

[Unofficial Translation]

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

Supplementary Materials for the Six Months Ended September 30, 2019
(The Neo First Life Insurance Company, Limited)

Financial Results for the Six Months Ended September 30, 2019

The Neo First Life Insurance Company, Limited (the “Company”; President: Yuji Tokuoka) announces its financial results for the six months ended September 30, 2019.

[Contents]

Financial Summary for the Six Months Ended September 30, 2019

1. Business Highlights	P.1
2. Investment of General Account Assets	P.3
3. Investment Results of General Account	P.5
4. Unaudited Non-Consolidated Balance Sheets	P.8
5. Unaudited Non-Consolidated Statements of Earnings.....	P.9
6. Unaudited Non-Consolidated Statements of Changes in Net Assets	P.10
7. Breakdown of Ordinary Profit (Fundamental Profit)	P.13
8. Disclosed Claims Based on Categories of Obligors	P.14
9. Risk-Monitored Loans	P.14
10. Solvency Margin Ratio	P.15
11. Status of Separate Account	P.15
12. Consolidated Financial Summary	P.15

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

1. Business Highlights

(1) Annualized Net Premiums

- Policies in Force

(millions of yen except percentages)

	As of March 31, 2019	As of September 30, 2019	% of March 31, 2019 total
Individual insurance	135,082	136,684	101.2
Individual annuities	4	5	122.5
Total	135,086	136,689	101.2
Medical and survival benefits	10,145	13,763	135.7

- New Policies

(millions of yen except percentages)

	Six months ended September 30, 2018	Six months ended September 30, 2019	% of September 30, 2018 total
Individual insurance	58,493	4,374	7.5
Individual annuities	—	—	—
Total	58,493	4,374	7.5
Medical and survival benefits	2,555	4,058	158.8

- (Notes) 1. Annualized net premiums are calculated by using multipliers for various premium payment terms to the premium per payment.
2. Annualized net premium for medical and survival benefits includes (a) premiums related to medical benefits such as hospitalization and surgery benefits, (b) premiums related to survival benefits such as specific illness and nursing benefits, and (c) premiums related to premium waiver benefits, in which the disability cause is excluded but causes such as specific illness and nursing care are included.

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

- Policies in Force

	As of March 31, 2019		As of September 30, 2019			
	Number of policies (thousands)	Amount (billions of yen)	Number of policies (thousands)		Amount (billions of yen)	
				% of March 31, 2019 total		% of March 31, 2019 total
Individual insurance	223	902.9	278	124.8	1,049.7	116.3
Individual annuities	0	0.0	0	100.0	0.0	98.3
Group insurance	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—

Note: The amount of individual annuities shows policy reserves for policies after the commencement of annuities.

- New Policies

	Six months ended September 30, 2018				Six months ended September 30, 2019					
	Number of policies (thousands)	Amount (billions of yen)			Number of policies (thousands)		Amount (billions of yen)			
			New Business	Net increase by conversions		% of September 30, 2018 total		% of September 30, 2018 total	New Business	Net increase by conversions
Individual insurance	53	71.0	71.0	—	62	117.3	137.9	194.1	137.9	—
Individual annuities	—	—	—	—	—	—	—	—	—	—
Group insurance	—	—	—	—	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—	—	—	—	—

2. Investment of General Account Assets for the Six Months Ended September 30, 2019

(1) Investment Environment

- During the six months ended September 30, 2019, the Japanese economy was supported by personal consumption against the backdrop of improvement in the employment and income environment, but the pace of economic expansion remained small due to weak exports against the backdrop of the slowdown in overseas economies.
- In the U.S., while personal consumption remained firm, the U.S. economy was on a decelerating trend due to sluggish capital investment and external demand caused by the heightened uncertainty caused by the U.S.-China trade war.
- In Europe, the overall slowdown in the economy intensified, as evidenced by negative growth in Germany against the backdrop of sluggish external demand, and there was awareness of an economic slowdown going forward.
- Given the economic environment described above, the investment environment was as follows:

[Domestic interest rates]

- The yield on 10-year JGBs remained at low levels, mainly reflecting the Bank's continued QQE with Yield Curve Control and the implementation of monetary easing by the U.S. and European Central Banks, particularly policy rate cuts. In addition, the rate temporarily declined to around -0.30% when there were concerns about the worsening of the U.S.-China trade war.

Yield on ten-year government bonds:	April 1, 2019	-0.095%
	September 30, 2019	-0.225%

[Domestic Stocks]

- The Nikkei 225 Stock Average fell sharply due to concerns about the downturn in corporate earnings caused by the slowdown in the global economy and concerns about the deterioration of the Central American Trade War, but was supported by monetary easing measures by central banks, mainly in Europe and the United States.

Nikkei 225 Stock Average:	April 1, 2019	21,205
	September 30, 2019	21,755
TOPIX:	April 1, 2019	1,591
	September 30, 2019	1,587

[Foreign Currency]

- The yen appreciated against the U.S. dollar due to moves to avert risks associated with concerns over the worsening of the U.S.-China trade war and the narrowing of interest rate differentials between Japan and overseas accompanying the U.S. interest rate cut.
- With regard to the yen/euro, the yen appreciated and the euro depreciated against the euro against the backdrop of concerns over political situations in Italy and other countries, as well as interest rate cuts by the European Central Bank (ECB) against the backdrop of the intensified economic slowdown.

yen /U.S. dollar:	April 1, 2019	¥110.99
	September 30, 2019	¥107.92
yen/euro:	April 1, 2019	¥124.56
	September 30, 2019	¥118.02

(2) Investment Policies

The Company invests mainly in fixed income assets such as domestic bonds with the aim of securing stable investment income.

(3) Investment Results

General account assets as of September 30, 2019 were ¥196,533 million. The balance of assets under management included deposits of ¥117,944 million, domestic bonds of ¥23,209 million, and domestic stocks of ¥671 million. In investment income, interest and dividends were ¥62 million. In terms of investment expenses, interest expenses were ¥0 million.

3. Investment Results of General Account

(1) Asset Composition

(millions of yen)

	As of March 31, 2019		As of September 30, 2019	
	Carrying amount	%	Carrying amount	%
Cash, deposits, and call loans	86,188	54.7	117,944	60.0
Securities repurchased under resale agreements	—	—	—	—
Deposit paid for securities borrowing transactions	—	—	—	—
Monetary claims bought	—	—	—	—
Trading account securities	—	—	—	—
Money held in trust	—	—	—	—
Securities	15,244	9.7	23,881	12.2
Domestic bonds	8,429	5.4	15,687	8.0
Domestic stocks	103	0.1	671	0.3
Foreign securities	6,710	4.3	7,521	3.8
Foreign bonds	6,710	4.3	7,521	3.8
Foreign stocks and other securities	—	—	—	—
Other securities	—	—	—	—
Loans	61	0.0	155	0.1
Real estate	105	0.1	100	0.1
Deferred tax assets	—	—	—	—
Others	55,829	35.5	54,452	27.7
Reserve for possible loan losses	(0)	(0.0)	(0)	(0.0)
Total	157,428	100.0	196,533	100.0
Foreign currency-denominated assets	—	—	—	—

(Note) The amounts of buildings were posted for real estate.

(2) Changes (Increase/Decrease) in Assets

(millions of yen)

	Six months ended September 30, 2018	Six months ended September 30, 2019
Cash, deposits, and call loans	28,570	31,756
Securities repurchased under resale agreements	—	—
Deposit paid for securities borrowing transactions	—	—
Monetary claims bought	—	—
Trading account securities	—	—
Money held in trust	—	—
Securities	6,946	8,636
Domestic bonds	2,299	7,257
Domestic stocks	34	568
Foreign securities	4,613	810
Foreign bonds	4,613	810
Foreign stocks and other securities	—	—
Other securities	—	—
Loans	0	93
Real estate	99	(4)
Deferred tax assets	—	—
Others	24,678	(1,377)
Reserve for possible loan losses	0	0
Total	60,296	39,105
Foreign currency-denominated assets	—	—

(Note) The amounts of buildings were posted for real estate.

(3) Investment Income

(millions of yen)

	Six months ended September 30, 2018	Six months ended September 30, 2019
Interest and dividends	17	62
Interest from bank deposits	—	—
Interest and dividends from securities	17	60
Interest from loans	0	1
Rental income	—	—
Other interest and dividends	—	—
Gains on trading account securities	—	—
Gains on money held in trust	—	—
Gains on investments in trading securities	—	—
Gains on sale of securities	—	—
Gains on sale of domestic bonds	—	—
Gains on sale of domestic stocks	—	—
Gains on sale of foreign securities	—	—
Others	—	—
Gains on redemption of securities	—	—
Derivative transaction gains	—	—
Foreign exchange gains	—	—
Reversal of reserve for possible loan losses	0	0
Other investment income	—	—
Total	17	62

(4) Investment Expense

(millions of yen)

	Six months ended September 30, 2018	Six months ended September 30, 2019
Interest expenses	0	0
Losses on trading account securities	—	—
Losses on money held in trust	—	—
Losses on investments in trading securities	—	—
Losses on sale of securities	—	—
Losses on sale of domestic bonds	—	—
Losses on sale of domestic stocks	—	—
Losses on sale of foreign securities	—	—
Others	—	—
Losses on valuation of securities	—	—
Losses on valuation of domestic bonds	—	—
Losses on valuation of domestic stocks	—	—
Losses on valuation of foreign securities	—	—
Others	—	—
Losses on redemption of securities	—	—
Derivative transaction losses	—	—
Foreign exchange losses	—	—
Provision for reserve for possible loan losses	—	—
Write-down of loans	—	—
Depreciation of real estate for rent and others	—	—
Other investment expenses	—	—
Total	0	0

(5) Valuation Gains and Losses on Trading Securities

Not applicable.

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

(millions of yen)

		As of March 31, 2019					As of September 30, 2019				
		Book value	Fair value	Gains (losses)			Book value	Fair value	Gains (losses)		
					Gains	Losses				Gains	Losses
	Held-to-maturity bonds	15,044	15,173	129	150	20	23,110	23,391	280	299	19
	Policy-reserve-matching bonds	—	—	—	—	—	—	—	—	—	—
	Stocks of subsidiaries and affiliated companies	—	—	—	—	—	—	—	—	—	—
	Available-for-sale securities	130	199	69	73	3	688	770	82	83	1
	Domestic bonds	—	—	—	—	—	—	—	—	—	—
	Domestic stocks	30	103	73	73	—	588	671	83	83	—
	Foreign securities	100	96	(3)	—	3	100	98	(1)	—	1
	Foreign bonds	100	96	(3)	—	3	100	98	(1)	—	1
	Foreign stocks and other securities	—	—	—	—	—	—	—	—	—	—
	Other securities	—	—	—	—	—	—	—	—	—	—
	Monetary claims bought	—	—	—	—	—	—	—	—	—	—
	Certificates of deposit	—	—	—	—	—	—	—	—	—	—
	Others	—	—	—	—	—	—	—	—	—	—
	Total	15,174	15,373	199	223	23	23,798	24,161	362	383	20
	Domestic bonds	8,429	8,557	127	128	0	15,687	15,918	230	245	14
	Domestic stocks	30	103	73	73	—	588	671	83	83	—
	Foreign securities	6,714	6,713	(1)	21	22	7,523	7,571	48	54	5
	Foreign bonds	6,714	6,713	(1)	21	22	7,523	7,571	48	54	5
	Foreign stocks and other securities	—	—	—	—	—	—	—	—	—	—
	Other securities	—	—	—	—	—	—	—	—	—	—
	Monetary claims bought	—	—	—	—	—	—	—	—	—	—
	Certificates of deposit	—	—	—	—	—	—	—	—	—	—
	Others	—	—	—	—	—	—	—	—	—	—

- Carrying values of securities whose fair value is deemed extremely difficult to recognize are as follows: Not applicable.

(7) Fair Value Information on Money Held in Trust

Not applicable.

4. Unaudited Non-Consolidated Balance Sheets

(millions of yen)

	As of March 31, 2019 (Summarized)	As of September 30, 2019
	Amount	Amount
(ASSETS)		
Cash and deposits	86,188	117,944
Securities	15,244	23,881
[Corporate bonds]	[8,429]	[15,687]
[Domestic stocks]	[103]	[671]
[Foreign securities]	[6,710]	[7,521]
Loans	61	155
Policy loans	61	155
Tangible fixed assets	294	267
Intangible fixed assets	343	930
Reinsurance receivables	49,475	44,187
Other assets	5,820	9,168
Reserve for possible loan losses	(0)	(0)
Total assets	157,428	196,533
(LIABILITIES)		
Policy reserves and others	130,801	179,515
Reserves for outstanding claims	404	577
Policy reserves	130,397	178,937
Reinsurance payable	171	201
Other liabilities	6,797	3,933
Corporate income tax payable	8	4
Other liabilities	6,789	3,928
Reserve for price fluctuations	4	4
Deferred tax liabilities	19	23
Total liabilities	137,794	183,677
(NET ASSETS)		
Capital stock	32,599	32,599
Capital surplus	24,599	24,599
Legal capital surplus	24,599	24,599
Retained earnings	(37,614)	(44,401)
Other retained earnings	(37,614)	(44,401)
Retained earnings brought forward	(37,614)	(44,401)
Total shareholders' equity	19,584	12,796
Net unrealized gains (losses) on securities, net of tax	50	59
Total of valuation and translation adjustments	50	59
Total net assets	19,634	12,856
Total liabilities and net assets	157,428	196,533

5. Unaudited Non-Consolidated Statements of Earnings

(millions of yen)

	Six months ended September 30, 2018	Six months ended September 30, 2019
	Amount	Amount
ORDINARY REVENUES	84,183	67,275
Premium and other income	84,166	67,208
[Premium income]	[58,494]	[63,585]
Investment income	17	62
[Interest and dividends]	[17]	[62]
Other ordinary revenues	0	4
ORDINARY EXPENSES	87,867	74,058
Benefits and claims	2,633	12,445
[Claims]	[353]	[512]
[Annuities]	[—]	[50]
[Benefits]	[524]	[1,150]
[Surrender values]	[7]	[1,104]
[Other refunds]	[78]	[466]
Provision for policy reserves and others	53,409	48,713
Provision for reserves for outstanding claims	67	173
Provision for policy reserves	53,341	48,540
Investment expenses	0	0
[Interest expenses]	[0]	[0]
Operating expenses	31,533	12,595
Other ordinary expenses	291	303
ORDINARY PROFIT (LOSS)	(3,683)	(6,782)
EXTRAORDINARY LOSSES	6	0
Income (loss) before income taxes	(3,689)	(6,783)
Corporate income taxes - current	4	4
Total of corporate income taxes	4	4
Net income (loss) for the period	(3,693)	(6,787)

6. Unaudited Non-Consolidated Statements of Changes in Net Assets

Six months ended September 30, 2018

(millions of yen)

	Shareholders' equity			
	Capital stock	Capital surplus	Retained earnings	Total shareholders' equity
		Legal capital surplus	Other retained earnings Retained earnings brought forward	
Balance at the beginning of the year	27,599	19,599	(29,093)	18,106
Changes for the period				
Issuance of new shares	4,999	4,999		9,999
Net loss for the period			3,693	3,693
Net changes of items other than shareholders' equity				
Total changes for the period	4,999	4,999	(3,693)	6,305
Balance at the end of the period	32,599	24,599	(32,786)	24,411

	Valuation and translation adjustments		Total net assets
	Net unrealized gains (losses) on securities, net of tax	Total of valuation and translation adjustments	
Balance at the beginning of the year	0	0	18,106
Changes for the period			
Issuance of new shares			9,999
Net loss for the period			3,693
Net changes of items other than shareholders' equity	22	22	22
Total changes for the period	22	22	6,327
Balance at the end of the period	22	22	24,434

Six months ended September 30, 2019

(millions of yen)

	Shareholders' equity			
	Capital stock	Capital surplus	Retained earnings	Total shareholders' equity
		Legal capital surplus	Other retained earnings Retained earnings brought forward	
Balance at the beginning of the year	32,599	24,599	(37,614)	19,584
Changes for the period				
Net loss for the period			6,787	6,787
Net changes of items other than shareholders' equity				
Total changes for the period	—	—	(6,787)	(6,787)
Balance at the end of the period	32,599	24,599	(44,401)	12,796

	Valuation and translation adjustments		Total net assets
	Net unrealized gains (losses) on securities, net of tax	Total of valuation and translation adjustments	
Balance at the beginning of the year	50	50	19,634
Changes for the period			
Net loss for the period			6,787
Net changes of items other than shareholders' equity	8	8	8
Total changes for the period	8	8	(6,778)
Balance at the end of the period	59	59	12,856

Notes to the Unaudited Non-Consolidated Balance Sheets

As of September 30, 2019

1. Valuation Methods of Securities

Securities are evaluated as follows. Held-to-maturity bonds are evaluated by the amortized cost method (straight-line method) based on the moving average method, and available-for-sale securities with market value are evaluated by the market value method (costs are calculated by the moving average method) based on the market price, etc. on the last day of September. Regarding securities whose market value is deemed to be extremely difficult to identify, government and corporate bonds whose premium or discount represents the interest adjustment are evaluated by the amortized cost method (straight-line method) based on the moving average method, and other securities are evaluated by the cost method based on the moving average method.

Net unrealized gains or losses on these available-for-sale securities are presented as a separate component of net assets and not in the non-consolidated statement of earnings.

2. Depreciation of Depreciable Assets

(1) Depreciation of Tangible Fixed Assets Excluding Leased Assets

Depreciation of tangible fixed assets excluding leased assets is calculated by the declining balance method. (Depreciation of buildings is calculated by the straight-line method.)

(2) Depreciation of Leased Assets

Depreciation of leased assets with regard to finance leases whose ownership does not transfer to the lessees is computed under the straight-line method assuming zero remaining value.

(3) Amortization of Intangible Fixed Assets Excluding Leased Assets

Amortization of intangible fixed assets excluding leased assets is calculated by the straight-line method. Amortization of software is calculated by the straight-line method based on the estimated useful life of the software.

3. Reserve for Possible Loan Losses

To prepare for possible loan losses, the reserve for possible loan losses is calculated based on the asset quality assessment regulations, the internal rules for self-assessment, the write-offs and reserves recording regulations, and the internal rules for write-offs and reserves that have been established by the Company.

For loans to and claims on obligors for which the Company has serious concerns over their recoverability or whose value is assessed by the Company to have been damaged materially as a result of the assessment of individual loans or claims, the amount that is deemed necessary is provided.

4. Reserve for Price Fluctuations

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

5. Calculation of National and Local Consumption Tax

The Company accounts for national and local consumption tax by the tax-inclusion method.

6. Policy Reserves

Policy reserves of the Company are established in accordance with Article 116 of the Insurance Business Act. Insurance premium reserves are calculated as follows:

(1) Reserves for policies subject to the standard policy reserve rules are calculated based on the methods stipulated by the Commissioner of the Financial Services Agency (Notification of the Ministry of Finance No. 48, 1996).

(2) Reserves for other policies are established based on the net level premium method.

7. Values on Interim Balance Sheet and Fair Values of Major Financial Assets and Differences between Them

The values on the interim balance sheet and the fair values of major financial assets and differences between them are as follows:

	Value on Interim Balance Sheet	Fair Value	Difference
(1) Cash and deposits	117,944	117,944	—
(2) Securities	23,881	24,161	280
Held-to-maturity bonds	23,110	23,391	280
Available-for-sale securities	770	770	—
(3) Loans	155	155	—
Policy loans	155	155	—

(millions of yen)

(1) Cash and deposits

The fair value of cash and deposits is calculated by the book value because the fair value is almost the same as the book value.

(2) Securities

The fair value of securities is calculated by the market value as of September 30, 2019.

(3) Loans

Policy loans do not have repayment deadlines due to their characteristics such as the loan limit that is within the surrender values and their fair values are assumed to be close to their book values based on the expected time of repayment, interest rate conditions, etc.; their book values, therefore, are used as their fair values.

As of September 30, 2019
<p>8. Loans to Bankrupt Borrowers, Delinquent Loans, Delinquent Loans of Three Months or More, and Restructured Loans The loans do not include any loans to bankrupt borrowers, delinquent loans, delinquent loans of three months or more, and restructured loans.</p> <p>9. Obligations to the Life Insurance Policyholders Protection Corporation of Japan The estimated future obligations of the Company to the Life Insurance Policyholders Protection Corporation of Japan under Article 259 of the Insurance Business Act were ¥165 million as of September 30, 2019. These obligations will be recognized as operating expenses in the period in which they are paid.</p> <p>10. Amounts are rounded off to the unit stated.</p>

Notes to the Unaudited Non-Consolidated Statements of Earnings

Six months ended September 30, 2019
<p>1. Interest and Dividends Interest, dividends, and other income for the six months ended September 30, 2019, include interest and dividends on securities of ¥60 million and interest on loans of ¥1 million.</p> <p>2. Net Income per Share Net income per share for the six months ended September 30, 2019 was ¥1,996.35.</p> <p>3. Amounts are rounded off to the unit stated.</p>

Notes to the Unaudited Non-Consolidated Statements of Changes in Net Assets

Six months ended September 30, 2019				
1. Type and Number of Shares Outstanding				
(thousands of shares)				
	At the beginning of the fiscal year ending March 31, 2020	Increase	Decrease	As of September 30, 2019
Shares outstanding				
Common stock	3,399	—	—	3,399
2. Stock Acquisition Rights and Own Stock Acquisition Rights				
Not applicable.				
3. Dividends paid				
Not applicable.				
4. Amounts are rounded off to the unit stated.				

7. Breakdown of Ordinary Profit (Fundamental Profit)

(millions of yen)

	Six months ended September 30, 2018	Six months ended September 30, 2019
Fundamental profit A	(3,558)	(6,561)
Capital gains	—	—
Gains on money held in trust	—	—
Gains on investment in trading securities	—	—
Gains on sale of securities	—	—
Derivative transaction gains	—	—
Foreign exchange gains	—	—
Others	—	—
Capital losses	—	—
Losses on money held in trust	—	—
Losses on investment in trading securities	—	—
Losses on sale of securities	—	—
Losses on valuation of securities	—	—
Derivative transaction losses	—	—
Foreign exchange losses	—	—
Others	—	—
Net capital gains (losses) B	—	—
Fundamental profit plus net capital gains (losses) A + B	(3,558)	(6,561)
Other one-time gains	0	0
Reinsurance income	—	—
Reversal of contingency reserve	—	—
Reversal of specific reserve for possible loan losses	0	0
Others	—	—
Other one-time losses	124	221
Ceding reinsurance commissions	—	—
Provision for contingency reserve	124	221
Provision for specific reserve for possible loan losses	—	—
Provision for specific reserve for loans to refinancing countries	—	—
Write-down of loans	—	—
Others	—	—
Other one-time profits (losses) C	(124)	(221)
Ordinary profit (loss) A + B + C	(3,683)	(6,782)

8. Disclosed Claims Based on Categories of Obligors

(millions of yen)

	As of March 31, 2019	As of September 30, 2019
Claims provable in bankruptcy, claims provable in rehabilitation and claims equivalent to these	—	—
Doubtful claims	—	—
Substandard loans	—	—
Subtotal	—	—
(Ratio to total)	(—%)	(—%)
Performing loans	61	155
Total	—	0

- (Notes)
1. Claims provable in bankruptcy, claims provable in rehabilitation, and claims equivalent to these refer to those loans to debtors who are bankrupt for a reason such as commencement of bankruptcy proceedings, commencement of rehabilitation proceedings, and filing a petition for the commencement of rehabilitation proceedings and claims equivalent to such loans.
 2. Doubtful claims refer to those loans whose principal and interest are likely not collectible based on the contract due to the deterioration of the financial condition and business performance of the debtor despite not being bankrupt.
 3. Substandard loans refer to those loans that are delinquent for three months or more and those that have been restructured. Loans delinquent for three months or more refer to those loans for which the payment of the principal or interest has been delayed for three months or more from the day following the contractual payment day (excluding loans specified in Note 1 and Note 2). Restructured loans refer to those loans on which interest has been reduced or exempted, for which interest payment has been postponed, for which the principal payment has been postponed, on which claims have been waived, or for which other arrangements have been made to provide the debtor with an advantage for the purpose of rebuilding its business or assisting the debtor (excluding loans specified in Note 1 and Note 2 and loans delinquent for three months or more).
 4. Performing loans refer to those loans that are classified into categories other than those described in Note 1 through Note 3 for not having particular problems in the financial position and operating results of the debtor.

9. Risk-Monitored Loans

Not applicable.

10. Solvency Margin Ratio

(millions of yen)

	As of March 31, 2019	As of September 30, 2019
Total solvency margin (A)	29,541	28,096
Common stock, etc.	19,584	12,796
Reserve for price fluctuations	4	4
Contingency reserve	988	1,210
General reserve for possible loan losses	—	—
(Net unrealized gains(losses) on securities (before tax) and deferred hedge gains (losses) (before tax)) × 90% (Multiplied by 100% if losses)	62	74
Net unrealized gains (losses) on real estate × 85% (Multiplied by 100% if losses)	—	—
Policy reserves in excess of surrender values	8,901	24,478
Qualifying subordinated debt	—	—
Excluded portion of policy reserve in excess of surrender values and qualifying subordinated debt	—	(10,467)
Excluded items	—	—
Others	—	—
Total Risk		
$\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	1,884	2,409
Insurance risk R ₁	431	472
3rd sector insurance risk R ₈	553	731
Assumed investment yield risk R ₂	1	3
Guaranteed minimum benefit risk R ₇	—	—
Investment risk R ₃	1,516	1,972
Business risk R ₄	75	95
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	3,134.3%	2,331.9%

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

11. Status of Separate Account

Not applicable.

12. Consolidated Financial Summary

Not applicable.