

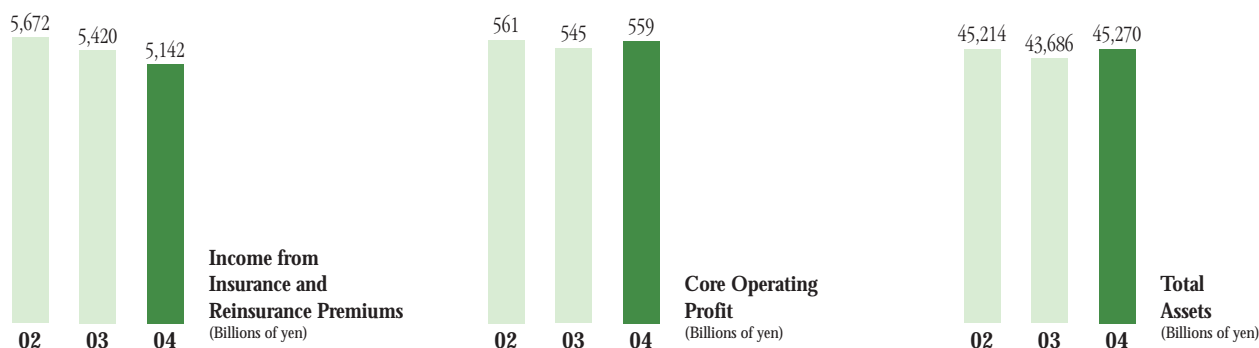
# CONSOLIDATED FINANCIAL HIGHLIGHTS

Nippon Life Insurance Company and Subsidiaries

For the fiscal years ended March 31, 2004 and 2003	Millions of Yen		Millions of U.S. Dollars
	2004	2003	2004
Total revenues	¥ 7,211,172	¥ 7,454,130	\$ 68,229
Income from insurance and reinsurance premiums	5,169,262	5,446,295	48,909
Investment income	1,577,116	1,330,480	14,922
Total expenditures	6,828,913	7,328,300	64,612
Insurance claims and other payments	5,444,550	4,976,255	51,514
Provision for policy reserves	72,689	89,774	687
Expenses for investment	200,032	1,143,036	1,892
Operating expenses	576,937	624,710	5,458
Operating income	382,259	125,829	3,616
Surplus before income taxes	267,522	123,367	2,531
Surplus in the current year	198,628	112,976	1,879
Total assets	¥45,492,355	¥43,914,847	\$430,431

Note: U.S. dollar amounts have been converted from yen, for convenience only, on the basis of ¥105.69=US\$1, the effective rate of exchange at the balance sheet date of March 31, 2004.

## Financial Highlights (Non-consolidated basis)



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“NISSAY” is the abbreviation for Nippon Life.

We employed the NISSAY brand and  
the company logo “century crystal”  
for our centennial anniversary, 1989.



Josei Itoh, Chairman: left  
Ikuo Uno, President: right

## TO OUR CUSTOMERS, BUSINESS ASSOCIATES, AND FRIENDS

We would like to thank you for your continuing interest in Nippon Life Insurance Company. We have prepared this annual report to assist you in better understanding our business operations, the issues we are addressing and our management strategies.

Nippon Life celebrated its 115th anniversary in 2004. All of us, the management and staff of Nippon Life, will continue to exert our utmost efforts to remain a company that customers trust and prefer, and accordingly, request your continuing support and assistance.

July 2004

# Our Philosophy

Life insurance provides financial security and supports one's well-being during times of unexpected misfortune. With gradual curtailment of Japanese social security benefits, people's reliance on life insurance that is founded on society's "self-responsibility" and "mutual-aid" is becoming increasingly acute and important. In providing lifetime security to the public, the life insurance industry has assumed a vocation that is imbued with a national mission.

In 1959, Nippon Life established a corporate philosophy to promote the interests of the three most important stakeholders: customers, employees and the company itself.

We instill this philosophy into the hearts and minds of all members of Nippon Life at every opportunity, from small worksite meetings, and sessions at the training center to board meetings. All employees are required to carry a booklet that was created to remind them of this purpose.

### 1. Customer First

Since its establishment, Nippon Life has devoted utmost efforts to honor its mission of protecting the financial security of the people. Every member of Nippon Life is asked to ensure that customers come first.

For example, even during the periods of greatest devastation in Japan, such as the Great Kanto Earthquake and World War II, Nippon Life helped customers by promptly providing insurance benefits in the face of its own financial challenges, choosing not to evoke the applicable exclusion clauses.

In order to deal with financial challenges after World War II, Nippon Life mutualized to revitalize itself. Since then, it has proudly maintained mutuality as the best system to maximize customers' interests.

Nippon Life is poised to listen to its customers and every year holds "Nissay Konwakai" (round-table conferences for policyholders) in 117 cities throughout Japan, from which many opinions and suggestions are taken into its corporate strategies and operations.

### 2. Disciplined Economies of Scale and Scope

Nippon Life believes establishing a customer base with sound and disciplined underwriting is the very basis of fulfilling its mission as a life insurer. Following this principle, Nippon Life has expanded its customer base by increasing policies in force mainly through death protection products.

To this end, Nippon Life has made all-out efforts to develop the most extensive and massive network of exclusive career agents in Japan.



### 3. Long Term Perspective

To fulfill its long-term commitment, Nippon Life places first priority on sound underwriting. Nippon Life also strives to ensure long-term financial strength and profitability by maintaining sound and disciplined asset management.

From the view of capital and solvency soundness, Nippon Life has maintained sufficient surplus and capital, and in recent years has been accumulating on-balance-sheet capital. Nippon Life aims at increasing on-balance-sheet capital up to 3 trillion yen at an early date.

In adhering to this long-term perspective, Nippon Life refrains from entering into unreasonable pricing competition, and rejects myopic investment strategies that seek short-term capital gains.

To promote the long-term relationship with its valued customers, Nippon Life introduced “Nissay Insurance Accounts,” a platform that allows customers to integrate life, non-life insurance, and other products into a single account.

### 4. No-Group Bias

Since establishment, Nippon Life has never had a group-bias, maintaining excellent relationships with all conglomerates, as well as financial and other corporate groups in Japan. As a result, our ability to serve all range of customers regardless of their group background has become one of our strengths.

### 5. “Face to Face” Service

Nippon Life provides a complete line-up of products to fulfill the diverse needs of its individual customers, ranging from life, annuity, medical, to long-term care insurance.

We believe that “Face to Face” consulting service by exclusive career agents is the optimal measure to meet the respective needs of our customers.

Nippon Life has over 50,000 exclusive career agents in every neighborhood throughout Japan and ensures that each customer is best served by his or her own agent in the neighborhood.

### 6. Focus on people

Nippon Life values its employees. Maximizing the potential and promoting the integrity of each employee are keys to surviving in the mega-competitive environment. Thus, we have devoted ourselves to employee education through our various training facilities.

The Nissay Training Center, our signature facility, is considered by our executives to be their main office, along with their office in our headquarters.

July 2004

A handwritten signature in black ink, reading "Ikuo Uno". The signature is fluid and cursive, written in a professional style.

Ikuo Uno  
President