

SUMMARY OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

May 20, 2016

Name of Listed Company: **MS&AD Insurance Group Holdings, Inc.**
 Stock Exchange Listing: Tokyo Stock Exchange and Nagoya Stock Exchange
 Securities Code Number: 8725
 URL: <http://www.ms-ad-hd.com>
 Representative: Yasuyoshi Karasawa, President
 Contact: Noriyuki Horie, Manager, Consolidated Accounting Section, Accounting Department
 Telephone: 03-5117-0305

Scheduled date to hold the ordinary general meeting of shareholders: June 22, 2016
 Scheduled date to file the Securities Report: June 22, 2016
 Scheduled date to commence dividend payments: June 23, 2016
 Explanatory material for business results: Available
 IR Conference (for institutional investors and analysts): To be held

(Note) Amounts of less than one million yen are truncated.

1. Consolidated Financial Highlights for the Year Ended March 31, 2016 (April 1, 2015 to March 31, 2016)

(1) Consolidated business performance (Yen in millions)

	Ordinary income		Ordinary profit/(loss)		Net income/(loss) attributable to owners of the parent	
Year ended March 31, 2016	5,013,038	6.9 %	291,578	1.6 %	181,516	33.2 %
Year ended March 31, 2015	4,689,658	7.5 %	287,061	50.9 %	136,247	45.8 %

Percent figures represent changes from the corresponding period of the preceding year.

(Note) Comprehensive income/(loss) For the year ended March 31, 2016: ¥ (233,116) million (128.9) %
 For the year ended March 31, 2015: ¥ 807,972 million 150.3 %

(Yen)

	Net income/(loss) attributable to owners of the parent per share - Basic	Net income/(loss) attributable to owners of the parent per share - Diluted	Return on equity	Ordinary profit/(loss) to total assets	Ordinary profit/(loss) to ordinary income
Year ended March 31, 2016	298.72	-	6.4 %	1.5 %	5.8 %
Year ended March 31, 2015	221.34	-	5.2 %	1.6 %	6.1 %

(Reference) Gains/(losses) on equity method investments For the year ended March 31, 2016: ¥ 2,245 million
 For the year ended March 31, 2015: ¥ 1,302 million

(2) Consolidated financial conditions (Yen in millions)

	Total assets	Net assets	Ratio of net assets less non-controlling interests to total assets	Net assets less non-controlling interests per share (Yen)
March 31, 2016	20,303,649	2,725,274	13.3 %	4,469.58
March 31, 2015	18,788,046	3,036,663	16.0 %	4,911.40

(Reference) Net assets less non-controlling interests As of March 31, 2016: ¥ 2,698,168 million
 As of March 31, 2015: ¥ 3,006,712 million

(3) Consolidated cash flows (Yen in millions)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Ending balance of cash and cash equivalents
Year ended March 31, 2016	1,291,017	(1,217,980)	199,075	1,056,407
Year ended March 31, 2015	628,184	(410,671)	(58,941)	805,455

2. Dividends

	Dividends per share (Yen)					Total annual dividends (Yen in millions)	Dividend pay-out ratio (Consolidated)	Dividends on net assets (Consolidated)
	1st quarter	2nd quarter	3rd quarter	4th quarter	Annual total			
Year ended March 31, 2015	-	29.00	-	36.00	65.00	39,900	29.4 %	1.5 %
Year ended March 31, 2016	-	35.00	-	55.00	90.00	54,447	30.1 %	1.9 %
Year ending March 31, 2017 (Forecast)	-	50.00	-	50.00	100.00		33.0 %	

3. Consolidated Earnings Forecasts for the Year Ending March 31, 2017 (April 1, 2016 to March 31, 2017)

(Yen in millions)

	Ordinary profit		Net income attributable to owners of the parent		Net income attributable to owners of the parent per share (Yen)
Year ending March 31, 2017	285,000	(2.3) %	183,000	0.8 %	303.14

Percent figures represent changes from the preceding year.

*** Notes**

(1) Changes in significant subsidiaries for the period (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

Increase 5 (MS Amlin plc, Amlin Investments Limited, MS Amlin (Overseas Holdings) Limited,
Amlin Bermuda Holdings, Ltd., Solo Absolute Bonds and Currency Fund)

Decrease 0

(2) Changes in accounting policies and accounting estimates and restatements

1. Changes in accounting policies due to revisions of accounting standards: None

2. Changes in accounting policies other than above: Yes

3. Changes in accounting estimates: Yes

4. Restatements: None

(Note) The Company has changed the depreciation method of tangible fixed assets since the current consolidated fiscal year, and it meets the definition of “changes in accounting policies which are difficult to distinguish from changes in accounting estimates”. For details, please refer to “(5) Notes to Consolidated Financial Statements (Changes in Accounting Policies which are Difficult to Distinguish from Changes in Accounting Estimates)” on page 16 of the Appendix.

(3) Number of shares of issued stock (common stock)

1. Number of shares of issued stock (including treasury stock)

As of March 31, 2016: 633,291,754 shares

As of March 31, 2015: 633,291,754 shares

2. Number of shares of treasury stock

As of March 31, 2016: 29,618,854 shares

As of March 31, 2015: 21,101,354 shares

3. Average number of shares of outstanding stock

For the year ended March 31, 2016: 607,639,707 shares

For the year ended March 31, 2015: 615,548,729 shares

*** Disclosure regarding the execution of the audit process**

This report is outside the scope of the external auditor's audit process required by “Financial Instruments and Exchange Act” and the audit process for the consolidated and non-consolidated financial statements under “Financial Instruments and Exchange Act” has not been completed as of the disclosure date of the report.

*** Notes to the earnings forecasts and others**

(Earnings forecasts)

Any earnings forecasts in this report have been made based on the information available to the Company as of the disclosure date of the report and certain assumptions, and therefore do not guarantee future performance. Actual results may differ substantially from these forecasts depending on various factors. For key assumptions of the earnings forecasts and other relevant information, please refer to “Consolidated Earnings Forecasts for the Year Ending March 31, 2017” on page 3 of the Appendix. The forecasts of consolidated ordinary income for the fiscal year and consolidated earnings for the second quarter (cumulative) are not disclosed due to difficulties in calculating reasonable forecast figures stemming from a high susceptibility to natural disasters and market conditions.

(Others)

The provisional accounting treatment of the business combination occurring in the year ended March 31, 2015 was finalized in the year ended March 31 2016, which is reflected in this report.

Contents

	Page
1. Analysis of Business Performance and Financial Conditions	
(1) Analysis of Business Performance	2
(2) Analysis of Financial Conditions	3
(3) Basic Policy Regarding Profit Distribution, and Dividends for the Current and Next Fiscal Years	4
2. Management Policies	
(1) Basic Management Policies	5
(2) Numerical Management Targets	5
(3) Medium- to Long-term Management Strategies and Issues to Address	5
3. Basic Stance for Adopting Accounting Standards	6
4. Consolidated Financial Statements	
(1) Consolidated Balance Sheets	7
(2) Consolidated Statements of Income and Comprehensive Income	9
(3) Consolidated Statements of Changes in Net Assets	12
(4) Consolidated Statements of Cash Flows	14
(5) Notes to Consolidated Financial Statements	
(Notes to Going Concern Assumptions)	16
(Changes in Accounting Policies which are Difficult to Distinguish from Changes in Accounting Estimates)	16
(Change in Presentation)	16
(Additional Information)	16
(Notes to Segment Information)	17
(Notes to Investments in Securities)	24
(Notes to Derivative Financial Instruments)	28
(Notes to Par Share Information)	37
(Notes to Significant Subsequent Events)	37

[Attachment]

Explanatory Material for Business Results for the Year Ended March 31, 2016

1. Analysis of Business Performance and Financial Conditions

(1) Analysis of Business Performance

(Business performance in the fiscal year under review)

During the current fiscal year, there were significant changes in the global economy as a whole, notably the slowdown in emerging economies including China, although there was a rebound in consumer spending in the United States.

In Japan, meanwhile, the recovery of consumer spending and capital expenditure has been sluggish despite some indications of improvement in corporate earnings centered on the employment and income environment and non-manufacturing industries.

In the non-life insurance industry, premiums written increased mainly in fire insurance and voluntary automobile insurance.

In the life insurance industry, the number of policies in force increased because the decline in the amount of individual insurance policies in force eased.

In such business environment, and based on the “Next Challenge 2017” medium-term management plan that began in fiscal 2014, the Group has been working to enhance the enterprise value of the Group as a whole, with efforts focused primarily around promotion of ERM (Enterprise Risk Management), aiming sustainable growth and improving profitability and capital efficiency with a foundation of soundness. Mitsui Sumitomo Insurance Co., Ltd. and Aioi Nissay Dowa Insurance Co., Ltd. have also joined forces in the development of products and proceeded in the establishment of joint offices to facilitate the payment of insurance claims in the event of a large-scale disaster with initiatives to reorganization by function. In addition, we have worked on extending a corporate culture in which people can take on challenges as professionals, and developing our human assets which supports our global business development.

The Company established the MS&AD Insurance Group Basic Policies on Corporate Governance and made efforts to further enhance the corporate governance system by increasing the ratio of independent outside directors by one-third.

Likewise, the Company reinforced its management structure over group companies as a holding company that oversees the Group's business in areas such as the establishment of management strategies for the entire group and enhancement of risk management and compliance systems.

As a result of these efforts, earnings for the current consolidated fiscal year to date are as follows.

Underwriting income was ¥4,606.5 billion, investment income was ¥389.5 billion and other ordinary income was ¥16.8 billion, resulting in total ordinary income of ¥5,013.0 billion. At the same time, ordinary expenses amounted to ¥4,721.4 billion, including ¥3,904.2 billion in underwriting expenses, ¥210.7 billion in investment expenses, ¥590.8 billion in operating expenses and general and administrative expenses, and other ordinary expenses amounting to ¥15.6 billion.

As a result, the Company posted an ordinary profit of ¥291.5 billion, an increase of ¥4.5 billion over the previous fiscal year. After factoring in extraordinary income and losses, income taxes and other items, net income rose by ¥45.2 billion over the previous fiscal year to ¥181.5 billion.

Summaries of each business segment are given below.

1) Domestic Non-life Insurance Business (Mitsui Sumitomo Insurance Co., Ltd.)

Ordinary income was ¥1,822.7 billion after recording underwriting income of ¥1,629.6 billion, investment income of ¥187.4 billion, and other ordinary income of ¥5.6 billion. Meanwhile, ordinary expenses came to ¥1,654.8 billion resulting from underwriting expenses of ¥1,405.2 billion, investment expenses of ¥26.7 billion, operating expenses and general and administrative expenses of ¥215.1 billion, and other ordinary expenses of ¥7.7 billion.

As a result, ordinary profit was ¥167.8 billion with a decrease of ¥3.4 billion from the previous fiscal year. After factoring in extraordinary income and losses, income taxes and other factors to ordinary profit, net income came to ¥113.9 billion with an increase of ¥24.8 billion from the previous fiscal year.

2) Domestic Non-life Insurance Business (Aioi Nissay Dowa Insurance Co., Ltd.)

Ordinary income was ¥1,309.9 billion after recording underwriting income of ¥1,243.0 billion, investment income of ¥60.7 billion, and other ordinary income of ¥6.1 billion. Meanwhile, ordinary expenses came to ¥1,248.2 billion resulting from underwriting expenses of ¥1,031.8 billion, investment expenses of ¥20.3 billion, operating expenses and general and administrative expenses of ¥193.6 billion, and other ordinary expenses of ¥2.4 billion.

As a result, ordinary profit was ¥61.7 billion with a decrease of ¥7.2 billion from the previous fiscal year. After factoring in extraordinary income and losses, income taxes and other factors to ordinary profit, net income came to ¥31.0 billion with a decrease of ¥8.3 billion from the previous fiscal year.

3) Domestic Non-life Insurance Business (Mitsui Direct General Insurance Co., Ltd.)

Ordinary income was ¥36.7 billion after recording underwriting income of ¥36.5 billion and others, meanwhile, ordinary expenses came to ¥42.0 billion resulting from underwriting expenses of ¥34.2 billion and operating expenses and general and administrative expenses of ¥7.7 billion.

As a result, ordinary loss was ¥5.3 billion with a decrease of ¥1.1 billion from ordinary loss in the previous fiscal year. Consequently, net loss after taking ownership interests into account (net loss by segment) was ¥4.3 billion with a decrease of ¥1.1 billion from net loss in the previous fiscal year.

4) Domestic Life Insurance Business (Mitsui Sumitomo Aioi Life Insurance Co., Ltd.)

Ordinary income was ¥512.5 billion after recording insurance premiums and others of ¥462.2 billion, investment income of ¥47.7 billion, and other ordinary income of ¥2.5 billion. Meanwhile, ordinary expenses came to ¥493.9 billion resulting from insurance claims and others of ¥175.2 billion, provision for underwriting reserves and others of ¥230.3 billion, investment expenses of ¥2.0 billion, operating expenses of ¥75.0 billion, and other ordinary expenses of ¥11.1 billion.

As a result, ordinary profit was ¥18.6 billion with an increase of ¥2.7 billion from the previous fiscal year. After factoring in extraordinary income and losses, income taxes and other factors to ordinary profit, net income of ¥6.0 billion was reported with an increase of ¥1.6 billion from the previous fiscal year.

5) Domestic Life Insurance Business (Mitsui Sumitomo Primary Life Insurance Co., Ltd.)

Ordinary income was ¥1,366.2 billion after recording insurance premiums and others of ¥1,300.1 billion, investment income of ¥62.8 billion, and other ordinary income of ¥3.1 billion. Meanwhile, ordinary expenses came to ¥1,326.2 billion resulting from insurance claims and others of ¥638.5 billion, provision for underwriting reserves and others of ¥424.9 billion, investment expenses of ¥160.4 billion, operating expenses of ¥90.0 billion, and other ordinary expenses of ¥12.2 billion.

As a result, ordinary profit was ¥39.9 billion with an increase of ¥22.1 billion from the previous fiscal year. After factoring in extraordinary income and losses, income taxes and other factors to ordinary profit, net income came to ¥17.8 billion with an increase of ¥5.4 billion from the previous fiscal year.

6) International Business (Overseas Insurance Subsidiaries)

Net premiums written in the overseas insurance subsidiaries segment rose by ¥43.6 billion compared to the previous fiscal year to ¥336.8 billion.

Ordinary profit came to ¥37.6 billion with a decrease of ¥7.2 billion from the previous fiscal year, and net income (net income by segment) came to ¥28.5 billion with a decrease of ¥6.4 billion from the previous fiscal year.

(Consolidated Earnings Forecasts for the Year Ending March 31, 2017)

Based on the assumptions below, the Company forecasts ordinary profit of ¥285.0 billion and net income attributable to owners of the parent of ¥183.0 billion on a consolidated basis for the year ending March 31, 2017.

- The forecast of net premiums written is based on the Company's own estimate taking into account the trends in the consolidated business results.
- Incurred losses (the sum total of net claims paid and provision for outstanding claims) in relation to new domestic natural disasters excluding residential earthquake insurance are projected to be ¥40.0 billion at Mitsui Sumitomo Insurance Co., Ltd. and ¥22.5 billion at Aioi Nissay Dowa Insurance Co., Ltd. Among them, incurred losses of ¥10.0 billion at Mitsui Sumitomo Insurance Co., Ltd. and ¥2.5 billion at Aioi Nissay Dowa Insurance Co., Ltd. are for the 2016 Kumamoto earthquake.
- Market interest rates, currency exchange rates, and stock prices are assumed not to change substantially from the end of March 2016.

The Company's consolidated earnings forecasts have been prepared based on certain assumed conditions, including those above, but actual results may differ substantially from these forecasts depending on various factors.

(2) Analysis of Financial Conditions

Total assets as at March 31, 2016 stood at ¥20,303.6 billion with an increase of ¥1,515.6 billion from the end of the previous fiscal year, and net assets stood at ¥2,725.2 billion with a decrease of ¥311.3 billion mainly due to a decrease in net unrealized gains on investments in securities.

With regard to cash flows in the fiscal year under review, net cash flows provided by operating activities increased by ¥662.8 billion over the previous year to ¥1,291.0 billion due to an increase in premium income. Net cash flows used in investing activities increased by ¥807.3 billion from the previous year to ¥1,217.9 billion, due in part to the acquisition of shares in subsidiaries in conjunction with changes in the scope of our consolidated subsidiaries. Net cash flows used in financing activities was ¥199.0 billion, an increase of ¥258.0 billion from the previous fiscal year, profiting in part from proceeds from loans payable. As a result, ending balance of cash and cash equivalents in the fiscal year under review stood at ¥1,056.4 billion with an increase of ¥250.9 billion from the previous fiscal year.

Cash flows-related indices are shown below.

(Unit: %)

	March 31, 2012	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016
Equity ratio ^(Note 1)	10.3	12.6	13.4	16.0	13.3
Equity ratio based on market value ^(Note 2)	7.4	8.2	8.9	11.4	9.8

(Notes)

1. Equity ratio: Net assets less non-controlling interests/Total assets × 100
2. Equity ratio based on market value: Market capitalization/Total assets × 100
3. As the major business of the MS&AD Group is insurance business, the ratio of cash flows to interest-bearing debt and the interest coverage ratio are not shown.

In regard to the liquidity of funds, the MS&AD Group maintains sufficient liquid assets in preparation for any deterioration in its cash position due to factors such as the outflow of funds arising from the payment of insurance claims or disruptions in markets. It also evaluates liquidity in terms of both assets and liabilities based on trends regarding the inflow and outflow of funds, and conducts appropriate cash management.

(3) Basic Policy Regarding Profit Distribution, and Dividends for the Current and Next Fiscal Years

The Company works to achieve management efficiencies through pursuit of group synergies, while enhancing earning power through the promotion of growth strategies. By then providing an appropriate return of profits in line with the Group performance, we hope to respond to the expectations of our shareholders. At the same time, given the nature of the insurance business, we also believe it is necessary that we work to enhance our required internal reserves.

Given this, and based on a policy of maintaining the stability of our per-share dividend level, our goal is to be able to increase our dividend as earning power rises. Our basic policy in the medium run is to use dividends and the repurchase of our own shares to provide returns approximately 50% of Group Core Profit*.

In accordance with the above policy, we plan a year-end dividend for this fiscal year of ¥55 per share, with an increase of ¥19. As a result, combined with the interim dividend of ¥35, the full-year dividend will be ¥90 per share. Regarding the repurchase of our own shares, in addition to the approximately ¥10.0 billion in repurchases approved by the Board of Directors in November 18, 2015, an additional repurchase of shares to a maximum of ¥10.0 billion was approved by the Board of Directors at a meeting held on May 20, 2016.

For the coming fiscal year, given an outlook calling for a continued increase in Group Core Profit, the full-year dividend will be forecast to increase by ¥10 per share, to ¥100. We will also continue to conduct a dynamic, flexible share repurchase program, subject to market conditions and the state of our capital.

With regards to internal reserves, toward the further strengthening our management foundation we will continue to invest proactively in areas of high growth and profitability including M&A, while continuing to pay due attention to financial soundness.

*Note: Group Core Profit is a proprietary indicator the Company uses to indicate the ordinary earning power of the Group as a whole, and based on consolidated net income, it is computed by excluding one-time gains and losses, such as the gains and losses from the sale of long-term shareholdings, etc.

For details, please refer to Page 5, “2. Management Policies.”

2. Management Policies

(1) Basic Management Policies

As aspirations the MS&AD Group endeavors to achieve, we have established “Our Mission,” “Our Vision” and “Our Values,” which are set out below.

Our Mission

To contribute to the development of a vibrant society and help secure a sound future for the earth, by bringing security and safety through the global insurance and financial services business.

Our Vision

To create a world-leading insurance and financial services group that continues to seek sustainable growth and to enhance enterprise value.

Our Values

CUSTOMER FOCUSED: We continuously strive to provide security and achieve customer satisfaction.
INTEGRITY: We are sincere, kind, fair and just in all our dealings with everyone.
TEAMWORK: We achieve mutual growth by respecting one another's individuality and opinions, and by sharing knowledge and ideas.
INNOVATION: We listen to our stakeholders and continuously seek ways to improve our work and business.
PROFESSIONALISM: We make continuous efforts to improve our skills and proficiency to provide high-quality services.

(2) Numerical Management Targets

As Group numerical management targets for demonstrating the performance of the Group as a whole, the Group earmarked consolidated net premiums written, Group Core Profit^(Note 1), and Group ROE^(Note 2), and forecasts for fiscal 2016 are shown below.

	Results for the year ended March 31, 2016	Forecasts for the year ending March 31, 2017
Consolidated net premiums written	¥3,078.9 billion	¥3,445.0 billion
Group Core Profit	¥147.5 billion	¥196.0 billion
Group ROE	5.2%	6.9%

* The figures shown for consolidated net premiums written are presented exclusive of Good Result Return premiums of Mitsui Sumitomo Insurance's proprietary automobile insurance product “ModoRich”.

(Notes)

1. Group Core Profit = Consolidated net income
 - Net capital gains/losses on stock portfolio (gains/losses on sales, etc.)
 - Net evaluation gains/losses on credit derivatives
 - Other incidental factors
 - + Equity in earnings of the non-consolidated group companies
2. Group ROE = Group Core Profit ÷ Consolidated net assets (excluding non-controlling interest; average of beginning and ending balances)

(3) Medium- to Long-term Management Strategies and Issues to Address

With concerns of an ongoing economic slowdown in certain emerging economies and the impact of falling crude oil prices, uncertainty regarding the future of the global economy is expected to increase. In the Japanese economy also, improvement in the employment and income environment is expected to continue on the back of various government policies, the economic outlook does not allow for optimism.

In the insurance industry, although the market is expected to gradually expand, uncertainty in the business environment is expected to prevail for the foreseeable future due to Japan's advancing low birthrate and aging along with the occurrence of large-scale natural disasters. The role of insurance companies are required to play will become increasingly important in responding to advances in ICT including the development of autonomous driving technologies.

Under these conditions, our Group aims to achieve growth and efficiency concurrently and will continue to further expand and enhance business base with the initiatives of Next Challenge 2017, our medium-term management plan, through reorganization by function and promotion of ERM. In short, in addition to implementing products, sales and marketing strategies with an eye to future changes in the environment, we will capitalize on the diversity of the group with its three non-life insurance companies and two life insurance companies and lay the foundations for supporting the sustainable growth of the Group. We will also further strengthen our corporate governance stance in efforts to further improve enterprise value. Finally, through these initiatives, we will create a world-leading insurance and financial services group with a global business reach.

3. Basic Stance for Adopting Accounting Standards

The Group is considering adopting International Financial Reporting Standards (IFRS) to improve international comparability of financial information for the capital market, and necessary actions such as information gathering and examination of introducing process have been conducted. Adoption date has not yet been determined, but it is expected to be decided following the progress in discussion of accounting standards for insurance contracts that are currently under consideration by International Accounting Standards Board and other factors.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Yen in millions)

	March 31, 2015	March 31, 2016
Assets		
Cash, deposits and savings	631,141	1,083,838
Call loans	200,336	31,175
Receivables under resale agreements	36,497	29,999
Receivables under securities borrowing transactions	326,525	275,350
Monetary claims bought	102,636	125,785
Money trusts	541,881	828,097
Investments in securities	14,444,996	14,670,914
Loans	775,816	883,106
Tangible fixed assets:	478,631	477,799
Land	243,662	235,730
Buildings	199,791	204,263
Lease assets	3,393	2,848
Construction in progress	5,226	1,934
Other tangible fixed assets	26,557	33,022
Intangible fixed assets:	181,497	522,081
Software	74,760	82,529
Goodwill	82,944	204,055
Lease assets	52	25
Other intangible fixed assets	23,739	235,470
Other assets	923,712	1,251,615
Assets for retirement benefits	54,762	32,815
Deferred tax assets	40,851	45,871
Customers' liabilities under acceptances and guarantees	59,500	55,500
Bad debt reserve	(10,741)	(10,300)
Total assets	18,788,046	20,303,649
Liabilities		
Policy liabilities:	13,839,481	15,283,850
Outstanding claims	1,491,004	1,967,518
Underwriting reserves	12,348,477	13,316,332
Bonds issued	226,188	349,841
Other liabilities	1,022,609	1,299,598
Liabilities for pension and retirement benefits	138,914	188,853
Reserve for retirement benefits for officers	953	796
Accrued bonuses for employees	23,961	33,589
Reserves under the special laws:	136,738	161,032
Reserve for price fluctuation	136,738	161,032
Deferred tax liabilities	303,036	205,312
Acceptances and guarantees	59,500	55,500
Total liabilities	15,751,383	17,578,374

(Yen in millions)

	March 31, 2015	March 31, 2016
Net assets		
Shareholders' equity:		
Common stock	100,000	100,000
Capital surplus	675,327	670,646
Retained earnings	490,329	628,562
Treasury stock	(49,978)	(80,065)
Total shareholders' equity	1,215,678	1,319,143
Accumulated other comprehensive income/(loss):		
Net unrealized gains/(losses) on investments in securities	1,635,784	1,324,886
Net deferred gains/(losses) on hedges	32,140	40,113
Foreign currency translation adjustments	94,417	22,369
Accumulated actuarial gains/(losses) on retirement benefits	28,690	(8,343)
Total accumulated other comprehensive income/(loss)	1,791,033	1,379,024
Non-controlling interests	29,950	27,106
Total net assets	3,036,663	2,725,274
Total liabilities and net assets	18,788,046	20,303,649

(2) Consolidated Statements of Income and Comprehensive Income

(Consolidated Statements of Income)

(Yen in millions)

	Year ended March 31, 2015	Year ended March 31, 2016
Ordinary income:	4,689,658	5,013,038
Underwriting income:	3,871,177	4,606,563
Net premiums written	2,939,113	3,078,732
Deposit premiums from policyholders	138,799	116,225
Investment income on deposit premiums from policyholders	50,898	48,953
Life insurance premiums	721,705	1,356,334
Reversal of outstanding claims	1,375	-
Other underwriting income	19,285	6,317
Investment income:	803,435	389,582
Interest and dividends income	253,616	268,620
Investment gains on money trusts	89,065	2,879
Gains on sales of securities	157,175	144,405
Gains on redemption of securities	1,840	1,856
Gains on derivative transactions	-	17,237
Investment gains on separate accounts	350,206	-
Other investment income	2,429	3,536
Transfer of investment income on deposit premiums from policyholders	(50,898)	(48,953)
Other ordinary income:	15,044	16,892
Gains on equity method investments	1,302	2,245
Other ordinary income	13,742	14,646
Ordinary expenses:	4,402,596	4,721,460
Underwriting expenses:	3,760,218	3,904,219
Net claims paid	1,650,547	1,627,340
Loss adjustment expenses	156,147	161,666
Commissions and collection expenses	600,326	640,777
Maturity refunds to policyholders	303,288	293,137
Dividends to policyholders	858	1,015
Life insurance claims	346,127	396,259
Provision for outstanding claims	-	27,870
Provision for underwriting reserves	697,300	744,397
Other underwriting expenses	5,621	11,755
Investment expenses:	53,940	210,745
Investment losses on money trusts	109	19,168
Losses on sales of securities	6,507	9,896
Impairment losses on securities	5,164	17,946
Losses on redemption of securities	961	1,062
Losses on derivative transactions	6,342	-
Investment losses on separate accounts	-	76,153
Other investment expenses	34,853	86,518
Operating expenses and general and administrative expenses	577,998	590,839
Other ordinary expenses:	10,439	15,655
Interest expense	7,052	7,432
Loss on bad debts	40	170
Amortization of deferred assets under Article 113 of the Insurance Business Act	236	236
Other ordinary expenses	3,110	7,815
Ordinary profit/(loss)	287,061	291,578

(Yen in millions)

	Year ended March 31, 2015	Year ended March 31, 2016
Extraordinary income:	9,021	17,753
Gains on sales of fixed assets	9,021	2,771
Other extraordinary gains	-	14,982
Extraordinary losses:	76,260	52,238
Losses on sales of fixed assets	4,632	2,572
Impairment losses on fixed assets	1,944	10,129
Provision for reserves under the special laws:	69,684	24,293
Provision for reserve for price fluctuation	69,684	24,293
Other extraordinary losses	-	15,242
Income/(loss) before income taxes	219,822	257,094
Income taxes - current	28,836	62,816
Income taxes - deferred	53,132	12,466
Total income taxes	81,968	75,282
Net income/(loss)	137,853	181,811
Net income/(loss) attributable to non-controlling interests	1,606	294
Net income/(loss) attributable to owners of the parent	136,247	181,516

(Consolidated Statements of Comprehensive Income)

	(Yen in millions)	
	Year ended March 31, 2015	Year ended March 31, 2016
Net income/(loss)	137,853	181,811
Other comprehensive income/(loss):		
Net unrealized gains/(losses) on investments in securities	581,217	(308,774)
Net deferred gains/(losses) on hedges	8,709	7,973
Foreign currency translation adjustments	53,878	(67,259)
Accumulated actuarial gains/(losses) on retirement benefits	18,427	(36,989)
Share of other comprehensive income/(loss) of equity method investments	7,885	(9,877)
Total other comprehensive income/(loss)	670,118	(414,927)
Total comprehensive income/(loss)	807,972	(233,116)
Allocation:		
Comprehensive income/(loss) attributable to owners of the parent	805,117	(230,492)
Comprehensive income/(loss) attributable to non-controlling interests	2,854	(2,623)

(3) Consolidated Statements of Changes in Net Assets

For the year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

(Yen in millions)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Beginning balance	100,000	682,752	385,295	(29,903)	1,138,144
Cumulative effect of changing accounting policies		(7,403)	4,006		(3,396)
Beginning balance (adjusted)	100,000	675,349	389,302	(29,903)	1,134,747
Changes for the year:					
Dividends paid			(35,219)		(35,219)
Net income/(loss) attributable to owners of the parent			136,247		136,247
Repurchase of treasury stock				(20,077)	(20,077)
Disposal of treasury stock		0		2	2
Changes in equity resulted from increase in capital of consolidated subsidiaries					-
Changes in the parent's ownership interests in subsidiaries due to transactions with non-controlling interests		(21)			(21)
Put options granted to non-controlling interests					-
Net changes of items other than shareholders' equity					
Total changes for the year	-	(21)	101,027	(20,074)	80,931
Ending balance	100,000	675,327	490,329	(49,978)	1,215,678

	Accumulated other comprehensive income/(loss)					Non-controlling interests	Total net assets
	Net unrealized gains/(losses) on investments in securities	Net deferred gains/(losses) on hedges	Foreign currency translation adjustments	Accumulated actuarial gains/(losses) on retirement benefits	Total accumulated other comprehensive income/(loss)		
Beginning balance	1,053,222	23,430	35,261	10,266	1,122,180	25,507	2,285,832
Cumulative effect of changing accounting policies					-		(3,396)
Beginning balance (adjusted)	1,053,222	23,430	35,261	10,266	1,122,180	25,507	2,282,435
Changes for the year:							
Dividends paid							(35,219)
Net income/(loss) attributable to owners of the parent							136,247
Repurchase of treasury stock							(20,077)
Disposal of treasury stock							2
Changes in equity resulted from increase in capital of consolidated subsidiaries							-
Changes in the parent's ownership interests in subsidiaries due to transactions with non-controlling interests							(21)
Put options granted to non-controlling interests							-
Net changes of items other than shareholders' equity	582,562	8,709	59,156	18,423	668,853	4,442	673,295
Total changes for the year	582,562	8,709	59,156	18,423	668,853	4,442	754,227
Ending balance	1,635,784	32,140	94,417	28,690	1,791,033	29,950	3,036,663

For the year ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

(Yen in millions)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Beginning balance	100,000	675,327	490,329	(49,978)	1,215,678
Cumulative effect of changing accounting policies					-
Beginning balance (adjusted)	100,000	675,327	490,329	(49,978)	1,215,678
Changes for the year:					
Dividends paid			(43,284)		(43,284)
Net income/(loss) attributable to owners of the parent			181,516		181,516
Repurchase of treasury stock				(30,089)	(30,089)
Disposal of treasury stock		0		2	3
Changes in equity resulted from increase in capital of consolidated subsidiaries		(566)			(566)
Changes in the parent's ownership interests in subsidiaries due to transactions with non-controlling interests		(206)			(206)
Put options granted to non-controlling interests		(3,908)			(3,908)
Net changes of items other than shareholders' equity					
Total changes for the year	-	(4,680)	138,232	(30,087)	103,464
Ending balance	100,000	670,646	628,562	(80,065)	1,319,143

	Accumulated other comprehensive income/(loss)					Non-controlling interests	Total net assets
	Net unrealized gains/(losses) on investments in securities	Net deferred gains/(losses) on hedges	Foreign currency translation adjustments	Accumulated actuarial gains/(losses) on retirement benefits	Total accumulated other comprehensive income/(loss)		
Beginning balance	1,635,784	32,140	94,417	28,690	1,791,033	29,950	3,036,663
Cumulative effect of changing accounting policies					-		-
Beginning balance (adjusted)	1,635,784	32,140	94,417	28,690	1,791,033	29,950	3,036,663
Changes for the year:							
Dividends paid							(43,284)
Net income/(loss) attributable to owners of the parent							181,516
Repurchase of treasury stock							(30,089)
Disposal of treasury stock							3
Changes in equity resulted from increase in capital of consolidated subsidiaries							(566)
Changes in the parent's ownership interests in subsidiaries due to transactions with non-controlling interests							(206)
Put options granted to non-controlling interests							(3,908)
Net changes of items other than shareholders' equity	(310,898)	7,973	(72,048)	(37,034)	(412,008)	(2,843)	(414,852)
Total changes for the year	(310,898)	7,973	(72,048)	(37,034)	(412,008)	(2,843)	(311,388)
Ending balance	1,324,886	40,113	22,369	(8,343)	1,379,024	27,106	2,725,274

(4) Consolidated Statements of Cash Flows

	(Yen in millions)	
	Year ended March 31, 2015	Year ended March 31, 2016
Cash flows from operating activities:		
Income/(loss) before income taxes	219,822	257,094
Depreciation	47,635	43,746
Impairment losses on fixed assets	1,944	10,129
Amortization of goodwill	14,436	6,281
Increase/(decrease) in outstanding claims	(446)	29,336
Increase/(decrease) in underwriting reserves	690,272	737,163
Increase/(decrease) in bad debt reserve	(10,038)	(4,170)
Increase/(decrease) in reserve for retirement benefits for officers	(167)	(156)
Increase/(decrease) in accrued bonuses for employees	1,939	(74)
Increase/(decrease) in liabilities for pension and retirement benefits	(642)	1,521
Increase/(decrease) in reserve for price fluctuation	69,684	24,293
Interest and dividends income	(253,616)	(268,620)
Losses/(gains) on money trusts	(88,941)	16,337
Losses/(gains) on investments in securities	(146,381)	(117,355)
Losses/(gains) on derivative transactions	6,342	(17,237)
Investment losses/(gains) on separate accounts	(350,206)	76,153
Interest expense	7,052	7,432
Foreign exchange losses/(gains)	24,795	77,069
Losses/(gains) on disposal of tangible fixed assets	(4,281)	(198)
Losses/(gains) on equity method investments	(1,302)	(2,245)
Decrease/(increase) in other assets	(38,598)	(12,290)
Increase/(decrease) in other liabilities	72,236	53,871
Others, net	(3,013)	(2,454)
Subtotal	258,526	915,623
Interest and dividends received	406,187	413,020
Interest paid	(7,044)	(7,315)
Income taxes refunded/(paid)	(29,485)	(30,310)
Net cash provided by/(used in) operating activities (a)	628,184	1,291,017

(Yen in millions)

	Year ended March 31, 2015	Year ended March 31, 2016
Cash flows from investing activities:		
Net decrease/(increase) in deposits and savings	3,996	(6,378)
Purchase of monetary claims bought	(5,998)	-
Proceeds from sales and redemption of monetary claims bought	14,756	8,033
Purchase of money trusts	(215,680)	(456,026)
Proceeds from sales of money trusts	336,392	153,046
Purchase of securities	(2,959,364)	(2,557,765)
Proceeds from sales and redemption of securities	2,465,036	2,340,374
Investments in loans	(220,142)	(350,336)
Collection of loans	248,124	244,814
Net increase/(decrease) in cash collateral under securities borrowing and lending transactions	1,184	887
Others, net	(35,300)	23,955
Subtotal (b)	(366,994)	(599,394)
(a + b)	261,189	691,622
Acquisition of tangible fixed assets	(22,809)	(22,016)
Proceeds from sales of tangible fixed assets	13,599	5,021
Acquisition of intangible fixed assets	(15,702)	(18,832)
Acquisition of subsidiaries resulting in changes in scope of consolidation	(17,271)	(574,189)
Net payments for sale of subsidiaries resulting in changes in scope of consolidation	-	(7,554)
Others, net	(1,493)	(1,013)
Net cash provided by/(used in) investing activities	(410,671)	(1,217,980)
Cash flows from financing activities:		
Proceeds from borrowings	-	436,767
Repayments of borrowings	-	(240,000)
Issuance of bonds	-	148,967
Redemption of bonds	-	(70,000)
Repurchase of treasury stock	(20,077)	(30,089)
Dividends paid to shareholders	(35,189)	(43,242)
Dividends paid to non-controlling interests	(1,325)	(1,281)
Purchase of shares of subsidiaries not resulting in changes in scope of consolidation	-	(384)
Others, net	(2,349)	(1,660)
Net cash provided by/(used in) financing activities	(58,941)	199,075
Effect of exchange rate changes on cash and cash equivalents	20,201	(20,508)
Net increase/(decrease) in cash and cash equivalents	178,771	251,605
Beginning balance of cash and cash equivalents	625,084	805,455
Decrease in cash and cash equivalents due to exclusion from consolidation	-	(699)
Net increase/(decrease) in cash and cash equivalents due to merger of consolidated subsidiaries	1,598	46
Ending balance of cash and cash equivalents	805,455	1,056,407

(5) Notes to Consolidated Financial Statements

(Notes to Going Concern Assumptions)

Not applicable

(Changes in Accounting Policies which are Difficult to Distinguish from Changes in Accounting Estimates)

The Company and its domestic consolidated subsidiaries have changed the depreciation method of tangible fixed assets from the declining-balance method to the straight-line method since the current consolidated fiscal year. Previously, depreciation of tangible fixed assets held by the Company and its domestic consolidated subsidiaries was computed using the declining-balance method, except for buildings (excluding fixtures) acquired on or after April 1, 1998, to which the straight-line method was applied.

The Group, aiming to become one of the top global insurance and financial groups, has been endeavoring to enhance the efficiency of its business management as a group and expand its international business since April 1, 2010, when the Group was established. The Group has also moved forward with the reorganization by function as planned in “Next Challenge 2017” medium-term management plan, and most of the individual reorganization plans had been put in practice by the end of the previous fiscal year.

With the reorganization by function taking place, the Group reviewed its accounting policies including those applied by overseas subsidiaries and determined that it is more appropriate to adopt the straight-line depreciation method for tangible fixed assets for the following reasons:

- (a) After the reorganization by function, it is expected that tangible fixed assets held by the Company and its domestic consolidated subsidiaries will be used stably over their useful lives. Therefore, by adopting the straight-line method, in which an equal amount of expenses is recognized over useful lives of tangible fixed assets, it is considered that the actual usage of tangible fixed assets will be more appropriately reflected in profit and loss for each reporting period.
- (b) By adopting the straight-line method, the Group will be able to unify accounting policies applied by domestic consolidated subsidiaries with those applied by overseas consolidated subsidiaries that have been using the straight-line method, and be able to provide more useful financial information.

As a result of the change, ordinary profit and income before income taxes for the year ended March 31, 2016 respectively increased by ¥5,215 million, compared with the previous accounting method.

(Change in Presentation)

The Company has made a change in presentation of net income and presentation of minority interests to non-controlling interests in accordance with Paragraph 39 of the Accounting Standard for Consolidated Financial Statements (ASBJ Statement No.22 issued on September 13, 2013). The new presentation is also applied to the financial statements for the year ended March 31, 2015.

(Additional information)

(Adjustments to deferred tax assets and liabilities and others due to changes in income tax rates)

In accordance with the “Act for Partial Revision of the Income Tax Act, etc.” (Act No.15 of 2016) and the “Act for Partial Amendment of the Local Tax Act, etc.” (Act No.13 of 2016) enacted by the Diet on March 29, 2016, the corporate and local tax rates will be reduced from the fiscal year commencing on or after April 1, 2016.

Accordingly, the statutory income tax rates to determine deferred tax assets and liabilities for temporary differences expected to reverse in the fiscal years commencing on April 1, 2016 and 2017, and those in the fiscal years commencing on or after April 1, 2018 are reduced from 28.8% to 28.2% and 27.9%, respectively.

The effect of this change was decreases in deferred tax assets of ¥699 million and deferred tax liabilities of ¥5,421 million and increases in net unrealized gains on investments in securities of ¥15,792 million and income tax – deferred of ¥11,478 million. As a result, net income attributable to owners of the parent decreased by ¥11,077 million.

(Notes to Segment Information)

a. Segment Information

1 Overview of reportable segments

The reportable segments are the units of MS&AD group (“the Group”) for which separate financial information is available and that are evaluated regularly by the board of directors in deciding allocation of resources and assessing their performance.

The Group's business domains comprise domestic non-life insurance business, domestic life insurance business, international business, financial services business and risk-related services business. Mitsui Sumitomo Insurance Co., Ltd. (“MSI”), Aioi Nissay Dowa Insurance Co., Ltd. (“ADI”) and Mitsui Direct General Insurance Co., Ltd. (“Mitsui Direct General”) primarily operate domestic non-life insurance business, and Mitsui Sumitomo Aioi Life Insurance Co., Ltd. (“MSI Aioi Life”) and Mitsui Sumitomo Primary Life Insurance Co., Ltd. (“MSI Primary Life”) primarily operate domestic life insurance business. Domestic non-life insurance subsidiaries engage in international business, and overseas affiliated companies also develop insurance business in various foreign countries.

Segment information is presented based on the Group's business domains where the domestic life and non-life insurance businesses are further identified by each insurance company, resulting in six reportable segments that comprise the five domestic insurance companies and the international business (overseas insurance subsidiaries).

Each non-life insurance company underwrites fire and allied insurance, marine insurance, personal accident insurance, voluntary automobile insurance, compulsory automobile liability insurance and other non-life insurance products. Each life insurance company underwrites individual insurance, individual annuity insurance, group insurance and other life insurance products.

2 Methods of calculating revenues, net income or loss, assets, liabilities and other items by reportable segment

The accounting methods for reportable segments are substantially the same as those mentioned in “Significant Accounting Policies” of the Securities Report filed on June 22, 2015. Net income by segment is the amount based on net income of each company (after taking ownership interests into consideration).

Intersegment revenues and transfers are calculated based on prices used in transactions between the Company and independent third parties.

(Changes in depreciation method of tangible fixed assets)

As mentioned in “Changes in Accounting Policies which are Difficult to Distinguish from Changes in Accounting Estimates”, the Company and its domestic consolidated subsidiaries have changed the depreciation method of tangible fixed assets from the declining-balance method to the straight-line method since the current consolidated fiscal year. Previously, depreciation of tangible fixed assets held by the Company and its domestic consolidated subsidiaries was computed using the declining-balance method, except for buildings (excluding fixtures) acquired on or after April 1, 1998, to which the straight-line method was applied.

As a result of this change, net income by segment increased by ¥2,290 million at MSI, ¥1,549 million at ADI and ¥202 million at MSI Aioi Life, respectively. The impacts on the other segments are negligible.

3 Information on revenues, net income or loss, assets, liabilities and other items by reportable segment

For the year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

(Yen in millions)

	Domestic non-life insurance business			Domestic life insurance business	
	MSI	ADI	Mitsui Direct General	MSI Aioi Life	MSI Primary Life
Revenues: (Note 1)					
Revenues from transactions with external customers	1,407,961	1,127,374	35,089	338,479	380,489
Intersegment revenues or transfers	36,214	33,492	(36)	-	(6,893)
Total	1,444,176	1,160,867	35,053	338,479	373,595
Net income/(loss) by segment	89,114	39,480	(3,182)	4,406	12,424
Assets by segment	6,790,021	3,470,706	46,408	3,009,263	4,662,032
Other items:					
Depreciation	24,603	16,623	781	2,827	1,217
Amortization of goodwill	-	-	-	-	-
Interest and dividends income	110,618	59,039	136	39,914	41,248
Interest expense	5,888	757	-	288	0
Gains/(losses) on equity method investments	-	-	-	-	-
Extraordinary income:	10,323	25,913	-	3	-
Gains on sales of fixed assets	8,523	313	-	3	-
Transfer price of contracts under Reorganization by Function	1,800	25,600	-	-	-
Extraordinary losses:	44,051	29,130	8	1,358	1,642
Impairment losses on fixed assets	1,400	1,614	-	-	-
Provision for reserve for price fluctuation	40,788	26,644	7	614	1,630
Income taxes	48,485	26,275	90	3,768	3,694
Equity method investments	143,292	-	-	-	-
Increase in tangible fixed assets and intangible fixed assets	30,032	12,268	903	17,557	1,986

(Yen in millions)

	International business	Others (Note 2)	Total	Adjustments (Notes 3,4 and 5)	Amount on the consolidated financial statements (Note 6)
	Overseas insurance subsidiaries				
Revenues: (Note 1)					
Revenues from transactions with external customers	350,049	23,659	3,663,102	(2,284)	3,660,818
Intersegment revenues or transfers	(54,046)	(8,453)	277	(277)	-
Total	296,002	15,205	3,663,380	(2,561)	3,660,818
Net income/(loss) by segment	35,023	4,192	181,459	(45,212)	136,247
Assets by segment	1,364,854	45,905	19,389,193	(601,146)	18,788,046
Other items:					
Depreciation	2,767	390	49,211	(1,576)	47,635
Amortization of goodwill	-	-	-	14,436	14,436
Interest and dividends income	16,864	106	267,929	(14,312)	253,616
Interest expense	15	101	7,052	0	7,052
Gains/(losses) on equity method investments	6,790	529	7,320	(6,018)	1,302
Extraordinary income:	296	1	36,537	(27,516)	9,021
Gains on sales of fixed assets	296	-	9,136	(114)	9,021
Transfer price of contracts under Reorganization by Function	-	-	27,400	(27,400)	-
Extraordinary losses:	696	84	76,972	(711)	76,260
Impairment losses on fixed assets	-	-	3,015	(1,071)	1,944
Provision for reserve for price fluctuation	-	-	69,684	-	69,684
Income taxes	6,601	(11)	88,904	(6,935)	81,968
Equity method investments	1,398	-	144,690	4,701	149,391
Increase in tangible fixed assets and intangible fixed assets	4,153	1,035	67,936	(26,218)	41,717

(Notes)

- 1 “Revenues” represents net premiums written for non-life insurance business, life insurance premiums for life insurance business, ordinary income for other business, and the sum total of net premiums written and life insurance premiums for “Amount on the consolidated financial statements”.
- 2 “Others”, which is business segments not included in reportable segments, represents financial services business and risk-related services business operated by group companies other than domestic insurance companies, and domestic non-life insurance business operated by domestic non-life insurance subsidiaries which are not included in reportable segments.
- 3 “Adjustments” in “Revenues from transactions with external customers” represents the sum total of ordinary income items other than net premiums written and life insurance premiums for other business.
- 4 “Adjustments” in “Net income/(loss) by segment” includes elimination of intersegment transactions of ¥(22,019) million, companywide expenses not allocated to respective reportable segments of ¥(6,132) million and adjustments to profit and loss due to application of the purchase method to domestic insurance subsidiaries and amortization of goodwill of ¥(17,059) million. Most of the companywide expenses are expenses associated with the Company's administrative departments that do not belong to any reportable segments.
- 5 “Adjustments” in “Assets by segment” includes elimination of intersegment transactions of ¥(426,093) million, transfers due to offsetting reinsurance recoverables included in assets of overseas insurance subsidiaries and policy liabilities on the consolidated financial statements of ¥(235,804) million, companywide assets not allocated to respective reportable segments of ¥2,397 million, adjustments to assets due to application of the purchase method to domestic insurance subsidiaries and unamortized balance of goodwill not allocated to respective reportable segments of ¥58,353 million. The companywide assets are the Company's assets that do not belong to any reportable segments.
- 6 “Net income/(loss) by segment” is reconciled with net income attributable to owners of the parent on the consolidated financial statements.

For the year ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

(Yen in millions)

	Domestic non-life insurance business			Domestic life insurance business	
	MSI	ADI	Mitsui Direct General	MSI Aioi Life	MSI Primary Life
Revenues: (Note 1)					
Revenues from transactions with external customers	1,473,595	1,155,443	36,605	354,429	999,774
Intersegment revenues or transfers	33,561	36,646	(33)	-	(9,679)
Total	1,507,157	1,192,089	36,571	354,429	990,094
Net income/(loss) by segment	113,970	31,098	(4,357)	6,041	17,892
Assets by segment	6,786,590	3,418,516	51,086	3,229,031	5,191,230
Other items:					
Depreciation	21,106	13,921	930	3,221	1,526
Amortization of goodwill	-	-	-	-	-
Interest and dividends income	116,990	58,752	111	43,459	47,603
Interest expense	6,173	756	-	292	3
Gains/(losses) on equity method investments	-	-	-	-	-
Extraordinary income	1,782	3,717	-	0	-
Extraordinary losses:	13,567	23,946	18	735	13,327
Impairment losses on fixed assets	8,294	3,695	-	-	-
Provision for reserve for price fluctuation	3,613	6,641	7	703	13,326
Costs associated with the implementation of the career/transition assistance measures such as special severance payments	-	11,344	-	-	-
Income taxes	42,140	10,444	37	2,833	8,739
Equity method investments	158,588	-	-	-	-
Increase in tangible fixed assets and intangible fixed assets	12,632	14,885	1,146	4,589	1,627

(Yen in millions)

	International business	Others (Note 2)	Total	Adjustments (Notes 3,4 and 5)	Amount on the consolidated financial statements (Note 6)
	Overseas insurance subsidiaries				
Revenues: (Note 1)					
Revenues from transactions with external customers	392,885	40,417	4,453,150	(18,083)	4,435,067
Intersegment revenues or transfers	(53,872)	(6,621)	-	-	-
Total	339,013	33,795	4,453,150	(18,083)	4,435,067
Net income/(loss) by segment	28,587	4,786	198,018	(16,502)	181,516
Assets by segment	2,555,462	59,800	21,291,718	(988,069)	20,303,649
Other items:					
Depreciation	4,485	500	45,692	(1,945)	43,746
Amortization of goodwill	-	-	-	6,281	6,281
Interest and dividends income	20,244	114	287,277	(18,656)	268,620
Interest expense	185	20	7,432	0	7,432
Gains/(losses) on equity method investments	6,859	1,121	7,980	(5,734)	2,245
Extraordinary income	30	-	5,531	12,222	17,753
Extraordinary losses:	1,227	20	52,844	(606)	52,238
Impairment losses on fixed assets	485	-	12,475	(2,345)	10,129
Provision for reserve for price fluctuation	-	-	24,293	-	24,293
Costs associated with the implementation of the career/transition assistance measures such as special severance payments	-	-	11,344	-	11,344
Income taxes	6,135	146	70,477	4,805	75,282
Equity method investments	1,397	-	159,986	(15,463)	144,522
Increase in tangible fixed assets and intangible fixed assets	7,156	868	42,907	32	42,939

(Notes)

- 1 “Revenues” represents net premiums written for non-life insurance business, life insurance premiums for life insurance business, ordinary income for other business, and the sum total of net premiums written and life insurance premiums for “Amount on the consolidated financial statements”.
- 2 “Others”, which is business segments not included in reportable segments, represents financial services business and risk-related services business operated by group companies other than domestic insurance companies, and domestic non-life insurance business operated by domestic non-life insurance subsidiaries which are not included in reportable segments.
- 3 “Adjustments” in “Revenues from transactions with external customers” represents the sum total of ordinary income items other than net premiums written and life insurance premiums for other business.
- 4 “Adjustments” in “Net income/(loss) by segment” includes elimination of intersegment transactions of ¥(13,525) million, companywide expenses not allocated to respective reportable segments of ¥(6,486) million and adjustments to profit and loss due to application of the purchase method to domestic insurance subsidiaries and amortization of goodwill of ¥3,509 million. Most of the companywide expenses are expenses associated with the Company's administrative departments that do not belong to any reportable segments.
- 5 “Adjustments” in “Assets by segment” includes elimination of intersegment transactions of ¥(1,034,570) million, transfers due to offsetting reinsurance recoverables included in assets of overseas insurance subsidiaries and policy liabilities on the consolidated financial statements of ¥(296,148) million, companywide assets not allocated to respective reportable segments of ¥2,760 million, adjustments to assets due to application of the purchase method to domestic insurance subsidiaries and unamortized balance of goodwill not allocated to respective reportable segments of ¥339,889 million. The companywide assets are the Company's assets that do not belong to any reportable segments.
- 6 “Net income/(loss) by segment” is reconciled with net income attributable to owners of the parent on the consolidated financial statements.
- 7 Segment Information for the year ended March 31, 2015 is disclosed based on the amounts reflecting the reviewed allocation of acquisition costs due to the finalization of the provisional accounting treatment of the business combination.

b. Related information

For the year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

1 Information by product and service

(Yen in millions)

	Fire and allied	Marine	Personal accident	Voluntary automobile	Compulsory automobile liability	Other	Total
Net premiums written	425,881	103,389	230,991	1,438,002	348,356	392,491	2,939,113

(Yen in millions)

	Individual	Individual Annuity	Group	Group Annuity	Other	Total
Life insurance premiums	780,510	(76,420)	17,600	9	5	721,705

2 Information by geographic area

(1) Revenues

(Yen in millions)

	Japan	Overseas	Total
Net premiums written	2,533,062	406,050	2,939,113
Life insurance premiums	718,969	2,736	721,705

(Note) Revenues are classified into “Japan” or “Overseas” in line with the classification used for management purpose based on locations of policyholders.

(2) Tangible fixed assets

Since tangible fixed assets located in Japan constitute more than 90 percent of total tangible fixed assets on the consolidated balance sheet, information on tangible fixed assets by geographic area is not disclosed.

3 Information by major customer

Not applicable

For the year ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

1 Information by product and service

(Yen in millions)

	Fire and allied	Marine	Personal accident	Voluntary automobile	Compulsory automobile liability	Other	Total
Net premiums written	471,476	106,108	218,487	1,495,339	357,639	429,680	3,078,732

(Yen in millions)

	Individual	Individual Annuity	Group	Group Annuity	Other	Total
Life insurance premiums	1,285,287	51,781	19,254	3	7	1,356,334

2 Information by geographic area

(1) Revenues

(Yen in millions)

	Japan	Overseas	Total
Net premiums written	2,628,344	450,387	3,078,732
Life insurance premiums	1,354,203	2,131	1,356,334

(Note) Revenues are classified into “Japan” or “Overseas” in line with the classification used for management purpose based on locations of policyholders.

(2) Tangible fixed assets

Since tangible fixed assets located in Japan constitute more than 90 percent of total tangible fixed assets on the consolidated balance sheet, information on tangible fixed assets by geographic area is not disclosed.

3 Information by major customer

Not applicable

c. Information on impairment losses on fixed assets by reportable segment

Information on impairment losses on fixed assets by reportable segment is included in “a. Segment Information, 3 Information on revenues, net income or loss, assets, liabilities and other items by reportable segment”.

d. Information on amortization of goodwill and unamortized balance of goodwill by reportable segment For the year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

(Yen in millions)

	ADI	Mitsui Direct General	Overseas insurance subsidiaries	Total
Amortization of goodwill for the year	1,630	8,429	4,376	14,436
Unamortized balance of goodwill at the year-end	24,453	-	58,490	82,944

- (Notes) 1. In “a. Segment Information, 3 Information on revenues, net income or loss, assets, liabilities and other items by reportable segment”, amortization of goodwill is not included in each segment of “Net income/(loss) by segment”, and unamortized balance of goodwill to be recognized through the consolidation process (except for goodwill included in assets of consolidated subsidiaries) is not included in each segment of “Assets by segment”.
2. “Amortization of goodwill for the year” in “Mitsui Direct General” includes the goodwill amortized in accordance with Paragraph 32 of the Practical Guidelines on Accounting Standards for Capital Consolidation Procedures in Preparing Consolidated Financial Statements (JICPA Accounting Practice Committee Statement No.7).

For the year ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

(Yen in millions)

	ADI	Mitsui Direct General	Overseas insurance subsidiaries	Total
Amortization of goodwill for the year	1,630	-	4,650	6,281
Unamortized balance of goodwill at the year-end	22,823	-	181,231	204,055

- (Notes) 1. In “a. Segment Information, 3 Information on revenues, net income or loss, assets, liabilities and other items by reportable segment”, amortization of goodwill is not included in each segment of “Net income/(loss) by segment”, and unamortized balance of goodwill to be recognized through the consolidation process (except for goodwill included in assets of consolidated subsidiaries) is not included in each segment of “Assets by segment”.
2. “Unamortized balance of goodwill at the year-end” for the year ended March 31, 2015 is disclosed based on the amounts reflecting the reviewed allocation of acquisition costs due to the finalization of the provisional accounting treatment of the business combination.

e. Information on gains on negative goodwill by reportable segment

Not applicable

(Notes to Investments in Securities)

1 Trading securities

(Yen in millions)

	March 31, 2015	March 31, 2016
Valuation differences included in profit or loss for the year	198,105	(220,437)

2 Held-to-maturity securities

March 31, 2015

(Yen in millions)

Type		Carrying amount	Fair value	Difference
Securities whose fair value exceeds the carrying amount	Domestic bonds	872,781	977,126	104,345
	Other securities	-	-	-
	Subtotal	872,781	977,126	104,345
Securities whose fair value does not exceed the carrying amount	Domestic bonds	37,588	37,518	(70)
	Other securities	14,251	14,251	-
	Subtotal	51,840	51,769	(70)
Total		924,621	1,028,896	104,275

(Note) "Other securities" includes certificates of deposits included in Cash, deposits and savings, and commercial papers included in Monetary claims bought on the consolidated balance sheet.

March 31, 2016

(Yen in millions)

Type		Carrying amount	Fair value	Difference
Securities whose fair value exceeds the carrying amount	Domestic bonds	1,055,060	1,292,794	237,734
	Other securities	-	-	-
	Subtotal	1,055,060	1,292,794	237,734
Securities whose fair value does not exceed the carrying amount	Domestic bonds	1,193	1,190	(3)
	Other securities	13,675	13,675	-
	Subtotal	14,869	14,866	(3)
Total		1,069,930	1,307,661	237,731

(Note) "Other securities" includes certificates of deposits included in Cash, deposits and savings, and commercial papers included in Monetary claims bought on the consolidated balance sheet.

3 Debt securities earmarked for underwriting reserves

March 31, 2015

(Yen in millions)

Type		Carrying amount	Fair value	Difference
Securities whose fair value exceeds the carrying amount	Domestic bonds	-	-	-
	Foreign securities	923,452	1,023,145	99,693
	Subtotal	923,452	1,023,145	99,693
Securities whose fair value does not exceed the carrying amount	Domestic bonds	-	-	-
	Foreign securities	8,863	8,778	(84)
	Subtotal	8,863	8,778	(84)
Total		932,316	1,031,924	99,608

March 31, 2016

(Yen in millions)

Type		Carrying amount	Fair value	Difference
Securities whose fair value exceeds the carrying amount	Domestic bonds	66,067	79,336	13,268
	Foreign securities	997,043	1,062,016	64,972
	Subtotal	1,063,111	1,141,352	78,241
Securities whose fair value does not exceed the carrying amount	Domestic bonds	1,700	1,699	(0)
	Foreign securities	29,441	29,174	(266)
	Subtotal	31,141	30,874	(266)
Total		1,094,252	1,172,227	77,974

4 Available-for-sale securities
March 31, 2015

(Yen in millions)

Type		Carrying amount	Cost	Difference
Securities whose carrying amount exceeds the cost	Domestic bonds	4,358,320	4,086,543	271,776
	Domestic stocks	3,023,028	1,206,153	1,816,874
	Foreign securities	1,560,772	1,373,502	187,270
	Other securities	84,350	71,716	12,634
	Subtotal	9,026,471	6,737,915	2,288,556
Securities whose carrying amount does not exceed the cost	Domestic bonds	221,382	222,188	(806)
	Domestic stocks	40,340	44,539	(4,199)
	Foreign securities	394,327	400,293	(5,965)
	Other securities	63,946	63,953	(6)
	Subtotal	719,997	730,975	(10,978)
Total		9,746,468	7,468,890	2,277,577

(Notes)

- 1 Available-for-sale securities without practically determinable fair value are not included in the above table.
- 2 “Other securities” includes certificates of deposits included in Cash, deposits and savings, and commercial papers and loan receivable trust beneficiary certificates included in Monetary claims bought on the consolidated balance sheet.

March 31, 2016

(Yen in millions)

Type		Carrying amount	Cost	Difference
Securities whose carrying amount exceeds the cost	Domestic bonds	4,350,184	3,935,096	415,088
	Domestic stocks	2,342,292	1,034,275	1,308,016
	Foreign securities	1,443,361	1,309,574	133,786
	Other securities	75,444	66,303	9,140
	Subtotal	8,211,282	6,345,250	1,866,032
Securities whose carrying amount does not exceed the cost	Domestic bonds	63,593	63,870	(277)
	Domestic stocks	143,756	159,324	(15,568)
	Foreign securities	587,526	599,139	(11,613)
	Other securities	108,839	109,002	(162)
	Subtotal	903,715	931,336	(27,621)
Total		9,114,998	7,276,587	1,838,410

(Notes)

- 1 Available-for-sale securities without practically determinable fair value are not included in the above table.
- 2 “Other securities” includes certificates of deposits included in Cash, deposits and savings, and commercial papers and loan receivable trust beneficiary certificates included in Monetary claims bought on the consolidated balance sheet.

5 Debt securities earmarked for underwriting reserves sold during the year
For the year ended March, 2015 (From April 1, 2014 to March 31, 2015)

(Yen in millions)

Type	Total proceeds from sales	Gross gains on sales	Gross losses on sales
Foreign securities	332,945	34,265	-

For the year ended March, 2016 (From April 1, 2015 to March 31, 2016)

(Yen in millions)

Type	Total proceeds from sales	Gross gains on sales	Gross losses on sales
Foreign securities	186,353	14,267	351

6 Available-for-sale securities sold during the year

For the year ended March, 2015 (From April 1, 2014 to March 31, 2015)

(Yen in millions)

Type	Total proceeds from sales	Gross gains on sales	Gross losses on sales
Domestic bonds	511,768	3,750	192
Domestic stocks	185,976	99,995	2,029
Foreign securities	417,633	19,165	4,286
Other securities	0	-	0
Total	1,115,378	122,910	6,507

For the year ended March, 2016 (From April 1, 2015 to March 31, 2016)

(Yen in millions)

Type	Total proceeds from sales	Gross gains on sales	Gross losses on sales
Domestic bonds	631,130	5,029	277
Domestic stocks	202,168	110,445	1,518
Foreign securities	475,074	14,661	7,749
Other securities	10,000	0	0
Total	1,318,373	130,137	9,545

7 Securities on which impairment losses were recognized

For the year ended March 31, 2015, the Company and its consolidated subsidiaries recognized impairment losses of ¥627 million on Available-for-sale securities with practically determinable fair value (comprised of ¥66 million on Domestic stocks, ¥560 million on Foreign securities and ¥0 million on Other securities) and ¥4,476 million on Available-for-sale securities without practically determinable fair value (comprised of ¥86 million on Domestic stocks, ¥3,115 million on Foreign securities and ¥1,275 million on Other securities).

For the year ended March 31, 2016, the Company and its consolidated subsidiaries recognized impairment losses of ¥17,440 million on Available-for-sale securities with practically determinable fair value (comprised of ¥16,088 million on Domestic stocks and ¥1,351 million on Foreign securities) and ¥506 million on Available-for-sale securities without practically determinable fair value (comprised of ¥371 million on Domestic stocks, ¥133 million on Foreign securities and ¥1 million on Other securities).

In principle, the Company and its domestic consolidated subsidiaries recognize impairment losses on securities with practically determinable fair value if the fair value declines by 30% or more from the cost.

(Notes to Derivative Financial Instruments)

1 Derivative transactions to which hedge accounting is not applied

(1) Currency-related derivatives

March 31, 2015

(Yen in millions)

Category	Type	Notional amount		Fair value	Valuation gains/(losses)
		Total	Over 1 year		
OTC transactions	Foreign exchange forward contracts				
	Short	29,060	-	(366)	(366)
	Long	21,236	-	257	257
Total		-	-	(109)	(109)

(Note) Calculation method of fair value

Fair value is determined based on forward exchange rates.

March 31, 2016

(Yen in millions)

Category	Type	Notional amount		Fair value	Valuation gains/(losses)
		Total	Over 1 year		
Market transactions	Currency future option contracts				
	Short	17,781	-	(0)	3
	Long	5,966	-	8	0
OTC transactions	Foreign exchange forward contracts				
	Short	224,421	-	(1,075)	(1,075)
	Long	178,586	-	(1,653)	(1,653)
	Currency options				
	Short	30,203	-	(77)	230
	Long	31,757	-	167	(235)
Total		-	-	(2,629)	(2,730)

(Notes) Calculation method of fair value

- 1 Fair value of currency future option contracts is determined based on closing prices in principal markets.
- 2 Fair value of foreign exchange forward contracts is determined based on forward exchange rates.
- 3 Fair value of currency options is determined based on prices obtained from counterparty financial institutions.

(2) Interest rate-related derivatives**March 31, 2015**

(Yen in millions)

Category	Type	Notional amount		Fair value	Valuation gains/(losses)
		Total	Over 1 year		
OTC transactions	Interest rate swaps				
	Receive fixed, pay floating	160,151	144,151	7,983	7,983
	Receive floating, pay fixed	37,720	21,720	(104)	(104)
	Interest rate options				
	Swaption				
	Long	15,000	-	6	(45)
Total		-	-	7,885	7,832

(Notes) Calculation method of fair value

- 1 Fair value of interest rate swaps is measured at present values of estimated future cash flows discounted at interest rates at the year-end or determined based on prices obtained from counterparty financial institutions.
- 2 Fair value of interest rate options is determined based on the option pricing models.

March 31, 2016

(Yen in millions)

Category	Type	Notional amount		Fair value	Valuation gains/(losses)
		Total	Over 1 year		
OTC transactions	Interest rate swaps				
	Receive fixed, pay floating	222,500	216,500	24,854	24,854
	Receive floating, pay fixed	30,220	24,220	(937)	(937)
Total		-	-	23,916	23,916

(Note) Calculation method of fair value

Fair value is measured at present values of estimated future cash flows discounted at interest rates at the year-end or determined based on prices obtained from counterparty financial institutions.

(3) Equity-related derivatives**March 31, 2015**

(Yen in millions)

Category	Type	Notional amount		Fair value	Valuation gains/(losses)
		Total	Over 1 year		
Market transactions	Equity index future contracts				
	Short	31,559	-	(647)	(647)
	Equity index options				
	Short	509	-	(8)	0
Total		-	-	(655)	(647)

(Note) Calculation method of fair value

Fair value is determined based on closing prices in principal markets.

March 31, 2016

(Yen in millions)

Category	Type	Notional amount		Fair value	Valuation gains/(losses)
		Total	Over 1 year		
Market transactions	Equity index future contracts				
	Short	111,289	-	(218)	(218)
	Equity index options				
	Short	79	-	(0)	0
Total		-	-	(218)	(218)

(Note) Calculation method of fair value

Fair value is determined based on closing prices in principal markets.

(4) Bond-related derivatives**March 31, 2015**

(Yen in millions)

Category	Type	Notional amount		Fair value	Valuation gains/(losses)
		Total	Over 1 year		
Market transactions	Bond future contracts				
	Short	98,042	-	(424)	(424)
Total		-	-	(424)	(424)

(Note) Calculation method of fair value

Fair value is determined based on closing prices in principal markets.

March 31, 2016

(Yen in millions)

Category	Type	Notional amount		Fair value	Valuation gains/(losses)
		Total	Over 1 year		
Market transactions	Bond future contracts				
	Short	255,770	-	(168)	(168)
	Long	2,690	-	-	-
	Bond future option contracts				
	Short	263	-	(2)	(1)
	Long	1,317	-	3	1
Total		-	-	(167)	(167)

(Note) Calculation method of fair value

Fair value is determined based on closing prices in principal markets.

(5) Credit-related derivatives**March 31, 2015**

(Yen in millions)

Category	Type	Notional amount		Fair value	Valuation gains/(losses)
		Total	Over 1 year		
OTC transactions	Credit derivatives				
	Sell protection	120,723	76,420	843	843
Total		-	-	843	843

(Notes)

1 Calculation method of fair value

Fair value is determined based on the pricing models by considering factors such as prices and duration of the underlying contracts or based on prices obtained from counterparty financial institutions.

2 “Sell protection” represents transactions where the Group takes credit risks from counterparties.

March 31, 2016

(Yen in millions)

Category	Type	Notional amount		Fair value	Valuation gains/(losses)
		Total	Over 1 year		
OTC transactions	Credit derivatives				
	Sell protection	75,521	49,507	394	394
Total		-	-	394	394

(Notes)

1 Calculation method of fair value

Fair value is determined based on the pricing models by considering factors such as prices and duration of the underlying contracts or based on prices obtained from counterparty financial institutions.

2 “Sell protection” represents transactions where the Group takes credit risks from counterparties.

(6) Others
March 31, 2015

(Yen in millions)

Category	Type	Notional amount		Fair value	Valuation gains/(losses)
		Total	Over 1 year		
OTC transactions	Weather derivatives				
	Short	287	-	(11)	7
	Long	287	-	11	(5)
	Natural disaster derivatives				
	Short	29,298	6,517	(643)	1,304
	Long	26,789	6,191	379	(966)
	Others				
	Short	383	126	24	24
	Long	476	126	(24)	(24)
	Contracts of underwriting comprehensive risks	-	-	(433)	(433)
Total		-	-	(697)	(94)

(Note) Calculation method of fair value

Fair value is determined based on the option pricing models except for fair value of contracts of underwriting comprehensive risks which is determined based on prices obtained from counterparties.

March 31, 2016

(Yen in millions)

Category	Type	Notional amount		Fair value	Valuation gains/(losses)
		Total	Over 1 year		
OTC transactions	Weather derivatives				
	Short	232	-	(9)	9
	Long	232	-	9	(7)
	Natural disaster derivatives				
	Short	27,664	12,517	(648)	711
	Long	58,801	45,254	496	(325)
	Others				
	Short	5,781	126	(35)	(35)
	Long	126	126	(0)	(0)
	Contracts of underwriting comprehensive risks	-	-	(1,042)	(1,042)
Total		-	-	(1,230)	(690)

(Note) Calculation method of fair value

Fair value is determined based on the option pricing models except for fair value of contracts of underwriting comprehensive risks which is determined based on prices obtained from counterparties.

2 Derivative transactions to which hedge accounting is applied

(1) Currency-related derivatives

March 31, 2015

(Yen in millions)

Hedge accounting method	Type	Main hedged item	Notional amount		Fair value
			Total	Over 1 year	
Allocation method	Currency swaps	Foreign currency bonds issued	106,191	106,191	(Note 2)
Fair value hedge method	Foreign exchange forward contracts				
	Short	Available-for-sale securities	492,433	-	(8,417)
Total			-	-	(8,417)

(Notes)

1 Calculation method of fair value

(1) Fair value of currency swaps is measured at present discounted values.

(2) Fair value of foreign exchange forward contracts is determined based on forward exchange rates.

2 Fair value of derivative financial instruments to which the allocation method is applied is not disclosed as it is included in fair value of the hedged items.

March 31, 2016

(Yen in millions)

(Per in millions)					
Hedge accounting method	Type	Main hedged item	Notional amount		Fair value
			Total	Over 1 year	
Allocation method	Currency swaps	Foreign currency bonds issued	106,191	106,191	(Note 2)
Fair value hedge method	Foreign exchange forward contracts				
	Short	Available-for-sale securities	505,818	-	12,649
Fair value hedge method	Foreign exchange forward contracts				
	Short	Foreign currency deposits	14,519	-	489
Net investment hedge method	Currency options				
	Short	Net investments in subsidiaries	146,357	-	(1,998)
Long	144,658		-	721	
Total			-	-	11,862

(Notes)

1 Calculation method of fair value

(1) Fair value of currency swaps is measured at present discounted values.

(2) Fair value of foreign exchange forward contracts is determined based on forward exchange rates.

(3) Fair value of currency options is determined based on prices obtained from counterparty financial institutions.

2 Fair value of derivative financial instruments to which the allocation method is applied is not disclosed as it is included in fair value of the hedged items.

(2) Interest rate-related derivatives

March 31, 2015

(Yen in millions)

Hedge accounting method	Type	Main hedged item	Notional amount		Fair value
			Total	Over 1 year	
Deferred hedge method	Interest rate swaps Receive floating, pay fixed	Borrowings	50,000	50,000	(46)
	Interest rate swaps Receive fixed, pay floating	Insurance liabilities	259,600	259,600	40,258
	Total		-	-	40,211

(Note) Calculation method of fair value

Fair value is measured at present values of estimated future cash flows discounted at interest rates at the year-end.

March 31, 2016

(Yen in millions)

Hedge accounting method	Type	Main hedged item	Notional amount		Fair value
			Total	Over 1 year	
Deferred hedge method	Interest rate swaps Receive floating, pay fixed	Borrowings	50,000	50,000	(266)
	Interest rate swaps Receive fixed, pay floating	Insurance liabilities	194,900	194,900	40,436
	Total		-	-	40,169

(Note) Calculation method of fair value

Fair value is measured at present values of estimated future cash flows discounted at interest rates at the year-end.

(3) Interest rate and currency -related derivatives

March 31, 2015

Not applicable

March 31, 2016

(Yen in millions)

Hedge accounting method	Type	Main hedged item	Notional amount		Fair value
			Total	Over 1 year	
Integral treatment for interest rate and currency swaps (exceptional method and allocation method)	Interest rate and currency swaps	Foreign currency borrowings	116,767	116,767	(Note 2)
	Receive floating, pay fixed Receive U.S. dollars, pay yen				
Total			-	-	(Note 2)

(Notes)

1 Calculation method of fair value

Fair value is measured at present discounted values.

2 Fair value of derivative financial instruments to which the Integral treatment for interest rate and currency swaps is applied is not disclosed as it is included in fair value of the hedged items.

(4) Equity-related derivatives**March 31, 2015**

(Yen in millions)

Hedge accounting method	Type	Main hedged item	Notional amount		Fair value
			Total	Over 1 year	
Fair value hedge method	Equity forward contracts Short	Available-for-sale securities	17,513	-	(1,991)
Total			-	-	(1,991)

(Note) Calculation method of fair value

Fair value is determined based on prices obtained from counterparty financial institutions.

March 31, 2016

(Yen in millions)

Hedge accounting method	Type	Main hedged item	Notional amount		Fair value
			Total	Over 1 year	
Fair value hedge method	Equity forward contracts Short	Available-for-sale securities	19,265	-	779
Total			-	-	779

(Note) Calculation method of fair value

Fair value is determined based on prices obtained from counterparty financial institutions.

(Notes to Per Share Information)

(Yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Net assets less non-controlling interests per share	4,911.40	4,469.58
Net income/(loss) attributable to owners of the parent per share	221.34	298.72

(Notes)

- 1 Since there was no potential dilution, diluted net income/(loss) attributable to owners of the parent per share is not disclosed.
2 The bases for calculation of net income/(loss) attributable to owners of the parent per share are as follows.

	Year ended March 31, 2015	Year ended March 31, 2016
Net income/(loss) attributable to owners of the parent (Yen in millions)	136,247	181,516
Net income/(loss) attributable to owners of the parent not attributable to common shareholders (Yen in millions)	-	-
Net income/(loss) attributable to owners of the parent attributable to common stock (Yen in millions)	136,247	181,516
Average number of shares of outstanding stock (in thousands of shares)	615,548	607,639

- 3 The bases for calculation of net assets less non-controlling interests per share are as follows.

	March 31, 2015	March 31, 2016
Total net assets (Yen in millions)	3,036,663	2,725,274
Amounts deducted from net assets: (Yen in millions)	29,950	27,106
Non-controlling interests (Yen in millions)	29,950	27,106
Net assets attributable to common stock (Yen in millions)	3,006,712	2,698,168
Number of shares of outstanding stock to calculate net assets less non-controlling interests per share (in thousands of shares)	612,190	603,672

(Note) Net assets less non-controlling interests per share as of March 31, 2015 is calculated based on the amounts reflecting the reviewed allocation of acquisition costs due to the finalization of the provisional accounting treatment of the business combination.

(Notes to Significant Subsequent Events)

Not applicable