

CHAPTER

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OPERATIONAL DATA

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STATUS OF SURPLUS

1. Consolidated Statements of Surplus

	Millions of Yen		
For the years ended March 31	2006	2005	2004
Balance at the beginning of the year	¥428,234	¥411,095	¥379,293
Additions:			
Surplus in the current year	205,212	202,730	198,628
Reversal of revaluation reserve for land	5,755	6,738	3,630
	210,967	209,468	202,259
Deductions:			
Transfer to reserve for dividends to policyholders*	146,977	135,123	116,158
Transfer to reserve for redemption of foundation funds**	50,000	50,000	50,000
Interest on foundation funds	2,849	3,645	4,291
Bonus for directors and corporate auditors	1	1	1
Decrease in surplus due to the exclusion of subsidiaries from the consolidation	1,053	3,559	—
Other	14	—	5
	200,896	192,329	170,457
Balance at the end of the year	¥438,305	¥428,234	¥411,095

* See note 6 on p.85.

** See note 9 on p.86.

2. Non-Consolidated Statements of Surplus

	Millions of Yen		
As of March 31	2006	2005	2004
Unappropriated surplus in the current year	¥236,830	¥203,951	¥193,859
Reversal of voluntary surplus reserve	853	4,500	742
Reversal of contingency reserve	—	—	—
Reversal of reserve for advanced deduction of real estate for tax purposes	853	751	742
Reversal of separate account reserve for advanced deduction of real estate for tax purposes	—	3,748	—
Total	¥237,684	¥208,452	¥194,601
Appropriations	¥237,684	¥208,452	¥194,601
Reserve for policyholder dividends	179,929	146,977	135,123
Net surplus	57,754	61,474	59,477
Reserve for deficiency	714	626	584
Reserve for redemption of foundation funds	50,000	50,000	50,000
Interest on foundation funds	3,632	2,849	3,645
Voluntary reserve	3,408	7,999	5,248
Reserve for assisting social public welfare	1,500	1,500	1,500
Reserve for advanced deduction of real estate for tax purposes	—	6,499	—
Separate account reserve for advanced deduction of real estate for tax purposes	1,908	—	3,748

STATUS OF FINANCIAL ASSETS (NON-CONSOLIDATED)

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

		Millions of Yen, %		
As of March 31		2006	2005	2004
Bankrupt and Quasi-bankrupt		¥ 11,791	¥ 11,268	¥ 16,797
Doubtful		59,475	55,696	69,461
Substandard		5,285	6,782	21,642
Subtotal		76,553	73,747	107,902
Percent of total		0.58%	0.59%	0.83%
Normal		13,031,495	12,486,422	12,841,597
Total		¥13,108,048	¥12,560,170	¥12,949,499

- Notes: 1. 1) Bankrupt and quasi-bankrupt are non-performing assets and similar debt 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 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 ¥22,586 million for bankruptcy and quasi-bankruptcy as of March 31, 2006; ¥8,284 million for bankruptcy and quasi-bankruptcy and ¥3,190 million for doubtful as of March 31, 2005; ¥26,188 million for bankruptcy and quasi-bankruptcy and ¥2,458 million for doubtful as of March 31, 2004.
4. As of March 31, 2006, includes bonds attached via bond loan transactions with attached cash collateral. Accordingly, figures for "Normal" include the following amounts for such bonds, which were not included in previous years: ¥822,681 million as of March 31, 2005 and ¥321,956 million as of March 31, 2004.

4. Status of Risk-Monitored Loans

		Millions of Yen, %		
As of March 31		2006	2005	2004
Loans to bankrupt borrowers	1	¥ 4,177	¥ 5,164	¥ 7,621
Delinquent loans	2	67,075	61,756	78,564
Loans three months or more in arrears	3	540	572	496
Restructured loans	4	4,744	6,210	21,145
Total 1+2+3+4		¥76,537	¥73,703	¥107,828
Percent of total loans receivable		0.77%	0.71%	0.98%

- 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 ¥2,489 million for loans to bankrupt borrowers and ¥20,097 million for delinquent loans as of March 31, 2006; ¥4,021 million for loans to bankrupt borrowers and ¥7,453 million for delinquent loans as of March 31, 2005; ¥12,974 million for loans to bankrupt borrowers and ¥12,502 million for delinquent loans as of March 31, 2004.
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 or Commercial Code; loans to obligors that have notes suspended from trading on exchanges; and 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 or other reason for not expecting repayment or collection of principal or interest.
- 2) Delinquent loans are loans other than those with flexible interest payment terms and conditions in order to support the business rebuilding of obligors, and the aforementioned loans to bankrupt borrowers as accrued interest unrecorded loans.
- 3) Loans three months or more in arrears 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) Restructured loans 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. Restructured loans include loans with lowered interest rates to support the rebuilding of operations at obligors, and are not absolute interest levels.

5. Status of Loans in Trust with Contract for Replacement of Losses

No data as there was not an ending balance from the 2003 fiscal year-end to the fiscal 2005 year-end.

6. Ability to Pay Benefits (Solvency Margin Ratio)

As of March 31		Millions of Yen		
		2006	2005	2004
Solvency margin gross amount		¥10,010,717	¥6,760,605	¥6,011,632
Foundation funds, reserves, etc. (A)		3,179,162	2,834,739	2,469,971
Total capital		1,067,286	915,263	912,638
Reserve for price fluctuations of investments in securities		441,263	390,262	255,261
Contingency reserve		1,429,062	1,274,373	1,013,988
General allowance for doubtful accounts		13,882	19,275	43,563
Other		227,667	235,565	244,519
Net unrealized gains/losses on securities X 90%		5,790,220	3,008,445	2,628,001
Net unrealized gains/losses on real estate X 85% (if negative, X 100%)		(82,971)	(182,638)	(181,204)
Revaluation reserve for land, net of taxes		(93,688)	61,881	68,620
Deductions		(2,332)	(1,859)	(2,026)
Other		1,220,326	1,040,036	1,028,271
Total amount of risk $\sqrt{R_1^2+(R_2+R_3+R_7)^2} + R_4$ (B)		1,591,597	1,386,544	1,345,185
Underwriting risk R1		251,001	260,386	257,259
Assumed interest rate risk R2		238,126	240,490	242,648
Asset management risk R3		1,290,246	1,088,997	1,046,190
Business management risk R4		35,729	31,797	30,921
Minimum guarantee risk R7		7,114	—	—
Solvency margin ratio		1,257.9%	975.2%	893.8%
$\frac{(A)}{(1/2) \times (B)} \times 100$				

Note: 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. Minimum guarantee risk is calculated by standard methods. Total capital is calculated by subtracting net unrealized gains/losses on securities and revaluation reserve for land, net of taxes, from total capital on the balance sheets. The figure shown here is after the appropriation of surplus.

7. Unrealized Gains/Losses from Assets (Company Total)

As of March 31		Billions of Yen		
		2006	2005	2004
Cash, deposits and call loans	Book value	¥ 1,468.7	¥ 727.1	¥ 671.2
	Market value (appraisal value)	1,468.7	727.1	671.2
	Net gains/losses	0	(0)	(0)
	Gains	0	0	—
	Losses	(0)	(0)	(0)
Trading securities*1	Book value	2.0	2.9	2.9
	Market value (appraisal value)	2.0	2.9	2.9
	Net gains/losses	—	—	—
	Gains	—	—	—
	Losses	—	—	—
Money held in trust*2	Book value	177.0	144.6	155.0
	Market value (appraisal value)	177.0	144.6	155.0
	Net gains/losses	—	—	—
	Gains	—	—	—
	Losses	—	—	—
Investments in securities*3	Book value	28,849.9	27,989.0	27,079.6
	Market value (appraisal value)	35,409.9	31,795.5	30,340.9
	Net gains/losses	6,560.0	3,806.4	3,261.3
	Gains	6,837.9	4,177.1	3,669.2
	Losses	(277.9)	(370.7)	(407.9)
Loans receivable	Book value	9,999.1	10,317.2	11,011.5
	Market value (appraisal value)	9,999.1	10,317.2	11,011.5
	Net gains/losses	—	—	—
	Gains	—	—	—
	Losses	—	—	—
Real estate*4	Book value	1,175.9	1,258.7	1,285.7
	Market value (appraisal value)	1,092.9	1,076.0	1,104.5
	Net gains/losses	(82.9)	(182.6)	(181.2)
	Gains	93.7	60.0	48.2
	Losses	(176.6)	(242.6)	(229.4)
Other assets	Book value	2,436.0	2,776.8	2,144.4
	Market value (appraisal value)	2,438.1	2,784.6	2,146.3
	Net gains/losses	2.0	7.7	1.8
	Gains	7.9	7.7	1.9
	Losses	(5.8)	(0)	(0)
Total assets	Book value	44,108.9	43,216.7	42,350.7
	Market value (appraisal value)	50,588.0	46,848.2	45,432.7
	Net gains/losses	6,479.0	3,631.5	3,081.9
	Gains	6,939.6	4,244.9	3,719.4
	Losses	(460.5)	(613.4)	(637.5)

Notes: 1. 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 money held in trust. Book value includes net gains/losses related to derivative transactions within money 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. On March 31, 2002, the Company reappraised land for business use based on the Law for the Revaluation of Land. Book value includes revaluation differences of ¥87.8 billion as of March 31, 2006; ¥96.8 billion as of March 31, 2005; and ¥107.3 billion as of March 31, 2004.

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. In addition to defining strict assessment standards that are in compliance with the FSA's *Inspection Manual for Insurance Companies*, Nippon Life has ensured the objectivity of self-assessments and made them highly reliable by conducting internal audits via an auditing division that is independent of the division implementing the assessment, and by undergoing 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					Of above, debtors whose loan terms and conditions have been eased or delinquent for the past three months or more from the due date.
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 estimation of 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, 2006)

Self-assessment debt classification	Debts based on Financial Reconstruction Law Applicable categories related to loans: Loans, securities loaned*, accrued interest, suspense receivables, acceptance and guarantees *Bonds attached via bond loan transactions with attached cash collateral are not included	Risk Monitored Loans (Applicable: Only to loans)
Normal	Normal	Restructured loan
On caution	Substandard	Loans in default for three months or more from the due date
Doubtful	Doubtful	Delinquent
Quasi-bankrupt	Bankrupt and Quasi-bankrupt	Bankrupt
Bankrupt		
	¥76.5 billion Percentage of total bonds 0.58%	¥76.5 billion Percentage of total bonds 0.77%

State of loan category amount

		Billions of Yen, %	
As of March 31, 2006		Money available	Percentage of whole
Loan balances		¥9,999.1	100.0%
(After direct IV categorized write-off)			
Non-categorized		9,910.3	99.1
II Categorized		62.1	0.6
III Categorized		26.6	0.3
IV Categorized		—	—

Notes: IV categorized was ¥22.5 billion after 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, noted in the table of category results based on self-assessment, and builds reserves (bad-debt accounting) in accordance with these principles.

Reserve principles:

① Normal: General bad-debt reserve accounting based on bad-debt performance in the most recent past year.

② On caution: General bad-debt reserve accounting based on bad-debt performance over the past three consecutive years (unrecovered ratio over three consecutive years).

③ Substandard: Approximately 21% of corporate loans not covered by collateral or guarantees are recorded as the general allowance for doubtful accounts.

④ Regarding doubtful, quasi-bankrupt and bankrupt, record as individual reserves for bad debt the amount required to cover the balance when amounts recoverable through collateral and guarantees are written off from the loan amount. Then, for the category IV ⑤ portion, directly write off this amount from the loan amount.

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

1. Net valuation gains/losses from trading securities

Millions of Yen						
As of March 31	2006		2005		2004	
	Carrying value on balance sheets	Net valuation gains/losses included in profits/losses	Carrying value on balance sheets	Net valuation gains/losses included in profits/losses	Carrying value on balance sheets	Net valuation gains/losses included in profits/losses
Securities held for sale	¥2,354,765	¥256,536	¥2,093,645	¥3,048	¥2,172,076	¥338,617

Notes: 1. The carrying value on balance sheets of money held in trust included in trading securities, and net valuation gains/losses included in the profits/losses for the current period include net gains/losses on derivative transactions.

2. The carrying value above excludes cash equivalents and call loans within money 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	2006					2005				
	Book value	Market value	Net gains/losses	Gains	Losses	Book value	Market value	Net gains/losses	Gains	Losses
Policy-reserve-matching bonds	¥16,724,613	¥16,808,437	¥ 83,823	¥ 260,102	¥(176,278)	¥16,114,189	¥16,595,643	¥ 481,454	¥ 605,294	¥(123,840)
Held-to-maturity debt securities	94,272	93,530	(742)	74	(817)	151,860	152,786	926	926	—
Investments in subsidiaries and affiliates	54,454	114,415	59,961	59,961	—	53,718	77,244	23,526	23,526	—
Other securities	11,130,048	17,559,709	6,429,660	6,519,716	(90,055)	10,752,008	14,098,266	3,346,258	3,554,214	(207,955)
Domestic bonds	17,039	18,098	1,059	1,059	—	17,375	17,335	(40)	56	(97)
Domestic stocks	4,347,663	10,125,495	5,777,831	5,830,040	(52,208)	4,426,624	7,370,160	2,943,536	3,045,163	(101,627)
Foreign securities	5,075,419	5,707,491	632,072	669,248	(37,176)	4,661,346	5,055,238	393,892	497,793	(103,900)
Foreign bonds	4,343,439	4,705,632	362,192	386,019	(23,826)	3,902,742	4,171,105	268,363	332,176	(63,813)
Foreign stocks and other securities	731,979	1,001,859	269,879	283,229	(13,350)	758,603	884,133	125,529	165,617	(40,087)
Other securities	306,307	324,979	18,671	19,321	(649)	488,641	497,530	8,888	11,199	(2,310)
Monetary receivables purchased	651,617	651,643	25	41	(16)	916,020	916,003	(17)	0	(18)
Negotiable deposits	732,000	732,000	0	4	(3)	242,000	241,998	(1)	0	(1)
Total	¥28,003,389	¥34,576,092	¥6,572,703	¥6,839,854	¥(267,151)	¥27,071,776	¥30,923,941	¥3,852,165	¥4,183,961	¥(331,796)
Domestic bonds	15,842,655	15,926,419	83,763	252,960	(169,196)	15,375,825	15,847,024	471,198	594,735	(123,536)
Domestic stocks	4,402,118	10,239,910	5,837,792	5,890,001	(52,208)	4,480,342	7,447,405	2,967,062	3,068,690	(101,627)
Foreign securities	5,337,339	5,967,759	630,420	669,633	(39,213)	5,036,725	5,433,978	397,252	501,538	(104,286)
Foreign bonds	4,605,359	4,965,900	360,540	386,404	(25,863)	4,278,121	4,549,845	271,723	335,921	(64,198)
Foreign stocks and other securities	731,979	1,001,859	269,879	283,229	(13,350)	758,603	884,133	125,529	165,617	(40,087)
Other securities	306,307	324,979	18,671	19,321	(649)	488,641	497,530	8,888	11,199	(2,310)
Monetary receivables purchased	1,382,968	1,385,022	2,054	7,932	(5,878)	1,448,240	1,456,005	7,764	7,798	(33)
Negotiable deposits	732,000	732,000	0	4	(3)	242,000	241,998	(1)	0	(1)
Money held in trust	—	—	—	—	—	—	—	—	—	—

As of March 31	2004				
	Book value	Market value	Net gains/losses	Gains	Losses
Policy-reserve-matching bonds	¥14,852,231	¥15,205,343	¥ 353,112	¥ 516,965	¥(163,852)
Held-to-maturity debt securities	201,944	202,055	110	628	(517)
Investments in subsidiaries and affiliates	53,718	80,394	26,676	26,676	—
Other securities	10,437,664	13,364,103	2,926,438	3,125,174	(198,735)
Domestic bonds	10,956	11,559	602	602	—
Domestic stocks	4,552,703	7,157,151	2,604,448	2,687,522	(83,074)
Foreign securities	4,537,959	4,864,741	326,781	433,032	(106,251)
Foreign bonds	3,764,554	4,014,057	249,503	307,505	(58,002)
Foreign stocks and other securities	773,405	850,683	77,278	125,527	(48,248)
Other securities	624,049	618,662	(5,386)	4,014	(9,401)
Monetary receivables purchased	570,995	570,989	(6)	0	(7)
Negotiable deposits	141,000	140,999	(0)	—	(0)
Total	¥25,545,559	¥28,851,897	¥3,306,337	¥3,669,444	¥(363,106)
Domestic bonds	14,304,223	14,652,932	348,708	512,316	(163,608)
Domestic stocks	4,606,422	7,237,546	2,631,124	2,714,199	(83,074)
Foreign securities	4,968,717	5,298,740	330,023	436,969	(106,946)
Foreign bonds	4,195,311	4,448,056	252,744	311,442	(58,697)
Foreign stocks and other securities	773,405	850,683	77,278	125,527	(48,248)
Other securities	624,049	618,662	(5,386)	4,014	(9,401)
Monetary receivables purchased	901,147	903,016	1,869	1,943	(74)
Negotiable deposits	141,000	140,999	(0)	—	(0)
Money held in trust	—	—	—	—	—

Notes: 1. This table includes negotiable deposits and other items deemed appropriate to be handled as securities under the Securities and Exchange Act of Japan.

2. Money held in trust excludes cash equivalents and call loans within money held in trust.

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

○ Book value of securities with market value unavailable is as follows:

		Millions of Yen					
As of March 31		2006		2005		2004	
Policy-reserve-matching bonds		¥	—	¥	—	¥	—
Held-to-maturity debt securities			—		—		—
Unlisted foreign bonds			—		—		—
Others			—		—		—
Investments in subsidiaries and affiliates			282,803		282,129		277,869
Other securities			510,592		386,962		283,239
Unlisted domestic stocks (excluding stocks sold over-the-counter)			268,035		165,476		68,532
Unlisted foreign stocks (excluding stocks sold over-the-counter)			101,146		86,542		86,796
Unlisted foreign bonds			—		—		—
Others			141,410		134,943		127,910
Total			¥793,396		¥669,091		¥561,108

Note: Of securities with market value unavailable, net losses on currency exchange valuation of assets denominated in foreign currencies were as follows:
March 31, 2006, ¥10,642 million; March 31, 2005, ¥37,972 million; March 31, 2004, ¥43,152 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*
- 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.

*Note: The sub-category "U.S. dollar-denominated single-payment products" is included from the fiscal year ended March 31, 2006, as the Company commenced sales of U.S. dollar-denominated single-payment whole life insurance with variable accumulation rates.

9. Data on Market Value of Money Held in Trust (Company Total)

		Millions of Yen					
As of March 31		2006		2005		2004	
Money held in trust	Carrying value on balance sheets		¥177,037		¥144,614		¥155,054
	Market value		177,037		144,614		155,054
	Net unrealized gains/losses		—		—		—
	Gains		—		—		—
	Losses		—		—		—

Notes: 1. Market value calculations are based on prices rationally calculated by the trustee of money held in trust.
2. Carrying value on the balance sheets includes net gains/losses related to derivative transactions within money held in trust.

○ Money held in trust for trading purposes

		Millions of Yen					
As of March 31		2006		2005		2004	
		Carrying value on balance sheets	Net valuation gains/losses included in profits/losses	Carrying value on balance sheets	Net valuation gains/losses included in profits/losses	Carrying value on balance sheets	Net valuation gains/losses included in profits/losses
Money held in trust for trading purposes		¥177,037	¥16,333	¥144,614	¥5,833	¥155,054	¥12,606

Note: Carrying value of money held in trust on the balance sheets and net valuation gains/losses included in profits/losses for the current period include net gains/losses related to derivative transactions.

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

No data as there was not an ending balance from the 2003 fiscal year-end to the fiscal 2005 year-end.

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

1. Breakdown of gains/losses (Hedge accounting applied/Hedge accounting not applied)

						Millions of Yen
	Interest	Currencies	Stocks	Bonds	Other	Total
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)
As of March 31						
2005						
Hedge accounting applied	¥ —	¥(54,206)	¥ —	¥—	¥—	¥(54,206)
Hedge accounting not applied	7,621	(2,053)	(114)	—	—	5,453
Total	¥ 7,621	¥(56,260)	¥ (114)	¥—	¥—	¥(48,752)
As of March 31						
2004						
Hedge accounting applied	¥ —	¥ 48,484	¥ —	¥—	¥—	¥ 48,484
Hedge accounting not applied	16,989	14,163	98	—	—	31,251
Total	¥16,989	¥ 62,647	¥ 98	¥—	¥—	¥ 79,735

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

2. Interest-rate related

				Millions of Yen		
As of March 31				2006	2005	2004
Over-the-counter	Interest-rate swap	Variable interest-rate payment	Contract amount	¥175,100	¥550,000	¥600,000
			Over 1 year	105,100	170,000	550,000
	Fixed interest-rate receipt	Market value	(560)	8,679	19,167	
		Gains/losses	(560)	8,679	19,167	
	Variable interest-rate receipt	Contract amount	150,000	200,000	305,460	
		Over 1 year	100,000	150,000	255,460	
	Fixed interest-rate payment	Market value	291	(1,057)	(2,178)	
		Gains/losses	291	(1,057)	(2,178)	
	Total		Gains/losses	¥ (269)	¥ 7,621	¥ 16,989

Notes: 1. Gains/losses show the current market value: present value of swap transactions.

2. Gains/losses as of March 31, 2006, 2005, and 2004 are recorded on the statements of operations as losses from derivative financial instruments, net other than deferred gains to be amortized from the discontinuation of hedge accounting.

(Reference) Interest-rate swap contracts by maturity dates

		Millions of Yen, %						
As of March 31		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
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
2005	Notional amount (receipts fixed/payments variable)	¥380,000	¥120,000	¥ 50,000	¥ —	¥ —	¥ —	¥550,000
	Average fixed rate (receipt)	3.00	0.79	0.49	—	—	—	2.29
	Average variable rate (payment)	0.08	0.08	0.08	—	—	—	0.08
	Notional amount (payments fixed/receipts variable)	50,000	100,000	50,000	—	—	—	200,000
	Average fixed rate (payment)	1.30	0.41	0.64	—	—	—	0.69
	Average variable rate (receipt)	0.08	0.08	0.08	—	—	—	0.08
2004	Notional amount (receipts fixed/payments variable)	¥ 50,000	¥450,000	¥100,000	¥ —	¥ —	¥ —	¥600,000
	Average fixed rate (receipt)	1.12	2.70	0.42	—	—	—	2.19
	Average variable rate (payment)	0.08	0.08	0.08	—	—	—	0.08
	Notional amount (payments fixed/receipts variable)	50,000	100,000	100,000	52,620	2,840	—	305,460
	Average fixed rate (payment)	1.08	0.82	0.56	1.32	1.37	—	0.87
	Average variable rate (receipt)	0.08	0.08	0.08	0.07	0.08	—	0.08

10. 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			
					2006	2005	2004	
Over-the-counter Foreign exchange forward contracts	Sold	U.S. Dollar	Contract amount		¥1,189,261	¥1,400,390	¥1,477,608	
			Over 1 year		—	—	—	
			Market value		1,189,137	1,437,681	1,452,559	
				Net gains/losses		123	(37,290)	25,049
		Euro	Contract amount		848,518	794,957	879,109	
			Over 1 year		—	—	—	
			Market value		867,541	812,341	845,552	
				Net gains/losses		(19,023)	(17,383)	33,557
		British Pound	Contract amount		12,538	1,574	1,260	
	Over 1 year			—	—	—		
	Market value			12,552	1,584	1,225		
			Net gains/losses		(13)	(10)	34	
		Other, net	Contract amount		2,185,045	2,222,855	2,381,318	
			Over 1 year		—	—	—	
			Market value		2,204,835	2,278,548	2,322,662	
		Net gains/losses		(19,789)	(55,693)	58,655		
Purchased	U.S. Dollar	Contract amount		98,078	518,941	81,254		
		Over 1 year		—	—	—		
		Market value		98,173	520,877	80,441		
			Net gains/losses		95	1,935	(812)	
	Euro	Contract amount		21,743	10,263	8,832		
		Over 1 year		—	—	—		
		Market value		21,851	10,306	8,793		
			Net gains/losses		107	43	(39)	
	British Pound	Contract amount		3,843	5,829	695		
		Over 1 year		—	—	—		
		Market value		3,839	5,898	689		
			Net gains/losses		(4)	69	(6)	
		Other, net	Contract amount		124,293	540,019	91,253	
			Over 1 year		—	—	—	
			Market value		124,491	542,054	90,389	
		Net gains/losses		198	2,034	(864)		

10. 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			
						2006	2005	2004	
Over-the-counter	Currency options	Sold	Call	U.S. Dollar	Contract amount	¥411,145	¥477,885	¥58,129	
						[1,139]	[974]	[376]	
					Over 1 year	—	—	—	
						[—]	[—]	[—]	
					Market value	344	1,854	97	
					Net gains/losses	795	(880)	279	
					Euro	Contract amount	28,562	41,661	70,884
						[121]	[223]	[462]	
					Over 1 year	—	—	—	
						[—]	[—]	[—]	
					Market value	45	183	129	
					Net gains/losses	76	39	333	
	Other, net	Contract amount	439,707	534,244	158,522				
			[1,261]	[1,273]	[951]				
		Over 1 year	—	—	—				
			[—]	[—]	[—]				
		Market value	389	2,140	292				
		Net gains/losses	872	(867)	659				
	Put	U.S. Dollar	Contract amount	—	—	—			
				[—]	[—]	[—]			
		Over 1 year	—	—	—				
				[—]	[—]	[—]			
		Market value	—	—	—				
		Net gains/losses	—	—	—				
		Euro	Contract amount	—	—	—			
				[—]	[—]	[—]			
		Over 1 year	—	—	—				
				[—]	[—]	[—]			
		Market value	—	—	—				
		Net gains/losses	—	—	—				
	Other, net	Contract amount	—	—	—				
			[—]	[—]	[—]				
		Over 1 year	—	—	—				
			[—]	[—]	(—)				
		Market value	—	—	—				
		Net gains/losses	—	—	—				

10. 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			
Over-the-counter	Currency option	Purchased	Call	U.S. Dollar	Contract amount	2006	2005	2004	
					Contract amount	¥ —	¥ —	¥200,811	
					Over 1 year	[—]	[—]	[1,014]	
					Market value	—	—	153	
					Net gains/losses	—	—	(860)	
				Euro	Contract amount	—	—	—	
					Over 1 year	[—]	[—]	[—]	
					Market value	—	—	—	
					Net gains/losses	—	—	—	
				Other, net	Contract amount	—	—	200,811	
					Over 1 year	[—]	[—]	[1,014]	
					Market value	—	—	153	
					Net gains/losses	—	—	(860)	
				Put	U.S. Dollar	Contract amount	646,085	574,536	274,794
					Over 1 year	[5,289]	[1,821]	[2,424]	
					Market value	117,470	—	—	
					Net gains/losses	[2,637]	[—]	[—]	
					Market value	3,319	268	7,217	
					Net gains/losses	(1,970)	(1,553)	4,792	
				Euro	Contract amount	28,562	41,661	122,436	
					Over 1 year	[115]	[222]	[900]	
					Market value	—	—	—	
					Net gains/losses	[—]	[—]	[—]	
					Market value	8	96	1,133	
					Net gains/losses	(106)	(125)	232	
				Other, net	Contract amount	674,647	630,895	428,760	
					Over 1 year	[5,404]	[2,116]	[3,430]	
					Market value	117,470	—	—	
					Net gains/losses	[2,637]	[—]	[—]	
					Market value	3,327	381	8,488	
					Net gains/losses	(2,077)	(1,735)	5,058	
	Currency swap			U.S. Dollar	Contract amount	3,947	533	—	
					Over 1 year	3,947	533	—	
					Market value	12	0	—	
					Net gains/losses	12	0	—	
				Other, net	Contract amount	3,947	533	—	
					Over 1 year	3,947	533	—	
					Market value	12	0	—	
					Net gain/loss	12	0	—	
Total					Net gains/losses	¥ (20,784)	¥ (56,260)	¥ 62,647	

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

2. Net gains/losses 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.

3. Net gains/losses as of March, 31, 2006, 2005 and 2004 is recorded on the statements of operations as losses from derivative financial instruments, net and gains from separate accounts, net excluding currency options with hedge accounting applied.

10. 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			2006	2005	2004
		Sold	Contract value	¥ —	¥ —	¥ —
			Over 1 year	—	—	—
			Market value	—	—	—
			Net gains/losses	—	—	—
		Purchased	Contract value	16,150	14,718	9,866
			Over 1 year	—	—	—
			Market value	17,296	14,604	9,965
			Net gains/losses	1,145	(114)	98
Total			Net gains/losses	¥ 1,145	¥ (114)	¥ 98

Notes: 1. Net gains/losses shows the difference between the contracted amount and market value for future agreements.

2. Net gains/losses as of March, 31, 2006, 2005 and 2004, are recorded on the statements of operations as gains from the separate account.

5. Bond-related

No data as there was not an ending balance from the 2003 fiscal year-end to the fiscal 2005 year-end.

6. Others

No data as there was not an ending balance from the 2003 fiscal year-end to the fiscal 2005 year-end.

11. Operating Income (Ordinary Income)

Millions of Yen			
As of March 31	2006	2005	2004
Ordinary Revenues	¥6,628,764	¥6,177,860	¥6,886,980
Income from premiums	4,842,280	4,829,784	5,142,809
Insurance premiums	4,841,763	4,829,055	5,142,270
Reinsurance premiums	516	729	538
Investment income	1,467,050	1,068,198	1,330,171
Interest, dividends and other income	1,070,088	980,473	980,099
Gains from redemption of securities	6,528	217	30
Other investment income	2,426	1,597	1,635
Gains from separate account	388,006	85,909	348,404
Other revenues	319,432	279,878	413,999
Income from annuity riders	6,295	4,759	5,771
Income from deferred benefits	283,433	252,021	358,362
Reversal of reserve for outstanding claims	12,008	6,541	33,718
Reversal of policy reserves*	—	—	—
Reversal of accrued severance indemnities	—	—	—
Other	17,696	16,555	16,147
Other ordinary revenues	1	—	—
Ordinary Expenditures	¥5,995,067	¥5,627,676	¥6,327,119
Insurance claims and other payments	4,442,302	4,647,849	5,422,885
Insurance claims	1,409,481	1,253,711	1,580,871
Annuity payments	416,219	410,990	388,094
Benefits	772,494	810,849	874,013
Surrender benefits	1,186,750	1,228,264	1,284,092
Other refunds	656,391	943,099	1,295,117
Reinsurance premiums	964	934	695
Provision for policy reserves*	508,194	(67,711)	(207,447)
Investment expenses	45,798	58,273	59,981
Interest expenses	1,421	1,339	1,468
Losses on redemption of securities	209	—	—
Transfer to general allowance for doubtful accounts	(5,392)	—	—
Depreciation for rental real estate and other assets	27,468	31,250	32,737
Other expenses for investment	22,091	25,683	25,774
Losses from separate account	—	—	—
Operating expenses	536,324	545,234	558,951
Other expenditures	462,448	444,029	492,749
Deferred benefit payments	348,879	340,291	376,450
Taxes	35,752	37,015	36,772
Depreciation	43,548	39,276	40,033
Provision for accrued severance indemnities	20,957	13,196	25,167
Deferred asset amortization (Insurance Business Law, Article 113)	—	—	—
Other	13,310	14,250	14,325
Other ordinary expenditures	—	—	—
Ordinary Income (core operating profit) (A)	¥ 633,696	¥ 550,184	¥ 559,860

Millions of Yen			
As of March 31	2006	2005	2004
Capital gains	¥ 210,704	¥ 220,159	¥ 214,924
Gains from trading securities	—	—	—
Gains from money held in trust	36,414	18,409	24,016
Gains from trading securities held for sale	—	—	—
Gains on sales of securities	174,290	201,749	188,761
Gains from derivative financial instruments	—	—	—
Foreign exchange gains	—	—	2,145
Other capital gains	—	—	—
Capital losses	¥ 225,229	¥ 152,517	¥ 128,241
Losses from trading securities	9	3	48
Losses from money held in trust	—	—	—
Losses from trading securities held for sale	—	—	—
Losses on sales of securities	114,735	52,814	57,286
Losses on valuation of securities	8,857	31,175	23,344
Losses from derivative financial instruments	97,879	66,340	47,561
Foreign exchange losses	3,746	2,183	—
Other capital losses	1	—	—
Net capital gains/losses (B)	¥ (14,524)	¥ 67,642	¥ 86,682
Income including net capital gains/losses (A+B)	¥ 619,172	¥ 617,826	¥ 646,543
Non-recurring income	—	—	—
Income from reinsurance premiums	—	—	—
Reversal of contingency reserve	—	—	—
Other non-recurring income	—	—	—
Non-recurring losses	¥ 175,378	¥ 260,405	¥ 280,393
Reinsurance premiums	—	—	—
Provision for contingency reserve	154,689	260,385	280,045
Provision for individual allowance for doubtful accounts	20,529	—	—
Provision for allowance for specialized overseas debts	—	—	—
Loan write-offs and write-downs	160	20	348
Other non-recurring losses	—	—	—
Non-recurring income and losses (C)	¥(175,378)	¥(260,405)	¥(280,393)
Operating income (A+B+C)	¥ 443,793	¥ 357,421	¥ 366,149

Notes: 1. Reversal of policy reserves and provision for policy reserves noted by * exclude provision for contingency reserve.
2. "Other ordinary revenues" and "other capital expenses" for the fiscal year ended March 31, 2006 include ¥1 million in gain (loss) on foreign exchange in relation to foreign-denominated insurance products.

MAIN BUSINESS INDICATORS

12. Policies in Force and New Policies

(1) Policies in force

1. Number of policies

As of March 31	2006		2005		2004
	Rate of increase		Rate of increase		Number of Policies, %
Individual insurance	13,411,425	(3.2)%	13,850,346	(3.9)%	14,408,659
Individual annuities	2,547,848	2.3	2,491,360	1.6	2,452,852

2. Policy amount

As of March 31	2006		2005		2004
	Rate of increase		Rate of increase		Millions of Yen, %
Individual insurance	¥237,617,903	(5.1)%	¥250,443,519	(4.7)%	¥262,785,989
Individual annuities	16,455,389	3.0	15,970,025	2.8	15,534,542
Group insurance	83,518,770	2.0	81,864,614	1.8	80,415,395
Group annuities	8,800,098	0.0	8,797,125	(6.7)	9,425,531

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 are equal to the policy reserve balance.

(2) New policies in force

1. Number of policies

Fiscal years ended March 31	2006	2005	2004
	Number of Policies		
Individual insurance	1,193,558	1,150,850	1,302,526
Individual annuities	149,617	129,126	89,912

Note: Number of policies includes policies that were converted into new policies.

2. Policy amount

Fiscal years ended March 31		2006	2005	2004
		Millions of Yen		
Individual insurance	New policies, including conversions	¥14,093,639	¥17,010,697	¥18,661,349
	New policies, excluding conversions	13,702,484	15,456,944	16,695,413
	By conversion	391,154	1,553,752	1,965,936
Individual annuities	New policies, including conversions	1,254,229	1,140,618	806,843
	New policies, excluding conversions	1,248,932	1,136,355	803,749
	By conversion	5,296	4,263	3,094
Group insurance	New policies, including conversions	1,642,281	1,150,488	1,116,241
	New policies, excluding conversions	1,642,281	1,150,488	1,116,241
	By conversion	[10,511,909]	[7,255,009]	[7,806,382]
Group annuities	New policies, including conversions	927	8,418	15,072
	New policies, excluding conversions	927	8,418	15,072
	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 is the amount that includes the increase in premiums and the net increase in premiums from midterm enrollment and withdrawals.

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

13. Annualized Premiums

(1) Policies Held

As of March 31	2006		2005		2004	Millions of Yen, %
		Rate of increase		Rate of increase		
Individual insurance	¥2,722,457	(2.2)%	¥2,782,954	(2.8)%	¥2,862,828	
Individual annuities	579,780	5.9	547,511	4.5	523,962	
Total	3,302,238	(0.8)	3,330,466	(1.7)	3,386,791	
Medical life insurance, living benefits and others	561,982	2.4	548,563	0.0	548,522	

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.

(2) New Policies

Fiscal years ended March 31	2006		2005		2004	Millions of Yen, %
		Rate of increase		Rate of increase		
Individual insurance	¥217,846	4.4%	¥208,565	(3.0)%	¥214,916	
Individual annuities	54,772	14.5	47,846	33.5	35,841	
Total	272,619	6.3	256,412	2.3	250,757	
Medical life insurance, living benefits and others	59,656	20.0	49,732	(22.9)	64,488	

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.

14. New Policies by Product

Number of Policies, Millions of Yen

Fiscal years ended March 31		2006		2005		2004	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual insurance	Mortality insurance	[915,642]	¥[21,773,761]	[859,872]	¥[24,786,169]	[1,005,810]	¥[27,430,494]
		573,282	11,319,518	506,568	12,843,798	555,945	14,033,545
	Term life insurance	[29,487]	[1,606,483]	[27,798]	[1,462,644]	[29,457]	[1,463,018]
		25,968	1,330,972	25,231	1,270,121	27,202	1,288,169
	Whole life insurance	[77,708]	[604,434]	[70,053]	[539,815]	[105,132]	[420,056]
		52,131	483,128	43,571	423,178	33,999	346,083
	Single-payment whole life insurance with variable accumulation rates	1,726	15,245	—	—	—	—
	Whole life insurance with term rider	[656,109]	[18,839,827]	[679,828]	[22,048,157]	[775,047]	[24,917,223]
		342,845	8,873,410	355,573	10,520,173	398,570	11,897,523
	Variable life insurance (whole life type)	—	—	—	—	—	—
	Term life insurance with dread disease term rider	2,013	12,390	1,681	10,267	1,656	10,091
	Whole life insurance with dread disease term rider	372	2,490	315	2,259	238	1,678
	Cancer insurance	69,325	12,819	65,707	11,796	82,788	14,441
	Hospitalization medical insurance	64,957	—	—	—	—	—
	Increasing term life insurance	11,472	526,519	11,118	527,950	7,129	373,189
	Medical life insurance	618	39	1,493	83	2,598	140
	Single premium whole life insurance for retirement	307	1,238	459	1,667	433	1,622
	Medical life insurance for retirement	1,548	663	1,420	556	1,332	486
	Term rider	[40,094]	[151,609]	[46,455]	[180,971]	[58,639]	[228,545]
		16,888	60,600	20,002	75,744	26,296	100,119
	Life and mortality insurance	[272,906]	[2,594,071]	[286,552]	[2,851,600]	[290,533]	[2,913,435]
		265,711	2,380,613	277,931	2,611,027	281,295	2,658,813
	Endowment insurance	[122,992]	[519,294]	[119,298]	[504,053]	[114,320]	[487,167]
		122,490	516,188	118,909	500,702	114,044	485,302
	Endowment insurance with term rider <i>Kurashi no Hoken</i>	[14,288]	[266,346]	[20,675]	[437,271]	[19,032]	[368,865]
		7,595	142,911	12,443	284,396	10,070	206,155
	Variable life insurance (defined term type)	—	—	—	—	—	—
	Term life with survival benefit insurance <i>Melody</i>	3	11	9	47	13	51
	Term life with survival benefit insurance <i>BIG YOU</i>	86,668	1,241,611	97,729	1,395,592	107,628	1,531,824
	Juvenile insurance	48,955	371,618	48,841	371,433	49,540	374,305
	Multi increase endowment rider	765	90	833	100	905	110
Term rider with survival benefit	[106,510]	[195,098]	[74,686]	[143,101]	[78,845]	[151,110]	
	63,532	108,181	32,424	58,755	34,181	61,064	
Pure endowment	5,010	2,352	4,426	2,118	6,183	3,054	
Family pure endowment	5,010	2,352	4,426	2,118	6,183	3,054	
	[1,193,558]	[24,370,186]	[1,150,850]	[27,639,888]	[1,302,526]	[30,346,983]	
Subtotal	844,003	13,702,484	788,925	15,456,944	843,423	16,695,413	
		<14,093,639>		<17,010,697>		<18,661,349>	

14. New Policies by Product, continued

Number of Policies, Millions of Yen

Fiscal years ended March 31		2006		2005		2004	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual annuities	Nissay annuity	[111,992] 111,086	¥[1,026,271] 1,013,331	[87,915] 87,336	¥[861,843] 851,717	[55,845] 55,358	¥[577,588] 569,788
	Annuity focused on survival coverage	[21,611] 21,519	[160,051] 159,076	[28,779] 28,669	[208,049] 206,614	[23,491] 23,261	[172,734] 169,226
	Variable assumed rate type annuity	—	—	503	1,287	2,115	4,094
	Accumulation type variable rate annuity	11,487	46,572	4,259	20,083	—	—
	Nissay investment type annuity	4,527	29,952	7,670	56,652	8,461	60,639
	Subtotal	[149,617] 148,619	[1,262,846] 1,248,932	[129,126] 128,437	[1,147,916] 1,136,355	[89,912] 89,195	[815,057] 803,749
Group insurance	Group term life insurance	268,703	1,463,815	280,387	1,056,449	607,561	978,673
	Group credit life insurance	163,792	155,829	28,252	94,039	37,849	56,938
	Consumer credit group insurance	547,613	22,635	—	—	1,717,325	80,629
	Group endowment insurance	—	—	—	—	—	—
	Group whole life insurance	—	—	—	—	—	—
	Life insurance for dependents of disabled	—	—	—	—	—	—
	Annuities rider (group term life insurance)	—	—	—	—	—	—
	Subtotal	980,108	1,642,281	308,639	1,150,488	2,362,735	1,116,241
Group annuities	Insured pension plans	—	—	—	—	—	—
	New insured pension plans	6,507	122	11,909	206	19,633	344
	Insured contributory pension plans	3	0	—	—	96,868	14,339
	Defined benefit corporate pension plans	—	525	—	858	—	84
	Government pension investment fund variable insurance	—	—	—	—	—	—
	National pension fund insurance	—	—	—	—	—	0
	Employees' pension fund insurance	9,431	4	—	—	8,430	0
	Employees' pension association insurance	—	0	—	—	—	—
	Group pure endowment insurance	—	—	—	7,051	—	—
	Defined contribution pension plans	—	275	—	302	—	304
Subtotal	15,941	927	11,909	8,418	124,931	15,072	
Workers' asset-formation savings insurance	Workers' asset-formation savings insurance	9,410	601	10,871	966	11,410	677
	Workers' asset-formation housing funding insurance	1,755	147	1,840	190	2,094	172
	Workers' asset-formation benefits savings insurance	24	0	—	—	270	2
	Workers' asset-formation fund savings insurance	—	—	—	—	—	—
Subtotal	11,189	749	12,711	1,156	13,774	852	
Workers' asset-formation annuities	Workers' asset-formation annuities	—	—	—	—	—	—
	Workers' asset-formation funding annuities	2,368	254	2,759	228	2,532	193
Subtotal	2,368	254	2,759	228	2,532	193	
Medical life insurance	Individual type	94	0	160	0	77	0
	Group type	2,737	1	82,740	483	9,951	10
Subtotal	2,831	2	82,900	484	10,028	10	
Disability income insurance	Disability income insurance	—	—	—	—	—	—
	Group disability income insurance	5,499	191	304	109	17,336	670
Subtotal	5,499	191	304	109	17,336	670	
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.

15. Policies in Force by Product

As of March 31		2006		2005		2004	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual insurance	Mortality insurance	9,135,863	¥211,486,363	9,185,260	¥221,995,475	9,377,282	¥232,124,082
	Term life insurance	161,064	7,821,096	152,942	7,181,082	143,841	6,552,096
	Whole life insurance	2,417,041	22,598,177	2,300,596	22,303,007	2,184,334	22,109,358
	Single-payment whole life insurance with variable accumulation rates	1,724	15,240	—	—	—	—
	Whole life insurance with term rider	5,664,495	173,696,866	5,845,796	184,807,043	6,080,302	195,429,344
	Variable life insurance (whole life type)	38,957	617,042	39,847	634,410	40,580	653,689
	Variable life insurance with term rider (whole life type)	2,553	84,041	2,770	91,887	3,033	101,244
	Term life insurance with dread disease term rider	314,615	1,635,949	376,989	2,029,499	453,533	2,487,910
	Whole life insurance with dread disease term rider	39,340	263,187	40,570	273,100	42,146	286,034
	Cancer insurance	353,905	52,210	354,202	52,255	367,081	54,921
	Hospitalization medical insurance	63,514	—	—	—	—	—
	Increasing term life insurance	36,324	1,778,646	29,336	1,475,575	21,038	1,081,793
	Medical life insurance	4,682	264	4,327	237	3,003	163
	Single premium whole life insurance for retirement	5,238	19,013	5,010	18,025	4,623	16,611
	Medical life insurance for retirement	4,193	1,691	2,717	1,034	1,331	483
	Former Dowa Life Insurance	28,218	308,575	30,158	338,396	32,437	373,982
	Term rider	550,934	2,594,361	595,763	2,789,918	640,580	2,976,447
	Life and mortality insurance	4,252,143	26,115,927	4,628,225	28,425,328	4,973,681	30,626,817
	Endowment insurance	2,197,093	8,405,127	2,419,237	9,052,363	2,599,209	9,551,533
	Endowment insurance with term rider <i>Kurashi no Hoken</i>	365,387	4,375,912	432,007	5,108,283	505,464	5,833,591
	Variable life insurance (defined term type)	3,683	20,063	3,910	22,052	4,146	23,524
	Term life with survival benefit insurance <i>Melody</i>	7,638	30,237	8,746	34,749	10,355	41,800
	Term life with survival benefit insurance <i>BIG YOU</i>	544,444	6,534,111	601,623	7,088,834	658,593	7,582,188
	Juvenile insurance	1,125,961	5,570,703	1,154,156	5,916,518	1,186,546	6,279,223
	Former Ryukyu Life Insurance	—	—	—	—	—	—
	Former Dowa Life Insurance	7,937	17,165	8,546	19,061	9,368	21,761
	Multi increase endowment rider	20,266	10,476	20,253	10,915	20,157	11,305
	Term rider with survival benefit	587,717	1,152,130	589,964	1,172,549	641,901	1,281,888
	Pure endowment	23,419	15,612	36,861	22,715	57,696	35,090
	Juvenile pure endowment	—	—	—	—	—	—
	Family pure endowment	23,206	11,846	36,636	18,721	57,453	30,628
Pure endowment with nursing care benefit	213	3,766	225	3,993	243	4,462	
Former Dowa Life Insurance	—	—	—	—	—	—	
Subtotal	13,411,425	237,617,903	13,850,346	250,443,519	14,408,659	262,785,989	

Number of Policies, Millions of Yen

15. Policies in Force by Product, continued

As of March 31		2006		2005		2004	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual annuities	Nissay annuity	1,943,882	¥12,684,930	1,899,914	¥12,278,415	1,876,901	¥11,942,160
	Individual fixed annuity <i>Sounen no Sekkei</i>	4,422	8,334	5,182	10,832	5,945	13,699
	Annuity focused on survival coverage	498,545	3,195,796	499,154	3,196,076	493,912	3,153,486
	Variable assumed rate type annuity	26,414	97,581	27,797	111,703	29,163	128,607
	Accumulation type variable rate annuity	15,631	65,960	4,257	20,062	—	—
	Nissay investment type annuity	29,067	251,710	26,609	201,493	19,933	147,508
	Former Dowa Life Insurance	5,092	23,171	5,324	24,366	5,604	25,702
	Annuity rider	20,210	73,850	18,767	71,382	17,437	69,075
	Term rider annualized payment	4,583	54,050	4,354	55,689	3,955	54,296
	Annuity for spouse term rider	2	3	2	4	2	5
	Subtotal	2,547,848	16,455,389	2,491,360	15,970,025	2,452,852	15,534,542
Group insurance	Group term life insurance	14,601,726	47,571,713	14,911,776	46,586,543	15,336,987	45,992,260
	Group credit life insurance	13,732,024	34,276,894	14,261,801	33,520,400	14,534,146	32,630,600
	Consumer credit group insurance	20,010,071	1,621,072	19,927,207	1,707,899	19,638,892	1,742,115
	Group endowment insurance	534	1,365	1,318	2,365	1,854	3,037
	Group whole life insurance	190	124	198	129	207	135
	Life insurance for dependents of disabled	67,493	35,223	68,974	35,919	70,660	36,716
	Annuities rider (group term life insurance)	11,205	12,376	10,904	11,357	10,675	10,530
		Subtotal	48,355,750	83,518,770	49,113,204	81,864,614	49,522,761
Group annuities	Insured pension plans	54,393	41,134	55,323	42,818	55,934	44,508
	New insured pension plans	10,647,079	2,875,578	11,132,970	3,408,078	11,853,415	3,862,640
	Insured contributory pension plans	3,853,638	2,569,250	4,015,127	2,525,892	4,099,169	2,490,932
	Defined benefit corporate pension plans	—	1,985,669	—	1,204,473	—	510,644
	Government pension investment fund variable insurance	—	—	—	—	—	—
	National pension fund insurance	—	4,330	—	7,478	—	15,496
	Employees' pension fund insurance	4,075,024	987,183	4,956,749	1,319,969	6,910,045	2,254,557
	Employees' pension association insurance	—	333	—	—	—	—
	Group pure endowment insurance	—	180,269	—	201,907	—	206,765
	Defined contribution pension plans	—	156,348	—	86,507	—	39,986
	Subtotal	18,630,134	8,800,098	20,160,169	8,797,125	22,918,563	9,425,531
Workers' asset-formation savings insurance	Workers' asset-formation savings insurance	143,195	242,968	148,771	236,611	155,464	230,416
	Workers' asset-formation housing funding insurance	29,160	73,530	31,161	76,324	33,425	79,424
	Workers' asset-formation benefits savings insurance	24,523	1,998	25,602	1,815	26,818	1,573
	Workers' asset-formation fund savings insurance	706	15	726	15	745	15
		Subtotal	197,584	318,512	206,260	314,766	216,452
Workers' asset-formation annuities	Workers' asset-formation annuities	468	1,960	489	2,078	513	2,183
	Workers' asset-formation funding annuities	70,377	157,095	71,531	158,707	72,241	159,936
		Subtotal	70,845	159,056	72,020	160,785	72,754
Medical life insurance	Individual type	2,355	10	2,668	12	2,915	13
	Group type	864,263	2,242	845,625	2,034	831,271	1,599
		Subtotal	866,618	2,253	848,293	2,046	834,186
Disability income insurance	Disability income insurance	—	—	—	—	—	—
	Group disability income insurance	89,073	6,488	104,735	8,224	116,112	8,608
	Subtotal	89,073	6,488	104,735	8,224	116,112	8,608
Reinsurance assumed		24,798	30,858	27,430	31,782	223,412	141,405

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.

16. Amount of Policies in Force by Coverage Type

As of March 31			Millions of Yen		
			2006	2005	2004
Death protection	Death protection due to illness/accident	Individual insurance	¥237,599,064	¥250,417,320	¥262,747,097
		Individual annuities	—	—	—
		Group insurance	83,506,394	81,853,257	80,404,865
		Group annuities	—	—	—
	Net including other types		321,136,317	332,302,360	343,185,098
	Death protection due to accident	Individual insurance	[45,364,845]	[48,471,417]	[52,033,748]
		Individual annuities	[359,804]	[393,109]	[456,522]
		Group insurance	[4,649,923]	[4,685,882]	[4,821,668]
		Group annuities	[—]	[—]	[—]
Net including other types		[50,402,151]	[53,577,334]	[57,471,216]	
Death protection due to specific causes	Individual insurance	[471,728]	[473,599]	[500,025]	
	Individual annuities	[—]	[—]	[—]	
	Group insurance	[149,771]	[150,706]	[150,952]	
	Group annuities	[—]	[—]	[—]	
Net including other types		[621,500]	[624,305]	[650,977]	
Pure endowment	Maturity and survival benefits	Individual insurance	18,839	26,199	38,892
		Individual annuities	15,672,723	15,257,716	14,895,902
		Group insurance	832	766	701
		Group annuities	—	—	—
	Net including other types		15,807,660	15,402,255	15,056,508
	Annuity	Individual insurance	[803,325]	[902,970]	[1,021,032]
		Individual annuities	[1,888,954]	[1,839,633]	[1,797,134]
		Group insurance	[1,518]	[1,385]	[1,282]
		Group annuities	[—]	[—]	[—]
Net including other types		[2,701,060]	[2,751,190]	[2,826,123]	
Other	Individual insurance	—	—	—	
	Individual annuities	782,666	712,309	638,640	
	Group insurance	11,544	10,590	9,828	
	Group annuities	8,800,098	8,797,125	9,425,531	
Net including other types		9,956,612	9,878,004	10,426,539	
Hospitalization coverage	Coverage for hospitalization due to accident	Individual insurance	[55,272]	[56,329]	[58,223]
		Individual annuities	[1,766]	[1,818]	[1,870]
		Group insurance	[2,280]	[2,415]	[2,653]
		Group annuities	[—]	[—]	[—]
	Net including other types		[61,572]	[62,610]	[64,360]
	Coverage for hospitalization due to illness	Individual insurance	[54,058]	[54,952]	[56,654]
		Individual annuities	[1,747]	[1,798]	[1,849]
		Group insurance	[—]	[—]	[—]
		Group annuities	[—]	[—]	[—]
Net including other types		[58,059]	[58,798]	[60,117]	
Coverage for hospitalization due to other causes	Individual insurance	[69,628]	[65,159]	[60,635]	
	Individual annuities	[479]	[496]	[512]	
	Group insurance	[52]	[61]	[61]	
	Group annuities	[—]	[—]	[—]	
Net including other types		[70,160]	[65,717]	[61,208]	
Disability coverage	Individual insurance	—	—	—	
	Individual annuities	—	—	—	
	Group insurance	—	—	—	
	Group annuities	—	—	—	
Net including other types		6,488	8,224	8,608	

- Notes: 1. Figures in brackets show additional coverage and rider coverage attached to primary policies. However, term riders of death protection due to illness/accident 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 of coverage for hospitalization due to illness within hospitalization coverage show the total of primary coverage portions and rider coverage.

As of March 31			Number of Policies		
			2006	2005	2004
Disability coverage	Individual insurance	[9,306,939]	[9,726,018]	[10,161,760]	
	Individual annuities	[92,301]	[95,050]	[97,432]	
	Group insurance	[3,411,199]	[3,515,122]	[3,695,341]	
	Group annuities	[—]	[—]	[—]	
Net including other types		[12,810,439]	[13,336,190]	[13,954,533]	
Surgical coverage	Individual insurance	[14,244,196]	[14,228,687]	[14,312,745]	
	Individual annuities	[393,659]	[405,400]	[417,038]	
	Group insurance	[—]	[—]	[—]	
	Group annuities	[—]	[—]	[—]	
Net including other types		[14,637,855]	[14,634,087]	[14,729,783]	

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

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

Millions of Yen

As of March 31		2006	2005	2004
Mortality insurance	Whole life insurance	¥ 22,948,859	¥ 22,647,007	¥ 22,467,241
	Whole life insurance with term rider	173,696,866	184,807,043	195,429,344
	Term life insurance	11,236,616	10,686,810	10,122,132
	Net including other types	211,486,363	221,995,475	232,124,082
Life and mortality insurance	Endowment insurance	8,405,127	9,052,363	9,551,533
	Endowment insurance with term rider	4,375,912	5,108,283	5,833,591
	Term life insurance with survival benefits	6,564,349	7,123,584	7,623,989
	Net including other types	26,115,927	28,425,328	30,626,817
Pure endowment	Family pure endowment	11,846	18,721	30,628
	Juvenile pure endowment	—	—	—
	Net including other types	15,612	22,715	35,090
Annuities	Individual annuities	16,455,389	15,970,025	15,534,542
Hospitalization/accident riders	Accident rider with extra premium	15,613,280	16,918,346	18,436,739
	Injury rider	29,979,963	31,654,521	33,556,906
	Accident coverage rider	17,929	156,825	307,398
	Hospitalization due to accident rider	56,545	57,895	59,613
	Hospitalization due to illness rider	55,200	56,541	58,190
	Hospitalization due to adult disease rider	9,346	9,514	9,668
	Hospital visit rider	11,102	11,422	11,779
	Long-term hospitalization rider	154	171	199
	Hospitalization rider for women	5,582	5,499	5,423
	Limited injury rider	165,157	164,389	162,705
	Hospitalization due to cancer rider	19,626	17,422	15,111
Short-term hospitalization rider	19,099	16,504	13,670	

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.

18. Trends and Transitions of Policies

1. Individual insurance

Fiscal years ended March 31	Number of Policies, Millions of Yen, %					
	2006		2005		2004	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year	13,850,346	¥250,443,519	14,408,659	¥262,785,989	15,223,775	¥279,133,482
New policies	844,003	13,702,484	788,925	15,456,944	843,423	16,695,413
Renewals	51,890	1,544,631	47,352	1,592,845	50,977	1,545,063
Reinstatements	17,964	362,366	18,773	396,541	21,867	455,145
Increase from employee dividends	—	47	—	139	—	187
Increase from conversion	349,555	10,667,701	361,925	12,182,943	459,103	13,651,570
Increase from variable amount	—	1,570	—	281	—	326
Death	48,886	633,374	50,093	652,886	51,080	663,470
Maturity	431,211	1,938,943	382,593	1,750,134	540,581	2,059,832
Decrease of benefits	—	3,792,004	—	3,549,625	—	4,404,666
Decrease from conversion	347,930	10,276,547	355,353	10,629,191	379,702	11,685,634
Cancellation	637,312	13,201,366	706,289	14,640,582	855,374	17,325,767
Lapse	231,659	5,003,610	274,891	6,073,280	355,662	7,791,156
Decrease from variable amount	—	396	—	182	—	26
Decrease due to other changes	5,335	4,258,173	6,069	4,676,283	8,087	4,764,645
At the end of the fiscal year	13,411,425	237,617,903	13,850,346	250,443,519	14,408,659	262,785,989
Rate of increase	(3.2)%	(5.1)%	(3.9)%	(4.7)%	(5.4)%	(5.9)%
Net increase	(438,921)	(12,825,615)	(558,313)	(12,342,470)	(815,116)	(16,347,492)
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	Number of Policies, Millions of Yen, %					
	2006		2005		2004	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year		¥<1,836,740>		¥<1,794,356>		¥<1,803,428>
	2,491,360	15,970,025	2,452,852	15,534,542	2,477,541	15,545,853
New policies		<129,163>		<114,291>		<79,109>
	148,619	1,248,932	128,437	1,136,355	89,195	803,749
Reinstatements	821	5,547	708	4,593	597	4,195
Increase from conversion	998	13,914	689	11,561	717	11,308
Death	5,759	29,739	5,406	27,495	5,045	25,971
Completion of payments	3,365	2,741	2,521	2,076	2,126	1,563
Decrease of insurance amount	—	44,119	—	33,403	—	27,516
Decrease from conversion	1,201	8,617	981	7,297	1,203	8,213
Cancellation	74,740	532,057	73,675	504,906	98,918	661,855
Lapse	10,124	71,930	10,052	69,146	10,180	71,730
Decrease due to other changes	(1,239)	12,681	(1,309)	4,102	(2,274)	(22,411)
At the end of the fiscal year		<1,886,083>		<1,836,740>		<1,794,356>
	2,547,848	16,455,389	2,491,360	15,970,025	2,452,852	15,534,542
Rate of increase	2.3%	3.0%	1.6%	2.8%	(1.0)%	(0.1)%
Net increase	56,488	485,363	38,508	435,482	(24,689)	(11,310)
Rate of net increase	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.

18. Trends and Transitions of Policies, continued

3. Group insurance

Fiscal years ended March 31	2006		2005		2004	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year	49,113,204	¥81,864,614	49,522,761	¥80,415,395	48,689,210	¥80,054,221
New policies	980,108	1,642,281	308,639	1,150,488	2,362,735	1,116,241
Renewals	14,505,452	45,498,428	14,696,511	44,742,467	14,860,208	44,570,883
Reinstatements	—	—	—	—	—	—
Midterm enrollment	8,292,342	9,937,799	9,837,033	7,122,647	7,728,751	7,783,461
Increase of insurance amount	—	4,731,111	—	4,906,825	—	5,848,018
Death	105,983	136,823	112,535	135,509	115,825	136,941
Maturity	14,787,203	46,084,716	15,064,903	45,461,901	15,492,353	45,712,902
Withdrawal	8,168,166	5,799,283	9,516,605	5,924,952	8,288,670	6,941,338
Decrease of insurance amount	—	4,151,907	—	4,583,793	—	5,753,007
Cancellation	884,273	507,448	456,176	264,283	149,403	291,495
Lapse	730	3,692	2,202	5,134	10,755	25,573
Decrease due to other changes	589,001	3,470,563	99,319	96,694	61,137	95,319
At the end of the fiscal year	48,355,750	83,518,770	49,113,204	81,864,614	49,522,761	80,415,395
Rate of increase	(1.5)%	2.0%	(0.8)%	1.8%	1.7%	0.5%
Net increase	(757,454)	1,654,155	(409,557)	1,449,219	833,551	361,173
Rate of increase	—%	14.1%	—%	301.3%	—%	(90.8)%

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	2006		2005		2004	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year	20,160,169	¥8,797,125	22,918,563	¥9,425,531	26,832,509	¥9,760,814
New policies	15,941	927	11,909	8,418	124,931	15,072
Annuity payments	4,672,610	202,154	5,479,912	215,936	7,172,801	216,598
Single payments	988,573	427,135	1,104,465	459,368	1,320,071	517,751
Cancellation	172,292	289,619	185,154	330,916	263,830	146,556
At the end of the fiscal year	18,630,134	8,800,098	20,160,169	8,797,125	22,918,563	9,425,531
Rate of increase	(7.6)%	0.0%	(12.0)%	(6.7)%	(14.6)%	(3.4)%
Net increase	(1,530,035)	2,972	(2,758,394)	(628,405)	(3,913,946)	(335,283)
Rate of increase	—%	—%	—%	—%	—%	—%

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

19. Increase in Policy Amounts in Force

1. Number of policies in force and rate of increase

Fiscal years ended March 31	2006		2005		2004	
	Policies	Rate of increase	Policies	Rate of increase	Policies	Rate of increase
Individual insurance	13,411,425	(3.2)%	13,850,346	(3.9)%	14,408,659	(5.4)%
Mortality insurance	9,135,863	(0.5)	9,185,260	(2.0)	9,377,282	(2.5)
Life and mortality insurance	4,252,143	(8.1)	4,628,225	(6.9)	4,973,681	(8.6)
Pure endowment	23,419	(36.5)	36,861	(36.1)	57,696	(65.8)
Individual annuities	2,547,848	2.3	2,491,360	1.6	2,452,852	(1.0)
Group insurance	48,355,750	(1.5)	49,113,204	(0.8)	49,522,761	1.7
Group annuities	18,630,134	(7.6)	20,160,169	(12.0)	22,918,563	(14.6)
Workers' asset-formation savings insurance	197,584	(4.2)	206,260	(4.7)	216,452	(5.7)
Workers' asset-formation annuities	70,845	(1.6)	72,020	(1.0)	72,754	(1.8)
Medical life insurance	866,618	2.2	848,293	1.7	834,186	1.0
Disability income insurance	89,073	(15.0)	104,735	(9.8)	116,112	(17.2)

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	2006		2005		2004	
	Amount	Rate of increase	Amount	Rate of increase	Amount	Rate of increase
Individual insurance	¥237,617.9	(5.1)%	¥250,443.5	(4.7)%	¥262,785.9	(5.9)%
Mortality insurance	211,486.3	(4.7)	221,995.4	(4.4)	232,124.0	(5.5)
Life and mortality insurance	26,115.9	(8.1)	28,425.3	(7.2)	30,626.8	(8.3)
Pure endowment	15.6	(31.3)	22.7	(35.3)	35.0	(71.0)
Individual annuities	16,455.3	3.0	15,970.0	2.8	15,534.5	(0.1)
Group insurance	83,518.7	2.0	81,864.6	1.8	80,415.3	0.5
Group annuities	8,800.0	0.0	8,797.1	(6.7)	9,425.5	(3.4)
Workers' asset-formation savings insurance	318.5	1.2	314.7	1.1	311.4	0.7
Workers' asset-formation annuities	159.0	(1.1)	160.7	(0.8)	162.1	(0.8)
Medical life insurance	2.2	10.1	2.0	26.9	1.6	45.4
Disability income insurance	6.4	(21.1)	8.2	(4.5)	8.6	(30.6)

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.

20. Increase in New Policies

1. Number of new policies and rate of increase

Fiscal years ended March 31	2006		2005		2004	
	Policies	Rate of increase	Policies	Rate of increase	Policies	Rate of increase
Individual insurance	844,003	7.0%	788,925	(6.5)%	843,423	(16.1)%
Mortality insurance	573,282	13.2	506,568	(8.9)	555,945	(19.6)
Life and mortality insurance	265,711	(4.4)	277,931	(1.2)	281,295	(8.6)
Pure endowment	5,010	13.2	4,426	(28.4)	6,183	(7.1)
Individual annuities	148,619	15.7	128,437	44.0	89,195	(1.6)
Group insurance	980,108	217.6	308,639	(86.9)	2,362,735	163.1
Group annuities	15,941	33.9	11,909	(90.5)	124,931	68.6
Workers' asset-formation savings insurance	11,189	(12.0)	12,711	(7.7)	13,774	(13.5)
Workers' asset-formation annuities	2,368	(14.2)	2,759	9.0	2,532	(9.4)
Medical life insurance	2,831	(96.6)	82,900	726.7	10,028	(84.6)
Disability income insurance	5,499	1,708.9	304	(98.2)	17,336	1,180.4

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.

20. Increase in New Policies, continued

2. Increase in new policy amounts and rate of increase

Fiscal year ended March 31	Billions of Yen, %					
	2006		2005		2004	
	Amount	Rate of increase	Amount	Rate of increase	Amount	Rate of increase
Individual insurance	¥13,702.4	(11.4)%	¥15,456.9	(7.4)%	¥16,695.4	(20.9)%
Mortality insurance	11,319.5	(11.9)	12,843.7	(8.5)	14,033.5	(22.6)
Life and mortality insurance	2,380.6	(8.8)	2,611.0	(1.8)	2,658.8	(10.3)
Pure endowment	2.3	11.1	2.1	(30.6)	3.0	(14.1)
Individual annuities	1,248.9	9.9	1,136.3	41.4	803.7	11.7
Group insurance	1,642.2	42.7	1,150.4	3.1	1,116.2	(3.8)
Group annuities	0.9	(89.0)	8.4	(44.1)	15.0	592.9
Workers' asset-formation savings insurance	0.7	(35.2)	1.1	35.7	0.8	(19.8)
Workers' asset-formation annuities	0.2	11.7	0.2	18.1	0.1	(4.0)
Medical life insurance	0.0	(99.5)	0.4	4,559.6	0.0	(81.4)
Disability income insurance	0.1	74.6	0.1	(83.7)	0.6	891.1

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.

21. Average Policy Coverage (Individual Insurance)

Fiscal years ended March 31	Thousands of Yen					
	New policy amounts excluding conversions			Policy amounts in force		
	2006	2005	2004	2006	2005	2004
Mortality insurance	¥19,745	¥25,354	¥25,242	¥23,149	¥24,168	¥24,753
Life and mortality insurance	8,959	9,394	9,452	6,141	6,141	6,157
Pure endowment	469	478	493	666	616	608
Total	¥16,235	¥19,592	¥19,794	¥17,717	¥18,082	¥18,238

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

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

Fiscal years ended March 31	%		
	2006	2005	2004
Individual insurance	5.5%	5.9%	6.0%
Individual annuities	8.2	7.6	5.4
Group insurance	2.0	1.4	1.4

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

23. Rate of Cancellation and Lapses (Compared with Beginning of Same Fiscal Year)

Fiscal years ended March 31	%		
	2006	2005	2004
Individual insurance	8.6%	9.1%	10.4%
Individual annuities	4.2	4.0	5.0
Group insurance	(0.1)	(0.1)	0.3

Notes: 1. The rate of cancellations and lapses 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.

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

Fiscal years ended March 31	Yen		
	2006	2005	2004
Average premium of new individual policies (monthly payment policies)	¥188,225	¥189,018	¥183,873

Note: Excludes converted policies.

25. Mortality Rate (Primary Individual Insurance Policies)

Fiscal years ended March 31	‰		
	2006	2005	2004
Number of policies	3.58‰	3.54‰	3.44‰
Insurance amount	2.59	2.54	2.45

Notes: 1. Mortality rate is calculated by dividing mortality incidence policies by outstanding policies.

2. Outstanding policies are calculated by dividing the total of policies at the start of the fiscal year, policies at the end of the fiscal year and mortality incidence policies by two.

3. Mortality includes serious disability.

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

Fiscal years ended March 31	2006		2005		2004	
	Policies	Amount	Policies	Amount	Policies	Amount
Accidental death insurance	0.206‰	0.169‰	0.192‰	0.182‰	0.186‰	0.170‰
Disability insurance	0.212	0.070	0.217	0.074	0.209	0.070
Hospitalization due to accident	4.577	141.8	4.768	150.2	4.955	155.8
Hospitalization due to illness	37.544	930.6	36.980	937.9	37.104	950.2
Hospitalization due to adult disease	6.843	194.2	6.338	186.3	5.928	178.6
Surgery due to illness or injury	26.393		25.114		24.641	
Surgery due to adult disease	3.460		3.091		2.877	

Notes: 1. The incidence of the events covered by riders occurring is calculated by dividing incidence of events covered by riders by outstanding policies.

2. Outstanding expired policies are calculated by dividing the total of policies at the start of the fiscal year, policies at the end of the fiscal year and accidental death incidence policies by two for accidental death insurance, and by dividing the total of policies at the start of the fiscal year and policies at the end of the fiscal year by two for policies other than accidental death insurance.

3. Accidental death includes serious disability.

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

Fiscal years ended March 31	%		
	2006	2005	2004
Operating efficiency (Operating expenses as a percentage of premium revenues)	11.1%	11.3%	10.9%

ACCOUNTING INDICATORS

28. Reserves for Outstanding Claims

As of March 31		2006	2005	2004
Millions of Yen				
Insurance claims	Mortality insurance claims	¥ 92,593	¥ 97,509	¥ 96,504
	Accident insurance claims	4,086	3,368	4,185
	Serious disability insurance claims	21,900	20,324	18,509
	Maturity insurance amount	10,609	9,694	8,551
	Others	1	2	4
	Subtotal	129,191	130,899	127,754
Annuities		3,476	3,162	3,306
Benefits		28,196	26,694	27,220
Refunds		61,782	75,996	84,868
Deferred insurance amount		4,109	2,078	2,148
Net, including other reserves		227,222	239,230	245,772

29. Policy Reserves

As of March 31		2006	2005	2004
Millions of Yen				
Policy reserves	Individual Account	¥ 22,753,206	¥ 22,732,040	¥ 22,615,589
(Excluding contingency reserve)	[General Account]	[22,566,704]	[22,568,885]	[22,449,213]
	[Separate Account]	[186,502]	[163,155]	[166,375]
	Individual Annuities	5,918,893	5,479,605	5,080,775
	[General Account]	[5,667,182]	[5,278,112]	[4,933,266]
	[Separate Account]	[251,710]	[201,493]	[147,508]
	Group Insurance	38,084	34,181	31,680
	[General Account]	[38,084]	[34,181]	[31,680]
	[Separate Account]	—	—	—
	Group Annuities	8,800,098	8,797,125	9,425,531
	[General Account]	[6,931,108]	[7,065,578]	[7,502,157]
	[Separate Account]	[1,868,989]	[1,731,547]	[1,923,374]
	Other	478,817	477,019	475,106
	[General Account]	[478,817]	[477,019]	[475,106]
	[Separate Account]	—	—	—
	Subtotal	37,989,101	37,519,972	37,628,684
	[General Account]	[35,681,898]	[35,423,776]	[35,391,425]
	[Separate Account]	[2,307,202]	[2,096,196]	[2,237,258]
Contingency reserve		1,429,062	1,274,373	1,013,988
Total		¥ 39,418,163	¥ 38,794,345	¥ 38,642,672
	[General Account]	[37,110,960]	[36,698,149]	[36,405,413]
	[Separate Account]	[2,307,202]	[2,096,196]	[2,237,258]

30. Policy Reserves for Individual Insurance and Pensions (by Policy Year)

1. Policy reserves accumulation method and rate

As of March 31	2006	2005	2004	
Accumulation method	Policies subject to standard policy reserves	Net level premium method	Net level premium method	Net level premium method
	Policies not subject to standard policy reserves	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.

2. Policy reserves (breakdown by policy year)

Policy year	Balance of policy reserves, as of March 31,			Assumed interest rate
	Millions of Yen, %			
	2006	2005	2004	
–1980	¥ 1,263,585	¥ 1,483,281	¥ 1,693,823	4.00–5.00%
1981–1985	2,861,883	2,918,552	2,972,579	5.00–6.00
1986–1990	6,355,623	6,378,443	6,417,830	5.50–6.00
1991–1995	6,942,609	7,174,613	7,231,121	2.25–5.75
1996–2000	5,521,891	5,705,432	5,850,738	1.50–2.90
2001	1,086,425	1,110,496	1,112,735	1.50–1.85
2002	1,112,015	1,125,659	1,096,364	1.00–1.50
2003	1,065,760	1,034,056	1,007,287	1.00–1.50
2004	977,805	916,461	—	1.00–1.50
2005	1,046,286	—	—	1.00–1.50
Total	¥28,233,886	¥27,846,997	¥27,382,480	

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.

31. Insurance Policies with 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	Millions of Yen	
	2006	2005
Policy reserve balance (general account)	¥0	¥0

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.

32. 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							
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	—	—	—	—	—	—	—
Policyholders dividends paid out in 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]
Fiscal year ended March 31							
2005							
Balance at the end of previous fiscal year	¥ 1,348,011	¥ 23,240	¥10,929	¥10,499	¥ 9,450	¥13,494	¥ 1,415,625
Transfer to reserves from surplus in previous fiscal year	34,057	1,203	82,581	12,786	—	4,495	135,123
Increase in interest	40,213	772	1	0	11	0	41,000
Other increases	—	—	—	—	—	—	—
Policyholders dividends paid out in fiscal year	130,308	2,044	85,670	13,012	969	2,297	234,302
Other decreases	—	—	—	—	—	—	—
Balance at the end of current fiscal year	¥ 1,291,973	¥ 23,171	¥ 7,842	¥10,273	¥ 8,492	¥15,693	¥ 1,357,447
	[1,079,918]	[18,556]	[1,837]	[81]	[6,939]	[66]	[1,107,399]
Fiscal year ended March 31							
2004							
Balance at the end of previous fiscal year	¥ 1,431,661	¥ 23,993	¥12,205	¥11,208	¥10,633	¥10,447	¥ 1,500,148
Transfer to reserves from surplus in previous fiscal year	29,316	689	81,306	—	—	4,846	116,158
Increase in interest	42,646	833	2	0	13	0	43,495
Other increases	—	—	—	—	—	—	—
Policyholders dividends paid out in fiscal year	155,612	2,275	82,584	709	1,195	1,799	244,177
Other decreases	—	—	—	—	—	—	—
Balance at the end of current fiscal year	¥ 1,348,011	¥ 23,240	¥10,929	¥10,499	¥ 9,450	¥13,494	¥ 1,415,625
	[1,121,647]	[19,718]	[1,616]	[114]	[7,894]	[67]	[1,151,059]

Note: The numbers in brackets indicate accumulated dividends reserved.

33. Allowance for Doubtful Accounts and Other Reserves

As of March 31		Millions of Yen					
		2006		2005		2004	
		Increase/ decrease		Increase/ decrease		Increase/ decrease	
Allowance for doubtful accounts* ¹	General allowance for doubtful accounts	¥ 13,882	¥ (5,392)	¥ 19,275	¥ (24,288)	¥ 43,563	¥ (19,947)
	Specific allowance for doubtful accounts	26,070	(1,191)	27,262	(14,062)	41,324	(3,584)
	Allowance for specialized overseas debts	—	—	—	(4)	4	(40)
Reserve for executive bonus payments* ²		103	103	—	—	—	—
Accrued severance indemnities* ³		410,874	17,936	392,937	(58,677)	451,614	25,167
Accrued losses from supporting closely related companies* ⁴		603	(53)	656	(49)	705	(49)
Reserve for price fluctuations of investments in securities* ⁵		441,263	51,000	390,262	135,000	255,261	105,000
Reserve for securities transaction liabilities* ⁶		—	—	—	—	—	—

Notes: *Reason for recording

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

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

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

6. Reserve for securities transaction liabilities is recorded based on Article 65-2-7 and Article 51 of the Securities and Exchange Act.

34. Status of Allowance for Specialized Overseas Debts

1. Allowance for specialized overseas debts

As of March 31		Number of Countries, Millions of Yen		
		2006	2005	2004
Number of creditor countries		—	—	1
Amount of debt		¥—	¥—	¥67
Net amount provided for the year		—	(4)	(40)
Balance of allowance		—	—	4

2. Balance of debt by creditor countries

As of March 31		Millions of Yen, %		
		2006	2005	2004
Indonesia		—	—	¥67
Total		—	—	¥67
Compared to percent among assets in General Account		—%	—%	0.0%

35. Reserves (Capital) and Surplus

	Millions of Yen			
	Prior year balance	Current year increase	Current year decrease	Current year balance
Fiscal year 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, not purchased yet	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
Fiscal year ended March 31				
2005				
Reserve for redemption of foundation funds	¥500,000	¥ 50,000	¥ —	¥550,000
Reserve for revaluation	651	—	—	651
Surplus	300,755	209,784	196,101	314,438
Legal reserve for deficiency	6,199	584	—	6,783
Voluntary surplus reserve—reserves for general purpose	100,697	5,248	2,242	103,704
Contingency reserve	71,917	—	—	71,917
Reserves for retirement benefits	3,500	—	—	3,500
Reserves for assisting social public welfare	0	1,500	1,500	0
Reserve for condensed booking of fixed assets for tax purpose	25,110	—	742	24,367
Reserve for condensed booking of fixed assets, not purchased yet	—	3,748	—	3,748
Other reserves	170	—	—	170
Unappropriated surplus	193,859	203,951	193,859	203,951
Total	¥801,407	¥259,784	¥196,101	¥865,090
Fiscal year ended March 31				
2004				
Reserve for redemption of foundation funds	¥450,000	¥ 50,000	¥ —	¥500,000
Reserve for revaluation	651	—	—	651
Surplus	280,099	197,503	176,846	300,755
Legal reserve for deficiency	5,676	523	—	6,199
Voluntary surplus reserve—reserves for general purpose	156,154	3,121	58,577	100,697
Contingency reserve	126,917	—	55,000	71,917
Reserves for retirement benefits	3,500	—	—	3,500
Reserves for assisting social public welfare	1,252	1,500	2,752	0
Reserve for condensed booking of fixed assets for tax purpose	24,314	1,621	825	25,110
Other reserves	170	—	—	170
Unappropriated surplus	118,269	193,859	118,269	193,859
Total	¥730,750	¥247,503	¥176,846	¥801,407

36. Insurance Premiums

1. Premium payment method

		Millions of Yen		
Fiscal years ended March 31		2006	2005	2004
Individual insurance		¥2,793,081	¥2,810,793	¥2,893,791
Single payment		387,124	331,040	310,577
Annual payment		394,550	391,586	394,577
Semiannual payment		22,117	24,385	26,587
Monthly payment		1,989,288	2,063,781	2,162,048
Individual annuities		536,389	505,130	466,513
Single payment		172,276	140,437	116,831
Annual payment		89,398	93,529	76,712
Semiannual payment		4,176	3,910	3,721
Monthly payment		270,538	267,253	269,248
Group insurance		262,292	257,638	251,503
Group annuities		1,180,897	1,184,588	1,458,466
Net including other premiums		¥4,841,763	¥4,829,055	¥5,142,270

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.

2. Premium revenue by fiscal year

		Millions of Yen, %		
Fiscal years ended March 31		2006	2005	2004
Individual insurance				
	Initial year premium	¥ 815,967	¥ 728,371	¥ 700,552
	Subsequent year premiums	2,513,503	2,587,552	2,659,752
Individual annuities				
	Subtotal	3,329,471	3,315,924	3,360,304
Group insurance				
	Initial year premium	6,175	3,095	2,906
	Subsequent year premiums	256,117	254,542	248,597
Group annuities				
	Initial year premium	12,452	16,238	24,394
	Subsequent year premiums	1,168,444	1,168,350	1,434,071
Net including premiums				
	Initial year premium	841,213	753,843	733,934
	Subsequent year premiums	4,000,550	4,075,211	4,408,336
Subtotal		4,841,763	4,829,055	5,142,270
Percent increase		0.3%	(6.1)%	(5.1)%

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

37. 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		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	
Fiscal year ended March 31		2005								
Mortality	¥ 505,487	¥ 693	¥127,328	¥ —	¥ 4	¥25	¥1	¥251	¥ 633,792	
Accident	10,063	38	379	—	46	—	—	—	10,528	
Serious disability	61,960	59	6,382	—	—	—	—	3	68,405	
Maturity	503,579	66	647	33,244	3,441	—	—	—	540,980	
Other	—	—	—	—	—	—	4	—	4	
Total	¥1,081,090	¥ 858	¥134,738	¥33,244	¥3,492	¥25	¥6	¥254	¥1,253,711	
Fiscal year ended March 31		2004								
Mortality	¥ 524,194	¥ 693	¥129,782	¥ —	¥ —	¥29	¥1	¥185	¥ 654,887	
Accident	9,328	20	449	—	120	—	—	53	9,971	
Serious disability	57,340	58	6,301	—	—	—	—	9	63,709	
Maturity	820,218	73	713	26,485	4,471	—	—	—	851,963	
Other	333	—	—	—	—	—	4	—	338	
Total	¥1,411,415	¥ 846	¥137,247	¥26,485	¥4,592	¥29	¥6	¥247	¥1,580,871	

37. 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										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		
Fiscal year ended March 31										2005	
Mortality	44,471	158	110,652	—	1	524	34	190	156,030		
Accident	1,468	14	320	—	10	—	—	—	1,812		
Serious disability	10,352	13	3,056	—	—	—	—	2	13,423		
Maturity	231,856	1,561	517	7	4,939	—	—	—	238,880		
Other	—	—	—	—	—	—	26	—	26		
Total	288,147	1,746	114,545	7	4,950	524	60	192	410,171		
Fiscal year ended March 31										2004	
Mortality	46,168	160	113,057	—	—	608	29	120	160,142		
Accident	1,290	8	350	—	11	—	—	59	1,718		
Serious disability	9,436	14	3,252	—	—	—	—	6	12,708		
Maturity	402,072	1,577	690	7	6,233	—	—	—	410,579		
Other	138	—	—	—	—	—	19	—	157		
Total	459,104	1,759	117,349	7	6,244	608	48	185	585,304		

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														2006	
Tuberculosis	—	—%	—	—%	—	—%	3	0.1%	8	0.1%	86	0.3%	97	0.2%	
Legally-designated contagious disease	1	1.0	2	0.4	6	0.4	25	0.8	90	1.1	484	1.5	608	1.4	
Malignant neoplasm	12	12.5	38	7.4	298	19.3	966	31.4	3,599	45.3	14,125	44.5	19,038	42.4	
Cerebrovascular disease	2	2.1	17	3.3	97	6.3	247	8.0	557	7.0	2,268	7.2	3,188	7.1	
Heart disease	4	4.2	29	5.7	99	6.4	280	9.1	665	8.4	2,939	9.3	4,016	8.9	
Pneumonia and bronchitis	—	—	4	0.8	14	0.9	56	1.8	196	2.5	2,970	9.4	3,240	7.2	
Gastric and duodenal ulcers	—	—	—	—	2	0.1	2	0.1	8	0.1	53	0.2	65	0.1	
Liver cirrhosis	—	—	1	0.2	12	0.8	105	3.4	347	4.4	1,118	3.5	1,583	3.5	
Kidney inflammation and nephrosis	—	—	1	0.2	4	0.3	19	0.6	60	0.8	411	1.3	495	1.1	
Accident	50	52.1	146	28.6	238	15.4	208	6.8	353	4.4	956	3.0	1,951	4.3	
Suicide and self-inflicted injuries	11	11.5	182	35.6	501	32.4	626	20.3	831	10.5	672	2.1	2,823	6.3	
Other	16	16.7	91	17.8	275	17.8	544	17.7	1,230	15.5	5,632	17.8	7,788	17.3	
Total	96	100.0%	511	100.0%	1,546	100.0%	3,081	100.0%	7,944	100.0%	31,714	100.0%	44,892	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.

38. Annuity Payments

										Millions of Yen, Number of Contracts	
	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										2006	
Annuities paid	¥90,990	¥113,727	¥ 1,711	¥ 202,148	¥ 7,633	¥—	¥—	¥ 8	¥ 416,219		
Number of contracts	37,254	175,866	41,892	6,341,768	22,081	—	—	15	6,618,876		
Fiscal year ended March 31										2005	
Annuities paid	¥87,904	¥ 98,325	¥ 1,452	¥ 215,931	¥ 7,351	¥—	¥—	¥25	¥ 410,990		
Number of contracts	35,274	154,361	40,972	6,797,841	20,907	—	—	45	7,049,400		
Fiscal year ended March 31										2004	
Annuities paid	¥82,415	¥ 80,777	¥ 1,415	¥ 216,596	¥ 6,882	¥—	¥—	¥ 7	¥ 388,094		
Number of contracts	32,733	134,476	39,424	7,269,332	19,114	—	—	19	7,495,098		

39. Health and Other Benefits

1. Value

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 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
Fiscal year ended March 31 2005									
Hospitalization due to accident benefits	¥ 9,829	¥ 200	¥221	¥ —	¥ —	¥ 286	¥—	¥—	¥ 10,539
Hospitalization due to illness benefits	65,171	1,494	—	—	—	658	—	—	67,323
Disability benefits	3,382	11	74	—	1	—	—	—	3,469
Surgical benefits	31,501	879	—	—	—	139	—	—	32,521
Survival benefits	207,696	317	—	—	6,634	—	—	—	214,648
Death benefits	4,241	14,422	3	—	594	1	—	—	19,263
Group annuity single benefit	—	—	—	457,426	—	—	—	—	457,426
Other benefits	3	—	9	5,644	—	—	—	—	5,657
Total	¥321,826	¥17,326	¥309	¥463,071	¥7,229	¥1,085	¥—	¥—	¥810,849
Fiscal year ended March 31 2004									
Hospitalization due to accident benefits	¥ 10,547	¥ 218	¥271	¥ —	¥ —	¥ 343	¥—	¥—	¥ 11,381
Hospitalization due to illness benefits	66,952	1,597	—	—	—	421	—	—	68,972
Disability benefits	3,520	7	92	—	15	—	—	—	3,635
Surgical benefits	31,801	933	—	—	—	60	—	—	32,795
Survival benefits	212,419	50	—	—	6,918	—	—	—	219,388
Death benefits	4,025	12,403	3	—	581	—	—	13	17,026
Group annuity single benefit	—	—	—	517,059	—	—	—	—	517,059
Other benefits	0	—	29	3,724	—	—	—	—	3,754
Total	¥329,267	¥15,211	¥396	¥520,784	¥7,514	¥ 825	¥—	¥13	¥874,013

39. 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									
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 pension 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
Fiscal year ended March 31									
2005									
Hospitalization due to accident benefits	79,260	1,656	5,519	—	—	15,077	—	—	101,512
Hospitalization due to illness benefits	615,041	17,454	—	—	—	9,193	—	—	641,688
Disability benefits	30,870	77	184	—	2	—	—	—	31,133
Surgical benefits	282,563	10,180	—	—	—	1,114	—	—	293,857
Survival benefits	706,888	2,323	—	—	3,250	—	—	—	712,461
Death benefits	3,687	3,845	512	—	333	2	—	—	8,379
Group pension single benefit	—	—	—	1,269,620	—	—	—	—	1,269,620
Other benefits	7	—	448	12	—	—	—	—	467
Total	1,718,316	35,535	6,663	1,269,632	3,585	25,386	—	—	3,059,117
Fiscal year ended March 31									
2004									
Hospitalization due to accident benefits	80,679	1,822	5,388	—	—	18,044	—	—	105,933
Hospitalization due to illness benefits	596,810	18,184	—	—	—	6,085	—	—	621,079
Disability benefits	32,591	66	194	—	4	—	—	—	32,855
Surgical benefits	288,136	10,837	—	—	—	463	—	—	299,436
Survival benefits	753,870	348	—	—	3,648	—	—	—	757,866
Death benefits	3,431	3,601	452	—	336	—	—	3	7,823
Group pension single benefit	—	—	—	1,339,494	—	—	—	—	1,339,494
Other benefits	4	—	554	12	—	—	—	—	570
Total	1,755,521	34,858	6,588	1,339,506	3,988	24,592	—	3	3,165,056

40. 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
2006	¥688,470	¥150,043	¥452	¥301,047	¥46,736	¥—	¥—	¥—	¥1,186,750
2005	710,114	130,895	35	339,129	48,089	—	—	—	1,228,264
2004	893,115	154,670	24	185,636	50,645	—	—	—	1,284,092

41. Depreciation

Millions of Yen, %

Fiscal year ended March 31	Acquisition cost	Current year depreciation	Accumulated depreciation	Balance as of March 31	Accumulated depreciation percentage
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%
2005					
Buildings	¥480,896	¥13,011	¥286,733	¥194,162	59.6%
Movables	76,817	4,987	50,911	25,905	66.3
Other	134,678	21,277	72,473	62,204	53.8
Total	¥692,392	¥39,276	¥410,119	¥282,272	59.2%
2004					
Buildings	¥465,825	¥12,653	¥282,769	¥183,055	60.7%
Movables	82,342	5,377	65,205	17,137	79.2
Other	141,332	22,002	81,259	60,073	57.5
Total	¥689,501	¥40,033	¥429,234	¥260,266	62.3%

42. Operating Expenses

Millions of Yen

Fiscal years ended March 31	2006	2005	2004
Marketing operations	¥208,361	¥208,125	¥219,941
Marketing administration	87,224	86,975	86,207
General expenses	240,737	250,132	252,802
Total	¥536,324	¥545,234	¥558,951

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

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

43. Tax Expenses

Fiscal years ended March 31		Millions of Yen		
		2006	2005	2004
National tax		¥14,332	¥14,978	¥15,065
	Consumption tax	13,752	14,445	14,454
	Documentary stamp tax	529	530	606
	Registration and license tax	0	0	2
	Other national tax	50	1	1
Local tax		¥21,420	¥22,037	¥21,707
	Local consumption tax	3,438	3,611	3,609
	Corporate enterprise tax	12,053	12,235	12,017
	Fixed asset tax	5,115	4,986	5,241
	Real-estate acquisition tax	4	408	7
	Corporate income tax	797	784	821
	Special land acquisition tax	—	—	—
	Automobile tax	5	4	4
	Bath tax	—	—	—
	Other local tax	5	6	5
Total		¥35,752	¥37,015	¥36,772

44. Lease Transactions

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

As of March 31		Millions of Yen		
		2006	2005	2004
Acquisition cost	Movables	¥1,646	¥1,643	¥3,060
	Total	¥1,646	¥1,643	¥3,060
Accumulated depreciation	Movables	¥1,046	¥ 733	¥1,273
	Total	¥1,046	¥ 733	¥1,273
Year-end balance of leased properties	Movables	¥ 599	¥ 909	¥1,787
	Total	¥ 599	¥ 909	¥1,787

2. Future minimum lease payment year-end balance

Fiscal years ended March 31		Millions of Yen		
		2006	2005	2004
Future minimum lease payment year-end balance	Within one year	¥328	¥327	¥ 379
	In more than one year	156	468	914
	Total	¥484	¥795	¥1,293

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		
		2006	2005	2004
Lease fees paid		¥329	¥342	¥470
Depreciation		328	342	587

4. Calculation method for depreciation

Straight-line method is applied

INDICATORS RELATED TO ASSET MANAGEMENT (GENERAL ACCOUNT)

45. Overview of Fiscal 2005 Asset Management (General Account)

(1) Investment environment

The Japanese economy continued its modest recovery in the fiscal year ended March 31, 2006, supported by sound corporate earnings and capital investment, as well as solid personal consumption as a result of improvements in household income.

- The Nikkei Stock Average remained within a tight range throughout the summer months. With the overwhelming victory of the ruling party in Lower House elections, however, expectations ran high for structural economic reforms to continue, as well as for corporate earnings to recover as the economy began an upturn. Based on these expectations, the Nikkei index rose to ¥17,059 at the fiscal year-end.
- Yields on 10-year Japanese government bonds declined at the beginning of the fiscal year due to concerns of a slowdown in domestic and overseas economies, as well as declines in U.S. interest rates. Yields started on an upward trend from July, however, as the government and the Bank of Japan made pronouncements that the economy was emerging from its stagnant condition, and the government discontinued its policy of quantitative easing. In March, the Bank of Japan decided to discontinue its quantitative easing policy, spurring further rises in yields, and as of March 31, 2006, the yield on 10-year JGBs was 1.77%.
- The yen rose as high as ¥104 to the U.S. dollar in early May due to fears of a downturn in the U.S. economy and expectation of an appreciation of the Chinese yuan. Following that, however, differences in Japanese and U.S. interest rates led to a gradual depreciation of the yen, and the rate as of March 31, 2006 was \$1=¥117.47.

(2) Investment policy

Nippon Life creates portfolios that serve as an axis for medium-term investment, based on our approach to ALMs that appropriately control assets and liabilities. We also create investment plans based on market projections.

Specifically, while we mainly invest in domestic bonds, loans and other yen interest assets that provide stable revenue, we also invest in domestic and foreign stock markets, representing a process in which careful attention is paid to risk control while constantly adjusting portfolios in order to increase medium-term profits.

In fiscal 2005, we increased domestic bonds in order to maintain a level of yen-based interest assets allowing us to achieve stable interest income. Regarding foreign securities, we paid careful attention to the internal/external rate differences and currency exchange risks as we increased our public and corporate bond levels.

(3) Overview of investment results

Loans

Given some signs of a recovery in corporate finance demand, Nippon Life actively accumulated prime lending assets. However, loan balances have decreased due to a continuing trend of recovery amounts exceeding lending amounts in both foreign and domestic markets.

Domestic bonds

We continue to increase balances as a core asset in our portfolio. While mainly investing in government bonds as a stable asset, we also were aggressive with investments in corporate bonds with a goal of improving our interest yield rate.

Domestic stocks

Given our focus on the medium-term perspective, we managed issues based on the overall state of returns to investors including corporate profitability and dividends, with a goal of increasing portfolio profitability. We were also aggressive with investments in municipal and corporate bonds and other assets that yield attractive returns on risk, with the goal of improving our interest yield rate.

Foreign securities

Regarding foreign bonds, we paid careful attention to internal/external rate differences and currency exchange risks as we increased our levels of foreign securities primarily during times when the yen has appreciated.

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

Real estate

We have worked to secure net profits by improving the efficiency of existing properties, controlling the number of vacant rooms, negotiating for decreases in lease rates, and increasing competitiveness through renovation projects where needed. Furthermore, we have worked to sell off inefficient property with a view toward increasing asset efficiency.

Fiscal year ended March 31	Billions of Yen, %		
	2006	Increases*	Breakdown
Assets at end of period	¥48,208.0	¥797.6	100.0%
Loans	9,999.1	(318.0)	20.7
Domestic bonds	15,843.7	466.8	32.9
Domestic stocks	10,484.9	24.9	21.7
Foreign securities	6,424.9	335.0	13.3
Real estate	1,686.5	(87.3)	3.5

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

46. Portfolio Trends (General Account)

1. Asset structure

As of March 31	Millions of Yen, %					
	2006		2005		2004	
Cash, deposits and call loans	¥ 1,359,633	2.8%	¥ 601,053	1.4%	¥ 472,231	
Monetary receivables purchased	1,391,624	2.9	1,456,619	3.3	901,904	
Trading securities	2,099	0.0	2,999	0.0	2,999	
Money held in trust	177,037	0.4	144,614	0.3	155,054	
Investments in securities	33,106,740	68.7	29,384,967	66.2	27,984,529	
Domestic bonds	15,843,714	32.9	15,375,785	34.6	14,305,026	
Domestic stocks	10,484,913	21.7	7,625,658	17.2	7,313,427	
Foreign securities	6,424,914	13.3	5,844,222	13.2	5,694,235	
Foreign bonds	4,967,555	10.3	4,546,485	10.2	4,444,815	
Foreign stocks and other securities	1,457,359	3.0	1,297,736	2.9	1,249,420	
Other securities	353,198	0.7	539,302	1.2	671,839	
Loans receivable	9,999,170	20.7	10,317,263	23.2	11,011,571	
Policy loans	1,263,464	2.6	1,325,898	3.0	1,371,769	
Industrial and consumer loans	8,735,705	18.1	8,991,365	20.2	9,639,801	
Real estate	1,686,564	3.5	1,773,869	4.0	1,820,507	
Investment property	1,041,587	2.2	1,128,594	2.5	1,169,569	
Deferred tax assets	—	—	—	—	—	
Other	525,140	1.1	775,420	1.7	730,403	
Allowance for doubtful accounts	(39,953)	(0.1)	(46,537)	(0.1)	(84,893)	
General Account total	48,208,058	100.0	44,410,271	100.0	42,994,308	
Foreign currency denominated assets	6,274,029	13.0	5,597,040	12.6	5,286,674	

Note: 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, 2006, ¥1,111,155 million; as of March 31, 2005, ¥804,989 million; as of March 31, 2004, ¥277,137 million)

2. Increases/decreases in assets

Fiscal years ended March 31	Millions of Yen		
	2006	2005	2004
Cash, deposits and call loans	¥ 758,579	¥ 128,822	¥ (40,654)
Monetary receivables purchased	(64,994)	554,714	214,403
Trading securities	(899)	—	(2,999)
Money held in trust	32,422	(10,439)	(93,325)
Investments in securities	3,721,772	1,400,438	2,706,891
Domestic bonds	467,929	1,070,758	945,563
Domestic stocks	2,859,255	312,230	1,766,335
Foreign securities	580,692	149,986	291,719
Foreign bonds	421,069	101,670	320,853
Foreign stocks and other securities	159,622	48,316	(29,134)
Other securities	(186,103)	(132,536)	(296,726)
Loans receivable	(318,093)	(694,307)	(575,323)
Policy loans	(62,433)	(45,871)	(52,061)
Industrial and consumer loans	(255,660)	(648,435)	(523,262)
Real estate	(87,305)	(46,637)	(40,159)
Investment property	(87,007)	(40,975)	(23,941)
Deferred tax assets	—	—	(303,190)
Other	(250,280)	45,017	(74,947)
Allowance for doubtful accounts	6,584	38,355	23,572
General Account total	3,797,786	1,415,962	1,814,266
Foreign currency denominated assets	676,989	310,366	288,433

Note: Increases/decreases in cash received as collateral under securities lending contracts were as follows:
fiscal year ended March 31, 2006, ¥306,166 million; fiscal year ended March 31, 2005, ¥527,851 million; fiscal year ended March 31, 2004, ¥20,942 million.

47. Yield on Primary Assets (General Account)

Fiscal years ended March 31	2006		2005		2004	
	Average balance	Yield	Average balance	Yield	Average balance	Yield
Cash, deposits and call loans	¥ 784,858	0.03%	¥ 642,703	0.06%	¥ 581,522	(0.04)%
Cash collateral pledged for bonds borrowed	14,073	0.01	6,503	0.01	13,959	0.02
Monetary receivables purchased	1,307,957	0.61	848,603	0.40	651,215	0.34
Trading securities	2,492	(0.39)	3,300	(0.11)	3,310	(1.47)
Money held in trust	150,712	24.16	167,336	11.00	190,674	12.60
Domestic bonds	15,888,896	1.33	14,880,940	1.72	14,001,921	1.65
Domestic stocks	4,636,248	5.32	4,634,752	5.56	4,799,909	3.61
		[5.32]		[5.56]		[3.61]
Foreign securities	5,716,852	4.26	5,574,959	2.91	5,365,871	3.59
Foreign bonds	4,556,372	3.31	4,381,089	3.14	4,112,462	3.70
Foreign stocks and other securities	1,160,480	7.97	1,193,870	2.08	1,253,408	3.21
Loans receivable	10,129,363	1.91	10,492,280	2.31	11,321,391	2.58
Industrial and consumer loans	8,837,371	1.46	9,142,230	1.91	9,930,404	2.23
Real estate	1,734,700	2.93	1,822,122	2.37	1,866,167	2.48
Investment property	1,079,950	4.69	1,160,645	3.71	1,200,200	3.84
General Account total	42,035,823	2.37	40,971,029	2.42	40,680,238	2.48
		[2.37]		[2.42]		[2.48]
Overseas investment	6,687,026	4.34	6,454,895	3.15	6,604,568	3.82

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

2. For the calculation of both yields for domestic stocks and the general account, total appraisal gains under article 112 of the Insurance Business Law are not included in the numerator. Brackets show investment yield.

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

48. Investment Income (General Account)

Fiscal years ended March 31	Millions of Yen		
	2006	2005	2004
Interest, dividends and other income	¥1,070,088	¥ 980,473	¥ 980,099
Gains from money held in trust	36,414	18,409	24,016
Gains on sales of securities	174,290	201,749	188,761
Gains from redemption of securities	6,528	217	30
Foreign exchange gains, net	—	—	2,145
Other investment income	2,426	1,597	1,635
Total	¥1,289,748	¥1,202,448	¥1,196,690

49. Investment Expenses (General Account)

Fiscal years ended March 31	Millions of Yen		
	2006	2005	2004
Interest expenses	¥ 1,421	¥ 1,339	¥ 1,468
Losses from trading securities	9	3	48
Losses on sales of securities	114,735	52,814	57,286
Losses on valuation of securities	8,857	31,175	23,344
Losses from redemption of securities	209	—	—
Losses on derivative financial instruments, net	97,879	66,340	47,561
Foreign exchange losses, net	3,746	2,183	—
Provision for allowance for doubtful accounts	15,136	—	—
Write-downs of loans	160	20	348
Depreciation of real estate and other assets	27,468	31,250	32,737
Other investment expenses	22,091	25,683	25,774
Total	¥291,716	¥210,811	¥188,571

Note: In addition to the above, reversal of allowance for doubtful accounts is recorded as an extraordinary profit.
(Fiscal year ended March 31, 2005, ¥37,312 million; fiscal year ended March 31, 2004, ¥16,587 million)

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

Fiscal years ended March 31	Millions of Yen		
	2006	2005	2004
Interest on deposits and savings	¥ 102	¥ 67	¥ 41
Interest/dividends on domestic securities	742,939	621,417	568,829
Interest on domestic bonds	272,407	259,782	255,153
Domestic stock dividends	118,343	93,914	80,060
Interest/dividends on foreign securities	313,700	254,110	226,785
Interest on loans receivable	209,326	242,376	292,905
Rent on real estate	97,811	98,063	102,191
Net including other income	¥1,070,088	¥980,473	¥980,099

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

Fiscal years ended March 31	Millions of Yen								
	2006			2005			2004		
	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	¥25,481	¥ 64,133	¥ 89,614	¥ 7,005	¥ (6,632)	¥ 373	¥ 10,508	¥(29,648)	¥(19,139)
Cash equivalents and call loans	20	11	32	8	4	13	17	(40)	(22)
Securities	20,157	101,364	121,522	18,576	34,010	52,587	25,178	(1,839)	23,339
Loans receivable	(8,383)	(24,667)	(33,050)	(21,450)	(29,077)	(50,528)	(12,938)	(20,556)	(33,494)
Real estate	(4,704)	4,453	(251)	(2,411)	(1,716)	(4,128)	(2,712)	(7,995)	(10,707)

52. Gains on Sales of Securities (General Account)

Fiscal years ended March 31	Millions of Yen		
	2006	2005	2004
Domestic bonds	¥ 9,963	¥ 2,669	¥ 2,523
Domestic stocks and other securities	144,482	181,768	142,267
Foreign securities	19,752	17,311	43,963
Net including other gains on sales of securities	¥174,290	¥201,749	¥188,761

53. Losses on Sales of Securities (General Account)

Fiscal years ended March 31	Millions of Yen		
	2006	2005	2004
Domestic bonds	¥ 71,329	¥ 7,034	¥ 6,864
Domestic stocks and other securities	9,147	5,855	21,572
Foreign securities	34,006	39,343	28,840
Net including other losses on sales of securities	¥114,735	¥52,814	¥57,286

54. Losses on Valuation of Securities (General Account)

Fiscal years ended March 31	Millions of Yen		
	2006	2005	2004
Domestic bonds	¥ —	¥ —	¥ —
Domestic stocks and other securities	4,861	3,568	3,413
Foreign securities	3,995	27,607	19,926
Net including other losses on valuation of securities	¥8,857	¥31,175	¥23,344

55. Trading Securities (General Account)

As of March 31	2006		2005		2004
	Millions of Yen	%	Millions of Yen	%	Millions of Yen
Trading government bonds	¥2,099	100.0%	¥2,999	100.0%	¥2,999
Total	¥2,099	100.0%	¥2,999	100.0%	¥2,999

56. Proceeds on Sales of Trading Securities (General Account)

Fiscal years ended March 31	2006	2005	2004
	Millions of Yen	Millions of Yen	Millions of Yen
Trading government bonds	¥24,435	¥41,159	¥47,369
Total	¥24,435	¥41,159	¥47,369

57. Securities Composition (General Account)

As of March 31	2006		2005		2004
	Millions of Yen	%	Millions of Yen	%	Millions of Yen
Domestic bonds	¥15,843,714	47.9%	¥15,375,785	52.3%	¥14,305,026
National government bonds	10,930,987	33.0	10,636,097	36.2	9,264,636
Local government bonds	1,664,698	5.0	1,552,396	5.3	1,624,264
Corporate bonds	3,248,028	9.8	3,187,290	10.8	3,416,125
Public entity bonds	1,529,213	4.6	1,484,722	5.1	1,669,063
Domestic stocks	10,484,913	31.7	7,625,658	26.0	7,313,427
Foreign securities	6,424,914	19.4	5,844,222	19.9	5,694,235
Foreign bonds	4,967,555	15.0	4,546,485	15.5	4,444,815
Foreign stocks and other securities	1,457,359	4.4	1,297,736	4.4	1,249,420
Other securities	353,198	1.1	539,302	1.8	671,839
Total	¥33,106,740	100.0%	¥29,384,967	100.0%	¥27,984,529
Subordinated bonds	—	—	—	—	—

58. Securities by Maturity Dates (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								
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
As of March 31								
2005								
Domestic bonds								
National government bonds	¥ 492,574	¥1,114,961	¥2,114,516	¥2,250,275	¥ 938,574	¥3,725,194	¥ —	¥10,636,097
Local government bonds	187,864	255,191	126,747	313,879	658,737	9,976	—	1,552,396
Corporate bonds	389,698	695,138	592,987	549,163	577,549	382,752	—	3,187,290
Domestic Stocks	—	—	—	—	—	—	7,625,658	7,625,658
Foreign securities	323,364	874,307	810,522	837,879	973,293	1,295,118	729,736	5,844,222
Foreign bonds	321,540	858,154	800,150	813,722	965,865	787,050	—	4,546,485
Foreign stocks and other securities	1,823	16,153	10,371	24,156	7,427	508,068	729,736	1,297,736
Other securities	62	2,860	12,572	784	6,061	—	516,960	539,302
Total	¥1,393,564	¥2,942,459	¥3,657,347	¥3,951,982	¥3,154,216	¥5,413,042	¥8,872,355	¥29,384,967
As of March 31								
2004								
Domestic bonds								
National government bonds	¥ 396,743	¥1,109,381	¥1,441,011	¥1,754,632	¥1,726,600	¥2,836,266	¥ —	¥ 9,264,636
Local government bonds	195,065	321,012	216,432	126,634	747,698	17,420	—	1,624,264
Corporate bonds	428,579	733,745	654,431	584,955	623,560	390,852	—	3,416,125
Domestic Stocks	—	—	—	—	—	—	7,313,427	7,313,427
Foreign securities	405,420	1,010,378	777,804	667,880	800,274	1,317,438	715,038	5,694,235
Foreign bonds	405,420	989,172	760,023	649,531	783,730	856,936	—	4,444,815
Foreign stocks and other securities	0	21,205	17,781	18,349	16,543	460,501	715,038	1,249,420
Other securities	4	3,289	7,304	8,809	562	—	651,868	671,839
Total	¥1,425,814	¥3,177,807	¥3,096,984	¥3,142,912	¥3,898,696	¥4,561,979	¥8,680,335	¥27,984,529

59. Bond Yield (General Account)

As of March 31	2006	2005	2004
Domestic bonds	1.88%	1.90%	2.01%
Foreign bonds	4.88	4.83	4.78
Yen denominated	1.32	1.07	1.30
Foreign currency denominated	5.13	5.20	5.18

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

As of March 31	2006		2005		2004			
	Millions of Yen, %							
Fishery, agriculture and forestry	¥	7,375	0.1%	¥	6,310	0.1%	¥	5,586
Mining		4,961	0.0		2,947	0.0		2,275
Construction		155,607	1.5		119,765	1.6		118,205
Manufacturing								
Foods		211,004	2.0		186,790	2.4		174,962
Textiles and apparel		180,586	1.7		120,120	1.6		108,454
Pulp and paper		47,285	0.5		41,915	0.5		45,039
Chemicals		745,944	7.1		566,959	7.4		556,461
Pharmaceuticals		802,744	7.7		638,530	8.4		604,297
Oil and coal products		34,807	0.3		25,038	0.3		20,834
Rubber products		51,254	0.5		39,994	0.5		35,184
Glass and ceramic products		172,579	1.6		116,956	1.5		121,863
Iron and steel		317,421	3.0		192,438	2.5		159,423
Nonferrous metals		121,260	1.2		74,609	1.0		63,898
Metal products		47,392	0.5		41,185	0.5		45,012
Machinery		531,334	5.1		319,152	4.2		288,841
Electric appliances		1,268,817	12.1		975,167	12.8		1,055,742
Transportation equipment		1,347,546	12.9		932,361	12.2		889,820
Precision instruments		173,356	1.7		135,333	1.8		131,409
Other products		127,538	1.2		106,025	1.4		121,334
Electric power and gas		827,801	7.9		651,568	8.5		587,626
Transportation, information and communication								
Land transportation		476,789	4.5		364,394	4.8		370,393
Marine transportation		29,652	0.3		24,833	0.3		20,703
Air transportation		26,643	0.3		25,557	0.3		25,971
Warehousing and harbor transportation services		13,294	0.1		11,628	0.2		10,346
Information and communication		168,575	1.6		157,560	2.1		178,244
Trade and services								
Wholesale trade		283,930	2.7		193,823	2.5		168,428
Retail trade		307,920	2.9		230,571	3.0		253,142
Finance and insurance								
Banking		1,354,599	12.9		844,009	11.1		660,053
Securities and trading		168,250	1.6		121,264	1.6		131,358
Insurance		147,851	1.4		115,412	1.5		116,149
Other financial services		166,837	1.6		114,088	1.5		109,008
Real estate		47,123	0.4		30,754	0.4		32,018
Services		116,823	1.1		98,588	1.3		101,337
Total		¥10,484,913	100.0%		¥7,625,658	100.0%		¥7,313,427

61. Loans Receivable (General Account)

		Millions of Yen		
As of March 31		2006	2005	2004
Policy loans		¥1,263,464	¥ 1,325,898	¥ 1,371,769
Premium loans		121,846	127,769	131,434
Policyholder loans		1,141,618	1,198,128	1,240,335
Industrial and consumer loans		8,735,705	8,991,365	9,639,801
[Loans to non-residents]		[509,985]	[596,687]	[961,164]
Corporate loans—international and domestic		6,536,145	6,636,664	6,834,392
[Corporate loans—domestic]		[6,341,145]	[6,428,691]	[6,530,864]
Loans to national, international and government-affiliated organizations		312,152	398,108	618,158
Loans to public entities		459,183	474,152	612,810
Housing loans		975,759	1,033,227	1,115,547
Consumer loans		406,880	419,150	415,819
Other loans		45,584	30,062	43,073
Total		¥9,999,170	¥10,317,263	¥11,011,571

62. Loans by Contractual Maturity Dates (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
		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
		2005							
Fixed rate loans		¥1,774,524	¥2,328,105	¥1,511,435	¥ 790,021	¥659,733	¥450,642	¥70,000	¥7,584,463
Variable rate loans		224,397	335,172	209,798	232,176	186,545	208,811	10,000	1,406,902
Total loans		¥1,998,921	¥2,663,278	¥1,721,233	¥1,022,198	¥846,279	¥659,454	¥80,000	¥8,991,365
		2004							
Fixed rate loans		¥1,981,582	¥2,683,582	¥1,464,841	¥ 801,621	¥520,522	¥431,275	¥70,000	¥7,953,426
Variable rate loans		280,680	423,815	224,399	177,029	318,251	252,197	10,000	1,686,375
Total loans		¥2,262,263	¥3,107,397	¥1,689,240	¥ 978,651	¥838,774	¥683,472	¥80,000	¥9,639,801

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

		Number of Borrowers, Millions of Yen, %					
As of March 31		2006		2005		2004	
Large companies	Number of borrowers	1,062	37.2%	1,106	35.3%	1,183	
	Amount of loans	¥5,116,562	80.7	¥5,151,329	80.1	¥5,222,788	
Medium-sized companies	Number of borrowers	474	16.6	535	17.1	588	
	Amount of loans	¥ 231,178	3.6	¥ 262,296	4.1	¥ 265,541	
Small-sized companies	Number of borrowers	1,318	46.2	1,495	47.7	1,772	
	Amount of loans	¥ 993,404	15.7	¥1,015,065	15.8	¥1,042,534	
Total loans to domestic companies	Number of borrowers	2,854	100.0	3,136	100.0	3,543	
	Total amount of loans	¥6,341,145	100.0%	¥6,428,691	100.0%	¥6,530,864	

Notes: 1. Classifications are defined as follows.

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 ¥50 million and ¥1 billion
Small-sized companies	Paid-in capital under ¥0.3 billion or less than 300 employees		Paid-in capital under ¥50 million 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 ¥50 million and ¥1 billion	More than 100 employees and	Paid-in capital between ¥100 million and ¥1 billion
Small-sized companies	Paid-in capital under ¥50 million or less than 100 employees		Paid-in capital under ¥100 million or less than 100 employees	

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

64. Breakdown of Loans by Industry (General Account)

		Millions of Yen, %			
As of March 31	2006		2005		2004
Domestic					
Manufacturing	¥1,466,899	16.8%	¥1,443,660	16.1%	¥1,464,836
Foods	107,467	1.2	129,492	1.4	146,200
Textiles and apparel	39,687	0.5	37,213	0.4	35,838
Wood, wood products, pulp and paper	86,840	1.0	79,301	0.9	74,187
Printing	30,799	0.4	16,348	0.2	18,303
Chemicals	187,781	2.1	159,345	1.8	163,896
Oil and coal products	91,398	1.0	98,038	1.1	88,973
Ceramics, soil and stone	37,067	0.4	40,488	0.5	43,683
Iron and steel	227,786	2.6	231,628	2.6	264,095
Nonferrous metals	43,520	0.5	41,775	0.5	49,235
Metal products	25,712	0.3	28,941	0.3	33,727
Machinery	95,009	1.1	102,561	1.1	102,377
Electric appliances	219,354	2.5	225,651	2.5	201,000
Transportation equipment	198,007	2.3	183,064	2.0	169,967
Precision instruments	21,407	0.2	17,986	0.2	20,051
Other manufacturing products	55,059	0.6	51,822	0.6	53,295
Fishery, agriculture and forestry	4,836	0.1	6,170	0.1	6,933
Mining	13,860	0.2	9,810	0.1	9,502
Construction	49,516	0.6	55,995	0.6	80,869
Electric power, gas, heat supply and waterworks	980,012	11.2	980,272	10.9	966,246
Information and communication	203,310	2.3	215,873	2.4	230,984
Transportation	523,291	6.0	545,661	6.1	554,093
Wholesale trade	788,158	9.0	744,567	8.3	702,727
Retail trade	117,406	1.3	117,600	1.3	123,926
Financing and insurance	1,325,712	15.2	1,452,992	16.2	1,552,279
Real estate	413,814	4.7	422,042	4.7	473,481
Services	799,125	9.1	784,737	8.7	815,936
Local organizations and public entities	151,300	1.7	155,267	1.7	156,496
Individuals (residential/consumption/local taxes/other)	1,388,475	15.9	1,460,026	16.2	1,540,322
Total	¥8,225,720	94.2%	¥8,394,677	93.4%	¥8,678,637
Overseas					
Governments and public entities	314,985	3.6	388,714	4.3	657,636
Financial institutions	78,311	0.9	68,500	0.8	135,500
Commerce and industry	116,688	1.3	139,473	1.6	168,027
Total	¥ 509,985	5.8%	¥ 596,687	6.6%	¥ 961,164
Total loans	¥8,735,705	100.0%	¥8,991,365	100.0%	¥9,639,801

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

		Millions of Yen, %			
As of March 31	2006		2005		2004
Capital investments	¥3,078,904	35.2%	¥3,152,613	35.1%	¥3,303,321
Operations	5,656,800	64.8	5,838,752	64.9	6,336,480
Total loans	¥8,735,705	100.0%	¥8,991,365	100.0%	¥9,639,801

66. Breakdown of Loans by Region (General Account)

As of March 31	Millions of Yen, %					
	2006		2005		2004	
Hokkaido	¥ 45,514	0.7%	¥ 47,918	0.7%	¥ 47,588	
Tohoku	95,492	1.5	85,171	1.3	87,175	
Kanto	4,326,351	68.2	4,335,429	67.4	4,403,689	
Chubu	477,835	7.5	540,078	8.4	497,567	
Kinki	985,472	15.5	1,026,291	16.0	1,119,268	
Chugoku	133,732	2.1	130,628	2.0	117,015	
Shikoku	127,503	2.0	111,964	1.7	110,735	
Kyushu	149,242	2.4	151,208	2.4	147,824	
Total	¥6,341,145	100.0%	¥6,428,691	100.0%	¥6,530,864	

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.

67. Breakdown of Loans by Collateral (General Account)

As of March 31	Millions of Yen, %					
	2006		2005		2004	
Secured loans	¥ 199,908	2.3%	¥ 245,343	2.7%	¥ 308,276	
Loans secured by securities	61,136	0.7	66,758	0.7	82,264	
Loans secured by real estate, movables and foundations	122,698	1.4	157,129	1.7	195,423	
Loans secured by personal guarantees	16,073	0.2	21,455	0.2	30,588	
Guarantee loans	364,903	4.2	341,732	3.8	345,684	
Fiduciary loans	6,788,253	77.7	6,951,912	77.3	7,454,473	
Other loans	1,382,640	15.8	1,452,377	16.2	1,531,366	
Ordinary loans	8,735,705	100.0	8,991,365	100.0	9,639,801	
Subordinated loans	366,000	4.2	394,000	4.4	410,000	

68. Real Estate and Movables (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	Rate of accumulated depreciation	
Fiscal year ended March 31	2006							
Land	¥1,111,781	¥ 460	¥ 23,865	¥ —	¥1,088,376	¥ —	—%	
			[9,308]					
Buildings	650,887	20,077	48,405	40,871	581,688	861,199	59.7	
			[19,711]					
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	¥48,758	¥1,708,506	¥926,549	—%	
			[29,020]					
Fiscal year ended March 31	2005							
Land	¥1,139,070	¥ 32,236	¥ 59,525	¥ —	¥1,111,781	¥ —	—%	
Buildings	644,273	68,795	18,085	44,096	650,887	885,367	57.6	
Movables	18,248	16,391	2,628	5,152	26,859	60,880	69.4	
Construction in progress	37,163	84,136	110,098	—	11,200	—	—	
Total	¥1,838,755	¥201,560	¥190,338	¥49,249	¥1,800,729	¥946,247	—%	
Fiscal year ended March 31	2004							
Land	¥1,157,354	¥ 6,152	¥ 24,436	¥ —	¥1,139,070	¥ —	—%	
Buildings	673,585	26,360	10,527	45,144	644,273	860,721	57.2	
Movables	21,302	2,939	368	5,624	18,248	75,195	80.5	
Construction in progress	29,726	10,985	3,549	—	37,163	—	—	
Total	¥1,881,969	¥ 46,438	¥ 38,882	¥50,768	¥1,838,755	¥935,917	—%	

Notes: 1. Figures in brackets under the decrease in current period column for land and buildings indicate the amount of decrease due to impairment losses.

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

69. Appraisal Value of Real Estate (General Account)

		Billions of Yen		
As of March 31		2006	2005	2004
Land and leaseholds				
Carrying value on balance sheets		¥1,175.9	¥1,258.7	¥1,285.7
Market value (appraisal value)		1,092.9	1,076.0	1,104.5
Net unrealized gains/losses (1)		(82.9)	(182.6)	(181.2)
Gains		93.7	60.0	48.2
Losses		(176.6)	(242.6)	(229.4)
Revaluation (2)		87.8	96.8	107.3
(1) + (2)		¥ 4.8	¥ (85.7)	¥ (73.8)

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

2. Taxation amounts on unrealized gains and losses are recorded under liabilities as deferred tax liabilities for revaluation reserve for land. This amount deducted from revaluation is recorded in the equity section as revaluation reserve for land.

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

		Millions of Yen, Number of Buildings		
As of March 31		2006	2005	2004
Value of real estate holdings		¥1,686,564	¥1,773,869	¥1,820,507
For business operations		644,977	645,275	650,937
For lease		1,041,587	1,128,594	1,169,569
Number of buildings held for leasing		416	422	441

71. Gains and Losses on the Disposal of Real Estate and Movable (General Account)

		Millions of Yen					
Fiscal years ended March 31		2006		2005		2004	
		Gains	Losses	Gains	Losses	Gains	Losses
Real estate		¥1,393	¥ 9,267	¥4,685	¥42,444	¥3,145	¥15,245
Movables		1	259	0	2,666	0	371
Other		0	26,513	6	2,518	3,438	7,392
Total		¥1,394	¥36,041	¥4,692	¥47,629	¥6,584	¥23,008

72. Depreciation on Real Estate, Movable 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	Rate of accumulated depreciation
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%
Fiscal year ended March 31		2005				
Buildings		¥1,055,357	¥31,085	¥598,633	¥456,724	56.7%
Movables		10,922	164	9,968	953	91.3
Other assets		—	—	—	—	—
Total		¥1,066,279	¥31,250	¥608,601	¥457,677	57.1%
Fiscal year ended March 31		2004				
Buildings		¥1,039,169	¥32,490	¥577,952	¥461,217	55.6%
Movables		11,101	246	9,990	1,110	90.0
Other assets		—	—	—	—	—
Total		¥1,050,271	¥32,737	¥587,942	¥462,328	56.0%

73. 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										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	
Fiscal year ended March 31										2006				
4/8	1.65	4/8	1.55					4/15	1.55			4/15	1.85	
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	
Fiscal year ended March 31										2005				
4/9	1.85	4/9	1.70	4/16	3.80-4.70	4/16	2.00-4.40	4/16	1.70	4/16	3.80-4.40	4/16	2.00	
				5/18	3.80-4.75	5/18	2.00-4.50			5/18	3.80-4.50			
6/10	2.05	6/10	1.90	6/17	3.80-4.75	6/17	2.00-4.40	6/17	1.90	6/17	3.80-4.40	6/17	2.20	
7/9	2.15	7/9	1.80	7/16	4.20-5.00	7/16	2.00-4.80	7/16	1.80	7/16	4.20-4.80	7/16	2.10	
8/10	2.05	8/10	1.75	8/17	4.10-5.00			8/17	1.75	8/17	4.10-4.80	8/17	2.05	
9/10	2.00	9/10	1.70	9/17	3.75-4.85	9/17	2.00-4.60	9/17	1.70	9/17	3.75-4.60	9/17	2.00	
				10/18	3.75-4.52	10/18	2.00-4.30			10/18	3.75-4.30			
				11/17	3.75-4.50	11/17	2.00-4.10			11/17	3.75-4.10			
12/10	1.70	12/10	1.55	12/17	3.55-4.50			12/17	1.55	12/17	3.55-4.10	12/17	1.85	
				1/19	3.45-4.50	1/19	2.00-4.05			1/19	3.45-4.05			
2/10	1.65			2/18	3.40-4.50			2/18		2/18	3.40-4.05			
3/10	1.80	3/10	1.65					3/17	1.65			3/17	1.95	
Fiscal year ended March 31										2004				
4/10	1.55	4/10	1.40	4/17	3.20-5.10			4/17	1.40	2.375*	4/17	3.20-4.55	4/17	1.70
5/9	1.45	5/9	1.35	5/16	3.05-5.10			5/16	1.35		5/16	3.05-4.55	5/16	1.65
6/10	1.40	6/10	1.25					6/17	1.25			6/17	1.55	
7/10	1.70	7/10	1.60					7/17	1.60			7/17	1.90	
8/8	1.60	8/8	1.50	8/15	3.30-5.25	8/15	1.85-4.65	8/15	1.50	8/15	3.30-4.65	8/15	1.80	
9/10	1.95	9/10	1.85	9/18	3.80-5.55	9/18	1.85-5.10	9/18	1.85	9/18	3.80-5.10	9/18	2.15	
10/10	1.75	10/10	1.65	10/20	3.80-5.50			10/20	1.65			10/20	1.95	
11/11	1.90	11/11	1.80	11/18	3.70-5.45	11/18	1.85-5.00	11/18	1.80	11/18	3.70-5.00	11/18	2.10	
12/10	1.80	12/10	1.70					12/17	1.70			12/17	2.00	
2/10	1.70	2/10	1.60	2/18	3.65-5.45			2/18	1.60	2/18	3.65-5.00	2/18	1.90	
3/10	1.75	3/10	1.65	3/17	3.55-5.35	3/17	1.85-4.90	3/17	1.65	3/17	3.55-4.90	3/17	1.95	

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 rate optional with fixed interest rate is set according to the fixed interest rate period of 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.

*April 12, 2001

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

1. Breakdown by asset composition

As of March 31	2006		2005		2004
	Millions of Yen	%	Millions of Yen	%	Millions of Yen
Foreign currency denominated assets					
Foreign bonds	¥4,675,705	60.5%	¥4,186,806	60.6%	¥4,023,123
Foreign stocks	657,163	8.5	584,545	8.5	571,953
Cash and cash equivalents	941,160	12.2	825,689	11.9	691,596
Subtotal	6,274,029	81.2	5,597,040	81.0	5,286,674
Foreign currency denominated assets with fixed yen value					
Foreign bonds	—	—	—	—	—
Cash and cash equivalents	113,928	1.5	97,101	1.4	78,297
Subtotal	113,928	1.5	97,101	1.4	78,297
Yen denominated assets					
Loans to non-residents	433,153	5.6	546,942	7.9	905,957
Foreign bonds and other assets	910,143	11.8	671,032	9.7	671,524
Subtotal	1,343,297	17.4	1,217,975	17.6	1,577,482
Net overseas loans and investment	¥7,731,255	100.0%	¥6,912,118	100.0%	¥6,942,454
Overseas real estate	284,308	3.7	263,699	3.8	266,745

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

As of March 31	2006		2005		2004
	Millions of Yen	%	Millions of Yen	%	Millions of Yen
U.S. Dollar	¥3,779,441	60.2%	¥3,646,438	65.1%	¥3,359,171
Euro	2,082,481	33.2	1,719,432	30.7	1,697,439
Swedish Krona	97,317	1.6	—	—	—
Canadian Dollar	95,795	1.5	95,519	1.7	89,039
British Pound	95,731	1.5	75,918	1.4	89,004
Australian Dollar	52,244	0.8	—	—	—
Hong Kong Dollar	—	—	33,787	0.6	30,761
Swiss Franc	—	—	11,260	0.2	8,798
Other	71,018	1.1	14,683	0.3	12,459
Net foreign currency denominated assets	¥6,274,029	100.0%	¥5,597,040	100.0%	¥5,286,674

Note: The Other category includes the Swedish Krona for March 31, 2005 and 2004, the Australian Dollar for March 31, 2005 and 2004, the Hong Kong Dollar for March 31, 2006 and the Swiss Franc for March 31, 2006.

74. 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
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
Africa	—	—	—	—	—	—	—	—
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%
As of March 31	2005							
North America	¥2,722,147	46.6%	¥2,249,543	49.5%	¥ 472,604	36.4%	¥ 88,675	14.9%
Europe	2,134,069	36.5	1,884,684	41.5	249,385	19.2	323,583	54.2
Oceania	15,000	0.3	15,000	0.3	—	—	—	—
Asia	58,337	1.0	46,773	1.0	11,563	0.9	57,505	9.6
Central and South America	662,236	11.3	98,053	2.2	564,183	43.5	22,459	3.8
Middle East	—	—	—	—	—	—	188	0.0
Africa	—	—	—	—	—	—	—	—
International organizations	252,431	4.3	252,431	5.6	—	—	104,274	17.5
Total	¥5,844,222	100.0%	¥4,546,485	100.0%	¥1,297,736	100.0%	¥596,687	100.0%
As of March 31	2004							
North America	¥2,609,180	45.8%	¥2,150,757	48.4%	¥ 458,423	36.7%	¥118,421	12.3%
Europe	1,979,403	34.8	1,762,109	39.6	217,294	17.4	529,486	55.1
Oceania	15,000	0.3	15,000	0.3	—	—	81,000	8.4
Asia	59,912	1.1	48,337	1.1	11,574	0.9	61,408	6.4
Central and South America	677,988	11.9	115,860	2.6	562,127	45.0	43,282	4.5
Middle East	—	—	—	—	—	—	592	0.1
Africa	—	—	—	—	—	—	—	—
International organizations	352,750	6.2	352,750	7.9	—	—	126,973	13.2
Total	¥5,694,235	100.0%	¥4,444,815	100.0%	¥1,249,420	100.0%	¥961,164	100.0%

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

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

Fiscal years ended March 31		2006	2005	2004
Yield on overseas loans and investments		4.34%	3.15%	3.82%

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

Fiscal years ended March 31		2006		2005		2004
Millions of Yen, %						
Public bonds	National government bonds	¥287,154	83.5%	¥382,546	88.1%	¥177,628
	Local government bonds	748	0.2	1,169	0.3	2,530
	Subtotal	287,902	83.7	383,716	88.3	180,158
Loans	Public corporations and agencies	31,595	9.2	27,375	6.3	35,347
	Other public entities	24,534	7.1	23,285	5.4	12,305
	Subtotal	56,129	16.3	50,661	11.7	47,652
Total		¥344,032	100.0%	¥434,377	100.0%	¥227,810

77. Breakdown of Other Assets (General Account)

Millions of Yen					
	Acquisition cost	Increase in current period	Decrease in current period	Accumulated depreciation	Balance at end of current period
Fiscal year ended March 31					
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
Fiscal year ended March 31					
2005					
Leaseholds	¥146,789	¥ 285	¥ 20	¥ —	¥147,054
Intangible fixed assets	101,489	23,521	407	66,122	58,481
Deferred assets	6,437	907	196	3,531	3,617
Other	50,963	870	5,065	2,820	43,947
Total	¥305,680	¥25,584	¥ 5,689	¥72,473	¥253,101
Fiscal year ended March 31					
2004					
Leaseholds	¥152,264	¥ —	¥ 5,474	¥ —	¥146,789
Intangible fixed assets	105,002	24,911	1,410	72,184	56,319
Deferred assets	6,853	79	395	3,435	3,100
Other	58,376	698	8,112	5,638	45,324
Total	¥322,497	¥25,688	¥15,393	¥81,259	¥251,534

SECURITIES INDICATORS (GENERAL ACCOUNT)

78. Market Value of Securities (General Account)

1. Net valuation gains/losses of trading securities

As of March 31	2006		2005		2004	
	Carrying value on balance sheets	Net valuation gains/losses included in profits/losses	Carrying value on balance sheets	Net valuation gains/losses included in profits/losses	Carrying value on balance sheets	Net valuation gains/losses included in profits/losses
Securities held for sale	¥178,037	¥16,333	¥146,787	¥5,834	¥156,939	¥12,607

Millions of Yen

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

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

As of March 31	2006					2005				
	Book value	Market value	Gains/losses	Gains	Losses	Book value	Market value	Gains/losses	Gains	Losses
Types of securities										
Policy-reserve-matching bonds	¥16,724,613	¥16,808,437	¥ 83,823	¥ 260,102	¥(176,278)	¥16,114,189	¥16,595,643	¥ 481,454	¥ 605,294	¥(123,840)
Held-to-maturity debt securities	94,272	93,530	(742)	74	(817)	151,860	152,786	926	926	—
Investments in subsidiaries and affiliates	54,454	114,415	59,961	59,961	—	53,718	77,244	23,526	23,526	—
Other securities	11,130,048	17,559,709	6,429,660	6,519,716	(90,055)	10,752,008	14,098,266	3,346,258	3,554,214	(207,955)
Domestic bonds	17,039	18,098	1,059	1,059	—	17,375	17,335	(40)	56	(97)
Domestic stocks	4,347,663	10,125,495	5,777,831	5,830,040	(52,208)	4,426,624	7,370,160	2,943,536	3,045,163	(101,627)
Foreign securities	5,075,419	5,707,491	632,072	669,248	(37,176)	4,661,346	5,055,238	393,892	497,793	(103,900)
Foreign bonds	4,343,439	4,705,632	362,192	386,019	(23,826)	3,902,742	4,171,105	268,363	332,176	(63,813)
Foreign stocks and other securities	731,979	1,001,859	269,879	283,229	(13,350)	758,603	884,133	125,529	165,617	(40,087)
Other securities	306,307	324,979	18,671	19,321	(649)	488,641	497,530	8,888	11,199	(2,310)
Monetary receivables purchased	651,617	651,643	25	41	(16)	916,020	916,003	(17)	0	(18)
Negotiable deposits	732,000	732,000	0	4	(3)	242,000	241,998	(1)	0	(1)
Total	¥28,003,389	¥34,576,092	¥6,572,703	¥6,839,854	¥(267,151)	¥27,071,776	¥30,923,941	¥3,852,165	¥4,183,961	¥(331,796)
Domestic bonds	¥15,842,655	¥15,926,419	¥ 83,763	¥ 252,960	¥(169,196)	¥15,375,825	¥15,847,024	¥ 471,198	¥ 594,735	¥(123,536)
Domestic stocks	4,402,118	10,239,910	5,837,792	5,890,001	(52,208)	4,480,342	7,447,405	2,967,062	3,068,690	(101,627)
Foreign securities	5,337,339	5,967,759	630,420	669,633	(39,213)	5,036,725	5,433,978	397,252	501,538	(104,286)
Foreign bonds	4,605,359	4,965,900	360,540	386,404	(25,863)	4,278,121	4,549,845	271,723	335,921	(64,198)
Foreign stocks and other securities	731,979	1,001,859	269,879	283,229	(13,350)	758,603	884,133	125,529	165,617	(40,087)
Other securities	306,307	324,979	18,671	19,321	(649)	488,641	497,530	8,888	11,199	(2,310)
Monetary receivables purchased	1,382,968	1,385,022	2,054	7,932	(5,878)	1,448,240	1,456,005	7,764	7,798	(33)
Negotiable deposits	732,000	732,000	0	4	(3)	242,000	241,998	(1)	0	(1)
Money held in trust	—	—	—	—	—	—	—	—	—	—

Millions of Yen

As of March 31	2004				
Types of securities	Book value	Market value	Gains/losses	Gains	Losses
Policy-reserve-matching bonds	¥14,852,231	¥15,205,343	¥ 353,112	¥ 516,965	¥(163,852)
Held-to-maturity debt securities	201,944	202,055	110	628	(517)
Investments in subsidiaries and affiliates	53,718	80,394	26,676	26,676	—
Other securities	10,437,664	13,364,103	2,926,438	3,125,174	(198,735)
Domestic bonds	10,956	11,559	602	602	—
Domestic stocks	4,552,703	7,157,151	2,604,448	2,687,522	(83,074)
Foreign securities	4,537,959	4,864,741	326,781	433,032	(106,251)
Foreign bonds	3,764,554	4,014,057	249,503	307,505	(58,002)
Foreign stocks and other securities	773,405	850,683	77,278	125,527	(48,248)
Other securities	624,049	618,662	(5,386)	4,014	(9,401)
Monetary receivables purchased	570,995	570,989	(6)	0	(7)
Negotiable deposits	141,000	140,999	(1)	—	(0)
Total	¥25,545,559	¥28,851,897	¥3,306,337	¥3,669,444	¥(363,106)
Domestic bonds	¥14,304,223	¥14,652,932	¥ 348,708	¥ 512,316	¥(163,608)
Domestic stocks	4,606,422	7,237,546	2,631,124	2,714,199	(83,074)
Foreign securities	4,968,717	5,298,740	330,023	436,969	(106,946)
Foreign bonds	4,195,311	4,448,056	252,744	311,442	(58,697)
Foreign stocks and other securities	773,405	850,683	77,278	125,527	(48,248)
Other securities	624,049	618,662	(5,386)	4,014	(9,401)
Monetary receivables purchased	901,147	903,016	1,869	1,943	(74)
Negotiable deposits	141,000	140,999	(1)	—	(0)
Money held in trust	—	—	—	—	—

Notes: 1. This table includes negotiable deposits and other items deemed appropriate for handling as securities under the Securities and Exchange Act of Japan.
2. Money held in trust excludes cash, deposits and call loans within money held in trust.

78. 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

As of March 31	Millions of Yen					
	2006		2005		2004	
Policy-reserve-matching bonds	¥	—	¥	—	¥	—
Held-to-maturity debt securities		—		—		—
Unlisted foreign bonds		—		—		—
Other		—		—		—
Investments in subsidiaries and affiliates		282,803		282,129		277,869
Other securities		510,592		386,962		283,239
Unlisted domestic stocks (excluding over-the-counter stocks)		268,035		165,476		68,532
Unlisted foreign stocks (excluding over-the-counter stocks)		101,146		86,542		86,796
Unlisted foreign bonds		—		—		—
Other		141,410		134,943		127,910
Total		¥793,396		¥669,091		¥561,108

Note: Of securities without quoted market value, net losses on foreign exchange valuation of assets denominated in foreign currencies were as follows:
As of March 31, 2006, ¥10,642 million; as of March 31, 2005, ¥37,972 million; as of March 31, 2004, ¥43,152 million.

79. Data on Market Value of Money Held in Trust (General Account)

As of March 31	Millions of Yen		
	2006	2005	2004
Money held in trust			
Carrying value on balance sheets	¥177,037	¥144,614	¥155,054
Market value	177,037	144,614	155,054
Net unrealized gains/losses	—	—	—
Gains	—	—	—
Losses	—	—	—

Notes: 1. Market value calculations are based on prices rationally calculated by the trustee of money held in trust.
2. Amounts on the balance sheet include net gains/losses on derivative transactions within money held in trust.

Money held in trust for investment

As of March 31	Millions of Yen					
	2006		2005		2004	
	Carrying value on balance sheets	Net valuation gains/losses included in profits/losses	Carrying value on balance sheets	Net valuation gains/losses included in profits/losses	Carrying value on balance sheets	Net valuation gains/losses included in profits/losses
Money held in trust for investment	¥177,037	¥16,333	¥144,614	¥5,833	¥155,054	¥12,606

Note: Money held in trust on the balance sheets and net valuation gains/losses included in current period include net gains/losses on derivative transactions.

80. Qualitative Information on Derivatives Transactions (General Account: Excludes 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 option

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 exchange markets 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 losses, is reported periodically to the 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 replace the same position in the market when 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 gains and losses

We mainly utilize derivative 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, gains and losses 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.

7. 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.

81. Credit Risk Amounts (General Account)

As of March 31	2006		2005		2004	
	Notional principal (Contract amount)	Credit risk estimate	Notional principal (Contract amount)	Credit risk estimate	Notional principal (Contract amount)	Credit risk estimate
Interest-rate swaps	¥ 325,100	¥ 1,661	¥ 750,000	¥13,590	¥ 905,460	¥ 27,410
Currency swaps	3,947	308	533	41	—	—
Foreign exchange forward contracts	2,232,710	25,514	2,730,264	29,380	2,357,936	82,199
Currency options (purchase)	674,647	11,445	630,895	6,308	629,571	11,663
Total	¥3,236,405	¥38,929	¥4,111,693	¥49,321	¥3,892,968	¥121,273

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

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

General Account (excluding trading securities)

1. Breakdown of gains and losses, with and without hedge accounting applied

						Millions of Yen
	Interest	Currencies	Stocks	Bonds	Other	Total
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)
As of March 31						2005
Hedge accounting applied	¥ —	¥(54,206)	¥—	¥—	¥—	¥(54,206)
Hedge accounting not applied	7,621	(1,821)	—	—	—	5,799
Total	¥ 7,621	¥(56,028)	¥—	¥—	¥—	¥(48,406)
As of March 31						2004
Hedge accounting applied	¥ —	¥48,484	¥—	¥—	¥—	¥48,484
Hedge accounting not applied	16,989	13,835	—	—	—	30,824
Total	¥16,989	¥62,319	¥—	¥—	¥—	¥79,308

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

2. Breakdown of interest-rate related derivative transactions

				Millions of Yen		
As of March 31				2006	2005	2004
Over-the-counter	Interest-rate swap	Variable interest-rate payment	Contract amount	¥175,100	¥550,000	¥600,000
		Fixed interest-rate receipt	Over 1 year	105,100	170,000	550,000
			Market value	(560)	8,679	19,167
			Gains/losses	(560)	8,679	19,167
		Variable interest-rate receipt	Contract amount	150,000	200,000	305,460
		Fixed interest-rate payment	Over 1 year	100,000	150,000	255,460
			Market value	291	(1,057)	(2,178)
			Gains/losses	291	(1,057)	(2,178)
Total			Net gains/losses	¥ (269)	¥ 7,621	¥ 16,989

Notes: 1. Gains/losses show the current market value: present value of swap transactions.

2. Gains/losses for March 31, 2006, 2005 and 2004 are recorded on the statements of operations as losses from derivative financial instruments, except for deferred gains to be amortized from the discontinuation of hedge accounting and instruments to which hedge accounting was applied.

82. 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, %	
		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		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
As of March 31		2005						
Notional amount (receipts fixed/payments variable)		¥380,000	¥120,000	¥ 50,000	¥ —	¥ —	¥ —	¥550,000
Average fixed rate (receipt)		3.00%	0.79%	0.49%	—%	—%	—%	2.29%
Average variable rate (payment)		0.08	0.08	0.08	—	—	—	0.08
Notional amount (payments fixed/receipts variable)		¥ 50,000	¥100,000	¥ 50,000	¥ —	¥ —	¥ —	¥200,000
Average fixed rate (payment)		1.30%	0.41%	0.64%	—%	—%	—%	0.69%
Average variable rate (receipt)		0.08	0.08	0.08	—	—	—	0.08
As of March 31		2004						
Notional amount (receipts fixed/payments variable)		¥ 50,000	¥450,000	¥100,000	¥ —	¥ —	¥ —	¥600,000
Average fixed rate (receipt)		1.12%	2.70%	0.42%	—%	—%	—%	2.19%
Average variable rate (payment)		0.08	0.08	0.08	—	—	—	0.08
Notional amount (payments fixed/receipts variable)		¥ 50,000	¥100,000	¥100,000	¥52,620	¥2,840	¥ —	¥305,460
Average fixed rate (payment)		1.08%	0.82%	0.56%	1.32%	1.37%	—	0.87%
Average variable rate (receipt)		0.08	0.08	0.08	0.07	0.08	—	0.08

3. Currency-related

					Millions of Yen		
As of March 31					2006	2005	2004
Over-the-counter	Foreign exchange forward contracts	Sold	U.S. Dollar	Contract amount	¥1,166,505	¥1,375,919	¥1,473,597
				Over 1 year	—	—	—
				Market value	1,166,225	1,412,739	1,448,649
		Net gains/losses	280	(36,819)	24,947		
		Euro	Contract amount	832,125	771,590	853,319	
			Over 1 year	—	—	—	
	Market value		850,888	788,911	820,384		
	Net gains/losses	(18,762)	(17,321)	32,934			
	Other, net	Contract amount		2,131,986	2,170,978	2,349,366	
		Over 1 year		—	—	—	
	Market value		2,151,341	2,226,071	2,291,488		
	Net gains/losses		(19,354)	(55,092)	57,877		
	Purchased	U.S. Dollar	Contract amount	81,353	502,526	66,863	
				Over 1 year	—	—	—
Market value				81,369	504,192	66,448	
Net gains/losses		15	1,666	(414)			
Euro		Contract amount	—	—	—		
			Over 1 year	—	—	—	
			Market value	—	—	—	
Net gains/losses		—	—	—			
Other, net		Contract amount		81,353	502,526	66,863	
		Over 1 year		—	—	—	
Market value		81,369	504,192	66,448			
Net gains/losses		15	1,666	(414)			

82. 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 2003 fiscal year-end to the fiscal 2005 year-end.

5. Bond-related

No data as there was not an ending balance from the 2003 fiscal year-end to the fiscal 2005 year-end.

6. Other

No data as there was not an ending balance from the 2003 fiscal year-end to the fiscal 2005 year-end.

SEPARATE ACCOUNT INDICATORS

83. Separate Account Asset Balance

As of March 31	2006		2005		2004	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Individual variable insurance	¥ 189,054	8.1%	¥ 167,264	7.8%	¥ 170,267	
Individual variable annuities	251,724	10.8	201,667	9.4	147,744	
Group annuities	1,893,728	81.1	1,780,254	82.8	1,958,438	
Separate Account total	¥2,334,507	100.0%	¥2,149,186	100.0%	¥2,276,451	

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 pensions, 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.

84. Status of Separate Account Assets for Individual Variable Insurance

Fiscal 2005 saw significant increases in the domestic stock market due to expectations surrounding economic recovery signaling the end of a period marked by deflation, with the Nikkei stock average increasing 46.20%. In addition, a weaker yen and stronger dollar (an approximate decrease of ¥1 against the dollar), coupled with rises in foreign stock prices, supported favorable investment performance in foreign currency denominated assets. Under these investment conditions, fiscal 2005 investment yield for individual variable insurance jumped 21.55%, a substantial increase over the previous fiscal year.

This also represented an increase of 73.48% (2.88% 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.

Investment Return on the Separate Account for Individual Variable Insurance

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

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

As of March 31	2006		2005		2004	
	Number of Policies	Millions of Yen	Number of Policies	Millions of Yen	Number of Policies	Millions of Yen
Variable life insurance (defined term type)	3,683	¥ 20,063	3,910	¥ 22,052	4,146	¥ 23,524
Variable life insurance (whole life type)	41,510	701,083	42,617	726,298	43,613	754,934
Total	45,193	¥721,147	46,527	¥748,351	47,759	¥778,458

Note: Amounts include term life insurance riders.

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

Millions of Yen, %					
As of March 31	2006		2005		2004
Cash, deposits and call loans	¥ 6,011	3.2%	¥ 8,009	4.8%	¥ 8,002
Securities	173,566	91.8	148,246	88.6	150,786
Domestic bonds	39,660	21.0	54,002	32.3	56,620
Domestic stocks	75,962	40.2	51,746	30.9	55,620
Foreign securities	57,943	30.6	42,497	25.4	38,545
Foreign bonds	17,512	9.3	20,265	12.1	12,228
Foreign stocks and other securities	40,431	21.4	22,231	13.3	26,317
Other securities	—	—	—	—	—
Loans receivable	—	—	—	—	—
Other	9,476	5.0	11,009	6.6	11,479
Allowance for doubtful accounts	—	—	—	—	—
Total	¥189,054	100.0%	¥167,264	100.0%	¥170,267

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

Millions of Yen			
Fiscal years ended March 31	2006	2005	2004
Interest, dividends and other income	¥ 2,993	¥ 2,806	¥ 2,760
Gains on sales of securities	10,448	7,488	6,769
Gains from redemption of securities	—	5	0
Gains on valuation of securities	20,469	(1,426)	9,439
Foreign exchange, net	17	—	—
Gains from derivative financial instruments	347	18	39
Other income	2	4	3
Losses on sales of securities	2,595	3,542	10,668
Losses from redemption of securities	19	13	3
Losses on valuation of securities	(1,473)	(732)	(16,505)
Foreign exchange, net	—	12	44
Losses from derivative financial instruments	—	—	—
Other expenses	2	1	3
Net income	¥33,134	¥ 6,060	¥24,799

Notes: 1. Investment income and investment expenses related to the separate account are recorded on the statements of operations as gains/losses from separate account, net.
2. Net gains/losses on valuation of securities contain reversal for net gains/losses on valuation of securities from the previous fiscal year.

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

Net valuation gains/losses on securities held for sale

Millions of Yen						
As of March 31	2006		2005		2004	
	Carrying value on balance sheets	Net valuation gain/loss included in profits/losses	Carrying value on balance sheets	Net valuation gain/loss included in profits/losses	Carrying value on balance sheets	Net valuation gain/loss included in profits/losses
Securities held for sale	¥173,566	¥21,943	¥148,246	¥(694)	¥150,786	¥25,945

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

No data as there was not an ending balance from the 2003 fiscal year-end to the fiscal 2005 year-end.

90. Qualitative Information on Derivative Transactions (Separate Account for Individual Variable Insurance)

(1) Transaction detail

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

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

(4) Risk detail

Derivative 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, other than matched to certain credits and debits denominated in foreign currency.

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

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

1. Breakdown of Separate Account gains/losses, with and without hedge accounting applied

							Millions of Yen
	Interest	Currencies	Stocks	Bonds	Other	Total	
As of March 31							
2006							
Hedge accounting applied	¥—	¥ —	¥ —	¥—	¥—	¥ —	
Hedge accounting not applied	—	3	128	—	—	131	
Total	¥—	¥ 3	¥128	¥—	¥—	¥131	
As of March 31							
2005							
Hedge accounting applied	¥—	¥ —	¥ —	¥—	¥—	¥ —	
Hedge accounting not applied	—	(9)	—	—	—	(9)	
Total	¥—	¥ (9)	¥ —	¥—	¥—	¥ (9)	
As of March 31							
2004							
Hedge accounting applied	¥—	¥ —	¥ —	¥—	¥—	¥ —	
Hedge accounting not applied	—	3	—	—	—	3	
Total	¥—	¥ 3	¥ —	¥—	¥—	¥ 3	

Note: Net gains/losses on separate account without hedge accounting applied are recorded on the statements of operations.

2. Interest rate-related

No data as there was not an ending balance from the 2003 fiscal year-end to the fiscal 2005 year-end.

3. Currency-related

							Millions of Yen		
As of March 31							2006	2005	2004
Over-the-counter	Currency options	Sold	U.S. Dollar	Contract amount		¥1,303	¥1,212	¥ —	
				Over 1 year		—	—	—	
				Market value		1,304	1,246	—	
				Net gains/losses		(1)	(34)	—	
			Euro	Contract amount		67	277	783	
				Over 1 year			—	—	—
				Market value		67	277	767	
				Net gains/losses		(0)	0	16	
			British Pound	Contract amount		764	—	—	
				Over 1 year			—	—	—
				Market value		765	—	—	
				Net gains/losses		(1)	—	—	
			Other, net	Contract amount		2,135	1,612	783	
				Over 1 year		—	—	—	
				Market value		2,138	1,648	767	
				Net gains/losses		(3)	(36)	16	
		Purchased	U.S. Dollar	Contract amount		915	808	764	
				Over 1 year		—	—	—	—
				Market value		914	830	752	
				Net gains/losses		(0)	22	(12)	
			Euro	Contract amount		1,109	—	—	
				Over 1 year			—	—	—
				Market value		1,116	—	—	
				Net gains/losses		7	—	—	
			Canadian Dollar	Contract amount		—	—	—	
				Over 1 year			—	—	—
				Market value		—	—	—	
				Net gains/losses		—	—	—	
			Other, net	Contract amount		2,172	1,585	764	
				Over 1 year		—	—	—	
				Market value		2,178	1,612	752	
				Net gains/losses		6	26	(12)	
Total				Net gains/losses		¥ 3	¥ (9)	¥ 3	

Notes: 1. Net gains/losses shows the difference between contract amount and market value for forward transactions.

2. Net gains/losses was recorded as gains from separate account, net for March 31, 2006, 2005 and 2004 on the statements of operations.

4. Stock-related

As of March 31				Millions of Yen		
Stock exchange	Stock index futures	Sold		2006	2005	2004
			Contract amount	¥ —	¥ —	¥ —
			Over 1 year	—	—	—
			Market value	—	—	—
			Net gains/losses	—	—	—
		Purchased	Contract amount	1,582	—	—
			Over 1 year	—	—	—
			Market value	1,710	—	—
			Net gains/losses	128	—	—
Total			Net gains/losses	¥ 128	¥ —	¥ —

Notes: 1. Net gains/losses shows the difference between contract amount and market value for forward transactions.
2. Net gains/losses was recorded as gains from separate account, net for March 31, 2006 on the statements of operations.

5. Bond-related

No data as there was not an ending balance from the 2003 fiscal year-end to the fiscal 2005 year-end.

6. Other

No data as there was not an ending balance from the 2003 fiscal year-end to the fiscal 2005 year-end.

STATUS OF SEPARATE ACCOUNT FOR INDIVIDUAL ANNUITIES

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

As of March 31	Number of Policies, Millions of Yen					
	2006		2005		2004	
	Policies	Value	Policies	Value	Policies	Value
Individual variable annuities	29,067	¥251,710	26,609	¥201,493	19,933	¥147,508

Note: Amounts represent policy reserves

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

As of March 31	Millions of Yen, %					
	2006		2005		2004	
	Value	%	Value	%	Value	%
Cash, deposits and call loans	¥ 7,000	2.8%	¥ 6,000	3.0%	¥ 7,000	4.7%
Securities	237,996	94.5	188,217	93.3	134,220	90.8
Domestic bonds	28,203	11.2	24,457	12.1	6,247	4.2
Domestic stocks	—	—	—	—	—	—
Foreign securities	—	—	—	—	—	—
Foreign bonds	—	—	—	—	—	—
Foreign stocks and other securities	—	—	—	—	—	—
Other securities	209,792	83.3	163,759	81.2	127,973	86.6
Loans receivable	—	—	—	—	—	—
Other	6,728	2.7	7,449	3.7	6,524	4.4
Allowance for doubtful accounts	—	—	—	—	—	—
Total	¥251,724	100.0%	¥201,667	100.0%	¥147,744	100.0%

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

Fiscal years ended March 31	Millions of Yen		
	2006	2005	2004
Interest, dividend and other income	¥ 6,032	¥1,454	¥ 724
Gains on sales of securities	54	5	0
Gains from redemption of securities	—	—	—
Gains on valuation of securities	35,184	2,933	12,373
Foreign exchange, net	—	—	—
Gains from derivative financial instruments	—	—	—
Other income	0	0	0
Losses on sales of securities	74	141	187
Losses from redemption of securities	—	—	—
Losses on valuation of securities	(619)	(519)	(5,912)
Foreign exchange, net	—	—	—
Losses from derivative financial instruments	—	—	—
Other expenses	—	—	—
Net income	¥41,817	¥4,771	¥18,823

Notes: 1. Investment income and expenses for investment in the separate account are lumped together and shown as gains from separate account, net, or as losses from separate account in the Statements of Operations.
2. Gains on valuation of securities and valuation losses include reversal gains/losses on valuation of securities from the respective preceding fiscal years.

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

Net valuation gains/losses on securities held for sale

As of March 31	2006		2005		2004	
	Carrying value on balance sheets	Net valuation gains/losses included in profits/losses	Carrying value on balance sheets	Net valuation gains/losses included in profits/losses	Carrying value on balance sheets	Net valuation gains/losses included in profits/losses
Securities held for sale	¥237,996	¥35,803	¥188,217	¥3,452	¥134,220	¥18,285

Millions of Yen

96. Market Value of Money Held in Trust in Separate Account (Separate Account for Individual Variable Annuities)

No data as there was not an ending balance from the 2003 fiscal year-end to the fiscal 2005 year-end.

97. 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 2003 fiscal year-end to the fiscal 2005 year-end.

98. 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 2003 fiscal year-end to the fiscal 2005 year-end.

STATUS OF SEPARATE ACCOUNT FOR GROUP ANNUITIES

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

As of March 31	2006		2005		2004	
Separate account 1st treaty	¥1,797,140	¥1,665,021	¥1,836,308			
Comprehensive account	1,348,966	1,237,576	1,361,405			
Account by investment categories	448,173	427,444	474,903			
Separate account 2nd treaty	92,959	114,028	115,077			
Separate account 3rd treaty	—	—	6,692			
Government variable annuities fund	—	—	—			
Defined contribution pension plans	3,627	1,205	359			
Total	¥1,893,728	¥1,780,254	¥1,958,438			

Millions of Yen

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

Separate account 3rd treaty: Joint management of funds allocated to annuity and other benefits within several pension funds

Government variable annuities fund: Independently managed government public pension assets

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

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

(1) Asset management principles and fiscal 2005 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 2005

Domestic and foreign stocks recorded significant rises, with the Nikkei stock average jumping 46.2% and the Dow Jones industrial average climbing 5.8%. The yen also depreciated in value against the euro (down ¥4) and the U.S. dollar (down ¥11). As a result, we recorded significant gains in investment return for both domestic stocks and foreign currency-denominated assets (domestic stocks: 45.86%; foreign securities: 7.61%; foreign stocks: 28.97%). This led to a 21.08% asset management return (gains in unit price) for the fiscal year under review.

(2) Asset allocation in fiscal year 2005 (Comprehensive Account)

	Standard asset allocation		Asset allocation results (Fiscal year)					Asset management results compared with standard asset allocation
	New standard (From Jan. 2006)	Old standard (Until Dec. 2005)	2006				2005	
			End of Mar.	End of Dec.	End of Sept.	End of June	End of Mar.	
Yen denominated bonds, etc.	30.0%	38.0%	23.7%	28.8%	31.4%	36.3%	37.1%	We distributed less than the old standard early in the fiscal year. Later, distribution was decreased significantly compared with the old standard. The 4Q distribution was less than the new standard.
Yen denominated stocks	35.0	33.0	41.2	39.2	35.5	30.8	31.0	Distribution was less than the old standard at the start of the fiscal year, but we took a higher position compared with the old standard in 2Q. In 4Q, we also took a higher position compared with the new standard.
Foreign currency denominated bonds	12.0	10.0	9.8	7.3	11.4	13.0	12.8	We started the fiscal year with a lower position than the old standard, and decreased distribution in 3Q compared with the old standard. The 4Q distribution was lower than the new standard.
Foreign currency denominated stocks	20.0	16.0	21.9	21.8	18.7	15.9	15.1	We took a lower position compared with the old standard at the start of the fiscal year, but shifted to a higher position relative to the old standard in 2Q. The 4Q distribution was higher than the new standard.
Call loans and other short term assets	3.0	3.0	3.4	2.9	3.0	3.9	4.0	—
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	—

Note: Standard asset allocation was reevaluated as of January 2006.

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

As of March 31	Millions of Yen		
	2006	2005	2004
	Market value	Market value	Market value
Yen denominated bonds, etc.	¥ 316,079	¥ 450,344	¥ 528,179
Yen denominated bonds	316,079	450,344	511,663
Convertible bonds	—	—	16,516
Loans receivable	—	—	—
Yen denominated stocks	551,116	375,638	443,091
Foreign currency denominated bonds	130,708	155,895	102,909
Foreign currency denominated stocks	292,296	182,809	230,969
Call loans and other short term assets	46,078	48,596	50,221
Total	¥1,336,277	¥1,213,281	¥1,355,369

(4) Investment return ratio (Comprehensive Account)

Fiscal years ended March 31	2006	2005	2004
Unit price fluctuation	21.08%	4.44%	17.25%

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

(1) Asset management principles and fiscal 2004 performance (accounts by investment categories)

1. Domestic bond accounts

• Asset management methods

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

Benchmark: *Nomura Bond Performance Index (overall)*

• Performance in fiscal 2005

After starting with a portfolio duration shorter than market benchmarks, we shifted to a long stance in early May upon the increase in long-term interest rates. In late May, however, we again shortened the duration of the portfolio. Later, we shifted to a neutral-to-short stance in expectation of a rise in long-term interest rates in accordance with the lifting of the government policy of quantitative monetary easing. We brought the portfolio to a long stance in late February, judging that bonds had been oversold after market expectations for expansion in domestic and overseas economies. By the end of the fiscal year, we had adjusted the portfolio to a neutral-to-long stance.

2. Domestic equities accounts

• Asset management methods

Our stock selection process emphasizes 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 2005

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. As a result, our portfolio throughout the fiscal year showed an overweighting of chemical, nonfer-

rous metals and transportation equipment shares, and an underweighting of information technology, wholesale and foods.

3. OTC/small-cap equities accounts

• Asset management principles

Our stock selection process emphasizes 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 2005

For the entire fiscal year, we continued our overweighting of the export-processing sector in our portfolio mix. The consumer/retail sector shifted from underweight to overweight, and we increased our underweighting of the public works/infrastructure sector.

4. Foreign bond accounts

We make 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, we invest mainly in bonds of leading industrialized nations.

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

• Performance in fiscal 2005

In the first half of the fiscal year, we kept sector dispersion risk under control relative to market benchmarks. In the second half of the fiscal year, however, we were underweight in the banking sector and expanded our overweight position in the service and retail sectors. In picking individual stocks, we focused on growth prospects and sought out issues that

appeared to be undervalued, actively substituting attractive stocks for less attractive stocks throughout the year.

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, 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 2005

We made flexible adjustments to the duration throughout the fiscal year. In terms of country mix, we shifted to an overweight position in dollar-based securities relative to European securities and sterling securities from the second quarter onward. In European securities, we maintained an overweight position in Italian securities throughout the year.

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 2005

A breakdown by region shows that we adjusted our portfolio based upon underweighting North America, a neutral stance in Europe, and overweighting Asia and Oceania. In the fourth quarter, however, we shifted to a neutral stance on North America and underweighting for Europe. A breakdown by industry/sector shows that we adjusted our weighting based on market trends and interest rate developments. In selecting individual stocks, we made our choices based on ratings utilizing our 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 gains.

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

• Performance in fiscal 2005

Interest rates on call loans and term deposits remained low throughout the year due to the Bank of Japan's quantitative easing policy; in the interest of maintaining liquidity, we invested mainly in unsecured overnight call loans throughout the year.

(2) Market value breakdown by investment category

As of March 31	Millions of Yen		
	2006	2005	2004
	Market value	Market value	Market value
Domestic bond accounts	¥155,842	¥124,046	¥125,092
Convertible bond accounts	—	—	283
Domestic stock accounts	125,465	109,591	108,985
OTC/small-cap equities accounts	5,267	2,820	2,867
Foreign bond accounts	53,668	66,391	54,954
Foreign bond accounts with currency hedging	12,099	15,626	8,427
Foreign equities accounts	51,766	34,933	33,798
Emerging company stock accounts	—	—	0
Money market accounts	35,776	59,692	128,450
Total	¥439,883	¥413,099	¥462,857

(3) Investment return ratio (investment specific)

As of March 31	%		
	2006	2005	2004
	Unit price fluctuation	Unit price fluctuation	Unit price fluctuation
Domestic bond accounts	(1.38)%	1.90%	(1.70)%
Convertible bond accounts	—	—	4.44
Domestic stock accounts	49.86	1.76	47.02
OTC/small-cap equities accounts	45.53	15.49	74.91
Foreign bonds accounts	7.01	12.60	0.61
Foreign bond accounts with currency hedging	(0.93)	2.56	3.11
Foreign stocks accounts	30.54	12.63	19.23
Emerging company stock accounts	—	—	38.62
Money market accounts	0.02	0.01	0.01

Note: Percentage changes are shown for convertible bond accounts in fiscal 2004 until February 2004, and shown for emerging company stock accounts in fiscal 2004 until November 2003.

STATUS OF FINANCIAL ASSETS (CONSOLIDATED)

102. Nippon Life Group Performance

■ Performance Overview in Fiscal Year Under Review

In the fiscal year under review, the Japanese economy experienced a moderate recovery, boosted by improvements in corporate earnings and increases in capital spending. The strong conditions in the corporate sector did not, however, carry over sufficiently to the household sector and consumer spending.

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 6 equity-method affiliates.

Non-Life Insurance Field

As a part of providing comprehensive insurance services, Nippon Life continued to promote the sales 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 by jointly developing business with Nissay Dowa General Insurance.

In fiscal 2005, net premiums written at Nissay Dowa General Insurance remained mostly level with the previous fiscal year at ¥321.7 billion ($\pm 0.0\%$), impacted by decreases in insurance premiums in the core automobile insurance field. On the other hand, net claims paid dropped sharply to ¥177.3 billion, down 11.1% year on year as a result of a significant decline in the occurrence of natural disasters. As a result of further streamlining efforts, general and administrative expenses fell 2.9% to ¥49.2 billion. Accordingly, income before income taxes at Nissay Dowa General Insurance rose 9.2% to ¥11.7 billion and net income increased 45.4% to ¥7.3 billion.

Asset Management Field

Nissay Asset Management strives to meet the diversifying and growing asset-building needs of its individual customers and the employee benefit planning needs of its corporate customers by offering a broad range of investment products and services.

In the fiscal year ended March 31, 2006, Nissay Asset Management's total assets in the investment advisory business* increased 2.5% to ¥4,955.9 billion, with a contract termination by a significant public-pensions customer offset by increases in the market value of management assets. In the investment trusts business, while account balances of core product Nissay / Putnam Income Open topped ¥1 trillion during the fiscal year, subsequent declines in outstanding value led to a decrease of 1.1% in total assets under management to ¥2,079.4 billion. As a result, income before income taxes at Nissay Dowa General Insurance rose 0.4% to ¥4.1 billion and net income increased 1.9% to ¥2.4 billion.

*Total assets in the investment advisory business of Nissay Asset Management are shown at market price. Accordingly, the rate of increase used is calculated using total investment advisory assets at market value during fiscal 2004.

Information Technology Field

Nissay Information Technology strived to increase the sophistication and efficiency of business systems as a part of ongoing efforts to improve customer

services. To comply with the Personal Information Protection Law and strengthen assessment functions, we advanced with efforts to reconstruct our underwriting system.

In fiscal 2005, Nissay Information Technology saw a continued decline in sales from the Nippon Life Group, and steady expansion of its customer base in fields outside of the Nippon Life Group, including the insurance, medicine and asset management fields. As a result, sales rose 6.2% to ¥36.8 billion, income before income taxes climbed 25.2% to ¥260 million and net income declined 15.0% to ¥150 million.

Conclusion

As a result of these overall activities, consolidated total revenues amounted to ¥6,924.3 billion, an increase of 6.5% from the previous fiscal year. Total expenditures increased 5.9% to ¥6,494.4 billion. Income before income taxes climbed 15.2% from the previous fiscal year to ¥429.8 billion. Extraordinary profits for the fiscal year amounted to ¥1.4 billion and extraordinary losses were ¥166.4 billion. After income taxes, tax adjustments and minority interests, surplus in the current year increased 1.2% to ¥205.2 billion. On the consolidated balance sheets, surplus at the end of the fiscal year amounted to ¥438.3 billion, and total assets grew 8.7% to ¥50,831.2 billion.

103. Principal Indicators of Operating Performance (Consolidated)

Fiscal years ended March 31	Billions of Yen, Number		
	2006	2005	2004
Total revenues	¥ 6,924.3	¥ 6,504.3	¥ 7,211.1
Operating income	429.8	373.0	382.2
Surplus in the current year	205.2	202.7	198.6
Total assets (at year-end)	50,831.2	46,777.9	45,492.3
Net cash provided by (used in) operating activities	492.5	97.7	(46.0)
Net cash provided by (used in) investing activities	(85.7)	58.4	363.9
Net cash provided by (used in) financing activities	120.8	(54.5)	(55.9)
Cash and cash equivalents at the end of year	2,006.0	1,470.3	1,381.1
Number of consolidated subsidiaries and affiliates (at year-end)	12	13	13
Number of affiliates accounted for under the equity method (at year-end)	6	6	6
Number of employees*	68,545	69,182	70,073

Notes: 1. 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.

2. Cash flows from operating activities, excluding impact from transfer of group annuity assets of ¥(1,172.7) billion to Nissay Asset Management Corporation, totaled ¥1,007.2 billion, and the increase in cash and cash equivalents was ¥52.6 billion.

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

As of March 31	Millions of Yen		
	2006	2005	2004
Bankrupt and Quasi-Bankrupt	¥ 13,691	¥ 13,201	¥ 18,731
Doubtful	60,142	56,445	70,233
Substandard	16,420	16,611	31,745
Subtotal	90,254	86,257	120,710
Normal	13,014,348	12,456,520	12,813,016
Total	¥13,104,603	¥12,542,778	¥12,933,727

Notes: 1. 1) Bankrupt and quasi-bankrupt are non-performing assets and similar debt 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 table 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 ¥26,786 million for bankrupt and quasi-bankrupt as of March 31, 2006, ¥12,698 million for bankrupt and quasi-bankrupt and ¥3,190 million for doubtful as of March 31, 2005, and ¥30,794 million for bankrupt and quasi-bankrupt as of March 31, 2004.

4. As of March 31, 2006, includes bonds attached via bond transactions with attached cash collateral. Accordingly, figures for "Normal" include the following amounts for such bonds, which were not included on previous years: ¥822,681 million as of March 31, 2005 and ¥321,956 million as of March 31, 2004.

105. Status of Risk-Monitored Loans (Consolidated)

		Millions of Yen, %		
As of March 31		2006	2005	2004
Loans to bankrupt borrowers	1	¥ 4,243	¥ 5,229	¥ 7,727
Delinquent loans	2	69,575	64,372	81,164
Loans three months or more in arrears	3	540	572	496
Restructured loans	4	15,880	16,038	31,249
Total 1+2+3+4		¥90,238	¥86,213	¥120,637
Percent of total loans receivable		0.90%	0.84%	1.10%

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 ¥2,669 million for loans to bankrupt borrowers and ¥24,117 million for delinquent loans as of March 31, 2006; ¥4,340 million for loans to bankrupt borrowers and ¥11,549 million for delinquent loans as of March 31, 2005; ¥13,394 million for loans to bankrupt borrowers and ¥17,399 million for delinquent loans as of March 31, 2004.

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 or Commercial Code; loans to obligors that have notes suspended from trading on exchanges; and 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 or other reason for not expecting repayment or collection of principal or interest.
- 2) Delinquent loans are loans other than those with flexible interest payment terms and conditions in order to support the business rebuilding of obligors, and the aforementioned loans to bankrupt borrowers as accrued interest unrecorded loans.
- 3) Loans three months or more in arrears 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) Restructured loans 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. Restructured loans include loans with lowered interests rates to support the rebuilding of operations at obligors, and are not absolute interest levels.

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

Nissay Dowa General Insurance

Nissay Dowa General Insurance was established through the merger of Nissay General Insurance and Dowa Fire & Marine Insurance in April 2001.

		Millions of Yen		
As of March 31		2006	2005	2004
Solvency margin gross amount	(A)	¥620,603	¥489,075	¥494,713
Total capital (excluding planned outflows, deferred tax assets and net unrealized gains/losses on securities)		156,810	154,341	154,345
Reserve for price fluctuations of investments in securities		5,752	5,147	4,569
Contingency reserve		127,015	115,645	116,201
General allowance for doubtful accounts		161	140	224
Net unrealized gains/losses on securities (Prior to tax effect deductions)		285,894	171,248	174,162
Net unrealized gains/losses on real estate		4,732	4,639	6,068
Deductions		—	—	—
Other		40,235	37,912	39,140
Total amount of risk $\sqrt{R_1^2+(R_2+R_3)^2} + R_4 + R_5$	(B)	107,441	79,026	78,517
Underwriting risk (R ₁)		18,650	17,661	16,932
Assumed interest rate risk (R ₂)		623	641	665
Asset management risk (R ₃)		55,629	42,912	45,016
Business management risk (R ₄)		2,413	1,828	1,812
Catastrophe risk (R ₅)		45,764	30,198	27,987
Solvency margin ratio		1,155.2%	1,237.8%	1,260.1%
$\frac{(A)}{(1/2) \times (B)} \times 100$				

Note: The aforementioned amounts and figures were calculated based on Article 86 and Article 87 of the Enforcement Regulation of the Insurance Business Law, as well as Ordinance no. 50 issued by the Ministry of Finance in 1996.

The calculation method for the solvency margin ratio was changed during fiscal 2005 in accordance with revisions to the Enforcement Ordinance on the Insurance Business Law. As a result, figures for fiscal 2004 and fiscal 2005 were calculated based upon different standards.

Total capital shows the amount after net gains/losses on securities and gains/losses from revaluation of real estate are subtracted from total capital as shown on the balance sheets, and after appropriation of surplus.

107. Segment Information

From fiscal 2003 to fiscal 2005, 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 Enforcement Regulation of the Insurance Business Law.