

[Attachment]

Explanatory Material for Business Results for the Year Ended March 31, 2017

May 19, 2017

MS&AD Insurance Group Holdings, Inc.

This document has been translated from the Japanese original solely for reference purposes, and the Japanese original shall prevail if any discrepancy is identified.

Contents

	Page
1. Summary of Consolidated Business Results	1
(1) Consolidated Business Performance	1
(2) Breakdown of Results by Company (Net Premiums Written, Ordinary Profit and Net Income)	2
(3) Breakdown of Results of Overseas Insurance Subsidiaries	2
(4) Summary of Results of Domestic Life Insurance Business	3
2. Non-Consolidated Business Results of Mitsui Sumitomo Insurance Co., Ltd.	4
3. Non-Consolidated Business Results of Aioi Nissay Dowa Insurance Co., Ltd.	9
4. Earnings Forecasts	
(1) MS&AD Insurance Group Holdings, Inc. (Consolidated)	14
(2) Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)	14
(3) Aioi Nissay Dowa Insurance Co., Ltd. (Non-consolidated)	15
[Supplementary Information]	
1. Supplementary Information on Consolidated Business Results	16
(1) Premiums Written and Net Claims Paid by Line of Insurance	
(2) Investments in Securities	
2. Summary of Business Results of Main Consolidated Subsidiaries	18
(1) Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)	
(2) Aioi Nissay Dowa Insurance Co., Ltd. (Non-consolidated)	
(3) Mitsui Direct General Insurance Co., Ltd. (Non-consolidated)	
(4) Mitsui Sumitomo Aioi Life Insurance Co., Ltd. (Non-consolidated)	
(5) Mitsui Sumitomo Primary Life Insurance Co., Ltd. (Non-consolidated)	
3. Supplementary Information on Business Results for the Year Ended March 31, 2017 for Press Conference	38
(1) Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)	
(2) Aioi Nissay Dowa Insurance Co., Ltd. (Non-consolidated)	

1. Summary of Consolidated Business Results

(1) Consolidated Business Performance

(Yen in 100 millions)

	Items	Year ended March 31, 2016	Year ended March 31, 2017	Change	Change ratio
Ordinary income and expenses:					
Underwriting income:	1	46,068	48,104	2,036	4.4 %
Net premiums written	2	30,789	34,069	3,279	10.7
Deposit premiums from policyholders	3	1,162	985	(176)	(15.2)
Life insurance premiums	4	13,563	12,531	(1,031)	(7.6)
Underwriting expenses:	5	39,044	42,559	3,514	9.0
Net claims paid	6	16,273	18,318	2,045	12.6
Loss adjustment expenses	7	1,616	1,695	78	4.9
Commissions and collection expenses	8	6,407	6,810	402	6.3
Maturity refunds to policyholders	9	2,931	2,368	(563)	(19.2)
Life insurance claims	10	3,962	3,308	(653)	(16.5)
Provision for outstanding claims	11	278	713	435	156.2
Provision for underwriting reserves	12	7,446	9,077	1,630	21.9
Investment income:	13	3,895	5,072	1,177	30.2
Interest and dividends income	14	2,686	2,725	39	1.5
Investment gains on money trusts	15	28	160	131	457.6
Gains on sales of securities	16	1,444	926	(518)	(35.9)
Investment gains on separate accounts	17	-	813	813	-
Investment expenses:	18	2,107	550	(1,556)	(73.9)
Investment losses on money trusts	19	191	10	(181)	(94.6)
Losses on sales of securities	20	98	127	28	29.0
Impairment losses on securities	21	179	20	(159)	(88.7)
Investment losses on separate accounts	22	761	-	(761)	(100.0)
Operating expenses and general and administrative expenses	23	5,908	6,535	627	10.6
Other ordinary income and expenses:	24	12	(4)	(17)	(139.7)
Gains/(losses) on equity method investments	25	22	21	(1)	(5.9)
Ordinary profit	26	2,915	3,526	610	20.9
Extraordinary income and losses:					
Extraordinary income	27	177	35	(142)	(80.0)
Extraordinary losses	28	522	735	213	40.8
Provision for reserve for price fluctuation	29	242	339	96	39.7
Extraordinary income/(losses)	30	(344)	(700)	(355)	-
Income before income taxes	31	2,570	2,826	255	9.9
Income taxes - current	32	628	1,054	426	67.9
Income taxes - deferred	33	124	(345)	(470)	(377.2)
Total income taxes	34	752	709	(43)	(5.8)
Net income	35	1,818	2,116	298	16.4
Net income attributable to non-controlling interests	36	2	12	9	324.8
Net income attributable to owners of the parent	37	1,815	2,104	289	15.9

(Notes) 1. The figures in the above table are presented exclusive of Good Result Return premiums of Mitsui Sumitomo Insurance's proprietary automobile insurance product "ModoRich", which contains a special clause related to premium adjustment and refund at maturity.

2. Extraordinary losses for the year ended March 31, 2016 include costs of ¥11.3 billion associated with the implementation of the career/transition assistance measures such as special severance payments at Aioi Nissay Dowa Insurance Co., Ltd., one of the consolidated subsidiaries.

3. Extraordinary losses for the year ended March 31, 2017 include system-related costs that were recognized by the reorganization by function at domestic insurance consolidated subsidiaries under the umbrella of the Company in the amount of ¥26.3 billion.

Incurred losses related to non-life insurance business	38	16,517	18,973	2,455	14.9
---	----	---------------	---------------	--------------	-------------

(Note) Incurred losses (excluding loss adjustment expenses) = net claims paid + movement in outstanding claims

(2) Breakdown of Results by Company (Net Premiums Written, Ordinary Profit and Net Income Attributable to Owners of the Parent)

(Yen in 100 millions)

	Items	Year ended March 31, 2016	Year ended March 31, 2017	Change	Change ratio
Net premiums written ^(Note 1)	1	30,789	34,069	3,279	10.7
					%
Mitsui Sumitomo Insurance ^(Note 1)	2	15,074	14,696	(377)	(2.5)
Aioi Nissay Dowa Insurance	3	11,920	12,005	84	0.7
Mitsui Direct General Insurance	4	365	376	10	3.0
Overseas insurance subsidiaries	5	3,368	6,931	3,562	105.8
Ordinary profit	6	2,915	3,526	610	20.9
Mitsui Sumitomo Insurance	7	1,678	2,155	476	28.4
Aioi Nissay Dowa Insurance	8	617	751	134	21.7
Net income attributable to owners of the parent	9	1,815	2,104	289	15.9
Mitsui Sumitomo Insurance	10	1,139	1,645	505	44.4
Aioi Nissay Dowa Insurance	11	310	503	192	62.0
Mitsui Direct General Insurance	12	(43)	(9)	34	-
Mitsui Sumitomo Aioi Life Insurance	13	60	45	(14)	(24.0)
Mitsui Sumitomo Primary Life Insurance	14	178	207	28	15.7
Overseas insurance subsidiaries	15	285	240	(45)	(15.8)
Others	16	47	25	(22)	(46.1)
Consolidation adjustments and holding company	17	(165)	(555)	(390)	-

(Notes) 1. The figures in the above table are presented exclusive of Good Result Return premiums of Mitsui Sumitomo Insurance's proprietary automobile insurance product "ModoRich", which contains a special clause related to premium adjustment and refund at maturity.

2. Items 10 to 16 represent the net income or loss on a non-consolidated basis after taking into account the Company's ownership interests in its subsidiaries.

(3) Breakdown of Results of Overseas Insurance Subsidiaries

(Yen in 100 millions)

	Items	Year ended March 31, 2016	Year ended March 31, 2017	Change	Change ratio
Net premiums written	1	3,368	6,931	3,562	105.8
					%
Asia	2	1,703	1,545	(158)	(9.3)
Europe	3	1,020	851	(168)	(16.5)
Americas	4	458	454	(3)	(0.8)
Reinsurance	5	186	168	(18)	(9.8)
MS Amlin	6	-	3,911	3,911	-
Net income attributable to owners of the parent	7	285	240	(45)	(15.8)
Asia	8	166	132	(33)	(20.3)
Europe	9	(20)	(81)	(60)	-
Americas	10	32	30	(2)	(6.2)
Reinsurance	11	107	118	10	10.1
MS Amlin	12	-	40	40	-

(4) Summary of Results of Domestic Life Insurance Business

(Yen in 100 millions)

	Items	Year ended March 31, 2016	Year ended March 31, 2017	Change	Change ratio
Amount of new policies					
Mitsui Sumitomo Aioi Life Insurance	1	24,233	23,771	(462)	(1.9) %
Mitsui Sumitomo Primary Life Insurance	2	12,626	10,322	(2,303)	(18.2) %
Amount of policies in force					
Mitsui Sumitomo Aioi Life Insurance	3	225,760	232,142	6,382	2.8 %
Mitsui Sumitomo Primary Life Insurance	4	49,108	56,807	7,699	15.7 %
Annualized premiums for policies in force					
Mitsui Sumitomo Aioi Life Insurance	5	3,757	4,010	252	6.7 %
Mitsui Sumitomo Primary Life Insurance	6	4,840	5,321	480	9.9 %

(Note) The figures in the above table represent the total sum of individual insurance and individual annuities.

2. Non-Consolidated Business Results of Mitsui Sumitomo Insurance Co., Ltd.

The figures in the tables below are presented exclusive of Good Result Return premiums of Mitsui Sumitomo Insurance's proprietary automobile insurance product "ModoRich", which contains a special clause related to premium adjustment and refund at maturity.

(1) Business Performance

(Yen in 100 millions)

	Items	Year ended March 31, 2016	Year ended March 31, 2017	Change	Change ratio
					%
(+)	Net premiums written	15,074	14,696	(377)	(2.5)
(-)	Net claims paid	8,008	8,114	105	1.3
(-)	Loss adjustment expenses	874	878	4	0.5
(-)	Commissions and collection expenses	2,631	2,517	(114)	(4.3)
(-)	Operating expenses and general and administrative expenses for underwriting	2,046	2,066	20	1.0
	Underwriting profit before movements in reserves	1,513	1,120	(393)	(26.0)
(-)	Movement in outstanding claims	88	(62)	(150)	(171.3)
(-)	Movement in ordinary underwriting reserves	752	(61)	(813)	(108.1)
(-)	Movement in catastrophe reserve	525	463	(61)	(11.8)
(+)	Other	43	37	(6)	(15.3)
	Underwriting profit	191	817	626	327.9
(+)	Interest and dividends income	1,169	1,167	(1)	(0.2)
(-)	Transfer of investment income on deposit premiums from policyholders	375	355	(20)	(5.5)
	Net interest and dividends income (item 12 - item 13)	794	812	18	2.3
(+)	Gains/(losses) on sales of securities	991	672	(318)	(32.2)
(-)	Impairment losses on securities	72	4	(67)	(93.2)
(+)	Other	(184)	(86)	97	-
	Investment profit	1,528	1,394	(134)	(8.8)
(+)	Other ordinary profit/(loss)	(40)	(56)	(16)	-
	Ordinary profit	1,678	2,155	476	28.4
(+)	Extraordinary income/(losses):	(117)	(70)	46	-
	Gains/(losses) on reserve for price fluctuation	(36)	(36)	(0)	-
	Income before income taxes	1,561	2,084	523	33.5
(-)	Income taxes	421	438	17	4.1
	Net income	1,139	1,645	505	44.4

Ratios	Net loss ratio	26	58.9 %	61.2 %	2.3 %	/
	Net expense ratio	27	31.0 %	31.2 %	0.2 %	
	Combined ratio	28	89.9 %	92.4 %	2.5 %	
	Interest and dividends income yield	29	2.40 %	2.32 %	(0.08) %	
	Investment profit yield	30	4.06 %	3.63 %	(0.43) %	

Incurred losses (item 2 + item 7)	31	8,097	8,051	(45)	(0.6)
-----------------------------------	----	-------	--------------	-------------	--------------

- (Notes) 1. Net loss ratio = (net claims paid + loss adjustment expenses) / net premiums written x 100
2. Net expense ratio = (commissions and collection expenses + operating expenses and general and administrative expenses for underwriting) / net premiums written x 100
3. Combined ratio = net loss ratio + net expense ratio
4. Total investment yield (including unrealized gains and losses): (2.83)% for the year ended March 31, 2016, and 3.49% for the year ended March 31, 2017

(Reference) Business performance excluding residential earthquake insurance and CALI*

	Net premiums written	32	13,200	12,820	(380)	(2.9)
Ratios	Net loss ratio	33	56.0 %	58.0 %	2.0 %	/
	Net expense ratio	34	33.1 %	33.2 %	0.1 %	
	Combined ratio	35	89.1 %	91.2 %	2.1 %	

* CALI stands for compulsory automobile liability insurance, and the same hereinafter.

(2) Premiums written

(Yen in 100 millions)

	Net premiums written				Direct premiums written (excluding deposit premiums from policyholders)			
	Year ended March 31, 2016		Year ended March 31, 2017		Year ended March 31, 2016		Year ended March 31, 2017	
	Amount	Change ratio %	Amount	Change ratio %	Amount	Change ratio %	Amount	Change ratio %
Fire and allied	2,424	8.9	1,838	(24.2)	3,149	8.6	2,586	(17.9)
Marine	669	2.6	586	(12.4)	912	3.4	787	(13.7)
Personal accident	1,409	(5.8)	1,435	1.8	1,490	(4.9)	1,534	2.9
Voluntary automobile	6,456	3.1	6,541	1.3	6,500	3.2	6,592	1.4
CALI	1,865	3.6	1,868	0.2	1,725	0.6	1,785	3.4
Other	2,248	11.4	2,425	7.9	2,588	12.9	2,818	8.9
Total	15,074	4.3	14,696	(2.5)	16,367	4.6	16,105	(1.6)

(3) Net claims paid

(Yen in 100 millions)

	Year ended March 31, 2016			Year ended March 31, 2017			
	Amount	Change ratio %	Net loss ratio %	Amount	Change ratio %	Net loss ratio %	Change %
Fire and allied	1,295	(10.3)	55.2	1,281	(1.0)	72.0	16.8
Marine	341	11.7	53.9	341	(0.2)	61.3	7.4
Personal accident	746	(4.7)	57.7	709	(4.9)	54.3	(3.4)
Voluntary automobile	3,264	(0.7)	59.2	3,191	(2.2)	57.3	(1.9)
CALI	1,358	1.2	79.8	1,368	0.7	80.3	0.5
Other	1,002	6.0	47.2	1,222	21.9	52.9	5.7
Total	8,008	(1.2)	58.9	8,114	1.3	61.2	2.3

(Note) Net loss ratio = (net claims paid + loss adjustment expenses) / net premiums written x 100

(Reference) Incurred losses caused by natural disasters in Japan

(Yen in 100 millions)

	Year ended March 31, 2016			Year ended March 31, 2017		
	Incurred losses	Net claims paid	Outstanding claims	Incurred losses	Net claims paid	Outstanding claims
Fire and allied	331	315	15	305	226	79
Voluntary automobile	25	25	0	12	12	0
Other	23	18	4	25	14	10
Total	379	359	20	343	253	89

(Note) The above table describes losses caused by natural disasters in Japan, which exclude residential earthquake insurance, incurred during the respective period.

The figures for the year ended March 31, 2017 include incurred losses related to the Kumamoto earthquakes, which exclude residential earthquake insurance, as follows:

Incurred losses ¥10.5 billion, Net claims paid ¥6.8 billion and Outstanding claims ¥3.6 billion.

(4) Expenses

<Company expenses>

(Yen in 100 millions)

	Items	Year ended March 31, 2016			Year ended March 31, 2017		
		Amount	Change	Change ratio %	Amount	Change	Change ratio %
Personnel expenses	1	1,654	(17)	(1.1)	1,677	22	1.4
Non-personnel expenses	2	1,213	(31)	(2.5)	1,252	39	3.3
Taxes and contributions	3	158	37	31.1	124	(33)	(21.3)
Total	4	3,025	(12)	(0.4)	3,054	28	0.9

(Note) Total = loss adjustment expenses + operating expenses and general and administrative expenses

<Expenses for underwriting>

(Yen in 100 millions)

	Items	Year ended March 31, 2016			Year ended March 31, 2017		
		Amount	Change	Change ratio %	Amount	Change	Change ratio %
Operating expenses and general and administrative expenses	5	2,046	(10)	(0.5)	2,066	20	1.0
Commissions and collection expenses	6	2,631	93	3.7	2,517	(114)	(4.3)
Total	7	4,677	82	1.8	4,583	(94)	(2.0)
Net expense ratio	8	31.0 %	(0.8) %		31.2 %	0.2 %	

(5) Outstanding claims

(Yen in 100 millions)

	March 31, 2016		March 31, 2017	
	Balance	Movement	Balance	Movement
Fire and allied	913	(32)	917	4
Marine	364	36	311	(52)
Personal accident	502	(36)	467	(34)
Voluntary automobile	2,671	11	2,574	(96)
CALI	535	2	520	(15)
Other	1,509	108	1,642	132
Total	6,497	88	6,434	(62)

(6) Incurred losses and earned-incurred loss ratio

(Yen in 100 millions)

	Year ended March 31, 2016		Year ended March 31, 2017			
	Incurred losses	Earned-incurred loss ratio	Incurred losses	Change	Earned-incurred loss ratio	Change
		%			%	%
Fire and allied	1,304	67.3	1,268	(35)	63.9	(3.4)
Marine	397	58.5	306	(90)	51.8	(6.7)
Personal accident	777	54.7	744	(32)	52.8	(1.9)
Voluntary automobile	3,833	59.9	3,649	(184)	55.9	(4.0)
Other	1,168	54.6	1,415	246	58.7	4.1
Total	7,481	59.5	7,384	(96)	57.1	(2.4)

(Note) Earned-incurred loss ratio is calculated by the following method:

The calculation is exclusive of residential earthquake insurance and CALI.

Incurred losses = net claims paid + loss adjustment expenses + movement in outstanding claims

Earned premiums are calculated based on unearned premiums (excluding underwriting reserves for natural disasters), premium reserve, etc.

Earned-incurred loss ratio = incurred losses / earned premiums x 100

(7) Underwriting reserves

(Yen in 100 millions)

		March 31, 2017				
		Total underwriting reserves	Ordinary underwriting reserves	Reserve for refunds and dividends to policyholders	Catastrophe reserve	Contingency reserve
Fire and allied	Balance	9,357	6,365	1,529	1,460	1
	Movement	(347)	(222)	(183)	58	0
Marine	Balance	1,062	281	-	781	-
	Movement	21	(6)	-	27	-
Personal accident	Balance	12,694	1,156	10,858	677	3
	Movement	(426)	23	(495)	45	0
Voluntary automobile	Balance	2,676	2,002	84	589	0
	Movement	229	14	5	209	0
CALI	Balance	2,410	2,410	-	-	-
	Movement	112	112	-	-	-
Other	Balance	4,970	2,595	593	1,780	0
	Movement	133	16	(6)	123	0
Total	Balance	33,172	14,812	13,065	5,288	5
	Movement	(276)	(61)	(679)	463	1

(Note) Reserves for residential earthquake insurance and CALI are included in ordinary underwriting reserves.

(8) Catastrophe reserve

(Yen in 100 millions)

	March 31, 2016		March 31, 2017			
	Balance	Reserve ratio	Reversal	Provision	Balance	Reserve ratio
		%				%
Fire and allied	1,402	58.0	171	229	1,460	79.7
Marine	753	112.6	-	27	781	133.2
Personal accident	631	44.8	-	45	677	47.2
Voluntary automobile	380	5.9	-	209	589	9.0
Other	1,656	73.7	7	131	1,780	73.4
Total	4,825	36.6	179	642	5,288	41.3

(Note) Reserve ratio = catastrophe reserve / net premiums written (excluding premiums of residential earthquake insurance and CALI and Good Result Return premiums of the automobile insurance product "ModoRich") x 100

(9) Investment assets

(Yen in 100 millions)

	March 31, 2016	March 31, 2017	
			Change
Cash, deposits and savings	5,127	4,198	(929)
Investments in securities:	51,737	52,946	1,209
Domestic bonds	18,653	18,479	(174)
Domestic stocks	17,565	18,068	502
Foreign securities	15,259	16,048	789
Other securities	258	349	91
Loans	4,486	4,181	(305)
Land and buildings	2,049	2,000	(48)
Total	63,401	63,327	(73)

(Reference)

Long-term investment assets	13,645	12,959	(685)
-----------------------------	--------	--------	-------

(Reference) Breakdown of domestic bonds

(Yen in 100 millions)

	March 31, 2016	March 31, 2017	
			Change
Government bonds	12,788	12,633	(155)
Municipal bonds	919	888	(30)
Corporate bonds:	4,945	4,957	11
Government agency bonds	1,199	1,042	(157)
Specific financial institution bonds	32	32	(0)
Other corporate bonds	3,714	3,883	169
Total	18,653	18,479	(174)

(10) Breakdown of interest and dividends income

(Yen in 100 millions)

	Year ended March 31, 2016	Year ended March 31, 2017	
			Change
Investments in securities:	1,022	1,042	20
Domestic bonds	209	194	(14)
Domestic stocks	457	435	(22)
Foreign securities	303	380	76
Other securities	52	32	(20)
Loans	62	49	(12)
Land and buildings	61	63	1
Other	24	12	(11)
Total	1,169	1,167	(1)

(11) Investments in securities**Unrealized gains and losses on investments in securities**

(Yen in 100 millions)

March 31, 2017	Cost	Fair value	Difference	Change from
				March 31, 2016
Domestic bonds	16,930	18,479	1,548	(361)
Domestic stocks	6,437	17,716	11,278	875
Foreign securities	4,468	4,546	78	(88)
Other securities	309	343	34	(9)
Total	28,145	41,086	12,940	415

(Yen in 100 millions)

March 31, 2016	Cost	Fair value	Difference
Domestic bonds	16,743	18,653	1,910
Domestic stocks	6,784	17,187	10,403
Foreign securities	4,008	4,175	166
Other securities	362	406	44
Total	27,898	40,423	12,524

(Notes) 1. The above tables describe available-for-sale securities with practically determinable fair value.

2. "Other securities" includes loan receivable trust beneficiary certificates and commercial papers included in Monetary claims bought on the balance sheets.

Gains and losses on sales of securities

(Yen in 100 millions)

	Year ended March 31, 2016 Gains/(losses)	Year ended March 31, 2017		
		Gains/(losses)	Gains	Losses
Domestic bonds	17	(4)	3	7
Domestic stocks	970	656	657	0
Foreign securities	4	20	56	36
Other securities	-	-	-	-
Total	991	672	717	44

Impairment losses on securities

(Yen in 100 millions)

	Year ended March 31, 2016	Year ended March 31, 2017	
			Change
Domestic bonds	-	-	-
Domestic stocks	72	0	(72)
Foreign securities	-	4	4
Other securities	0	-	(0)
Total	72	4	(67)

3. Non-Consolidated Business Results of Aioi Nissay Dowa Insurance Co., Ltd.

(1) Business Performance

(Yen in 100 millions)

	Items	Year ended March 31, 2016	Year ended March 31, 2017	Change	Change ratio
(+)	Net premiums written	11,920	12,005	84	0.7 %
(-)	Net claims paid	6,448	6,486	37	0.6
(-)	Loss adjustment expenses	610	608	(2)	(0.4)
(-)	Commissions and collection expenses	2,231	2,238	7	0.3
(-)	Operating expenses and general and administrative expenses for underwriting	1,853	1,783	(70)	(3.8)
	Underwriting profit before movements in reserves	776	889	112	14.5
(-)	Movement in outstanding claims	4	152	147	3,344.2
(-)	Movement in ordinary underwriting reserves	249	(0)	(250)	(100.4)
(-)	Movement in catastrophe reserve	291	354	63	21.7
(+)	Other	18	11	(6)	(34.8)
	Underwriting profit	248	395	146	58.9
(+)	Interest and dividends income	587	554	(33)	(5.7)
(-)	Transfer of investment income on deposit premiums from policyholders	191	173	(18)	(9.5)
	Net interest and dividends income (item 12 - item 13)	395	380	(15)	(3.8)
(+)	Gains/(losses) on sales of securities	104	90	(14)	(13.4)
(-)	Impairment losses on securities	66	49	(17)	(26.2)
(+)	Other	(84)	(99)	(14)	-
	Investment profit	349	322	(26)	(7.6)
(+)	Other ordinary profit/(loss)	19	34	14	72.4
	Ordinary profit	617	751	134	21.7
(+)	Extraordinary income/(losses):	(202)	(83)	118	-
	Gains/(losses) on reserve for price fluctuation	(66)	(5)	60	-
	Income before income taxes	415	668	252	60.8
(-)	Income taxes	104	164	59	57.3
	Net income	310	503	192	62.0

Ratios	Net loss ratio	26	59.2 %	59.1 %	(0.1) %
	Net expense ratio	27	34.3 %	33.5 %	(0.8) %
	Combined ratio	28	93.5 %	92.6 %	(0.9) %
	Interest and dividends income yield	29	2.28 %	2.12 %	(0.16) %
	Investment profit yield	30	2.35 %	2.12 %	(0.23) %

Incurred losses (item 2 + item 7)	31	6,453	6,638	184	2.9
-----------------------------------	----	-------	-------	-----	-----

- (Notes) 1. Net loss ratio = (net claims paid + loss adjustment expenses) / net premiums written x 100
2. Net expense ratio = (commissions and collection expenses + operating expenses and general and administrative expenses for underwriting) / net premiums written x 100
3. Combined ratio = net loss ratio + net expense ratio
4. Total investment yield (including unrealized gains and losses): (0.76)% for the year ended March 31, 2016, and 2.82% for the year ended March 31, 2017
5. Extraordinary income/(losses) for the year ended March 31, 2016 includes costs of ¥11.3 billion associated with the implementation of the career/transition assistance measures such as special severance payments.

(Reference) Business performance excluding residential earthquake insurance and CALI

	Net premiums written	32	10,209	10,312	103	1.0
Ratios	Net loss ratio	33	56.1 %	55.6 %	(0.5) %	
	Net expense ratio	34	36.5 %	35.2 %	(1.3) %	
	Combined ratio	35	92.6 %	90.8 %	(1.8) %	

(2) Premiums written

(Yen in 100 millions)

	Net premiums written				Direct premiums written (excluding deposit premiums from policyholders)			
	Year ended March 31, 2016		Year ended March 31, 2017		Year ended March 31, 2016		Year ended March 31, 2017	
	Amount	Change ratio %	Amount	Change ratio %	Amount	Change ratio %	Amount	Change ratio %
Fire and allied	1,676	15.7	1,530	(8.7)	2,299	7.5	1,891	(17.8)
Marine	57	(23.9)	54	(5.2)	(0)	(101.0)	(0)	-
Personal accident	635	(8.6)	614	(3.4)	666	(8.1)	652	(2.1)
Voluntary automobile	6,718	1.0	6,804	1.3	6,592	1.9	6,619	0.4
CALI	1,706	1.7	1,687	(1.1)	1,838	0.0	1,880	2.2
Other	1,126	6.3	1,313	16.7	1,303	7.2	1,413	8.5
Total	11,920	2.7	12,005	0.7	12,700	2.1	12,456	(1.9)

(3) Net claims paid

(Yen in 100 millions)

	Year ended March 31, 2016			Year ended March 31, 2017			
	Amount	Change ratio %	Net loss ratio %	Amount	Change ratio %	Net loss ratio %	Change %
Fire and allied	831	(10.0)	51.9	822	(1.1)	56.2	4.3
Marine	24	(45.0)	43.4	26	4.7	48.0	4.6
Personal accident	303	(5.2)	52.0	272	(10.4)	48.6	(3.4)
Voluntary automobile	3,498	(5.6)	58.1	3,457	(1.2)	56.8	(1.3)
CALI	1,227	(0.5)	78.1	1,211	(1.3)	77.9	(0.2)
Other	563	2.1	53.0	696	23.5	55.6	2.6
Total	6,448	(4.9)	59.2	6,486	0.6	59.1	(0.1)

(Note) Net loss ratio = (net claims paid + loss adjustment expenses) / net premiums written x 100

(Reference) Incurred losses caused by natural disasters in Japan

(Yen in 100 millions)

	Year ended March 31, 2016			Year ended March 31, 2017		
	Incurred losses	Net claims paid	Outstanding claims	Incurred losses	Net claims paid	Outstanding claims
Fire and allied	245	223	21	146	123	23
Voluntary automobile	36	35	0	12	12	0
Other	15	8	7	8	6	2
Total	297	268	29	167	142	25

(Note) The above table describes losses caused by natural disasters in Japan, which exclude residential earthquake insurance, incurred during the respective period.

The figures for the year ended March 31, 2017 include incurred losses related to the Kumamoto earthquakes, which exclude residential earthquake insurance, as follows:

Incurred losses ¥3.8 billion, Net claims paid ¥2.6 billion and Outstanding claims ¥1.2 billion.

(4) Expenses

(Yen in 100 millions)

<Company expenses>

	Items	Year ended March 31, 2016			Year ended March 31, 2017		
		Amount	Change	Change ratio %	Amount	Change	Change ratio %
Personnel expenses	1	1,264	73	6.2	1,236	(28)	(2.2)
Non-personnel expenses	2	1,171	(67)	(5.5)	1,130	(40)	(3.5)
Taxes and contributions	3	110	0	0.6	109	(1)	(1.5)
Total	4	2,547	6	0.3	2,476	(70)	(2.8)

(Note) Total = loss adjustment expenses + operating expenses and general and administrative expenses

<Expenses for underwriting>

(Yen in 100 millions)

	Items	Year ended March 31, 2016			Year ended March 31, 2017		
		Amount	Change	Change ratio %	Amount	Change	Change ratio %
Operating expenses and general and administrative expenses	5	1,853	(48)	(2.5)	1,783	(70)	(3.8)
Commissions and collection expenses	6	2,231	70	3.3	2,238	7	0.3
Total	7	4,085	22	0.6	4,021	(63)	(1.5)
Net expense ratio	8	34.3 %	(0.7) %		33.5 %	(0.8) %	

(5) Outstanding claims

(Yen in 100 millions)

	March 31, 2016		March 31, 2017	
	Balance	Movement	Balance	Movement
Fire and allied	491	22	590	98
Marine	41	1	42	0
Personal accident	227	(31)	233	5
Voluntary automobile	2,926	(51)	2,938	12
CALI	483	(6)	462	(21)
Other	945	70	1,001	55
Total	5,115	4	5,267	152

(6) Incurred losses and earned-incurred loss ratio

(Yen in 100 millions)

	Year ended March 31, 2016		Year ended March 31, 2017			
	Incurred losses	Earned-incurred loss ratio	Incurred losses	Change	Earned-incurred loss ratio	Change
		%			%	%
Fire and allied	892	61.1	915	23	58.1	(3.0)
Marine	27	50.8	27	0	49.6	(1.2)
Personal accident	298	46.4	304	5	50.9	4.5
Voluntary automobile	3,852	57.0	3,877	25	57.1	0.1
Other	667	60.6	786	118	60.3	(0.3)
Total	5,737	57.3	5,910	172	57.3	0.0

(Note) Earned-incurred loss ratio is calculated by the following method:

The calculation is exclusive of residential earthquake insurance and CALI.

Incurred losses = net claims paid + loss adjustment expenses + movement in outstanding claims

Earned premiums are calculated based on unearned premiums, premium reserve, etc.

Earned-incurred loss ratio = incurred losses / earned premiums x 100

(7) Underwriting reserves

(Yen in 100 millions)

		March 31, 2017				
		Total underwriting reserves	Ordinary underwriting reserves	Reserve for refunds and dividends to policyholders	Catastrophe reserve	Contingency reserve
Fire and allied	Balance	7,034	5,050	715	1,265	3
	Movement	(36)	(88)	(92)	144	0
Marine	Balance	167	27	-	139	-
	Movement	2	2	-	0	-
Personal accident	Balance	5,019	707	3,656	651	3
	Movement	(175)	15	(210)	19	0
Voluntary automobile	Balance	2,369	1,903	27	438	0
	Movement	155	11	4	139	0
CALI	Balance	2,323	2,323	-	-	-
	Movement	33	33	-	-	-
Other	Balance	2,068	1,267	159	641	0
	Movement	70	24	(3)	49	(0)
Total	Balance	18,983	11,280	4,558	3,136	7
	Movement	50	(0)	(302)	354	-

(Note) Reserves for residential earthquake insurance and CALI are included in ordinary underwriting reserves.

(8) Catastrophe reserve

(Yen in 100 millions)

	March 31, 2016		March 31, 2017			
	Balance	Reserve ratio	Reversal	Provision	Balance	Reserve ratio
		%				%
Fire and allied	1,121	67.1	-	144	1,265	83.0
Marine	138	240.1	-	0	139	254.7
Personal accident	631	99.4	-	19	651	106.1
Voluntary automobile	299	4.5	78	217	438	6.5
Other	591	52.6	12	62	641	48.8
Total	2,782	27.3	90	445	3,136	30.4

(Note) Reserve ratio = catastrophe reserve / net premiums written (excluding premiums of residential earthquake insurance and CALI) x 100

(9) Investment assets

(Yen in 100 millions)

	March 31, 2016	March 31, 2017	
			Change
Cash, deposits and savings	1,495	1,898	402
Investments in securities:	24,975	25,770	795
Domestic bonds	9,855	9,707	(147)
Domestic stocks	7,927	8,433	506
Foreign securities	6,757	7,070	313
Other securities	435	558	122
Loans	2,218	2,109	(109)
Land and buildings	1,709	1,634	(74)
Total	30,398	31,412	1,013

(Reference)

Long-term investment assets	4,837	4,530	(306)
-----------------------------	-------	-------	-------

(Reference) Breakdown of domestic bonds

(Yen in 100 millions)

	March 31, 2016	March 31, 2017	
			Change
Government bonds	6,936	6,705	(230)
Municipal bonds	224	207	(17)
Corporate bonds:	2,693	2,794	100
Government agency bonds	398	519	121
Specific financial institution bonds	249	141	(108)
Other corporate bonds	2,045	2,133	88
Total	9,855	9,707	(147)

(10) Breakdown of interest and dividends income

(Yen in 100 millions)

	Year ended March 31, 2016	Year ended March 31, 2017	
			Change
Investments in securities:	501	478	(23)
Domestic bonds	98	99	0
Domestic stocks	173	176	2
Foreign securities	185	177	(8)
Other securities	43	25	(18)
Loans	31	26	(4)
Land and buildings	43	44	1
Other	10	3	(6)
Total	587	554	(33)

(11) Investments in securities

Unrealized gains and losses on investments in securities

(Yen in 100 millions)

March 31, 2017	Cost	Fair value	Difference	Change from
				March 31, 2016
Domestic bonds	9,059	9,707	648	(189)
Domestic stocks	4,252	8,165	3,913	664
Foreign securities	5,683	6,116	433	(164)
Other securities	455	512	56	4
Total	19,450	24,503	5,052	315

(Yen in 100 millions)

March 31, 2016	Cost	Fair value	Difference
Domestic bonds	9,016	9,855	838
Domestic stocks	4,415	7,663	3,248
Foreign securities	5,244	5,842	597
Other securities	346	398	52
Total	19,022	23,759	4,736

(Notes) 1. The above tables describe available-for-sale securities with practically determinable fair value.

2. "Other securities" includes loan receivable trust beneficiary certificates included in Monetary claims bought on the balance sheets.

Gains and losses on sales of securities

(Yen in 100 millions)

	Year ended March 31, 2016 Gains/(losses)	Year ended March 31, 2017 Gains/(losses)	Gains and Losses	
			Gains	Losses
Domestic bonds	1	7	7	0
Domestic stocks	157	119	121	2
Foreign securities	(53)	(35)	3	39
Other securities	-	-	-	-
Total	104	90	133	42

Impairment losses on securities

(Yen in 100 millions)

	Year ended March 31, 2016	Year ended March 31, 2017	Change
Domestic bonds	-	-	-
Domestic stocks	66	6	(60)
Foreign securities	0	43	42
Other securities	-	-	-
Total	66	49	(17)

4. Earnings Forecasts

(1) MS&AD Insurance Group Holdings, Inc. (Consolidated)

(Yen in 100 millions)

	Items	Forecasts for year ending March 31, 2018	Change from previous year
Net premiums written:	1	34,500	1.3 %
Net premiums written at overseas non-life insurance subsidiaries	2	7,000	1.0 %
Ordinary profit	3	3,450	(76)
Net income attributable to owners of the parent	4	2,450	345
Annual total of dividends per share	5	130.00 yen	10.00 yen

(2) Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)

(Yen in 100 millions)

	Results for year ended March 31, 2017	Forecasts for year ending March 31, 2018
Direct premiums written (excluding deposit premiums from policyholders)	16,105	16,245
Change ratio	(1.6)%	0.9 %
Net premiums written	14,696	14,880
Change ratio	(2.5)%	1.2 %
Net loss ratio	61.2 %	60.3 %
Net expense ratio	31.2 %	31.6 %
Combined ratio	92.4 %	91.9 %
Underwriting profit	817	820
Net interest and dividends income	812	690
Ordinary profit	2,155	2,250
Net income	1,645	1,660

(Reference) Excluding residential earthquake insurance and CALI

	Results for year ended March 31, 2017	Forecasts for year ending March 31, 2018
Change ratio of net premiums written	(2.9)%	1.7 %
Net loss ratio	58.0 %	57.2 %
Net expense ratio	33.2 %	33.5 %
Combined ratio	91.2 %	90.7 %

Forecasts by line of insurance for the year ending March 31, 2018

(Yen in 100 millions)

	Net premiums written		Net loss ratio	
		Change ratio		Change
Fire and allied	1,910	3.9 %	63.4 %	(8.6)%
Marine	585	(0.2)%	60.0 %	(1.3)%
Personal accident	1,445	0.7 %	53.5 %	(0.8)%
Voluntary automobile	6,603	0.9 %	57.9 %	0.6 %
CALI	1,832	(2.0)%	82.1 %	1.8 %
Other	2,506	3.3 %	52.2 %	(0.7)%
Total	14,880	1.2 %	60.3 %	(0.9)%

(Note) Direct premiums written (excluding deposit premiums from policyholders) and net premiums written in the above tables are presented exclusive of Good Result Return premiums of Mitsui Sumitomo Insurance's proprietary automobile insurance product "ModoRich", which contains a special clause related to premium adjustment and refund at maturity.

(3) Aioi Nissay Dowa Insurance Co., Ltd. (Non-consolidated)

(Yen in 100 millions)

	Results for year ended March 31, 2017	Forecasts for year ending March 31, 2018
Direct premiums written (excluding deposit premiums from policyholders)	12,456	12,413
Change ratio	(1.9)%	(0.3)%
Net premiums written	12,005	12,190
Change ratio	0.7 %	1.5 %
Net loss ratio	59.1 %	60.2 %
Net expense ratio	33.5 %	33.7 %
Combined ratio	92.6 %	93.9 %
Underwriting profit	395	410
Net interest and dividends income	380	350
Ordinary profit	751	700
Net income	503	490

(Reference) Excluding residential earthquake insurance and CALI

	Results for year ended March 31, 2017	Forecasts for year ending March 31, 2018
Change ratio of net premiums written	1.0 %	2.2 %
Net loss ratio	55.6 %	57.0 %
Net expense ratio	35.2 %	35.4 %
Combined ratio	90.8 %	92.4 %

Forecasts by line of insurance for the year ending March 31, 2018

(Yen in 100 millions)

	Net premiums written		Net loss ratio	
		Change ratio		Change
Fire and allied	1,700	11.1 %	57.3 %	1.1 %
Marine	72	31.7 %	50.0 %	2.0 %
Personal accident	602	(2.0)%	48.5 %	(0.1)%
Voluntary automobile	6,827	0.3 %	58.6 %	1.8 %
CALI	1,646	(2.5)%	80.7 %	2.8 %
Other	1,343	2.2 %	52.9 %	(2.7)%
Total	12,190	1.5 %	60.2 %	1.1 %

[Supplementary Information]

1. Supplementary Information on Consolidated Business Results

(1) Premiums Written and Net Claims Paid by Line of Insurance

Direct Premiums Written by Line of Insurance (including Deposit premiums from policyholders)

(Yen in millions)

Lines of Insurance	Year ended March 31, 2016			Year ended March 31, 2017		
	Amount	Share (%)	Change ratio (%)	Amount	Share (%)	Change ratio (%)
Fire and allied	657,398	19.0	5.2	602,521	16.7	(8.3)
Marine	132,284	3.8	1.0	168,715	4.7	27.5
Personal accident	319,937	9.2	(6.2)	321,055	8.9	0.3
Voluntary automobile	1,475,596	42.5	3.8	1,524,096	42.1	3.3
CALI	356,465	10.3	0.3	366,523	10.1	2.8
Other	527,502	15.2	10.8	632,874	17.5	20.0
Total:	3,469,185	100.0	3.6	3,615,785	100.0	4.2
Deposit premiums from policyholders	116,225	3.4	(16.3)	98,546	2.7	(15.2)

(Reference) Direct Premiums Written excluding Good Result Return premiums of the automobile insurance product “ModoRich”

Voluntary Automobile	1,475,859		3.7	1,523,673		3.2
Total	3,469,449		3.5	3,615,362		4.2

Net Premiums Written by Line of Insurance

(Yen in millions)

Lines of Insurance	Year ended March 31, 2016			Year ended March 31, 2017		
	Amount	Share (%)	Change ratio (%)	Amount	Share (%)	Change ratio (%)
Fire and allied	471,476	15.3	10.7	540,715	15.9	14.7
Marine	106,108	3.4	2.6	145,697	4.3	37.3
Personal accident	218,487	7.1	(5.4)	237,918	7.0	8.9
Voluntary automobile	1,495,339	48.6	4.0	1,559,958	45.8	4.3
CALI	357,639	11.6	2.7	356,088	10.4	(0.4)
Other	429,680	14.0	9.5	567,010	16.6	32.0
Total	3,078,732	100.0	4.8	3,407,389	100.0	10.7

(Reference) Net Premiums Written excluding Good Result Return premiums of the automobile insurance product “ModoRich”

Voluntary automobile	1,495,603		3.9	1,559,535		4.3
Total	3,078,995		4.7	3,406,966		10.7

Net Claims Paid by Line of Insurance

(Yen in millions)

Lines of Insurance	Year ended March 31, 2016			Year ended March 31, 2017		
	Amount	Share (%)	Change ratio (%)	Amount	Share (%)	Change ratio (%)
Fire and allied	235,176	14.5	(9.3)	297,850	16.3	26.6
Marine	48,009	3.0	3.4	96,981	5.3	102.0
Personal accident	109,376	6.7	(4.2)	107,937	5.9	(1.3)
Voluntary automobile	776,606	47.7	(1.3)	798,736	43.6	2.8
CALI	259,078	15.9	0.4	258,465	14.1	(0.2)
Other	199,092	12.2	7.2	271,905	14.8	36.6
Total	1,627,340	100.0	(1.4)	1,831,876	100.0	12.6

(Note) The figures in the above tables include elimination of intersegment transactions.

(2) Investments in Securities

1. Held-to-maturity securities

(Yen in millions)

Items	March 31, 2016			March 31, 2017		
	Carrying amount	Fair value	Difference	Carrying amount	Fair value	Difference
Domestic Bonds	1,056,254	1,293,985	237,731	1,032,755	1,223,936	191,181
Other Securities	13,675	13,675	-	9,539	9,539	-
Total	1,069,930	1,307,661	237,731	1,042,295	1,233,476	191,181

(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.

2. Debt securities earmarked for underwriting reserves

(Yen in millions)

Items	March 31, 2016			March 31, 2017		
	Carrying amount	Fair value	Difference	Carrying amount	Fair value	Difference
Domestic Bonds	67,767	81,036	13,268	288,821	285,054	(3,766)
Foreign Securities	1,026,484	1,091,190	64,706	1,408,431	1,436,414	27,983
Total	1,094,252	1,172,227	77,974	1,697,252	1,721,469	24,216

3. Available-for-sale securities

(Yen in millions)

Items	March 31, 2016			March 31, 2017		
	Cost	Carrying amount	Difference	Cost	Carrying amount	Difference
Domestic Bonds	3,998,967	4,413,778	414,810	4,005,029	4,336,212	331,183
Domestic Stocks	1,193,600	2,486,048	1,292,448	1,140,272	2,589,024	1,448,751
Foreign Securities	1,908,714	2,030,887	122,173	1,982,164	2,065,525	83,361
Other Securities	175,305	184,283	8,977	145,206	154,664	9,457
Total	7,276,587	9,114,998	1,838,410	7,272,672	9,145,427	1,872,754

(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.

3. The Company and its consolidated subsidiaries recognized impairment losses on Available-for-sale securities with practically determinable fair value as follows.

For the year ended March 31, 2016: ¥17,440 million (comprised of ¥16,088 million on Domestic stocks and ¥1,351 million on Foreign securities)

For the year ended March 31, 2017: ¥1,602 million (comprised of ¥669 million on Domestic stocks and ¥932 million on Foreign 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.

2. Summary of Business Results of Main Consolidated Subsidiaries

(1) Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)

Non-Consolidated Balance Sheets

(Yen in millions)

Items	March 31, 2016	March 31, 2017
(Assets)		
Cash, deposits and savings:	442,553	389,027
Cash on hand	133	81
Deposits in banks	442,420	388,945
Receivables under resale agreements	29,999	6,999
Monetary claims bought	28,785	20,393
Money trusts	11,564	3,500
Investments in securities:	5,173,738	5,294,691
Government bonds	1,278,847	1,263,321
Municipal bonds	91,948	88,898
Corporate bonds	494,579	495,736
Domestic stocks	1,756,599	1,806,870
Foreign securities	1,525,945	1,604,888
Other securities	25,817	34,974
Loans:	448,667	418,146
Policy loans	8,242	7,672
General loans	440,424	410,474
Tangible fixed assets:	215,984	210,723
Land	77,690	77,391
Buildings	127,253	122,668
Construction in progress	33	390
Other tangible fixed assets	11,006	10,272
Intangible fixed assets:	43,039	40,105
Software	23,485	21,902
Other intangible fixed assets	19,554	18,203
Other assets:	349,567	352,144
Premiums receivable	3,068	3,330
Due from agencies	114,336	117,841
Co-insurance accounts receivable	7,263	9,257
Reinsurance accounts receivable	58,020	56,073
Foreign reinsurance accounts receivable	30,899	37,979
Agency business accounts receivable	583	619
Other receivables	26,530	38,881
Accrued income	6,260	6,228
Guarantee deposits	11,530	10,565
Deposits with the Japan Earthquake Reinsurance Company	11,286	6,019
Suspense payments	36,111	38,488
Derivative financial instruments	42,639	25,651
Cash collateral pledged under derivative transactions	-	300
Other assets	1,038	907
Customers' liabilities under acceptances and guarantees	45,803	45,520
Bad debt reserve	(3,115)	(4,175)
Total assets	6,786,590	6,777,076

(Yen in millions)

Items	March 31, 2016	March 31, 2017
(Liabilities)		
Policy liabilities:	3,994,619	3,960,687
Outstanding claims	649,729	643,446
Underwriting reserves	3,344,890	3,317,241
Bonds issued	256,191	256,191
Other liabilities:	610,785	515,281
Co-insurance accounts payable	10,935	11,120
Reinsurance accounts payable	59,230	63,397
Foreign reinsurance accounts payable	22,171	28,144
Agency business accounts payable	24	12
Borrowings	296,767	196,767
Income taxes payable	31,780	39,277
Deposits received	18,212	32,469
Unearned income	43	31
Other payables	46,819	48,854
Suspense receipts	24,236	23,286
Derivative financial instruments	5,160	1,649
Cash collateral received under derivative transactions	87,988	62,168
Lease obligations	903	1,399
Asset retirement obligations	3,765	3,831
Other liabilities	2,745	2,869
Reserve for pension and retirement benefits	135,688	136,186
Reserve for retirement benefits for officers	761	612
Accrued bonuses for employees	11,716	10,453
Reserve for reorganization by function	-	3,015
Reserves under the special laws:	64,133	67,801
Reserve for price fluctuation	64,133	67,801
Deferred tax liabilities	139,408	136,275
Acceptances and guarantees	45,803	45,520
Total liabilities	5,259,108	5,132,025
(Net assets)		
Common stock	139,595	139,595
Capital surplus:	93,107	93,107
Additional paid-in capital	93,107	93,107
Retained earnings:	352,644	443,975
Legal earned reserve	46,487	46,487
Other retained earnings:	306,156	397,487
Tax-exempted reserve for accelerated depreciation	16,012	15,840
Retained earnings brought forward	290,143	381,647
Total shareholders' equity	585,347	676,678
Net unrealized gains/(losses) on investments in securities	902,019	932,995
Net deferred gains/(losses) on hedges	40,113	35,377
Total valuation and translation adjustments	942,133	968,372
Total net assets	1,527,481	1,645,050
Total liabilities and net assets	6,786,590	6,777,076

Non-Consolidated Statements of Income

(Yen in millions)

Items	Year ended March 31, 2016	Year ended March 31, 2017
Ordinary income:	1,822,757	1,772,858
Underwriting income:	1,629,696	1,609,647
Net premiums written	1,507,157	1,470,122
Deposit premiums from policyholders	84,712	70,040
Investment income on deposit premiums from policyholders	37,567	35,508
Reversal of outstanding claims	-	6,283
Reversal of underwriting reserves	-	27,649
Other underwriting income	259	44
Investment income:	187,416	159,029
Interest and dividends income	116,990	116,792
Investment gains on money trusts	739	517
Gains on sales of securities	102,149	71,738
Gains on redemption of securities	541	304
Gains on derivative transactions	3,466	4,405
Other investment income	1,095	780
Transfer of investment income on deposit premiums from policyholders	(37,567)	(35,508)
Other ordinary income	5,645	4,181
Ordinary expenses:	1,654,861	1,557,316
Underwriting expenses:	1,405,264	1,319,905
Net claims paid	800,899	811,476
Loss adjustment expenses	87,427	87,834
Commissions and collection expenses	263,136	251,720
Maturity refunds to policyholders	211,446	167,151
Dividends to policyholders	967	466
Provision for outstanding claims	8,815	-
Provision for underwriting reserves	30,101	-
Foreign exchange losses	1,851	736
Other underwriting expenses	619	519
Investment expenses:	26,738	11,968
Investment losses on money trusts	536	9
Losses on sales of securities	3,004	4,469
Impairment losses on securities	7,292	497
Losses on redemption of securities	425	447
Foreign exchange losses	9,825	1,624
Other investment expenses	5,652	4,920
Operating expenses and general and administrative expenses	215,144	217,601
Other ordinary expenses:	7,713	7,840
Interest expense	6,173	6,325
Provision for bad debts	-	1,160
Losses on bad debts	4	9
Other ordinary expenses	1,535	345
Ordinary profit	167,896	215,542
Extraordinary income:	1,782	1,379
Gains on sales of fixed assets	1,782	1,379
Extraordinary losses:	13,567	8,479
Losses on sales of fixed assets	520	700
Impairment losses on fixed assets	8,294	489
Provision for reserves under the special laws:	3,613	3,667
Provision for reserve for price fluctuation	3,613	3,667
Other extraordinary losses	1,139	3,621
Income before income taxes	156,111	208,442
Income taxes - current	37,305	56,972
Income taxes - deferred	4,835	(13,098)
Total income taxes	42,140	43,874
Net income	113,970	164,568

Non-Consolidated Solvency Margin Ratio

Insurance companies running their business in Japan calculate the non-consolidated solvency margin ratio pursuant to the provisions of Articles 86 and 87 of the Insurance Business Act Enforcement Regulations and Public Notice No. 50 issued by the Ministry of Finance in 1996.

While insurance companies set aside reserves to provide for payments of insurance claims should an insured event occur, they are also required to maintain sufficient funds to pay out in an event outside the normal range of estimates such as a major catastrophe and a significant drop in the value of their assets.

The non-consolidated solvency margin ratio, or item (C) in each of the tables below, which is calculated in accordance with the Insurance Business Act, is the ratio of “solvency margin of insurance companies calculated based on their capital and other reserves”, or (A) the total amount of solvency margin, to “risks exceeding the normal range of estimates”, or (B) the total amount of risks.

The non-consolidated solvency margin ratio is one of the objective indicators used by the insurance regulatory authorities to supervise insurance companies. A non-consolidated solvency margin ratio of 200% or over indicates adequate ability to satisfy insurance claims and other payment requirements.

(Yen in millions)

	March 31, 2016	March 31, 2017
(A) Total amount of solvency margin	2,612,098	2,840,438
Total net assets	539,532	639,997
Reserve for price fluctuation	64,133	67,801
Contingency reserve	483	589
Catastrophe reserve	495,691	536,735
General bad debt reserve	199	156
Net unrealized gains/(losses) on investments in securities and net deferred gains/(losses) on hedges (prior to tax effect deductions)	1,126,342	1,164,861
Net unrealized gains/(losses) on land	39,762	45,296
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	256,191	256,191
Amount excluded from the margin, out of (a) and (b)	-	-
Deductions	14,674	14,646
Others	104,435	143,455
(B) Total amount of risks $\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$	891,542	863,472
General insurance risk (R ₁)	120,693	125,601
Insurance risk of third sector insurance contracts (R ₂)	-	-
Assumed interest rate risk (R ₃)	17,579	16,637
Asset management risk (R ₄)	682,112	696,215
Business administration risk (R ₅)	19,645	19,178
Catastrophe risk (R ₆)	161,872	120,461
(C) Solvency margin ratio [(A) / {(B) x 1/2}] x 100	585.9 %	657.9 %

(2) Aioi Nissay Dowa Insurance Co., Ltd. (Non-consolidated)**Non-Consolidated Balance Sheets**

(Yen in millions)

Items	March 31, 2016	March 31, 2017
(Assets)		
Cash, deposits and savings:	131,947	172,323
Cash on hand	23	21
Deposits in banks	131,923	172,302
Call loans	15,000	15,000
Monetary claims bought	94	-
Money trusts	2,511	2,502
Investments in securities:	2,497,578	2,577,087
Government bonds	693,622	670,598
Municipal bonds	22,487	20,726
Corporate bonds	269,389	279,472
Domestic stocks	792,765	843,368
Foreign securities	675,729	707,044
Other securities	43,582	55,876
Loans:	221,856	210,917
Policy loans	3,794	3,384
General loans	218,062	207,533
Tangible fixed assets:	181,665	174,597
Land	80,890	76,916
Buildings	90,026	86,506
Lease assets	51	29
Construction in progress	836	1,187
Other tangible fixed assets	9,860	9,957
Intangible fixed assets:	23,976	19,679
Software	16,966	14,633
Other intangible fixed assets	7,009	5,045
Other assets:	289,975	276,730
Premiums receivable	2,611	2,639
Due from agencies	77,801	79,671
Due from foreign agencies	780	800
Co-insurance accounts receivable	3,265	3,813
Reinsurance accounts receivable	55,238	54,357
Foreign reinsurance accounts receivable	37,363	49,319
Agency business accounts receivable	84	65
Other receivables	53,866	40,227
Accrued income	7,734	7,916
Guarantee deposits	7,047	7,061
Deposits with the Japan Earthquake Reinsurance Company	7,844	3,961
Suspense payments	22,876	23,333
Derivative financial instruments	13,461	3,563
Prepaid pension expenses	28,175	27,150
Deferred tax assets	14,544	16,329
Customers' liabilities under acceptances and guarantees	12,500	7,530
Bad debt reserve	(1,309)	(1,584)
Total assets	3,418,516	3,498,264

(Yen in millions)

Items	March 31, 2016	March 31, 2017
(Liabilities)		
Policy liabilities:	2,404,819	2,425,101
Outstanding claims	511,559	526,764
Underwriting reserves	1,893,259	1,898,337
Bonds issued	50,000	50,000
Other liabilities:	143,343	154,423
Co-insurance accounts payable	3,817	3,966
Reinsurance accounts payable	51,236	57,124
Foreign reinsurance accounts payable	19,397	21,389
Agency business accounts payable	1,509	1,478
Borrowings	9	8
Income taxes payable	3,000	17,290
Deposits received	2,585	2,888
Unearned income	18	18
Other payables	40,003	26,495
Suspense receipts	19,057	18,807
Derivative financial instruments	1,943	4,264
Lease obligations	109	30
Asset retirement obligations	654	661
Other liabilities	0	0
Reserve for pension and retirement benefits	20,239	22,840
Accrued bonuses for employees	5,757	5,919
Reserve for reorganization by function	166	2,288
Reserves under the special laws:	36,525	37,114
Reserve for price fluctuation	36,525	37,114
Acceptances and guarantees	12,500	7,530
Total liabilities	2,673,351	2,705,218
(Net assets)		
Common stock	100,005	100,005
Capital surplus:	81,207	81,207
Additional paid-in capital	52,593	52,593
Other capital surplus	28,614	28,614
Retained earnings:	221,876	237,071
Legal earned reserve	47,411	47,411
Other retained earnings:	174,464	189,660
Retained earnings brought forward	174,464	189,660
Total shareholders' equity	403,089	418,284
Net unrealized gains/(losses) on investments in securities	342,075	374,762
Total valuation and translation adjustments	342,075	374,762
Total net assets	745,164	793,046
Total liabilities and net assets	3,418,516	3,498,264

Non-Consolidated Statements of Income

(Yen in millions)

Items	Year ended March 31, 2016	Year ended March 31, 2017
Ordinary income:	1,309,986	1,304,987
Underwriting income:	1,243,096	1,246,626
Net premiums written	1,192,089	1,200,525
Deposit premiums from policyholders	31,513	28,506
Investment income on deposit premiums from policyholders	19,196	17,365
Other underwriting income	297	228
Investment income:	60,713	52,058
Interest and dividends income	58,752	55,409
Investment gains on money trusts	0	1
Gains on sales of securities	19,522	13,349
Gains on redemption of securities	1,242	425
Other investment income	391	238
Transfer of investment income on deposit premiums from policyholders	(19,196)	(17,365)
Other ordinary income	6,176	6,302
Ordinary expenses:	1,248,214	1,229,799
Underwriting expenses:	1,031,846	1,026,167
Net claims paid	644,889	648,618
Loss adjustment expenses	61,076	60,829
Commissions and collection expenses	223,121	223,848
Maturity refunds to policyholders	81,691	69,648
Dividends to policyholders	47	59
Provision for outstanding claims	441	15,205
Provision for underwriting reserves	15,132	5,077
Foreign exchange losses	2,419	1,562
Other underwriting expenses	3,027	1,318
Investment expenses:	20,302	14,439
Losses on sales of securities	9,069	4,298
Impairment losses on securities	6,664	4,919
Losses on redemption of securities	448	370
Losses on derivative transactions	1,761	4,102
Foreign exchange losses	832	125
Other investment expenses	1,525	622
Operating expenses and general and administrative expenses	193,651	186,846
Other ordinary expenses:	2,413	2,345
Interest expense	756	755
Provision for bad debts	-	295
Losses on bad debts	6	0
Other ordinary expenses	1,650	1,294
Ordinary profit	61,771	75,188
Extraordinary income:	3,717	2,644
Gains on sales of fixed assets	637	2,644
Other extraordinary income	3,079	-
Extraordinary losses:	23,946	11,015
Losses on sales of fixed assets	1,265	1,922
Impairment losses on fixed assets	3,695	5,709
Provision for reserves under the special laws:	6,641	589
Provision for reserve for price fluctuation	6,641	589
Other extraordinary losses	12,343	2,795
Income before income taxes	41,542	66,816
Income taxes - current	3,218	17,097
Income taxes - deferred	7,225	(672)
Total income taxes	10,444	16,425
Net income	31,098	50,391

Non-Consolidated Solvency Margin Ratio

(Yen in millions)

	March 31, 2016	March 31, 2017
(A) Total amount of solvency margin	1,246,991	1,332,714
Total net assets	382,616	398,099
Reserve for price fluctuation	36,525	37,114
Contingency reserve	747	747
Catastrophe reserve	287,174	318,711
General bad debt reserve	372	296
Net unrealized gains/(losses) on investments in securities and net deferred gains/(losses) on hedges (prior to tax effect deductions)	427,061	455,477
Net unrealized gains/(losses) on land	9,267	14,099
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	50,000	50,000
Amount excluded from the margin, out of (a) and (b)	-	-
Deductions	9,747	10,743
Others	62,975	68,911
(B) Total amount of risks $\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$	300,711	312,981
General insurance risk (R ₁)	100,469	103,370
Insurance risk of third sector insurance contracts (R ₂)	-	-
Assumed interest rate risk (R ₃)	8,919	8,387
Asset management risk (R ₄)	207,334	221,083
Business administration risk (R ₅)	7,431	7,728
Catastrophe risk (R ₆)	54,827	53,574
(C) Solvency margin ratio [(A) / {(B) x 1/2}] x 100	829.3 %	851.6 %

(3) Mitsui Direct General Insurance Co., Ltd. (Non-consolidated)**Non-Consolidated Balance Sheets**

(Yen in millions)

Items	March 31, 2016	March 31, 2017
(Assets)		
Cash, deposits and savings:	3,918	12,180
Deposits in banks	3,918	12,180
Investments in securities:	38,973	39,510
Government bonds	2,173	1,865
Municipal bonds	18,897	21,537
Corporate bonds	17,902	16,107
Tangible fixed assets:	213	367
Buildings	60	56
Other tangible fixed assets	153	310
Intangible fixed assets:	2,396	2,307
Software	2,396	2,217
Other intangible fixed assets	0	89
Other assets:	5,586	5,625
Premiums receivable	0	0
Other receivables	3,314	3,330
Accrued income	59	58
Guarantee deposits	386	352
Suspense payments	1,824	1,880
Other assets	2	2
Bad debt reserve	(1)	(4)
Total assets	51,086	59,987
(Liabilities)		
Policy liabilities:	43,044	44,851
Outstanding claims	22,978	24,157
Underwriting reserves	20,066	20,693
Other liabilities:	1,217	1,254
Reinsurance accounts payable	1	1
Income taxes payable	120	119
Other payables	1,059	1,101
Suspense receipts	19	14
Asset retirement obligations	16	17
Reserve for pension and retirement benefits	-	52
Accrued bonuses for employees	215	262
Reserves under the special laws:	49	56
Reserve for price fluctuation	49	56
Deferred tax liabilities	118	119
Total liabilities	44,646	46,596
(Net assets)		
Common stock	35,101	39,106
Capital surplus:	5,001	9,006
Additional paid-in capital	5,001	9,006
Retained earnings:	(33,816)	(34,820)
Other retained earnings:	(33,816)	(34,820)
Retained earnings brought forward	(33,816)	(34,820)
Total shareholders' equity	6,285	13,291
Net unrealized gains/(losses) on investments in securities	155	99
Total valuation and translation adjustments	155	99
Total net assets	6,440	13,390
Total liabilities and net assets	51,086	59,987

Non-Consolidated Statements of Income

(Yen in millions)

Items	Year ended March 31, 2016	Year ended March 31, 2017
Ordinary income:	36,704	37,753
Underwriting income:	36,592	37,670
Net premiums written	36,571	37,653
Investment income on deposit premiums from policyholders	21	17
Other underwriting income	0	-
Investment income:	99	73
Interest and dividends income	111	89
Gains on sales of securities	9	0
Transfer of investment income on deposit premiums from policyholders	(21)	(17)
Other ordinary income	12	9
Ordinary expenses:	42,076	38,708
Underwriting expenses:	34,278	30,627
Net claims paid	26,247	25,745
Loss adjustment expenses	2,633	2,822
Commissions and collection expenses	229	254
Provision for outstanding claims	4,439	1,178
Provision for underwriting reserves	727	627
Investment expenses	-	-
Operating expenses and general and administrative expenses	7,776	8,047
Other ordinary expenses:	22	33
Provision for bad debts	0	2
Losses on bad debts	0	-
Other ordinary expenses	20	30
Ordinary loss	5,372	955
Extraordinary income	-	-
Extraordinary losses:	18	12
Losses on sales of fixed assets	10	4
Provision for reserves under the special laws:	7	7
Provision for reserve for price fluctuation	7	7
Loss before income taxes	5,390	967
Income taxes - current	17	14
Income taxes - deferred	19	22
Total income taxes	37	36
Net loss	5,427	1,004

Non-Consolidated Solvency Margin Ratio

(Yen in millions)

	March 31, 2016	March 31, 2017
(A) Total amount of solvency margin	7,721	14,705
Total net assets	6,285	13,291
Reserve for price fluctuation	49	56
Contingency reserve	0	0
Catastrophe reserve	1,191	1,231
General bad debt reserve	0	1
Net unrealized gains/(losses) on investments in securities and net deferred gains/(losses) on hedges (prior to tax effect deductions)	194	124
Net unrealized gains/(losses) on land	-	-
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	-	-
Amount excluded from the margin, out of (a) and (b)	-	-
Deductions	-	-
Others	-	-
(B) Total amount of risks $\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$	6,701	6,817
General insurance risk (R ₁)	6,129	6,227
Insurance risk of third sector insurance contracts (R ₂)	-	-
Assumed interest rate risk (R ₃)	0	0
Asset management risk (R ₄)	818	912
Business administration risk (R ₅)	217	223
Catastrophe risk (R ₆)	300	300
(C) Solvency margin ratio [(A) / {(B) x 1/2}] x 100	230.4 %	431.4 %

(4) Mitsui Sumitomo Aioi Life Insurance Co., Ltd. (Non-consolidated)**Non-Consolidated Balance Sheets**

(Yen in millions)

Items	March 31, 2016	March 31, 2017
(Assets)		
Cash, deposits and savings:	73,084	290,010
Cash on hand	0	0
Deposits in banks	73,084	290,009
Receivables under securities borrowing transactions	275,350	285,455
Investments in securities:	2,765,411	2,919,795
Government bonds	1,680,750	1,804,655
Municipal bonds	123,431	135,839
Corporate bonds	710,132	726,620
Domestic stocks	1,315	1,314
Foreign securities	246,210	244,182
Other securities	3,570	7,183
Loans:	52,677	55,198
Policy loans	52,677	55,198
Tangible fixed assets:	4,752	4,638
Buildings	673	620
Lease assets	2,474	2,724
Other tangible fixed assets	1,604	1,292
Intangible fixed assets:	16,768	20,987
Software	5,023	6,440
Other intangible fixed assets	11,745	14,547
Due from agencies	139	116
Reinsurance accounts receivable	860	1,018
Other assets:	40,062	42,103
Other receivables	28,950	30,610
Prepaid expenses	1,632	1,537
Accrued income	7,098	6,949
Guarantee deposits	324	328
Derivative financial instruments	1,673	2,029
Suspense payments	358	621
Other assets	24	24
Bad debt reserve	(76)	(128)
Total assets	3,229,031	3,619,194

(Yen in millions)

Items	March 31, 2016	March 31, 2017
(Liabilities)		
Policy liabilities:	2,696,520	2,934,939
Outstanding claims	24,858	27,648
Underwriting reserves	2,661,796	2,896,459
Reserve for dividends to policyholders	9,865	10,831
Due to agencies	5,013	5,626
Reinsurance accounts payable	262	283
Other liabilities:	289,830	375,124
Payables under securities lending transactions	277,880	361,797
Income taxes payable	1,995	853
Other payables	137	140
Accrued expenses	5,788	7,450
Unearned income	0	0
Deposits received	87	91
Derivative financial instruments	105	544
Lease obligations	2,695	2,976
Asset retirement obligations	426	429
Suspense receipts	712	839
Reserve for pension and retirement benefits	2,187	2,535
Reserve for retirement benefits for officers	34	28
Reserves under the special laws:	5,230	5,988
Reserve for price fluctuation	5,230	5,988
Deferred tax liabilities	30,221	18,397
Total liabilities	3,029,301	3,342,924
(Net assets)		
Common stock	35,500	85,500
Capital surplus:	43,688	93,688
Additional paid-in capital	13,214	63,214
Other capital surplus	30,473	30,473
Retained earnings:	1,539	6,133
Other retained earnings:	1,539	6,133
Retained earnings brought forward	1,539	6,133
Total shareholders' equity	80,727	185,321
Net unrealized gains/(losses) on investments in securities	119,001	90,948
Total valuation and translation adjustments	119,001	90,948
Total net assets	199,729	276,270
Total liabilities and net assets	3,229,031	3,619,194

Non-Consolidated Statements of Income

(Yen in millions)

Items	Year ended March 31, 2016	Year ended March 31, 2017
Ordinary income:	512,568	530,173
Insurance premiums and others:	462,251	480,264
Insurance premiums	461,125	478,928
Reinsurance income	1,126	1,335
Investment income:	47,722	47,500
Interest and dividends income:	43,459	43,797
Interest on deposits	0	0
Interest and dividends on securities	41,571	42,034
Interest on loans	1,536	1,572
Other interest and dividends	351	189
Gains on sales of securities	4,262	3,703
Other ordinary income:	2,594	2,408
Receipts of annuities with special conditions	460	367
Receipts of deferred insurance claims	1,610	1,545
Other ordinary income	523	495
Ordinary expenses:	493,920	514,019
Insurance claims and others:	175,220	183,438
Insurance claims	38,732	40,756
Annuity payments	13,943	15,737
Benefits	15,848	17,271
Surrender benefits	102,443	104,943
Other refunds	2,765	3,151
Reinsurance premiums	1,487	1,578
Provision for underwriting reserves and others:	230,351	237,453
Provision for outstanding claims	2,071	2,789
Provision for underwriting reserves	228,279	234,662
Provision for interest portion of reserve for dividends to policyholders	0	0
Investment expenses:	2,090	3,860
Interest expense	292	67
Losses on sales of securities	890	894
Losses on derivative transactions	846	2,792
Foreign exchange losses	4	4
Provision for bad debts	13	54
Other investment expenses	41	46
Operating expenses	75,084	76,907
Other ordinary expenses:	11,173	12,359
Payments of deferred insurance claims	1,445	1,348
Taxes	6,187	6,805
Depreciation	3,221	3,815
Provision for reserve for pension and retirement benefits	312	348
Other ordinary expenses	6	42
Ordinary profit	18,647	16,153
Extraordinary income:	0	3
Gains on sales of fixed assets	0	3
Extraordinary losses:	735	775
Losses on sales of fixed assets	32	17
Provision for reserves under the special laws:	703	757
Provision for reserve for price fluctuation	703	757
Provision for reserve for dividends to policyholders	9,037	8,972
Income before income taxes	8,874	6,409
Income taxes - current	3,508	2,728
Income taxes - deferred	(675)	(913)
Total income taxes	2,833	1,815
Net income	6,041	4,594

Business Results**Amount of Policies in Force and New Policies**

(1) Policies in force (Yen in 100 millions)

	March 31, 2016		March 31, 2017	
	Number of policies (in thousands)	Amount	Number of policies (in thousands)	Amount
Individual insurance	2,767	218,310	2,938	224,779
Individual annuities	185	7,449	186	7,362
Group insurance	-	65,187	-	70,743
Group annuities	-	3	-	3

(Notes) 1. The amounts of individual annuities represent the total sum of (a) the funds to be held at the time annuity payments are to commence for the policies for which annuity payments have not yet commenced and (b) the underwriting reserves for the policies for which annuity payments have commenced.

2. The amounts of group annuities represent the underwriting reserves.

(2) New policies (Yen in 100 millions)

	Year ended March 31, 2016				Year ended March 31, 2017			
	Number of policies (in thousands)	Amount	New policies	Net increase by conversion	Number of policies (in thousands)	Amount	New policies	Net increase by conversion
Individual insurance	309	23,988	23,988	-	317	23,468	23,468	-
Individual annuities	5	245	245	-	7	302	302	-
Group insurance	-	10,059	10,059	-	-	610	610	-
Group annuities	-	-	-	-	-	-	-	-

(Note) The amounts of individual annuities represent the funds to be held at the time annuity payments are to commence.

Annualized Premiums

(1) Policies in force (Yen in 100 millions)

	March 31, 2016	March 31, 2017
Individual insurance	3,327	3,577
Individual annuities	429	433
Total:	3,757	4,010
Medical coverage, living benefits, etc.	787	884

(2) New policies (Yen in 100 millions)

	Year ended March 31, 2016	Year ended March 31, 2017
Individual insurance	468	501
Individual annuities	13	15
Total:	481	517
Medical coverage, living benefits, etc.	135	152

(Notes) 1. An annualized premium is the annual total of premiums that is obtained by multiplying the amount of a single payment with the number of payments per year in accordance with the premium payment method. An annualized premium for a lump-sum payment policy is the premium divided by the number of years of coverage.

2. "Medical coverage, living benefits, etc." represents the portion of annualized premiums that corresponds to medical coverage benefits (for hospitalization, surgeries, etc.), living benefits (for specified diseases, nursing care, etc.) and premium waiver benefits (excluding those for disability, but including those for specified diseases, nursing care, etc.).

Non-Consolidated Business Performance

(Yen in millions)

	Year ended March 31, 2016	Year ended March 31, 2017	Change
Fundamental revenues:	508,306	526,470	18,163
Insurance premiums and others	462,251	480,264	18,012
Fundamental expenses	488,869	507,853	18,983
Fundamental profit	19,437	18,616	(820)
Capital gains/(losses)	2,520	12	(2,508)
Non-recurring gains/(losses)	(3,309)	(2,475)	834
Ordinary profit	18,647	16,153	(2,494)
Extraordinary income	0	3	2
Extraordinary losses	735	775	39
Provision for reserve for dividends to policyholders	9,037	8,972	(65)
Income taxes	2,833	1,815	(1,018)
Net income	6,041	4,594	(1,447)

Non-Consolidated Solvency Margin Ratio

(Yen in millions)

	March 31, 2016	March 31, 2017
(A) Total amount of solvency margin	380,460	487,958
Total capital	80,727	183,197
Reserve for price fluctuation	5,230	5,988
Contingency reserve	29,150	31,584
General bad debt reserve	11	25
Net unrealized gains/(losses) on investments in securities and net deferred gains/(losses) on hedges (prior to tax effect deductions) x 90%	148,752	113,685
Net unrealized gains/(losses) on land x 85%	-	-
Excess of continued Zillmerized reserve (a)	142,443	151,430
Subordinated debts, etc. (b)	-	-
Amount excluded from the margin, out of (a) and (b)	(26,894)	-
Brought in capital	-	-
Deductions	-	-
Others	1,038	2,046
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	47,604	51,546
Insurance risk (R ₁)	15,906	16,565
Insurance risk of third sector insurance contracts (R ₈)	9,660	11,315
Assumed interest rate risk (R ₂)	3,049	3,080
Minimum guarantee risk (R ₇)	-	-
Asset management risk (R ₃)	35,576	38,611
Business administration risk (R ₄)	1,283	1,391
(C) Solvency margin ratio [(A) / {(B) x 1/2}] x 100	1,598.4 %	1,893.2 %

(5) Mitsui Sumitomo Primary Life Insurance Co., Ltd. (Non-consolidated)**Non-Consolidated Balance Sheets**

(Yen in millions)

Items	March 31, 2016	March 31, 2017
(Assets)		
Cash, deposits and savings:	136,349	141,458
Deposits in banks	136,349	141,458
Call loans	16,175	-
Monetary claims bought	34,997	41,499
Money trusts	813,920	965,032
Investments in securities:	3,906,188	4,404,883
Government bonds	59,983	68,744
Municipal bonds	13,881	6,739
Corporate bonds	42,637	55,882
Foreign securities	1,255,692	1,715,807
Other securities	2,533,993	2,557,710
Loans:	160,609	208,643
Policy loans	436	422
General loans	160,173	208,220
Tangible fixed assets:	749	560
Buildings	276	246
Lease assets	322	188
Other tangible fixed assets	150	126
Intangible fixed assets:	4,748	4,471
Software	4,722	4,467
Lease assets	25	3
Reinsurance accounts receivable	139	2,851
Other assets:	83,598	25,001
Other receivables	70,412	3,798
Prepaid expenses	300	362
Accrued income	11,719	16,023
Guarantee deposits	135	3,810
Derivative financial instruments	184	2
Suspense payments	845	1,005
Deferred tax assets	33,754	43,644
Total assets	5,191,230	5,838,048
(Liabilities)		
Policy liabilities:	4,888,353	5,561,432
Outstanding claims	9,605	12,418
Underwriting reserves	4,878,748	5,549,014
Due to agencies	9,668	4,984
Reinsurance accounts payable	3,074	7,199
Other liabilities:	110,019	42,675
Income taxes payable	2,110	2,911
Other payables	77,114	8,672
Accrued expenses	5,086	4,550
Deposits received	19,181	19,343
Derivative financial instruments	36	6
Lease obligations	368	207
Asset retirement obligations	130	132
Suspense receipts	5,990	6,851
Reserves under the special laws:	55,093	84,000
Reserve for price fluctuation	55,093	84,000
Total liabilities	5,066,210	5,700,291
(Net assets)		
Common stock	41,060	41,060
Capital surplus:	24,735	24,735
Additional paid-in capital	24,735	24,735
Retained earnings:	48,686	64,435
Legal earned reserve	859	1,850
Other retained earnings:	47,826	62,585
Retained earnings brought forward	47,826	62,585
Total shareholders' equity	114,481	130,230
Net unrealized gains/(losses) on investments in securities	10,538	7,522
Net deferred gains/(losses) on hedges	-	3
Total valuation and translation adjustments	10,538	7,525
Total net assets	125,019	137,756
Total liabilities and net assets	5,191,230	5,838,048

Non-Consolidated Statements of Income

(Yen in millions)

Items	Year ended March 31, 2016	Year ended March 31, 2017
Ordinary income:	1,366,244	1,272,843
Insurance premiums and others:	1,300,187	1,083,895
Insurance premiums	1,299,457	1,071,113
Reinsurance income	730	12,781
Investment income:	62,867	185,621
Interest and dividends income:	47,603	60,761
Interest on deposits	111	147
Interest and dividends on securities	45,143	53,841
Interest on loans	2,024	6,400
Other interest and dividends	323	371
Investment gains on money trusts	-	14,512
Gains on sales of securities	15,264	1,306
Foreign exchange gains	-	27,658
Investment gains on separate accounts	-	81,380
Other ordinary income:	3,189	3,327
Receipts of annuities with special conditions	2,814	3,313
Reversal of outstanding claims	363	-
Other ordinary income	12	14
Ordinary expenses:	1,326,285	1,215,151
Insurance claims and others:	638,577	469,395
Insurance claims	54,099	58,807
Annuity payments	73,523	82,882
Benefits	201,591	126,563
Surrender benefits	269,732	118,042
Other refunds	3,245	3,357
Reinsurance premiums	36,385	79,742
Provision for underwriting reserves and others:	424,961	673,078
Provision for outstanding claims	-	2,813
Provision for underwriting reserves	424,961	670,265
Investment expenses:	160,486	1,527
Interest expense	3	0
Investment losses on money trusts	16,492	-
Losses on sales of securities	352	1,299
Losses on redemption of securities	0	1
Losses on derivative transactions	93	174
Foreign exchange losses	67,234	-
Other investment expenses	156	51
Investment losses on separate accounts	76,153	-
Operating expenses	90,035	61,328
Other ordinary expenses:	12,224	9,820
Taxes	10,696	8,038
Depreciation	1,526	1,779
Other ordinary expenses	2	2
Ordinary profit	39,959	57,692
Extraordinary income	-	-
Extraordinary losses:	13,327	28,907
Losses on sales of fixed assets	1	1
Provision for reserves under the special laws:	13,326	28,906
Provision for reserve for price fluctuation	13,326	28,906
Income before income taxes	26,631	28,784
Income taxes - current	12,187	16,800
Income taxes - deferred	(3,447)	(8,718)
Total income taxes	8,739	8,081
Net income	17,892	20,703

Business Results**Amount of Policies in Force and New Policies**

(1) Policies in force (Yen in 100 millions)

	March 31, 2016		March 31, 2017	
	Number of policies (in thousands)	Amount	Number of policies (in thousands)	Amount
Individual insurance	449	24,467	597	33,352
Individual annuities	325	24,640	323	23,455
Group insurance	-	-	-	-
Group annuities	-	-	-	-

(Note) The amounts of individual annuities represent the total sum of (a) the funds to be held at the time annuity payments are to commence (the premium reserves in the case of individual variable annuities) for the policies for which annuity payments have not yet commenced and (b) the underwriting reserves for the policies for which annuity payments have commenced.

(2) New policies (Yen in 100 millions)

	Year ended March 31, 2016				Year ended March 31, 2017			
	Number of policies (in thousands)	Amount	New policies	Net increase by conversion	Number of policies (in thousands)	Amount	New policies	Net increase by conversion
Individual insurance	205	10,965	10,965	-	158	9,026	9,026	-
Individual annuities	29	1,660	1,660	-	24	1,296	1,296	-
Group insurance	-	-	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-	-	-

(Note) The amounts of individual annuities represent the funds to be held at the time annuity payments are to commence (the premium reserves at the time of enrollment in the case of individual variable annuities).

Annualized Premiums

(1) Policies in force (Yen in 100 millions)

	March 31, 2016	March 31, 2017
Individual insurance	1,598	2,217
Individual annuities	3,242	3,104
Total:	4,840	5,321
Medical coverage, living benefits, etc.	0	0

(2) New policies (Yen in 100 millions)

	Year ended March 31, 2016	Year ended March 31, 2017
Individual insurance	736	667
Individual annuities	1,060	922
Total:	1,796	1,589
Medical coverage, living benefits, etc.	-	-

(Notes) 1. An annualized premium is the annual total of premiums that is obtained by multiplying the amount of a single payment with the number of payments per year in accordance with the premium payment method. An annualized premium for a lump-sum payment policy is the premium divided by the number of years of coverage.
2. "Medical coverage, living benefits, etc." represents the portion of annualized premiums that corresponds to medical coverage benefits (for hospitalization, surgeries, etc.), living benefits (for specified diseases, nursing care, etc.) and premium waiver benefits (excluding those for disability, but including those for specified diseases, nursing care, etc.).

Non-Consolidated Business Performance

(Yen in millions)

	Year ended March 31, 2016	Year ended March 31, 2017	Change
Fundamental revenues:	1,368,535	1,265,024	(103,510)
Insurance premiums and others	1,300,187	1,083,895	(216,292)
Fundamental expenses	1,354,224	1,212,379	(141,844)
Fundamental profit	14,311	52,644	38,333
Capital gains/(losses)	27,637	6,344	(21,292)
Non-recurring gains/(losses)	(1,988)	(1,296)	692
Ordinary profit	39,959	57,692	17,732
Extraordinary income	-	-	-
Extraordinary losses	13,327	28,907	15,579
Provision for reserve for dividends to policyholders	-	-	-
Income taxes	8,739	8,081	(657)
Net income	17,892	20,703	2,811

Non-Consolidated Solvency Margin Ratio

(Yen in millions)

	March 31, 2016	March 31, 2017
(A) Total amount of solvency margin	438,444	558,542
Total capital	110,384	126,749
Reserve for price fluctuation	55,093	84,000
Contingency reserve	73,159	74,456
General bad debt reserve	-	-
Net unrealized gains/(losses) on investments in securities and net deferred gains/(losses) on hedges (prior to tax effect deductions) x 90%	13,173	9,402
Net unrealized gains/(losses) on land x 85%	-	-
Excess of continued Zillmerized reserve (a)	169,946	241,219
Subordinated debts, etc. (b)	-	-
Amount excluded from the margin, out of (a) and (b)	-	-
Brought in capital	-	-
Deductions	-	-
Others	16,687	22,714
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	88,978	108,399
Insurance risk (R ₁)	55	89
Insurance risk of third sector insurance contracts (R ₈)	7	5
Assumed interest rate risk (R ₂)	36,504	41,902
Minimum guarantee risk (R ₇)	4,218	3,722
Asset management risk (R ₃)	46,509	60,647
Business administration risk (R ₄)	1,745	2,127
(C) Solvency margin ratio [(A) / {(B) x 1/2}] x 100	985.5 %	1,030.5 %

3. Supplementary Information on Business Results for the Year Ended March 31, 2017 for Press Conference

(1) Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)

1. Basic Information

(Yen in 100 millions)

	Year ended March 31, 2016 (A)	Six months ended September 30, 2016 (B)	Year ended March 31, 2017 (C)	Change (C) - (A)	Change (C) - (B)	
1	Net premiums written	15,074	7,566	14,696	(377)	-
	Change ratio	4.3 %	(5.6)%	(2.5)%	(6.8)%	3.1 %
2	Total assets	67,865	65,730	67,770	(95)	2,040
3	Net loss ratio	58.9 %	56.8 %	61.2 %	2.3 %	4.4 %
4	Net expense ratio	31.0 %	30.0 %	31.2 %	0.2 %	1.2 %
5	Combined ratio	89.9 %	86.8 %	92.4 %	2.5 %	5.6 %
	Underwriting result ratio	10.1 %	13.2 %	7.6 %	(2.5)%	(5.6)%
6	Voluntary automobile insurance					
	Net premiums written	6,456	3,309	6,541	85	-
	Change ratio	3.1 %	1.6 %	1.3 %	(1.8)%	(0.3)%
	Underwriting result ratio	9.5 %	14.9 %	11.3 %	1.8 %	(3.6)%
	Net loss ratio	59.2 %	54.8 %	57.3 %	(1.9)%	2.5 %
	Net expense ratio	31.3 %	30.3 %	31.4 %	0.1 %	1.1 %
7	Fire and allied insurance					
	Net premiums written	2,424	942	1,838	(586)	-
	Change ratio	8.9 %	(37.9)%	(24.2)%	(33.1)%	13.7 %
	Underwriting result ratio	6.6 %	(7.5)%	(13.8)%	(20.4)%	(6.3)%
	Net loss ratio	55.2 %	67.1 %	72.0 %	16.8 %	4.9 %
	Net expense ratio	38.2 %	40.4 %	41.8 %	3.6 %	1.4 %
8	Number of employees	14,691	14,748	14,650	(41)	(98)
9	Number of agencies	42,198	41,953	41,305	(893)	(648)

- (Notes) 1. Net premiums written and ratios are presented exclusive of Good Result Return premiums of the automobile insurance product "ModoRich", which contains a special clause related to premium adjustment and refund at maturity.
2. Net loss ratio = (net claims paid + loss adjustment expenses) / net premiums written x 100
3. Net expense ratio = (commissions and collection expenses + operating expenses and general administrative expenses for underwriting) / net premiums written x 100
4. Combined ratio = net loss ratio + net expense ratio
5. Underwriting result ratio = 100 - combined ratio

(Reference) Consolidated Business Performance of MS&AD Insurance Group Holdings, Inc. (Yen in 100 millions)

	Year ended March 31, 2016 (A)	Six months ended September 30, 2016 (B)	Year ended March 31, 2017 (C)	Change (C) - (A)	Change (C) - (B)	
1	Ordinary income	50,133	27,662	53,348	3,215	-
2	Net premiums written	30,789	18,393	34,069	3,279	-
	Change ratio	4.7 %	13.5 %	10.7 %	6.0 %	(2.8)%
3	Life insurance premiums	13,563	6,610	12,531	(1,031)	-
	Change ratio	87.9 %	8.6 %	(7.6)%	(95.5)%	(16.2)%
4	Ordinary profit	2,915	1,510	3,526	610	-
5	Net income attributable to owners of the parent	1,815	984	2,104	289	-

(Note) Ordinary income and net premiums written are presented exclusive of Good Result Return premiums of Mitsui Sumitomo Insurance's proprietary automobile insurance product "ModoRich", which contains a special clause related to premium adjustment and refund at maturity.

2. Other Information**(a) Non-performing assets****Risk-monitored loans**

(Yen in 100 millions)

	March 31, 2016	September 30, 2016	March 31, 2017
Loans to borrowers in bankruptcy	0	0	0
Overdue loans	1	1	1
Loans overdue for three months or more	5	5	3
Restructured loans	5	4	4
Total	12	12	9
Ratio to total loans	0.3 %	0.3 %	0.2 %

(Reference) Total loans	4,486	4,178	4,181
-------------------------	-------	-------	-------

Results of self-assessment of assets

(Yen in 100 millions)

	March 31, 2016	September 30, 2016	March 31, 2017
Non-classified	62,946	61,402	64,498
Category II	4,889	4,301	3,231
Category III	4	1	16
Category IV	99	25	29
Subtotal (Categories II - IV)	4,992	4,329	3,278
Total	67,939	65,731	67,776

(Note) "Total" represents the balances before write-off conducted based on self-assessment of assets (including impairment losses on securities and fixed assets).

(b) Impairment losses on securities

(Yen in 100 millions)

	Year ended March 31, 2016	Six months ended September 30, 2016	Year ended March 31, 2017
Domestic bonds	-	-	-
Domestic stocks	72	0	0
Foreign securities	-	0	4
Other securities	0	-	-
Total	72	1	4

Rules for recognition of impairment

In principle, the Company recognizes impairment losses on securities with practically determinable fair value if the fair value declines by 30% or more from the cost.

(c) Impairment losses on fixed assets

(Yen in 100 millions)

	Year ended March 31, 2016	Six months ended September 30, 2016	Year ended March 31, 2017
Land	72	0	1
Buildings	10	2	3
Others	-	-	0
Total	82	3	4

(d) Unrealized gains and losses on investments in securities

(Yen in 100 millions)

	March 31, 2016	September 30, 2016	March 31, 2017
Domestic bonds	1,910	1,947	1,548
Domestic stocks	10,403	9,574	11,278
Foreign securities	166	(74)	78
Other securities	44	37	34
Total	12,524	11,484	12,940

(Notes) 1. The above table describes available-for-sale securities with practically determinable fair value.

2. Monetary claims bought are included in "Other securities".

(e) Losses caused by natural disasters in Japan, excluding residential earthquake insurance

(Yen in 100 millions)

	Year ended March 31, 2016	Six months ended September 30, 2016	Year ended March 31, 2017
Direct claims paid	403	94	335
Net claims paid	359	69	253
Outstanding claims	20	230	89

(Note) The above table describes losses caused by natural disasters in Japan incurred during the respective period.

(f) Catastrophe reserve

(Yen in 100 millions)

Lines of insurance	March 31, 2016			September 30, 2016			March 31, 2017		
	Balance	Reserve Ratio	Provision	Balance	Reserve Ratio	Provision	Balance	Reserve Ratio	Provision
Fire and allied	1,402	58.0 %	220	1,487	79.3 %	85	1,460	79.7 %	229
Marine	753	112.6 %	30	768	122.8 %	14	781	133.2 %	27
Personal accident	631	44.8 %	44	655	43.5 %	23	677	47.2 %	45
Voluntary automobile	380	5.9 %	206	486	7.3 %	106	589	9.0 %	209
Other	1,656	73.7 %	121	1,728	65.4 %	73	1,780	73.4 %	131
Total	4,825	36.6 %	624	5,126	38.6 %	302	5,288	41.3 %	642

(Notes) 1. Reserve ratio = catastrophe reserve / (net premiums written (excluding premiums of residential earthquake insurance and compulsory automobile liability insurance and Good Result Return premiums of the automobile insurance product "ModoRich")) x 100

Reserve ratio for September 30 is calculated on an annualized basis using net premiums written multiplied by two as a denominator.

2. Provision = gross provision

(g) Reinsurance assumed

(Yen in 100 millions)

Lines of insurance	Year ended March 31, 2016		Year ended March 31, 2017	
	Net reinsurance assumed premiums written	Net reinsurance assumed claims paid	Net reinsurance assumed premiums written	Net reinsurance assumed claims paid
Fire and allied	351	232	287	274
Marine	153	64	142	70
Personal accident	10	6	11	7
Voluntary automobile	34	28	32	25
Compulsory automobile liability	1,441	1,358	1,429	1,368
Other	200	101	162	238
Total	2,192	1,791	2,067	1,984

(h) Reinsurance ceded

(Yen in 100 millions)

Lines of insurance	Year ended March 31, 2016		Year ended March 31, 2017	
	Net reinsurance ceded premiums written	Net reinsurance ceded claims paid	Net reinsurance ceded premiums written	Net reinsurance ceded claims paid
Fire and allied	1,076	242	1,035	753
Marine	396	212	343	206
Personal accident	91	36	110	54
Voluntary automobile	79	48	82	43
Compulsory automobile liability	1,301	1,310	1,345	1,278
Other	540	263	556	332
Total	3,485	2,115	3,475	2,668

(2) Aioi Nissay Dowa Insurance Co., Ltd. (Non-consolidated)

1. Basic Information

(Yen in 100 millions)

	Year ended March 31, 2016 (A)	Six months ended September 30, 2016 (B)	Year ended March 31, 2017 (C)	Change (C) - (A)	Change (C) - (B)	
1	Net premiums written	11,920	6,094	12,005	84	-
	Change ratio	2.7 %	(0.7)%	0.7 %	(2.0)%	1.4 %
2	Total assets	34,185	33,847	34,982	797	1,135
3	Net loss ratio	59.2 %	56.7 %	59.1 %	(0.1)%	2.4 %
4	Net expense ratio	34.3 %	33.0 %	33.5 %	(0.8)%	0.5 %
5	Combined ratio	93.5 %	89.7 %	92.6 %	(0.9)%	2.9 %
	Underwriting result ratio	6.5 %	10.3 %	7.4 %	0.9 %	(2.9)%
6	Voluntary automobile insurance					
	Net premiums written	6,718	3,456	6,804	85	-
	Change ratio	1.0 %	1.8 %	1.3 %	0.3 %	(0.5)%
	Underwriting result ratio	7.8 %	13.3 %	9.9 %	2.1 %	(3.4)%
	Net loss ratio	58.1 %	53.7 %	56.8 %	(1.3)%	3.1 %
	Net expense ratio	34.1 %	33.0 %	33.3 %	(0.8)%	0.3 %
7	Fire and allied insurance					
	Net premiums written	1,676	750	1,530	(145)	-
	Change ratio	15.7 %	(15.9)%	(8.7)%	(24.4)%	7.2 %
	Underwriting result ratio	5.0 %	4.4 %	1.6 %	(3.4)%	(2.8)%
	Net loss ratio	51.9 %	55.1 %	56.2 %	4.3 %	1.1 %
	Net expense ratio	43.1 %	40.5 %	42.2 %	(0.9)%	1.7 %
8	Number of employees	13,260	13,111	13,052	(208)	(59)
9	Number of agencies	53,621	53,755	53,055	(566)	(700)

(Notes) 1. Net loss ratio = (net claims paid + loss adjustment expenses) / net premiums written x 100

2. Net expense ratio = (commissions and collection expenses + operating expenses and general administrative expenses for underwriting) / net premiums written x 100

3. Combined ratio = net loss ratio + net expense ratio

4. Underwriting result ratio = 100 - combined ratio

(Reference) Consolidated Business Performance of MS&AD Insurance Group Holdings, Inc.

Please refer to page 38.

2. Other Information**(a) Non-performing assets****Risk-monitored loans**

(Yen in 100 millions)

	March 31, 2016	September 30, 2016	March 31, 2017
Loans to borrowers in bankruptcy	-	0	0
Overdue loans	3	3	5
Loans overdue for three months or more	3	3	1
Restructured loans	13	12	11
Total	20	20	19
Ratio to total loans	0.9 %	0.9 %	0.9 %

(Reference) Total loans	2,218	2,151	2,109
-------------------------	-------	-------	-------

Results of self-assessment of assets

(Yen in 100 millions)

	March 31, 2016	September 30, 2016	March 31, 2017
Non-classified	33,659	33,093	34,340
Category II	434	559	505
Category III	0	0	0
Category IV	83	18	73
Subtotal (Categories II - IV)	518	577	580
Total	34,177	33,671	34,921

(Note) "Total" represents the balances before write-off conducted based on self-assessment of assets (including impairment losses on securities and fixed assets).

(b) Impairment losses on securities

(Yen in 100 millions)

	Year ended March 31, 2016	Six months ended September 30, 2016	Year ended March 31, 2017
Domestic bonds	-	-	-
Domestic stocks	66	7	6
Foreign securities	0	-	43
Other securities	-	-	-
Total	66	7	49

Rules for recognition of impairment

In principle, the Company recognizes impairment losses on securities with practically determinable fair value if the fair value declines by 30% or more from the cost.

(c) Impairment losses on fixed assets

(Yen in 100 millions)

	Year ended March 31, 2016	Six months ended September 30, 2016	Year ended March 31, 2017
Land	22	21	21
Buildings	14	21	34
Others	-	1	1
Total	36	44	57

(d) Unrealized gains and losses on investments in securities

(Yen in 100 millions)

	March 31, 2016	September 30, 2016	March 31, 2017
Domestic bonds	838	841	648
Domestic stocks	3,248	2,920	3,913
Foreign securities	597	408	433
Other securities	52	33	56
Total	4,736	4,203	5,052

(Notes) 1. The above table describes available-for-sale securities with practically determinable fair value.

2. Monetary claims bought are included in "Other securities".

(e) Losses caused by natural disasters in Japan, excluding residential earthquake insurance

(Yen in 100 millions)

	Year ended March 31, 2016	Six months ended September 30, 2016	Year ended March 31, 2017
Direct claims paid	278	54	173
Net claims paid	268	48	142
Outstanding claims	29	109	25

(Note) The above table describes losses caused by natural disasters in Japan incurred during the respective period.

(f) Catastrophe reserve

(Yen in 100 millions)

Lines of insurance	March 31, 2016			September 30, 2016			March 31, 2017		
	Balance	Reserve Ratio	Provision	Balance	Reserve Ratio	Provision	Balance	Reserve Ratio	Provision
Fire and allied	1,121	67.1 %	136	1,182	79.1 %	61	1,265	83.0 %	144
Marine	138	240.1 %	0	138	240.4 %	0	139	254.7 %	0
Personal accident	631	99.4 %	20	642	98.4 %	10	651	106.1 %	19
Voluntary automobile	299	4.5 %	215	409	5.9 %	110	438	6.5 %	217
Other	591	52.6 %	56	625	45.1 %	33	641	48.8 %	62
Total	2,782	27.3 %	429	2,998	28.5 %	216	3,136	30.4 %	445

(Notes) 1. Reserve ratio = catastrophe reserve / (net premiums written (excluding premiums of residential earthquake insurance and compulsory automobile liability insurance)) x 100

Reserve ratio for September 30 is calculated on an annualized basis using net premiums written multiplied by two as a denominator.

2. Provision = gross provision

(g) Reinsurance assumed

(Yen in 100 millions)

Lines of insurance	Year ended March 31, 2016		Year ended March 31, 2017	
	Net reinsurance assumed premiums written	Net reinsurance assumed claims paid	Net reinsurance assumed premiums written	Net reinsurance assumed claims paid
Fire and allied	325	90	374	136
Marine	61	18	56	25
Personal accident	25	13	23	13
Voluntary automobile	150	118	206	111
Compulsory automobile liability	1,245	1,227	1,217	1,211
Other	314	225	328	234
Total	2,123	1,694	2,207	1,733

(h) Reinsurance ceded

(Yen in 100 millions)

Lines of insurance	Year ended March 31, 2016		Year ended March 31, 2017	
	Net reinsurance ceded premiums written	Net reinsurance ceded claims paid	Net reinsurance ceded premiums written	Net reinsurance ceded claims paid
Fire and allied	948	118	735	541
Marine	3	3	1	1
Personal accident	56	19	61	19
Voluntary automobile	24	7	21	7
Compulsory automobile liability	1,378	1,380	1,410	1,349
Other	492	349	428	324
Total	2,903	1,878	2,658	2,243