocks	—	—	—	—	—	—	—	—	—	—
Foreign securities	—	—	—	—	—	—	—	—	—	—
Foreign bonds	—	—	—	—	—	—	—	—	—	—
Foreign stocks and other securities	—	—	—	—	—	—	—	—	—	—
Other securities	916	916	—	—	—	—	—	—	—	—
Monetary claims bought	—	—	—	—	—	—	—	—	—	—
Certificates of deposit	—	—	—	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—	—	—	—

Book values of securities for which it is not practicable to determine fair value are as follows:

(millions of yen)

		As of March 31, 2016	As of March 31, 2017
Held-to-maturity bonds		—	—
	Unlisted foreign bonds	—	—
	Others	—	—
Policy-reserve-matching bonds		—	—
Stocks of subsidiaries and affiliated companies		—	—
Available-for-sale securities		—	—
	Unlisted domestic stocks (except over-the-counter stocks)	—	—
	Unlisted foreign stocks (except over-the-counter stocks)	—	—
	Unlisted foreign bonds	—	—
	Others	—	—
Total		—	—

(ⅳ) Fair Value Information on Money Held in Trust

Not applicable.

5. Unaudited Non-Consolidated Balance Sheet

(millions of yen)

	As of March 31, 2016	As of March 31, 2017		As of March 31, 2016	As of March 31, 2017
	Amount	Amount		Amount	Amount
(ASSETS)			**(LIABILITIES)**		
Cash and deposits	**26,739**	**22,407**	**Policy reserves and others**	**999**	**1,804**
Deposits	26,739	22,407	Reserves for outstanding claims	116	153
Securities	**2,280**	**1,060**	Policy reserves	882	1,650
Government bonds	1,364	660	**Reinsurance payable**	**28**	**27**
Corporate bonds	**—**	399	**Other liabilities**	**1,370**	**1,123**
Other securities	916	**—**	Corporate income tax payable	1	7
Tangible fixed assets	**221**	**175**	Accounts payable	0	21
Leased assets	12	5	Accrued expenses	1,352	1,083
Other	209	169	Deposits received	1	0
Intangible fixed assets	**3**	**3**	Lease liabilities	12	6
Software	3	3	Suspense receipt	2	4
Other	0	0	**Reserve for employees' retirement benefits**	**6**	**—**
Reinsurance receivables	**36**	**11**	**Reserve for price fluctuations**	**20**	**7**
Other assets	**491**	**720**	**Deferred tax liabilities**	**1**	**0**
Accounts receivable	215	475	**Total liabilities**	**2,425**	**2,963**
Prepaid expenses	0	0	**(NET ASSETS)**		
Accrued revenue	0	0	**Capital stock**	**25,100**	**25,100**
Deposits	130	130	**Capital surplus**	**17,100**	**17,100**
Suspense payments	1	**—**	Legal capital surplus	17,100	17,100
Other assets	142	113	**Retained earnings**	**(14,856)**	**(20,786)**
Reserve for possible loan losses	**(1)**	**(1)**	Other retained earnings	(14,856)	(20,786)
			Retained earnings brought forward	(14,856)	(20,786)
			Total shareholders' equity	**27,343**	**21,413**
			Net unrealized gains (losses) on securities, net of tax	**2**	**0**
			Total of valuation and translation adjustments	**2**	**0**
			Total net assets	**27,346**	**21,414**
Total assets	**29,771**	**24,377**	**Total liabilities and net assets**	**29,771**	**24,377**

(Notes to Balance Sheet as of March 31, 2017)

1 Securities are evaluated as follows. Held-to-maturity bonds are evaluated by the amortized cost method (straight-line method) based on the moving average method, and available-for-sale securities with market value are evaluated by the market value method (costs are calculated by the moving average method) based on the market price, etc. on the last day of March. Regarding securities whose market value is deemed to be extremely difficult to identify, government and corporate bonds whose premium or discount represents the interest adjustment are evaluated by the amortized cost method (straight-line method) based on the moving average method, and other securities are evaluated by the cost method based on the moving average method.
Net unrealized gains or losses on these available-for-sale securities are presented as a separate component of net assets and not in the non-consolidated statement of earnings.

2 Depreciation of Depreciable Assets
(i) Depreciation of Tangible Fixed Assets Excluding Leased Assets
Depreciation of property, plant and equipment is calculated using the declining balance method.
(ii) Depreciation of Leased Assets
Depreciation of leased assets with regard to finance leases whose ownership does not transfer to the lessees is computed under the straight-line method assuming zero remaining value.
(iii) Amortization of Intangible Fixed Assets Excluding Leased Assets
Amortization of software is calculated by the straight-line method, based on the estimated useful life of the software.

3 Reserve for Possible Loan Losses
To prepare for possible loan losses, the reserve for possible loan losses is calculated based on the asset quality assessment regulations, the internal rules for self-assessment, the write-offs and reserves recording regulations, and the internal rules for write-offs and reserves that have been established by the Company.
For loans to and claims on obligors for which the Company has serious concerns over their recoverability or whose value is assessed by the Company to have been damaged materially as a result of the assessment of individual loans or claims, the amount that is deemed necessary is provided.

4 Reserve for Price Fluctuations
A reserve for price fluctuations is calculated in accordance with the provisions of Article 115 of the Insurance Business Act.

5 Calculation of National and Local Consumption Tax
The Company accounts for national and local consumption tax by the tax-inclusion method.

6 Policy Reserves
Policy reserves of the Company are established in accordance with Article 116 of the Insurance Business Act. Insurance premium reserves are calculated as follows:
(i) Reserves for policies subject to the standard policy reserve rules are calculated based on the methods stipulated by the Commissioner of the Financial Services Agency (Notification of the Minister of Finance No. 48, 1996).
(ii) Reserves for other policies are established based on the net level premium method.

7 The basic policy of the Company is to aim for effective asset management conforming to the diversification of the investment environment and asset management by conducting appropriate income and risk management and working to strengthen risk management from the perspective of maintaining the soundness of business in asset management. Based on this policy, the Company manages assets by paying attention to their safety and cashability (liquidity).
As major financial products, securities are exposed to market risk and credit risk.
The Company manages the market risk by measuring its amount based on value-at-risk (VaR), which is a typical method of measurement. The Company also manages the credit risk by regularly surveying the credit standing of individual investments.

The carrying amounts on the balance sheet, the fair values and differences of major financial assets are as follows:

(millions of yen)

	Value on Balance Sheet	Fair Value	Difference
(1) Cash and deposits	22,407	22,407	—
(2) Securities	1,060	1,058	(2)
Held-to-maturity bonds	300	297	(2)
Available-for-sale securities	760	760	—

(1) Cash and deposits
The fair value of cash and deposits is calculated by the book value because the fair value is almost the same as the book value.
(2) Securities
The fair value of securities is calculated by the market value as of March 31, 2017.

8 The accumulated depreciation of property, plant and equipment as of March 31, 2017 was ¥144 million.

9 The total amount of payables to subsidiaries and affiliated companies was ¥1 million.

10 The total amounts of deferred tax assets and deferred tax liabilities were ¥4,187 million and ¥0 million, respectively, as of March 31, 2017. The full amount of deferred tax assets is subtracted as valuation allowances.
The major components of deferred tax assets were insurance policy reserves of ¥163 million, the amount of excess depreciation of ¥1,476 million and tax losses carried forward of ¥2,535 million.
The major component of deferred tax liabilities was net unrealized gains on securities, net of tax.
The actual effective tax rate for the fiscal year ended March 31, 2017 was -0.12%, and the major component of the difference from the statutory tax rate of 28.24% was -28.20% for valuation allowances.

11 Reinsurance
The amount of reserves for outstanding claims for reinsured parts defined in Article 71, Paragraph 1 of the Enforcement Regulations of the Insurance Business Act, which is referred to in Article 73, Paragraph 3 of the Regulations (hereinafter "reserves for outstanding claims reinsured") was ¥20 million. The amount of policy reserves provided for reinsured parts defined in Article 71, Paragraph 1 of the Regulations (hereinafter "policy reserves reinsured") was ¥53 million.

12 The amount of net assets per share of the Company was ¥8,922.57.

13 The estimated future obligations of the Company to the Life Insurance Policyholders Protection Corporation of Japan under Article 259 of the Insurance Business Act were ¥71 million as of March 31, 2017.
These obligations will be recognized as operating expenses in the period in which they are paid.

14 Amounts are rounded off to the unit stated.

6. Unaudited Non-Consolidated Statement of Earnings

(millions of yen)

	Year ended March 31, 2016	Year ended March 31, 2017
	Amount	Amount
ORDINARY REVENUES	**3,940**	**4,798**
Premium and other income	**3,892**	**4,789**
Premium income	3,796	4,694
Reinsurance income	96	95
Investment income	**2**	**1**
Interest and dividends	2	1
Interest and dividends from securities	2	1
Reversal of reserve for possible loan losses	0	0
Other ordinary revenues	**45**	**7**
Reversal of reserve for employees' retirement benefits	34	6
Other	10	1
ORDINARY EXPENSES	**11,049**	**10,734**
Benefits and claims	**1,343**	**1,395**
Claims	964	955
Benefits	245	317
Surrender values	—	0
Other refunds	5	6
Ceding reinsurance commissions	128	115
Provision for policy reserves and others	**154**	**805**
Provision for reserves for outstanding claims	60	37
Provision for policy reserves	94	768
Investment expenses	**0**	**0**
Interest expenses	0	0
Operating expenses	**9,346**	**8,427**
Other ordinary expenses	**203**	**105**
National and local taxes	125	30
Depreciation	67	75
Other ordinary expenses	11	0
ORDINARY PROFIT (LOSS)	**(7,109)**	**(5,935)**
EXTRAORDINARY GAINS	**—**	**12**
Gains on disposal of fixed assets	**—**	**0**
Reversal of reserve for price fluctuations	**—**	**12**
EXTRAORDINARY LOSSES	**2**	**0**
Losses on disposal of fixed assets	**1**	**0**
Provision for reserve for price fluctuations	**0**	**—**
Income (loss) before income taxes	**(7,111)**	**(5,922)**
Corporate income taxes - current	**4**	**7**
Total of corporate income taxes	**4**	**7**
Net income (loss) for the year	**(7,116)**	**(5,929)**

(Notes to Statement of Income)

1 Total amount of expenses arising from transactions with subsidiaries and affiliated companies was ¥16 million.

2 In calculating the provision for reserves for outstanding claims, a provision for reserves for outstanding claims reinsured of ¥10 million was subtracted.
In the calculation of the provision for policy reserves, the amount of reversal of policy reserves corresponding to the reinsured parts that are tallied is ¥2 million.

3 The amount of loss per share was ¥2,470.82.

4 Amounts are rounded off to the unit stated.

7. Breakdown of Ordinary Profit (Fundamental Profit)

(millions of yen)

	Year ended March 31, 2016	Year ended March 31, 2017
Fundamental profit (loss) A	(7,136)	(5,866)
Capital gains	—	—
Gains on money held in trust	—	—
Gains on investments in trading securities	—	—
Gains on sale of securities	—	—
Derivative transaction gains	—	—
Foreign exchange gains	—	—
Others	—	—
Capital losses	—	—
Losses on money held in trust	—	—
Losses on investment in trading securities	—	—
Losses on sale of securities	—	—
Losses on valuation of securities	—	—
Derivative transaction losses	—	—
Foreign exchange losses	—	—
Others	—	—
Net capital gains (losses) B	—	—
Fundamental profit plus net capital gains (losses) A + B	(7,136)	(5,866)
Other one-time gains	27	0
Reinsurance income	—	—
Reversal of contingency reserve	26	—
Reversal of specific reserve for possible loan losses	0	0
Others	—	—
Other one-time losses	—	68
Ceding reinsurance commissions	—	—
Provision for contingency reserve	—	68
Provision for specific reserve for possible loan losses	—	—
Provision for specific reserve for loans to refinancing countries	—	—
Write-down of loans	—	—
Others	—	—
Other one-time profits (losses) C	27	(68)
Ordinary profit (loss) A + B + C	(7,109)	(5,935)

8. Unaudited Non-Consolidated Statement of Changes in Net Assets

Year ended March 31, 2016 (millions of yen)

	Shareholders' equity			
	Capital stock	Capital surplus	Retained earnings	Total shareholders' equity
		Legal capital surplus	Other retained earnings	
			Retained earnings brought forward	
Balance at the beginning of the year	10,100	2,100	(7,740)	4,459
Changes for the year				
Issuance of new shares	15,000	15,000		30,000
Net loss for the year			7,116	7,116
Net changes of items other than shareholders' equity				
Total changes for the year	15,000	15,000	(7,116)	22,883
Balance at the end of the year	25,100	17,100	(14,856)	27,343

	Valuation and translation adjustments		Total net assets
	Net unrealized gains (losses) on securities, net of tax	Total of valuation and translation adjustments	
Balance at the beginning of the year	1	1	4,461
Changes for the year			
Issuance of new shares			30,000
Net loss for the year			7,116
Net changes of items other than shareholders' equity	1	1	1
Total changes for the year	1	1	22,884
Balance at the end of the year	2	2	27,346

Year ended March 31, 2017 (millions of yen)

	Shareholders' equity			
	Capital stock	Capital surplus	Retained earnings	Total shareholders' equity
		Legal capital surplus	Other retained earnings	
			Retained earnings brought forward	
Balance at the beginning of the year	25,100	17,100	(14,856)	27,343
Changes for the year				
Net loss for the year			5,929	5,929
Net changes of items other than shareholders' equity				
Total changes for the year	—	—	(5,929)	(5,929)
Balance at the end of the year	25,100	17,100	(20,786)	21,413

	Valuation and translation adjustments		Total net assets
	Net unrealized gains (losses) on securities, net of tax	Total of valuation and translation adjustments	
Balance at the beginning of the year	2	2	27,346
Changes for the year			
Net loss for the year			5,929
Net changes of items other than shareholders' equity	(1)	(1)	(1)
Total changes for the year	(1)	(1)	(5,931)
Balance at the end of the year	0	0	21,414

(Notes to Statement of Changes in Net Assets)

1. Type and Number of Shares Outstanding

(thousands of shares)

	At the beginning of the fiscal year ended March 31, 2017	Increase	Decrease	As of March 31, 2017
Shares outstanding				
Common stock	2,400	—	—	2,400

2. Stock Acquisition Rights and Own Stock Acquisition Rights
Not applicable.

3. Dividends paid
Not applicable.

4. Amounts are rounded off to the unit stated.

9. Disclosed Claims Based on Categories of Obligors

Not applicable.

10. Risk-Monitored Loans

Not applicable.

11. Solvency Margin Ratio

(millions of yen)

		As of March 31, 2016	As of March 31, 2017
Total solvency margin	(A)	27,795	21,919
Common stock, etc.		27,343	21,413
Reserve for price fluctuations		20	7
Contingency reserve		428	497
General reserve for possible loan losses		—	—
(Net unrealized gains (losses) on securities (before tax) and deferred hedge gains (losses) (before tax)) × 90% (Multiplied by 100% if losses)		3	0
Net unrealized gains (losses) on real estate × 85% (Multiplied by 100% if losses)		—	—
Policy reserves in excess of surrender values		—	—
Qualifying subordinated debt		—	—
Excluded portion of policy reserve in excess of surrender values and qualifying subordinated debt		—	—
Brought-in capital, etc.		—	—
Excluded items		—	—
Others		—	—
Total Risk $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	(B)	557	574
Insurance risk	R_1	336	344
3rd sector insurance risk	R_8	89	150
Assumed investment yield risk	R_2	0	0
Guaranteed minimum benefit risk	R_7	—	—
Investment risk	R_3	323	244
Business risk	R_4	22	22
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$		9,969.9%	7,636.9%

(Note) The figures above are calculated based on Articles 86 and 87 of the Enforcement Regulations of the Insurance Business Act, and Announcement No. 50, Ministry of Finance, 1996.

<Reference> Actual difference between assets and liabilities

(millions of yen)

		As of March 31, 2016	As of March 31, 2017
Total amount that is to be reported in assets	(1)	29,771	24,375
Amount calculated based on total amount that is to be reported in liabilities	(2)	1,927	1,909
Actual difference between assets and liabilities	(1) – (2)	27,844	22,466

12. Status of Separate Account for the Fiscal Year Ended March 31, 2017

Not applicable.

13. Consolidated Financial Summary

Not applicable.