

CHAPTER 6

Operational Data

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STATUS OF FINANCIAL ASSETS (NON-CONSOLIDATED)

1. Status of Non-Performing Assets According to Borrower Classification

As of March 31		Millions of Yen, %		
		2008	2007	2006
Bankrupt and quasi-bankrupt	1	¥ 12,522	¥ 11,518	¥ 11,791
Doubtful	2	44,014	47,756	59,475
Substandard	3	5,923	4,890	5,285
Subtotal		62,460	64,166	76,553
Percent of total		0.52%	0.48%	0.58%
Normal	4	11,858,469	13,365,713	13,031,495
Total 1+2+3+4		¥11,920,929	¥13,429,879	¥13,108,048

Notes: 1. 1) Bankrupt and quasi-bankrupt are non-performing assets and similar loans made to an obligor that has fallen into bankruptcy due to reasons including the start of bankruptcy proceedings, start of reorganization proceedings or an application to start rehabilitation proceedings.
 2) Doubtful are non-performing assets with a strong likelihood that loan principal cannot be recovered or interest cannot be received according to the contract, owing to difficulties in the financial condition and business performance of the obligor who has not yet entered bankruptcy.
 3) Substandard are delinquent loans overdue three months or more and restructured loans. Delinquent loans overdue three months or more are loans in arrears three months or more from the due date of interest or principal under terms of the related loan agreements. Restructured loans are loans where certain concessions favorable to borrowers (such as interest reduction or exemption, postponement of principal or interest payment, release of credit and other methods), were made with the object of reconstructing and supporting the operations of borrowers.
 4) Normal are loans that do not fall under the classifications for 1) to 3) above, and where the obligor has no financial or business performance problems.
 2. Classifications and calculation methods used in this table are based on the Enforcement Regulation of the Insurance Business Law. The table includes loans, securities lent, accrued interest, suspense payments, customers' liabilities for acceptances and guarantees and private placements guaranteed by financial institution.
 3. Loans subject to bankruptcy rehabilitation, reorganization and other proceedings are directly deducted from total loans as estimated uncollectible amounts calculated by subtracting estimated collectable amounts based on collateral and guarantees from total loans. These amounts were ¥4,863 million for bankruptcy and quasi-bankruptcy as of March 31, 2008; ¥4,163 million for bankruptcy and quasi-bankruptcy as of March 31, 2007; and ¥22,586 million for bankruptcy and quasi-bankruptcy as of March 31, 2006.

2. Status of Risk-Monitored Loans

As of March 31		Millions of Yen, %		
		2008	2007	2006
Loans to bankrupt borrowers	1	¥ 3,372	¥ 4,491	¥ 4,177
Delinquent loans	2	53,148	54,771	67,075
Loans that are delinquent for over three months	3	435	531	540
Loans for restructuring	4	5,488	4,359	4,744
Total 1+2+3+4		62,444	¥64,153	¥76,537
Percent of total loans receivable		0.65%	0.66%	0.77%

Notes: 1. Loans to bankrupt borrowers and quasi-bankrupt borrowers (including collateralized and guaranteed loans) are directly deducted from total loans as estimated uncollectible amounts calculated by subtracting estimated collectable amounts based on collateral and guarantees from total loans. These amounts were ¥1,112 million for loans to bankrupt borrowers and ¥3,750 million for delinquent loans as of March 31, 2008; ¥1,711 million for loans to bankrupt borrowers and ¥2,451 million for delinquent loans as of March 31, 2007; and ¥2,489 million for loans to bankrupt borrowers and ¥20,097 million for delinquent loans as of March 31, 2006.
 2. 1) Loans to bankrupt borrowers are loans to obligors that are legally bankrupt through filings for proceedings under the Corporate Reorganization Law, Civil Rehabilitation Law, Bankruptcy Law Commercial Code or Company Law; loans to obligors that have notes suspended from trading on exchanges; loans to obligors that have filed for legal proceedings similar to the aforementioned proceedings based on overseas laws, within loans (accrued interest unrecorded loans) for which accrued interest was not recorded and on which principal and interest payments have remained in arrears; and loans that for other reasons the Company is not expecting repayment or collection of principal or interest.
 2) Delinquent loans are loans other than those with flexible interest payment terms and conditions made in order to support the business rebuilding of obligors and the aforementioned loans to bankrupt borrowers as accrued interest unrecorded loans.
 3) Loans that are delinquent for over three months are loans that are neither loans to bankrupt borrowers or loans in arrears, with principal and interest payment in arrears for more than three months after the day following the contract payment date.
 4) Loans for restructuring are loans with beneficial arrangements given to the obligor, including interest reduction or exemption, relaxed interest payments, relaxed principal repayments and loan forgiveness, in order to support the rebuilding of operations at the obligor and are neither loans to bankrupt borrowers, loans in arrears, or loans three months or more in arrears.
 3. Based on the results of asset self-assessment, accrued interest on loans is not recorded as revenues for obligors that are bankrupt, essentially bankrupt or nearing bankruptcy.
 4. Loans for restructuring include loans with lowered interest rates to support the rebuilding of operations at obligors and are not absolute interest levels.

3. Status of Loans in Trust with Contract for Replacement of Loss

No data as there was not an ending balance from the 2005 fiscal year-end to the fiscal 2007 year-end.

4. Ability to Pay Benefits (Solvency Margin Ratio)

		Millions of Yen		
As of March 31		2008	2007	2006
Solvency margin gross amount	(A)	¥8,217,904	¥11,113,889	¥10,010,717
Foundation funds, reserves, etc.		3,301,725	3,234,550	3,179,162
Total net assets		1,067,608	1,065,989	1,067,286
Reserve for price fluctuations in security investments		487,263	467,263	441,263
Contingency reserve		1,429,062	1,429,062	1,429,062
General allowance for doubtful accounts		19,071	14,249	13,882
Other		298,719	257,987	227,667
Net unrealized gain/loss on securities x 90%		3,212,612	6,458,287	5,790,220
Net unrealized gain/loss on real estate x 85% (if negative, x 100%)		297,510	164,166	(82,971)
Excess of continued Zillmerized reserve		1,271,175	—	—
Deductions		(194)	(419)	(2,332)
Other		135,075	1,257,304	1,126,638
Total amount of risk	$\sqrt{(R_1+R_8)^2+(R_2+R_3+R_7)^2} + R_4$ (B)	1,420,785	1,677,668	1,591,597
Underwriting risk	R1	158,600	244,095	251,001
Anticipated yield risk	R2	203,823	219,410	238,126
Investment risk	R3	1,154,090	1,395,262	1,290,246
Business management risk	R4	32,086	37,323	35,729
Minimum guarantee risk	R7	10,616	7,408	7,114
Underwriting risk of third-sector insurance	R8	77,210	—	—
Solvency margin ratio	$\frac{(A)}{(1/2) \times (B)} \times 100$	1,156.8%	1,324.9%	1,257.9%

Notes: 1. These figures are calculated based on Article 86 and Article 87 of the Enforcement Regulation of the Insurance Business Law and Ordinance No. 50 issued by the Ministry of Finance in 1996. (Excess of continued Zillmerized reserve is calculated based on Article 1, Paragraph 3, Item 1 of Insurance Business Law and Ordinance No. 50. Excess of continued Zillmerized reserve for the 2003 fiscal year-end through the 2006 fiscal year-end includes "Other.")

2. The figures shown in "Foundation funds" are after appropriation of surplus. The figures for the fiscal years ended March 31, 2007 and March 31, 2008 have been calculated by subtracting the estimate and exchange variance from total net assets on the balance sheet. The figure for the fiscal year ended March 31, 2006 has been calculated by subtracting net unrealizable gain/loss on securities and revaluation reserve for land from total net assets on balance sheets.

3. From the 2007 fiscal year-end, the solvency margin ratio is calculated including "Underwriting risk of third-sector insurance R8." (Fiscal 2005 through 2006 contain figures based on the criteria of each fiscal year.)

4. Minimum guaranteed risk is calculated using standard methods.

5. Unrealized Gain/Loss from Assets (Company Total)

As of March 31		Billions of Yen		
		2008	2007	2006
Cash, deposits and call loans	Book value	¥696.7	¥ 1,065.3	¥ 1,468.7
	Market value (appraisal value)	696.7	1,065.3	1,468.7
	Net gain/loss	0.0	(0.0)	0.0
	Gain	0.0	0.0	0.0
	Loss	(0.0)	(0.0)	(0.0)
Proprietary trading securities¹	Book value	—	2.0	2.0
	Market value (appraisal value)	—	2.0	2.0
	Net gain/loss	—	—	—
	Gain	—	—	—
	Loss	—	—	—
Assets held in trust²	Book value	170.5	195.5	177.0
	Market value (appraisal value)	170.5	195.5	177.0
	Net gain/loss	—	—	—
	Gain	—	—	—
	Loss	—	—	—
Investments in securities³	Book value	30,436.0	30,154.3	28,849.9
	Market value (appraisal value)	34,541.9	37,612.3	35,409.9
	Net gain/loss	4,105.8	7,457.9	6,560.0
	Gain	4,470.3	7,596.6	6,837.9
	Loss	(364.5)	(138.6)	(277.9)
Loans receivable	Book value	9,553.3	9,726.7	9,999.1
	Market value (appraisal value)	9,553.3	9,726.7	9,999.1
	Net gain/loss	—	—	—
	Gain	—	—	—
	Loss	—	—	—
Real estate⁴	Book value	1,167.3	1,155.8	1,175.9
	Market value (appraisal value)	1,428.9	1,254.4	1,092.9
	Net gain/loss	261.6	98.5	(82.9)
	Gain	384.3	238.2	93.7
	Loss	(122.6)	(139.7)	(176.6)
Other assets	Book value	2,543.4	2,366.0	2,436.0
	Market value (appraisal value)	2,582.2	2,384.1	2,438.1
	Net gain/loss	38.7	18.1	2.0
	Gain	39.5	22.3	7.9
	Loss	(0.7)	(4.2)	(5.8)
Total assets	Book value	44,567.4	44,665.9	44,108.9
	Market value (appraisal value)	48,973.7	52,240.6	50,588.0
	Net gain/loss	4,406.2	7,574.6	6,479.0
	Gain	4,894.2	7,857.3	6,939.6
	Loss	(487.9)	(282.6)	(460.5)

Notes: 1. Proprietary trading securities, include securities with market values calculated using theoretical prices.

2. Market value calculations are based on prices rationally calculated by the trustee of assets held in trust. Book value includes net gain/loss related to derivatives transactions within assets held in trust.

3. Investments in securities include securities with market values calculated using theoretical prices. Securities also include securities loaned.

4. Real estate is the total of the land account and leasehold account. The market value of real estate (land + land lease rights) is calculated with reference to publicly disclosed appraisal values. The Company reappraised land for business use based on the Law for the Revaluation of Land. Book value includes revaluation differences of ¥38.3 billion as of March 31, 2008; ¥94.5 billion as of March 31, 2007; and ¥87.8 billion as of March 31, 2006.

Asset Self-Assessment

Asset self-assessment is used to categorize retained assets in rankings based on the debtor's income status and recoverability through collateral and other means. Nippon Life had defined strict assessment standards that are in compliance with the FSA's *Inspection Manual for Insurance Companies* and conducts internal audits via an auditing division that is independent of the division implementing the assessment. In addition, it undergoes external audits conducted by an external auditing firm.

Self-assessment categories

Debtor category	Recoverability through collateral and guarantees (see Notes)				Status of debtors
	a)	b)	c)	d)	
Normal	Non-categorized ①				Debtors whose performance is sound and for whom there are no specific concerns regarding their financial situation.
On caution	Non-categorized ②	II Categorized ②		II Categorized ③	Debtors with caution needed such as debtors whose loan terms and conditions have been eased or whose loan repayment performance is poor, and debtors posting a loss, or whose performance is sluggish or unstable.
Substandard					
Doubtful	Non-categorized	II Categorized	III Categorized ④		Debtors who are not bankrupt at present, but for whom the possibility of bankruptcy in the near future is high owing to their financial difficulties.
Quasi-bankrupt	Non-categorized	II Categorized	III Categorized ④	IV Categorized ⑤	Debtors who are essentially bankrupt. Although there is no legal or formal evidence of bankruptcy, the debtor is in serious financial difficulty and there is no prospect of revitalization.
Bankrupt	Non-categorized	II Categorized	III Categorized ④	IV Categorized ⑤	Debtors that are legally or formally bankrupt as a result of having entered bankruptcy, liquidation, corporate reorganization, corporate rehabilitation or civil rehabilitation procedures.

Notes: Categories for collateral/guarantee-based recoverability

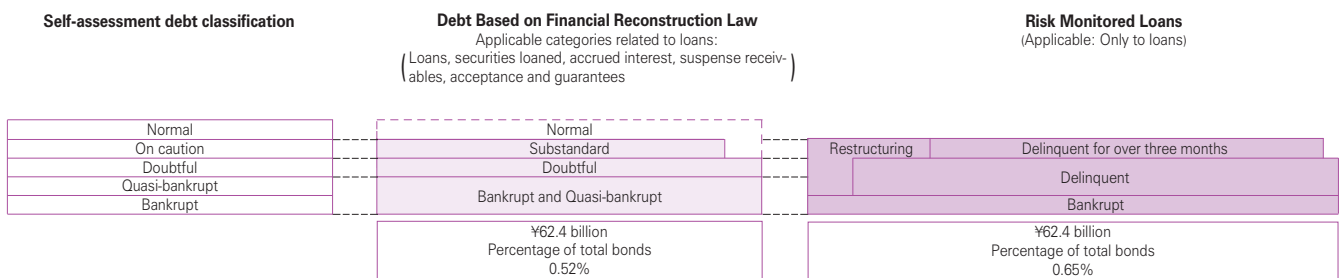
a) Estimation of disposal of solid collateral and solid guarantee

b) Estimation of disposal of general collateral and general guarantee

c) Portion for which recovery through guarantees is uncertain, calculated as the difference between estimates of the collateral amount and disposal amount

d) Portions other than a-c that are deemed irrecoverable

Self-assessment debtor classifications and relationship of disclosed non-performing debt (as of March 31, 2008)



State of loan category amount (loans)

As of March 31, 2008		Money available	Percentage of whole
Loan balances (After direct IV categorized write-off)		¥9,553.3	100.0%
Non-categorized		9,323.4	97.6
II Categorized		216.3	2.3
III Categorized		13.5	0.1
IV Categorized		—	—

Notes: IV categorized was ¥4.8 billion after the direct write-off of loans.

Standards for reserve for bad debt

In order to take appropriate measures against bad debt, Nippon Life has created the following types of reserve principles for self-assessment categories ①-⑤, as noted in the table of self-assessment categories, and builds reserves (bad-debt accounting) in accordance with these principles.

Reserve principles:

- Normal: General bad-debt reserve accounting based on bad-debt performance in the most recent past year. [①]
- On caution: General bad-debt reserve accounting based on bad-debt performance over the past three consecutive years (unrecovered ratio over three consecutive years). [②] Substandard: Corporate loans are divided into two categories: those that are not covered by collateral or guarantees and everything else, and then bad-debt performance is calculated. [③]
- Regarding doubtful, quasi-bankrupt and bankrupt, individual reserves are recorded in amounts required to cover the balance when amounts recoverable through collateral and guarantees are written off from the loan amount. [④] Then, for the category IV portion, this amount is directly written-off from the loan amount. [⑤]

6. Data on Market Value of Securities (Company Total)

1. Net valuation gain/loss from trading securities

Millions of Yen						
As of March 31	2008		2007		2006	
	Carrying value on balance sheets	Net valuation gain/loss included in profits/loss	Carrying value on balance sheets	Net valuation gain/loss included in profits/loss	Carrying value on balance sheets	Net valuation gain/loss included in profits/loss
Trading securities	¥1,849,018	¥(403,448)	¥2,337,929	¥(82,576)	¥2,354,765	¥256,536

Notes: 1. The carrying value on the balance sheets of assets held in trust included in trading securities and the net valuation gain/loss included in profits/loss for the current period include net gain/loss on derivative transactions.
 2. The carrying value above excludes cash equivalents and call loans within assets held in trust included in trading securities.

2. Data on market value of securities (Securities with market value other than trading securities)

Millions of Yen										
As of March 31	2008					2007				
	Book value	Market value	Net gain/loss	Gain	Loss	Book value	Market value	Net gain/loss	Gain	Loss
Policy-reserve-matching bonds	¥17,147,440	¥17,752,748	¥ 605,308	¥ 625,563	¥ (20,254)	¥17,252,365	¥17,515,888	¥ 263,522	¥ 343,500	¥ (79,977)
Held-to-maturity debt securities	40,019	40,162	142	171	(28)	83,763	83,420	(342)	16	(359)
Investments in subsidiaries and affiliates	54,454	70,526	16,072	16,072	—	54,454	103,650	49,195	49,195	—
Other securities	12,168,901	15,745,289	3,576,387	3,866,354	(289,966)	11,633,528	18,804,346	7,170,818	7,218,034	(47,216)
Domestic bonds	335,066	338,525	3,458	3,538	(79)	192,403	193,969	1,566	1,688	(122)
Domestic stocks	4,796,200	8,000,890	3,204,690	3,363,417	(158,727)	4,629,397	11,035,208	6,405,811	6,437,499	(31,688)
Foreign securities	6,137,368	6,516,797	379,429	497,619	(118,189)	5,694,374	6,445,711	751,336	766,652	(15,315)
Foreign bonds	5,143,688	5,446,754	303,065	328,234	(25,168)	4,866,987	5,304,914	437,926	441,552	(3,625)
Foreign stocks and other securities	993,679	1,070,043	76,364	169,384	(93,020)	827,387	1,140,796	313,409	325,099	(11,689)
Other securities	288,155	276,872	(11,282)	1,685	(12,967)	303,087	315,154	12,066	12,146	(79)
Monetary receivables purchased	304,111	304,197	86	87	(1)	312,264	312,303	38	44	(5)
Negotiable deposits	308,000	308,005	5	5	(0)	502,000	501,998	(1)	4	(5)
Total	¥29,410,815	¥33,608,726	¥4,197,910	¥4,508,161	¥(310,250)	¥29,024,111	¥36,507,305	¥7,483,193	¥7,610,747	¥(127,553)
Domestic bonds	16,228,337	16,802,361	574,023	588,688	(14,664)	16,373,619	16,620,462	246,843	322,354	(75,510)
Domestic stocks	4,850,654	8,071,416	3,220,762	3,379,490	(158,727)	4,683,851	11,138,858	6,455,007	6,486,695	(31,688)
Foreign securities	6,356,382	6,732,025	375,643	498,784	(123,141)	5,836,449	6,587,582	751,133	767,165	(16,031)
Foreign bonds	5,362,702	5,661,981	299,279	329,399	(30,120)	5,009,061	5,446,785	437,723	442,065	(4,341)
Foreign stocks and other securities	993,679	1,070,043	76,364	169,384	(93,020)	827,387	1,140,796	313,409	325,099	(11,689)
Other securities	288,155	276,872	(11,282)	1,685	(12,967)	303,087	315,154	12,066	12,146	(79)
Monetary receivables purchased	1,379,285	1,418,044	38,759	39,507	(748)	1,325,103	1,343,247	18,143	22,382	(4,238)
Negotiable deposits	308,000	308,005	5	5	(0)	502,000	501,998	(1)	4	(5)

As of March 31	2006				
	Book value	Market value	Net gain/loss	Gain	Loss
Policy-reserve-matching bonds	¥16,724,613	¥16,808,437	¥ 83,823	¥ 260,102	¥(176,278)
Held-to-maturity debt securities	94,272	93,530	(742)	74	(817)
Investments in subsidiaries and affiliates	54,454	114,415	59,961	59,961	—
Other securities	11,130,048	17,559,709	6,429,660	6,519,716	(90,055)
Domestic bonds	17,039	18,098	1,059	1,059	—
Domestic stocks	4,347,663	10,125,495	5,777,831	5,830,040	(52,208)
Foreign securities	5,075,419	5,707,491	632,072	669,248	(37,176)
Foreign bonds	4,343,439	4,705,632	362,192	386,019	(23,826)
Foreign stocks and other securities	731,979	1,001,859	269,879	283,229	(13,350)
Other securities	306,307	324,979	18,671	19,321	(649)
Monetary receivables purchased	651,617	651,643	25	41	(16)
Negotiable deposits	732,000	732,000	0	4	(3)
Total	¥28,003,389	¥34,576,092	¥6,572,703	¥6,839,854	¥(267,151)
Domestic bonds	15,842,655	15,926,419	83,763	252,960	(169,196)
Domestic stocks	4,402,118	10,239,910	5,837,792	5,890,001	(52,208)
Foreign securities	5,337,339	5,967,759	630,420	669,633	(39,213)
Foreign bonds	4,605,359	4,965,900	360,540	386,404	(25,863)
Foreign stocks and other securities	731,979	1,001,859	269,879	283,229	(13,350)
Other securities	306,307	324,979	18,671	19,321	(649)
Monetary receivables purchased	1,382,968	1,385,022	2,054	7,932	(5,878)
Negotiable deposits	732,000	732,000	0	4	(3)

Note: This table includes negotiable deposits and other items deemed appropriate to be handled as securities under the Financial Instruments and Exchange Act.

6. Data on Market Value of Securities (Company Total), continued

Book value of securities with market value unavailable

		Millions of Yen		
As of March 31		2008	2007	2006
Policy-reserve-matching bonds		¥ —	¥ —	¥ —
Held-to-maturity debt securities		—	—	—
Unlisted foreign bonds		—	—	—
Others		—	—	—
Investments in subsidiaries and affiliates		294,101	295,777	282,803
Other securities		738,887	529,625	510,592
Unlisted domestic stocks (excluding stocks sold over-the-counter)		171,852	168,879	268,035
Unlisted foreign stocks (excluding stocks sold over-the-counter)		410,623	225,640	101,146
Unlisted foreign bonds		—	—	—
Others		156,410	135,105	141,410
Total		¥1,032,988	¥825,403	¥793,396

Note: Of securities with market value unavailable, the net loss on currency exchange valuation of assets denominated in foreign currencies was as follows:
 March 31, 2008: ¥53,280; March 31, 2007: ¥7,089 million; and March 31, 2006: ¥10,642 million.

Policy-reserve-matching bonds

We have established the following target portfolios that correspond to a specific type of insurance product.

- Regarding single-payment products (single-payment endowment, single-payment annuities, single-payment whole life insurance) and guaranteed fixed-term rate group annuities, we have established an ALM portfolio that aims to avoid interest fluctuation risks by predicting future cash flow from debt securities.
- In terms of other types of insurance, we have established an ALM portfolio that has a goal of expanding long-term future revenue by evaluating debt characteristics and operating within a specific range of risk allowance.

Given the characteristics of these insurance products and this type of asset management, we have specified and sub-categorized the following insurance policies based on Temporary Treatment of Accounting and Auditing Concerning Policy-reserve-matching Bonds in the Insurance Industry (Japan Institute of Certified Public Accountants Industry Audit Committee Release No. 21).

- All policies for yen-denominated single-payment products
- All policies for U.S. dollar-denominated single-payment products
- All policies guaranteed fixed term rate group annuities
- For group annuities other than guaranteed fixed-term rate policies, policy reserves corresponding to cash flow projections over the next 15 years
- For those not listed above, policies with less than 30 years remaining

Concerning bonds held for the purpose of controlling the respective duration (level of market price fluctuations against fluctuations in interest rates) of bonds that fit into these sub-categories, the Risk Management Committee regularly confirms that the policy reserves and the duration are in a state of general consistency.

Based on such confirmation, we classify most yen-based debt securities into policy-reserve-matching bonds.

7. Data on Market Value of Assets Held in Trust (Company Total)

		Millions of Yen		
As of March 31		2008	2007	2006
Assets held in trust	Carrying value on balance sheets	¥170,507	¥195,592	¥177,037
	Market value	170,507	195,592	177,037
	Net unrealized gain/loss	—	—	—
	Gain	—	—	—
	Loss	—	—	—

Notes: 1. Market value calculations are based on prices rationally calculated by the trustee of assets held in trust.

2. The carrying value on the balance sheets includes net gain/loss related to derivatives transactions within assets held in trust.

Assets held in trust for trading purposes

		Millions of Yen					
As of March 31		2008		2007		2006	
		Carrying value on balance sheets	Net valuation gain/loss included in profits/loss	Carrying value on balance sheets	Net valuation gain/loss included in profits/loss	Carrying value on balance sheets	Net valuation gain/loss included in profits/loss
Assets held in trust for trading purposes		¥170,507	¥(44,744)	¥195,592	¥(2,821)	¥177,037	¥16,333

Note: The carrying value of assets held in trust on the balance sheets and the net valuation gain/loss included in profits/loss for the current period include net gain/loss related to derivatives transactions.

Assets held in trust classified as held to maturity, held for reserves and other

No data as there was not an ending balance from the 2005 fiscal year-end to the fiscal 2007 year-end.

8. Data on Market Value of Derivatives Transactions, Combined Total with and without Hedge Accounting Applied (Company Total)

1. Breakdown of gain/loss (Hedge accounting applied/Hedge accounting not applied)

Millions of Yen						
	Interest	Currencies	Stocks	Bonds	Other	Total
As of March 31						
2008						
Hedge accounting applied	¥ 248	¥ 14,520	¥ —	¥—	¥—	¥ 14,769
Hedge accounting not applied	(19)	21,722	(146)	—	—	21,556
Total	¥ 229	¥ 36,243	¥ (146)	¥—	¥—	¥ 36,325
As of March 31						
2007						
Hedge accounting applied	¥ 81	¥(45,106)	¥ —	¥—	¥—	¥(45,024)
Hedge accounting not applied	(110)	(2,931)	482	—	—	(2,559)
Total	¥ (29)	¥(48,037)	¥ 482	¥—	¥—	¥(47,584)
As of March 31						
2006						
Hedge accounting applied	¥ (43)	¥(19,279)	¥ —	¥—	¥—	¥(19,323)
Hedge accounting not applied	(225)	(1,504)	1,145	—	—	(584)
Total	¥(269)	¥(20,784)	¥1,145	¥—	¥—	¥(19,907)

Note: Net gain/loss from applying mark-to-market hedge accounting included in hedge accounting applied, and net gain/loss included in hedge accounting not applied, other than deferred gain to be amortized from the discontinuation of hedge accounting, are recorded in the statements of income.

2. Interest-rate related

Millions of Yen							
As of March 31				2008	2007	2006	
Over-the-counter Interest-rate swap	Variable interest-rate payment	Contract amount	Over 1 year	¥55,100	¥105,100	¥175,100	
			Fixed interest-rate receipt	Over 1 year	5,100	55,100	105,100
				Market value	186	(163)	(560)
	Gain/loss	186		(163)	(560)		
	Variable interest-rate receipt	Contract amount	Over 1 year	50,000	100,000	150,000	
			Fixed interest-rate payment	Over 1 year	—	50,000	100,000
				Market value	42	134	291
	Gain/loss	42		134	291		
	Total	Gain/loss	¥ 229	¥ (29)	¥ (269)		

Note: Gain/loss show the current market value or present value of swap transactions.

(Reference) Interest-rate swap contracts by maturity dates

Millions of Yen, %								
As of March 31								
		1 year or less	Due after 1 year through 3 years	Due after 3 years through 5 years	Due after 5 years through 7 years	Due after 7 years through 10 years	Due after 10 years	Total
2008	Notional amount (receipts fixed/payments variable)	¥50,000	¥ —	¥ —	¥ —	¥5,100	—	¥ 55,100
	Average fixed rate (receipt)	0.49	—	—	—	1.96	—	0.62
	Average variable rate (payment)	0.97	—	—	—	0.90	—	0.96
	Notional amount (payments fixed/receipts variable)	50,000	—	—	—	—	—	50,000
	Average fixed rate (payment)	0.64	—	—	—	—	—	0.64
	Average variable rate (receipt)	0.97	—	—	—	—	—	0.97
2007	Notional amount (receipts fixed/payments variable)	¥50,000	¥ 50,000	¥ —	¥ —	¥5,100	—	¥105,100
	Average fixed rate (receipt)	0.36	0.49	—	—	1.96	—	0.50
	Average variable rate (payment)	0.63	0.63	—	—	0.57	—	0.63
	Notional amount (payments fixed/receipts variable)	50,000	50,000	—	—	—	—	100,000
	Average fixed rate (payment)	0.47	0.64	—	—	—	—	0.56
	Average variable rate (receipt)	0.63	0.63	—	—	—	—	0.63
2006	Notional amount (receipts fixed/payments variable)	¥70,000	¥100,000	¥ —	¥ —	¥2,000	¥3,100	¥175,100
	Average fixed rate (receipt)	1.11	0.42	—	—	1.92	1.99	0.74
	Average variable rate (payment)	0.08	0.08	—	—	0.11	0.11	0.08
	Notional amount (payments fixed/receipts variable)	50,000	100,000	—	—	—	—	150,000
	Average fixed rate (payment)	0.34	0.56	—	—	—	—	0.48
	Average variable rate (receipt)	0.08	0.08	—	—	—	—	0.08

8. Data on Market Value of Derivatives Transactions, Combined Total with and without Hedge Accounting Applied (Company Total), continued

3. Currency-related

As of March 31					Millions of Yen		
					2008	2007	2006
Over-the-counter exchange forward contracts	U.S. Dollar	Contract amount	Over 1 year		¥2,615,735	¥1,652,834	¥1,189,261
					277,312	—	—
				Market value	2,602,796	1,665,345	1,189,137
			Net gain/loss		12,939	(12,510)	123
	Euro	Contract amount	Over 1 year		55,880	401,349	848,518
					—	—	—
				Market value	55,432	433,494	867,541
			Net gain/loss		448	(32,144)	(19,023)
	British Pound	Contract amount	Over 1 year		12,399	2,294	12,538
					—	—	—
				Market value	12,337	2,295	12,552
			Net gain/loss		62	(1)	(13)
	Other, net		Contract amount		2,698,685	2,080,048	2,185,045
			Over 1 year		277,312	—	—
			Market value		2,685,125	2,125,501	2,204,835
		Net gain/loss		13,559	(45,452)	(19,789)	
Purchased	U.S. Dollar	Contract amount	Over 1 year		214,916	45,786	98,078
					—	—	—
				Market value	216,071	46,015	98,173
			Net gain/loss		1,154	229	95
	Euro	Contract amount	Over 1 year		26,799	37,763	21,743
					—	—	—
				Market value	27,083	37,860	21,851
			Net gain/loss		284	96	107
	British Pound	Contract amount	Over 1 year		388	1,161	3,843
					—	—	—
				Market value	386	1,162	3,839
			Net gain/loss		(1)	0	(4)
	Other, net		Contract amount		243,112	92,467	124,293
			Over 1 year		—	—	—
			Market value		244,552	92,940	124,491
		Net gain/loss		1,439	473	198	

8. Data on Market Value of Derivatives Transactions,
Combined Total with and without Hedge Accounting Applied (Company Total), continued

3. Currency-related, continued

As of March 31						Millions of Yen		
					2008	2007	2006	
Over-the-counter	Currency	Sold	Call	U.S. Dollar	Contract amount	¥ 110,209	¥ 365,955	¥ 411,145
	options					[121]	[339]	[1,139]
					Over 1 year	—	—	—
						[—]	[—]	[—]
					Market value	153	238	344
					Net gain/loss	(31)	100	795
				Euro	Contract amount	—	—	28,562
						[—]	[—]	[121]
					Over 1 year	—	—	—
						[—]	[—]	[—]
					Market value	—	—	45
					Net gain/loss	—	—	76
			Other, net		Contract amount	110,209	365,955	439,707
						[121]	[339]	[1,261]
					Over 1 year	—	—	—
						[—]	[—]	[—]
					Market value	153	238	389
					Net gain/loss	(31)	100	872
			Put	U.S. Dollar	Contract amount	—	—	—
						[—]	[—]	[—]
					Over 1 year	—	—	—
						[—]	[—]	[—]
					Market value	—	—	—
					Net gain/loss	—	—	—
				Euro	Contract amount	—	—	—
						[—]	[—]	[—]
					Over 1 year	—	—	—
						[—]	[—]	[—]
					Market value	—	—	—
					Net gain/loss	—	—	—
			Other, net		Contract amount	—	—	—
						[—]	[—]	[—]
					Over 1 year	—	—	—
						[—]	[—]	[—]
					Market value	—	—	—
					Net gain/loss	—	—	—

8. Data on Market Value of Derivatives Transactions, Combined Total with and without Hedge Accounting Applied (Company Total), continued

3. Currency-related, continued

As of March 31						Millions of Yen			
						2008	2007	2006	
Over-the-counter option	U.S. Dollar	Contract amount	Call	—	—	¥ —	¥ —	¥ —	
				[—]	[—]	[—]	[—]	[—]	
				Over 1 year	—	—	—	—	
		Market value	—	—	—	—			
		Net gain/loss	—	—	—	—			
		Euro	Contract amount	—	—	—	—		
	Over 1 year	—	—	—	—				
	Market value	—	—	—	—				
	Net gain/loss	—	—	—	—				
	Other, net	Contract amount	—	—	—	—			
			[—]	[—]	[—]	[—]			
		Over 1 year	—	—	—	—			
			[—]	[—]	[—]	[—]			
		Market value	—	—	—	—			
		Net gain/loss	—	—	—	—			
Put	U.S. Dollar	Contract amount	Call	551,045	720,105	646,085			
				[11,251]	[5,025]	[5,289]			
				Over 1 year	60,114	—	117,470		
		Market value	[2,462]	[—]	[2,637]				
		Net gain/loss	33,504	1,857	3,319				
		Euro	Contract amount	253,104	—	28,562			
	Over 1 year	[5,202]	[—]	[115]					
	Market value	94,914	—	—					
	Net gain/loss	[2,876]	[—]	[—]					
		Market value	3,805	—	8				
		Net gain/loss	(1,396)	—	(106)				
	Other, net	Contract amount	824,160	720,105	674,647				
			[16,775]	[5,025]	[5,404]				
		Over 1 year	155,028	—	117,470				
			[5,338]	[—]	[2,637]				
	Market value	38,055	1,857	3,327					
	Net gain/loss	21,279	(3,167)	(2,077)					
Currency swap	U.S. Dollar	Contract amount	Call	567	4,862	3,947			
				Over 1 year	567	4,862	3,947		
				Market value	(4)	8	12		
	Net gain/loss	(4)	8	12					
	Other, net	Contract amount	567	4,862	3,947				
		Over 1 year	567	4,862	3,947				
	Market value	(4)	8	12					
	Net gain/loss	(4)	8	12					
Total		Net gain/loss	¥ 36,243	¥ (48,037)	¥ (20,784)				

Notes: 1. Figures in brackets show options fees recorded on the non-consolidated balance sheets. However, these options fees include already contracted options as of the balance sheet date.

2. Net gain/loss shows the difference between the contract amount and market value for forward agreements, the difference between the options fee and market value for option transactions, and the current market value for swap transactions.

8. Data on Market Value of Derivatives Transactions, Combined Total with and without Hedge Accounting Applied (Company Total), continued

4. Stock-related

As of March 31				Millions of Yen		
Exchange	Stock index futures			2008	2007	2006
		Sold	Contract value	¥ —	¥ —	¥ —
			Over 1 year	—	—	—
			Market value	—	—	—
			Net gain/loss	—	—	—
		Purchased	Contract value	24,762	33,245	16,150
			Over 1 year	—	—	—
			Market value	24,615	33,727	17,296
			Net gain/loss	(146)	482	1,145
Total			Net gain/loss	¥ (146)	¥ 482	¥ 1,145

Note: Net gain/loss shows the difference between the contracted amount and market value for future agreements.

5. Bond-related

No data as there was not an ending balance from the 2005 fiscal year-end to the fiscal 2007 year-end.

6. Others

No data as there was not an ending balance from the 2005 fiscal year-end to the fiscal 2007 year-end.

9. Operating Income (Ordinary Income)

Fiscal years ended March 31	Millions of Yen		
	2008	2007	2006
Ordinary revenues	¥6,402,512	¥6,390,219	¥6,628,764
Income from premiums	4,890,087	4,854,303	4,842,280
Insurance premiums	4,889,029	4,853,646	4,841,763
Reinsurance premiums	1,058	657	516
Investment income	1,245,648	1,285,810	1,467,050
Interest, dividends and other income	1,234,533	1,156,348	1,070,088
Gain from redemption of securities	10,153	46,455	6,528
Other investment income	962	1,500	2,426
Gain from separate account	—	81,506	388,006
Other revenues	266,776	250,071	319,432
Income from annuity riders	6,388	6,039	6,295
Income from deferred benefits	234,872	225,138	283,433
Reversal of reserve for outstanding claims	7,953	—	12,008
Reversal of policy reserves	—	—	—
Reversal of accrued severance indemnities	—	—	—
Other	17,560	18,894	17,696
Other ordinary revenues	—	34	1
Ordinary expenditures	5,764,972	5,660,168	5,995,067
Insurance claims and other payments	4,212,938	3,831,149	4,442,302
Insurance claims	1,394,957	1,218,010	1,409,481
Annuity payments	475,766	439,395	416,219
Benefits	822,921	779,972	772,494
Surrender benefits	1,166,937	1,061,274	1,186,750
Other refunds	350,997	331,384	656,391
Reinsurance premiums	1,356	1,113	964
Provision for policy reserves*	187,492	738,702	508,194
Investment expenses	325,997	53,499	45,798
Interest expenses	6,007	5,333	1,421
Loss on redemption of securities	2,950	1,802	209
Transfer to general allowance for doubtful accounts	4,822	—	(5,392)
Depreciation for rental real estate and other assets	27,331	26,249	27,468
Other expenses for investment	18,909	20,114	22,091
Loss from separate account	265,975	—	—
Operating expenses	552,888	547,501	536,324
Other expenditures	483,842	489,314	462,448
Deferred benefit payments	390,080	384,946	348,879
Taxes	34,758	35,223	35,752
Depreciation	39,235	39,261	43,548
Provision for accrued severance indemnities	6,515	16,382	20,957
Deferred asset amortization (Insurance Business Law, Article 113)	—	—	—
Other	13,252	13,500	13,310
Other ordinary expenditures	1,812	—	—
Ordinary income (core operating profit) (A)	637,540	730,050	633,696

Fiscal years ended March 31	Millions of Yen		
	2008	2007	2006
Capital gain	¥ 108,796	¥ 123,913	¥ 210,704
Gain from proprietary trading securities	7	83	—
Gain from assets held in trust	—	22,108	36,414
Gain from trading securities	—	—	—
Gain on sales of securities	106,977	101,722	174,290
Gain from derivative financial instruments	—	—	—
Foreign exchange gain	—	—	—
Other capital gain	1,812	—	—
Capital loss	229,857	242,873	225,229
Loss from proprietary trading securities	—	—	9
Loss from assets held in trust	21,483	—	—
Loss from trading securities	—	—	—
Loss on sales of securities	93,274	102,305	114,735
Loss on valuation of securities	39,211	11,861	8,857
Loss from derivative financial instruments	63,729	127,398	97,879
Foreign exchange loss	12,158	1,273	3,746
Other capital loss	—	34	1
Net capital gain/loss (B)	(121,060)	(118,960)	(14,524)
Income including net capital gain/loss (A+B)	516,479	611,090	619,172
Non-recurring income	21,308	—	—
Income from reinsurance premiums	—	—	—
Reversal of contingency reserve	—	—	—
Other non-recurring income	21,308	—	—
Non-recurring loss	226,074	280,484	175,378
Reinsurance premiums	—	—	—
Provision for contingency reserve	—	—	154,689
Provision for individual allowance for doubtful accounts	—	—	20,529
Provision for allowance for specialized overseas debts	—	—	—
Loan write-offs and write-downs	—	3	160
Other non-recurring loss	226,074	280,481	—
Non-recurring income and loss (C)	(204,765)	(280,484)	(175,378)
Operating income (A+B+C)	¥ 311,714	¥ 330,606	¥ 443,793

*"Provision for policy reserves" excludes provision for contingency reserve and provision of premium reserve based on Article 69, Section 5 of the Insurance Business Law Enforcement Regulation.

(Reference) Breakdown of other ordinary revenues and others

Fiscal years ended March 31	Millions of Yen		
	2008	2007	2006
Other ordinary revenues	¥ —	¥ 34	¥ 1
Gain (loss) on foreign exchange in relation to foreign currency denominated insurance products	—	34	1
Other ordinary expenditures	¥ 1,812	¥ —	¥ —
Gain (loss) on foreign exchange in relation to foreign currency denominated insurance products	1,812	—	—
Other capital gain	¥ 1,812	¥ —	¥ —
Gain (loss) on foreign exchange in relation to foreign currency denominated insurance products	1,812	—	—
Other capital loss	¥ —	¥ 34	¥ 1
Gain (loss) on foreign exchange in relation to foreign currency denominated insurance products	—	34	1
Other non-recurring income	¥ 21,308	¥ —	¥ —
Impact of change to monthly valuation of policy reserves	21,300	—	—
Provision for individual allowance for doubtful accounts	8	—	—
Other non-recurring loss	¥226,074	¥280,481	¥ —
Policy reserve based on Article 69, Section 5 of the Insurance Business Law Enforcement Regulation	226,074	280,481	—

MAIN BUSINESS INDICATORS

10. Policies in Force and New Policies

1. Policies in force

(1) Number of policies

As of March 31	Number of Policies, %				
	2008		2007		2006
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount
Individual insurance	12,458,759	(3.9)%	12,962,744	(3.3)%	13,411,425
Individual annuities	2,719,012	3.0	2,640,382	3.6	2,547,848

(2) Policy amount

As of March 31	Millions of Yen, %				
	2008		2007		2006
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount
Individual insurance	¥206,175,015	(7.5)%	¥222,960,663	(6.2)%	¥237,617,903
Individual annuities	17,125,059	0.9	16,965,522	3.1	16,455,389
Group insurance	85,419,797	1.2	84,396,970	1.1	83,518,770
Group annuities	9,043,005	0.2	9,029,249	2.6	8,800,098

Notes: 1. The amount of individual annuities is the total of annuity resources at the start of annuity payments for policies prior to the start of annuity payments and policy reserves for policies after the start of annuity payments.

2. The amount of group annuities is equal to the policy reserve balance.

2. New policies in force

(1) Number of policies

Fiscal years ended March 31	Number of Policies		
	2008	2007	2006
Individual insurance	1,045,127	1,037,813	1,193,558
Individual annuities	187,279	193,739	149,617

Note: The number of policies includes policies that were converted into new policies.

(2) Policy amount

Fiscal years ended March 31		Millions of Yen		
		2008	2007	2006
Individual insurance	New policies, including conversions	¥5,318,601	¥10,140,242	¥14,093,639
	New policies, excluding conversions	7,379,579	10,505,664	13,702,484
	By conversion	(2,060,977)	(365,421)	391,154
Individual annuities	New policies, including conversions	1,132,032	1,309,298	1,254,229
	New policies, excluding conversions	1,147,229	1,318,745	1,248,932
	By conversion	(15,197)	(9,446)	5,296
Group insurance	New policies, including conversions	1,359,503	1,294,875	1,642,281
	New policies, excluding conversions	1,359,503	1,294,875	1,642,281
	By conversion	[5,907,231]	[7,234,929]	[10,511,909]
Group annuities	New policies, including conversions	6,450	1,014	927
	New policies, excluding conversions	6,450	1,014	927
	By conversion	—	—	—

Notes: 1. The amount for new policies for individual annuities represents annuity resources at the start of annuity payments.

2. Figures in brackets in group insurance are amounts that include the increase in premiums and the net increase in premiums from midterm enrollments and withdrawals.

3. Figures for group annuities for new policies represent the first premium revenues.

11. Annualized Premiums

1. Policies held

As of March 31	Millions of Yen, %				
	2008		2007		2006
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount
Individual insurance	¥2,552,834	(4.2)%	¥2,664,885	(2.1)%	¥2,722,457
Individual annuities	639,653	4.2	613,958	5.9	579,780
Total	¥3,192,488	(2.6)%	¥3,278,844	(0.7)%	¥3,302,238
Medical life insurance, living benefits and others	¥ 568,620	0.6%	¥ 565,009	0.5%	¥ 561,982

Notes: 1. Annualized premiums are one-time insurance premiums factored according to the payment method and calculated as insurance premiums for one year. (Single payments are insurance premiums divided by the term of coverage.)

2. Medical coverage and living benefits include medical benefits (hospitalization and surgery benefits, etc.), living benefits (limited illness and nursing care benefits, etc.) and premium payment waivers (excluding disability and including specified diseases and nursing), and are recorded as annualized premiums.

11. Annualized Premiums, continued

2. New policies

Fiscal years ended March 31	Millions of Yen, %					
	2008		2007		2006	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	
Individual insurance	¥157,921	(24.1)%	¥208,146	(4.5)%	¥217,846	
Individual annuities	54,065	(16.2)	64,533	17.8	54,772	
Total	¥211,987	(22.3)%	¥272,679	0.0%	¥272,619	
Medical life insurance, living benefits and others	¥ 48,039	(4.4)%	¥ 50,245	(15.8)%	¥ 59,656	

Notes: 1. Annualized premiums are one-time insurance premiums factored according to the payment method and calculated as insurance premiums for one year. (Single payments are insurance premiums divided by the term of coverage.)

2. Medical coverage and living benefits include medical benefits (hospitalization and surgery benefits, etc.), living benefits (limited illness and nursing care benefits, etc.) and premium payment waivers (excluding disability and including specified diseases and nursing), and are recorded as annualized premiums.

3. "New policies" is equal to new policies plus the net increase due to policy conversions.

12. New Policies by Product

Fiscal years ended March 31	Number of Policies, Millions of Yen						
	2008		2007		2006		
	Policies	Amount	Policies	Amount	Policies	Amount	
Individual insurance	Mortality insurance	[831,850]	¥[16,910,611]	[798,652]	¥[17,730,173]	[915,642]	¥[21,773,761]
		351,004	5,771,487	464,065	8,437,883	573,282	11,319,518
	Term life insurance	[29,794]	[1,896,676]	[29,248]	[1,630,989]	[29,487]	[1,606,483]
		25,625	1,562,209	25,191	1,316,297	25,968	1,330,972
	Whole life insurance	[121,197]	[624,743]	[82,837]	[537,185]	[77,708]	[604,434]
		66,283	380,614	51,607	391,708	52,131	483,128
	Single-payment whole life insurance with variable accumulation rates	8,450	88,666	8,421	80,549	1,726	15,245
	Whole life insurance with term rider	[617,998]	[14,165,568]	[587,692]	[14,808,086]	[656,109]	[18,839,827]
		196,235	3,687,414	288,392	6,056,483	342,845	8,873,410
	Term life insurance with dread disease term rider	—	—	41	262	2,013	12,390
	Whole life insurance with dread disease term rider	—	—	26	194	372	2,490
	Cancer insurance	18,721	3,226	29,140	5,540	69,325	12,819
	Hospitalization medical insurance	32,908	—	45,120	—	64,957	—
	Increasing term life insurance	670	24,658	13,578	540,076	11,472	526,519
	Medical life insurance	532	33	663	41	618	39
	Single-payment whole life insurance for retirement	300	1,313	293	1,336	307	1,238
	Medical life insurance for retirement	1,280	525	1,593	765	1,548	663
	Term rider	[28,662]	[105,197]	[33,979]	[125,144]	[40,094]	[151,609]
		6,893	22,824	13,004	44,627	16,888	60,600
Life and mortality insurance	[213,277]	[1,818,858]	[239,158]	[2,264,766]	[272,906]	[2,594,071]	
	206,142	1,608,091	232,643	2,067,779	265,711	2,380,613	
Endowment insurance	[99,391]	[429,490]	[110,339]	[459,185]	[122,992]	[519,294]	
	98,454	426,091	109,923	457,502	122,490	516,188	
Endowment insurance with term rider <i>Kurashi no Hoken</i>	[11,054]	[170,212]	[12,514]	[227,221]	[14,288]	[266,346]	
	4,856	73,865	6,415	117,044	7,595	142,911	
Term life with survival benefit insurance <i>Melody</i>	10,915	12,201	—	—	3	11	
Term life with survival benefit insurance <i>BIG YOU</i>	47,785	675,999	69,928	1,001,451	86,668	1,241,611	
Juvenile insurance	44,132	333,789	46,377	350,730	48,955	371,618	
Multi increase endowment rider	584	66	643	74	765	90	
Term rider with survival benefit	[108,987]	[197,099]	[122,960]	[226,104]	[106,510]	[195,098]	
	52,102	86,078	81,095	140,978	63,532	108,181	
Pure endowment	—	—	3	1	5,010	2,352	
Family pure endowment	—	—	3	1	5,010	2,352	
Subtotal	[1,045,127]	[18,729,469]	[1,037,813]	[19,994,941]	[1,193,558]	[24,370,186]	
	557,146	7,379,579	696,711	10,505,664	844,003	13,702,484	
		<5,318,601>		<10,140,242>		<14,093,639>	

12. New Policies by Product, continued

Fiscal years ended March 31		2008		2007		2006	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual annuities	Nissay annuity	[172,351]	¥[1,079,131]	[167,872]	¥[1,193,707]	[111,992]	¥[1,026,271]
		170,477	1,059,626	166,894	1,178,315	111,086	1,013,331
	Annuity focused on survival coverage	[—]	[—]	[72]	[903]	[21,611]	[160,051]
		—	—	71	896	21,519	159,076
	Variable assumed rate type annuity	—	—	—	—	—	—
	Accumulation type variable rate annuity	13,351	77,369	21,753	112,149	11,487	46,572
	1,577	10,233	4,042	27,383	4,527	29,952	
		[187,279]	[1,166,735]	[193,739]	[1,334,143]	[149,617]	[1,262,846]
		185,405	1,147,229	192,760	1,318,745	148,619	1,248,932
			<1,132,032>		<1,309,298>		<1,254,229>
Group insurance	Group term life insurance	358,437	1,300,376	202,331	1,222,079	268,703	1,463,815
	Group credit life insurance	63,063	59,127	222,620	72,795	163,792	155,829
	Consumer credit group insurance	—	—	—	—	547,613	22,635
	Group endowment insurance	—	—	—	—	—	—
	Group whole life insurance	—	—	—	—	—	—
	Life insurance for dependents of disabled	—	—	—	—	—	—
	Annuities rider (group term life insurance)	—	—	—	—	—	—
		421,500	1,359,503	424,951	1,294,875	980,108	1,642,281
Group annuities	Insured pension plans	—	—	—	—	—	—
	New insured pension plans	11,162	63	7,471	66	6,507	122
	Insured contributory pension plans	3,132	10	9,913	22	3	0
	Defined benefit corporate pension plans	—	2,618	—	747	—	525
	National pension fund insurance	—	—	—	—	—	—
	Employees' pension fund insurance	—	—	—	—	9,431	4
	Employees' pension association insurance	—	—	—	—	—	0
	Group pure endowment insurance	—	3,624	—	—	—	—
	Defined contribution pension plans	—	133	—	177	—	275
			14,294	6,450	17,384	1,014	15,941
Workers' asset-formation savings insurance	Workers' asset-formation savings insurance	7,644	712	8,489	471	9,410	601
	Workers' asset-formation housing funding insurance	1,277	119	1,425	123	1,755	147
	Workers' asset-formation benefits savings insurance	—	—	—	—	24	0
	Workers' asset-formation fund savings insurance	—	—	—	—	—	—
		8,921	832	9,914	595	11,189	749
Workers' asset-formation annuities	Workers' asset-formation annuities	—	—	—	—	—	—
	Workers' asset-formation funding annuities	1,867	98	2,089	140	2,368	254
		1,867	98	2,089	140	2,368	254
Medical life insurance	Individual type	62	0	57	0	94	0
	Group type	11,471	10	19,872	101	2,737	1
		11,533	11	19,929	101	2,831	2
Disability income insurance	Group disability income insurance	—	—	2,746	697	5,499	191
				2,746	697	5,499	191
	Reinsurance assumed	—	—	—	—	—	—

Notes: 1. Figures in brackets include policies that were converted into new policies, except for subtotal figures in angle brackets, which exclude policies prior to conversion.

2. Term life insurance includes term life insurance (group type).

3. Whole life insurance includes comprehensive whole life insurance.

4. Term rider includes juvenile term life insurance riders and spouse term life insurance riders.

5. Term rider, multi increase endowment rider, term rider with survival benefit, life insurance for dependents of disabled and employees' pension association insurance are not included in subtotals.

6. The number of policies for group insurance, group annuities, workers' asset-formation savings insurance, workers' asset-formation annuities, medical life insurance, disability income insurance and reinsurance assumed is the number of insured persons.

7. Figures for individual annuities, group insurance (annuities rider) and workers' asset-formation annuities (excluding workers' asset-formation funding annuities) represent annuity resources at the start of annuity payments.

8. New policy amounts for group annuities, workers' asset-formation savings insurance and workers' asset-formation funding annuities are first premium revenues.

9. Amounts for medical life insurance show daily amounts of hospitalization benefit.

10. Amounts for disability income insurance show monthly amounts of disability income insurance benefit.

13. Policies in Force by Product

As of March 31		2008		2007		2006	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual insurance	Mortality insurance	8,907,084	¥184,802,654	9,035,996	¥199,045,439	9,135,863	¥211,486,363
	Term life insurance	175,650	9,240,983	168,638	8,406,110	161,064	7,821,096
	Whole life insurance	2,676,732	22,990,175	2,534,305	22,793,360	2,417,041	22,598,177
	Single-payment whole life insurance with variable accumulation rates	17,871	174,095	9,989	94,154	1,724	15,240
	Whole life insurance with term rider	5,215,050	146,068,605	5,454,425	160,613,919	5,664,495	173,696,866
	Variable life insurance (whole life type)	37,542	580,583	38,229	597,387	38,957	617,042
	Variable life insurance with term rider (whole life type)	2,061	64,875	2,324	75,426	2,553	84,041
	Term life insurance with dread disease term rider	262,561	1,348,729	290,613	1,500,329	314,615	1,635,949
	Whole life insurance with dread disease term rider	36,612	242,268	38,017	252,845	39,340	263,187
	Cancer insurance	292,499	41,090	318,792	45,887	353,905	52,210
	Hospitalization medical insurance	111,487	—	94,518	—	63,514	—
	Increasing term life insurance	36,528	1,668,785	43,505	1,999,160	36,324	1,778,646
	Medical life insurance	5,274	309	5,090	292	4,682	264
	Single-payment whole life insurance for retirement	5,617	20,885	5,425	19,938	5,238	19,013
	Medical life insurance for retirement	6,783	2,916	5,663	2,430	4,193	1,691
	Former Dowa Life Insurance	24,817	258,558	26,463	282,357	28,218	308,575
	Term rider	448,209	2,099,792	501,971	2,361,838	550,934	2,594,361
	Life and mortality insurance	3,541,398	21,364,023	3,910,881	23,903,676	4,252,143	26,115,927
	Endowment insurance	1,798,789	7,125,865	2,017,477	7,863,398	2,197,093	8,405,127
	Endowment insurance with term rider <i>Kurashi no Hoken</i>	254,708	3,223,225	305,836	3,801,654	365,387	4,375,912
	Variable life insurance (defined term type)	2,955	15,638	3,394	18,205	3,683	20,063
	Term life with survival benefit insurance <i>Melody</i>	17,063	34,644	6,638	26,054	7,638	30,237
	Term life with survival benefit insurance <i>BIG YOU</i>	409,120	5,010,014	478,797	5,812,959	544,444	6,534,111
	Juvenile insurance	1,053,853	4,803,519	1,092,513	5,195,985	1,125,961	5,570,703
	Former Dowa Life Insurance	4,910	11,301	6,226	14,097	7,937	17,165
	Multi-increase endowment rider	19,360	7,203	19,857	9,520	20,266	10,476
	Term rider with survival benefit	593,978	1,132,610	601,170	1,161,800	587,717	1,152,130
	Pure endowment	10,277	8,337	15,867	11,546	23,419	15,612
	Family pure endowment	10,081	5,015	15,662	7,989	23,206	11,846
	Pure endowment with nursing care benefit	196	3,322	205	3,556	213	3,766
	Subtotal	12,458,759	206,175,015	12,962,744	222,960,663	13,411,425	237,617,903

Number of Policies, Millions of Yen

13. Policies in Force by Product, continued

As of March 31		2008		2007		2006	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual annuities	Nissay annuity	2,122,191	¥13,528,110	2,035,754	¥13,251,466	1,943,882	¥12,684,930
	Individual fixed annuity <i>Souden no Sekkei</i>	2,767	4,701	3,571	6,560	4,422	8,334
	Annuity focused on survival coverage	459,526	2,910,538	477,436	3,041,054	498,545	3,195,796
	Variable assumed rate type annuity	23,140	74,674	24,975	84,178	26,414	97,581
	Accumulation type variable rate annuity	49,512	247,922	37,004	175,888	15,631	65,960
	Nissay investment type annuity	30,304	212,931	30,693	256,697	29,067	251,710
	Former Dowa Life Insurance	4,731	21,346	4,917	22,254	5,092	23,171
	Annuity rider	22,564	78,814	21,464	76,109	20,210	73,850
	Term rider annualized payment	4,276	46,019	4,566	51,309	4,583	54,050
	Annuity for spouse term rider	1	0	2	2	2	3
	Subtotal	2,719,012	17,125,059	2,640,382	16,965,522	2,547,848	16,455,389
Group insurance	Group term life insurance	14,559,440	51,098,372	14,394,937	49,080,058	14,601,726	47,571,713
	Group credit life insurance	13,475,500	34,269,188	13,732,265	35,265,057	13,732,024	34,276,894
	Consumer credit group insurance	57,324	2,552	59,108	2,738	20,010,071	1,621,072
	Group endowment insurance	311	974	385	1,070	534	1,365
	Group whole life insurance	154	108	172	116	190	124
	Life insurance for dependents of disabled	65,106	34,374	65,795	34,463	67,493	35,223
	Annuities rider (group term life insurance)	11,455	14,226	11,373	13,465	11,205	12,376
	Subtotal	28,104,184	85,419,797	28,198,240	84,396,970	48,355,750	83,518,770
Group annuities	Insured pension plans	52,634	38,050	52,997	39,427	54,393	41,134
	New insured pension plans	9,978,340	2,257,257	10,197,526	2,677,117	10,647,079	2,875,578
	Insured contributory pension plans	3,714,536	2,938,230	3,718,542	2,737,883	3,853,638	2,569,250
	Defined benefit corporate pension plans	—	2,595,570	—	2,237,515	—	1,985,669
	National pension fund insurance	—	5,060	—	4,321	—	4,330
	Employees' pension fund insurance	3,477,231	758,410	3,870,573	932,456	4,075,024	987,183
	Employees' pension association insurance	—	1,857	—	1,822	—	333
	Group pure endowment insurance	—	199,766	—	193,837	—	180,269
	Defined contribution pension plans	—	248,800	—	204,868	—	156,348
	Subtotal	17,222,741	9,043,005	17,839,638	9,029,249	18,630,134	8,800,098
Workers' asset-formation savings insurance	Workers' asset-formation savings insurance	131,739	251,934	137,548	248,312	143,195	242,968
	Workers' asset-formation housing funding insurance	25,174	66,868	27,132	70,310	29,160	73,530
	Workers' asset-formation benefits savings insurance	22,435	2,000	22,956	2,023	24,523	1,998
	Workers' asset-formation fund savings insurance	658	13	686	13	706	15
	Subtotal	180,006	320,816	188,322	320,660	197,584	318,512
Workers' asset-formation annuities	Workers' asset-formation annuities	418	1,587	445	1,844	468	1,960
	Workers' asset-formation funding annuities	67,573	153,408	69,284	156,250	70,377	157,095
	Subtotal	67,991	154,995	69,729	158,094	70,845	159,056
Medical life insurance	Individual type	1,903	8	2,099	9	2,355	10
	Group type	884,739	2,578	868,287	2,440	864,263	2,242
	Subtotal	886,642	2,587	870,386	2,449	866,618	2,253
Disability income insurance	Group disability income insurance	52,307	3,747	78,105	6,257	89,073	6,488
	Subtotal	52,307	3,747	78,105	6,257	89,073	6,488
Reinsurance assumed		20,868	¥ 21,905	22,886	¥ 23,182	24,798	¥ 30,858

Notes: 1. Term life insurance includes term life insurance (group type).

2. Whole life insurance includes comprehensive whole life insurance.

3. Term rider includes juvenile term life insurance riders and spouse term life insurance riders.

4. Term rider, multi increase endowment rider, term rider with survival benefit, life insurance for dependents of disabled and employees' pension association insurance are not included in subtotals.

5. The number of policies for group insurance, group annuities, workers' asset-formation savings insurance, workers' asset-formation annuities, medical life insurance, disability income insurance and reinsurance assumed is the number of insured persons.

6. Figures for individual annuities, group insurance (annuities rider) and workers' asset-formation annuities (excluding workers' asset-formation funding annuities) represent the total of annuity resources at the start of annuities for policies prior to the start of annuity payments and policy reserves for policies after the start of annuity payments.

7. New policy amounts for group annuities, workers' asset-formation savings insurance and workers' asset-formation funding annuities are amounts for policy reserves.

8. Amounts for medical life insurance show daily amounts of hospitalization benefit.

9. Amounts for disability income insurance show monthly amounts of disability income insurance benefit.

14. Amount of Policies in Force by Coverage Type

As of March 31		2008	2007	2006	
Millions of Yen					
Death protection	Death protection due to illness/accident	Individual insurance	¥206,163,873	¥222,946,118	¥237,599,064
		Individual annuities	—	—	—
		Group insurance	85,405,571	84,383,504	83,506,394
		Group annuities	—	—	—
	Net, including other types	291,591,350	307,352,805	321,136,317	
	Death protection due to accident	Individual insurance	[39,482,223]	[42,390,740]	[45,364,845]
		Individual annuities	[343,096]	[349,617]	[359,804]
		Group insurance	[4,122,249]	[4,285,005]	[4,649,923]
		Group annuities	—	—	—
Net, including other types	[43,973,942]	[47,051,339]	[50,402,151]		
Death protection due to specific causes	Individual insurance	[370,480]	[414,224]	[471,728]	
	Individual annuities	—	—	—	
	Group insurance	[144,922]	[149,287]	[149,771]	
	Group annuities	—	—	—	
Net, including other types	[515,402]	[563,512]	[621,500]		
Pure endowment	Maturity and survival benefits	Individual insurance	11,141	14,544	18,839
		Individual annuities	16,026,306	15,958,654	15,672,723
		Group insurance	758	974	832
		Group annuities	—	—	—
	Net, including other types	16,146,600	16,088,074	15,807,660	
	Annuity	Individual insurance	[600,859]	[719,422]	[803,325]
		Individual annuities	[1,956,773]	[1,929,983]	[1,888,954]
		Group insurance	[1,757]	[1,634]	[1,518]
		Group annuities	—	—	—
Net, including other types	[2,567,123]	[2,658,445]	[2,701,060]		
Other	Individual insurance	—	—	—	
	Individual annuities	1,098,753	1,006,867	782,666	
	Group insurance	13,468	12,490	11,544	
	Group annuities	9,043,005	9,029,249	8,800,098	
Net, including other types	10,522,645	10,413,461	9,956,612		
Hospitalization coverage	Coverage for hospitalization due to accident	Individual insurance	[52,339]	[53,819]	[55,272]
		Individual annuities	[1,665]	[1,717]	[1,766]
		Group insurance	[2,140]	[2,171]	[2,280]
		Group annuities	—	—	—
	Net, including other types	[58,732]	[60,158]	[61,572]	
	Coverage for hospitalization due to illness	Individual insurance	[51,481]	[52,761]	[54,058]
		Individual annuities	[1,648]	[1,698]	[1,747]
		Group insurance	—	—	—
		Group annuities	—	—	—
Net, including other types	[55,717]	[56,910]	[58,059]		
Coverage for hospitalization due to other causes	Individual insurance	[74,299]	[72,167]	[69,628]	
	Individual annuities	[449]	[464]	[479]	
	Group insurance	[49]	[51]	[52]	
	Group annuities	—	—	—	
Net, including other types	[74,798]	[72,683]	[70,160]		
Disability coverage	Individual insurance	—	—	—	
	Individual annuities	—	—	—	
	Group insurance	—	—	—	
	Group annuities	—	—	—	
	Net, including other types	3,747	6,257	6,488	

- Notes: 1. Figures in brackets show additional coverage and rider coverage attached to primary policies. However, death protection due to illness/accident of term riders are recorded under primary coverage.
2. Figures for maturity and survival benefits of pure endowment show annuity resources at the start of annuity payments for policies prior to the start of annuity payments for individual annuities and group insurance [annuities rider].
3. Figures for annuity within pure endowment show annual annuity amounts.
4. Figures for other within pure endowment show policy reserves for individual annuities (after start of annuity payments), group insurance (after start of annuities rider annuities payments) and group annuities.
5. Figures for hospitalization coverage show daily hospitalization benefits.
6. Figures for net, including other types, include coverage for hospitalization due to illness within hospitalization coverage show the total of primary coverage portions and rider coverage.

As of March 31		2008	2007	2006
Number of Policies				
Disability coverage	Individual insurance	[8,382,716]	[8,863,501]	[9,306,939]
	Individual annuities	[87,538]	[89,949]	[92,301]
	Group insurance	[3,175,737]	[3,249,517]	[3,411,199]
	Group annuities	—	—	—
	Net, including other types	[11,645,991]	[12,202,967]	[12,810,439]
Surgical coverage	Individual insurance	[13,662,729]	[13,990,285]	[14,244,196]
	Individual annuities	[370,363]	[382,296]	[393,659]
	Group insurance	—	—	—
	Group annuities	—	—	—
	Net, including other types	[14,033,092]	[14,372,581]	[14,637,855]

Note: Figures in brackets show attached coverage portions of primary policies and rider coverage.

15. Individual Insurance and Annuity Policy Amounts in Force by Product

As of March 31		Millions of Yen		
		2008	2007	2006
Mortality insurance	Whole life insurance	¥ 23,470,241	¥ 23,207,723	¥ 22,948,859
	Whole life insurance with term rider	146,068,605	160,613,919	173,696,866
	Term life insurance	12,259,997	11,906,786	11,236,616
	Net, including other types	184,802,654	199,045,439	211,486,363
Life and mortality insurance	Endowment insurance	7,125,865	7,863,398	8,405,127
	Endowment insurance with term rider	3,223,225	3,801,654	4,375,912
	Term life insurance with survival benefits	5,044,658	5,839,014	6,564,349
	Net, including other types	21,364,023	23,903,676	26,115,927
Pure endowment	Family pure endowment	5,015	7,989	11,846
	Net, including other types	8,337	11,546	15,612
Annuities	Individual annuities	17,125,059	16,965,522	16,455,389
Hospitalization/accident riders	Accident rider with extra premium	13,238,723	14,398,186	15,613,280
	Injury rider	26,432,002	28,201,549	29,979,963
	Accident coverage rider	9,185	13,068	17,929
	Hospitalization due to accident rider	53,212	54,843	56,545
	Hospitalization due to illness rider	52,284	53,696	55,200
	Hospitalization due to adult disease rider	8,613	9,003	9,346
	Hospital visit rider	10,291	10,751	11,102
	Long-term hospitalization rider	119	140	154
	Hospitalization rider for women	5,540	5,595	5,582
	Limited injury rider	158,762	163,235	165,157
	Hospitalization due to cancer rider	22,429	21,266	19,626
	Short-term hospitalization rider	23,607	21,267	19,099

Notes: 1. Whole life insurance includes whole life insurance with dread disease term rider, comprehensive whole life insurance, cancer insurance, medical life insurance for retirement (whole life), single premium whole life insurance for retirement and single-payment whole life insurance with variable accumulation rates.

2. Term life insurance includes term life insurance with dread disease term rider, group term life insurance, increasing term life insurance, medical life insurance and medical life insurance for retirement (defined term).

3. Term life insurance with survival benefits is the total of term life with survival benefit insurance BIG YOU, and term life with survival benefit insurance Melody.

4. Figures for individual annuities are the total of annuity resources at the start of annuity payments for policies prior to the start of annuity payments, and policy reserves for policies after the start of annuity payments.

5. Figures for hospitalization and hospital visit riders show the daily hospitalization and hospital visit benefit.

16. Trends and Transitions of Policies

1. Individual insurance

Fiscal years ended March 31	2008		2007		2006	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year	12,962,744	¥222,960,663	13,411,425	¥237,617,903	13,850,346	¥250,443,519
New policies	557,146	7,379,579	696,711	10,505,664	844,003	13,702,484
Renewals	11,069	1,152,512	11,108	1,480,051	51,890	1,544,631
Reinstatements	14,750	256,535	17,293	315,521	17,964	362,366
Increase from conversion	487,981	11,349,890	341,102	9,489,276	349,555	10,667,701
Increase from variable amount	—	1,195	—	1,639	—	1,570
Death	47,691	622,050	47,096	603,838	48,886	633,374
Maturity	326,932	1,501,375	308,918	1,418,878	431,211	1,938,943
Decrease of benefits	—	3,364,590	—	3,475,271	—	3,792,004
Decrease from conversion	463,156	13,410,867	321,305	9,854,698	347,930	10,276,547
Cancellation	589,370	11,516,624	611,413	12,366,957	637,312	13,201,366
Lapse	141,751	2,599,316	219,437	4,294,372	231,659	5,003,610
Decrease from variable amount	—	2,680	—	911	—	396
Decrease due to other changes	6,031	3,907,855	6,726	4,434,466	5,335	4,258,126
At the end of the fiscal year	12,458,759	206,175,015	12,962,744	222,960,663	13,411,425	237,617,903
Rate of decrease	(3.9)%	(7.5)%	(3.3)%	(6.2)%	(3.2)%	(5.1)%
Net decrease	(503,985)	(16,785,647)	(448,681)	(14,657,240)	(438,921)	(12,825,615)
Rate of net increase	—%	—%	—%	—%	—%	—%

Note: Figures show the total of primary coverage portions for mortality insurance, life and mortality insurance, and pure endowment.

2. Individual annuities

Fiscal years ended March 31	2008		2007		2006	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year		¥<1,927,217>		¥<1,886,083>		¥<1,836,740>
	2,640,382	16,965,522	2,547,848	16,455,389	2,491,360	15,970,025
New policies		<124,391>		<137,757>		<129,163>
	185,405	1,147,229	192,760	1,318,745	148,619	1,248,932
Reinstatements	1,354	7,987	923	6,080	821	5,547
Increase from conversion	1,874	19,505	979	15,398	998	13,914
Death	6,783	37,930	6,049	32,030	5,759	29,739
Completion of payments	7,468	6,262	4,313	3,619	3,365	2,741
Decrease of insurance amount	—	50,673	—	53,476	—	44,119
Decrease from conversion	5,305	34,703	3,558	24,845	1,201	8,617
Cancellation	79,779	550,629	78,011	564,222	74,740	532,057
Lapse	11,783	72,537	10,891	74,720	10,124	71,930
Decrease due to other changes	(1,115)	165,046	(694)	132,382	(1,239)	12,681
At the end of the fiscal year		<1,954,288>		<1,927,217>		<1,886,083>
	2,719,012	17,125,059	2,640,382	16,965,522	2,547,848	16,455,389
Rate of increase	3.0%	0.9%	3.6%	3.1%	2.3%	3.0%
Net increase	78,630	159,537	92,534	510,132	56,488	485,363
Rate of net increase	(15.0)%	(68.7)%	63.8%	5.1%	46.7%	11.5%

Notes: 1. Figures are the total of annuity resources at the start of annuity payments for policies prior to annuity payments and policy reserves for policies after the start of annuity payments.

2. Figures in angle brackets show annual amounts of annuities.

16. Trends and Transitions of Policies, continued

3. Group insurance

Fiscal years ended March 31	Number of Policies, Millions of Yen, %					
	2008		2007		2006	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year	28,198,240	¥84,396,970	48,355,750	¥83,518,770	49,113,204	¥81,864,614
New policies	421,500	1,359,503	424,951	1,294,875	980,108	1,642,281
Renewals	14,018,850	48,307,505	14,110,210	46,437,567	14,505,452	45,498,428
Midterm enrollment	2,335,160	7,325,730	5,918,495	7,992,504	8,292,342	9,937,799
Increase of insurance amount	—	2,552,100	—	3,883,716	—	4,731,111
Death	59,618	127,800	84,988	132,178	105,983	136,823
Maturity	14,230,898	48,852,066	14,426,192	47,055,121	14,787,203	46,084,716
Withdrawal	2,480,957	5,330,104	6,133,449	5,936,166	8,168,166	5,799,283
Decrease of insurance amount	—	3,969,531	—	3,630,169	—	4,151,907
Cancellation	59,225	212,294	19,663,085	1,703,199	884,273	507,448
Lapse	213	1,818	769	2,729	730	3,692
Decrease due to other changes	38,655	27,117	302,683	269,766	589,001	3,470,563
At the end of the fiscal year	28,104,184	85,419,797	28,198,240	84,396,970	48,355,750	83,518,770
Rate of increase (decrease)	(0.3)%	1.2%	(41.7)%	1.1%	(1.5)%	2.0%
Net increase	(94,056)	1,022,827	(20,157,510)	878,199	(757,454)	1,654,155
Rate of increase (decrease)	—%	16.5%	—%	(46.9)%	—%	14.1%

Notes: 1. Figures show the total of primary coverage portions of mortality insurance, life and mortality insurance, and annuity riders.

2. Number of policies shows the number of insured persons.

4. Group annuities

Fiscal years ended March 31	Number of Policies, Millions of Yen, %					
	2008		2007		2006	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year	17,839,638	¥9,029,249	18,630,134	¥8,800,098	20,160,169	¥8,797,125
New policies	14,294	6,450	17,384	1,014	15,941	927
Annuity payments	4,189,795	223,224	4,201,442	209,195	4,672,610	202,154
Single payments	971,658	477,381	960,116	443,231	988,573	427,135
Cancellation	111,838	212,945	250,246	154,411	172,292	289,619
At the end of the fiscal year	17,222,741	9,043,005	17,839,638	9,029,249	18,630,134	8,800,098
Rate of increase (decrease)	(3.5)%	0.2%	(4.2)%	2.6%	(7.6)%	0.0%
Net increase (decrease)	(616,897)	13,755	(790,496)	229,151	(1,530,035)	2,972
Rate of increase	—%	(94.0)%	—%	7,608.1%	—%	—%

Notes: 1. Figures for the beginning of the fiscal year and the end of the fiscal year represent policy reserve amounts at that time.

2. Amount of new policies represent first premium revenues.

3. Number of policies shows the number of insured persons.

INSURANCE POLICY INDICATORS

17. Increase in Policy Amounts in Force

1. Number of policies in force and rate of increase

Fiscal years ended March 31	2008		2007		2006	
	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)
Individual insurance	12,458,759	(3.9)%	12,962,744	(3.3)%	13,411,425	(3.2)%
Mortality insurance	8,907,084	(1.4)	9,035,996	(1.1)	9,135,863	(0.5)
Life and mortality insurance	3,541,398	(9.4)	3,910,881	(8.0)	4,252,143	(8.1)
Pure endowment	10,277	(35.2)	15,867	(32.2)	23,419	(36.5)
Individual annuities	2,719,012	3.0	2,640,382	3.6	2,547,848	2.3
Group insurance	28,104,184	(0.3)	28,198,240	(41.7)	48,355,750	(1.5)
Group annuities	17,222,741	(3.5)	17,839,638	(4.2)	18,630,134	(7.6)
Workers' asset-formation savings insurance	180,006	(4.4)	188,322	(4.7)	197,584	(4.2)
Workers' asset-formation annuities	67,991	(2.5)	69,729	(1.6)	70,845	(1.6)
Medical life insurance	886,642	1.9	870,386	0.4	866,618	2.2
Disability income insurance	52,307	(33.0)	78,105	(12.3)	89,073	(15.0)

Note: Number of policies for group insurance, group annuities, workers' asset-formation savings insurance, workers' asset-formation annuities, medical life insurance and disability income insurance is the number of insured persons.

2. Amount of insurance policies in force and rate of increase

Fiscal years ended March 31	2008		2007		2006	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥206,175.0	(7.5)%	¥222,960.6	(6.2)%	¥237,617.9	(5.1)%
Mortality insurance	184,802.6	(7.2)	199,045.4	(5.9)	211,486.3	(4.7)
Life and mortality insurance	21,364.0	(10.6)	23,903.6	(8.5)	26,115.9	(8.1)
Pure endowment	8.3	(27.8)	11.5	(26.0)	15.6	(31.3)
Individual annuities	17,125.0	0.9	16,965.5	3.1	16,455.3	3.0
Group insurance	85,419.7	1.2	84,396.9	1.1	83,518.7	2.0
Group annuities	9,043.0	0.2	9,029.2	2.6	8,800.0	0.0
Workers' asset-formation savings insurance	320.8	0.0	320.6	0.7	318.5	1.2
Workers' asset-formation annuities	154.9	(2.0)	158.0	(0.6)	159.0	(1.1)
Medical life insurance	2.5	5.6	2.4	8.7	2.2	10.1
Disability income insurance	3.7	(40.1)	6.2	(3.6)	6.4	(21.1)

Notes: 1. Figures for individual annuities, group insurance (annuities rider), and workers' asset-formation annuities (excluding workers' asset-formation funding annuities) are the total of annuity resources at the start of annuity payments for policies prior to the start of annuity payments and policy reserves for policies after the start of annuity payments.

2. Figures for group annuities, workers' asset-formation savings insurance and workers' asset-formation annuities (workers' asset-formation funding annuities) are amounts for policy reserves.

3. Amounts for medical life insurance are daily amounts of hospitalization benefit.

4. Amounts for disability income insurance are monthly amounts of disability income insurance benefit.

18. Increase in New Policies

1. Number of new policies and rate of increase

Fiscal years ended March 31	2008		2007		2006	
	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)
Individual insurance	557,146	(20.0)%	696,711	(17.5)%	844,003	7.0%
Mortality insurance	351,004	(24.4)	464,065	(19.1)	573,282	13.2
Life and mortality insurance	206,142	(11.4)	232,643	(12.4)	265,711	(4.4)
Pure endowment	—	—	3	(99.9)	5,010	13.2
Individual annuities	185,405	(3.8)	192,760	29.7	148,619	15.7
Group insurance	421,500	(0.8)	424,951	(56.6)	980,108	217.6
Group annuities	14,294	(17.8)	17,384	9.1	15,941	33.9
Workers' asset-formation savings insurance	8,921	(10.0)	9,914	(11.4)	11,189	(12.0)
Workers' asset-formation annuities	1,867	(10.6)	2,089	(11.8)	2,368	(14.2)
Medical life insurance	11,533	(42.1)	19,929	604.0	2,831	(96.6)
Disability income insurance	—	—	2,746	(50.1)	5,499	1,708.9

Notes: 1. Number of policies is the number of insured persons for group insurance, group annuities, workers' asset-formation savings insurance, workers' asset-formation annuities, medical life insurance, and disability income insurance.

2. Excludes converted policies.

18. Increase in New Policies, continued

2. Increase in new policy amounts and rate of increase

Fiscal year ended March 31	Billions of Yen, %					
	2008		2007		2006	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥7,379.5	(29.8)%	¥10,505.6	(23.3)%	¥13,702.4	(11.4)%
Mortality insurance	5,771.4	(31.6)	8,437.8	(25.5)	11,319.5	(11.9)
Life and mortality insurance	1,608.0	(22.2)	2,067.7	(13.1)	2,380.6	(8.8)
Pure endowment	—	—	0.0	(99.9)	2.3	11.1
Individual annuities	1,147.2	(13.0)	1,318.7	5.6	1,248.9	9.9
Group insurance	1,359.5	5.0	1,294.8	(21.2)	1,642.2	42.7
Group annuities	6.4	535.8	1.0	9.4	0.9	(89.0)
Workers' asset-formation savings insurance	0.8	39.8	0.5	(20.5)	0.7	(35.2)
Workers' asset-formation annuities	0.0	(30.2)	0.1	(44.8)	0.2	11.7
Medical life insurance	0.0	(88.8)	0.1	4,519.1	0.0	(99.5)
Disability income insurance	—	—	0.6	264.8	0.1	74.6

Notes: 1. Figures for individual annuities and workers' asset-formation annuities (excluding workers' asset-formation funding annuities) are annuity resources at the start of annuity payments.
2. Figures for group annuities, workers' asset-formation savings insurance, and workers' asset-formation annuities (workers' asset-formation funding annuities) represent the first premium revenues.
3. Amounts for medical life insurance are daily amounts of hospitalization benefit.
4. Amounts for disability income insurance are monthly amounts of disability income insurance benefit.
5. Excludes converted policies.

19. Average Policy Coverage (Individual Insurance)

Fiscal years ended March 31	Thousands of Yen					
	New policy amounts excluding conversions			Policy amounts in force		
	2008	2007	2006	2008	2007	2006
Mortality insurance	¥16,442	¥18,182	¥19,745	¥20,747	¥22,028	¥23,149
Life and mortality insurance	7,800	8,888	8,959	6,032	6,112	6,141
Pure endowment	—	433	469	811	727	666
Average	¥13,245	¥15,078	¥16,235	¥16,548	¥17,200	¥17,717

Note: Average policy coverage for new policies excludes converted policies.

20. Rate of Increase in Number of New Policies (Compared with Beginning of Same Fiscal Year)

Fiscal years ended March 31	%		
	2008	2007	2006
Individual insurance	3.3%	4.4%	5.5%
Individual annuities	7.2	8.4	8.2
Group insurance	1.6	1.6	2.0

Notes: 1. Excludes converted policies.
2. For individual annuities, the ratio of policies prior to start of annuity payments is provided.

21. Rate of Cancellation and Lapse (Compared with Beginning of Same Fiscal Year)

Fiscal years ended March 31	%		
	2008	2007	2006
Individual insurance	7.7%	8.3%	8.6%
Individual annuities	4.2	4.4	4.2
Group insurance	1.9	1.7	(0.1)

Notes: 1. The rate of cancellation and lapse is adjusted for net cancellations and lapses with consideration for net increases or decreases in policies and policy reinstatements.
2. For individual annuities, the percentage of policies prior to the start of annuity payments is provided.

22. Average New Policy Premium (Individual Insurance Policies with Annualized Monthly Payments)

Fiscal years ended March 31	Yen		
	2008	2007	2006
Average premium of new individual policies (monthly payment policies)	¥190,433	¥202,541	¥188,225

Note: Excludes converted policies.

23. Mortality Rate (Primary Individual Insurance Policies)

Fiscal years ended March 31	‰		
	2008	2007	2006
Number of policies	3.74‰	3.57‰	3.58‰
Insurance amount	2.89	2.62	2.59

Notes: 1. Mortality rate is a rate that is calculated by having mortality incidence policies as the numerator and outstanding policies as the denominator.
 2. Outstanding policies are calculated by adding the policies at the start of the fiscal year and policies at the end of the fiscal year and then dividing the total by two.
 3. Mortality includes serious disability.

24. Incidence of the Events Covered by Riders (Individual Insurance)

Fiscal years ended March 31	2008		2007		2006	
	Ratio of total policies written	Ratio of claims on policies	Ratio of total policies written	Ratio of claims on policies	Ratio of total policies written	Ratio of claims on policies
	‰					
Accidental death	0.209‰	0.206‰	0.195‰	0.189‰	0.206‰	0.169‰
Disability	0.289	0.102	0.230	0.076	0.212	0.070
Hospitalization due to accident	4.481	132.0	4.415	135.6	4.577	141.8
Hospitalization due to illness	39.442	920.0	37.874	914.1	37.544	930.6
Hospitalization due to adult disease	8.439	214.4	7.412	199.2	6.843	194.2
Surgery due to illness or injury	33.837		28.612		26.393	
Surgery due to adult disease	4.641		3.917		3.460	

Notes: 1. The incidence of the events covered by riders is a rate that is calculated by having incidence of events covered by riders as the numerator and outstanding policies as the denominator.
 2. Outstanding policies for accidental death insurance are calculated by adding the policies at the start of the fiscal year and policies at the end of the fiscal year and then dividing the total by two, and for policies other than accidental death insurance, by adding the policies at the start of the fiscal and policies at the end of the fiscal year, and then dividing the total by two.
 3. Accidental death includes serious disability.

25. Grounds for Third-Sector Insurance Benefits or Percentage of Premium Earned of Insured Amount Classified by Type of Insurance

Fiscal years ended March 31	%	
	2008	2007
Third-sector incidence rate	32.4%	33.9%
Medical care	31.5	36.0
Cancer	35.6	34.5
Nursing care	14.3	12.2
Other	32.5	31.5

Note: The third-sector incidence rate is calculated by dividing the sum of payments for insured incidents (payments such as claims and benefits, matching provision for reserve for outstanding claims [excluding past unreported incidents as defined in Article 72 of the Enforcement Regulation of the Insurance Business Law] and total business expenses related to such payments as claims and benefits) by earned premiums.

26. Operating Efficiency (Operating Expenses as a Percentage of Premium Revenues)

Fiscal years ended March 31	%		
	2008	2007	2006
Operating efficiency (Operating expenses as a percentage of premium revenues)	11.3%	11.3%	11.1%

27. The Number of Major Insurance Companies That Use Reinsurance to Protect against Shifts in the Market for Insurance Policies That Will Cause Demand in Excess of Their Allowable Coverage

Fiscal years ended March 31	Number of insurance companies		
	2008	2007	2006
The number of major insurance companies using reinsurance	14 [2]	13 [2]	14 [2]

Note: Figures in parentheses indicate third-sector insurance paid (including only premium policies that stipulate no coverage by insurance reserve funds in accordance with the Article 71 of the Insurance Business Law Enforcement Regulation).

28. The Ratio of Reinsurance Premiums to Total Premiums Written by the Top Five Insurance Companies Using Reinsurance to Protect against Shifts in the Market for Insurance Policies That Will Cause Demand in Excess of Their Allowable Coverage

Fiscal years ended March 31	%		
	2008	2007	2006
The ratio of reinsurance premiums to total premiums written by the top five insurance companies using reinsurance	86.5% [100.0]	82.5% [100.0]	86.3% [100.0]

Note: Figures in parentheses indicate third-sector insurance paid (including only premium policies that stipulate no coverage by insurance reserve funds in accordance with the Article 71 of the Insurance Business Law Enforcement Regulation).

29. A Percentage Breakdown of the Major Insurance Companies According to Ratings Awarded by Rating Agencies Based on the Amount of Reinsurance Such Companies Hold in Order to Cover Policies in Excess of Their Solvency Margins

Fiscal years ended March 31	%		
	2008	2007	2006
Over A	75.6% [100.0]	70.0% [100.0]	72.5% [100.0]
Over BBB and below A	19.4 [—]	21.1 [—]	22.0 [—]
Others (Below BBB or no rating)	4.9 [—]	8.9 [—]	5.5 [—]

Notes: 1. Data compiled by S&P was used to create the above table. In cases where no rating was available from S&P, such insurance companies are classified as "Others."

2. Figures in parentheses indicate third-sector insurers (including only those whose premium policies stipulate no coverage by insurance reserve funds in accordance with the Article 71 of the Insurance Business Law Enforcement Regulation).

30. Unreceived Reinsurance Premiums

Fiscal years ended March 31	Millions of Yen		
	2008	2007	2006
Unreceived reinsurance premiums	406 [—]	52 [—]	59 [—]

Note: Figures in parentheses indicate amounts with regard to third sector insurance (which includes only premium policies that stipulate no coverage by insurance reserve funds in accordance with the Article 71 of Insurance Business Law Enforcement Regulation).

ACCOUNTING INDICATORS

31. Reserve for Outstanding Claims

As of March 31		Millions of Yen		
		2008	2007	2006
Insurance claims	Mortality insurance claims	¥ 95,805	¥ 89,686	¥ 92,593
	Accident insurance claims	3,323	3,913	4,086
	Serious disability insurance claims	27,809	26,259	21,900
	Maturity insurance amount	9,757	11,239	10,609
	Others	1	3	1
	Subtotal	136,697	131,102	129,191
Annuities		3,204	3,784	3,476
Benefits		33,929	40,152	28,196
Refunds		55,792	63,511	61,782
Deferred insurance amount		6,911	5,847	4,109
Net, including other reserves		¥236,957	¥244,911	¥227,222

32. Policy Reserve

As of March 31		Millions of Yen		
		2008	2007	2006
Policy reserve	Individual Account	¥ 22,560,041	¥ 22,777,399	¥ 22,753,206
(Excluding contingency reserve)	[General Account]	[22,412,723]	[22,594,348]	[22,566,704]
	[Separate Account]	[147,318]	[183,051]	[186,502]
	Individual Annuities	7,189,162	6,625,507	5,918,893
	[General Account]	[6,976,230]	[6,368,810]	[5,667,182]
	[Separate Account]	[212,931]	[256,697]	[251,710]
	Group Insurance	41,302	41,267	38,084
	[General Account]	[41,302]	[41,267]	[38,084]
	[Separate Account]	[—]	[—]	[—]
	Group Annuities	9,043,005	9,029,249	8,800,098
	[General Account]	[7,611,950]	[7,208,971]	[6,931,108]
	[Separate Account]	[1,431,055]	[1,820,278]	[1,868,989]
	Other	477,023	480,014	478,817
	[General Account]	[477,023]	[480,014]	[478,817]
	[Separate Account]	[—]	[—]	[—]
	Subtotal	39,310,535	38,953,439	37,989,101
	[General Account]	[37,519,229]	[36,693,411]	[35,681,898]
	[Separate Account]	[1,791,305]	[2,260,027]	[2,307,202]
Contingency reserve		1,429,062	1,429,062	1,429,062
Total		¥ 40,739,597	¥ 40,382,501	¥ 39,418,163
	[General Account]	[38,948,291]	[38,122,473]	[37,110,960]
	[Separate Account]	[1,791,305]	[2,260,027]	[2,307,202]

33. Policy Reserve Balance

As of March 31		Millions of Yen
		2008
Insurance reserve fund		¥38,476,122
Unearned premiums		834,412
Refund reserve		—
Contingency reserve		1,429,062
Total		¥40,739,597

34. Policy Reserve for Individual Insurance and Pensions (by Policy Year)

1. Policy reserve accumulation method and rate

As of March 31		2008	2007	2006
Accumulation method	Policies subject to standard policy reserve	Net level premium method	Net level premium method	Net level premium method
	Policies not subject to standard policy reserve	Net level premium method	Net level premium method	Net level premium method
Accumulation rate (excluding contingency reserve)		100.0%	100.0%	100.0%

Notes: 1. Accumulation method and rate applies to policy reserves for individual insurance and annuities. Policy reserves for group insurance and annuities are not included in the above figures due to the absence of an accumulation method.

2. Accumulation rates are calculated by considering premium reserves under the methods defined in Ordinance No. 48 issued by the Ministry of Finance in 1996 for policies subject to standard policy reserves and unearned premiums. For policies not subject to standard policy reserves, accumulation rates are calculated by considering premium reserves under the net level premium method and unearned premiums.

34. Policy Reserve for Individual Insurance and Pensions (by Policy Year), continued

2. Policy reserve (breakdown by policy year)

Policy year	Balance of policy reserves, as of March 31,			Millions of Yen, %
	2008	2007	2006	Assumed interest rate
As of March 31				
~1980	¥ 860,087	¥ 1,086,065	¥ 1,263,585	2.75—5.00%
1981—1985	2,806,387	2,872,975	2,861,883	2.75—6.00
1986—1990	6,478,092	6,451,410	6,355,623	2.75—6.00
1991—1995	7,218,490	7,106,171	6,942,609	2.75—5.50
1996—2000	4,632,253	5,139,425	5,521,891	1.50—2.75
2001—2005	5,034,482	5,255,969	5,288,293	1.00—1.50
2006	1,132,163	1,051,139	—	1.10—1.50
2007	1,226,994	—	—	1.20—1.50
Total	¥29,388,953	¥28,963,158	¥28,233,886	

Notes: 1. Balance of policy reserves shows policy reserves for individual insurance and individual annuities, excluding policy reserves for the separate account and contingency reserve.
2. Assumed interest rate shows the main assumed interest rate on policy reserves for each policy year.

35. Insurance Policies in the Separate Account: The Policy Reserve Balance of the General Account as well as the Calculation Method and Integers Used as the Basis for Calculations Related to Insurance Policies That Guarantee a Minimum Amount of Insurance Benefits

1. Policy reserve balance (general account)

As of March 31	2008	2007	2006
Policy reserve balance (general account)	—	—	—

Notes: 1. Applicable to insurance policies (policies applicable to standard liability reserves) as defined in the Insurance Industry Enforcement Regulation, Article 68.
2. Policy reserve balance (general account) includes the premium reserve fund related to minimum guarantees.
3. Applied to insurance policies executed following April 1, 2004.

2. Calculation method and integers used as the basis for calculations

In terms of the calculation method, we use the standard method defined in Section 5, No. 1 of Ordinance No. 48 issued by the Ministry of Finance in 1996. Regarding the integers used as the basis for calculations (volatility), we use 0.3% for short-term loans that have not been defined and the amount defined in Section 5, No. 1 of the aforementioned bulletin in all other cases.

36. Confirmation of Reasonableness and Validity of Insurance Business Law Item 1, Paragraph 1 of Article 121 (Limited to that Relating to Third-Sector Insurance)

1. Method for assuring the appropriateness of the accumulation of policy reserves in the third sector

The stress test and liability adequacy test are conducted based on clear management regulations following risk management policies provided for by law, administrative standards of practice* or the Board of Directors, and necessary accumulated policy reserves are calculated appropriately.

*"Standards of practice" are standards (standards of practice for life insurance actuary) authorized by the Financial Services Agency for use in confirmation pursuant to Article 121 of the Insurance Business Law.

2. Reasonableness and validity of established standards for risk frequency, etc. in the liability adequacy test and stress test

To provide for uncertainty regarding the worsening of the rate of incidence of insured events, we establish a risk frequency that covers a range beyond what is normally forecasted or a normally forecasted range.

Specifically, this assumes that the future incidence of insured events follows a regular distribution based on the record of past insured events and the historical change of those past events, and that a level covering increased insurance premiums has been set at a uniform probability (99% and 97.7%)

3. Test results (insurance reserve fund and contingency reserve)

The following is the result of conducting the liability adequacy test and stress test.

As of March 31	2008
Insurance reserve fund	¥ —
Contingency reserve	3,709

37. Reserve for Dividends to Policyholders

Millions of Yen

	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset-formation savings insurance and annuities	Other insurance	Total
Fiscal year ended March 31							
2008							
Balance at the end of previous fiscal year	¥ 1,202,172	¥ 21,336	¥ 3,611	¥11,956	¥ 7,270	¥13,498	¥ 1,259,846
Transfer to reserves from surplus in previous fiscal year	66,996	1,033	102,607	68,382	666	—	239,686
Increase in interest	34,546	613	1	0	8	0	35,170
Other increases	—	—	—	—	—	—	—
Policyholder dividends paid out during the fiscal year	126,454	2,298	100,693	69,159	813	2,015	301,434
Other decreases	—	—	—	—	—	—	—
Balance at the end of current fiscal year	¥ 1,177,260	¥ 20,685	¥ 5,528	¥11,178	¥ 7,132	¥11,482	¥ 1,233,268
	[948,742]	[14,993]	[2,032]	[90]	[5,559]	[58]	[971,477]
Fiscal year ended March 31							
2007							
Balance at the end of previous fiscal year	¥ 1,250,139	¥ 22,065	¥ 7,619	¥10,996	¥ 7,748	¥13,488	¥ 1,312,057
Transfer to reserves from surplus in previous fiscal year	31,240	581	89,574	56,216	233	2,082	179,929
Increase in interest	36,452	669	1	0	33	0	37,156
Other increases	—	—	—	—	—	—	—
Policyholder dividends paid out during the fiscal year	115,658	1,980	93,584	55,257	743	2,072	269,297
Other decreases	—	—	—	—	—	—	—
Balance at the end of current fiscal year	¥ 1,202,172	¥ 21,336	¥ 3,611	¥11,956	¥ 7,270	¥13,498	¥ 1,259,846
	[1,003,991]	[16,405]	[1,931]	[84]	[5,699]	[61]	[1,028,174]
Fiscal year ended March 31							
2006							
Balance at the end of previous fiscal year	¥ 1,291,973	¥ 23,171	¥ 7,842	¥10,273	¥ 8,492	¥15,693	¥ 1,357,447
Transfer to reserves from surplus in previous fiscal year	42,542	22	90,205	14,207	—	—	146,977
Increase in interest	38,328	720	1	0	15	0	39,066
Other increases	—	—	—	—	—	—	—
Policyholder dividends paid out during the fiscal year	122,705	1,848	90,429	13,485	760	2,205	231,434
Other decreases	—	—	—	—	—	—	—
Balance at the end of current fiscal year	¥ 1,250,139	¥ 22,065	¥ 7,619	¥10,996	¥ 7,748	¥13,488	¥ 1,312,057
	[1,042,160]	[17,544]	[1,760]	[79]	[6,195]	[64]	[1,067,803]

Note: The numbers in brackets indicate accumulated dividends reserved.

38. Allowance for Doubtful Accounts and Other Reserves

Millions of Yen

As of March 31	2008		2007		2006	
	Amount	Increase/decrease	Amount	Increase/decrease	Amount	Increase/decrease
Allowance for doubtful accounts ¹						
General allowance for doubtful accounts	¥ 19,071	¥ 4,822	¥ 14,249	¥ 366	¥ 13,882	¥ (5,392)
Specific allowance for doubtful accounts	15,872	(2,061)	17,934	(8,136)	26,070	(1,191)
Allowance for specialized overseas debts	—	—	—	—	—	—
Accrued bonus for directors and corporate auditors ²	94	(9)	103	—	103	103
Accrued severance indemnities ³	433,771	6,515	427,256	16,382	410,874	17,936
Accrued retirement benefits for directors ⁴	5,801	110	5,691	5,691	—	—
Accrued loss from supporting closely related companies ⁵	515	(36)	552	(51)	603	(53)
Reserve for price fluctuations in security investments ⁶	487,263	20,000	467,263	26,000	441,263	51,000

Reason for recording:

1. Allowance for doubtful accounts is recorded to cover bad-debt loss.

2. Allotted for executive bonus payments, and recorded accordingly.

3. Accrued severance indemnities are recorded to prepare for employee retirement benefit and pension payments.

4. Allotted for executive retirement bonus payment, and recorded accordingly.

5. Accrued loss from supporting closely related companies are recorded to cover loss related to reconstruction aid.

6. Reserve for price fluctuations in security investments is recorded based on Article 115 of the Insurance Business Law.

39. Status of Allowance for Specialized Overseas Debt

1. Allowance for specialized overseas debt

No data as there was not an ending balance from the 2005 fiscal year-end to the fiscal 2007 year-end.

2. Balance of debt by creditor countries

No data as there was not an ending balance from the 2005 fiscal year-end to the fiscal 2007 year-end.

40. Reserves (Capital) and Surplus

	Millions of Yen			
	Prior year balance	Current year increase	Current year decrease	Current year balance
Fiscal years ended March 31				
	2006			
Reserve for redemption of foundation funds	¥550,000	¥ 50,000	¥ —	¥600,000
Reserve for revaluation	651	—	—	651
Surplus	314,438	245,455	209,697	350,197
Legal reserve for deficiency	6,783	626	—	7,409
Voluntary surplus reserve—reserves for general purpose	103,704	7,999	5,745	105,957
Contingency reserve	71,917	—	—	71,917
Reserves for retirement benefits	3,500	—	—	3,500
Reserves for assisting social public welfare	0	1,500	1,245	255
Reserve for condensed booking of fixed assets for tax purpose	24,367	6,499	751	30,115
Reserve for condensed booking of fixed assets to be purchased	3,748	—	3,748	—
Other reserves	170	—	—	170
Unappropriated surplus	203,951	236,830	203,951	236,830
Total	¥865,090	¥295,455	¥209,697	¥950,848

Note: In accordance with the revision of the Insurance Business Law Enforcement Regulation, such item is displayed in the Statement of Changes. In Net Assets (p. 95) since fiscal 2006.

41. Insurance Premiums

1. Premium payment method

	Millions of Yen		
Fiscal years ended March 31	2008	2007	2006
Individual insurance	¥2,607,170	¥2,723,128	¥2,793,081
Single payment	363,557	381,234	387,124
Annual payment	378,403	394,383	394,550
Semiannual payment	18,068	20,236	22,117
Monthly payment	1,847,141	1,927,274	1,989,288
Individual annuities	562,244	580,740	536,389
Single payment	196,248	224,776	172,276
Annual payment	81,987	84,788	89,398
Semiannual payment	4,292	4,347	4,176
Monthly payment	279,716	266,828	270,538
Group insurance	254,840	266,308	262,292
Group annuities	1,399,588	1,216,168	1,180,897
Net including other premiums	¥4,889,029	¥4,853,646	¥4,841,763

Note: Net including other premiums includes premium revenues from workers' asset-formation savings insurance, workers' asset-formation annuities, medical life insurance, disability income insurance and reinsurance assumed.

41. Insurance Premiums, continued

2. Premium revenues by fiscal year

Fiscal years ended March 31		2008	2007	2006
Millions of Yen, %				
Individual insurance	Initial year premium	¥ 792,178	¥ 874,995	¥ 815,967
Individual annuities	Subsequent year premiums	2,377,236	2,428,873	2,513,503
	Subtotal	3,169,415	3,303,869	3,329,471
Group insurance	Initial year premium	3,090	4,079	6,175
	Subsequent year premiums	251,749	262,229	256,117
	Subtotal	254,840	266,308	262,292
Group annuities	Initial year premium	16,706	9,460	12,452
	Subsequent year premiums	1,382,882	1,206,707	1,168,444
	Subtotal	1,399,588	1,216,168	1,180,897
Net, including other premiums	Initial year premium	816,155	892,900	841,213
	Subsequent year premiums	4,072,873	3,960,745	4,000,550
	Subtotal	4,889,029	4,853,646	4,841,763
	Percent increase	0.7%	0.2%	0.3%

Note: Net, including other premiums includes premium revenues from workers' asset-formation savings insurance, workers' asset-formation annuities, medical life insurance, disability income insurance and re-insurance assumed.

42. Death and Other Insurance Claims

1. Amount

Millions of Yen									
	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset-formation savings insurance and annuities	Medical life insurance	Disability income insurance	Reinsurance assumed	Total
Fiscal year ended March 31									
2008									
Mortality	¥ 472,632	¥ 908	¥118,868	¥ —	¥ —	¥30	¥1	¥214	¥ 592,655
Accident	9,526	17	427	—	114	—	—	—	10,085
Serious disability	74,303	135	7,882	—	—	—	—	6	82,328
Maturity	664,560	74	95	41,655	3,497	—	—	—	709,882
Other	—	—	—	—	—	—	5	—	5
Total	¥1,221,023	¥1,135	¥127,272	¥41,655	¥3,612	¥30	¥6	¥221	¥1,394,957
Fiscal year ended March 31									
2007									
Mortality	¥ 468,915	¥642	¥123,699	¥ —	¥ —	¥25	¥0	¥229	¥ 593,513
Accident	9,055	16	501	—	54	—	—	—	9,629
Serious disability	60,253	47	7,065	—	—	—	—	3	67,369
Maturity	518,171	66	282	25,370	3,601	—	—	—	547,492
Other	—	—	—	—	—	—	5	—	5
Total	¥1,056,396	¥773	¥131,548	¥25,370	¥3,656	¥25	¥6	¥232	¥1,218,010
Fiscal year ended March 31									
2006									
Mortality	¥ 493,909	¥ 936	¥129,560	¥ —	¥ 9	¥26	¥0	¥216	¥ 624,658
Accident	8,623	24	476	—	139	—	—	—	9,262
Serious disability	60,844	104	6,827	—	—	—	—	9	67,786
Maturity	691,530	66	434	12,622	3,113	—	—	—	707,767
Other	—	—	—	—	—	—	7	—	7
Total	¥1,254,907	¥1,132	¥137,298	¥12,622	¥3,261	¥26	¥7	¥225	¥1,409,481

42. Death and Other Insurance Claims, continued

2. Number of claims paid

	Number of Claims								
	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset-formation savings insurance and annuities	Medical life insurance	Disability income insurance	Reinsurance assumed	Total
Fiscal year ended March 31									
2008									
Mortality	41,485	159	58,054	—	—	546	28	178	100,450
Accident	1,355	9	284	—	8	—	—	—	1,656
Serious disability	15,003	32	3,567	—	—	—	—	3	18,605
Maturity	229,945	2,032	73	7	8,628	—	—	—	240,685
Other	—	—	—	—	—	—	27	—	27
Total	287,788	2,232	61,978	7	8,636	546	55	181	361,423
Fiscal year ended March 31									
2007									
Mortality	42,083	142	84,251	—	—	495	19	160	127,150
Accident	1,262	11	311	—	13	—	—	—	1,597
Serious disability	12,095	9	3,114	—	—	—	—	4	15,222
Maturity	214,622	1,746	142	8	5,003	—	—	—	221,521
Other	—	—	—	—	—	—	22	—	22
Total	270,062	1,908	87,818	8	5,016	495	41	164	365,512
Fiscal year ended March 31									
2006									
Mortality	44,003	182	105,141	—	2	526	21	153	150,028
Accident	1,346	14	351	—	19	—	—	—	1,730
Serious disability	10,779	26	3,087	—	—	—	—	3	13,895
Maturity	279,069	1,559	250	4	4,624	—	—	—	285,506
Other	—	—	—	—	—	—	35	—	35
Total	335,197	1,781	108,829	4	4,645	526	56	156	451,194

3. Mortality insurance claims paid by age and cause of death

	Number of Claims Paid, %													
	Less than 20 years old		Over 20 years old		Over 30 years old		Over 40 years old		Over 50 years old		Over 60 years old		Total	
Fiscal year ended March 31														
2008														
Tuberculosis	—	—%	1	0.3%	—	—%	—	—%	10	0.1%	73	0.2%	84	0.2%
Legally-designated contagious disease	—	—	1	0.3	5	0.4	40	1.3	101	1.5	570	1.8	717	1.7
Malignant neoplasm	10	10.6	48	12.3	300	23.0	917	30.6	3,319	49.1	14,376	46.1	18,970	44.4
Cerebrovascular disease	1	1.1	11	2.8	66	5.0	244	8.2	455	6.7	1,965	6.3	2,742	6.4
Heart disease	5	5.3	8	2.1	78	6.0	265	8.9	464	6.9	2,666	8.6	3,486	8.2
Pneumonia and bronchitis	1	1.1	6	1.5	17	1.3	64	2.1	152	2.2	2,848	9.1	3,088	7.2
Gastric and duodenal ulcers	—	—	—	—	—	—	—	—	7	0.1	64	0.2	71	0.2
Liver cirrhosis	—	—	—	—	9	0.7	93	3.1	282	4.2	923	3.0	1,307	3.1
Kidney inflammation and nephrosis	—	—	1	0.3	4	0.3	8	0.3	42	0.6	406	1.3	461	1.1
Accident	45	47.9	100	25.7	159	12.2	218	7.3	278	4.1	977	3.1	1,777	4.2
Suicide and self-inflicted injuries	20	21.3	152	39.1	454	34.7	656	21.9	637	9.4	818	2.6	2,737	6.4
Other	12	12.8	61	15.7	215	16.4	488	16.3	1,017	15.0	5,468	17.6	7,261	17.0
Total	94	100.0%	389	100.0%	1,307	100.0%	2,993	100.0%	6,764	100.0%	31,154	100.0%	42,701	100.0%

Note: Applies to endowment insurance, endowment insurance with term rider Kurashi no Hoken, term life insurance, whole life insurance and whole life insurance with term rider.

43. Annuity Payments

Millions of Yen, Number of Policies

	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset-formation savings insurance and annuities	Medical life insurance	Disability income insurance	Reinsurance assumed	Total
Fiscal year ended March 31 2008									
Annuities paid	¥91,041	¥151,227	¥ 2,004	¥ 223,200	¥ 8,284	¥—	¥—	¥ 8	¥ 475,766
Number of policies	40,246	227,357	42,231	6,296,476	24,652	—	—	15	6,630,977
Fiscal year ended March 31 2007									
Annuities paid	¥89,295	¥131,290	¥ 1,786	¥ 209,178	¥ 7,839	¥—	¥—	¥ 4	¥ 439,395
Number of policies	38,985	199,100	42,250	6,202,736	23,168	—	—	11	6,506,250
Fiscal year ended March 31 2006									
Annuities paid	¥90,990	¥113,727	¥ 1,711	¥ 202,148	¥ 7,633	¥—	¥—	¥ 8	¥ 416,219
Number of policies	37,254	175,866	41,892	6,341,768	22,081	—	—	15	6,618,876

44. Health and Other Benefits

1. Amount

Millions of Yen

	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset-formation savings insurance and annuities	Medical life insurance	Disability income insurance	Reinsurance assumed	Total
Fiscal year ended March 31 2008									
Hospitalization due to accident benefits	¥ 8,271	¥ 187	¥184	¥ —	¥ —	¥ 286	¥—	¥—	¥ 8,929
Hospitalization due to illness benefits	64,648	1,436	—	—	—	1,137	—	—	67,222
Disability benefits	3,753	11	122	—	0	—	—	—	3,888
Surgical benefits	39,620	1,148	—	—	—	696	—	—	41,465
Survival benefits	190,065	273	—	—	4,941	—	—	—	195,279
Death benefits	5,142	21,792	4	59	655	—	—	—	27,653
Group annuity single benefit	—	—	—	467,661	—	—	—	—	467,661
Other benefits	2	—	6	10,811	—	—	—	—	10,820
Total	¥311,504	¥24,848	¥318	¥478,532	¥5,598	¥2,120	¥—	¥—	¥822,921
Fiscal year ended March 31 2007									
Hospitalization due to accident benefits	¥ 8,503	¥ 185	¥162	¥ —	¥ —	¥ 294	¥—	¥—	¥ 9,145
Hospitalization due to illness benefits	63,430	1,372	—	—	—	1,018	—	—	65,821
Disability benefits	3,317	6	96	—	5	—	—	—	3,425
Surgical benefits	34,923	981	—	—	—	527	—	—	36,432
Survival benefits	196,657	35	—	—	5,669	—	—	—	202,361
Death benefits	5,005	17,983	4	—	457	—	—	1	23,452
Group annuity single benefit	—	—	—	430,169	—	—	—	—	430,169
Other benefits	2	—	8	9,152	—	—	—	—	9,163
Total	¥311,840	¥20,564	¥271	¥439,322	¥6,131	¥1,840	¥—	¥ 1	¥779,972
Fiscal year ended March 31 2006									
Hospitalization due to accident benefits	¥ 9,097	¥ 180	¥194	¥ —	¥ —	¥ 295	¥—	¥—	¥ 9,767
Hospitalization due to illness benefits	64,368	1,468	—	—	—	910	—	—	66,747
Disability benefits	3,312	13	64	—	0	—	—	—	3,390
Surgical benefits	32,844	939	—	—	—	421	—	—	34,205
Survival benefits	200,635	100	—	—	6,009	—	—	—	206,745
Death benefits	4,708	15,845	3	—	521	—	—	0	21,078
Group annuity single benefit	—	—	—	422,382	—	—	—	—	422,382
Other benefits	6	—	39	8,130	—	—	—	—	8,176
Total	¥314,974	¥18,546	¥301	¥430,513	¥6,531	¥1,627	¥—	¥ 0	¥772,494

44. Health and Other Benefits, continued

2. Number of policies

	Number of Policies								
	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset-formation savings insurance and annuities	Medical life insurance	Disability income insurance	Reinsurance assumed	Total
Fiscal year ended March 31 2008									
Hospitalization due to accident benefits	76,706	1,692	4,530	—	—	15,024	—	—	97,952
Hospitalization due to illness benefits	714,710	20,149	—	—	—	16,116	—	—	750,975
Disability benefits	33,386	93	289	—	1	—	—	—	33,769
Surgical benefits	344,551	13,155	—	—	—	5,843	—	—	363,549
Survival benefits	626,083	2,039	—	—	2,363	—	—	—	630,485
Death benefits	4,504	4,638	537	—	334	—	—	—	10,013
Group annuity single benefit	—	—	—	1,047,861	—	—	—	—	1,047,861
Other benefits	11	—	666	11	—	—	—	—	688
Total	1,799,951	41,766	6,022	1,047,872	2,698	36,983	—	—	2,935,292
Fiscal year ended March 31 2007									
Hospitalization due to accident benefits	70,559	1,540	4,503	—	—	15,070	—	—	91,672
Hospitalization due to illness benefits	628,202	17,039	—	—	—	14,048	—	—	659,289
Disability benefits	30,748	66	234	—	1	—	—	—	31,049
Surgical benefits	302,830	11,103	—	—	—	4,435	—	—	318,368
Survival benefits	662,176	272	—	—	2,707	—	—	—	665,155
Death benefits	4,367	4,166	524	—	310	—	—	1	9,368
Group annuity single benefit	—	—	—	1,040,171	—	—	—	—	1,040,171
Other benefits	6	—	427	11	—	—	—	—	444
Total	1,698,888	34,186	5,688	1,040,182	3,018	33,553	—	1	2,815,516
Fiscal year ended March 31 2006									
Hospitalization due to accident benefits	74,687	1,620	4,706	—	—	14,966	—	—	95,979
Hospitalization due to illness benefits	623,013	17,410	—	—	—	12,352	—	—	652,775
Disability benefits	30,752	81	151	—	1	—	—	—	30,985
Surgical benefits	288,776	10,637	—	—	—	3,542	—	—	302,955
Survival benefits	677,248	735	—	—	2,946	—	—	—	680,929
Death benefits	3,978	4,061	463	—	308	—	—	1	8,811
Group annuity single benefit	—	—	—	1,105,386	—	—	—	—	1,105,386
Other benefits	4	—	429	12	—	—	—	—	445
Total	1,698,458	34,544	5,749	1,105,398	3,255	30,860	—	1	2,878,265

45. Surrender Benefits

Millions of Yen

Fiscal years ended March 31									
	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset-formation savings insurance and annuities	Medical life insurance	Disability income insurance	Reinsurance assumed	Total
2008	¥757,431	¥150,495	¥ —	¥211,864	¥47,146	¥—	¥—	¥—	¥1,166,937
2007	706,478	157,078	2	151,915	45,798	—	—	—	1,061,274
2006	688,470	150,043	452	301,047	46,736	—	—	—	1,186,750

46. Depreciation

Millions of Yen, %

	Acquisition cost	Current year depreciation	Accumulated depreciation	Balance as of March 31	Accumulated depreciation percentage
Fiscal year ended March 31 2008					
Tangible fixed assets	¥573,572	¥18,625	¥382,803	¥190,768	66.7%
Buildings	496,701	12,593	323,987	172,714	65.2
Other tangible fixed assets	76,870	6,031	58,815	18,054	76.5
Intangible fixed assets	122,213	19,755	66,805	55,408	54.7
Other	12,913	854	6,999	5,913	54.2
Total	¥708,699	¥39,235	¥456,608	¥252,090	64.4%
Fiscal year ended March 31 2007					
Tangible fixed assets	¥572,730	¥18,625	¥371,610	¥201,119	64.9%
Buildings	495,789	12,669	314,090	181,699	63.4
Other tangible fixed assets	76,940	5,956	57,520	19,420	74.8
Intangible fixed assets	119,679	20,027	72,890	46,788	60.9
Other	11,539	608	6,415	5,123	55.6
Total	¥703,949	¥39,261	¥450,916	¥253,032	64.1%
Fiscal year ended March 31 2006					
Buildings	¥488,548	¥13,496	¥298,788	¥189,759	61.2%
Movables	77,652	7,793	56,501	21,151	72.8
Other	132,844	22,258	78,444	54,400	59.0
Total	¥699,045	¥43,548	¥433,734	¥265,311	62.0%

47. Operating Expenses

Millions of Yen

Fiscal years ended March 31			
	2008	2007	2006
Marketing operations	¥205,132	¥208,853	¥208,361
Marketing administration	89,147	87,728	87,224
General expenses	258,609	250,919	240,737
Total	¥552,888	¥547,501	¥536,324

Notes: 1. Marketing operations and marketing administration include expenditures for underwriting new policies. Marketing operations primarily include expenses related to new policy solicitation and examination. Marketing administration primarily includes expenses related to advertising and the sales force.

2. General expenses include expenditures for managing policies with insurance handling systems, and for asset management.

3. In accordance with Paragraph 6, Article 140 of the Supplementary Provision on Department, etc., of Relevant Laws for the Financial System Reform, Nippon Life's contributions to the policyholder protection fund, as stipulated in Item 6, Paragraph 5, Article 260 of the former Insurance Business Law, were ¥2,449 million in fiscal 2007, ¥4,774 million in fiscal 2006, and ¥4,901 million in fiscal 2005.

In addition, Nippon Life's contributions to the Life Insurance Policyholders Protection Corporation of Japan, as is stipulated in Paragraph 1, Article 265-33 of the Revised Insurance Business Law, were ¥9,404 million in fiscal 2007, ¥9,269 million in fiscal 2006, and ¥9,729 million in fiscal 2005.

48. Tax Expenses

Fiscal years ended March 31		Millions of Yen		
		2008	2007	2006
National tax		¥14,088	¥14,067	¥14,332
	Consumption tax	13,627	13,585	13,752
	Documentary stamp tax	460	481	529
	Registration and license tax	0	0	0
	Other national tax	0	0	50
Local tax		20,669	21,156	21,420
	Local consumption tax	3,406	3,396	3,438
	Corporate enterprise tax	11,531	11,990	12,053
	Fixed asset tax	4,926	4,920	5,115
	Real-estate acquisition tax	5	33	4
	Corporate income tax	790	805	797
	Automobile tax	3	3	5
	Other local tax	4	5	5
Total		¥34,758	¥35,223	¥35,752

49. Lease Transactions

1. Acquisition cost, accumulated depreciation and year-end balance of leased properties

As of March 31		Millions of Yen		
		2008	2007	2006
Acquisition cost	Movables	¥ —	¥ —	¥1,646
	Tangible fixed assets	1,104	2,376	—
	Total	¥1,104	¥2,376	¥1,646
Accumulated depreciation	Movables	¥ —	¥ —	¥1,046
	Tangible fixed assets	396	1,441	—
	Total	¥ 396	¥1,441	¥1,046
Year-end balance of leased properties	Movables	¥ —	¥ —	¥ 599
	Tangible fixed assets	707	935	—
	Total	¥ 707	¥ 935	¥ 599

2. Future minimum lease payment year-end balance

Fiscal years ended March 31		Millions of Yen		
		2008	2007	2006
Future minimum lease payment year-end balance	Within one year	¥202	¥193	¥328
	In more than one year	506	558	156
	Total	¥708	¥752	¥484

Note: The fiscal year-end balance of uninitiated lease payments is calculated using methods that do not deduct interest amounts.

3. Lease fees paid and depreciation

Fiscal years ended March 31		Millions of Yen		
		2008	2007	2006
Lease fees paid		¥226	¥356	¥329
Depreciation		218	402	328

4. Calculation method for depreciation

The straight-line method is applied.

INDICATORS RELATED TO ASSET MANAGEMENT (GENERAL ACCOUNT)

50. Overview of Fiscal 2007 Asset Management (General Account)

(1) Investment environment

The Japanese economy, although it slowed down toward the end of the year, continued its modest recovery in the fiscal year ended March 31, 2008. While corporate earnings remained at a high level, there were visible signs of sluggishness as well as weak capital spending and household consumption.

The Nikkei Stock Average, after rising on the back of a depreciating yen and high stock prices overseas, moved to avoid risk in the wake of subprime problems in the United States and dropped with concerns of deteriorating earnings due to the appreciating yen, high oil prices and other factors to close at ¥12,525 (down ¥4,762 year on year) at the fiscal year-end.

Yields on 10-year Japanese government bonds temporarily advanced to nearly 2.0% after interest rates increased at the beginning of the fiscal year. Following that, fears of a U.S. economic slowdown and future Japanese economic uncertainties spurred a continuous decline in yields to 1.28% at the fiscal year-end.

Relatively low interest rates at the beginning of the fiscal year triggered a strong dollar sell-off, causing the Japanese yen to depreciate to more than ¥120 to the U.S. dollar. However, following concerns of a U.S. economic slowdown and a steep drop in interest rates, temporarily, the yen appreciated sharply to ¥95 yen for the first time in 13 years and as of March 31, 2008, the rate stood at \$1=¥100.19.

Although signs of instability emerged amid concerns regarding a slowing U.S. economy, the European economy remained healthy and the Euro settled at 1Euro=¥158.19 as of March 31, 2008.

(2) Investment policy

Nippon Life creates portfolios that serve as core medium- to long-term investments, based on its ALM approach of appropriately controlling assets and liabilities.

Specifically, to supply the stable long-term yields promised to policyholders, we have positioned public and corporate bonds and loans that we expect to provide stable yen-denominated revenue as our primary assets. Furthermore, we are working to improve medium- to long-term revenues and are investing in domestic and foreign securities through a process of controlling risk while taking into account management stability with a view to returning profits to policyholders through dividend payouts.

(3) Overview of investment results

In fiscal 2007, we continued to make yen interest-rate assets that provide stable interest income the core of our portfolio. Also, from the standpoint of improving medium- to long-term revenue, we reshuffled our portfolio and increased the balance of foreign securities.

Domestic bonds

Based on the ranking of assets that provide stable interest revenue, we invested in those offering attractive returns on risk, especially ABSs. In addition, as interest rates rise, we are shifting from low-interest bonds to high-interest long-term bonds.

Domestic stocks

Given our focus on the medium- to long-term perspective, we managed issues based on the overall state of returns to investors, including corporate profitability and dividends, with the goal of increasing portfolio profitability. We also invested in the stocks of unlisted companies with growth potential.

Foreign securities

Regarding public and corporate bonds, we shifted between currencies based on exchange rate trends. Because the interest rate spread between domestic and foreign interest rates diminished and the exchange rate hedge cost decreased, we also increased public and corporate bonds, which eliminate exchange rate volatility risks.

With respect to foreign stocks, we shifted to issues with a focus on medium to long-term growth rates and issues showing future profitability and increased issues with high dividends.

Loans

Although we extended loans to key projects, because amounts collected continued to exceed amounts loaned, the balance decreased.

Real estate

We worked to increase profitability by strengthening our competitive edge, improving efficiency by limiting room vacancies and revising rents upward, primarily in Tokyo.

Fiscal year ended March 31	Billions of Yen, %		
	2008	Increase (decrease)*	Breakdown
General Account	¥46,275.0	¥417.9	100.0%
Domestic bonds	16,231.7	(145.2)	35.1
Domestic stocks	8,265.7	171.4	17.9
Foreign securities	7,524.4	731.2	16.3
Loans	9,553.3	(173.3)	20.6
Real estate	1,653.9	10.4	3.6

*Indicates asset increase/decrease when the market price valuation in other marketable securities is not conducted.

51. Portfolio Trends (General Account)

1. Asset structure

As of March 31	Millions of Yen, %					
	2008		2007		2006	
Cash, deposits and call loans	¥ 615,700	1.3%	¥ 982,134	2.0%	¥ 1,359,633	
Monetary receivables purchased	1,379,371	3.0	1,334,680	2.7	1,391,624	
Proprietary trading securities	—	—	2,099	0.0	2,099	
Assets held in trust	170,507	0.4	195,592	0.4	177,037	
Investments in securities	32,324,237	69.9	35,188,747	71.0	33,106,740	
Domestic bonds	16,231,796	35.1	16,375,185	33.0	15,843,714	
Domestic stocks	8,265,794	17.9	11,295,471	22.8	10,484,913	
Foreign securities	7,524,438	16.3	7,178,807	14.5	6,424,914	
Foreign bonds	5,664,010	12.2	5,447,025	11.0	4,967,555	
Foreign stocks and other securities	1,860,427	4.0	1,731,782	3.5	1,457,359	
Other securities	302,208	0.7	339,282	0.7	353,198	
Loan receivables	9,553,389	20.6	9,726,702	19.6	9,999,170	
Policy loans	1,139,246	2.5	1,209,475	2.4	1,263,464	
Industrial and consumer loans	8,414,143	18.2	8,517,226	17.2	8,735,705	
Real estate	1,653,916	3.6	1,643,427	3.3	1,686,564	
Investment property	1,025,382	2.2	1,009,710	2.0	1,041,587	
Deferred tax assets	—	—	—	—	—	
Other	612,840	1.3	521,488	1.1	525,140	
Allowance for doubtful accounts	(34,944)	(0.1)	(32,183)	(0.1)	(39,953)	
General account total	¥46,275,018	100.0%	¥49,562,688	100.0%	¥48,208,058	
Foreign currency denominated assets	¥ 6,760,652	14.6%	¥ 6,786,264	13.7%	¥ 6,274,029	

Notes: 1. The above assets include cash received as collateral under securities lending contracts. Guarantees received through these transactions are recorded in other liabilities.

(As of March 31, 2008: ¥573,106 million; March 31, 2007: ¥925,059 million; and March 31, 2006: ¥1,111,155 million)

2. Real estate is booked as the sum total of land, buildings and construction in progress.

2. Increases/decreases in assets

Fiscal years ended March 31	Millions of Yen		
	2008	2007	2006
Cash, deposits and call loans	¥ (366,434)	¥ (377,498)	¥ 758,579
Monetary receivables purchased	44,691	(56,944)	(64,994)
Proprietary trading securities	(2,099)	(0)	(899)
Assets held in trust	(25,084)	18,555	32,422
Investments in securities	(2,864,509)	2,082,006	3,721,772
Domestic bonds	(143,388)	531,470	467,929
Domestic stocks	(3,029,677)	810,558	2,859,255
Foreign securities	345,630	753,893	580,692
Foreign bonds	216,985	479,469	421,069
Foreign stocks and other securities	128,645	274,423	159,622
Other securities	(37,074)	(13,915)	(186,103)
Loan receivables	(173,312)	(272,468)	(318,093)
Policy loans	(70,229)	(53,989)	(62,433)
Industrial and consumer loans	(103,083)	(218,478)	(255,660)
Real estate	10,488	(43,137)	(87,305)
Investment property	15,672	(31,876)	(87,007)
Deferred tax assets	—	—	—
Other	91,351	(3,651)	(250,280)
Allowance for doubtful accounts	(2,761)	7,769	6,584
General account total	¥(3,287,669)	¥1,354,630	¥3,797,786
Foreign currency denominated assets	¥ (25,611)	¥ 512,234	¥ 676,989

Notes: 1. Increases/decreases in cash received as collateral under securities lending contracts were as follows:

fiscal year ended March 31, 2008: ¥(351,953) million; fiscal year ended March 31, 2007: ¥(186,096) million; and fiscal year ended March 31, 2006: ¥306,166 million.

2. Real estate is booked as the sum total of land, buildings and construction in progress.

52. Average Balance and Yield on Primary Assets (General Account)

Fiscal years ended March 31	2008		2007		2006	
	Average balance	Yield	Average balance	Yield	Average balance	Yield
Cash, deposits and call loans	¥ 736,537	0.55%	¥ 738,303	0.23%	¥ 784,858	0.03%
Deposits paid for securities borrowing transactions	—	—	62,779	0.23	14,073	0.01
Monetary receivables purchased	1,351,491	1.87	1,677,518	1.10	1,307,957	0.61
Proprietary trading securities	1,265	0.57	24,314	0.34	2,492	(0.39)
Assets held in trust	188,537	(11.39)	167,289	13.22	150,712	24.16
Investment in securities	28,442,641	2.68	27,271,985	2.82	26,643,033	2.78
Domestic bonds	16,156,948	1.79	15,953,534	1.37	15,888,896	1.33
Domestic stocks	4,973,226	3.70	4,830,901	4.14	4,636,248	5.32
Foreign securities	6,985,734	4.08	6,154,997	5.07	5,716,852	4.26
Foreign bonds	5,426,377	3.26	4,901,785	4.25	4,556,372	3.31
Foreign stocks and other securities	1,559,357	6.95	1,253,211	8.25	1,160,480	7.97
Loan receivables	9,595,514	2.04	9,969,345	2.04	10,129,363	1.91
Industrial and consumer loans	8,425,572	1.63	8,732,155	1.63	8,837,371	1.46
Real estate	1,644,834	3.45	1,683,417	3.48	1,734,700	2.93
Investment property	1,013,144	5.56	1,041,430	5.62	1,079,950	4.69
General account total	¥43,429,975	2.45%	¥42,885,869	2.41%	¥42,035,823	2.37%
Overseas investment	¥ 7,801,789	3.66%	¥ 7,262,187	4.81%	¥ 6,687,026	4.34%

Notes: 1. Yields are calculated by dividing investment income less investment expenses by the daily average balance based on book value.

2. Overseas investment is the total of assets denominated in foreign currencies and yen.

3. Real estate is booked as the sum total of land, buildings and construction in progress.

53. Investment Income (General Account)

Fiscal years ended March 31	Millions of Yen		
	2008	2007	2006
Interest, dividends and other income	¥1,234,533	¥1,156,348	¥1,070,088
Gain from proprietary trading securities	7	83	—
Gain from assets held in trust	—	22,108	36,414
Gain on sales of securities	106,977	101,722	174,290
Gain from redemption of securities	10,153	46,455	6,528
Other investment income	962	1,500	2,426
Total	¥1,352,633	¥1,328,218	¥1,289,748

54. Investment Expenses (General Account)

Fiscal years ended March 31	Millions of Yen		
	2008	2007	2006
Interest expenses	¥ 6,007	¥ 5,333	¥ 1,421
Loss from proprietary trading securities	—	—	9
Loss from assets held in trust	21,483	—	—
Loss on sales of securities	93,274	102,305	114,735
Loss on valuation of securities	39,211	11,861	8,857
Loss from redemption of securities	2,950	1,802	209
Loss on derivative financial instruments, net	63,729	127,398	97,879
Foreign exchange loss, net	12,158	1,273	3,746
Provision for allowance for doubtful accounts	4,814	—	15,136
Write-off of loans	—	3	160
Depreciation of real estate and other assets	27,331	26,249	27,468
Other investment expenses	18,909	20,114	22,091
Total	¥289,871	¥296,342	¥291,716

Note: In addition to the above, the reversal of allowance for doubtful accounts is recorded as an extraordinary profit.
(Fiscal year ended March 31, 2007, ¥7,764 million)

55. Interest, Dividends and Other Income (General Account)

Millions of Yen			
Fiscal years ended March 31	2008	2007	2006
Interest on deposits and savings	¥ 2,592	¥ 1,201	¥ 102
Interest/dividends on domestic securities	898,898	825,239	742,939
Interest on bonds	309,148	294,380	272,407
Domestic stock dividends	170,630	143,540	118,343
Interest/dividends on foreign securities	415,530	351,657	313,700
Interest on loan receivables	201,242	204,064	209,326
Rent on real estate	101,256	102,765	97,811
Net, including other income	¥1,234,533	¥1,156,348	¥1,070,088

56. Analysis of Interest, Dividends and Other Income (General Account)

Millions of Yen									
Fiscal years ended March 31	2008			2007			2006		
	Change in asset allocation balance	Increase (decrease) from interest variance	Total increase (decrease)	Change in asset allocation balance	Increase (decrease) from interest variance	Total increase (decrease)	Change in asset allocation balance	Increase (decrease) from interest variance	Total increase (decrease)
Interest, dividends and other income	¥14,670	¥63,513	¥78,184	¥21,639	¥64,620	¥86,260	¥25,481	¥ 64,133	¥ 89,614
Cash equivalents and call loans	(4)	2,346	2,342	(7)	1,683	1,675	20	11	32
Securities	35,423	38,235	73,658	17,538	64,762	82,300	20,157	101,364	121,522
Loan receivables	(7,651)	4,830	(2,821)	(3,306)	(1,955)	(5,262)	(8,383)	(24,667)	(33,050)
Real estate	(2,355)	846	(1,508)	(2,891)	7,845	4,953	(4,704)	4,453	(251)

57. Gain on Sales of Securities (General Account)

Millions of Yen			
Fiscal years ended March 31	2008	2007	2006
Domestic bonds	¥ 6,650	¥ 1,532	¥ 9,963
Domestic stocks and other securities	28,070	74,069	144,482
Foreign securities	72,256	26,120	19,752
Net, including other gain on sales of securities	¥106,977	¥101,722	¥174,290

58. Loss on Sales of Securities (General Account)

Millions of Yen			
Fiscal years ended March 31	2008	2007	2006
Domestic bonds	¥26,513	¥ 77,686	¥ 71,329
Domestic stocks and other securities	2,250	4,676	9,147
Foreign securities	64,510	19,942	34,006
Net, including other loss on sales of securities	¥93,274	¥102,305	¥114,735

59. Loss on Valuation of Securities (General Account)

Millions of Yen			
Fiscal years ended March 31	2008	2007	2006
Domestic bonds	¥ —	¥ —	¥ —
Domestic stocks and other securities	12,400	11,423	4,861
Foreign securities	26,807	438	3,995
Net, including other loss on valuation of securities	¥39,211	¥11,861	¥8,857

60. Proprietary Trading Securities (General Account)

As of March 31	2008		2007		2006
	Millions of Yen	%	Millions of Yen	%	Millions of Yen
Trading government bonds	¥—	—%	¥2,099	100.0%	¥2,099
Total	¥—	—%	¥2,099	100.0%	¥2,099

61. Proceeds on Sales of Proprietary Trading Securities (General Account)

Fiscal years ended March 31	2008		2007		2006
	Millions of Yen	%	Millions of Yen	%	Millions of Yen
Trading government bonds	¥3,976	—	¥104,771	—	¥24,435
Total	¥3,976	—	¥104,771	—	¥24,435

62. Securities Composition (General Account)

As of March 31	2008		2007		2006
	Millions of Yen	%	Millions of Yen	%	Millions of Yen
Domestic bonds	¥16,231,796	50.2%	¥16,375,185	46.5%	¥15,843,714
National government bonds	11,253,568	34.8	11,277,072	32.0	10,930,987
Local government bonds	1,651,405	5.1	1,822,059	5.2	1,664,698
Corporate bonds	3,326,822	10.3	3,276,053	9.3	3,248,028
Public entity bonds	1,741,230	5.4	1,707,402	4.9	1,529,213
Domestic stocks	8,265,794	25.6	11,295,471	32.1	10,484,913
Foreign securities	7,524,438	23.3	7,178,807	20.4	6,424,914
Foreign bonds	5,664,010	17.5	5,447,025	15.5	4,967,555
Foreign stocks and other securities	1,860,427	5.8	1,731,782	4.9	1,457,359
Other securities	302,208	0.9	339,282	1.0	353,198
Total	¥32,324,237	100.0%	¥35,188,747	100.0%	¥33,106,740
Subordinated bonds	¥ 15,716	0.0%	¥ 1,500	0.0%	¥ —

63. Securities by Maturity Date (General Account)

Millions of Yen

	1 year or under	Over 1 year through 3 years	Over 3 years through 5 years	Over 5 years through 7 years	Over 7 years through 10 years	Over 10 years	No fixed maturity	Total
As of March 31								
2008								
Domestic bonds								
National government bonds	¥ 737,349	¥1,460,794	¥ 907,635	¥ 436,840	¥2,304,282	¥ 5,406,665	¥ —	¥11,253,568
Local government bonds	48,944	137,303	354,897	394,263	640,955	75,041	—	1,651,405
Corporate bonds	302,828	637,453	327,450	362,911	763,342	932,835	—	3,326,822
Domestic stocks	—	—	—	—	—	—	8,265,794	8,265,794
Foreign securities	92,887	690,809	143,568	162,015	594,840	4,598,408	1,241,908	7,524,438
Foreign bonds	80,679	673,033	132,388	158,617	594,840	4,024,450	—	5,664,010
Foreign stocks and other securities	12,207	17,775	11,179	3,398	—	573,958	1,241,908	1,860,427
Other securities	4,995	5,126	416	12,156	54,049	40	225,423	302,208
Total	¥1,187,005	¥2,931,486	¥1,733,968	¥1,368,188	¥4,357,470	¥11,012,991	¥9,733,126	¥32,324,237
As of March 31								
2007								
Domestic bonds								
National government bonds	¥ 648,442	¥1,638,025	¥1,150,959	¥ 457,878	¥2,238,768	¥5,142,997	¥ —	¥11,277,072
Local government bonds	134,568	114,315	285,421	464,857	762,480	60,416	—	1,822,059
Corporate bonds	288,847	592,451	581,958	313,280	797,061	702,453	—	3,276,053
Domestic stocks	—	—	—	—	—	—	11,295,471	11,295,471
Foreign securities	120,257	621,091	633,615	449,711	863,600	3,369,627	1,120,904	7,178,807
Foreign bonds	108,268	611,914	612,049	440,594	863,339	2,810,859	—	5,447,025
Foreign stocks and other securities	11,988	9,177	21,566	9,116	261	558,767	1,120,904	1,731,782
Other securities	2,135	8,875	620	619	16,012	20,000	291,019	339,282
Total	¥1,194,250	¥2,974,759	¥2,652,574	¥1,686,346	¥4,677,924	¥9,295,494	¥12,707,395	¥35,188,747
As of March 31								
2006								
Domestic bonds								
National government bonds	¥ 516,163	¥1,210,690	¥1,919,490	¥1,673,092	¥1,081,189	¥4,530,361	¥ —	¥10,930,987
Local government bonds	88,580	226,159	175,011	585,932	574,040	14,974	—	1,664,698
Corporate bonds	312,655	742,380	738,026	366,377	629,647	458,940	—	3,248,028
Domestic stocks	—	—	—	—	—	—	10,484,913	10,484,913
Foreign securities	347,897	592,406	775,358	628,576	758,977	2,461,854	859,842	6,424,914
Foreign bonds	346,133	569,884	760,377	611,384	754,440	1,925,335	—	4,967,555
Foreign stocks and other securities	1,764	22,522	14,981	17,191	4,537	536,518	859,842	1,457,359
Other securities	16,492	9,637	3,504	493	9,947	—	313,123	353,198
Total	¥1,281,790	¥2,781,274	¥3,611,390	¥3,254,472	¥3,053,801	¥7,466,131	¥11,657,879	¥33,106,740

64. Bond Yield (General Account)

%

As of March 31	2008	2007	2006
Domestic bonds	1.98%	1.97%	1.88%
Foreign bonds	5.24	5.16	4.88
Yen denominated	1.98	2.06	1.32
Foreign currency denominated	5.58	5.41	5.13

65. Stocks Held—Breakdown by Industry (General Account)

Millions of Yen, %

As of March 31	2008		2007		2006
Fishery, agriculture and forestry	¥ 5,027	0.1%	¥ 8,270	0.1%	¥ 7,375
Mining	4,994	0.1	4,222	0.0	4,961
Construction	84,476	1.0	138,462	1.2	155,607
Manufacturing					
Foods	203,629	2.5	237,532	2.1	211,004
Textiles and apparel	99,535	1.2	161,999	1.4	180,586
Pulp and paper	25,656	0.3	41,644	0.4	47,285
Chemicals	598,907	7.2	794,291	7.0	745,944
Pharmaceuticals	693,501	8.4	959,220	8.5	802,744
Oil and coal products	24,977	0.3	38,388	0.3	34,807
Rubber products	42,221	0.5	56,111	0.5	51,254
Glass and ceramic products	120,485	1.5	173,904	1.5	172,579
Iron and steel	303,983	3.7	498,049	4.4	317,421
Nonferrous metals	93,531	1.1	129,457	1.1	121,260
Metal products	31,031	0.4	45,793	0.4	47,392
Machinery	404,103	4.9	523,513	4.6	531,334
Electric appliances	1,055,819	12.8	1,354,811	12.0	1,268,817
Transportation equipment	1,117,551	13.5	1,588,649	14.1	1,347,546
Precision instruments	141,563	1.7	189,019	1.7	173,356
Other products	106,009	1.3	116,484	1.0	127,538
Electric power and gas	747,032	9.0	1,062,099	9.4	827,801
Transportation, information and communication					
Land transportation	399,082	4.8	515,790	4.6	476,789
Marine transportation	39,127	0.5	43,755	0.4	29,652
Air transportation	25,516	0.3	22,284	0.2	26,643
Warehousing and harbor transportation services	10,010	0.1	13,933	0.1	13,294
Information and communication	126,171	1.5	180,934	1.6	168,575
Trade and services					
Wholesale trade	311,935	3.8	341,739	3.0	283,930
Retail trade	177,129	2.1	261,550	2.3	307,920
Finance and insurance					
Banking	874,734	10.6	1,225,099	10.8	1,354,599
Securities and trading	87,160	1.1	155,422	1.4	168,250
Insurance	121,424	1.5	141,932	1.3	147,851
Other financial services	65,074	0.8	111,872	1.0	166,837
Real estate	36,913	0.4	59,149	0.5	47,123
Services	87,475	1.1	100,076	0.9	116,823
Total	¥8,265,794	100.0%	¥11,295,471	100.0%	¥10,484,913

66. Loan Receivables (General Account)

		Millions of Yen		
As of March 31		2008	2007	2006
Policy loans		¥1,139,246	¥1,209,475	¥1,263,464
Premium loans		102,940	114,014	121,846
Policyholder loans		1,036,306	1,095,461	1,141,618
Industrial and consumer loans		8,414,143	8,517,226	8,735,705
[Loans to non-residents]		[436,855]	[439,310]	[509,985]
Corporate loans—international and domestic		6,445,333	6,489,318	6,536,145
[Corporate loans—domestic]		[6,250,312]	[6,302,366]	[6,341,145]
Loans to national, international and government-affiliated organizations		248,095	265,615	312,152
Loans to public entities		313,682	364,123	459,183
Housing loans		957,371	961,323	975,759
Consumer loans		413,355	397,477	406,880
Other loans		36,304	39,367	45,584
Total		¥9,553,389	¥9,726,702	¥9,999,170

67. Loans by Contractual Maturity Date (General Account)

		Millions of Yen							
As of March 31		1 year or under	Over 1 year through 3 years	Over 3 years through 5 years	Over 5 years through 7 years	Over 7 years through 10 years	Over 10 years	Maturity not fixed	Total
		2008							
Fixed rate loans		¥1,127,287	¥1,967,127	¥1,354,045	¥1,056,946	¥1,220,938	¥ 946,073	¥ —	¥7,672,419
Variable rate loans		122,876	170,866	106,175	86,865	98,502	156,436	—	741,724
Total loans		¥1,250,164	¥2,137,994	¥1,460,220	¥1,143,812	¥1,319,441	¥1,102,510	¥ —	¥8,414,143
		2007							
Fixed rate loans		¥1,269,959	¥2,025,797	¥1,461,042	¥1,073,183	¥ 992,167	¥814,215	¥ —	¥7,636,365
Variable rate loans		145,946	216,233	128,715	120,522	107,845	161,598	—	880,861
Total loans		¥1,415,905	¥2,242,030	¥1,589,757	¥1,193,705	¥1,100,012	¥975,814	¥ —	¥8,517,226
		2006							
Fixed rate loans		¥1,454,221	¥2,073,936	¥1,554,080	¥ 881,698	¥866,224	¥711,873	¥ —	¥7,542,034
Variable rate loans		244,741	234,052	170,385	236,994	124,365	173,131	10,000	1,193,670
Total loans		¥1,698,963	¥2,307,988	¥1,724,465	¥1,118,692	¥990,589	¥885,004	¥10,000	¥8,735,705

68. Loans to Domestic Companies by Company Size (General Account)

		Number of Borrowers, Millions of Yen, %				
As of March 31		2008		2007		2006
Large companies	Number of borrowers	996	40.1%	1,018	38.2%	1,062
	Amount of loans	¥5,250,972	84.0	¥5,174,276	82.1	¥5,116,562
Medium-sized companies	Number of borrowers	398	16.0	437	16.4	474
	Amount of loans	¥ 197,261	3.2	¥ 215,818	3.4	¥ 231,178
Small-sized companies	Number of borrowers	1,091	43.9	1,208	45.4	1,318
	Amount of loans	¥ 802,077	12.8	¥ 912,270	14.5	¥ 993,404
Total loans to domestic companies	Number of borrowers	2,485	100.0	2,663	100.0	2,854
	Total amount of loans	¥6,250,312	100.0%	¥6,302,366	100.0%	¥6,341,145

Notes: 1. Classifications are defined as follows.

2. Number of borrowers is the number of borrowers identified by name and is not the number of loans.

Company size	Industry Type			
	1. All industries (excluding 2-4)		2. Retail and restaurant	
Large companies	More than 300 employees and	Paid-in capital over ¥1 billion	More than 50 employees and	Paid-in capital over ¥1 billion
Medium-sized companies	More than 300 employees and	Paid-in capital between ¥0.3 billion and ¥1 billion	More than 50 employees and	Paid-in capital between ¥0.05 billion and ¥1 billion
Small-sized companies	Paid-in capital under ¥0.3 billion or less than 300 employees		Paid-in capital under ¥0.05 billion or less than 50 employees	
	3. Service		4. Wholesale	
Large companies	More than 100 employees and	Paid-in capital over ¥1 billion	More than 100 employees and	Paid-in capital over ¥1 billion
Medium-sized companies	More than 100 employees and	Paid-in capital between ¥0.05 billion and ¥1 billion	More than 100 employees and	Paid-in capital between ¥0.1 billion and ¥1 billion
Small-sized companies	Paid-in capital under ¥0.05 billion or less than 100 employees		Paid-in capital under ¥0.1 billion or less than 100 employees	

69. Breakdown of Loans by Industry (General Account)

As of March 31	Millions of Yen, %				
	2008		2007		2006
Domestic					
Manufacturing	¥1,457,461	17.3%	¥1,467,766	17.2%	¥1,466,899
Foods	79,797	0.9	89,792	1.1	107,467
Textiles and apparel	46,838	0.6	42,176	0.5	39,687
Wood, wood products	3,716	0.0	3,685	0.0	4,281
Pulp and paper	95,305	1.1	85,027	1.0	82,559
Printing	21,811	0.3	23,335	0.3	30,799
Chemicals	204,908	2.4	202,200	2.4	187,781
Oil and coal products	74,585	0.9	80,728	0.9	91,398
Ceramics, soil and stone	31,213	0.4	37,002	0.4	37,067
Iron and steel	221,483	2.6	229,347	2.7	227,786
Nonferrous metals	46,588	0.6	47,109	0.6	43,520
Metal products	20,617	0.2	24,056	0.3	25,712
Machinery	92,239	1.1	95,757	1.1	95,009
Electric appliances	213,630	2.5	225,490	2.6	219,354
Transportation equipment	229,402	2.7	206,523	2.4	198,007
Precision instruments	19,263	0.2	19,655	0.2	21,407
Other manufacturing products	56,058	0.7	55,877	0.7	55,059
Agriculture	14	0.0	27	0.0	31
Forestry	—	—	—	—	—
Fishery	1,000	0.0	2,329	0.0	4,805
Mining	18,850	0.2	16,974	0.2	13,860
Construction	45,864	0.5	45,989	0.5	49,516
Electric power, gas, heat supply and waterworks	980,351	11.7	963,254	11.3	980,012
Information and communication	168,496	2.0	194,299	2.3	203,310
Transportation	591,977	7.0	561,725	6.6	523,291
Wholesale trade	835,472	9.9	826,570	9.7	788,158
Retail trade	83,901	1.0	100,947	1.2	117,406
Financing and insurance	1,181,832	14.0	1,252,272	14.7	1,325,712
Real estate	353,155	4.2	351,261	4.1	413,814
Services	759,195	9.0	778,363	9.1	799,125
Local organizations and public entities	126,302	1.5	154,107	1.8	151,300
Individuals (residential/consumption/local taxes/other)	1,373,413	16.3	1,362,027	16.0	1,388,475
Subtotal	7,977,288	94.8	8,077,916	94.8	8,225,720
Overseas					
Governments and public entities	241,834	2.9	252,358	3.0	314,985
Financial institutions	58,000	0.7	60,311	0.7	78,311
Commerce and industry	137,020	1.6	126,641	1.5	116,688
Subtotal	436,855	5.2	439,310	5.2	509,985
Total loans	¥8,414,143	100.0%	¥8,517,226	100.0%	¥8,735,705

70. Breakdown of Industrial Loans by Use (General Account)

As of March 31	Millions of Yen, %				
	2008		2007		2006
Capital investments	¥2,886,879	34.3%	¥2,939,619	34.5%	¥3,078,904
Operations	5,527,264	65.7	5,577,607	65.5	5,656,800
Total loans	¥8,414,143	100.0%	¥8,517,226	100.0%	¥8,735,705

71. Breakdown of Loans by Region (General Account)

As of March 31	Millions of Yen, %					
	2008		2007		2006	
Hokkaido	¥ 37,943	0.6%	¥ 39,643	0.6%	¥ 45,514	
Tohoku	97,817	1.6	93,369	1.5	95,492	
Kanto	4,339,318	69.4	4,346,435	69.0	4,326,351	
Chubu	509,551	8.2	501,224	8.0	477,835	
Kinki	854,611	13.7	918,525	14.6	985,472	
Chugoku	146,741	2.3	139,670	2.2	133,732	
Shikoku	112,123	1.8	120,132	1.9	127,503	
Kyushu	152,205	2.4	143,364	2.3	149,242	
Total	¥6,250,312	100.0%	¥6,302,366	100.0%	¥6,341,145	

Notes: 1. Excludes personal loans, loans to non-residents and policy loans.

2. Regional classifications are based on the location of the headquarters of borrowers.

72. Breakdown of Loans by Collateral (General Account)

As of March 31	Millions of Yen, %					
	2008		2007		2006	
Secured loans	¥ 111,931	1.3%	¥ 147,257	1.7%	¥ 199,908	
Loans secured by securities	28,198	0.3	42,663	0.5	61,136	
Loans secured by real estate, movables and foundations	72,804	0.9	92,082	1.1	122,698	
Loans secured by personal guarantees	10,928	0.1	12,511	0.1	16,073	
Guarantee loans	358,644	4.3	359,609	4.2	364,903	
Fiduciary loans	6,572,840	78.1	6,651,559	78.1	6,788,253	
Other loans	1,370,727	16.3	1,358,801	16.0	1,382,640	
Ordinary loans	¥8,414,143	100.0%	¥8,517,226	100.0%	¥8,735,705	
Subordinated loans	¥ 497,000	5.9%	¥ 437,000	5.1%	¥ 366,000	

73. Tangible Fixed Assets (General Account)

	Millions of Yen, %							
	Balance at end of prior period	Increase in current period	Decrease in current period	Depreciation in current period	Balance at end of current period	Accumulated depreciation	Accumulated depreciation percentage	
Fiscal year ended March 31	2008							
Land	¥1,068,970	¥ 25,410	¥ 13,810 [3,576]	¥ —	¥1,080,571	¥ —	—%	
Buildings	568,518	34,146	1,978 [874]	39,762	560,924	953,667	63.0	
Construction in progress	5,937	34,187	27,704	—	12,420	—	—	
Other tangible assets	20,246	7,698	373	6,194	21,376	67,079	75.8	
Total	¥1,663,673	¥101,443	¥ 43,867 [4,450]	¥45,957	¥1,675,293	¥1,020,746	—%	
Fiscal year ended March 31	2007							
Land	¥1,088,376	¥ 41,388	¥ 60,794 [3,453]	¥ —	¥1,068,970	¥ —	—%	
Buildings	581,688	58,567	32,891 [1,935]	38,845	568,518	919,920	61.8	
Construction in progress	16,499	37,768	48,330	—	5,937	—	—	
Other tangible assets	21,941	4,976	641	6,029	20,246	65,717	76.4	
Total	¥1,708,506	¥142,701	¥142,658 [5,389]	¥44,875	¥1,663,673	¥ 985,637	—	
Fiscal year ended March 31	2006							
Land	¥1,111,781	¥ 460	¥ 23,865 [9,308]	¥ —	¥1,088,376	¥ —	—%	
Buildings	650,887	20,077	48,405 [19,711]	40,871	581,688	861,199	59.7	
Movables	26,859	3,288	319	7,886	21,941	65,349	74.9	
Construction in progress	11,200	30,295	24,997	—	16,499	—	—	
Total	¥1,800,729	¥ 54,122	¥ 97,587 [29,020]	¥48,758	¥1,708,506	¥ 926,549	—%	

Notes: 1. Figures in brackets under the decrease in current period column indicate the amount of decrease due to impairment loss.

2. The rate of accumulated depreciation shows the percentage of accumulated depreciation versus acquisition cost.

74. Appraisal Value of Real Estate (General Account)

		Billions of Yen		
As of March 31		2008	2007	2006
Land and leaseholds				
Carrying value on balance sheets		¥1,167.3	¥1,155.8	¥1,175.9
Market value (appraisal value)		1,428.9	1,254.4	1,092.9
Net unrealized gain/loss (1)		261.6	98.5	(82.9)
Gain		384.3	238.2	93.7
Loss		(122.6)	(139.7)	(176.6)
Revaluation (2)		88.3	94.5	87.8
(1) + (2)		¥ 350.0	¥ 193.1	¥ 4.8

Notes: 1. Appraisal value is based on the publicly disclosed value of land.

2. The Company reappraised land for business use based on the Law for the Revaluation of Land. Book value includes valuation differences.

3. Taxation amounts on unrealized gain and loss are recorded under liabilities as deferred tax liabilities for land revaluation reserve. This amount deducted from revaluation is recorded in the net assets section as land revaluation difference.

75. Breakdown of Real Estate Holdings by Use (General Account)

		Millions of Yen, Number of Buildings		
As of March 31		2008	2007	2006
Value of real estate holdings		¥1,653,916	¥1,643,427	¥1,686,564
For business operations		628,533	633,716	644,977
For lease		1,025,382	1,009,710	1,041,587
Number of buildings held for leasing		399	404	416

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

76. Gain and Loss on the Disposal of Fixed Assets (General Account)

		Millions of Yen					
Fiscal years ended March 31		2008		2007		2006	
		Gain	Loss	Gain	Loss	Gain	Loss
Real estate		¥ —	¥ —	¥ —	¥ —	¥1,393	¥ 9,267
Movables		—	—	—	—	1	259
Tangible fixed assets		1,195	6,877	38,398	19,102	—	—
Land		893	1,565	37,414	5,674	—	—
Buildings		301	4,874	983	12,815	—	—
Other assets		0	436	0	612	—	—
Intangible fixed assets		—	22	—	174	—	—
Other		4	323	—	593	0	26,513
Total		¥1,200	¥7,222	¥38,398	¥19,870	¥1,394	¥36,041

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

77. Depreciation on Real Estate, Movables and Other Assets Held for Leasing (General Account)

		Millions of Yen, %				
		Acquisition cost	Depreciation in current period	Accumulated depreciation	Balance at end of current period	Accumulated depreciation percentage
Fiscal year ended March 31		2008				
Tangible fixed assets		¥1,026,975	¥27,331	¥637,943	¥389,032	62.1%
Buildings		1,017,889	27,169	629,679	388,209	61.9
Other		9,085	162	8,263	822	90.9
Intangible fixed assets		—	—	—	—	—
Other assets		—	—	—	—	—
Total		¥1,026,975	¥27,331	¥637,943	¥389,032	62.1%
Fiscal year ended March 31		2007				
Tangible fixed assets		¥1,001,672	¥26,249	¥614,026	¥387,645	61.3%
Buildings		992,649	26,176	605,829	386,819	61.0
Other		9,023	73	8,197	825	90.8
Intangible fixed assets		—	—	—	—	—
Other assets		—	—	—	—	—
Total		¥1,001,672	¥26,249	¥614,026	¥387,645	61.3%
Fiscal year ended March 31		2006				
Buildings		¥ 954,340	¥27,375	¥562,411	¥391,928	58.9%
Movables		9,638	92	8,848	790	91.8
Other assets		—	—	—	—	—
Total		¥ 963,979	¥27,468	¥571,260	¥392,718	59.3%

78. Loan Interest Rates

										Dates, %				
										Type of loan				
Prime rate (extra long-term 10-year prime rate loan)		Prime rate (long-term prime rate loan)		Housing loans						Consumer loans				
				Fixed interest rate		Variable interest rate optional with fixed interest rate		Variable interest rate (long-term loan)		Variable interest rate (short-term loan)	Fixed interest rate	Variable interest rate (long-term loan)	Variable interest rate (short-term loan)	
Fiscal year ending March 31										2009				
5/9	2.50%	5/9	2.40%	4/17	3.52-4.46%	4/17	3.10-4.00%			4/17	3.52-4.00%			
				5/16	3.67-4.66	5/16	3.20-4.20	5/16	2.40	5/16	3.67-4.20	5/16	2.70	
Fiscal year ended March 31										2008				
4/10	2.35%	4/10	2.25%	4/17	3.70-4.69	4/17	2.75-4.10	4/17		2.25	4/17	3.70-4.10	4/17	2.55
				5/17	3.80-4.67	5/17	2.80-4.15				5/17	3.80-4.15		
6/8	2.55	6/8	2.45	6/15	3.75-4.66	6/15	2.85-4.15	6/15	2.45	6/15	3.75-4.15	6/15	2.75	
7/10	2.65	7/10	2.55	7/18	4.00-4.81	7/18	3.05-4.35	7/18	2.55	7/18	4.00-4.35	7/18	2.85	
						8/17	3.15-4.35							
9/11	2.35	9/11	2.25	9/19	3.70-4.64	9/19	3.10-4.18	9/19	2.25	9/19	3.70-4.18	9/19	2.55	
10/10	2.55	10/10	2.45	10/17	3.65-4.76	10/17	3.10-4.30	10/17	2.45	10/17	3.65-4.30	10/17	2.75	
11/9	2.30	11/9	2.20	11/16	3.65-4.64	11/16	3.10-4.18	11/16	2.20	11/16	3.65-4.18	11/16	2.50	
12/11	2.40	12/11	2.30	12/18	3.60-4.54	12/18	3.05-4.08	12/18	2.30	12/18	3.60-4.08	12/18	2.60	
1/10	2.20	1/10	2.10	1/18	3.60-4.64	1/18	3.05-4.18	1/18	2.10	1/18	3.60-4.18	1/18	2.40	
2/8	2.25	2/8	2.15	2/18	3.50-4.54	2/18	2.95-4.08	2/18	2.15	2/18	3.50-4.08	2/18	2.45	
3/11	2.20	3/11	2.10	3/18	3.60-4.54	3/18	3.10-4.08	3/18	2.10	3/18	3.60-4.08	3/18	2.40	
Fiscal year ended March 31										2007				
4/11	2.55	4/11	2.45	4/18	3.75-4.62	4/18	2.35-4.15	4/18	2.45	4/18	3.75-4.15	4/18	2.75	
5/10	2.60	5/10	2.50	5/17	3.85-4.78	5/17	2.45-4.30	5/17	2.50	5/17	3.85-4.30	5/17	2.80	
6/9	2.55	6/9	2.45	6/16	3.85-4.74	6/16	2.45-4.26	6/16	2.45	6/16	3.85-4.26	6/16	2.75	
7/11	2.75	7/11	2.65	7/19	3.91-4.80	7/19	2.45-4.32	7/19	2.65	7/19	3.91-4.32	7/19	2.95	
8/10	2.60	8/10	2.50					8/17	2.50	8/17	2.625	8/17	2.80	
												8/17	2.925	
9/8	2.40	9/8	2.30	9/15	3.75-4.68	9/15	2.45-4.21	9/15	2.30	9/15	3.75-4.21	9/15	2.60	
10/11	2.45	10/11	2.35	10/18	3.70-4.68			10/18	2.35	10/18	3.70-4.21	10/18	2.65	
11/10	2.40	11/10	2.30	11/17	3.80-4.86	11/17	2.50-4.23	11/17	2.30	11/17	3.80-4.23	11/17	2.60	
12/8	2.45	12/8	2.35	12/15	3.65-4.77	12/15	2.50-4.10	12/15	2.35	12/15	3.65-4.10	12/15	2.65	
1/10	2.50	1/10	2.40	1/17	3.60-4.64	1/17	2.55-4.00	1/17	2.40	1/17	3.60-4.00	1/17	2.70	
2/9	2.40	2/9	2.30	2/19	3.70-4.72	2/19	2.65-4.05	2/19	2.30	2/19	3.70-4.05	2/19	2.60	
3/9	2.30	3/9	2.20	3/16	3.80-4.72	3/16	2.75-4.15	3/16	2.20	3/16	3.80-4.15	3/16	2.50	
								3/20	2.875			3/20	3.175	
Fiscal year ended March 31										2006				
4/8	1.65	4/8	1.55					4/15	1.55	2.375*	4/15	1.85	2.675*	
5/10	1.60	5/10	1.50	5/17	3.40-4.40	5/17	2.00-4.00	5/17	1.50	5/17	3.40-4.00	5/17	1.80	
6/10	1.55	6/10	1.45	6/17	3.35-4.30	6/17	2.00-3.90	6/17	1.45	6/17	3.35-3.90	6/17	1.75	
8/10	1.75	8/10	1.60					8/17	1.60			8/17	1.90	
9/9	1.65	9/9	1.55			9/16	2.00-3.80	9/16	1.55	9/16	3.35-3.80	9/16	1.85	
10/12	1.90	10/12	1.80	10/19	3.40-4.39	10/19	2.00-3.90	10/19	1.80	10/19	3.40-3.90	10/19	2.10	
11/10	2.00	11/10	1.90	11/17	3.50-4.49	11/17	2.10-4.00	11/17	1.90	11/17	3.50-4.00	11/17	2.20	
12/9	1.95	12/9	1.85	12/16	3.45-4.43	12/16	2.10-4.00	12/16	1.85	12/16	3.45-4.00	12/16	2.15	
1/11	1.90	1/11	1.80	1/18	3.55-4.51	1/18	2.10-4.05	1/18	1.80	1/18	3.55-4.05	1/18	2.10	
2/10	2.10	2/10	2.00	2/17	3.45-4.45	2/17	2.10-4.00	2/17	2.00	2/17	3.45-4.00	2/17	2.30	
3/10	2.20	3/10	2.10	3/17	3.55-4.56	3/17	2.20-4.10	3/17	2.10	3/17	3.55-4.10	3/17	2.40	

Notes: 1. The prime rate (extra long-term 10-year prime rate loan) is shown as a standard rate for fixed interest rate loans with loan periods in excess of five years.

2. Fixed interest rates for housing loans and consumer loans are set at interest rates according to the lending period.

3. For housing loans, variable interest rates optional with fixed interest rates are set according to the fixed interest rate period of 2, 3, 5, 10 or 15 years.

4. Housing loan interest rates show interest rates at the time of initial lending.

5. Housing loan interest rates include group credit life insurance warranty fees.

6. Consumer loans show traditional mortgage-backed loans.

*As of April 12, 2001

79. Status of Overseas Loans and Investments (General Account)

1. Breakdown by asset composition

		Millions of Yen, %					
As of March 31	2008		2007		2006		
Foreign currency denominated assets							
Foreign bonds	¥5,160,288	60.8%	¥5,096,191	62.3%	¥4,675,705		
Foreign stocks	711,088	8.4	742,075	9.1	657,163		
Cash and cash equivalents	889,275	10.5	947,997	11.6	941,160		
Subtotal	6,760,652	79.7	6,786,264	83.0	6,274,029		
Foreign currency denominated assets with fixed yen value							
Foreign bonds	—	—	—	—	—		
Cash and cash equivalents	173,426	2.0	160,235	2.0	113,928		
Subtotal	173,426	2.0	160,235	2.0	113,928		
Yen denominated assets							
Loans to non-residents	313,502	3.7	350,648	4.3	433,153		
Foreign bonds and other assets	1,236,350	14.6	879,853	10.8	910,143		
Subtotal	1,549,852	18.3	1,230,501	15.0	1,343,297		
Net overseas loans and investment							
	¥8,483,931	100.0%	¥8,177,002	100.0%	¥7,731,255		
Overseas real estate	¥ 337,183	4.0%	¥ 302,493	3.7%	¥ 284,308		

Note: Foreign currency denominated assets with fixed yen value are recorded under assets on the balance sheets as the fixed yen value that was determined at settlement with foreign exchange forward contracts.

2. Composition of foreign currency denominated assets by currency

		Millions of Yen, %					
As of March 31	2008		2007		2006		
U.S. Dollar	¥4,309,909	63.7%	¥4,600,592	67.8%	¥3,779,441		
Euro	2,158,664	31.9	1,863,176	27.5	2,082,481		
Australian dollar	76,852	1.1	51,393	0.8	52,244		
British pound	55,521	0.8	103,288	1.5	95,731		
Canadian dollar	50,194	0.7	81,393	1.2	95,795		
Hong Kong dollar	32,400	0.5	41,258	0.6	38,657		
Other	77,109	1.1	45,160	0.7	129,677		
Net foreign currency denominated assets	¥6,760,652	100.0%	¥6,786,264	100.0%	¥6,274,029		

Note: The six currencies are broken down and shown by rank in terms of their outstanding balance as of March 31, 2008.

79. Status of Overseas Loans and Investments (General Account), continued

3. Overseas loans and investment by geographic area

Millions of Yen, %										
	Foreign securities						Loans to non-residents			
	Value		Percent		Bonds		Stocks and other securities		Value	Percent
					Value	Percent	Value	Percent		
As of March 31	2008									
North America	¥3,743,026	49.7%	¥3,253,296	57.4%	¥ 489,730	26.3%	¥ 130,287	29.8%		
Europe	2,411,150	32.0	2,087,312	36.9	323,838	17.4	193,630	44.3		
Oceania	79,611	1.1	67,862	1.2	11,749	0.6	—	—		
Asia	39,772	0.5	26,402	0.5	13,369	0.7	16,077	3.7		
Central and South America	1,199,558	15.9	177,818	3.1	1,021,740	54.9	18,196	4.2		
Middle East	—	—	—	—	—	—	363	0.1		
International organizations	51,318	0.7	51,318	0.9	—	—	78,299	17.9		
Total	¥7,524,438	100.0%	¥5,664,010	100.0%	¥1,860,427	100.0%	¥436,855	100.0%		
As of March 31	2007									
North America	¥3,743,027	52.1%	¥3,203,685	58.8%	¥ 539,342	31.1%	¥ 99,072	22.6%		
Europe	2,245,631	31.3	1,901,447	34.9	344,183	19.9	218,769	49.8		
Oceania	45,097	0.6	39,026	0.7	6,071	0.4	—	—		
Asia	29,749	0.4	13,808	0.3	15,940	0.9	20,673	4.7		
Central and South America	977,907	13.6	151,663	2.8	826,244	47.7	19,365	4.4		
Middle East	—	—	—	—	—	—	211	0.0		
International organizations	137,393	1.9	137,393	2.5	—	—	81,219	18.5		
Total	¥7,178,807	100.0%	¥5,447,025	100.0%	¥1,731,782	100.0%	¥439,310	100.0%		
As of March 31	2006									
North America	¥2,912,809	45.3%	¥2,410,275	48.5%	¥ 502,534	34.5%	¥ 92,401	18.1%		
Europe	2,504,541	39.0	2,187,089	44.0	317,452	21.8	285,250	55.9		
Oceania	37,827	0.6	36,439	0.7	1,388	0.1	—	—		
Asia	50,479	0.8	38,771	0.8	11,708	0.8	28,044	5.5		
Central and South America	732,937	11.4	108,660	2.2	624,276	42.8	18,216	3.6		
Middle East	—	—	—	—	—	—	177	0.0		
International organizations	186,319	2.9	186,319	3.8	—	—	85,895	16.8		
Total	¥6,424,914	100.0%	¥4,967,555	100.0%	¥1,457,359	100.0%	¥509,985	100.0%		

Note: Applies to foreign securities and loans to non-residents within overseas investments.

80. Yield on Overseas Loans and Investments (General Account)

Fiscal years ended March 31	%		
	2008	2007	2006
Yield on overseas loans and investments	3.66%	4.81%	4.34%

Notes: 1. Yields are calculated by dividing investment income less investment expenses by the daily average balance based on book value.
2. Overseas investment is the total of assets denominated in foreign currencies and yen.

81. Summary of New Public-Sector Investment Underwriting and Loans (General Account)

Fiscal years ended March 31	Millions of Yen, %					
	2008		2007		2006	
Public bonds						
National government bonds	¥ —	—%	¥ 69,770	56.1%	¥287,154	
Local government bonds	—	—	298	0.2	748	
Subtotal	—	—	70,069	56.3	287,902	
Loans						
Public corporations and agencies	29,678	99.0	30,423	24.4	31,595	
Other public entities	312	1.0	23,985	19.3	24,534	
Subtotal	29,990	100.0	54,408	43.7	56,129	
Total	¥29,990	100.0%	¥124,477	100.0%	¥344,032	

82. Breakdown of Other Assets (General Account)

Fiscal year ended March 31	Millions of Yen				
	Acquisition cost	Increase in current period	Decrease in current period	Accumulated depreciation	Balance at end of current period
2008					
Deferred assets	¥ 7,069	¥ 1,322	¥ 52	¥ 3,945	¥ 4,394
Other	20,620	1,243	1,414	3,054	17,395
Total	¥ 27,690	¥ 2,566	¥ 1,466	¥ 6,999	¥ 21,789
2007					
Deferred assets	¥ 6,506	¥ 702	¥ 68	¥ 3,434	¥ 3,705
Other	22,760	919	3,059	2,981	17,639
Total	¥ 29,267	¥ 1,621	¥ 3,128	¥ 6,415	¥ 21,344
2006					
Leaseholds	¥147,054	¥ 316	¥59,706	¥ —	¥ 87,664
Intangible fixed assets	109,146	14,388	182	72,319	51,033
Deferred assets	6,514	198	46	3,220	3,445
Other	46,768	1,046	25,053	2,905	19,855
Total	¥309,483	¥15,949	¥84,988	¥78,444	¥161,999

SECURITIES INDICATORS (GENERAL ACCOUNT)

83. Market Value of Securities (General Account)

1. Net valuation gain/loss of trading securities

Millions of Yen						
As of March 31	2008		2007		2006	
	Carrying value on balance sheet	Net valuation gain/loss included in profits/loss	Carrying value on balance sheet	Net valuation gain/loss included in profits/loss	Carrying value on balance sheet	Net valuation gain/loss included in profits/loss
Trading securities	¥169,490	¥(44,750)	¥196,433	¥(2,815)	¥178,037	¥16,333

Notes: 1. Assets held in trust included in trading securities recorded on the balance sheets, and net valuation gain/loss included in profits/loss for the current period include net gain/loss related to derivative transactions.
2. Excludes cash, deposits and call loans within assets held in trust included in trading securities.

2. Market value information of securities (with market value, other than trading securities)

Millions of Yen										
As of March 31	2008					2007				
Types of securities	Book value	Market value	Gain/loss	Gain	Loss	Book value	Market value	Gain/loss	Gain	Loss
Policy-reserve-matching bonds	¥17,147,440	¥17,752,748	¥ 605,308	¥ 625,563	¥ (20,254)	¥17,252,365	¥17,515,888	¥ 263,522	¥ 343,500	¥ (79,977)
Held-to-maturity debt securities	40,019	40,162	142	171	(28)	83,763	83,420	(342)	16	(359)
Investments in subsidiaries and affiliates	54,454	70,526	16,072	16,072	—	54,454	103,650	49,195	49,195	—
Available-for-sale securities	12,168,901	15,745,289	3,576,387	3,866,354	(289,966)	11,633,528	18,804,346	7,170,818	7,218,034	(47,216)
Domestic bonds	335,066	338,525	3,458	3,538	(79)	192,403	193,969	1,566	1,688	(122)
Domestic stocks	4,796,200	8,000,890	3,204,690	3,363,417	(158,727)	4,629,397	11,035,208	6,405,811	6,437,499	(31,688)
Foreign securities	6,137,368	6,516,797	379,429	497,619	(118,189)	5,694,374	6,445,711	751,336	766,652	(15,315)
Foreign bonds	5,143,688	5,446,754	303,065	328,234	(25,168)	4,866,987	5,304,914	437,926	441,552	(3,625)
Foreign stocks and other securities	993,679	1,070,043	76,364	169,384	(93,020)	827,387	1,140,796	313,409	325,099	(11,689)
Other securities	288,155	276,872	(11,282)	1,685	(12,967)	303,087	315,154	12,066	12,146	(79)
Monetary receivables purchased	304,111	304,197	86	87	(1)	312,264	312,303	38	44	(5)
Negotiable deposits	308,000	308,005	5	5	(0)	502,000	501,998	(1)	4	(5)
Total	¥29,410,815	¥33,608,726	¥4,197,910	¥4,508,161	¥(310,250)	¥29,024,111	¥36,507,305	¥7,483,193	¥7,610,747	¥(127,553)
Domestic bonds	¥16,228,337	¥16,802,361	¥ 574,023	¥ 588,688	¥ (14,664)	¥16,373,619	¥16,620,462	¥ 246,843	¥ 322,354	¥ (75,510)
Domestic stocks	4,850,654	8,071,416	3,220,762	3,379,490	(158,727)	4,683,851	11,138,858	6,455,007	6,486,695	(31,688)
Foreign securities	6,356,382	6,732,025	375,643	498,784	(123,141)	5,836,449	6,587,582	751,133	767,165	(16,031)
Foreign bonds	5,362,702	5,661,981	299,279	329,399	(30,120)	5,009,061	5,446,785	437,723	442,065	(4,341)
Foreign stocks and other securities	993,679	1,070,043	76,364	169,384	(93,020)	827,387	1,140,796	313,409	325,099	(11,689)
Other securities	288,155	276,872	(11,282)	1,685	(12,967)	303,087	315,154	12,066	12,146	(79)
Monetary receivables purchased	1,379,285	1,418,044	38,759	39,507	(748)	1,325,103	1,343,247	18,143	22,382	(4,238)
Negotiable deposits	308,000	308,005	5	5	(0)	502,000	501,998	(1)	4	(5)

As of March 31	2006				
Types of securities	Book value	Market value	Gain/loss	Gain	Loss
Policy-reserve-matching bonds	¥16,724,613	¥16,808,437	¥ 83,823	¥ 260,102	¥(176,278)
Held-to-maturity debt securities	94,272	93,530	(742)	74	(817)
Investments in subsidiaries and affiliates	54,454	114,415	59,961	59,961	—
Available-for-sale securities	11,130,048	17,559,709	6,429,660	6,519,716	(90,055)
Domestic bonds	17,039	18,098	1,059	1,059	—
Domestic stocks	4,347,663	10,125,495	5,777,831	5,830,040	(52,208)
Foreign securities	5,075,419	5,707,491	632,072	669,248	(37,176)
Foreign bonds	4,343,439	4,705,632	362,192	386,019	(23,826)
Foreign stocks and other securities	731,979	1,001,859	269,879	283,229	(13,350)
Other securities	306,307	324,979	18,671	19,321	(649)
Monetary receivables purchased	651,617	651,643	25	41	(16)
Negotiable deposits	732,000	732,000	0	4	(3)
Total	¥28,003,389	¥34,576,092	¥6,572,703	¥6,839,854	¥(267,151)
Domestic bonds	¥15,842,655	¥15,926,419	¥ 83,763	¥ 252,960	¥(169,196)
Domestic stocks	4,402,118	10,239,910	5,837,792	5,890,001	(52,208)
Foreign securities	5,337,339	5,967,759	630,420	669,633	(39,213)
Foreign bonds	4,605,359	4,965,900	360,540	386,404	(25,863)
Foreign stocks and other securities	731,979	1,001,859	269,879	283,229	(13,350)
Other securities	306,307	324,979	18,671	19,321	(649)
Monetary receivables purchased	1,382,968	1,385,022	2,054	7,932	(5,878)
Negotiable deposits	732,000	732,000	0	4	(3)

Note: This table includes negotiable deposits and other items deemed appropriate for handling as securities under the Financial Instruments and Exchange Law of Japan.

83. Market Value of Securities (General Account), continued

2. Market value information of securities (with market value, other than trading securities), continued

Book value of securities without quoted market value

		Millions of Yen					
As of March 31		2008		2007		2006	
Policy-reserve-matching bonds		¥	—	¥	—	¥	—
Held-to-maturity debt securities			—		—		—
Unlisted foreign bonds			—		—		—
Other			—		—		—
Investments in subsidiaries and affiliates			294,101		295,777		282,803
Available-for-sale securities			738,887		529,625		510,592
Unlisted domestic stocks (excluding over-the-counter stocks)			171,852		168,879		268,035
Unlisted foreign stocks (excluding over-the-counter stocks)			410,623		225,640		101,146
Unlisted foreign bonds			—		—		—
Other			156,410		135,105		141,410
Total			¥1,032,988		¥825,403		¥793,396

Note: Of securities without quoted market value, net loss on foreign exchange valuation of assets denominated in foreign currencies were as follows:
As of as of March 31, 2008: ¥53,280 million; March 31, 2007: ¥7,089 million; and March 31, 2006: ¥10,642 million.

84. Data on Market Value of Assets Held in Trust (General Account)

		Millions of Yen		
As of March 31		2008	2007	2006
Assets held in trust	Carrying value on balance sheets	¥170,507	¥195,592	¥177,037
	Market value	¥170,507	¥195,592	177,037
	Net unrealized gain/loss	—	—	—
	Gain	—	—	—
	Loss	—	—	—

Notes: 1. Market value calculations are based on prices rationally calculated by the trustee of assets held in trust.
2. Amounts on the balance sheet include net gain/loss on derivatives transactions within assets held in trust.

Assets held in trust for investment

		Millions of Yen					
As of March 31		2008		2007		2006	
		Carrying value on balance sheets	Net valuation gain/loss included in profits/loss	Carrying value on balance sheets	Net valuation gain/loss included in profits/loss	Carrying value on balance sheets	Net valuation gain/loss included in profits/loss
Assets held in trust for investment		¥17,507	¥(44,744)	¥195,592	¥(2,821)	¥177,037	¥16,333

Note: The amounts on the balance sheets and net valuation gain/loss included in current period include net gain/loss on derivatives transactions.

Assets held-to-maturity/assets held for reserves/other assets held in trust

No data as there was not an ending balance from the 2005 fiscal year-end to the fiscal 2007 year-end.

85. Qualitative Information on Derivatives Transactions (General Account: Excludes Proprietary Trading Securities)

1. Transaction details

The following are derivatives transactions that we use:

Interest-related:	Interest futures, interest swaps, swaptions
Currency-related:	Exchange contracts, currency options, currency swaps
Stock-related:	stock price index futures, stock price index options, stock options
Bond-related:	Bond futures, bond futures options, bond sales with attached options

2. Policy

Given our goal of achieving efficient asset investment, we mainly use derivatives for the purpose of controlling investment risks.

3. Purpose

We mainly use derivatives to hedge and manage market risk exposures related to investment assets, in order to ensure stable profit from assets entrusted to us by our policyholders.

4. Risk details

The derivatives transactions we conduct involve market risks (fluctuations in interest rates, stock prices, currency exchange rates, etc.) and credit risks (transaction partner's inability to fulfill obligations due to bankruptcy, etc.). We recognize market risks as limited given that derivatives transactions are mainly for the purpose of controlling investment risks. In terms of credit risks, our transactions are through domestic and foreign financial instrument exchanges or with transaction counterparties with a high credit rating; thus, the risk of unfulfilled obligations remains low.

5. Risk management system

We established a system that maintains the necessary transaction limits for derivatives transactions based on the purpose and type of transaction. In addition, this system incorporates front office controls, whereby the back office confirms transaction details through collation with external vouchers. Furthermore, the system is designed such that the state of market risks is monitored and analyzed quantitatively; information on the amount of risk, as well as on position and the status of profits and loss, is reported periodically to the Investment Risk Management Committee.

6. Information regarding quantitative reports

(1) Supplementary explanation regarding notional amount (amount of contract)

The notional amounts for swap transactions and contract amounts of options transactions are nominal values related to interest conversions, etc., and not meant to indicate a level of risk amount.

The credit risk of derivatives transactions refers to latent costs required to restore market position in the event a transaction partner defaults. We calculate this risk using the current exposure method.

(2) Supplementary explanation regarding market price calculations

Futures and other market transactions:

Liquidation value or closing market price at year-end

Exchange contract and currency option:

We calculate theoretical values based on Time-to-Market (TTM) and discount rates obtained from brokers.

Interest swap transactions:

Theoretical present value calculated by discounting future cash flows based on published market interest rates.

(3) Supplementary explanation regarding transaction gain and loss

We mainly utilize derivatives transactions as a complementary measure in controlling market risks inherent in spot investments.

For example, yen-interest swap transactions are used to manage the risk of interest rate exposure associated with yen-interest assets such as bonds, loans and short-term loans. For risks related to interest rate fluctuations, not simply risks based on interest rate predictions, we implement controls that take into account insurance debt characteristics from the perspective of Asset/Liability Management (ALM).

Therefore, gain and loss from interest rate swaps cannot be evaluated individually but should be reviewed on a combined basis with the related yen-interest spot assets.

Similarly, foreign exchange forward contracts and currency options transactions are used mainly to hedge foreign currency exchange fluctuations; it is thus necessary to measure profits combined with foreign bonds, stocks and other foreign currency spot assets.

(4) Hedge accounting methods

Hedge accounting applied is the mark-to-market method, matching foreign exchange forward contracts with certain investment assets and special treatment for interest swap agreements. The effectiveness of hedging activities is mainly evaluated by ratio analysis to compare market value movements on the hedging instruments and the positions being hedged in accordance with the internal risk management policies.

86. Credit Risk Amounts (General Account)

As of March 31	2008		2007		2006		Millions of Yen
	Notional principal (contract amount)	Credit risk estimate	Notional principal (contract amount)	Credit risk estimate	Notional principal (contract amount)	Credit risk estimate	
Interest-rate swaps	¥ 105,100	¥ 422	¥ 205,100	¥ 829	¥ 325,100	¥ 1,661	
Currency swaps	567	42	4,862	373	3,947	308	
Foreign exchange forward contracts	2,848,958	80,702	2,118,334	21,451	2,232,710	25,514	
Currency options (purchase)	824,160	37,264	720,105	7,240	674,647	11,445	
Total	¥3,778,785	¥118,432	¥3,048,402	¥29,894	¥3,236,405	¥38,929	

Note: Excludes currency-related derivatives corresponding to debts and credits denominated in foreign currencies.

87. Market Value of Derivatives Transactions, Combined Total with and without Hedge Accounting Applied (General Account)

1. Product Securities Account

Bond related

No data as there was not an ending balance from the 2005 fiscal year-end to the 2007 fiscal year-end.

2. General Account (excluding trading securities)

(1) Breakdown of gain and loss, with and without hedge accounting applied

						Millions of Yen	
		Interest	Currencies	Stocks	Bonds	Other	Total
As of March 31		2008					
Hedge accounting applied		¥ 248	¥14,520	¥—	¥—	¥—	¥14,769
Hedge accounting not applied		(19)	21,622	—	—	—	21,603
Total		¥ 229	¥36,143	¥—	¥—	¥—	¥36,372
As of March 31		2007					
Hedge accounting applied		¥ 81	¥(45,106)	¥—	¥—	¥—	¥(45,024)
Hedge accounting not applied		(110)	(3,090)	—	—	—	(3,200)
Total		¥ (29)	¥(48,196)	¥—	¥—	¥—	¥(48,225)
As of March 31		2006					
Hedge accounting applied		¥ (43)	¥(19,279)	¥—	¥—	¥—	¥(19,323)
Hedge accounting not applied		(225)	(1,252)	—	—	—	(1,478)
Total		¥(269)	¥(20,532)	¥—	¥—	¥—	¥(20,801)

Note: Net gain/loss from applying the mark-to-market hedge accounting included in gain and loss on hedge accounting applied, and net gain/loss included in hedge accounting applied other than deferred gain to be amortized from the discontinuation of hedge accounting are recorded on the statements of income.

(2) Breakdown of interest-rate related derivative transactions

				Millions of Yen		
As of March 31				2008	2007	2006
Over-the-counter	Interest-rate swap	Variable interest-rate payment	Contract amount	¥55,100	¥105,100	¥175,100
			Over 1 year	5,100	55,100	105,100
			Market value	186	(163)	(560)
		Gain/loss	186	(163)	(560)	
		Variable interest-rate receipt	Contract amount	50,000	100,000	150,000
			Over 1 year	—	50,000	100,000
	Market value		42	134	291	
	Fixed interest-rate payment	Contract amount	—	—	—	
		Over 1 year	—	—	—	
		Market value	—	—	—	
	Total		Net gain/loss	¥ 229	¥ (29)	¥ (269)

Note: Gain/loss shows the current market value or present value of swap transactions.

87. Market Value of Derivatives Transactions, Combined Total with and without Hedge Accounting Applied (General Account), continued

(2) Breakdown of interest-rate related derivative transactions, continued
(Reference) Interest-rate swap contracts by maturity

								Millions of Yen, %
								2008
	1 year or under	Due after 1 year through 3 years	Due after 3 years through 5 years	Due after 5 years through 7 years	Due after 7 years through 10 years	Due after 10 years	Total	
As of March 31								
Notional amount								
(receipts fixed/payments variable)	¥50,000	¥ —	¥ —	¥ —	¥5,100	¥ —	¥ 55,100	
Average fixed rate (receipt)	0.49%	—%	—%	—%	1.96%	—%	0.62%	
Average variable rate (payment)	0.97	—	—	—	0.90	—	0.96	
Notional amount								
(payments fixed/receipts variable)	¥50,000	¥ —	¥ —	¥ —	¥ —	¥ —	¥ 50,000	
Average fixed rate (payment)	0.64%	—%	—%	—%	—%	—%	0.64%	
Average variable rate (receipt)	0.97	—	—	—	—	—	0.97	
As of March 31								
2007								
Notional amount								
(receipts fixed/payments variable)	¥50,000	¥ 50,000	¥ —	¥ —	¥5,100	¥ —	¥105,100	
Average fixed rate (receipt)	0.36%	0.49%	—%	—%	1.96%	—%	0.50%	
Average variable rate (payment)	0.63	0.63	—	—	0.57	—	0.63	
Notional amount								
(payments fixed/receipts variable)	¥50,000	¥ 50,000	¥ —	¥ —	¥ —	¥ —	¥100,000	
Average fixed rate (payment)	0.47%	0.64%	—%	—%	—%	—%	0.56%	
Average variable rate (receipt)	0.63	0.63	—	—	—	—	0.63	
As of March 31								
2006								
Notional amount								
(receipts fixed/payments variable)	¥70,000	¥100,000	¥ —	¥ —	¥2,000	¥3,100	¥175,100	
Average fixed rate (receipt)	1.11%	0.42%	—%	—%	1.92%	1.99%	0.74%	
Average variable rate (payment)	0.08	0.08	—	—	0.11	0.11	0.08	
Notional amount								
(payments fixed/receipts variable)	¥50,000	¥100,000	¥ —	¥ —	¥ —	¥ —	¥150,000	
Average fixed rate (payment)	0.34%	0.56%	—%	—%	—%	—%	0.48%	
Average variable rate (receipt)	0.08	0.08	—	—	—	—	0.08	

(3) Currency-related

								Millions of Yen
As of March 31								
Over-the-counter	Foreign exchange forward contracts	Sold			2008	2007	2006	
			U.S. Dollar	Contract amount	¥2,606,198	¥1,626,636	¥1,166,505	
				Over 1 year	277,312	—	—	
				Market value	2,593,209	1,639,030	1,166,225	
				Net gain/loss	12,988	(12,394)	280	
			Euro	Contract amount	41,499	374,460	832,125	
				Over 1 year	—	—	—	
				Market value	40,892	406,467	850,888	
				Net gain/loss	607	(32,006)	(18,762)	
			Net, including others	Contract amount	2,658,436	2,024,052	2,131,986	
				Over 1 year	277,312	—	—	
				Market value	2,644,662	2,069,244	2,151,341	
				Net gain/loss	13,774	(45,191)	(19,354)	
		Purchased	U.S. Dollar	Contract amount	200,498	28,711	81,353	
				Over 1 year	—	—	—	
				Market value	201,613	28,789	81,369	
				Net gain/loss	1,115	78	15	
			Euro	Contract amount	2,047	20,324	—	
				Over 1 year	—	—	—	
				Market value	2,057	20,300	—	
				Net gain/loss	9	(24)	—	
			Net, including others	Contract amount	203,170	49,036	81,353	
				Over 1 year	—	—	—	
				Market value	204,296	49,090	81,369	
				Net gain/loss	1,126	53	15	

87. Market Value of Derivatives Transactions, Combined Total with and without Hedge Accounting Applied (General Account), continued

(3) Currency-related, continued

As of March 31					2008	2007	2006	
Over-the-counter	Currency option	Sold	Call	U.S. Dollar	Contract amount	¥ 110,209	¥ 365,955	¥ 411,145
					Over 1 year	[121]	[339]	[1,139]
					Market value	—	—	—
					Net gain/loss	153	238	344
						(31)	100	795
				Euro	Contract amount	—	—	28,562
					Over 1 year	—	—	[121]
					Market value	—	—	—
					Net gain/loss	—	—	45
						—	—	76
				Net, including others	Contract amount	110,209	365,955	439,707
					Over 1 year	[121]	[339]	[1,261]
					Market value	—	—	—
					Net gain/loss	153	238	389
						(31)	100	872
				Put	U.S. Dollar	Contract amount	—	—
					Over 1 year	—	—	—
					Market value	—	—	—
					Net gain/loss	—	—	—
				Euro	Contract amount	—	—	—
					Over 1 year	—	—	—
					Market value	—	—	—
					Net gain/loss	—	—	—
				Net, including others	Contract amount	—	—	—
					Over 1 year	[—]	[—]	[—]
					Market value	—	—	—
					Net gain/loss	—	—	—
				Purchased	Call	U.S. Dollar	Contract amount	—
					Over 1 year	—	—	—
					Market value	—	—	—
					Net gain/loss	—	—	—
				Euro	Contract amount	—	—	—
					Over 1 year	—	—	—
					Market value	—	—	—
					Net gain/loss	—	—	—
				Net, including others	Contract amount	—	—	—
					Over 1 year	[—]	[—]	[—]
					Market value	—	—	—
					Net gain/loss	—	—	—
				Put	U.S. Dollar	Contract amount	551,045	720,105
					Over 1 year	[11,251]	[5,025]	646,085
					Market value	60,114	—	117,470
					Net gain/loss	[2,462]	[—]	[2,637]
					Market value	33,504	1,857	3,319
					Net gain/loss	22,253	(3,167)	(1,970)
				Euro	Contract amount	253,104	—	28,562
					Over 1 year	[5,202]	[—]	[115]
					Market value	94,914	—	—
					Net gain/loss	[2,876]	[—]	[—]
					Market value	3,805	—	8
					Net gain/loss	(1,396)	—	(106)
				Net, including others	Contract amount	824,160	720,105	674,647
					Over 1 year	155,028	[5,025]	[5,404]
					Market value	[5,338]	[—]	[2,637]
					Net gain/loss	38,055	1,857	3,327
						21,279	(3,167)	(2,077)
				Currency Swap	U.S. Dollar	Contract amount	567	4,862
					Over 1 year	567	4,862	3,947
					Market value	(4)	8	12
					Net gain/loss	(4)	8	12
				Net, including others	Contract amount	567	4,862	3,947
					Over 1 year	567	4,862	3,947
					Market value	(4)	8	12
					Net gain/loss	(4)	8	12
				Total	Net gain/loss	¥ 36,143	¥ (48,196)	¥ (20,532)

Notes: 1. Brackets show option fees recorded on the balance sheets. However, these option fees include commitments made as of the balance sheet date.

2. Net gain/loss shows the difference between the contract amount and market value for forward agreements, the difference between option fees and market value for options transactions, and the current market value for swap transactions.

87. Market Value of Derivatives Transactions, Combined Total with and without Hedge Accounting Applied (General Account), continued

(4) Stock-related

No data as there was not an ending balance from the 2005 fiscal year-end to the fiscal 2007 year-end.

(5) Bond-related

No data as there was not an ending balance from the 2005 fiscal year-end to the fiscal 2007 year-end.

(6) Other

No data as there was not an ending balance from the 2005 fiscal year-end to the fiscal 2007 year-end.

Securitized Product Investments and Subprime-Related Investments

U.S. subprime-related investments and investments in securitized products in fiscal 2007 were as follows.

- There were no direct investments in subprime-related products and there were no realized gains or losses related to such products during or at the end of the fiscal period.
- The majority of securitized products were domestic residential mortgage-backed securities (RMBS), primarily Housing Finance Agency Bonds, and U.S. agency mortgage-backed securities (MBS), and the impact on prices caused by financial market disarray was immaterial.
- Total securitized products had unrealized capital gains and no loss on valuation from impairment losses was recorded.

[Investments in Securitized Products]

	100 Millions of Yen		
	Market value	Unrealized gains (losses)	Gain (loss) on sales
Collateralized debt obligation (CDO)	¥ 318	¥(120)	¥ (0)
ABS-CDO	67	0	—
Synthetic CDO	248	(121)	—
Collateralized loan obligation (CLO)	1	(0)	(0)
Domestic commercial mortgage-backed securities (CMBS)	582	(1)	—
Other securitized products, etc.	43,055	884	(117)
Asset-backed securities (ABS)	42,854	884	(117)
Domestic RMBS	17,908	479	(2)
U.S. RMBS	21,621	402	(112)
Credit-linked note	200	0	—
Total	¥43,955	¥ 762	¥(117)

Notes: 1. A loss on sale was incurred due to the reshuffling of the portfolio.

2. Backed assets and the ranking of each investment product is disclosed on our website.

3. Aside from the above, investments were made in subprime and Alt-A-related securitized products including some investment trusts and hedge funds. The exposure, which was calculated from the allocation ratio to the fund, was approximately ¥2.3 billion, and total indirect investment including subsidiaries amounted to approximately ¥3.0 billion. There were no realized gains related to these.

The report of the Financial Stability Forum about the impact resulting from recent financial market disarray is posted on our website. For further details, please see our website at:

➔ http://www.nissay.co.jp/okofficial/news/2008/20080530_c.html

SEPARATE ACCOUNT INDICATORS

About the General Account and Separate Account

A life insurance company classifies and manages its assets in two accounts, the separate account and the general account.

Individual variable insurance, individual variable annuities and certain group annuities, which change in terms of insurance amount and accumulated value based on investment performance in assets, are managed as a separate account with a clear division from the general account.

88. Separate Account Asset Balance

As of March 31	2008		2007		2006
	Millions of Yen	%	Millions of Yen	%	Millions of Yen
Individual variable insurance	¥ 150,319	8.1%	¥ 185,609	8.1%	¥ 189,054
Individual variable annuities	213,115	11.5	256,718	11.3	251,724
Group annuities	1,496,836	80.5	1,836,884	80.6	1,893,728
Separate account total	¥1,860,271	100.0%	¥2,279,213	100.0%	¥2,334,507

89. Status of Separate Account Assets for Individual Variable Insurance

In fiscal 2007, following the impact of declining overseas stock prices and an appreciating yen against the dollar on the back of the sub-prime problem in the United States, domestic stocks declined sharply (a 27.55% drop against the Nikkei Stock Average) from the second half of July. Under these investment conditions, the fiscal 2007 investment yield for individual variable insurance declined 15.25%.

This also represented an increase of 53.23% (2.01% on an annualized basis) in investment yield in comparison with November 1, 1986, when investment was first undertaken.

In individual variable annuities, we continued our investment policy of holding a certain amount of cash and deposits to prepare for changes in insurance policies, while maintaining in principle a high allocation ratio in investment trusts, the main investment vehicle for the separate account.

Regarding Investment Return on the Separate Account for Individual Variable Insurance

The investment return on the separate account for individual variable insurance reflects growth rates on premiums received from policyholders, less portions allocated for death protection, and is not total insurance premiums.

STATUS OF SEPARATE ACCOUNT FOR INDIVIDUAL VARIABLE INSURANCE

90. Amounts of Policies in Force (Separate Account for Individual Variable Insurance)

As of March 31	Number of Policies, Millions of Yen					
	2008		2007		2006	
	Policies	Value	Policies	Value	Policies	Value
Variable life insurance (defined term type)	2,955	¥ 15,638	3,394	¥ 18,205	3,683	¥ 20,063
Variable life insurance (whole life type)	39,603	645,458	40,553	672,814	41,510	701,083
Total	42,558	¥661,097	43,947	¥691,019	45,193	¥721,147

Note: Amounts include term life insurance riders.

91. Breakdown of Separate Account Assets Year-End Balance (Individual Variable Insurance)

As of March 31	Millions of Yen, %					
	2008		2007		2006	
	Value	%	Value	%	Value	%
Cash, deposits and call loans	¥ 11,002	7.3%	¥ 9,017	4.9%	¥ 6,011	
Securities	129,905	86.4	167,549	90.3	173,566	
Domestic bonds	30,276	20.1	38,083	20.5	39,660	
Domestic stocks	51,957	34.6	73,272	39.5	75,962	
Foreign securities	47,670	31.7	56,193	30.3	57,943	
Foreign bonds	18,309	12.2	17,345	9.3	17,512	
Foreign stocks and other securities	29,361	19.5	38,848	20.9	40,431	
Other securities	—	—	—	—	—	
Loans receivable	—	—	—	—	—	
Other	9,411	6.3	9,042	4.9	9,476	
Allowance for doubtful accounts	—	—	—	—	—	
Total	¥150,319	100.0%	¥185,609	100.0%	¥189,054	

92. Investment Income from Separate Account (Individual Variable Insurance)

Fiscal years ended March 31	Millions of Yen		
	2008	2007	2006
Interest, dividends and other income	¥ 3,416	¥ 3,161	¥ 2,993
Gain on sales of securities	9,948	15,511	10,448
Gain from redemption of securities	—	—	—
Gain on valuation of securities	(18,358)	(7,673)	20,469
Foreign exchange gain, net	—	26	17
Gain from derivative financial instruments	—	359	347
Other income	4	1	2
Loss on sales of securities	4,768	5,040	2,595
Loss from redemption of securities	10	22	19
Loss on valuation of securities	13,971	(1,286)	(1,473)
Foreign exchange loss, net	0	—	—
Loss from derivative financial instruments	1,499	—	—
Other expenses	1	7	2
Net income	¥(25,242)	¥ 7,603	¥33,134

Notes: 1. Investment income and investment expenses related to the separate account are recorded on the statements of income as gain/loss from separate account, net.
2. The net gain/loss on valuation of securities contains reversal for net gain/loss on valuation of securities from the previous fiscal year.

93. Data on Market Value of Securities in Separate Account (Individual Variable Insurance)

Net valuation gain/loss on trading securities

As of March 31	2008		2007		2006	
	Carrying value on balance sheet	Net valuation gain/loss included in profits/loss	Carrying value on balance sheet	Net valuation gain/loss included in profits/loss	Carrying value on balance sheet	Net valuation gain/loss included in profits/loss
Trading securities	¥129,905	¥(32,330)	¥167,549	¥(6,386)	¥173,566	¥21,943

Millions of Yen

94. Data on Market Value of Assets Held in Trust in Separate Account (Individual Variable Insurance)

No data as there was not an ending balance from the 2005 fiscal year-end to the fiscal 2007 year-end.

95. Qualitative Information on Derivatives Transactions (Separate Account for Individual Variable Insurance)

1. Transaction details

The following derivative transactions are currently used in the separate account.

Currency related: Foreign exchange contract transactions

Stock related: Stock index futures transactions

2. Policy

Derivative transactions are used as complementary instruments with the aim of efficient asset investment, and are not used for speculative purposes to gain profit.

3. Purpose

Derivatives transactions are used to hedge against market risks that relate to assets held.

4. Risk detail

Derivatives transactions conducted in the separate account are exposed to market risk (price fluctuation and foreign exchange risks). With respect to credit risk, our transactions are implemented through domestic exchange

markets or counterparties with high credit ratings, so that the credit risk is extremely low.

5. Risk management system

Transaction execution is governed by internal rules such as limitations on transaction amounts. Transactions are executed under a framework including front office and back office functions, where the back office is completely separated from the front office and confirms transactions by verifying external vouchers.

6. Supplementary explanation of quantitative information

Market transactions such as futures transactions use liquidation value or settlement prices to determine market value.

Foreign exchange contracts use theoretical prices calculated by Nippon Life as based on reference prices, such as TTM and discount rates, matched to certain credits and debits denominated in foreign currencies.

As for derivatives transactions for the separate account for individual variable insurance, we do not apply hedge accounting.

96. Qualitative Data on Derivatives Transactions, Combined Total with and without Hedge Accounting Applied (Separate Account for Individual Variable Insurance)

1. Breakdown of Separate Account gain/loss, with and without hedge accounting applied

As of March 31	Millions of Yen					
	Interest	Currencies	Stocks	Bonds	Other	Total
2008						
Hedge accounting applied	¥—	¥—	¥—	¥—	¥—	¥—
Hedge accounting not applied	—	(1)	(53)	—	—	(55)
Total	¥—	¥ (1)	¥ (53)	¥—	¥—	¥ (55)
2007						
Hedge accounting applied	¥—	¥—	¥—	¥—	¥—	¥—
Hedge accounting not applied	—	17	72	—	—	89
Total	¥—	¥ 17	¥ 72	¥—	¥—	¥ 89
2006						
Hedge accounting applied	¥—	¥—	¥—	¥—	¥—	¥—
Hedge accounting not applied	—	3	128	—	—	131
Total	¥—	¥ 3	¥128	¥—	¥—	¥131

Note: The net gain/loss on separate account without hedge accounting applied is recorded in the statements of income.

2. Interest rate-related

No data as there was not an ending balance from the 2005 fiscal year-end to the fiscal 2007 year-end.

96. Qualitative Data on Derivatives Transactions, Combined Total with and without Hedge Accounting Applied (Separate Account for Individual Variable Insurance), continued

3. Currency-related

As of March 31				2008	2007	2006	
Over-the-counter	Currency options	Sold		Millions of Yen			
		U.S. Dollar	Contract amount	¥ 790	¥1,300	¥1,303	
			Over 1 year	—	—	—	
			Market value	801	1,308	1,304	
			Net gain/loss	(10)	(8)	(1)	
		Euro	Contract amount	1,139	434	67	
			Over 1 year	—	—	—	
			Market value	1,156	438	67	
			Net gain/loss	(17)	(4)	(0)	
		British Pound	Contract amount	1,097	20	764	
			Over 1 year	—	—	—	
			Market value	1,105	20	765	
			Net gain/loss	(7)	(0)	(1)	
		Other, net	Contract amount	3,367	1,754	2,135	
			Over 1 year	—	—	—	
			Market value	3,411	1,767	2,138	
			Net gain/loss	(43)	(12)	(3)	
		Purchased	U.S. Dollar	Contract amount	1,142	849	915
			Over 1 year	—	—	—	
			Market value	1,153	860	914	
			Net gain/loss	10	10	(0)	
		Euro	Contract amount	2,190	232	1,109	
			Over 1 year	—	—	—	
			Market value	2,222	240	1,116	
			Net gain/loss	31	8	7	
		Canadian Dollar	Contract amount	—	436	—	
			Over 1 year	—	—	—	
			Market value	—	445	—	
			Net gain/loss	—	9	—	
		Other, net	Contract amount	3,333	1,714	2,172	
			Over 1 year	—	—	—	
			Market value	3,375	1,744	2,178	
			Net gain/loss	42	29	6	
		Total	Net gain/loss	¥ (1)	¥ 17	¥ 3	

Note: The net gain/loss shows the difference between contract amount and market value for forward transactions.

4. Stock-related

As of March 31				2008	2007	2006
Stock exchange	Stock index futures	Sold		Millions of Yen		
			Contract amount	¥ —	¥ —	¥ —
			Over 1 year	—	—	—
			Market value	—	—	—
			Net gain/loss	—	—	—
		Purchased	Contract amount	6,604	4,716	1,582
			Over 1 year	—	—	—
			Market value	6,551	4,789	1,710
			Net gain/loss	(53)	72	128
		Total	Net gain/loss	¥ (53)	¥ 72	¥ 128

Note: The net gain/loss shows the difference between contract amount and market value for forward transactions.

5. Bond-related

No data as there was not an ending balance from the 2005 fiscal year-end to the fiscal 2007 year-end.

6. Other

No data as there was not an ending balance from the 2005 fiscal year-end to the fiscal 2007 year-end.

STATUS OF SEPARATE ACCOUNT FOR INDIVIDUAL ANNUITIES

97. Amounts of Policies in Force (Separate Account for Individual Variable Annuities)

As of March 31	Number of Policies, Millions of Yen					
	2008		2007		2006	
	Policies	Value	Policies	Value	Policies	Value
Individual variable annuities	30,304	¥212,931	30,693	¥256,697	29,067	¥251,710

Note: Amounts represent policy reserve.

98. Breakdown of Separate Account Assets Year-End Balance (Separate Account for Individual Variable Annuities)

As of March 31	Millions of Yen, %					
	2008		2007		2006	
Cash, deposits and call loans	¥ 2,000	0.9%	¥ 4,000	1.6%	¥ 7,000	
Securities	205,101	96.2	246,502	96.0	237,996	
Domestic bonds	28,823	13.5	29,974	11.7	28,203	
Domestic stocks	—	—	—	—	—	
Foreign securities	—	—	—	—	—	
Foreign bonds	—	—	—	—	—	
Foreign stocks and other securities	—	—	—	—	—	
Other securities	176,278	82.7	216,528	84.3	209,792	
Loan receivables	—	—	—	—	—	
Other	6,013	2.8	6,215	2.4	6,728	
Allowance for doubtful accounts	—	—	—	—	—	
Total	¥213,115	100.0%	¥256,718	100.0%	¥251,724	

99. Investment Income from Separate Account (Separate Account for Individual Variable Annuities)

Fiscal years ended March 31	Millions of Yen		
	2008	2007	2006
Interest, dividends and other income	¥ 6,222	¥ 7,896	¥ 6,032
Gain on sales of securities	52	45	54
Gain from redemption of securities	—	—	—
Gain on valuation of securities	(35,005)	(2,254)	35,184
Foreign exchange, net	—	—	—
Gain from derivative financial instruments	—	—	—
Other income	1	0	0
Loss on sales of securities	82	102	74
Loss from redemption of securities	—	—	—
Loss on valuation of securities	2,059	(88)	(619)
Foreign exchange, net	—	—	—
Loss from derivative financial instruments	—	—	—
Other expenses	0	0	—
Net income	¥(30,871)	¥ 5,673	¥41,817

Notes: 1. Investment income and investment expenses related to the separate account are recorded in income as gain/loss from separate account, net.

2. Net gain/loss on valuation of securities contains reversal for net gain/loss on valuation of securities from the previous year.

100. Market Value of Securities in Separate Account (Separate Account for Individual Variable Annuities)

Net valuation gain/loss on trading securities

As of March 31	Millions of Yen					
	2008		2007		2006	
	Carrying value on balance sheet	Net valuation gain/loss included in profits/loss	Carrying value on balance sheet	Net valuation gain/loss included in profits/loss	Carrying value on balance sheet	Net valuation gain/loss included in profits/loss
Trading securities	¥205,101	¥(37,065)	¥246,502	¥(2,166)	¥237,996	¥35,803

101. Market Value of Assets Held in Trust in Separate Account (Separate Account for Individual Variable Annuities)

No data as there was not an ending balance from the 2005 fiscal year-end to the fiscal 2007 year-end.

102. Qualitative Data on Derivatives Transactions in Separate Account (Separate Account for Individual Variable Annuities)

No data as there was not an ending balance from the 2005 fiscal year-end to the fiscal 2007 year-end.

103. Data on Market Value of Derivatives Transactions in Separate Account, Combined Total with and without Hedge Accounting Applied (Separate Account for Individual Variable Annuities)

No data as there was not an ending balance from the 2005 fiscal year-end to the fiscal 2007 year-end.

STATUS OF SEPARATE ACCOUNT FOR GROUP ANNUITIES

104. Separate Account Assets by Product (Separate Account for Group Annuities)

As of March 31	Millions of Yen		
	2008	2007	2006
Separate account 1st treaty	¥1,398,734	¥1,733,152	¥1,797,140
Comprehensive account	1,024,429	1,296,855	1,348,966
Account by investment categories	374,305	436,296	448,173
Separate account 2nd treaty	90,453	97,438	92,959
Defined contribution pension plans	7,648	6,294	3,627
Total	¥1,496,836	¥1,836,884	¥1,893,728

Notes: Separate account 1st treaty: Joint management of several pension funds and qualified retirement pension funds

Comprehensive account: Balanced portfolio management

Account by investment categories: Investments made in specific assets for closer matching with customer needs

Separate account 2nd treaty: Independent management of annuity assets for each customer

Defined contribution pension plans: Jointly managed funds for defined contribution pensions

105. Status of First Treaty—Comprehensive Account (Separate Account for Group Annuities)

1. Asset management principles and fiscal 2007 performance

Asset management principles

The comprehensive account aims to achieve a balanced portfolio, with goals of moderate-risk, moderate-return. Based on the standard asset allocation* used to benchmark asset allocation over the medium to long term, we make adjustments to asset allocation in response to changes in domestic and foreign financial and economic developments. At the same time, we aim to improve total profitability through appropriate risk management for each asset.

*Note: Standard asset allocation refers to that asset allocation considered best based on a medium- to long-term investment period under a certain degree of risk tolerance.

Performance in fiscal 2007

A sharp decrease in domestic stock prices (with TOPIX falling nearly 29%) and the sharp appreciation of the yen against the dollar (an approximate increase of ¥19 against the dollar) led to poor investment performance of overseas stocks (domestic stocks: -27.60%; foreign stocks: -14.06%). Under these investment conditions, the fiscal 2007 investment yield (unit price fluctuation) dropped 14.44%.

2. Asset allocation in fiscal year 2007 (Comprehensive Account)

	Standard asset allocation	Asset allocation results (Fiscal years ended March 31)					Asset management results compared with standard asset allocation
		2008				2007	
		End of Mar.	End of Dec.	End of Sept.	End of June	End of Mar.	
Yen denominated bonds, etc.	30.0%	26.0%	24.0%	21.0%	24.5%	23.3%	We distributed less than the old standard early in the fiscal year. Later, distribution was decreased significantly compared with the old standard. The fourth-quarter distribution was less than the new standard.
Yen denominated stocks	35.0	37.3	40.4	41.7	41.9	41.6	Distribution was more than the old standard at the start of the fiscal year, but we took a higher position compared with the old standard in the second quarter. In fourth quarter, we also took a higher position compared with the new standard.
Foreign currency denominated bonds	12.0	12.9	10.8	11.2	9.9	9.8	We started the fiscal year with a lower position than the old standard, but took a higher position compared with the new standard in the fourth quarter.
Foreign currency denominated stocks	20.0	19.6	22.7	23.2	20.9	22.0	We started the fiscal year with a higher position than the old standard, but took a position equivalent to the new standard in the fourth quarter.
Call loans and other short term assets	3.0	4.3	2.1	3.0	2.9	3.4	—
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	—

3. Movement of market value balance by asset type (Comprehensive Account)

As of March 31	Millions of Yen		
	2008	2007	2006
	Market value	Market value	Market value
Yen denominated bonds, etc.	¥256,503	¥ 300,974	¥ 316,079
Yen denominated bonds	256,503	300,974	316,079
Convertible bonds	—	—	—
Yen denominated stocks	368,422	537,909	551,116
Foreign currency denominated bonds	127,277	126,388	130,708
Foreign currency denominated stocks	193,400	283,742	292,296
Call loans and other short term assets	42,266	43,381	46,078
Total	¥987,868	¥1,292,394	¥1,336,277

4. Investment return ratio (Comprehensive Account)

Fiscal years ended March 31	%		
	2008	2007	2006
Unit price fluctuation	(14.44)%	4.43%	21.08%

106. Status of First Treaty—Accounts by Investment Category (Separate Account for Group Annuities)

1. Asset management principles and fiscal 2007 performance (accounts by investment categories)

1. Domestic bond accounts

• Asset management principals

We make necessary adjustments to bring our portfolio mix in line with benchmarks for duration, maturity structure and portfolio diversification. We minimize credit and liquidity risk by investing primarily in investment-grade securities.

Benchmark: Nomura Bond Performance Index (overall)

• Performance in fiscal 2007

After starting with a portfolio duration shorter than market benchmarks, we carefully watched long-term interest rates, domestic and overseas economic trends and financial authorities in various countries and made flexible adjustments throughout the fiscal year.

2. Domestic equities accounts

• Asset management principals

Our stock selection process emphasizes the analysis of fundamentals, and we make adjustments as necessary to bring our portfolio mix in line with market benchmarks.

Benchmark: TOPIX (dividends included)

• Performance in fiscal 2007

Based on analysis of medium- and long-term growth prospects through our stock valuation system (SVS), we worked to add stocks with projected high returns into our portfolio.

3. OTC/small-cap equities accounts

• Asset management principles

Our stock selection process emphasizes the analysis of fundamentals, and we make necessary adjustments to keep our portfolio in line with benchmarks for portfolio mix and market diversification. Our primary investment targets are yen-denominated small-cap equities listed on the first section of the Tokyo Stock Exchange (TSE) and yen-denominated equities not listed on the first section of the TSE.

Benchmark: Russell/Nomura Japan stock index (small-cap index)

• Performance in fiscal 2007

We shifted our stock selection process to a focus on earnings outlook and undervalued shares with anticipated high returns.

4. Foreign bond accounts

• Asset management principles

We made adjustments as necessary to keep our portfolio in line with benchmarks for duration, country mix and currency mix. As a means of minimizing credit risk, country risk and liquidity risk, we invest mainly in bonds of leading industrialized nations.

Benchmark: Citigroup Global Bond Index (excluding Japan, yen-based)

• Performance in fiscal 2007

Throughout the fiscal year, we made flexible adjustments to the duration. In terms of country mix, we underweighted the U.S. dollar securities through the third quarter and overweighted sterling securities through the fourth quarter. As for the currency mix, we made flexible adjustments throughout the fiscal year, overweighting the U.S. dollar against the euro after the second quarter.

5. Foreign bond accounts with currency hedging

• Asset management principles

We make any necessary adjustments to keep our portfolio in line with benchmarks for duration and country mix. As a means of minimizing credit risk, country risk and liquidity risk, we invest mainly in bonds of leading industrialized nations. In principle, we use currency hedges as a means of avoiding currency risk.

Benchmark: Citigroup World Government Bond Index (excluding Japan, yen-hedge basis)

• Performance in fiscal 2007

Throughout the fiscal year, we made flexible adjustments to the portfolio duration. In terms of country mix, we overweighted the U.S. dollar securities through the third quarter and overweighted sterling securities through the fourth quarter.

6. Foreign equities accounts

• Asset management principles

Our stock selection process emphasizes analysis of fundamentals, and we make adjustments, as necessary, to bring our portfolio mix in line with market benchmarks for country mix, currency mix and industry sector mix.

Benchmark: Morgan Stanley Capital International Kokusai Index (dividend reinvestment, yen-basis, excluding withholding tax)

• Performance in fiscal 2007

A breakdown by region shows that in the first half we underweighted North American securities through the third quarter, but overweighted North American and underweighted European securities in the fourth quarter. A breakdown by industry/sector shows flexible distribution. In selecting individual stocks, we shifted to stocks with the potential of high returns based on an analysis of medium- to long-term performance utilizing our Stock Valuation System (SVS).

7. Money market accounts

• Asset management principles

These accounts are invested in call loans, deposits and other short-term financial instruments, with the aim of achieving stable income gain.

Benchmark: Weighted average of unsecured call loan (overnight) rates

• Performance in fiscal 2007

In the interest of maintaining liquidity and in pursuit of stable earnings, we invested mainly in three-month short-term government securities.

2. Market value breakdown by investment category

As of March 31	Millions of Yen		
	2008	2007	2006
	Market value	Market value	Market value
Domestic bond accounts	¥164,822	¥150,811	¥155,842
Convertible bond accounts	—	—	—
Domestic stock accounts	75,119	121,556	125,465
OTC/small-cap equities accounts	1,104	3,914	5,267
Foreign bond accounts	47,344	58,599	53,668
Foreign bond accounts with currency hedging	1,268	13,823	12,099
Foreign equities accounts	36,860	57,539	51,766
Emerging company stock accounts	—	—	—
Money market accounts	21,991	20,742	35,776
Total	¥348,509	¥426,983	¥439,883

3. Investment return ratio (investment specific)

Fiscal years ended March 31	%		
	2008	2007	2006
	Unit price fluctuation	Unit price fluctuation	Unit price fluctuation
Domestic bond accounts	2.68%	1.81%	(1.38)%
Convertible bond accounts	—	—	—
Domestic stock accounts	(29.20)	(4.41)	49.86
OTC/small-cap equities accounts	(24.47)	(21.43)	45.53
Foreign bond accounts	0.32	9.69	7.01
Foreign bond accounts with currency hedging	2.18	(0.94)	(0.93)
Foreign stock accounts	(16.06)	17.20	30.54
Emerging company stock accounts	—	—	—
Money market accounts	0.56	0.23	0.02

STATUS OF FINANCIAL ASSETS (CONSOLIDATED)

107. Nippon Life Group Performance

Performance Overview in Fiscal Year under Review

In the fiscal year under review, the Japanese economy, while slowing down through the end of the year, continued to show moderate growth. Corporate earnings remained high, but sluggish growth and weak capital investments and household spending were seen.

Under these economic conditions, the Nippon Life Group unified its efforts and concentrated on improving services and developing products to provide customers with the finest in comprehensive insurance services. Specifically, we took the following measures in the four fields of life insurance, non-life insurance, asset management and information systems.

The Nippon Life Group has 12 consolidated subsidiaries and 4 equity method affiliates. (See p. 73)

• Non-Life Insurance Field

As a part of providing comprehensive insurance services, Nippon Life continued to promote the sale of non-life insurance in the individual market through sales representatives acting as agents of Nissay Dowa General Insurance. At the same time, we continued efforts to market non-life insurance in the corporate market with Nissay Dowa General Insurance.

In fiscal 2007, net premiums written at Nissay Dowa General Insurance decreased to ¥318.2 billion, down 2.5%, due to lower revenues from a downturn in new auto sales in the core automobile insurance field and sluggish growth due to slower sales of accident insurance and fewer new housing starts. On the other hand, net claims rose 4.2% year on year to ¥194.7 billion as a result of addi-

tional payments of auto insurance expense claims and accident insurance claims and more major accidents. Turning to asset management, increased interest and dividend revenue resulted in a 56.6% year-on-year to ¥47.6 billion upswing in asset management revenue. Asset management expenses jumped 128.5% year on year to ¥17.4 billion due to loss on sales of foreign securities. As a result, operating income at Nissay Dowa General Insurance rose 29.4% to ¥12.4 billion and net income increased 3.1% to ¥6.4 billion.

• Asset Management Field

To meet the asset building needs of its individual customers and the employee benefit planning needs of its corporate customers, Nissay Asset Management took steps to provide enhanced services through a broad range of investment products and services, such as its discretionary investment and investment advisory businesses, as well as investment trust products.

In the fiscal year ended March 31, 2007, Nissay Asset Management's total assets in the investment advisory business decreased 17.8% to ¥4,145.4 billion as a result of decreases in the market value of management assets. In the investment trusts business, while sales of the newly established Nissay/Putnam High-Interest Currency Fund and Nissay /Putnam World Claimable Asset Fund, as well as the Nissay High-Interest Bond Fund (nickname: Three Point) were favorable, a decrease in market value led to a 9.1% decline in total assets under management to ¥2,006.7 billion. As a result, operating income at Nissay Asset Management slipped 13.1% to ¥3.8 billion while net income dropped 14.4% to ¥2.3 billion.

107. Nippon Life Group Performance, continued

• Information Technology Field

Nissay Information Technology took steps to upgrade and fortify business systems as a part of ongoing efforts to improve customer services. Specifically, we pushed forward large-scale development efforts, including a web-based core business system and call center system.

In fiscal 2007, Nissay Information Technology had sales of ¥54.0 billion, up 28.7%, income before income taxes of ¥2.1 billion, up 238.7%, and net income of ¥1.1 billion, up 1,698.5%.

As a result of these overall activities, consolidated total revenues amounted to ¥6,607.5 billion, a decrease of 0.2% from the previous fiscal year. Total expenditures amounted to ¥6,305.5 billion, up 0.4% year on year, and operating income was ¥302.0 billion, down 12.3%, while extraordinary profits were ¥1.2 billion and extraordinary loss was ¥33.0 billion. After income taxes, tax adjustments and minority interests, surplus in the current year slipped 15.3% to ¥258.5 billion. On the consolidated balance sheets, surplus at the end of the fiscal year amounted to ¥473.9 billion and total assets fell 7.2% to ¥48,386.9 billion.

108. Principal Indicators of Operating Performance (Consolidated)

Fiscal years ended March 31	Billions of Yen, Number		
	2008	2007	2006
Total revenues	¥ 6,607.5	¥ 6,623.0	¥ 6,924.3
Operating income	302.0	344.5	429.8
Surplus in the current year	258.5	305.3	205.2
Total assets (at year-end)	48,386.9	52,159.9	50,831.2
Net cash provided by (used in) operating activities	737.6	999.5	492.5
Net cash provided by (used in) investing activities	(814.5)	(1,526.2)	(85.7)
Net cash provided by (used in) financing activities	(51.7)	(39.7)	120.8
Cash and cash equivalents at the end of year	1,294.6	1,439.2	2,006.0
Number of consolidated subsidiaries and affiliates (at year-end)	12	12	12
Number of affiliates accounted for under the equity method (at year-end)	4	6	6
Number of employees	66,021	64,845	68,545

Note: Number of employees shows the total number of employees at Nippon Life and its consolidated subsidiaries excluding employees on loan to other companies at the fiscal year-end.

109. Status of Non-Performing Assets According to Borrower Classification (Consolidated)

As of March 31		Millions of Yen		
		2008	2007	2006
Bankrupt and quasi-bankrupt	1	¥ 13,804	¥ 13,470	¥ 13,691
Doubtful	2	44,293	48,343	60,142
Substandard	3	16,689	16,124	16,420
Subtotal		74,786	77,938	90,254
Normal	4	11,806,064	13,357,941	13,014,348
Total 1+2+3+4		¥11,880,851	¥13,435,880	¥13,104,603

Notes: 1.) Bankrupt and quasi-bankrupt are non-performing assets and similar loans made to an obligor that has fallen into bankruptcy due to reasons including the start of bankruptcy proceedings, start of reorganization proceedings and application to start rehabilitation proceedings.

2.) Doubtful are non-performing assets with a strong likelihood that loan principal cannot be recovered or interest cannot be received according to the contract, owing to difficulties in the financial condition and business performance of the obligor who has not yet entered bankruptcy.

3.) Substandard are delinquent loans overdue three months or more and restructured loans. Delinquent loans overdue three months or more from the due date of interest or principal under terms of the related loan agreements are loans in arrears. Restructured loans are loans where certain concessions favorable to borrowers, such as interest reduction or exemption, postponement of principal or interest payment, release of credit and other methods, were made with the object of reconstructing and supporting operation of the borrowers.

4.) Normal are loans that do not fall under the classifications for 1) to 3) above, and where the obligor has no financial or business performance problems.

2. The above data includes loans, rental securities, accrued interest, suspense payments and customers' liabilities for acceptances and guarantees.

3. Loans subject to bankruptcy rehabilitation, reorganization and other proceedings are directly deducted from total loans as estimated uncollectible amounts calculated by subtracting estimated collectable amounts based on collateral and guarantees from total loans. These amounts were ¥6,292 million for bankrupt and quasi-bankrupt as of March 31, 2008, ¥6,921 million for bankrupt and quasi-bankrupt as of March 31, 2007, and ¥26,786 million for bankrupt and quasi-bankrupt as of March 31, 2006.

4. As of March 31, 2006, includes bonds attached via bond transactions with attached cash collateral.

110. Status of Risk-Monitored Loans (Consolidated)

As of March 31		Millions of Yen, %		
		2008	2007	2006
Loans to bankrupt borrowers	1	¥ 3,401	¥ 4,553	¥ 4,243
Delinquent loans	2	54,678	57,247	69,575
Loans that are delinquent for over three months	3	435	531	540
Loans for restructuring	4	16,254	15,593	15,880
Total 1+2+3+4		¥74,770	¥77,925	¥90,238
Percent of total loans receivable		0.79%	0.80%	0.90%

Notes: 1. Loans to bankrupt borrowers and quasi-bankrupt borrowers (including collateralized and guaranteed loans) are directly deducted from total loans as estimated uncollectible amounts calculated by subtracting estimated collectable amounts based on collateral and guarantees from total loans. These amounts were ¥1,270 million for loans to bankrupt borrowers and ¥5,022 million for delinquent loans as of March 31, 2008; ¥1,875 million for loans to bankrupt borrowers and ¥5,046 million for delinquent loans as of March 31, 2007; and ¥2,669 million for loans to bankrupt borrowers and ¥24,117 million for delinquent loans as of March 31, 2006.

- 1) Loans to bankrupt borrowers are loans to obligors that are legally bankrupt through filings for proceedings under the Corporate Reorganization Law, Civil Rehabilitation Law, Bankruptcy Law or Commercial Code; loans to obligors that have notes suspended from trading on exchanges; loans to obligors that have filed for legal proceedings similar to the aforementioned proceedings based on overseas laws, within loans (accrued interest unrecorded loans) for which accrued interest was not recorded and on which principal and interest payments have remained in arrears; and loans that for other reasons the Company is not expecting repayment or collection of principal or interest.
 - 2) Delinquent loans are loans other than those with flexible interest payment terms and conditions made in order to support the business rebuilding of obligors and the aforementioned loans to bankrupt borrowers as accrued interest unrecorded loans.
 - 3) Loans that are delinquent for over three months are loans that are neither loans to bankrupt borrowers or loans in arrears, with principal and interest payment in arrears for more than three months after the day following the contract payment date.
 - 4) Loans for restructuring are loans with beneficial arrangements given to the obligor, including interest reduction or exemption, relaxed interest payments, relaxed principal repayments and loan forgiveness, in order to support the rebuilding of operations at the obligor and are neither loans to bankrupt borrowers, delinquent loans or loans three months or more in arrears.
3. Based on the results of assets self-assessment, accrued interest on loans is not recorded as revenues for obligors that are bankrupt, essentially bankrupt or nearing bankruptcy.
4. Loans for restructuring include loans with lowered interests rates to support the rebuilding of operations at obligors and are not subject to absolute interest levels.

111. Status of Insurance Claims Paying Ability of Insurance Subsidiaries (Solvency Margin Ratio)

Nissay Dowa General Insurance

As of March 31		Millions of Yen		
		2008	2007	2006
Solvency margin gross amount	(A)	¥509,138	¥632,801	¥620,603
Capital and Foundation Funds		163,380	159,996	156,810
Reserve for price fluctuations of investments in securities		7,050	6,384	5,752
Contingency reserve		147	—	—
Catastrophe loss reserve		132,279	129,541	127,015
General allowance for doubtful accounts		65	72	161
Net unrealized gain/loss on securities (Prior to tax effect deductions)		150,665	289,693	285,894
Net unrealized gain/loss on real estate		13,053	5,054	4,732
Deductions		—	—	—
Other		42,495	42,058	40,235
Total amount of risk	$\sqrt{(R_1+R_2)^2+(R_3+R_4)^2} + R_5 + R_6$ (B)	96,780	109,777	107,441
Underwriting risk (R ₁)		19,927	19,738	18,650
Anticipated yield risk (R ₃)		1,136	607	623
Investment risk (R ₄)		43,716	56,392	55,629
Business management risk (R ₅)		2,205	2,474	2,413
Calamity risk (R ₆)		45,495	46,982	45,764
Solvency margin ratio	$\frac{(A)}{(1/2) \times (B)} \times 100$	1,052.1%	1,152.8%	1,155.2%

Notes: 1. The aforementioned amounts and figures were calculated based on Article 86 and Article 87 of the Insurance Business Law Enforcement Regulation, as well as Ordinance No. 50 issued by the Ministry of Finance in 1996. The calculation method for the solvency margin ratio was partially changed during fiscal 2006 in accordance with revisions to the Insurance Business Law Enforcement Regulation. This change, however, had no material impact on the Company. Total net assets for fiscal 2005 are presented herein as total capital.

2. In fiscal 2006, total net assets constitute total assets after gain/loss on the revaluation of assets and gain/loss on exchange rate changes as presented in the balance sheets. In fiscal 2005, total net assets constitute total capital after net gain/loss on securities and gain/loss from revaluation of real estate as presented in the balance sheets.

112. Segment Information

From fiscal 2005 to fiscal 2007, Nippon Life, its consolidated subsidiaries and its other subsidiaries* have engaged in non-life insurance operations including the acquisition, management, sale and mortgaging of real estate for lease. Segment information is omitted due to its immaterial impact relative to all business segments.

*Subsidiary is defined in Article 2-12 of the Insurance Business Law and in Article 2-3-2 of the Insurance Business Law Enforcement Regulation.