
Financial Results for the Six Months Ended September 30, 2016

Sumitomo Life Insurance Company announces financial results for the six months ended September 30, 2016.

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[Notes]

The Financial Results are summarized English translations of the original disclosure in Japanese. Notes to the Unaudited Consolidated Financial Statements are not included in these translations.

The Financial Results with Notes to the Unaudited Consolidated Financial Statements are scheduled to be announced later in a month.

1. Unaudited Consolidated Financial Statements

a. Unaudited Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2016	As of September 30, 2016
ASSETS:		
Cash and deposits	524,140	652,437
Call loans	105,000	145,784
Monetary claims bought	206,301	200,237
Securities	26,695,820	27,029,677
Loans	2,817,173	2,676,974
Tangible fixed assets	624,054	622,729
Intangible fixed assets	326,184	259,356
Due from agents	77	73
Reinsurance receivables	1,422	644
Other assets	426,339	619,177
Net defined benefit assets	113	102
Deferred tax assets	70,939	132,088
Customers' liabilities under acceptances and guarantees	1,000	1,000
Allowance for possible loan losses	(1,518)	(1,412)
Total assets	31,797,049	32,338,871
LIABILITIES:		
Policy reserves and other reserves	28,363,448	28,588,222
Reserve for outstanding claims	169,100	160,380
Policy reserves	27,935,119	28,150,735
Policyholders' dividend reserves	259,228	277,107
Reinsurance payables	4,176	5,144
Corporate bonds	235,442	291,496
Other liabilities	1,123,499	1,361,104
Net defined benefit liabilities	30,200	31,523
Accrued retirement benefits for directors	15	-
Reserve for price fluctuation	352,221	459,429
Deferred tax liabilities	29,658	54,907
Deferred tax liabilities for land revaluation	16,997	16,916
Acceptances and guarantees	1,000	1,000
Total liabilities	30,156,659	30,809,745
NET ASSETS:		
Foundation funds	200,000	170,000
Reserve for redemption of foundation funds	439,000	469,000
Reserve for revaluation	2	2
Surplus	339,926	289,882
Total funds, reserve and surplus	978,929	928,884
Net unrealized gains on available-for-sale securities	723,567	732,372
Deferred gains(losses) on derivatives under hedge accounting	-	2,632
Land revaluation differences	(64,505)	(64,711)
Foreign currency translation adjustments	(11,877)	(86,010)
Remeasurements of defined benefit plans	14,111	15,804
Total accumulated other comprehensive income	661,295	600,087
Non-controlling interests	165	153
Total net assets	1,640,390	1,529,125
Total liabilities and net assets	31,797,049	32,338,871

b. Unaudited Consolidated Statements of Income

(Millions of Yen)

	Six months ended September 30, 2015	Six months ended September 30, 2016
Ordinary income	1,833,394	2,183,600
Insurance premiums and other	1,490,829	1,723,652
Investment income	287,162	402,848
Interest, dividends and other income	283,019	326,831
Gains on trading securities	32	642
Gains on sales of securities	3,566	72,744
Other ordinary income	55,402	57,099
Ordinary expenses	1,729,617	2,045,809
Benefits and other payments	1,351,317	1,032,900
Claims paid	271,568	260,458
Annuity payments	277,713	358,792
Benefits payments	160,327	162,600
Surrender benefits	593,663	211,584
Provision for policy reserves and other reserves	52,221	691,143
Provision for reserve for outstanding claims	12,158	-
Provision for policy reserves	39,860	691,042
Provision for interest on policyholders' dividend reserves	202	101
Investment expenses	63,098	52,100
Interest expenses	2,392	3,860
Losses on sales of securities	2,096	5,596
Losses on valuation of securities	524	1,299
Investment losses on separate accounts	43,470	24,901
Operating expenses	162,905	196,448
Other ordinary expenses	100,075	73,215
Ordinary profit	103,777	137,791
Extraordinary gains	523	5,912
Gains on disposals of fixed assets	523	5,912
Extraordinary losses	63,804	108,070
Losses on disposals of fixed assets	289	108
Impairment losses	748	140
Provision for reserve for price fluctuation	62,113	107,208
Payments to social responsibility reserve	653	612
Surplus before income taxes	40,496	35,634
Income taxes		
Current	38,710	48,361
Deferred	(32,438)	(46,473)
Total income taxes	6,272	1,888
Net surplus	34,223	33,746
Net surplus attributable to non-controlling interests	1	2
Net surplus attributable to the Parent Company	34,221	33,744

c. Unaudited Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Six months ended September 30, 2015	Six months ended September 30, 2016
Net surplus	34,223	33,746
Other comprehensive income(loss)	(145,758)	(61,015)
Net unrealized gains(losses) on available-for-sale securities	(133,292)	8,940
Deferred gains(losses) on derivatives under hedge accounting	(15,153)	2,632
Land revaluation differences	-	(0)
Foreign currency translation adjustments	13	(66,473)
Remeasurements of defined benefit plans	4,598	1,693
Share of other comprehensive income(loss) of associates under the equity method	(1,923)	(7,808)
Comprehensive income(loss)	(111,534)	(27,269)
Comprehensive income(loss) attributable to the Parent Company	(111,536)	(27,258)
Comprehensive income(loss) attributable to non-controlling interests	1	(11)

d. Unaudited Consolidated Statements of Cash Flows

(Millions of Yen)

	Six months ended September 30, 2015	Six months ended September 30, 2016
I Cash flows from operating activities:		
Surplus before income taxes	40,496	35,364
Depreciation	12,783	17,866
Impairment losses	748	140
Amortization of goodwill	-	1,255
Increase(Decrease) in reserve for outstanding claims	12,158	(6,080)
Increase(Decrease) in policy reserves	39,860	788,316
Provision for interest on policyholders' dividend reserves	202	101
Increase(Decrease) in allowance for possible loan losses	(155)	(103)
Increase(Decrease) in net defined benefit liabilities	7,719	3,688
Increase(Decrease) in reserve for price fluctuation	62,113	107,208
Interest, dividends and other income	(283,019)	(326,831)
Losses(Gains) on securities	68,713	(18,711)
Interest expenses	2,392	3,860
Losses(Gains) on tangible fixed assets	187	(526)
Others, net	(4,188)	(29,283)
Subtotal	(39,989)	576,534
Interest, dividends and other income received	325,932	381,088
Interest paid	(2,316)	(4,519)
Policyholders' dividends paid	(35,448)	(33,770)
Others, net	(648)	(612)
Income taxes paid	(23,310)	(37,932)
Net cash provided by operating activities	224,220	880,789
II Cash flows from investing activities:		
Net decrease(increase) in deposits	94,106	(75,325)
Purchase of monetary claims bought	(242,097)	(62,899)
Proceeds from sales and redemption of monetary claims bought	208,325	67,257
Purchase of securities	(1,698,374)	(3,204,446)
Proceeds from sales and redemption of securities	1,495,660	1,902,703
Loans made	(120,238)	(158,480)
Proceeds from collection of loans	135,633	196,590
Others, net	(23,958)	455,491
Total investment activities (II a)	(150,942)	(879,109)
[I + II a]	[73,277]	[1,679]
Purchase of tangible fixed assets	(7,476)	(7,742)
Proceeds from sales of tangible fixed assets	874	1,392
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	600	-
Others, net	(3,992)	(4,287)
Net cash used in investing activities	(160,936)	(889,746)
III Cash flows from financing activities:		
Proceeds from issuance of debt	-	30,873
Proceeds from issuance of corporate bonds	-	100,000
Redemption of corporate bonds	-	(30,873)
Redemption of foundation funds	(70,000)	(30,000)
Payment of interest on foundation funds	(3,371)	(2,445)
Others, net	(569)	(533)
Net cash used in financing activities	(73,940)	67,020
IV Effect of foreign exchange rate changes on cash and cash equivalents	(0)	(5,008)
V Net increase(decrease) in cash and cash equivalents	(10,658)	53,054
VI Cash and cash equivalents at the beginning of the period	52,724	86,331
VII Cash and cash equivalents at the end of the period	42,065	139,386

e. Unaudited Consolidated Statements of Changes in Net Assets

Six months ended September 30, 2015

(Millions of Yen)

	Funds, reserve and surplus				
	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Surplus	Total funds, reserve and surplus
Beginning balance	270,000	369,000	2	402,827	1,041,829
Changes in the period					
Additions to policyholders' dividend reserves				(59,358)	(59,358)
Additions to reserve for redemption of foundation funds		70,000		(70,000)	-
Payment of interest on foundation funds				(3,371)	(3,371)
Net surplus attributable to the Parent Company				34,221	34,221
Redemption of foundation funds	(70,000)				(70,000)
Reversal of land revaluation differences				238	238
Net changes, excluding funds, reserve and surplus					
Net changes in the period	(70,000)	70,000	-	(98,270)	(98,270)
Ending balance	200,000	439,000	2	304,556	943,559

	Accumulated other comprehensive income(loss)						Non-controlling interests	Total net assets
	Net unrealized gains on available-for-sale securities	Deferred gains(losses) on derivatives under hedge accounting	Land revaluation differences	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Beginning balance	896,074	-	(61,310)	9,891	13,750	858,406	60	1,900,296
Changes in the period								
Additions to policyholders' dividend reserves								(59,358)
Additions to reserve for redemption of foundation funds								-
Payment of interest on foundation funds								(3,371)
Net surplus attributable to the Parent Company								34,221
Redemption of foundation funds								(70,000)
Reversal of land revaluation differences								238
Net changes, excluding funds, reserve and surplus	(133,331)	(15,153)	(238)	(1,871)	4,598	(145,996)	1	(145,995)
Net changes in the period	(133,331)	(15,153)	(238)	(1,871)	4,598	(145,996)	1	(244,265)
Ending balance	762,742	(15,153)	(61,548)	8,019	18,349	712,409	61	1,656,030

Six months ended September 30, 2016

(Millions of Yen)

	Funds, reserve and surplus				
	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Surplus	Total funds, reserve and surplus
Beginning balance	200,000	439,000	2	339,926	978,929
Changes in the period					
Additions to policyholders' dividend reserves				(51,548)	(51,548)
Additions to reserve for redemption of foundation funds		30,000		(30,000)	-
Payment of interest on foundation funds				(2,445)	(2,445)
Net surplus attributable to the Parent Company				33,744	33,744
Redemption of foundation funds	(30,000)				(30,000)
Reversal of land revaluation differences				205	205
Net changes, excluding funds, reserve and surplus					
Net changes in the period	(30,000)	30,000	-	(50,044)	(50,044)
Ending balance	170,000	469,000	2	289,882	928,884

	Accumulated other comprehensive income(loss)						Non-controlling interests	Total net assets
	Net unrealized gains on available-for-sale securities	Deferred gains(losses) on derivatives under hedge accounting	Land revaluation differences	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Beginning balance	723,567	-	(64,505)	(11,877)	14,111	661,295	165	1,640,390
Changes in the period								
Additions to policyholders' dividend reserves								(51,548)
Additions to reserve for redemption of foundation funds								-
Payment of interest on foundation funds								(2,445)
Net surplus attributable to the Parent Company								33,744
Redemption of foundation funds								(30,000)
Reversal of land revaluation differences								205
Net changes, excluding funds, reserve and surplus	8,805	2,632	(205)	(74,132)	1,693	(61,207)	(11)	(61,219)
Net changes in the period	8,805	2,632	(205)	(74,132)	1,693	(61,207)	(11)	(111,264)
Ending balance	732,372	2,632	(64,711)	(86,010)	15,804	600,087	153	1,529,125

2. Solvency Margin Ratio on a Consolidated Basis

(Millions of Yen)

	As of March 31, 2016	As of September 30, 2016
Solvency margin gross amount (A)	3,008,173	3,335,892
Foundation funds and others	624,723	669,287
Reserve for price fluctuation	352,221	459,429
Contingency reserve	323,583	349,261
Unusual contingency reserve	-	-
General allowance for possible loan losses	1,018	922
(Net unrealized gains (losses) on available-for-sale securities (before income tax effect adjustments) and deferred gains (losses) on derivatives under hedge accounting (before income tax effect adjustments)) × 90% (Multiplied by 100% if losses)	902,773	925,683
Net unrealized gains on real estate × 85% (Multiplied by 100% if losses)	(12,174)	(4,797)
Total amount of unrecognized actuarial gains (losses) and unrecognized past service costs	19,558	21,912
Excess of continued Zillmerized reserve	645,885	660,825
Qualifying subordinated debt	149,480	249,480
Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculation	-	-
Deduction clause	(70,994)	(67,290)
Others	72,100	71,176
Total amount of risk $\sqrt{(R_1^2 + R_5^2 + R_8 + R_9)^2 + (R_2 + R_3 + R_7)^2} + R_4 + R_6$ (B)	753,288	771,379
Insurance risk R_1	98,046	94,560
General insurance risk R_5	-	-
Large disaster risk R_6	-	-
Third-sector insurance risk R_8	64,959	64,565
Insurance risk of small-amount, short-term insurer R_9	-	-
Risk of assumed yield R_2	210,145	207,726
Minimum guarantee risk R_7^{**}	34,880	29,983
Investment risk R_3	472,368	498,763
Operational risk R_4	17,608	17,911
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	798.6%	864.9%

※ The standard method is used for the calculation of the amount equivalent to minimum guarantee risk.

Note: The amounts and figures in the table above are calculated based on Article 130 of the Insurance Business Act, Article 86-2 and Article 88 of the Ordinance for Enforcement of the Insurance Business Act and Financial Services Agency Public Notice No.23 of 2011.

3. Non-Consolidated Financial Information

a. Overall Composition of Investments (General Account)

(Millions of Yen, %)

	As of March 31, 2016		As of September 30, 2016	
	Amount	% of total	Amount	% of total
Cash, deposits and call loans	448,860	1.7	637,969	2.3
Monetary claims bought	206,301	0.8	200,237	0.7
Investments in securities	22,063,959	85.0	22,990,161	84.4
Domestic bonds	12,982,825	50.0	13,124,282	48.2
Domestic stocks	1,438,497	5.5	1,455,640	5.3
Foreign securities	7,600,287	29.3	8,363,912	30.7
Foreign bonds	6,677,711	25.7	7,455,732	27.4
Other foreign securities	922,576	3.6	908,179	3.3
Other securities	42,349	0.2	46,324	0.2
Loans	2,196,475	8.5	2,132,967	7.8
Policy loans	314,654	1.2	307,384	1.1
Industrial and consumer loans	1,881,821	7.3	1,825,582	6.7
Real estate	614,369	2.4	611,905	2.2
Investment property	429,136	1.7	429,266	1.6
Deferred tax assets	75,322	0.3	136,778	0.5
Other assets	351,018	1.4	536,728	2.0
Allowance for possible loan losses	(1,502)	(0.0)	(1,400)	(0.0)
Total	25,954,805	100.0	27,245,346	100.0
Foreign currency denominated assets	5,725,806	22.1	6,689,785	24.6

Note: Real estate is recorded as the sum total of land, buildings and construction in progress.

b. Fair Value Information of Securities (General Account)

(1) Net Valuation Gains and Losses on Trading Securities

No net valuation gains and losses as of March 31, 2016 or September 30, 2016.

(2) Fair Value Information of Securities (With Fair Value except for Trading Securities)

(Millions of Yen)

	As of March 31, 2016					As of September 30, 2016				
	Book value	Fair value	Net gains (losses)	Net gains (losses)		Book value	Fair value	Net gains (losses)	Net gains (losses)	
				Gains	Losses				Gains	Losses
Held-to-maturity debt securities	2,041,222	2,440,281	399,058	399,058	-	1,986,550	2,395,755	409,204	409,205	(0)
Policy-reserve-matching bonds	11,339,015	13,821,953	2,482,938	2,483,535	(597)	11,371,640	13,832,678	2,461,037	2,469,985	(8,947)
Investments in subsidiaries and affiliated companies	33,173	30,947	(2,226)	-	(2,226)	33,173	39,372	6,198	6,198	-
Available-for-sale securities	7,240,388	8,225,320	984,931	1,023,014	(38,082)	8,310,571	9,230,265	919,693	982,895	(63,201)
Domestic bonds	1,184,247	1,278,218	93,970	94,116	(145)	1,303,528	1,410,924	107,396	107,496	(99)
Domestic stocks	776,568	1,346,271	569,703	599,181	(29,477)	782,567	1,339,771	557,204	588,619	(31,415)
Foreign securities	4,722,636	5,020,859	298,222	304,894	(6,672)	5,590,193	5,824,798	234,604	264,143	(29,538)
Foreign bonds	4,703,936	5,002,079	298,143	304,459	(6,315)	5,576,847	5,810,899	234,052	263,309	(29,256)
Other foreign securities	18,700	18,779	78	435	(356)	13,346	13,898	551	833	(281)
Other securities	32,812	40,905	8,093	9,858	(1,765)	37,624	44,865	7,240	9,308	(2,068)
Monetary claims bought	155,622	170,586	14,963	14,963	(0)	152,958	166,214	13,256	13,328	(72)
Negotiable certificates of deposit	368,500	368,478	(21)	-	(21)	443,700	443,692	(7)	-	(7)
Others	-	-	-	-	-	-	-	-	-	-
Total	20,653,800	24,518,502	3,864,702	3,905,609	(40,906)	21,701,937	25,498,071	3,796,134	3,868,284	(72,150)
Domestic bonds	12,888,854	15,503,294	2,614,440	2,614,647	(207)	13,016,886	15,620,877	2,603,990	2,612,780	(8,789)
Domestic stocks	776,568	1,346,271	569,703	599,181	(29,477)	782,567	1,339,771	557,204	588,619	(31,415)
Foreign securities	6,431,442	7,088,965	657,522	666,957	(9,434)	7,268,200	7,882,651	614,450	644,247	(29,796)
Foreign bonds	6,379,567	7,039,238	659,670	666,522	(6,851)	7,221,680	7,829,380	607,700	637,216	(29,515)
Other foreign securities	51,874	49,727	(2,147)	435	(2,582)	46,520	53,270	6,750	7,031	(281)
Other securities	32,812	40,905	8,093	9,858	(1,765)	37,624	44,865	7,240	9,308	(2,068)
Monetary claims bought	155,622	170,586	14,963	14,963	(0)	152,958	166,214	13,256	13,328	(72)
Negotiable certificates of deposit	368,500	368,478	(21)	-	(21)	443,700	443,692	(7)	-	(7)
Others	-	-	-	-	-	-	-	-	-	-

Note: The table above includes securities that are deemed appropriate as securities under the Financial Instruments and Exchange Act in Japan.

Book values of securities whose fair value is not practically determinable are as follows:

(Millions of Yen)

	As of March 31, 2016	As of September 30, 2016
Held-to-maturity debt securities	-	-
Unlisted foreign bonds	-	-
Others	-	-
Policy-reserve-matching bonds	-	-
Investments in subsidiaries and affiliated companies	581,258	604,907
Available-for-sale securities	372,326	368,632
Unlisted domestic stocks (excluding over-the-counter stocks)	15,599	15,594
Unlisted foreign stocks (excluding over-the-counter stocks)	355,258	351,558
Unlisted foreign bonds	-	-
Others	1,468	1,479
Total	953,585	973,539

c. Fair Value Information of Derivative Transactions (General Account)

(1) Net Gains and Losses on Derivatives

(Millions of Yen)

	As of March 31, 2016						As of September 30, 2016					
	Interest-related	Currency-related	Stock-related	Bond-related	Others	Total	Interest-related	Currency-related	Stock-related	Bond-related	Others	Total
Hedge accounting applied	929	21,443	-	-	-	22,372	735	265,674	-	-	-	266,409
Hedge accounting not applied	(1,455)	4,476	311	-	-	3,332	(967)	17,227	1,539	-	-	17,798
Total	(525)	25,920	311	-	-	25,705	(232)	282,901	1,539	-	-	284,207

Notes: Net gains (losses) from derivatives with hedge accounting (fair value hedge method) applied, and net gains (losses) from derivatives with hedge accounting not applied are recorded on the statement of income.

Net gains (losses) from derivatives with hedge accounting (fair value hedge method) applied amounted to gain of ¥20,770 million and gain of ¥253,014 million as of March 31, 2016 and September 30, 2016, respectively.

(2) Interest-related

(Millions of Yen)

Type	As of March 31, 2016				As of September 30, 2016			
	Notional amount/ contract value	Over 1 year	Fair value	Net gains (losses)	Notional amount/ contract value	Over 1 year	Fair value	Net gains (losses)
Over-the-counter transactions								
Interest rate swaps								
Receipts fixed, payments floating	49,532	33,828	929	929	49,051	40,674	735	735
Interest rate swaptions								
Bought								
Receipts floating, payments fixed	290,000	170,000	167	(1,455)	230,000	70,000	52	(967)
	[1,622]				[1,019]			
Total				(525)				(232)

Notes: 1. Option fees are shown in [].

2. Net gains (losses) represent the fair values for interest rate swaps and the difference between the option fees and the fair values for interest rate swaptions.

(Reference)**Interest rate swaps by contractual maturity dates**

[As of September 30, 2016]

(Millions of Yen, %)

	Within 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total
Notional amount (receipts fixed, payments floating)	8,376	20,579	13,982	6,090	22	-	49,051
Average fixed rate (receipt)	2.01	1.27	0.91	1.66	0.93	-	1.34
Average floating rate (payment)	0.25	0.24	0.56	1.64	0.56	-	0.51

(3) Currency-related

(Millions of Yen)

Type	As of March 31, 2016				As of September 30, 2016			
	Notional amount/ contract value	Over 1 year	Fair value	Net gains (losses)	Notional amount/ contract value	Over 1 year	Fair value	Net gains (losses)
Over-the-counter transactions								
Foreign currency forward contracts								
Sold	4,544,584	403,200	21,535	21,535	5,758,650	574,650	272,847	272,847
(U.S. dollar)	2,019,291	146,484	90,937	90,937	3,281,816	402,508	246,268	246,268
(Australian dollar)	1,217,351	256,715	(75,498)	(75,498)	1,177,386	169,651	1,924	1,924
(Euro)	1,186,443	-	(2,158)	(2,158)	1,144,691	-	12,657	12,657
Bought	154,357	-	4,180	4,180	234,004	678	(1,594)	(1,594)
(U.S. dollar)	3,346	-	(0)	(0)	234,004	678	(1,594)	(1,594)
(Euro)	151,010	-	4,180	4,180	-	-	-	-
Currency options								
Sold								
Call	360,000	-			172,500	-		
[U.S. dollar]	[2,225]		1,063	1,161	[55]		4	50
(U.S. dollar)	360,000	-			172,500	-		
[U.S. dollar]	[2,225]		1,063	1,161	[55]		4	50
Bought								
Put	303,000	-			147,000	-		
[U.S. dollar]	[2,453]		823	(1,629)	[1,389]		327	(1,062)
(U.S. dollar)	303,000	-			147,000	-		
[U.S. dollar]	[2,453]		823	(1,629)	[1,389]		327	(1,062)
Currency swaps								
(U.S. dollar)	-	-	-	-	7,462	7,462	(37)	(37)
(U.S. dollar)	-	-	-	-	7,462	7,462	(37)	(37)
Total				25,247				270,203

Notes: 1. Option fees are shown in [].

2. Regarding assets and liabilities which are denominated in foreign currencies but have fixed settlement in yen under foreign currency forward contracts and currency swaps and are reported in yen amounts in the balance sheets, those foreign currency forward contracts and currency swaps are excluded from the table above.

3. Net gains (losses) represent the fair values for foreign currency forward contracts.

(4) Stock-related

(Millions of Yen)

Type	As of March 31, 2016				As of September 30, 2016			
	Notional amount/ contract value	Over 1 year	Fair value	Net gains (losses)	Notional amount/ contract value	Over 1 year	Fair value	Net gains (losses)
Exchange-traded transactions								
Stock index futures								
Sold	131,563	-	(1,394)	(1,394)	149,813	-	1,550	1,550
Over-the-counter transactions								
Stock index forwards								
Sold	42,600	-	2,188	2,188	-	-	-	-
Stock index options								
Sold								
Call	155,208 [1,543]	-	953	590	32,579 [160]	-	52	107
Bought								
Put	99,999 [1,541]	-	467	(1,073)	24,999 [150]	-	32	(118)
Total				311				1,539

Notes: 1. Option fees are shown in [].

2. Net gains (losses) represent the fair values for future tradings and forward tradings and the difference between the option fees and the fair values for option transactions.

d. Risk-Monitored Loans

(Millions of Yen, %)

	As of March 31, 2016	As of September 30, 2016
Loans to bankrupt borrowers	-	-
Loans in arrears	980	904
Loans in arrears for three months or longer	1	0
Restructured loans	-	-
Total	982	904
(Percentage of total loans)	(0.04)	(0.04)
(Percentage of total assets)	(0.00)	(0.00)

Notes: 1. For loans to bankrupt borrowers and substantially bankrupt borrowers, the amount of loans exceeding the value of estimated recovery through disposal of collateral or execution of guarantees is deemed uncollectible and directly deducted. The amount of loans in arrears directly deducted as of March 31, 2016 and September 30, 2016 amounted to ¥29 million and ¥27 million, respectively.

2. Loans to bankrupt borrowers represent the loans on which interest is not accrued due to unlikelihood of repayment of principal or interest resulting from delinquency of principal or interest for a certain period or other reasons ("non-accrual loans") and also meet the conditions stipulated in Article 96 Paragraph 1 Items 3 and 4 of Order for Enforcement of the Corporation Tax Act (Cabinet Order No.97 of 1965).

3. Loans in arrears represent non-accrual loans excluding the loans to bankrupt borrowers (defined in the above) and loans of which interest payments are postponed in order to support these borrowers recovering from financial difficulties. Loans in arrears also include the non-accrual loans to borrowers classified as "borrowers substantially bankrupt" or "borrowers likely to become bankrupt" in the self-assessment of asset quality.

4. Loans in arrears for three months or longer represent the loans on which payments of principal or interest are past due over three months from the day following the contractual due date. Loans in arrears for three months or longer do not include loans classified as loans to bankrupt borrowers or loans in arrears.

5. Restructured loans represent the loans which have been restructured to provide relief to the borrowers by reducing or waiving interest payments, by rescheduling repayments of principal or payments of interest, or by waiving claims for borrowers in order to support their recovery from financial difficulties. Restructured loans do not include loans classified as loans in arrears for three months or longer, loans in arrears or loans to bankrupt borrowers.