

CHAPTER 6

Operational Data

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STATUS OF FINANCIAL ASSETS (NON-CONSOLIDATED)

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

		Millions of Yen, %		
As of March 31		2007	2006	2005
Bankrupt and quasi-bankrupt	1	¥ 11,518	¥ 11,791	¥ 11,268
Doubtful	2	47,756	59,475	55,696
Substandard	3	4,890	5,285	6,782
Subtotal		64,166	76,553	73,747
Percent of total		0.48%	0.58%	0.59%
Normal	4	13,365,713	13,031,495	12,486,422
Total 1+2+3+4		¥13,429,879	¥13,108,048	¥12,560,170

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 ¥4,163 million for bankruptcy and quasi-bankruptcy as of March 31, 2007; ¥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.
 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.

2. Status of Risk-Monitored Loans

		Millions of Yen, %		
As of March 31		2007	2006	2005
Loans to bankrupt borrowers	1	¥ 4,491	¥ 4,177	¥ 5,164
Delinquent loans	2	54,771	67,075	61,756
Loans three months or more in arrears	3	531	540	572
Restructured loans	4	4,359	4,744	6,210
Total 1+2+3+4		¥64,153	¥76,537	¥73,703
Percent of total loans receivable		0.66%	0.77%	0.71%

Notes: 1. Loans to bankrupt borrowers and quasi-bankrupt borrowers (including collateralized and guaranteed loans) are directly deducted from total loans as estimated uncollectible amounts calculated by subtracting estimated collectable amounts based on collateral and guarantees from total loans. These amounts were ¥1,711 million for loans to bankrupt borrowers and ¥2,451 million for delinquent loans as of March 31, 2007; ¥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.
 2. 1) Loans to bankrupt borrowers are loans to obligors that are legally bankrupt through filings for proceedings under the Corporate Reorganization Law, Civil Rehabilitation Law, Bankruptcy Law Commercial Code or Company Law; loans to obligors that have notes suspended from trading on exchanges; 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.

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

No data as there was not an ending balance from the 2004 fiscal year-end to the fiscal 2006 year-end.

4. Ability to Pay Benefits (Solvency Margin Ratio)

Millions of Yen

As of March 31		2007	2006	2005
Solvency margin gross amount		¥11,113,889	¥10,010,717	¥6,760,605
Foundation funds, reserves, etc.	(A)	3,234,550	3,179,162	2,834,739
Total net assets		1,065,989	1,067,286	915,263
Reserve for price fluctuations of investments in securities		467,263	441,263	390,262
Contingency reserve		1,429,062	1,429,062	1,274,373
General allowance for doubtful accounts		14,249	13,882	19,275
Other		257,987	227,667	235,565
Net unrealized gains/losses on securities x 90%		6,458,287	5,790,220	3,008,445
Net unrealized gains/losses on real estate x 85% (if negative, x 100%)		164,166	(82,971)	(182,638)
Deductions		(419)	(2,332)	(1,859)
Other		1,257,304	1,126,638	1,101,918
Total amount of risk	$\sqrt{R_1^2+(R_2+R_3+R_7)^2} + R_4$ (B)	1,677,668	1,591,597	1,386,544
Underwriting risk	R1	244,095	251,001	260,386
Assumed interest rate risk	R2	219,410	238,126	240,490
Asset management risk	R3	1,395,262	1,290,246	1,088,997
Business management risk	R4	37,323	35,729	31,797
Minimum guarantee risk	R7	7,408	7,114	—
Solvency margin ratio	$\frac{(A)}{(1/2) \times (B)} \times 100$	1,324.9%	1,257.9%	975.2%

- Notes: 1. These figures are calculated based on Article 86 and Article 87 of the Enforcement Regulation of the Insurance Business Law and Ordinance No. 50 issued by the Ministry of Finance in 1996.
2. As of March 31, 2007, the method for calculating the total solvency margin has been partially changed due to revisions to the Enforcement Regulation of the Insurance Business Law. (The figures shown for the 2004 fiscal year-end through the 2005 year-end are based on past standards.) "Total net assets" for the 2004 fiscal year-end through the 2005 fiscal year-end show the amount of "Total capital."
3. The figure shown in "Total net assets" is after appropriation of surplus. The figure for the fiscal year ended March 31, 2007 has been calculated by subtracting the estimate and exchange variance from total net assets on the balance sheet. The figure for the year ended March 31, 2006 and 2005 have been calculated by subtracting net unrealizable gains/losses on securities and revaluation reserve for land from total net assets on balance sheets.
4. Minimum guarantee risk is calculated using standard methods.

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

Billions of Yen

As of March 31		2007	2006	2005
Cash, deposits and call loans	Book value	¥ 1,065.3	¥ 1,468.7	¥ 727.1
	Market value (appraisal value)	1,065.3	1,468.7	727.1
	Net gains/losses	(0)	0	(0)
	Gains	0	0	0
	Losses	(0)	(0)	(0)
Proprietary of trading securities*1	Book value	2.0	2.0	2.9
	Market value (appraisal value)	2.0	2.0	2.9
	Net gains/losses	—	—	—
	Gains	—	—	—
	Losses	—	—	—
Assets held in trust*2	Book value	195.5	177.0	144.6
	Market value (appraisal value)	195.5	177.0	144.6
	Net gains/losses	—	—	—
	Gains	—	—	—
	Losses	—	—	—
Investments in securities*3	Book value	30,154.3	28,849.9	27,989.0
	Market value (appraisal value)	37,612.3	35,409.9	31,795.5
	Net gains/losses	7,457.9	6,560.0	3,806.4
	Gains	7,596.6	6,837.9	4,177.1
	Losses	(138.6)	(277.9)	(370.7)
Loans receivable	Book value	9,726.7	9,999.1	10,317.2
	Market value (appraisal value)	9,726.7	9,999.1	10,317.2
	Net gains/losses	—	—	—
	Gains	—	—	—
	Losses	—	—	—
Real estate*4	Book value	1,155.8	1,175.9	1,258.7
	Market value (appraisal value)	1,254.4	1,092.9	1,076.0
	Net gains/losses	98.5	(82.9)	(182.6)
	Gains	238.2	93.7	60.0
	Losses	(139.7)	(176.6)	(242.6)
Other assets	Book value	2,366.0	2,436.0	2,776.8
	Market value (appraisal value)	2,384.1	2,438.1	2,784.6
	Net gains/losses	18.1	2.0	7.7
	Gains	22.3	7.9	7.7
	Losses	(4.2)	(5.8)	(0)
Total assets	Book value	44,665.9	44,108.9	43,216.7
	Market value (appraisal value)	52,240.6	50,588.0	46,848.2
	Net gains/losses	7,574.6	6,479.0	3,631.5
	Gains	7,857.3	6,939.6	4,244.9
	Losses	(282.6)	(460.5)	(613.4)

- Notes: 1. Proprietary trading securities, include securities with market values calculated using theoretical prices.
2. Market value calculations are based on prices rationally calculated by the trustee of assets held in trust. Book value includes net gains/losses related to derivative transactions within assets held in trust.
3. Investments in securities include securities with market values calculated using theoretical prices. Securities also include securities loaned.
4. Real estate is the total of the land account and leasehold account. The market value of real estate (land + land lease rights) is calculated with reference to publicly disclosed appraisal values. 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 ¥94.5 billion as of March 31, 2007; ¥87.8 billion as of March 31, 2006; and ¥96.8 billion as of March 31, 2005.

Asset Self-Assessment

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

Self-assessment categories

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

Notes: Categories for collateral/guarantee-based recoverability

a) Estimation of disposal of solid collateral and solid guarantee

b) Estimation of disposal of general collateral and general guarantee

c) Portion for which recovery through guarantees is uncertain, calculated as the difference between 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, 2007)

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		
	¥64.1 billion Percentage of total bonds 0.48%	¥64.1 billion Percentage of total bonds 0.66%

State of loan category amount (loans)

As of March 31, 2007	Money available	Percentage of whole
Loan balances	¥9,726.7	100.0%
(After direct IV categorized write-off)		
Non-categorized	9,644.4	99.2
II Categorized	64.7	0.7
III Categorized	17.4	0.2
IV Categorized	—	—

Notes: IV categorized was ¥41 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.

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

1. Net valuation gains/losses from trading securities

As of March 31	2007		2006		2005	
	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
Trading securities	¥2,337,929	¥(82,576)	¥2,354,765	¥256,536	¥2,093,645	¥3,048

Notes: 1. The carrying value on balance sheets of assets 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 assets held in trust included in trading securities.

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

As of March 31	2007					2006				
	Book value	Market value	Net gains/losses	Gains	Losses	Book value	Market value	Net gains/losses	Gains	Losses
Policy-reserve-matching bonds	¥17,252,365	¥17,515,888	¥ 263,522	¥ 343,500	¥ (79,977)	¥16,724,613	¥16,808,437	¥ 83,823	¥ 260,102	¥(176,278)
Held-to-maturity debt securities	83,763	83,420	(342)	16	(359)	94,272	93,530	(742)	74	(817)
Investments in subsidiaries and affiliates	54,454	103,650	49,195	49,195	—	54,454	114,415	59,961	59,961	—
Other securities	11,633,528	18,804,346	7,170,818	7,218,034	(47,216)	11,130,048	17,559,709	6,429,660	6,519,716	(90,055)
Domestic bonds	192,403	193,969	1,566	1,688	(122)	17,039	18,098	1,059	1,059	—
Domestic stocks	4,629,397	11,035,208	6,405,811	6,437,499	(31,688)	4,347,663	10,125,495	5,777,831	5,830,040	(52,208)
Foreign securities	5,694,374	6,445,711	751,336	766,652	(15,315)	5,075,419	5,707,491	632,072	669,248	(37,176)
Foreign bonds	4,866,987	5,304,914	437,926	441,552	(3,625)	4,343,439	4,705,632	362,192	386,019	(23,826)
Foreign stocks and other securities	827,387	1,140,796	313,409	325,099	(11,689)	731,979	1,001,859	269,879	283,229	(13,350)
Other securities	303,087	315,154	12,066	12,146	(79)	306,307	324,979	18,671	19,321	(649)
Monetary receivables purchased	312,264	312,303	38	44	(5)	651,617	651,643	25	41	(16)
Negotiable deposits	502,000	501,998	(1)	4	(5)	732,000	732,000	0	4	(3)
Total	¥29,024,111	¥36,507,305	¥7,483,193	¥7,610,747	¥(127,553)	¥28,003,389	¥34,576,092	¥6,572,703	¥6,839,854	¥(267,151)
Domestic bonds	16,373,619	16,620,462	246,843	322,354	(75,510)	15,842,655	15,926,419	83,763	252,960	(169,196)
Domestic stocks	4,683,851	11,138,858	6,455,007	6,486,695	(31,688)	4,402,118	10,239,910	5,837,792	5,890,001	(52,208)
Foreign securities	5,836,449	6,587,582	751,133	767,165	(16,031)	5,337,339	5,967,759	630,420	669,633	(39,213)
Foreign bonds	5,009,061	5,446,785	437,723	442,065	(4,341)	4,605,359	4,965,900	360,540	386,404	(25,863)
Foreign stocks and other securities	827,387	1,140,796	313,409	325,099	(11,689)	731,979	1,001,859	269,879	283,229	(13,350)
Other securities	303,087	315,154	12,066	12,146	(79)	306,307	324,979	18,671	19,321	(649)
Monetary receivables purchased	1,325,103	1,343,247	18,143	22,382	(4,238)	1,382,968	1,385,022	2,054	7,932	(5,878)
Negotiable deposits	502,000	501,998	(1)	4	(5)	732,000	732,000	0	4	(3)

As of March 31	2005				
	Book value	Market value	Net gains/losses	Gains	Losses
Policy-reserve-matching bonds	¥16,114,189	¥16,595,643	¥ 481,454	¥ 605,294	¥(123,840)
Held-to-maturity debt securities	151,860	152,786	926	926	—
Investments in subsidiaries and affiliates	53,718	77,244	23,526	23,526	—
Other securities	10,752,008	14,098,266	3,346,258	3,554,214	(207,955)
Domestic bonds	17,375	17,335	(40)	56	(97)
Domestic stocks	4,426,624	7,370,160	2,943,536	3,045,163	(101,627)
Foreign securities	4,661,346	5,055,238	393,892	497,793	(103,900)
Foreign bonds	3,902,742	4,171,105	268,363	332,176	(63,813)
Foreign stocks and other securities	758,603	884,133	125,529	165,617	(40,087)
Other securities	488,641	497,530	8,888	11,199	(2,310)
Monetary receivables purchased	916,020	916,003	(17)	0	(18)
Negotiable deposits	242,000	241,998	(1)	0	(1)
Total	¥27,071,776	¥30,923,941	¥3,852,165	¥4,183,961	¥(331,796)
Domestic bonds	15,375,825	15,847,024	471,198	594,735	(123,536)
Domestic stocks	4,480,342	7,447,405	2,967,062	3,068,690	(101,627)
Foreign securities	5,036,725	5,433,978	397,252	501,538	(104,286)
Foreign bonds	4,278,121	4,549,845	271,723	335,921	(64,198)
Foreign stocks and other securities	758,603	884,133	125,529	165,617	(40,087)
Other securities	488,641	497,530	8,888	11,199	(2,310)
Monetary receivables purchased	1,448,240	1,456,005	7,764	7,798	(33)
Negotiable deposits	242,000	241,998	(1)	0	(1)

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

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

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

As of March 31	Millions of Yen		
	2007	2006	2005
Policy-reserve-matching bonds	¥ —	¥ —	¥ —
Held-to-maturity debt securities	—	—	—
Unlisted foreign bonds	—	—	—
Others	—	—	—
Investments in subsidiaries and affiliates	295,777	282,803	282,129
Other securities	529,625	510,592	386,962
Unlisted domestic stocks (excluding stocks sold over-the-counter)	168,879	268,035	165,476
Unlisted foreign stocks (excluding stocks sold over-the-counter)	225,640	101,146	86,542
Unlisted foreign bonds	—	—	—
Others	135,105	141,410	134,943
Total	¥825,403	¥793,396	¥669,091

Note: Of securities with market value unavailable, net losses on currency exchange valuation of assets denominated in foreign currencies were as follows:
 March 31, 2007, ¥7,089 million; March 31, 2006, ¥10,642 million; March 31, 2005, ¥37,972 million.

Policy-reserve-matching bonds

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

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

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

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

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

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

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

As of March 31	Millions of Yen		
	2007	2006	2005
Assets held in trust			
Carrying value on balance sheets	¥195,592	¥177,037	¥144,614
Market value	195,592	177,037	144,614
Net unrealized gains/losses	—	—	—
Gains	—	—	—
Losses	—	—	—

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

○ Assets held in trust for trading purposes

As of March 31	Millions of Yen					
	2007		2006		2005	
	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
Assets held in trust for trading purposes	¥195,592	¥(2,821)	¥177,037	¥16,333	¥144,614	¥5,833

Note: Carrying value of assets 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.

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

No data as there was not an ending balance from the 2004 fiscal year-end to the fiscal 2006 year-end.

8. 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							
2007							
Hedge accounting applied	¥ 81	¥(45,106)	¥ —	¥—	¥—	¥(45,024)	
Hedge accounting not applied	(110)	(2,931)	482	—	—	(2,559)	
Total	¥ (29)	¥(48,037)	¥ 482	¥—	¥—	¥(47,584)	
As of March 31							
2006							
Hedge accounting applied	¥ (43)	¥(19,279)	¥ —	¥—	¥—	¥(19,323)	
Hedge accounting not applied	(225)	(1,504)	1,145	—	—	(584)	
Total	¥ (269)	¥(20,784)	¥1,145	¥—	¥—	¥(19,907)	
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)	

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				2007	2006	2005	
Over-the-counter	Interest-rate swap	Variable interest-rate payment	Contract amount	¥105,100	¥175,100	¥550,000	
			Over 1 year	55,100	105,100	170,000	
		Fixed interest-rate receipt	Market value	(163)	(560)	8,679	
			Gains/losses	(163)	(560)	8,679	
		Variable interest-rate receipt	Contract amount	100,000	150,000	200,000	
			Over 1 year	50,000	100,000	150,000	
		Fixed interest-rate payment	Market value	134	291	(1,057)	
			Gains/losses	134	291	(1,057)	
Total			Gains/losses	¥ (29)	¥ (269)	¥ 7,621	

Note: Gains/losses show the current market value; present value of swap transactions.

(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
2007	Notional amount (receipts fixed/payments variable)	¥ 50,000	¥ 50,000	¥ —	¥ —	¥5,100	—	¥105,100
	Average fixed rate (receipt)	0.36	0.49	—	—	1.96	—	0.50
	Average variable rate (payment)	0.63	0.63	—	—	0.57	—	0.63
	Notional amount (payments fixed/receipts variable)	50,000	50,000	—	—	—	—	100,000
	Average fixed rate (payment)	0.47	0.64	—	—	—	—	0.56
	Average variable rate (receipt)	0.63	0.63	—	—	—	—	0.63
2006	Notional amount (receipts fixed/payments variable)	¥ 70,000	¥100,000	¥ —	¥ —	¥2,000	¥3,100	¥175,100
	Average fixed rate (receipt)	1.11	0.42	—	—	1.92	1.99	0.74
	Average variable rate (payment)	0.08	0.08	—	—	0.11	0.11	0.08
	Notional amount (payments fixed/receipts variable)	50,000	100,000	—	—	—	—	150,000
	Average fixed rate (payment)	0.34	0.56	—	—	—	—	0.48
	Average variable rate (receipt)	0.08	0.08	—	—	—	—	0.08
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

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

3. Currency-related

As of March 31					Millions of Yen					
					2007	2006	2005			
Over-the-counter	Foreign exchange forward contracts	Sold	U.S. Dollar	Contract amount	¥1,652,834	¥1,189,261	¥1,400,390			
				Over 1 year	—	—	—			
				Market value	1,665,345	1,189,137	1,437,681			
							Net gains/losses	(12,510)	123	(37,290)
			Euro	Contract amount	401,349	848,518	794,957			
				Over 1 year	—	—	—			
				Market value	433,494	867,541	812,341			
							Net gains/losses	(32,144)	(19,023)	(17,383)
			British Pound	Contract amount	2,294	12,538	1,574			
				Over 1 year	—	—	—			
				Market value	2,295	12,552	1,584			
							Net gains/losses	(1)	(13)	(10)
					Other, net	Contract amount	2,080,048	2,185,045	2,222,855	
						Over 1 year	—	—	—	
						Market value	2,125,501	2,204,835	2,278,548	
			Net gains/losses	(45,452)	(19,789)	(55,693)				
	Purchased		U.S. Dollar	Contract amount	45,786	98,078	518,941			
				Over 1 year	—	—	—			
				Market value	46,015	98,173	520,877			
							Net gains/losses	229	95	1,935
			Euro	Contract amount	37,763	21,743	10,263			
				Over 1 year	—	—	—			
				Market value	37,860	21,851	10,306			
							Net gains/losses	96	107	43
			British Pound	Contract amount	1,161	3,843	5,829			
				Over 1 year	—	—	—			
				Market value	1,162	3,839	5,898			
							Net gains/losses	0	(4)	69
					Other, net	Contract amount	92,467	124,293	540,019	
						Over 1 year	—	—	—	
						Market value	92,940	124,491	542,054	
			Net gains/losses	¥ 473	¥ 198	¥ 2,034				

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

3. Currency-related, continued

As of March 31						Millions of Yen			
						2007	2006	2005	
Over-the-counter	Currency options	Sold	Call	U.S. Dollar	Contract amount	¥365,955	¥411,145	¥477,885	
						[339]	[1,139]	[974]	
					Over 1 year	—	—	—	
						[—]	[—]	[—]	
					Market value	238	344	1,854	
					Net gains/losses	100	795	(880)	
					Euro	Contract amount	—	28,562	41,661
						[—]	[121]	[223]	
					Over 1 year	—	—	—	
						[—]	[—]	[—]	
		Market value	—	45	183				
		Net gains/losses	—	76	39				
		Other, net	Contract amount	365,955	439,707	534,244			
				[339]	[1,261]	[1,273]			
			Over 1 year	—	—	—			
				[—]	[—]	[—]			
			Market value	238	389	2,140			
			Net gains/losses	100	872	(867)			
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	—	—	—			

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

3. Currency-related, continued

As of March 31						Millions of Yen		
Over-the-counter	Currency option	Purchased	Call			2007	2006	2005
				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	—	—	—
				Put	U.S. Dollar	Contract amount	720,105	646,085
					Over 1 year	[5,025]	[5,289]	[1,821]
					Market value	—	117,470	—
					Net gains/losses	[—]	[2,637]	[—]
					Market value	1,857	3,319	268
					Net gains/losses	(3,167)	(1,970)	(1,553)
				Euro	Contract amount	—	28,562	41,661
					Over 1 year	[—]	[115]	[222]
					Market value	—	—	—
					Net gains/losses	[—]	[—]	[—]
					Market value	—	8	96
					Net gains/losses	—	(106)	(125)
				Other, net	Contract amount	720,105	674,647	630,895
					Over 1 year	[5,025]	[5,404]	[2,116]
					Market value	—	117,470	—
					Net gains/losses	[—]	[2,637]	[—]
					Market value	1,857	3,327	381
					Net gains/losses	(3,167)	(2,077)	(1,735)
	Currency swap			U.S. Dollar	Contract amount	4,862	3,947	533
					Over 1 year	4,862	3,947	533
					Market value	8	12	0
					Net gains/losses	8	12	0
				Other, net	Contract amount	4,862	3,947	533
					Over 1 year	4,862	3,947	533
					Market value	8	12	0
					Net gain/loss	8	12	0
				Total	Net gains/losses	¥ (48,037)	¥ (20,784)	¥ (56,260)

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

2. Net 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.

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

4. Stock-related

As of March 31				Millions of Yen		
Exchange	Stock index futures	Sold		2007	2006	2005
			Contract value	¥ —	¥ —	¥ —
			Over 1 year	—	—	—
			Market value	—	—	—
			Net gains/losses	—	—	—
		Purchased	Contract value	33,245	16,150	14,718
			Over 1 year	—	—	—
			Market value	33,727	17,296	14,604
			Net gains/losses	482	1,145	(114)
Total			Net gains/losses	¥ 482	¥ 1,145	¥ (114)

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

5. Bond-related

No data as there was not an ending balance from the 2004 fiscal year-end to the fiscal 2006 year-end.

6. Others

No data as there was not an ending balance from the 2004 fiscal year-end to the fiscal 2006 year-end.

9. Operating Income (Ordinary Income)

As of March 31	Millions of Yen		
	2007	2006	2005
Ordinary Revenues	¥6,390,219	¥6,628,764	¥6,177,860
Income from premiums	4,854,303	4,842,280	4,829,784
Insurance premiums	4,853,646	4,841,763	4,829,055
Reinsurance premiums	657	516	729
Investment income	1,285,810	1,467,050	1,068,198
Interest, dividends and other income	1,156,348	1,070,088	980,473
Gains from redemption of securities	46,455	6,528	217
Other investment income	1,500	2,426	1,597
Gains from separate account	81,506	388,006	85,909
Other revenues	250,071	319,432	279,878
Income from annuity riders	6,039	6,295	4,759
Income from deferred benefits	225,138	283,433	252,021
Reversal of reserve for outstanding claims	—	12,008	6,541
Reversal of policy reserves*	—	—	—
Reversal of accrued severance indemnities	—	—	—
Other	18,894	17,696	16,555
Other ordinary revenues	34	1	—
Ordinary Expenditures	5,660,168	¥5,995,067	¥5,627,676
Insurance claims and other payments	3,831,149	4,442,302	4,647,849
Insurance claims	1,218,010	1,409,481	1,253,711
Annuity payments	439,395	416,219	410,990
Benefits	779,972	772,494	810,849
Surrender benefits	1,061,274	1,186,750	1,228,264
Other refunds	331,384	656,391	943,099
Reinsurance premiums	1,113	964	934
Provision for policy reserves*	738,702	508,194	(67,711)
Investment expenses	53,499	45,798	58,273
Interest expenses	5,333	1,421	1,339
Losses on redemption of securities	1,802	209	—
Transfer to general allowance for doubtful accounts	—	(5,392)	—
Depreciation for rental real estate and other assets	26,249	27,468	31,250
Other expenses for investment	20,114	22,091	25,683
Losses from separate account	—	—	—
Operating expenses	547,501	536,324	545,234
Other expenditures	489,314	462,448	444,029
Deferred benefit payments	384,946	348,879	340,291
Taxes	35,223	35,752	37,015
Depreciation	39,261	43,548	39,276
Provision for accrued severance indemnities	16,382	20,957	13,196
Deferred asset amortization (Insurance Business Law, Article 113)	—	—	—
Other	13,500	13,310	14,250
Other ordinary expenditures	—	—	—
Ordinary Income (core operating profit) (A)	¥ 730,050	¥ 633,696	¥ 550,184

As of March 31	Millions of Yen		
	2007	2006	2005
Capital gains	¥ 123,913	¥ 210,704	¥ 220,159
Gains from proprietary trading securities	83	—	—
Gains from assets held in trust	22,108	36,414	18,409
Gains from trading securities	—	—	—
Gains on sales of securities	101,722	174,290	201,749
Gains from derivative financial instruments	—	—	—
Foreign exchange gains	—	—	—
Other capital gains	—	—	—
Capital losses	¥ 242,873	¥ 225,229	¥ 152,517
Losses from proprietary trading securities	—	9	3
Losses from assets held in trust	—	—	—
Losses from trading securities	—	—	—
Losses on sales of securities	102,305	114,735	52,814
Losses on valuation of securities	11,861	8,857	31,175
Losses from derivative financial instruments	127,398	97,879	66,340
Foreign exchange losses	1,273	3,746	2,183
Other capital losses	34	1	—
Net capital gains/losses (B)	¥(118,960)	¥ (14,524)	¥ 67,642
Income including net capital gains/losses (A+B)	¥ 611,090	¥ 619,172	¥ 617,826
Non-recurring income	—	—	—
Income from reinsurance premiums	—	—	—
Reversal of contingency reserve	—	—	—
Other non-recurring income	—	—	—
Non-recurring losses	¥ 280,484	¥ 175,378	¥ 260,405
Reinsurance premiums	—	—	—
Provision for contingency reserve	—	154,689	260,385
Provision for individual allowance for doubtful accounts	—	20,529	—
Provision for allowance for specialized overseas debts	—	—	—
Loan write-offs and write-downs	3	160	20
Other non-recurring losses	280,481	—	—
Non-recurring income and losses (C)	¥(280,484)	¥(175,378)	¥(260,405)
Operating income (A+B+C)	¥ 330,606	¥ 443,793	¥ 357,421

Notes: 1. Reversal of policy reserves and provision for policy reserves noted by exclude provision for contingency reserve and provision of premium reserve based on article 69, section 5 of the insurance business law enforcement regulation.
2. "Other ordinary revenues" and "other capital expenses" include gain (loss) on foreign exchange in relation to foreign currency denominated insurance products.
(Fiscal year ended March 31, 2006: ¥1 million; fiscal year ended March 31, 2007: ¥34 million)
3. "Other financial contingency" for the fiscal year ended March 31, 2007 includes booking of contingency reserve of ¥280,481 million based on article 69, section 5 of the insurance business law enforcement regulation.

MAIN BUSINESS INDICATORS

10. Policies in Force and New Policies

(1) Policies in force

1. Number of policies

As of March 31	2007		2006		2005	
	Rate of increase		Rate of increase		Rate of increase	
Individual insurance	12,962,744	(3.3)%	13,411,425	(3.2)%	13,850,346	
Individual annuities	2,640,382	3.6	2,547,848	2.3	2,491,360	

2. Policy amount

As of March 31	2007		2006		2005	
	Rate of increase		Rate of increase		Rate of increase	
Individual insurance	¥222,960,663	(6.2)%	¥237,617,903	(5.1)%	¥250,443,519	
Individual annuities	16,965,522	3.1	16,455,389	3.0	15,970,025	
Group insurance	84,396,970	1.1	83,518,770	2.0	81,864,614	
Group annuities	9,029,249	2.6	8,800,098	0.0	8,797,125	

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	Number of Policies		
	2007	2006	2005
Individual insurance	1,037,813	1,193,558	1,150,850
Individual annuities	193,739	149,617	129,126

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

2. Policy amount

Fiscal years ended March 31		Millions of Yen		
		2007	2006	2005
Individual insurance	New policies, including conversions	¥10,140,242	¥14,093,639	¥17,010,697
	New policies, excluding conversions	10,505,664	13,702,484	15,456,944
	By conversion	(365,421)	391,154	1,553,752
Individual annuities	New policies, including conversions	1,309,298	1,254,229	1,140,618
	New policies, excluding conversions	1,318,745	1,248,932	1,136,355
	By conversion	(9,446)	5,296	4,263
Group insurance	New policies, including conversions	1,294,875	1,642,281	1,150,488
	New policies, excluding conversions	1,294,875	1,642,281	1,150,488
	By conversion	[7,234,929]	[10,511,909]	[7,255,009]
Group annuities	New policies, including conversions	1,014	927	8,418
	New policies, excluding conversions	1,014	927	8,418
	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.

11. Annualized Premiums

(1) Policies Held

As of March 31	Millions of Yen, %				
	2007		2006		2005
	Rate of increase		Rate of increase		
Individual insurance	¥2,664,885	(2.1)%	¥2,722,457	(2.2)%	¥2,782,954
Individual annuities	613,958	5.9	579,780	5.9	547,511
Total	3,278,844	(0.7)	3,302,238	(0.8)	3,330,466
Medical life insurance, living benefits and others	565,009	0.5	561,982	2.4	548,563

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	Millions of Yen, %				
	2007		2006		2005
	Rate of increase		Rate of increase		
Individual insurance	¥208,146	(4.5)%	¥217,846	4.4%	¥208,565
Individual annuities	64,533	17.8	54,772	14.5	47,846
Total	272,679	0.0	272,619	6.3	256,412
Medical life insurance, living benefits and others	50,245	(15.8)	59,656	20.0	49,732

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

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

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

12. New Policies by Product

Number of Policies, Millions of Yen

Fiscal years ended March 31		2007		2006		2005	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual insurance	Mortality insurance	[798,652]	¥[17,730,173]	[915,642]	¥[21,773,761]	[859,872]	¥[24,786,169]
		464,065	8,437,883	573,282	11,319,518	506,568	12,843,798
	Term life insurance	[29,248]	[1,630,989]	[29,487]	[1,606,483]	[27,798]	[1,462,644]
		25,191	1,316,297	25,968	1,330,972	25,231	1,270,121
	Whole life insurance	[82,837]	[537,185]	[77,708]	[604,434]	[70,053]	[539,815]
		51,607	391,708	52,131	483,128	43,571	423,178
	Single-payment whole life insurance with variable accumulation rates	8,421	80,549	1,726	15,245	—	—
	Whole life insurance with term rider	[587,692]	[14,808,086]	[656,109]	[18,839,827]	[679,828]	[22,048,157]
		288,392	6,056,483	342,845	8,873,410	355,573	10,520,173
	Term life insurance with dread disease term rider	41	262	2,013	12,390	1,681	10,267
	Whole life insurance with dread disease term rider	26	194	372	2,490	315	2,259
	Cancer insurance	29,140	5,540	69,325	12,819	65,707	11,796
	Hospitalization medical insurance	45,120	—	64,957	—	—	—
	Increasing term life insurance	13,578	540,076	11,472	526,519	11,118	527,950
	Medical life insurance	663	41	618	39	1,493	83
	Single premium whole life insurance for retirement	293	1,336	307	1,238	459	1,667
	Medical life insurance for retirement	1,593	765	1,548	663	1,420	556
	Term rider	[33,979]	[125,144]	[40,094]	[151,609]	[46,455]	[180,971]
		13,004	44,627	16,888	60,600	20,002	75,744
	Life and mortality insurance	[239,158]	[2,264,766]	[272,906]	[2,594,071]	[286,552]	[2,851,600]
		232,643	2,067,779	265,711	2,380,613	277,931	2,611,027
	Endowment insurance	[110,339]	[459,185]	[122,992]	[519,294]	[119,298]	[504,053]
		109,923	457,502	122,490	516,188	118,909	500,702
	Endowment insurance with term rider <i>Kurashi no Hoken</i>	[12,514]	[227,221]	[14,288]	[266,346]	[20,675]	[437,271]
		6,415	117,044	7,595	142,911	12,443	284,396
	Term life with survival benefit insurance <i>Melody</i>	—	—	3	11	9	47
	Term life with survival benefit insurance <i>BIG YOU</i>	69,928	1,001,451	86,668	1,241,611	97,729	1,395,592
	Juvenile insurance	46,377	350,730	48,955	371,618	48,841	371,433
	Multi increase endowment rider	643	74	765	90	833	100
	Term rider with survival benefit	[122,960]	[226,104]	[106,510]	[195,098]	[74,686]	[143,101]
		81,095	140,978	63,532	108,181	32,424	58,755
	Pure endowment	3	1	5,010	2,352	4,426	2,118
	Family pure endowment	3	1	5,010	2,352	4,426	2,118
	Subtotal	[1,037,813]	[19,994,941]	[1,193,558]	[24,370,186]	[1,150,850]	[27,639,888]
		696,711	10,505,664	844,003	13,702,484	788,925	15,456,944
			<10,140,242>		<14,093,639>		<17,010,697>

12. New Policies by Product, continued

Fiscal years ended March 31		2007		2006		2005	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual annuities	Nissay annuity	[167,872]	¥[1,193,707]	[111,992]	¥[1,026,271]	[87,915]	¥[861,843]
		166,894	1,178,315	111,086	1,013,331	87,336	851,717
	Annuity focused on survival coverage	[72]	[903]	[21,611]	[160,051]	[28,779]	[208,049]
		71	896	21,519	159,076	28,669	206,614
	Variable assumed rate type annuity	—	—	—	—	503	1,287
	Accumulation type variable rate annuity	21,753	112,149	11,487	46,572	4,259	20,083
	Nissay investment type annuity	4,042	27,383	4,527	29,952	7,670	56,652
		[193,739]	[1,334,143]	[149,617]	[1,262,846]	[129,126]	[1,147,916]
	Subtotal	192,760	1,318,745	148,619	1,248,932	128,437	1,136,355
			[1,309,298]		[1,254,229]		<1,140,618>
Group insurance	Group term life insurance	202,331	1,222,079	268,703	1,463,815	280,387	1,056,449
	Group credit life insurance	222,620	72,795	163,792	155,829	28,252	94,039
	Consumer credit group insurance	—	—	547,613	22,635	—	—
	Group endowment insurance	—	—	—	—	—	—
	Group whole life insurance	—	—	—	—	—	—
	Life insurance for dependents of disabled	—	—	—	—	—	—
	Annuities rider (group term life insurance)	—	—	—	—	—	—
	Subtotal	424,951	1,294,875	980,108	1,642,281	308,639	1,150,488
Group annuities	Insured pension plans	—	—	—	—	—	—
	New insured pension plans	7,471	66	6,507	122	11,909	206
	Insured contributory pension plans	9,913	22	3	0	—	—
	Defined benefit corporate pension plans	—	747	—	525	—	858
	National pension fund insurance	—	—	—	—	—	—
	Employees' pension fund insurance	—	—	9,431	4	—	—
	Employees' pension association insurance	—	—	—	0	—	—
	Group pure endowment insurance	—	—	—	—	—	7,051
	Defined contribution pension plans	—	177	—	275	—	302
		Subtotal	17,384	1,014	15,941	927	11,909
Workers' asset-formation savings insurance	Workers' asset-formation savings insurance	8,489	471	9,410	601	10,871	966
	Workers' asset-formation housing funding insurance	1,425	123	1,755	147	1,840	190
	Workers' asset-formation benefits savings insurance	—	—	24	0	—	—
	Workers' asset-formation fund savings insurance	—	—	—	—	—	—
	Subtotal	9,914	595	11,189	749	12,711	1,156
Workers' asset-formation annuities	Workers' asset-formation annuities	—	—	—	—	—	—
	Workers' asset-formation funding annuities	2,089	140	2,368	254	2,759	228
	Subtotal	2,089	140	2,368	254	2,759	228
Medical life insurance	Individual type	57	0	94	0	160	0
	Group type	19,872	101	2,737	1	82,740	483
	Subtotal	19,929	101	2,831	2	82,900	484
Disability income insurance	Disability income insurance	—	—	—	—	—	—
	Group disability income insurance	2,746	697	5,499	191	304	109
	Subtotal	2,746	697	5,499	191	304	109
	Reinsurance assumed	—	—	—	—	—	—

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

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

3. Whole life insurance includes comprehensive whole life insurance.

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

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

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

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

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

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

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

13. Policies in Force by Product

As of March 31		2007		2006		2005	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual insurance	Mortality insurance	9,035,996	¥199,045,439	9,135,863	¥211,486,363	9,185,260	¥221,995,475
	Term life insurance	168,638	8,406,110	161,064	7,821,096	152,942	7,181,082
	Whole life insurance	2,534,305	22,793,360	2,417,041	22,598,177	2,300,596	22,303,007
	Single-payment whole life insurance with variable accumulation rates	9,989	94,154	1,724	15,240	—	—
	Whole life insurance with term rider	5,454,425	160,613,919	5,664,495	173,696,866	5,845,796	184,807,043
	Variable life insurance (whole life type)	38,229	597,387	38,957	617,042	39,847	634,410
	Variable life insurance with term rider (whole life type)	2,324	75,426	2,553	84,041	2,770	91,887
	Term life insurance with dread disease term rider	290,613	1,500,329	314,615	1,635,949	376,989	2,029,499
	Whole life insurance with dread disease term rider	38,017	252,845	39,340	263,187	40,570	273,100
	Cancer insurance	318,792	45,887	353,905	52,210	354,202	52,255
	Hospitalization medical insurance	94,518	—	63,514	—	—	—
	Increasing term life insurance	43,505	1,999,160	36,324	1,778,646	29,336	1,475,575
	Medical life insurance	5,090	292	4,682	264	4,327	237
	Single premium whole life insurance for retirement	5,425	19,938	5,238	19,013	5,010	18,025
	Medical life insurance for retirement	5,663	2,430	4,193	1,691	2,717	1,034
	Former Dowa Life Insurance	26,463	282,357	28,218	308,575	30,158	338,396
	Term rider	501,971	2,361,838	550,934	2,594,361	595,763	2,789,918
	Life and mortality insurance	3,910,881	23,903,676	4,252,143	26,115,927	4,628,225	28,425,328
	Endowment insurance	2,017,477	7,863,398	2,197,093	8,405,127	2,419,237	9,052,363
	Endowment insurance with term rider <i>Kurashi no Hoken</i>	305,836	3,801,654	365,387	4,375,912	432,007	5,108,283
	Variable life insurance (defined term type)	3,394	18,205	3,683	20,063	3,910	22,052
	Term life with survival benefit insurance <i>Melody</i>	6,638	26,054	7,638	30,237	8,746	34,749
	Term life with survival benefit insurance <i>BIG YOU</i>	478,797	5,812,959	544,444	6,534,111	601,623	7,088,834
	Juvenile insurance	1,092,513	5,195,985	1,125,961	5,570,703	1,154,156	5,916,518
	Former Dowa Life Insurance	6,226	14,097	7,937	17,165	8,546	19,061
	Multi increase endowment rider	19,857	9,520	20,266	10,476	20,253	10,915
	Term rider with survival benefit	601,170	1,161,800	587,717	1,152,130	589,964	1,172,549
	Pure endowment	15,867	11,546	23,419	15,612	36,861	22,715
	Family pure endowment	15,662	7,989	23,206	11,846	36,636	18,721
	Pure endowment with nursing care benefit	205	3,556	213	3,766	225	3,993
	Subtotal	12,962,744	222,960,663	13,411,425	237,617,903	13,850,346	250,443,519

Number of Policies, Millions of Yen

13. Policies in Force by Product, continued

As of March 31		2007		2006		2005	
		Policies	Amount	Policies	Amount	Policies	Amount
Individual annuities	Nissay annuity	2,035,754	¥13,251,466	1,943,882	¥12,684,930	1,899,914	¥12,278,415
	Individual fixed annuity <i>Souden no Sekkei</i>	3,571	6,560	4,422	8,334	5,182	10,832
	Annuity focused on survival coverage	477,436	3,041,054	498,545	3,195,796	499,154	3,196,076
	Variable assumed rate type annuity	24,975	84,178	26,414	97,581	27,797	111,703
	Accumulation type variable rate annuity	37,004	175,888	15,631	65,960	4,257	20,062
	Nissay investment type annuity	30,693	256,697	29,067	251,710	26,609	201,493
	Former Dowa Life Insurance	4,917	22,254	5,092	23,171	5,324	24,366
	Annuity rider	21,464	76,109	20,210	73,850	18,767	71,382
	Term rider annualized payment	4,566	51,309	4,583	54,050	4,354	55,689
	Annuity for spouse term rider	2	2	2	3	2	4
	Subtotal	2,640,382	16,965,522	2,547,848	16,455,389	2,491,360	15,970,025
Group insurance	Group term life insurance	14,394,937	49,080,058	14,601,726	47,571,713	14,911,776	46,586,543
	Group credit life insurance	13,732,265	35,265,057	13,732,024	34,276,894	14,261,801	33,520,400
	Consumer credit group insurance	59,108	2,738	20,010,071	1,621,072	19,927,207	1,707,899
	Group endowment insurance	385	1,070	534	1,365	1,318	2,365
	Group whole life insurance	172	116	190	124	198	129
	Life insurance for dependents of disabled	65,795	34,463	67,493	35,223	68,974	35,919
	Annuities rider (group term life insurance)	11,373	13,465	11,205	12,376	10,904	11,357
		Subtotal	28,198,240	84,396,970	48,355,750	83,518,770	49,113,204
Group annuities	Insured pension plans	52,997	39,427	54,393	41,134	55,323	42,818
	New insured pension plans	10,197,526	2,677,117	10,647,079	2,875,578	11,132,970	3,408,078
	Insured contributory pension plans	3,718,542	2,737,883	3,853,638	2,569,250	4,015,127	2,525,892
	Defined benefit corporate pension plans	—	2,237,515	—	1,985,669	—	1,204,473
	National pension fund insurance	—	4,321	—	4,330	—	7,478
	Employees' pension fund insurance	3,870,573	932,456	4,075,024	987,183	4,956,749	1,319,969
	Employees' pension association insurance	—	1,822	—	333	—	—
	Group pure endowment insurance	—	193,837	—	180,269	—	201,907
	Defined contribution pension plans	—	204,868	—	156,348	—	86,507
		Subtotal	17,839,638	9,029,249	18,630,134	8,800,098	20,160,169
Workers' asset-formation savings insurance	Workers' asset-formation savings insurance	137,548	248,312	143,195	242,968	148,771	236,611
	Workers' asset-formation housing funding insurance	27,132	70,310	29,160	73,530	31,161	76,324
	Workers' asset-formation benefits savings insurance	22,956	2,023	24,523	1,998	25,602	1,815
	Workers' asset-formation fund savings insurance	686	13	706	15	726	15
	Subtotal	188,322	320,660	197,584	318,512	206,260	314,766
Workers' asset-formation annuities	Workers' asset-formation annuities	445	1,844	468	1,960	489	2,078
	Workers' asset-formation funding annuities	69,284	156,250	70,377	157,095	71,531	158,707
	Subtotal	69,729	158,094	70,845	159,056	72,020	160,785
Medical life insurance	Individual type	2,099	9	2,355	10	2,668	12
	Group type	868,287	2,440	864,263	2,242	845,625	2,034
	Subtotal	870,386	2,449	866,618	2,253	848,293	2,046
Disability income insurance	Disability income insurance	—	—	—	—	—	—
	Group disability income insurance	78,105	6,257	89,073	6,488	104,735	8,224
	Subtotal	78,105	6,257	89,073	6,488	104,735	8,224
Reinsurance assumed		22,886	¥ 23,182	24,798	¥ 30,858	27,430	¥ 31,782

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

2. Whole life insurance includes comprehensive whole life insurance.

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

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

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

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

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

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

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

14. Amount of Policies in Force by Coverage Type

As of March 31		2007	2006	2005	
Millions of Yen					
Death protection	Death protection due to illness/accident	Individual insurance	¥222,946,118	¥237,599,064	¥250,417,320
		Individual annuities	—	—	—
		Group insurance	84,383,504	83,506,394	81,853,257
		Group annuities	—	—	—
	Net including other types	307,352,805	321,136,317	332,302,360	
	Death protection due to accident	Individual insurance	[42,390,740]	[45,364,845]	[48,471,417]
		Individual annuities	[349,617]	[359,804]	[393,109]
		Group insurance	[4,285,005]	[4,649,923]	[4,685,882]
		Group annuities	—	—	—
Net including other types	[47,051,339]	[50,402,151]	[53,577,334]		
Death protection due to specific causes	Individual insurance	[414,224]	[471,728]	[473,599]	
	Individual annuities	—	—	—	
	Group insurance	[149,287]	[149,771]	[150,706]	
	Group annuities	—	—	—	
Net including other types	[563,512]	[621,500]	[624,305]		
Pure endowment	Maturity and survival benefits	Individual insurance	14,544	18,839	26,199
		Individual annuities	15,958,654	15,672,723	15,257,716
		Group insurance	974	832	766
		Group annuities	—	—	—
	Net including other types	16,088,074	15,807,660	15,402,255	
	Annuity	Individual insurance	[719,422]	[803,325]	[902,970]
		Individual annuities	[1,929,983]	[1,888,954]	[1,839,633]
		Group insurance	[1,634]	[1,518]	[1,385]
		Group annuities	—	—	—
Net including other types	[2,658,445]	[2,701,060]	[2,751,190]		
Other	Individual insurance	—	—	—	
	Individual annuities	1,006,867	782,666	712,309	
	Group insurance	12,490	11,544	10,590	
	Group annuities	9,029,249	8,800,098	8,797,125	
Net including other types	10,413,461	9,956,612	9,878,004		
Hospitalization coverage	Coverage for hospitalization due to accident	Individual insurance	[53,819]	[55,272]	[56,329]
		Individual annuities	[1,717]	[1,766]	[1,818]
		Group insurance	[2,171]	[2,280]	[2,415]
		Group annuities	—	—	—
	Net including other types	[60,158]	[61,572]	[62,610]	
	Coverage for hospitalization due to illness	Individual insurance	[52,761]	[54,058]	[54,952]
		Individual annuities	[1,698]	[1,747]	[1,798]
		Group insurance	—	—	—
		Group annuities	—	—	—
Net including other types	[56,910]	[58,059]	[58,798]		
Coverage for hospitalization due to other causes	Individual insurance	[72,167]	[69,628]	[65,159]	
	Individual annuities	[464]	[479]	[496]	
	Group insurance	[51]	[52]	[61]	
	Group annuities	—	—	—	
Net including other types	[72,683]	[70,160]	[65,717]		
Disability coverage	Individual insurance	—	—	—	
	Individual annuities	—	—	—	
	Group insurance	—	—	—	
	Group annuities	—	—	—	
	Net including other types	6,257	6,488	8,224	

- 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		2007	2006	2005
Number of Policies				
Disability coverage	Individual insurance	[8,863,501]	[9,306,939]	[9,726,018]
	Individual annuities	[89,949]	[92,301]	[95,050]
	Group insurance	[3,249,517]	[3,411,199]	[3,515,122]
	Group annuities	—	—	—
	Net including other types	[12,202,967]	[12,810,439]	[13,336,190]
Surgical coverage	Individual insurance	[13,990,285]	[14,244,196]	[14,228,687]
	Individual annuities	[382,296]	[393,659]	[405,400]
	Group insurance	—	—	—
	Group annuities	—	—	—
	Net including other types	[14,372,581]	[14,637,855]	[14,634,087]

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

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

As of March 31		Millions of Yen		
		2007	2006	2005
Mortality insurance	Whole life insurance	¥ 23,207,723	¥ 22,948,859	¥ 22,647,007
	Whole life insurance with term rider	160,613,919	173,696,866	184,807,043
	Term life insurance	11,906,786	11,236,616	10,686,810
	Net including other types	199,045,439	211,486,363	221,995,475
Life and mortality insurance	Endowment insurance	7,863,398	8,405,127	9,052,363
	Endowment insurance with term rider	3,801,654	4,375,912	5,108,283
	Term life insurance with survival benefits	5,839,014	6,564,349	7,123,584
	Net including other types	23,903,676	26,115,927	28,425,328
Pure endowment	Family pure endowment	7,989	11,846	18,721
	Net including other types	11,546	15,612	22,715
Annuities	Individual annuities	16,965,522	16,455,389	15,970,025
Hospitalization/accident riders	Accident rider with extra premium	14,398,186	15,613,280	16,918,346
	Injury rider	28,201,549	29,979,963	31,654,521
	Accident coverage rider	13,068	17,929	156,825
	Hospitalization due to accident rider	54,843	56,545	57,895
	Hospitalization due to illness rider	53,696	55,200	56,541
	Hospitalization due to adult disease rider	9,003	9,346	9,514
	Hospital visit rider	10,751	11,102	11,422
	Long-term hospitalization rider	140	154	171
	Hospitalization rider for women	5,595	5,582	5,499
	Limited injury rider	163,235	165,157	164,389
	Hospitalization due to cancer rider	21,266	19,626	17,422
	Short-term hospitalization rider	21,267	19,099	16,504

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

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

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

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

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

16. Trends and Transitions of Policies

1. Individual insurance

Fiscal years ended March 31	2007		2006		2005	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year	13,411,425	¥237,617,903	13,850,346	¥250,443,519	14,408,659	¥262,785,989
New policies	696,711	10,505,664	844,003	13,702,484	788,925	15,456,944
Renewals	11,108	1,480,051	51,890	1,544,631	47,352	1,592,845
Reinstatements	17,293	315,521	17,964	362,366	18,773	396,541
Increase from employee dividends	—	17	—	47	—	139
Increase from conversion	341,102	9,489,276	349,555	10,667,701	361,925	12,182,943
Increase from variable amount	—	1,639	—	1,570	—	281
Death	47,096	603,838	48,886	633,374	50,093	652,886
Maturity	308,918	1,418,878	431,211	1,938,943	382,593	1,750,134
Decrease of benefits	—	3,475,271	—	3,792,004	—	3,549,625
Decrease from conversion	321,305	9,854,698	347,930	10,276,547	355,353	10,629,191
Cancellation	611,413	12,366,957	637,312	13,201,366	706,289	14,640,582
Lapse	219,437	4,294,372	231,659	5,003,610	274,891	6,073,280
Decrease from variable amount	—	911	—	396	—	182
Decrease due to other changes	6,726	4,434,484	5,335	4,258,173	6,069	4,676,283
At the end of the fiscal year	12,962,744	222,960,663	13,411,425	237,617,903	13,850,346	250,443,519
Rate of decrease	(3.3)%	(6.2)%	(3.2)%	(5.1)%	(3.9)%	(4.7)%
Net decrease	(448,681)	(14,657,240)	(438,921)	(12,825,615)	(558,313)	(12,342,470)
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	2007		2006		2005	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning 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
New policies		<137,757>		<129,163>		<114,291>
	192,760	1,318,745	148,619	1,248,932	128,437	1,136,355
Reinstatements	923	6,080	821	5,547	708	4,593
Increase from conversion	979	15,398	998	13,914	689	11,561
Death	6,049	32,030	5,759	29,739	5,406	27,495
Completion of payments	4,313	3,619	3,365	2,741	2,521	2,076
Decrease of insurance amount	—	53,476	—	44,119	—	33,403
Decrease from conversion	3,558	24,845	1,201	8,617	981	7,297
Cancellation	78,011	564,222	74,740	532,057	73,675	504,906
Lapse	10,891	74,720	10,124	71,930	10,052	69,146
Decrease due to other changes	(694)	132,382	(1,239)	12,681	(1,309)	4,102
At the end of the fiscal year		<1,927,217>		<1,886,083>		<1,836,740>
	2,640,382	16,965,522	2,547,848	16,455,389	2,491,360	15,970,025
Rate of increase	3.6%	3.1%	2.3%	3.0%	1.6%	2.8%
Net increase	92,534	510,132	56,488	485,363	38,508	435,482
Rate of net increase	63.8%	5.1%	46.7%	11.5%	—%	—%

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

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

16. Trends and Transitions of Policies, continued

3. Group insurance

Fiscal years ended March 31	Number of Policies, Millions of Yen, %					
	2007		2006		2005	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year	48,355,750	¥83,518,770	49,113,204	¥81,864,614	49,522,761	¥80,415,395
New policies	424,951	1,294,875	980,108	1,642,281	308,639	1,150,488
Renewals	14,110,210	46,437,567	14,505,452	45,498,428	14,696,511	44,742,467
Midterm enrollment	5,918,495	7,992,504	8,292,342	9,937,799	9,837,033	7,122,647
Increase of insurance amount	—	3,883,716	—	4,731,111	—	4,906,825
Death	84,988	132,178	105,983	136,823	112,535	135,509
Maturity	14,426,192	47,055,121	14,787,203	46,084,716	15,064,903	45,461,901
Withdrawal	6,133,449	5,936,166	8,168,166	5,799,283	9,516,605	5,924,952
Decrease of insurance amount	—	3,630,169	—	4,151,907	—	4,583,793
Cancellation	19,663,085	1,703,199	884,273	507,448	456,176	264,283
Lapse	769	2,729	730	3,692	2,202	5,134
Decrease due to other changes	302,683	269,766	589,001	3,470,563	99,319	96,694
At the end of the fiscal year	28,198,240	84,396,970	48,355,750	83,518,770	49,113,204	81,864,614
Rate of increase (decrease)	(41.7)%	1.1%	(1.5)%	2.0%	(0.8)%	1.8%
Net increase	(20,157,510)	878,199	(757,454)	1,654,155	(409,557)	1,449,219
Rate of increase (decrease)	—%	(46.9)%	—%	14.1%	—%	301.3%

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

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

4. Group annuities

Fiscal years ended March 31	Number of Policies, Millions of Yen, %					
	2007		2006		2005	
	Policies	Amount	Policies	Amount	Policies	Amount
At the beginning of the fiscal year	18,630,134	¥8,800,098	20,160,169	¥8,797,125	22,918,563	¥9,425,531
New policies	17,384	1,014	15,941	927	11,909	8,418
Annuity payments	4,201,442	209,195	4,672,610	202,154	5,479,912	215,936
Single payments	960,116	443,231	988,573	427,135	1,104,465	459,368
Cancellation	250,246	154,411	172,292	289,619	185,154	330,916
At the end of the fiscal year	17,839,638	9,029,249	18,630,134	8,800,098	20,160,169	8,797,125
Rate of increase (decrease)	(4.2)%	2.6%	(7.6)%	0.0%	(12.0)%	(6.7)%
Net increase (decrease)	(790,496)	229,151	(1,530,035)	2,972	(2,758,394)	(628,405)
Rate of increase	—%	7,608.1%	—%	—%	—%	—%

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

2. Amount of new policies represent first premium revenues.

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

INSURANCE POLICY INDICATORS

17. Increase in Policy Amounts in Force

1. Number of policies in force and rate of increase

Fiscal years ended March 31	Number of Policies, %					
	2007		2006		2005	
	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)
Individual insurance	12,962,744	(3.3)%	13,411,425	(3.2)%	13,850,346	(3.9)%
Mortality insurance	9,035,996	(1.1)	9,135,863	(0.5)	9,185,260	(2.0)
Life and mortality insurance	3,910,881	(8.0)	4,252,143	(8.1)	4,628,225	(6.9)
Pure endowment	15,867	(32.2)	23,419	(36.5)	36,861	(36.1)
Individual annuities	2,640,382	3.6	2,547,848	2.3	2,491,360	1.6
Group insurance	28,198,240	(41.7)	48,355,750	(1.5)	49,113,204	(0.8)
Group annuities	17,839,638	(4.2)	18,630,134	(7.6)	20,160,169	(12.0)
Workers' asset-formation savings insurance	188,322	(4.7)	197,584	(4.2)	206,260	(4.7)
Workers' asset-formation annuities	69,729	(1.6)	70,845	(1.6)	72,020	(1.0)
Medical life insurance	870,386	0.4	866,618	2.2	848,293	1.7
Disability income insurance	78,105	(12.3)	89,073	(15.0)	104,735	(9.8)

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	Billions of Yen, %					
	2007		2006		2005	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥222,960.6	(6.2)%	¥237,617.9	(5.1)%	¥250,443.5	(4.7)%
Mortality insurance	199,045.4	(5.9)	211,486.3	(4.7)	221,995.4	(4.4)
Life and mortality insurance	23,903.6	(8.5)	26,115.9	(8.1)	28,425.3	(7.2)
Pure endowment	11.5	(26.0)	15.6	(31.3)	22.7	(35.3)
Individual annuities	16,965.5	3.1	16,455.3	3.0	15,970.0	2.8
Group insurance	84,396.9	1.1	83,518.7	2.0	81,864.6	1.8
Group annuities	9,029.2	2.6	8,800.0	0.0	8,797.1	(6.7)
Workers' asset-formation savings insurance	320.6	0.7	318.5	1.2	314.7	1.1
Workers' asset-formation annuities	158.0	(0.6)	159.0	(1.1)	160.7	(0.8)
Medical life insurance	2.4	8.7	2.2	10.1	2.0	26.9
Disability income insurance	6.2	(3.6)	6.4	(21.1)	8.2	(4.5)

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

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

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

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

18. Increase in New Policies

1. Number of new policies and rate of increase

Fiscal years ended March 31	Number of Policies, %					
	2007		2006		2005	
	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)	Policies	Rate of increase (decrease)
Individual insurance	696,711	(17.5)%	844,003	7.0%	788,925	(6.5)%
Mortality insurance	464,065	(19.1)	573,282	13.2	506,568	(8.9)
Life and mortality insurance	232,643	(12.4)	265,711	(4.4)	277,931	(1.2)
Pure endowment	3	(99.9)	5,010	13.2	4,426	(28.4)
Individual annuities	192,760	29.7	148,619	15.7	128,437	44.0
Group insurance	424,951	(56.6)	980,108	217.6	308,639	(86.9)
Group annuities	17,384	9.1	15,941	33.9	11,909	(90.5)
Workers' asset-formation savings insurance	9,914	(11.4)	11,189	(12.0)	12,711	(7.7)
Workers' asset-formation annuities	2,089	(11.8)	2,368	(14.2)	2,759	9.0
Medical life insurance	19,929	604.0	2,831	(96.6)	82,900	726.7
Disability income insurance	2,746	(50.1)	5,499	1,708.9	304	(98.2)

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

2. Excludes converted policies.

18. Increase in New Policies, continued

2. Increase in new policy amounts and rate of increase

Fiscal year ended March 31	Billions of Yen, %					
	2007		2006		2005	
	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)	Amount	Rate of increase (decrease)
Individual insurance	¥10,505.6	(23.3)%	¥13,702.4	(11.4)%	¥15,456.9	(7.4)%
Mortality insurance	8,437.8	(25.5)	11,319.5	(11.9)	12,843.7	(8.5)
Life and mortality insurance	2,067.7	(13.1)	2,380.6	(8.8)	2,611.0	(1.8)
Pure endowment	0	(99.9)	2.3	11.1	2.1	(30.6)
Individual annuities	1,318.7	5.6	1,248.9	9.9	1,136.3	41.4
Group insurance	1,294.8	(21.2)	1,642.2	42.7	1,150.4	3.1
Group annuities	1.0	9.4	0.9	(89.0)	8.4	(44.1)
Workers' asset-formation savings insurance	0.5	(20.5)	0.7	(35.2)	1.1	35.7
Workers' asset-formation annuities	0.1	(44.8)	0.2	11.7	0.2	18.1
Medical life insurance	0.1	4,519.1	0.0	(99.5)	0.4	4,559.6
Disability income insurance	0.6	264.8	0.1	74.6	0.1	(83.7)

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

19. Average Policy Coverage (Individual Insurance)

Fiscal years ended March 31	Thousands of Yen					
	New policy amounts excluding conversions			Policy amounts in force		
	2007	2006	2005	2007	2006	2005
Mortality insurance	¥18,182	¥19,745	¥25,354	¥22,028	¥23,149	¥24,168
Life and mortality insurance	8,888	8,959	9,394	6,112	6,141	6,141
Pure endowment	433	469	478	727	666	616
Total	¥15,078	¥16,235	¥19,592	¥17,200	¥17,717	¥18,082

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

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

Fiscal years ended March 31	%		
	2007	2006	2005
Individual insurance	4.4%	5.5%	5.9%
Individual annuities	8.4	8.2	7.6
Group insurance	1.6	2.0	1.4

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

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

Fiscal years ended March 31	%		
	2007	2006	2005
Individual insurance	8.3%	8.6%	9.1%
Individual annuities	4.4	4.2	4.0
Group insurance	1.7	(0.1)	(0.1)

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.

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

Fiscal years ended March 31	Yen		
	2007	2006	2005
Average premium of new individual policies (monthly payment policies)	¥202,541	¥188,225	¥189,018

Notes: 1. Annualized premium payments are calculated by multiplying the premium to be paid by coefficients that reflect the premium payment method (single premium payments are calculated by dividing the total premium by the coverage period).
2. Excludes converted policies.

23. Mortality Rate (Primary Individual Insurance Policies)

Fiscal years ended March 31	‰		
	2007	2006	2005
Number of policies	3.57‰	3.58‰	3.54‰
Insurance amount	2.62	2.59	2.54

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.

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

Fiscal years ended March 31	2007		2006		2005	
	Policies	Amount	Policies	Amount	Policies	Amount
Accidental death insurance	0.195‰	0.189‰	0.206‰	0.169‰	0.192‰	0.182‰
Disability insurance	0.230	0.076	0.212	0.070	0.217	0.074
Hospitalization due to accident	4.415	135.6	4.577	141.8	4.768	150.2
Hospitalization due to illness	37.874	914.1	37.544	930.6	36.980	937.9
Hospitalization due to adult disease	7.412	199.2	6.843	194.2	6.338	186.3
Surgery due to illness or injury	28.612		26.393		25.114	
Surgery due to adult disease	3.917		3.460		3.091	

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

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

Fiscal years ended March 31	2007
Third sector incidence rate	33.9%
Medical care	36.0
Cancer	34.5
Nursing care	12.2
Other	31.5

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

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

Fiscal years ended March 31	%		
	2007	2006	2005
Operating efficiency (Operating expenses as a percentage of premium revenues)	11.3%	11.1%	11.3%

27. The number of major insurance companies that use reinsurance to protect against shifts in the market for insurance policies that will cause demand in excess of their allowable coverage

As of March 31	Number of insurance companies	
	2007	2006
The ratio of reinsurance premiums to total premiums written by the top five insurance companies using reinsurance	13 (2)	14 (2)

Notes: 1. Insurance companies that pay reinsurance premiums.

2. Figures in parentheses indicate the amount of third sector insurance paid (including only premium policies that stipulate no coverage by insurance reserve funds in accordance with the Article 71 of the enforced regulation of the Insurance Business Law).

28. The ratio of reinsurance premiums to total premiums written by the top five insurance companies using reinsurance to protect against shifts in the market for insurance policies that will cause demand in excess of their allowable coverage

As of March 31	%	
	2007	2006
The ratio of reinsurance premiums to total premiums written by the top five insurance companies using reinsurance	82.5% (100)	86.3% (100)

Notes: 1. Insurance companies that pay reinsurance premiums

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

29. A percentage breakdown of the major insurance companies according to ratings awarded by rating agencies based on the amount of reinsurance such companies hold in order to cover policies in excess of their solvency margins

As of March 31	%	
	2007	2006
Over A	70.0% (100.0)	72.5% (100.0)
Over BBB and below A	21.1 (0.0)	22.0 (0.0)
Others (Below BBB or no rating)	8.9 (0.0)	5.5 (0.0)

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

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

30. Unreceived Reinsurance Premiums

As of March 31	Millions of Yen	
	2007	2006
Unreceived reinsurance premiums	52 (0)	59 (0)

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

ACCOUNTING INDICATORS

31. Reserve for Outstanding Claims

As of March 31		Millions of Yen		
		2007	2006	2005
Insurance claims	Mortality insurance claims	¥ 89,686	¥ 92,593	¥ 97,509
	Accident insurance claims	3,913	4,086	3,368
	Serious disability insurance claims	26,259	21,900	20,324
	Maturity insurance amount	11,239	10,609	9,694
	Others	3	1	2
	Subtotal	131,102	129,191	130,899
Annuities		3,784	3,476	3,162
Benefits		40,152	28,196	26,694
Refunds		63,511	61,782	75,996
Deferred insurance amount		5,847	4,109	2,078
Net, including other reserves		244,911	227,222	239,230

32. Policy Reserve

As of March 31		Millions of Yen		
		2007	2006	2005
Policy reserve	Individual Account	¥ 22,777,399	¥ 22,753,206	¥ 22,732,040
(Excluding contingency reserve)	[General Account]	[22,594,348]	[22,566,704]	[22,568,885]
	[Separate Account]	[183,051]	[186,502]	[163,155]
	Individual Annuities	6,625,507	5,918,893	5,479,605
	[General Account]	[6,368,810]	[5,667,182]	[5,278,112]
	[Separate Account]	[256,697]	[251,710]	[201,493]
	Group Insurance	41,267	38,084	34,181
	[General Account]	[41,267]	[38,084]	[34,181]
	[Separate Account]	[—]	[—]	[—]
	Group Annuities	9,029,249	8,800,098	8,797,125
	[General Account]	[7,208,971]	[6,931,108]	[7,065,578]
	[Separate Account]	[1,820,278]	[1,868,989]	[1,731,547]
	Other	480,014	478,817	477,019
	[General Account]	[480,014]	[478,817]	[477,019]
	[Separate Account]	[—]	[—]	[—]
	Subtotal	38,953,439	37,989,101	37,519,972
	[General Account]	[36,693,411]	[35,681,898]	[35,423,776]
	[Separate Account]	[2,260,027]	[2,307,202]	[2,096,196]
Contingency reserve		1,429,062	1,429,062	1,274,373
Total		¥ 40,382,501	¥ 39,418,163	¥ 38,794,345
	[General Account]	[38,122,473]	[37,110,960]	[36,698,149]
	[Separate Account]	[2,260,027]	[2,307,202]	[2,096,196]

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

1. Policy reserve accumulation method and rate

As of March 31		2007			2006			2005		
Accumulation method	Policies subject to standard policy reserve	Net level premium method			Net level premium method			Net level premium method		
	Policies not subject to standard policy reserve	Net level premium method			Net level premium method			Net level premium method		
Accumulation rate (excluding contingency reserve)		100.0%			100.0%			100.0%		

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

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

2. Policy reserve (breakdown by policy year)

Policy year	Balance of policy reserves, as of March 31,			Assumed interest rate
	Millions of Yen, %			
	2007	2006	2005	
–1980	¥ 1,086,065	¥ 1,263,585	¥ 1,483,281	2.75–5.00%
1981–1985	2,872,975	2,861,883	2,918,552	2.75–6.00
1986–1990	6,451,410	6,355,623	6,378,443	2.75–6.00
1991–1995	7,106,171	6,942,609	7,174,613	2.75–5.50
1996–2000	5,139,425	5,521,891	5,705,432	1.50–2.75
2001–2005	5,255,969	5,288,293	4,186,673	1.00–1.50
2006	1,051,139	—	—	1.10–1.50
Total	¥28,963,158	¥28,233,886	¥27,846,997	

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.

34. 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)

Millions of Yen			
As of March 31	2007	2006	2005
Policy reserve balance (general account)	¥0	¥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.

35. 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							
2007							
Balance at the end of previous fiscal year	¥ 1,250,139	¥ 22,065	¥ 7,619	¥10,996	¥ 7,748	¥13,488	¥ 1,312,057
Transfer to reserves from surplus in previous fiscal year	31,240	581	89,574	56,216	233	2,082	179,929
Increase in interest	36,452	669	1	0	33	0	37,156
Other increases	—	—	—	—	—	—	—
Policyholders dividends paid out in fiscal year	115,658	1,980	93,584	55,257	743	2,072	269,297
Other decreases	—	—	—	—	—	—	—
Balance at the end of current fiscal year	¥ 1,202,172	¥ 21,336	¥ 3,611	¥11,956	¥ 7,270	¥13,498	¥ 1,259,846
	[1,003,991]	[16,405]	[1,931]	[84]	[5,699]	[61]	[1,028,174]
Fiscal year ended March 31							
2006							
Balance at the end of previous fiscal year	¥ 1,291,973	¥ 23,171	¥ 7,842	¥10,273	¥ 8,492	¥15,693	¥ 1,357,447
Transfer to reserves from surplus in previous fiscal year	42,542	22	90,205	14,207	—	—	146,977
Increase in interest	38,328	720	1	0	15	0	39,066
Other increases	—	—	—	—	—	—	—
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]

Note: The numbers in brackets indicate accumulated dividends reserved.

36. Allowance for Doubtful Accounts and Other Reserves

As of March 31	Millions of Yen					
	2007		2006		2005	
		Increase/ decrease		Increase/ decrease		Increase/ decrease
Allowance for doubtful accounts* ¹						
General allowance for doubtful accounts	¥ 14,249	¥ 366	¥ 13,882	¥ (5,392)	¥ 19,275	¥ (24,288)
Specific allowance for doubtful accounts	17,934	(8,136)	26,070	(1,191)	27,262	(14,062)
Allowance for specialized overseas debts	—	—	—	—	—	(4)
Accrued bonus for directors and corporate auditors* ²	103	—	103	103	—	—
Accrued severance indemnities* ³	427,256	16,382	410,874	17,936	392,937	(58,677)
Accrued retirement benefits for directors* ⁴	5,691	5,691	—	—	—	—
Accrued losses from supporting closely related companies* ⁵	552	(51)	603	(53)	656	(49)
Reserve for price fluctuations in security investments* ⁶	467,263	26,000	441,263	51,000	390,262	135,000

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. Allotted for executive retirement bonus payment, and recorded accordingly.
5. Accrued losses from supporting closely related companies are recorded to cover losses related to reconstruction aid.
6. Reserve for price fluctuations in security investments is recorded based on Article 115 of the Insurance Business Law.

37. Status of Allowance for Specialized Overseas Debts

1. Allowance for specialized overseas debts

As of March 31	Number of Countries, Millions of Yen		
	2007	2006	2005
Number of creditor countries	—	—	—
Amount of debt	¥—	¥—	¥—
Net amount provided for the year	—	—	(4)
Balance of allowance	—	—	—

2. Balance of debt by creditor countries

No data as there was not an ending balance from the 2004 fiscal year-end to the fiscal 2006 year-end.

38. 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

Note: In accordance with the revision of the enforced regulation of the Insurance Business Law, such item is displayed in the Consolidated Statement of Changes in Net Assets in fiscal 2006.

39. Insurance Premiums

1. Premium payment method

		Millions of Yen		
Fiscal years ended March 31		2007	2006	2005
Individual insurance		¥2,723,128	¥2,793,081	¥2,810,793
Single payment		381,234	387,124	331,040
Annual payment		394,383	394,550	391,586
Semiannual payment		20,236	22,117	24,385
Monthly payment		1,927,274	1,989,288	2,063,781
Individual annuities		580,740	536,389	505,130
Single payment		224,776	172,276	140,437
Annual payment		84,788	89,398	93,529
Semiannual payment		4,347	4,176	3,910
Monthly payment		266,828	270,538	267,253
Group insurance		266,308	262,292	257,638
Group annuities		1,216,168	1,180,897	1,184,588
Net including other premiums		¥4,853,646	¥4,841,763	¥4,829,055

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		2007	2006	2005
Individual insurance				
	Initial year premium	¥ 874,995	¥ 815,967	¥ 728,371
	Subsequent year premiums	2,428,873	2,513,503	2,587,552
Individual annuities				
	Subtotal	3,303,869	3,329,471	3,315,924
Group insurance				
	Initial year premium	4,079	6,175	3,095
	Subsequent year premiums	262,229	256,117	254,542
Group annuities				
	Subtotal	266,308	262,292	257,638
Net including premiums				
	Initial year premium	892,900	841,213	753,843
	Subsequent year premiums	3,960,745	4,000,550	4,075,211
Subtotal		4,853,646	4,841,763	4,829,055
Percent increase		0.2%	0.3%	(6.1)%

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.

40. 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		2007								
Mortality	¥ 468,915	¥642	¥123,699	¥ —	¥ —	¥25	¥0	¥229	¥ 593,513	
Accident	9,055	16	501	—	54	—	—	—	9,629	
Serious disability	60,253	47	7,065	—	—	—	—	3	67,369	
Maturity	518,171	66	282	25,370	3,601	—	—	—	547,492	
Other	—	—	—	—	—	—	5	—	5	
Total	¥1,056,396	¥773	¥131,548	¥25,370	¥3,656	¥25	¥6	¥232	¥1,218,010	
Fiscal year ended March 31		2006								
Mortality	¥ 493,909	¥ 936	¥129,560	¥ —	¥ 9	¥26	¥0	¥216	¥ 624,658	
Accident	8,623	24	476	—	139	—	—	—	9,262	
Serious disability	60,844	104	6,827	—	—	—	—	9	67,786	
Maturity	691,530	66	434	12,622	3,113	—	—	—	707,767	
Other	—	—	—	—	—	—	7	—	7	
Total	¥1,254,907	¥1,132	¥137,298	¥12,622	¥3,261	¥26	¥7	¥225	¥1,409,481	
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	

40. 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										2007	
Mortality	42,083	142	84,251	—	—	495	19	160	127,150		
Accident	1,262	11	311	—	13	—	—	—	1,597		
Serious disability	12,095	9	3,114	—	—	—	—	4	15,222		
Maturity	214,622	1,746	142	8	5,003	—	—	—	221,521		
Other	—	—	—	—	—	—	22	—	22		
Total	270,062	1,908	87,818	8	5,016	495	41	164	365,512		
Fiscal year ended March 31										2006	
Mortality	44,003	182	105,141	—	2	526	21	153	150,028		
Accident	1,346	14	351	—	19	—	—	—	1,730		
Serious disability	10,779	26	3,087	—	—	—	—	3	13,895		
Maturity	279,069	1,559	250	4	4,624	—	—	—	285,506		
Other	—	—	—	—	—	—	35	—	35		
Total	335,197	1,781	108,829	4	4,645	526	56	156	451,194		
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		

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													2007	
Tuberculosis	—	—%	—	—%	1	0.1%	3	0.1%	8	0.1%	77	0.2%	89	0.2%
Legally-designated contagious disease	—	—	6	1.3	3	0.2	27	0.9	111	1.5	587	1.9	734	1.7
Malignant neoplasm	15	18.3	44	9.6	279	20.1	1,034	34.6	3,565	49.0	14,041	45.3	18,978	43.9
Cerebrovascular disease	5	6.1	11	2.4	82	5.9	222	7.4	510	7.0	2,045	6.6	2,875	6.7
Heart disease	3	3.7	16	3.5	106	7.6	227	7.6	548	7.5	2,772	8.9	3,672	8.5
Pneumonia and bronchitis	1	1.2	1	0.2	18	1.3	29	1.0	175	2.4	2,916	9.4	3,140	7.3
Gastric and duodenal ulcers	—	—	1	0.2	2	0.1	—	—	17	0.2	56	0.2	76	0.2
Liver cirrhosis	—	—	1	0.2	16	1.2	108	3.6	283	3.9	969	3.1	1,377	3.2
Kidney inflammation and nephrosis	—	—	—	—	2	0.1	12	0.4	35	0.5	378	1.2	427	1.0
Accident	34	41.5	125	27.3	189	13.6	222	7.4	299	4.1	926	3.0	1,795	4.2
Suicide and self-inflicted injuries	14	17.1	195	42.6	467	33.6	644	21.6	713	9.8	718	2.3	2,751	6.4
Other	10	12.2	58	12.7	226	16.2	459	15.4	1,015	13.9	5,527	17.8	7,295	16.9
Total	82	100.0%	458	100.0%	1,391	100.0%	2,987	100.0%	7,279	100.0%	31,012	100.0%	43,209	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.

41. 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										2007	
Annuities paid	¥89,295	¥131,290	¥ 1,786	¥ 209,178	¥ 7,839	¥—	¥—	¥ 4	¥ 439,395		
Number of contracts	38,985	199,100	42,250	6,202,736	23,168	—	—	11	6,506,250		
Fiscal year ended March 31										2006	
Annuities paid	¥90,990	¥113,727	¥ 1,711	¥ 202,148	¥ 7,633	¥—	¥—	¥ 8	¥ 416,219		
Number of 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		

42. 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 2007									
Hospitalization due to accident benefits	¥ 8,503	¥ 185	¥162	¥ —	¥ —	¥ 294	¥—	¥—	¥ 9,145
Hospitalization due to illness benefits	63,430	1,372	—	—	—	1,018	—	—	65,821
Disability benefits	3,317	6	96	—	5	—	—	—	3,425
Surgical benefits	34,923	981	—	—	—	527	—	—	36,432
Survival benefits	196,657	35	—	—	5,669	—	—	—	202,361
Death benefits	5,005	17,983	4	—	457	—	—	1	23,452
Group annuity single benefit	—	—	—	430,169	—	—	—	—	430,169
Other benefits	2	—	8	9,152	—	—	—	—	9,163
Total	¥311,840	¥20,564	¥271	¥439,322	¥6,131	¥1,840	¥—	¥ 1	¥779,972
Fiscal year ended March 31 2006									
Hospitalization due to accident benefits	¥ 9,097	¥ 180	¥194	¥ —	¥ —	¥ 295	¥—	¥—	¥ 9,767
Hospitalization due to illness benefits	64,368	1,468	—	—	—	910	—	—	66,747
Disability benefits	3,312	13	64	—	0	—	—	—	3,390
Surgical benefits	32,844	939	—	—	—	421	—	—	34,205
Survival benefits	200,635	100	—	—	6,009	—	—	—	206,745
Death benefits	4,708	15,845	3	—	521	—	—	0	21,078
Group annuity single benefit	—	—	—	422,382	—	—	—	—	422,382
Other benefits	6	—	39	8,130	—	—	—	—	8,176
Total	¥314,974	¥18,546	¥301	¥430,513	¥6,531	¥1,627	¥—	¥ 0	¥772,494
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

42. 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 2007									
Hospitalization due to accident benefits	70,559	1,540	4,503	—	—	15,070	—	—	91,672
Hospitalization due to illness benefits	628,202	17,039	—	—	—	14,048	—	—	659,289
Disability benefits	30,748	66	234	—	1	—	—	—	31,049
Surgical benefits	302,830	11,103	—	—	—	4,435	—	—	318,368
Survival benefits	662,176	272	—	—	2,707	—	—	—	665,155
Death benefits	4,367	4,166	524	—	310	—	—	1	9,368
Group pension single benefit	—	—	—	1,040,171	—	—	—	—	1,040,171
Other benefits	6	—	427	11	—	—	—	—	444
Total	1,698,888	34,186	5,688	1,040,182	3,018	33,553	—	1	2,815,516
Fiscal year ended March 31 2006									
Hospitalization due to accident benefits	74,687	1,620	4,706	—	—	14,966	—	—	95,979
Hospitalization due to illness benefits	623,013	17,410	—	—	—	12,352	—	—	652,775
Disability benefits	30,752	81	151	—	1	—	—	—	30,985
Surgical benefits	288,776	10,637	—	—	—	3,542	—	—	302,955
Survival benefits	677,248	735	—	—	2,946	—	—	—	680,929
Death benefits	3,978	4,061	463	—	308	—	—	1	8,811
Group 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

43. Surrender Benefits

Millions of Yen

Fiscal years ended March 31	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' insurance				Total
					asset-formation savings insurance and annuities	Medical life insurance	Disability income insurance	Reinsurance assumed	
2007	¥706,478	¥157,078	¥ 2	¥151,915	¥45,798	¥—	¥—	¥—	¥1,061,274
2006	688,470	150,043	452	301,047	46,736	—	—	—	1,186,750
2005	710,114	130,895	35	339,129	48,089	—	—	—	1,228,264

44. Depreciation

Millions of Yen, %

Fiscal year ended March 31	Acquisition cost	Current year depreciation	Accumulated depreciation	Balance as of March 31	Accumulated depreciation percentage
Tangible fixed assets	¥572,730	¥18,625	¥371,610	¥201,119	64.9%
Buildings	495,789	12,669	314,090	181,699	63.4
Other tangible fixed assets	76,940	5,956	57,520	19,420	74.8
Intangible fixed assets	119,679	20,027	72,890	142,515	60.9
Other	11,539	608	6,415	21,344	55.6
Total	¥703,949	¥39,261	¥450,916	¥364,979	64.1%
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%

45. Operating Expenses

Millions of Yen

Fiscal years ended March 31	2007	2006	2005
Marketing operations	¥208,853	¥208,361	¥208,125
Marketing administration	87,728	87,224	86,975
General expenses	250,919	240,737	250,132
Total	¥547,501	¥536,324	¥545,234

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.

3. In accordance with Paragraph 6, Article 140 of the Supplementary Provision on Department, etc., of Relevant Laws for the Financial System Reform, Nissay's contributions to the policyholder-protection fund, as stipulated in Item 6, Paragraph 5, Article 260 of the Old Insurance Business Law, were ¥4,774 million in fiscal 2006, and ¥4,901 million in fiscal 2005, ¥4,940 million in fiscal 2004.

In addition, the Company's contributions to the Life Insurance Policyholders Protection Corporation of Japan, as is stipulated in Paragraph 1, Article 265-33 of the Revised Insurance Business Law, were ¥9,269 million in fiscal 2006, and ¥9,729 million in fiscal 2005, ¥8,296 million in fiscal 2004.

46. Tax Expenses

Fiscal years ended March 31		Millions of Yen		
		2007	2006	2005
National tax		¥14,067	¥14,332	¥14,978
	Consumption tax	13,585	13,752	14,445
	Documentary stamp tax	481	529	530
	Registration and license tax	0	0	0
	Other national tax	0	50	1
Local tax		¥21,156	¥21,420	¥22,037
	Local consumption tax	3,396	3,438	3,611
	Corporate enterprise tax	11,990	12,053	12,235
	Fixed asset tax	4,920	5,115	4,986
	Real-estate acquisition tax	33	4	408
	Corporate income tax	805	797	784
	Special land acquisition tax	—	—	—
	Automobile tax	3	5	4
	Bath tax	—	—	—
	Other local tax	5	5	6
Total		¥35,223	¥35,752	¥37,015

47. Lease Transactions

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

As of March 31		Millions of Yen		
		2007	2006	2005
Acquisition cost	Movables	—	¥1,646	¥1,643
	Tangible fixed assets	¥2,376	—	—
	Total	¥2,376	¥1,646	¥1,643
Accumulated depreciation	Movables	—	¥1,046	¥ 733
	Tangible fixed assets	¥1,441	—	—
	Total	¥1,441	¥1,046	¥ 733
Year-end balance of leased properties	Movables	—	¥ 599	¥ 909
	Tangible fixed assets	¥ 935	—	—
	Total	¥ 935	¥ 599	¥ 909

2. Future minimum lease payment year-end balance

Fiscal years ended March 31		Millions of Yen		
		2007	2006	2005
Future minimum lease payment year-end balance	Within one year	¥193	¥328	¥327
	In more than one year	558	156	468
	Total	¥752	¥484	¥795

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		
		2007	2006	2005
Lease fees paid		¥356	¥329	¥342
Depreciation		402	328	342

4. Calculation method for depreciation

Straight-line method is applied

INDICATORS RELATED TO ASSET MANAGEMENT (GENERAL ACCOUNT)

48. Overview of Fiscal 2006 Asset Management (General Account)

(1) Investment environment

The Japanese economy continued its modest recovery in the fiscal year ended March 31, 2007, supported by sound corporate earnings and solid personal consumption on the back of moderate improvements in employee compensation.

The Nikkei Stock Average saw a brief sharp fall that reflected concerns regarding lower-than-expected corporate earnings due to a backlash from last fiscal year's sharp increase and high crude oil prices. However, with expectations running high for a corporate earnings recovery, the Nikkei Index rose to close at ¥17,287 at the fiscal year-end.

Yields on 10-year Japanese government bonds temporarily advanced to nearly 2.0% after interest rates increased, and, in July, the Bank of Japan decided to discontinue its zero interest rate policy. Following that, fears of a U.S. economic slowdown and a poorer than expected Japanese economic and commodity price index performance spurred a decline in yields to 1.65% at the fiscal year-end.

Concerns expressed at the April G7 Summit about external imbalances sparked a dollar sell-off, causing a brief appreciation in the Japanese yen to nearly ¥110 to the U.S. dollar. However, amid continuing low Japanese interest rates, the yen eventually depreciated due to differences in domestic and U.S. interest rates, and, as of March 31, 2007, the rate was \$1=¥118.05.

With policy interest rate hikes continuing in Europe, the Euro appreciated to 1 Euro=¥157.33 as of March 31, 2007.

(2) Investment policy

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

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

(3) Overview of investment results

In the fiscal year ended March 31, 2007, we continued to make yen interest-rate assets that provide stable interest income the core of our portfolio. Also, from the standpoint of improving medium- to long-term revenue, we reshuffled our portfolio of Japanese stocks and foreign securities and increased the balance of foreign public and corporate bonds.

Domestic bonds

We increased the number of assets that provide stable interest revenue and invested in those that offer attractive returns on risk, such as ABSs. In addition, as interest rates rise, we are shifting from low-interest bonds to high-interest long-term bonds.

Domestic stocks

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

Foreign securities

Regarding public and corporate 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- to long-term growth rates and issues showing future profitability and dividends.

Loans

Although we extended loans to key projects, amounts collected exceeded amounts loaned both in Japan and overseas, and the balance of loans decreased.

Real estate

To ensure profitability, we took steps to become more competitive by renovating existing properties and achieve greater efficiency by limiting room vacancies.

Fiscal year ended March 31	Billions of Yen, %		
	2007	Increases*	Breakdown
General Account	¥49,562.6	¥727.4	100.0%
Domestic bonds	16,375.1	530.9	33.0
Domestic stocks	11,295.4	182.5	22.8
Foreign securities	7,178.8	633.4	14.5
Loans	9,726.7	(272.4)	19.6
Real Estate	1,643.4	(43.1)	3.3

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

49. Portfolio Trends (General Account)

1. Asset structure

Millions of Yen, %					
As of March 31	2007		2006		2005
Cash, deposits and call loans	¥ 982,134	2.0%	¥ 1,359,633	2.8%	¥ 601,053
Monetary receivables purchased	1,334,680	2.7	1,391,624	2.9	1,456,619
Proprietary trading securities	2,099	0.0	2,099	0.0	2,999
Assets held in trust	195,592	0.4	177,037	0.4	144,614
Investments in securities	35,188,747	71.0	33,106,740	68.7	29,384,967
Domestic bonds	16,375,185	33.0	15,843,714	32.9	15,375,785
Domestic stocks	11,295,471	22.8	10,484,913	21.7	7,625,658
Foreign securities	7,178,807	14.5	6,424,914	13.3	5,844,222
Foreign bonds	5,447,025	11.0	4,967,555	10.3	4,546,485
Foreign stocks and other securities	1,731,782	3.5	1,457,359	3.0	1,297,736
Other securities	339,282	0.7	353,198	0.7	539,302
Loan receivables	9,726,702	19.6	9,999,170	20.7	10,317,263
Policy loans	1,209,475	2.4	1,263,464	2.6	1,325,898
Industrial and consumer loans	8,517,226	17.2	8,735,705	18.1	8,991,365
Real estate	1,643,427	3.3	1,686,564	3.5	1,773,869
Investment property	1,009,710	2.0	1,041,587	2.2	1,128,594
Deferred tax assets	—	—	—	—	—
Other	521,488	1.1	525,140	1.1	775,420
Allowance for doubtful accounts	(32,183)	(0.1)	(39,953)	(0.1)	(46,537)
General Account total	¥49,562,688	100.0%	¥48,208,058	100.0%	¥44,410,271
Foreign currency denominated assets	¥ 6,786,264	13.7%	¥ 6,274,029	13.0%	¥ 5,597,040

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

(As of March 31, 2007, ¥925,059 millions; March, 31, 2006, ¥1,111,155 million; as of March 31, 2005, ¥804,989 million)

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

2. Increases/decreases in assets

Millions of Yen			
Fiscal years ended March 31	2007	2006	2005
Cash, deposits and call loans	¥ (377,498)	¥ 758,579	¥ 128,822
Monetary receivables purchased	(56,944)	(64,994)	554,714
Proprietary trading securities	(0)	(899)	—
Assets held in trust	18,555	32,422	(10,439)
Investments in securities	2,082,006	3,721,772	1,400,438
Domestic bonds	531,470	467,929	1,070,758
Domestic stocks	810,558	2,859,255	312,230
Foreign securities	753,893	580,692	149,986
Foreign bonds	479,469	421,069	101,670
Foreign stocks and other securities	274,423	159,622	48,316
Other securities	(13,915)	(186,103)	(132,536)
Loan receivables	(272,468)	(318,093)	(694,307)
Policy loans	(53,989)	(62,433)	(45,871)
Industrial and consumer loans	(218,478)	(255,660)	(648,435)
Real estate	(43,137)	(87,305)	(46,637)
Investment property	(31,876)	(87,007)	(40,975)
Deferred tax assets	—	—	—
Other	(3,651)	(250,280)	45,017
Allowance for doubtful accounts	7,769	6,584	38,355
General Account total	¥1,354,630	¥3,797,786	¥1,415,962
Foreign currency denominated assets	512,234	676,989	310,366

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

fiscal year ended March 31, 2007, ¥(186,096) million; fiscal year ended March, 31, 2006, ¥306,166 million; fiscal year ended March 31, 2005, ¥527,851 million.

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

50. Yield on Primary Assets (General Account)

Fiscal years ended March 31	2007		2006		2005	
	Average balance	Yield	Average balance	Yield	Average balance	Yield
Cash, deposits and call loans	¥ 738,303	0.23%	¥ 784,858	0.03%	¥ 642,703	0.06%
Cash collateral pledged for bonds borrowed	62,779	0.23	14,073	0.01	6,503	0.01
Monetary receivables purchased	1,677,518	1.10	1,307,957	0.61	848,603	0.40
Proprietary trading securities	24,314	0.34	2,492	(0.39)	3,300	(0.11)
Assets held in trust	167,289	13.22	150,712	24.16	167,336	11.00
Investment in securities	27,271,985	2.82	26,643,033	2.78	25,805,941	2.70
Domestic bonds	15,953,534	1.37	15,888,896	1.33	14,880,940	1.72
Domestic stocks	4,830,901	4.14	4,636,248	5.32	4,634,752	5.56
Foreign securities	6,154,997	5.07	5,716,852	4.26	5,574,959	2.91
Foreign bonds	4,901,785	4.25	4,556,372	3.31	4,381,089	3.14
Foreign stocks and other securities	1,253,211	8.25	1,160,480	7.97	1,193,870	2.08
Loan receivables	9,969,345	2.04	10,129,363	1.91	10,492,280	2.31
Industrial and consumer loans	8,732,155	1.63	8,837,371	1.46	9,142,230	1.91
Real estate	1,683,417	3.48	1,734,700	2.93	1,822,122	2.37
Investment property	1,041,430	5.62	1,079,950	4.69	1,160,645	3.71
General Account total	¥42,885,869	2.41%	¥42,035,823	2.37%	¥40,971,029	2.42%
Overseas investment	¥ 7,262,187	4.81%	¥ 6,687,026	4.34%	¥ 6,454,895	3.15%

Notes: 1. Yields are calculated by dividing investment income less investment expenses by the daily average balance based on book value.
2. Overseas investment is the total of assets denominated in foreign currencies and yen.
3. Real estate is booked as the sum total of land, buildings and construction in progress.

51. Investment Income (General Account)

Fiscal years ended March 31	Millions of Yen		
	2007	2006	2005
Interest, dividends and other income	¥1,156,348	¥1,070,088	¥ 980,473
Gains from proprietary trading securities	83	—	—
Gains from assets held in trust	22,108	36,414	18,409
Gains on sales of securities	101,722	174,290	201,749
Gains from redemption of securities	46,455	6,528	217
Other investment income	1,500	2,426	1,597
Total	¥1,328,218	¥1,289,748	¥1,202,448

52. Investment Expenses (General Account)

Fiscal years ended March 31	Millions of Yen		
	2007	2006	2005
Interest expenses	¥ 5,333	¥ 1,421	¥ 1,339
Losses from proprietary trading securities	—	9	3
Losses on sales of securities	102,305	114,735	52,814
Losses on valuation of securities	11,861	8,857	31,175
Losses from redemption of securities	1,802	209	—
Losses on derivative financial instruments, net	127,398	97,879	66,340
Foreign exchange losses, net	1,273	3,746	2,183
Provision for allowance for doubtful accounts	—	15,136	—
Write-downs of loans	3	160	20
Depreciation of real estate and other assets	26,249	27,468	31,250
Other investment expenses	20,114	22,091	25,683
Total	¥296,342	¥291,716	¥210,811

Note: In addition to the above, reversal of allowance for doubtful accounts is recorded as an extraordinary profit.
(Fiscal year ended March 31, 2007, ¥7,764 million; fiscal year ended March 31, 2005, ¥37,312 million)

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

Fiscal years ended March 31	Millions of Yen		
	2007	2006	2005
Interest on deposits and savings	¥ 1,201	¥ 102	¥ 67
Interest/dividends on domestic securities	825,239	742,939	621,417
Interest on domestic bonds	294,380	272,407	259,782
Domestic stock dividends	143,540	118,343	93,914
Interest/dividends on foreign securities	351,657	313,700	254,110
Interest on loan receivables	204,064	209,326	242,376
Rent on real estate	102,765	97,811	98,063
Net including other income	¥1,156,348	¥1,070,088	¥980,473

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

Fiscal years ended March 31	Millions of Yen								
	2007			2006			2005		
	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	¥21,639	¥64,620	¥86,260	¥25,481	¥ 64,133	¥ 89,614	¥ 7,005	¥ (6,632)	¥ 373
Cash equivalents and call loans	(7)	1,683	1,675	20	11	32	8	4	13
Securities	17,538	64,762	82,300	20,157	101,364	121,522	18,576	34,010	52,587
Loan receivables	(3,306)	(1,955)	(5,262)	(8,383)	(24,667)	(33,050)	(21,450)	(29,077)	(50,528)
Real estate	(2,891)	7,845	4,953	(4,704)	4,453	(251)	(2,411)	(1,716)	(4,128)

55. Gains on Sales of Securities (General Account)

Fiscal years ended March 31	Millions of Yen		
	2007	2006	2005
Domestic bonds	¥ 1,532	¥ 9,963	¥ 2,669
Domestic stocks and other securities	74,069	144,482	181,768
Foreign securities	26,120	19,752	17,311
Net including other gains on sales of securities	¥101,722	¥174,290	¥201,749

56. Losses on Sales of Securities (General Account)

Fiscal years ended March 31	Millions of Yen		
	2007	2006	2005
Domestic bonds	¥ 77,686	¥ 71,329	¥ 7,034
Domestic stocks and other securities	4,676	9,147	5,855
Foreign securities	19,942	34,006	39,343
Net including other losses on sales of securities	¥102,305	¥114,735	¥52,814

57. Losses on Valuation of Securities (General Account)

Fiscal years ended March 31	Millions of Yen		
	2007	2006	2005
Domestic bonds	¥ —	¥ —	¥ —
Domestic stocks and other securities	11,423	4,861	3,568
Foreign securities	438	3,995	27,607
Net including other losses on valuation of securities	¥11,861	¥8,857	¥31,175

58. Proprietary Trading Securities (General Account)

As of March 31	2007		2006		2005
	Millions of Yen	%	Millions of Yen	%	Millions of Yen
Trading government bonds	¥2,099	100.0%	¥2,099	100.0%	¥2,999
Total	¥2,099	100.0%	¥2,099	100.0%	¥2,999

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

Fiscal years ended March 31	2007		2006		2005
	Millions of Yen	%	Millions of Yen	%	Millions of Yen
Trading government bonds	¥104,771		¥24,435		¥41,159
Total	¥104,771		¥24,435		¥41,159

60. Securities Composition (General Account)

As of March 31	2007		2006		2005
	Millions of Yen	%	Millions of Yen	%	Millions of Yen
Domestic bonds	¥16,375,185	46.5%	¥15,843,714	47.9%	¥15,375,785
National government bonds	11,277,072	32.0	10,930,987	33.0	10,636,097
Local government bonds	1,822,059	5.2	1,664,698	5.0	1,552,396
Corporate bonds	3,276,053	9.3	3,248,028	9.8	3,187,290
Public entity bonds	1,707,402	4.9	1,529,213	4.6	1,484,722
Domestic stocks	11,295,471	32.1	10,484,913	31.7	7,625,658
Foreign securities	7,178,807	20.4	6,424,914	19.4	5,844,222
Foreign bonds	5,447,025	15.5	4,967,555	15.0	4,546,485
Foreign stocks and other securities	1,731,782	4.9	1,457,359	4.4	1,297,736
Other securities	339,282	1.0	353,198	1.1	539,302
Total	¥35,188,747	100.0%	¥33,106,740	100.0%	¥29,384,967
Subordinated bonds	1,500	0.0	—	—	—

61. 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								
2007								
Domestic bonds								
National government bonds	¥ 648,442	¥1,638,025	¥1,150,959	¥457,878	¥2,238,768	¥5,142,997	¥ —	¥11,277,072
Local government bonds	134,568	114,315	285,421	464,857	762,480	60,416	—	1,822,059
Corporate bonds	288,847	592,451	581,958	313,280	797,061	702,453	—	3,276,053
Domestic Stocks	—	—	—	—	—	—	11,295,471	11,295,471
Foreign securities	120,257	621,091	633,615	449,711	863,600	3,369,627	1,120,904	7,178,807
Foreign bonds	108,268	611,914	612,049	440,594	863,339	2,810,859	—	5,447,025
Foreign stocks and other securities	11,988	9,177	21,566	9,116	261	558,767	1,120,904	1,731,782
Other securities	2,135	8,875	620	619	16,012	20,000	291,019	339,282
Total	¥1,194,250	¥2,974,759	¥2,652,574	¥1,686,346	¥4,677,924	¥9,295,494	¥12,707,395	¥35,188,747
As of March 31								
2006								
Domestic bonds								
National government bonds	¥ 516,163	¥1,210,690	¥1,919,490	¥1,673,092	¥1,081,189	¥4,530,361	¥ —	¥10,930,987
Local government bonds	88,580	226,159	175,011	585,932	574,040	14,974	—	1,664,698
Corporate bonds	312,655	742,380	738,026	366,377	629,647	458,940	—	3,248,028
Domestic Stocks	—	—	—	—	—	—	10,484,913	10,484,913
Foreign securities	347,897	592,406	775,358	628,576	758,977	2,461,854	859,842	6,424,914
Foreign bonds	346,133	569,884	760,377	611,384	754,440	1,925,335	—	4,967,555
Foreign stocks and other securities	1,764	22,522	14,981	17,191	4,537	536,518	859,842	1,457,359
Other securities	16,492	9,637	3,504	493	9,947	—	313,123	353,198
Total	¥1,281,790	¥2,781,274	¥3,611,390	¥3,254,472	¥3,053,801	¥7,466,131	¥11,657,879	¥33,106,740
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

62. Bond Yield (General Account)

As of March 31	2007	2006	2005
Domestic bonds	1.97%	1.88%	1.90%
Foreign bonds	5.16	4.88	4.83
Yen denominated	2.06	1.32	1.07
Foreign currency denominated	5.41	5.13	5.20

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

As of March 31	2007		2006		2005
	¥	%	¥	%	¥
Fishery, agriculture and forestry	8,270	0.1%	7,375	0.1%	6,310
Mining	4,222	0.0	4,961	0.0	2,947
Construction	138,462	1.2	155,607	1.5	119,765
Manufacturing					
Foods	237,532	2.1	211,004	2.0	186,790
Textiles and apparel	161,999	1.4	180,586	1.7	120,120
Pulp and paper	41,644	0.4	47,285	0.5	41,915
Chemicals	794,291	7.0	745,944	7.1	566,959
Pharmaceuticals	959,220	8.5	802,744	7.7	638,530
Oil and coal products	38,388	0.3	34,807	0.3	25,038
Rubber products	56,111	0.5	51,254	0.5	39,994
Glass and ceramic products	173,904	1.5	172,579	1.6	116,956
Iron and steel	498,049	4.4	317,421	3.0	192,438
Nonferrous metals	129,457	1.1	121,260	1.2	74,609
Metal products	45,793	0.4	47,392	0.5	41,185
Machinery	523,513	4.6	531,334	5.1	319,152
Electric appliances	1,354,811	12.0	1,268,817	12.1	975,167
Transportation equipment	1,588,649	14.1	1,347,546	12.9	932,361
Precision instruments	189,019	1.7	173,356	1.7	135,333
Other products	116,484	1.0	127,538	1.2	106,025
Electric power and gas	1,062,099	9.4	827,801	7.9	651,568
Transportation, information and communication					
Land transportation	515,790	4.6	476,789	4.5	364,394
Marine transportation	43,755	0.4	29,652	0.3	24,833
Air transportation	22,284	0.2	26,643	0.3	25,557
Warehousing and harbor transportation services	13,933	0.1	13,294	0.1	11,628
Information and communication	180,934	1.6	168,575	1.6	157,560
Trade and services					
Wholesale trade	341,739	3.0	283,930	2.7	193,823
Retail trade	261,550	2.3	307,920	2.9	230,571
Finance and insurance					
Banking	1,225,099	10.8	1,354,599	12.9	844,009
Securities and trading	155,422	1.4	168,250	1.6	121,264
Insurance	141,932	1.3	147,851	1.4	115,412
Other financial services	111,872	1.0	166,837	1.6	114,088
Real estate	59,149	0.5	47,123	0.4	30,754
Services	100,076	0.9	116,823	1.1	98,588
Total	¥11,295,471	100.0%	¥10,484,913	100.0%	¥7,625,658

64. Loan Receivables (General Account)

		Millions of Yen		
As of March 31		2007	2006	2005
Policy loans		¥1,209,475	¥1,263,464	¥ 1,325,898
Premium loans		114,014	121,846	127,769
Policyholder loans		1,095,461	1,141,618	1,198,128
Industrial and consumer loans		8,517,226	8,735,705	8,991,365
(Loans to non-residents)		[439,310]	[509,985]	[596,687]
Corporate loans—international and domestic (Corporate loans—domestic)		6,489,318 [6,302,366]	6,536,145 [6,341,145]	6,636,664 [6,428,691]
Loans to national, international and government-affiliated organizations		265,615	312,152	398,108
Loans to public entities		364,123	459,183	474,152
Housing loans		961,323	975,759	1,033,227
Consumer loans		397,477	406,880	419,150
Other loans		39,367	45,584	30,062
Total		¥9,726,702	¥9,999,170	¥10,317,263

65. 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	
		2007								
Fixed rate loans		¥1,269,959	¥2,025,797	¥1,461,042	¥1,073,183	¥ 992,167	¥814,215	¥ —	¥7,636,365	
Variable rate loans		145,946	216,233	128,715	120,522	107,845	161,598	—	880,861	
Total loans		¥1,415,905	¥2,242,030	¥1,589,757	¥1,193,705	¥1,100,012	¥975,814	¥ —	¥8,517,226	
		2006								
Fixed rate loans		¥1,454,221	¥2,073,936	¥1,554,080	¥ 881,698	¥866,224	¥711,873	¥ —	¥7,542,034	
Variable rate loans		244,741	234,052	170,385	236,994	124,365	173,131	10,000	1,193,670	
Total loans		¥1,698,963	¥2,307,988	¥1,724,465	¥1,118,692	¥990,589	¥885,004	¥10,000	¥8,735,705	
		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	

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

		Number of Borrowers, Millions of Yen, %				
As of March 31		2007		2006		2005
Large companies	Number of borrowers	1,018	38.2%	1,062	37.2%	1,106
	Amount of loans	¥5,174,276	82.1	¥5,116,562	80.7	¥5,151,329
Medium-sized companies	Number of borrowers	437	16.4	474	16.6	535
	Amount of loans	¥ 215,818	3.4	¥ 231,178	3.6	¥ 262,296
Small-sized companies	Number of borrowers	1,208	45.4	1,318	46.2	1,495
	Amount of loans	¥ 912,270	14.5	¥ 993,404	15.7	¥1,015,065
Total loans to domestic companies	Number of borrowers	2,663	100.0	2,854	100.0	3,136
	Total amount of loans	¥6,302,366	100.0%	¥6,341,145	100.0%	¥6,428,691

Notes: 1. Classifications are defined as follows.

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

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

67. Breakdown of Loans by Industry (General Account)

		Millions of Yen, %			
As of March 31	2007		2006		2005
Domestic					
Manufacturing	¥1,467,766	17.2%	¥1,466,899	16.8%	¥1,443,660
Foods	89,792	1.1	107,467	1.2	129,492
Textiles and apparel	42,176	0.5	39,687	0.5	37,213
Wood, wood products	3,685	0.0	4,281	0.0	4,107
Pulp and paper	85,027	1.0	82,559	0.9	75,193
Printing	23,335	0.3	30,799	0.4	16,348
Chemicals	202,200	2.4	187,781	2.1	159,345
Oil and coal products	80,728	0.9	91,398	1.0	98,038
Ceramics, soil and stone	37,002	0.4	37,067	0.4	40,488
Iron and steel	229,347	2.7	227,786	2.6	231,628
Nonferrous metals	47,109	0.6	43,520	0.5	41,775
Metal products	24,056	0.3	25,712	0.3	28,941
Machinery	95,757	1.1	95,009	1.1	102,561
Electric appliances	225,490	2.6	219,354	2.5	225,651
Transportation equipment	206,523	2.4	198,007	2.3	183,064
Precision instruments	19,655	0.2	21,407	0.2	17,986
Other manufacturing products	55,877	0.7	55,059	0.6	51,822
Agriculture	27	0.0	31	0.0	39
Forestry	—	—	—	—	—
Fishery	2,329	0.0	4,805	0.1	6,130
Mining	16,974	0.2	13,860	0.2	9,810
Construction	45,989	0.5	49,516	0.6	55,995
Electric power, gas, heat supply and waterworks	963,254	11.3	980,012	11.2	980,272
Information and communication	194,299	2.3	203,310	2.3	215,873
Transportation	561,725	6.6	523,291	6.0	545,661
Wholesale trade	826,570	9.7	788,158	9.0	744,567
Retail trade	100,947	1.2	117,406	1.3	117,600
Financing and insurance	1,252,272	14.7	1,325,712	15.2	1,452,992
Real estate	351,261	4.1	413,814	4.7	422,042
Services	778,363	9.1	799,125	9.1	784,737
Local organizations and public entities	154,107	1.8	151,300	1.7	155,267
Individuals (residential/consumption/local taxes/other)	1,362,027	16.0	1,388,475	15.9	1,460,026
Total	8,077,916	94.8	8,225,720	94.2	8,394,677
Overseas					
Governments and public entities	252,358	3.0	314,985	3.6	388,714
Financial institutions	60,311	0.7	78,311	0.9	68,500
Commerce and industry	126,641	1.5	116,688	1.3	139,473
Total	439,310	5.2	509,985	5.8	596,687
Total loans	¥8,517,226	100.0%	¥8,735,705	100.0%	¥8,991,365

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

		Millions of Yen, %			
As of March 31	2007		2006		2005
Capital investments	¥2,939,619	34.5%	¥3,078,904	35.2%	¥3,152,613
Operations	5,577,607	65.5	5,656,800	64.8	5,838,752
Total loans	¥8,517,226	100.0%	¥8,735,705	100.0%	¥8,991,365

69. Breakdown of Loans by Region (General Account)

As of March 31	Millions of Yen, %					
	2007		2006		2005	
Hokkaido	¥ 39,643	0.6%	¥ 45,514	0.7%	¥ 47,918	
Tohoku	93,369	1.5	95,492	1.5	85,171	
Kanto	4,346,435	69.0	4,326,351	68.2	4,335,429	
Chubu	501,224	8.0	477,835	7.5	540,078	
Kinki	918,525	14.6	985,472	15.5	1,026,291	
Chugoku	139,670	2.2	133,732	2.1	130,628	
Shikoku	120,132	1.9	127,503	2.0	111,964	
Kyushu	143,364	2.3	149,242	2.4	151,208	
Total	¥6,302,366	100.0%	¥6,341,145	100.0%	¥6,428,691	

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.

70. Breakdown of Loans by Collateral (General Account)

As of March 31	Millions of Yen, %					
	2007		2006		2005	
Secured loans	¥ 147,257	1.7%	¥ 199,908	2.3%	¥ 245,343	
Loans secured by securities	42,663	0.5	61,136	0.7	66,758	
Loans secured by real estate, movables and foundations	92,082	1.1	122,698	1.4	157,129	
Loans secured by personal guarantees	12,511	0.1	16,073	0.2	21,455	
Guarantee loans	359,609	4.2	364,903	4.2	341,732	
Fiduciary loans	6,651,559	78.1	6,788,253	77.7	6,951,912	
Other loans	1,358,801	16.0	1,382,640	15.8	1,452,377	
Ordinary loans	¥8,517,226	100.0%	¥8,735,705	100.0%	¥8,991,365	
Subordinated loans	437,000	5.1	366,000	4.2	394,000	

71. Tangible Fixed Assets (General Account)

	Millions of Yen, %						
	Balance at end of prior period	Increase in current period	Decrease in current period	Depreciation in current period	Balance at end of current period	Accumulated depreciation	Rate of accumulated depreciation
Fiscal year ended March 31	2007						
Land	¥1,088,376	¥ 41,388	¥ 60,794	¥ —	¥1,068,970	¥ —	—%
			[3,453]				
Buildings	581,688	58,567	32,891	38,845	568,518	919,920	61.8
			[1,935]				
Construction in progress	16,499	37,768	48,330	—	5,937	—	—
Other tangible assets	21,941	4,976	641	6,029	20,246	65,717	76.4
Total	¥1,708,506	¥142,701	¥142,658	¥44,875	¥1,663,673	¥985,637	—%
			[5,389]				
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	—%
			[29,202]				
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	—%

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

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

72. Appraisal Value of Real Estate (General Account)

		Billions of Yen		
As of March 31		2007	2006	2005
Land and leaseholds				
Carrying value on balance sheets		¥1,155.8	¥1,175.9	¥1,258.7
Market value (appraisal value)		1,254.4	1,092.9	1,076.0
Net unrealized gains/losses (1)		98.5	(82.9)	(182.6)
Gains		238.2	93.7	60.0
Losses		(139.7)	(176.6)	(242.6)
Revaluation (2)		94.5	87.8	96.8
(1) + (2)		¥ 193.1	¥ 4.8	¥ (85.7)

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

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

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

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

		Millions of Yen, Number of Buildings		
As of March 31		2007	2006	2005
Value of real estate holdings		¥1,643,427	¥1,686,564	¥1,773,869
For business operations		633,716	644,977	645,275
For lease		1,009,710	1,041,587	1,128,594
Number of buildings held for leasing		404	416	422

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

74. Gains and Losses on the Disposal of Fixed Assets (General Account)

		Millions of Yen					
Fiscal years ended March 31		2007		2006		2005	
		Gains	Losses	Gains	Losses	Gains	Losses
Real estate		¥ —	¥ —	¥1,393	¥ 9,267	¥4,685	¥42,444
Movables		—	—	1	259	0	2,666
Tangible assets		38,398	19,102	—	—	—	—
Land		37,414	5,674	—	—	—	—
Buildings		983	12,815	—	—	—	—
Other assets		0	612	—	—	—	—
Intangible assets		—	174	—	—	—	—
Other		—	593	0	26,513	6	2,518
Total		¥38,398	¥19,870	¥1,394	¥36,041	¥4,692	¥47,629

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

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

		Millions of Yen, %				
		Acquisition cost	Depreciation in current period	Accumulated depreciation	Balance at end of current period	Rate of accumulated depreciation
Fiscal year ended March 31		2007				
Tangible assets		¥1,001,672	¥26,249	¥614,026	¥387,645	61.3%
Buildings		992,649	26,176	605,829	386,819	61.0
Other		9,023	73	8,197	825	90.8
Intangible assets		—	—	—	—	—
Other assets		—	—	—	—	—
Total		¥1,001,672	¥26,249	¥614,026	¥387,645	61.3%
Fiscal year ended March 31		2006				
Buildings		¥ 954,340	¥27,375	¥562,411	¥391,928	58.9%
Movables		9,638	92	8,848	790	91.8
Other assets		—	—	—	—	—
Total		¥ 963,979	¥27,468	¥571,260	¥392,718	59.3%
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%

76. 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										2008			
4/10	2.35%	4/10	2.25%	4/17	3.70-4.69%	4/17	2.75-4.10%	4/17	2.25%	4/17	3.70-4.10%	4/17	2.55%
				5/17	3.80-4.67	5/17	2.80-4.15			5/17	3.80-4.15		
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
6/9	2.55	6/9	2.45	6/16	3.85-4.74	6/16	2.45-4.26	6/16	2.45	6/16	3.85-4.26	6/16	2.75
7/11	2.75	7/11	2.65	7/19	3.91-4.80	7/19	2.45-4.32	7/19	2.65	7/19	3.91-4.32	7/19	2.95
8/10	2.60	8/10	2.50					8/17	2.50	8/17	2.625%	8/17	2.80
9/8	2.40	9/8	2.30	9/15	3.75-4.68	9/15	2.45-4.21	9/15	2.30	9/15	3.75-4.21	9/15	2.60
10/11	2.45	10/11	2.35	10/18	3.70-4.68			10/18	2.35	10/18	3.70-4.21	10/18	2.65
11/10	2.40	11/10	2.30	11/17	3.80-4.86	11/17	2.50-4.23	11/17	2.30	11/17	3.80-4.23	11/17	2.60
12/8	2.45	12/8	2.35	12/15	3.65-4.77	12/15	2.50-4.10	12/15	2.35	12/15	3.65-4.10	12/15	2.65
1/10	2.50	1/10	2.40	1/17	3.60-4.64	1/17	2.55-4.00	1/17	2.40	1/17	3.60-4.00	1/17	2.70
2/9	2.40	2/9	2.30	2/19	3.70-4.72	2/19	2.65-4.05	2/19	2.30	2/19	3.70-4.05	2/19	2.60
3/9	2.30	3/9	2.20	3/16	3.80-4.72	3/16	2.75-4.15	3/16	2.20	3/20	2.875	3/16	2.50
												3/20	3.175
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	3.40-4.05		
3/10	1.80	3/10	1.65					3/17	1.65	*	2.375	3/17	1.95
												*	2.675

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

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

1. Breakdown by asset composition

		Millions of Yen, %			
As of March 31	2007		2006		2005
Foreign currency denominated assets					
Foreign bonds	¥5,096,191	62.3%	¥4,675,705	60.5%	¥4,186,806
Foreign stocks	742,075	9.1	657,163	8.5	584,545
Cash and cash equivalents	947,997	11.6	941,160	12.2	825,689
Subtotal	6,786,264	83.0	6,274,029	81.2	5,597,040
Foreign currency denominated assets with fixed yen value					
Foreign bonds	—	—	—	—	—
Cash and cash equivalents	160,235	2.0	113,928	1.5	97,101
Subtotal	160,235	2.0	113,928	1.5	97,101
Yen denominated assets					
Loans to non-residents	350,648	4.3	433,153	5.6	546,942
Foreign bonds and other assets	879,853	10.8	910,143	11.8	671,032
Subtotal	1,230,501	15.0	1,343,297	17.4	1,217,975
Net overseas loans and investment					
	¥8,177,002	100.0%	¥7,731,255	100.0%	¥6,912,118
Overseas real estate	¥ 302,493	3.7%	¥ 284,308	3.7%	¥ 263,699

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

2. Composition of foreign currency denominated assets by currency

		Millions of Yen, %			
As of March 31	2007		2006		2005
U.S. Dollar	¥4,600,592	67.8%	¥3,779,441	60.2%	¥3,646,438
Euro	1,863,176	27.5	2,082,481	33.2	1,719,432
British pound	103,288	1.5	95,731	1.5	75,918
Canadian dollar	81,393	1.2	95,795	1.5	95,519
Australian dollar	51,393	0.8	52,244	0.8	530
Hong Kong dollar	41,258	0.6	38,657	0.6	33,787
Other	45,160	0.7	129,677	2.1	25,413
Net foreign currency denominated assets	¥6,786,264	100.0%	¥6,274,029	100.0%	¥5,597,040

Note: The six currencies are broken down and shown by rank in terms of their outstanding balance as of March 31, 2007.

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

3. Overseas loans and investment by geographic area

	Millions of Yen, %							
	Foreign securities						Loans to non-residents	
	Value	Percent	Bonds		Stocks and other securities		Value	Percent
Value			Percent	Value	Percent			
As of March 31	2007							
North America	¥3,743,027	52.1%	¥3,203,685	58.8%	¥ 539,342	31.1%	¥ 99,072	22.6%
Europe	2,245,631	31.3	1,901,447	34.9	344,183	19.9	218,769	49.8
Oceania	45,097	0.6	39,026	0.7	6,071	0.4	—	—
Asia	29,749	0.4	13,808	0.3	15,940	0.9	20,673	4.7
Central and South America	977,907	13.6	151,663	2.8	826,244	47.7	19,365	4.4
Middle East	—	—	—	—	—	—	211	0.0
International organizations	137,393	1.9	137,393	2.5	—	—	81,219	18.5
Total	¥7,178,807	100.0%	¥5,447,025	100.0%	¥1,731,782	100.0%	¥439,310	100.0%
As of March 31	2006							
North America	¥2,912,809	45.3%	¥2,410,275	48.5%	¥ 502,534	34.5%	¥ 92,401	18.1%
Europe	2,504,541	39.0	2,187,089	44.0	317,452	21.8	285,250	55.9
Oceania	37,827	0.6	36,439	0.7	1,388	0.1	—	—
Asia	50,479	0.8	38,771	0.8	11,708	0.8	28,044	5.5
Central and South America	732,937	11.4	108,660	2.2	624,276	42.8	18,216	3.6
Middle East	—	—	—	—	—	—	177	0.0
International organizations	186,319	2.9	186,319	3.8	—	—	85,895	16.8
Total	¥6,424,914	100.0%	¥4,967,555	100.0%	¥1,457,359	100.0%	¥509,985	100.0%
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
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%

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

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

Fiscal years ended March 31	%		
	2007	2006	2005
Yield on overseas loans and investments	4.81%	4.34%	3.15%

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

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

Fiscal years ended March 31	Millions of Yen, %					
	2007		2006		2005	
Public bonds	National government bonds	¥ 69,770	56.1%	¥287,154	83.5%	¥382,546
	Local government bonds	298	0.2	748	0.2	1,169
	Subtotal	70,069	56.3	287,902	83.7	383,716
Loans	Public corporations and agencies	30,423	24.4	31,595	9.2	27,375
	Other public entities	23,985	19.3	24,534	7.1	23,285
	Subtotal	54,408	43.7	56,129	16.3	50,661
Total	¥124,477	100.0%	¥344,032	100.0%	¥434,377	

80. 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					
2007					
Deferred assets	¥ 6,506	¥ 702	¥ 68	¥ 3,434	¥ 3,705
Other	22,760	919	3,059	2,981	17,639
Total	¥ 29,267	¥ 1,621	¥ 3,128	¥ 6,415	¥ 21,344
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

SECURITIES INDICATORS (GENERAL ACCOUNT)

81. Market Value of Securities (General Account)

1. Net valuation gains/losses of trading securities

As of March 31	2007		2006		2005	
	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
Trading securities	¥196,433	¥(2,815)	¥178,037	¥16,333	¥146,787	¥5,834

Millions of Yen

Notes: 1. Assets 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 assets held in trust included in trading securities.

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

As of March 31	2007					2006				
	Book value	Market value	Gains/losses	Gains	Losses	Book value	Market value	Gains/losses	Gains	Losses
Types of securities										
Policy-reserve-matching bonds	¥17,252,365	¥17,515,888	¥ 263,522	¥ 343,500	¥ (79,977)	¥16,724,613	¥16,808,437	¥ 83,823	¥ 260,102	¥(176,278)
Held-to-maturity debt securities	83,763	83,420	(342)	16	(359)	94,272	93,530	(742)	74	(817)
Investments in subsidiaries and affiliates	54,454	103,650	49,195	49,195	(—)	54,454	114,415	59,961	59,961	—
Available-for-sale securities	11,633,528	18,804,346	7,170,818	7,218,034	(47,216)	11,130,048	17,559,709	6,429,660	6,519,716	(90,055)
Domestic bonds	192,403	193,969	1,566	1,688	(122)	17,039	18,098	1,059	1,059	—
Domestic stocks	4,629,397	11,035,208	6,405,811	6,437,499	(31,688)	4,347,663	10,125,495	5,777,831	5,830,040	(52,208)
Foreign securities	5,694,374	6,445,711	751,336	766,652	(15,315)	5,075,419	5,707,491	632,072	669,248	(37,176)
Foreign bonds	4,866,987	5,304,914	437,926	441,552	(3,625)	4,343,439	4,705,632	362,192	386,019	(23,826)
Foreign stocks and other securities	827,387	1,140,796	313,409	325,099	(11,689)	731,979	1,001,859	269,879	283,229	(13,350)
Other securities	303,087	315,154	12,066	12,146	(79)	306,307	324,979	18,671	19,321	(649)
Monetary receivables purchased	312,264	312,303	38	44	(5)	651,617	651,643	25	41	(16)
Negotiable deposits	502,000	501,998	(1)	4	(5)	732,000	732,000	0	4	(3)
Total	¥29,024,111	¥36,507,305	¥7,483,193	¥7,610,747	¥(127,553)	¥28,003,389	¥34,576,092	¥6,572,703	¥6,839,854	¥(267,151)
Domestic bonds	¥16,373,619	¥16,620,462	¥ 246,843	¥ 322,354	¥ (75,510)	¥15,842,655	¥15,926,419	¥ 83,763	¥ 252,960	¥(169,196)
Domestic stocks	4,683,851	11,138,858	6,455,007	6,486,695	(31,688)	4,402,118	10,239,910	5,837,792	5,890,001	(52,208)
Foreign securities	5,836,449	6,587,582	751,133	767,165	(16,031)	5,337,339	5,967,759	630,420	669,633	(39,213)
Foreign bonds	5,009,061	5,446,785	437,723	442,065	(4,341)	4,605,359	4,965,900	360,540	386,404	(25,863)
Foreign stocks and other securities	827,387	1,140,796	313,409	325,099	(11,689)	731,979	1,001,859	269,879	283,229	(13,350)
Other securities	303,087	315,154	12,066	12,146	(79)	306,307	324,979	18,671	19,321	(649)
Monetary receivables purchased	1,325,103	1,343,247	18,143	22,382	(4,238)	1,382,968	1,385,022	2,054	7,932	(5,878)
Negotiable deposits	502,000	501,998	(1)	4	(5)	732,000	732,000	0	4	(3)

Millions of Yen

As of March 31	2005				
Types of securities	Book value	Market value	Gains/losses	Gains	Losses
Policy-reserve-matching bonds	¥16,114,189	¥16,595,643	¥ 481,454	¥ 605,294	¥(123,840)
Held-to-maturity debt securities	151,860	152,786	926	926	—
Investments in subsidiaries and affiliates	53,718	77,244	23,526	23,526	—
Available-for-sale securities	10,752,008	14,098,266	3,346,258	3,554,214	(207,955)
Domestic bonds	17,375	17,335	(40)	56	(97)
Domestic stocks	4,426,624	7,370,160	2,943,536	3,045,163	(101,627)
Foreign securities	4,661,346	5,055,238	393,892	497,793	(103,900)
Foreign bonds	3,902,742	4,171,105	268,363	332,176	(63,813)
Foreign stocks and other securities	758,603	884,133	125,529	165,617	(40,087)
Other securities	488,641	497,530	8,888	11,199	(2,310)
Monetary receivables purchased	916,020	916,003	(17)	0	(18)
Negotiable deposits	242,000	241,998	(1)	0	(1)
Total	¥27,071,776	¥30,923,941	¥3,852,165	¥4,183,961	¥(331,796)
Domestic bonds	¥15,375,825	¥15,847,024	¥ 471,198	¥ 594,735	¥(123,536)
Domestic stocks	4,480,342	7,447,405	2,967,062	3,068,690	(101,627)
Foreign securities	5,036,725	5,433,978	397,252	501,538	(104,286)
Foreign bonds	4,278,121	4,549,845	271,723	335,921	(64,198)
Foreign stocks and other securities	758,603	884,133	125,529	165,617	(40,087)
Other securities	488,641	497,530	8,888	11,199	(2,310)
Monetary receivables purchased	1,448,240	1,456,005	7,764	7,798	(33)
Negotiable deposits	242,000	241,998	(1)	0	(1)

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

81. 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		
		2007	2006	2005
Policy-reserve-matching bonds		¥ —	¥ —	¥ —
Held-to-maturity debt securities		—	—	—
Unlisted foreign bonds		—	—	—
Other		—	—	—
Investments in subsidiaries and affiliates		295,777	282,803	282,129
Available-for-sale securities		529,625	510,592	386,962
Unlisted domestic stocks (excluding over-the-counter stocks)		168,879	268,035	165,476
Unlisted foreign stocks (excluding over-the-counter stocks)		225,640	101,146	86,542
Unlisted foreign bonds		—	—	—
Other		135,105	141,410	134,943
Total		¥825,403	¥793,396	¥669,091

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, 2007, ¥7,089 million; March 31, 2006, ¥10,642 million; as of March 31, 2005, ¥37,972 million.

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

As of March 31		Millions of Yen		
		2007	2006	2005
Assets held in trust	Carrying value on balance sheets	¥195,592	¥177,037	¥144,614
	Market value	¥195,592	177,037	144,614
	Net unrealized gains/losses	—	—	—
	Gains	—	—	—
	Losses	—	—	—

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

Assets held in trust for investment

As of March 31		Millions of Yen					
		2007		2006		2005	
		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
Assets held in trust for investment		¥195,592	¥(2,821)	¥177,037	¥16,333	¥144,614	¥5,833

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

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

No data as there was not an ending balance from the 2004 fiscal year-end to the fiscal 2006 year-end.

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

1. Transaction details

The following are derivatives transactions that we use:

- Interest-related: interest futures, interest swaps, swaptions
- Currency-related: exchange contracts, currency options, currency swaps
- Stock-related: stock price index futures, stock price index options, stock options
- Bond-related: bond futures, bond futures options, bond sales with attached 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 restore market position in the event a transaction partner defaults. We calculate this risk using the current exposure method.

(2) Supplementary explanation regarding market price calculations

Futures and other market transactions:

Liquidation value or closing market price at year-end

Exchange contract and currency option:

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

Interest swap transactions:

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

(3) Supplementary explanation regarding transaction 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.

84. Credit Risk Amounts (General Account)

As of March 31	2007		2006		2005	
	Notional principal (Contract amount)	Credit risk estimate	Notional principal (Contract amount)	Credit risk estimate	Notional principal (Contract amount)	Credit risk estimate
Interest-rate swaps	¥ 205,100	¥ 829	¥ 325,100	¥ 1,661	¥ 750,000	¥13,590
Currency swaps	4,862	373	3,947	308	533	41
Foreign exchange forward contracts	2,118,334	21,451	2,232,710	25,514	2,730,264	29,380
Currency options (purchase)	720,105	7,240	674,647	11,445	630,895	6,308
Total	¥3,048,402	¥29,894	¥3,236,405	¥38,929	¥4,111,693	¥49,321

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

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

(1) Stock related

No data as there was not an ending balance from the 2004 fiscal year-end to the 2006 fiscal year-end.

(2) 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			2007			
Hedge accounting applied	¥ 81	¥(45,106)	¥—	¥—	¥—	¥(45,024)
Hedge accounting not applied	(110)	(3,090)	—	—	—	(3,200)
Total	¥ (29)	¥(48,196)	¥—	¥—	¥—	¥(48,225)
As of March 31			2006			
Hedge accounting applied	¥ (43)	¥(19,279)	¥—	¥—	¥—	¥(19,323)
Hedge accounting not applied	(225)	(1,252)	—	—	—	(1,478)
Total	¥ (269)	¥(20,532)	¥—	¥—	¥—	¥(20,801)
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)

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 income.

2. Breakdown of interest-rate related derivative transactions

				Millions of Yen		
As of March 31				2007	2006	2005
Over-the-counter	Interest-rate swap	Variable interest-rate payment	Contract amount	¥105,100	¥175,100	¥550,000
			Over 1 year	55,100	105,100	170,000
			Market value	(163)	(560)	8,679
		Gains/losses	(163)	(560)	8,679	
		Variable interest-rate receipt	Contract amount	100,000	150,000	200,000
			Over 1 year	50,000	100,000	150,000
	Market value		134	291	(1,057)	
	Fixed interest-rate payment	Contract amount	—	—	—	
		Over 1 year	—	—	—	
		Market value	—	—	—	
	Total		Net gains/losses	¥ (29)	¥ (269)	¥ 7,621

Note: Gains/losses show the current market value; present value of swap transactions.

85. 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, %	
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
2007								
Notional amount (receipts fixed/payments variable)								
	¥ 50,000	¥ 50,000	¥ —	¥ —	¥5,100	¥ —		¥105,100
Average fixed rate (receipt)								
	0.36%	0.49%	—%	—%	1.96%	—%		0.50%
Average variable rate (payment)								
	0.63	0.63	—	—	0.57	—		0.63
Notional amount (payments fixed/receipts variable)								
	¥ 50,000	¥ 50,000	¥ —	¥ —	¥ —	¥ —		¥100,000
Average fixed rate (payment)								
	0.47%	0.64%	—%	—%	—%	—%		0.56%
Average variable rate (receipt)								
	0.63	0.63	—	—	—	—		0.63
2006								
Notional amount (receipts fixed/payments variable)								
	¥ 70,000	¥100,000	¥ —	¥ —	¥2,000	¥3,100		¥175,100
Average fixed rate (receipt)								
	1.11%	0.42%	—%	—%	1.92%	1.99%		0.74%
Average variable rate (payment)								
	0.08	0.08	—	—	0.11	0.11		0.08
Notional amount (payments fixed/receipts variable)								
	¥ 50,000	¥100,000	¥ —	¥ —	¥ —	¥ —		¥150,000
Average fixed rate (payment)								
	0.34%	0.56%	—%	—%	—%	—%		0.48%
Average variable rate (receipt)								
	0.08	0.08	—	—	—	—		0.08
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

3. Currency-related

					Millions of Yen			
As of March 31				2007	2006	2005		
Over-the-counter	Foreign exchange forward contracts	Sold	U.S. Dollar	Contract amount	¥1,626,636	¥1,166,505	¥1,375,919	
				Over 1 year	—	—	—	
				Market value	1,639,030	1,166,225	1,412,739	
			Net gains/losses	(12,394)	280	(36,819)		
			Euro	Contract amount	374,460	832,125	771,590	
				Over 1 year	—	—	—	
		Market value		406,467	850,888	788,911		
		Net gains/losses	(32,006)	(18,762)	(17,321)			
		Net, including others		Contract amount		2,024,052	2,131,986	2,170,978
				Over 1 year		—	—	—
				Market value		2,069,244	2,151,341	2,226,071
				Net gains/losses		(45,191)	(19,354)	(55,092)
		Purchased		U.S. Dollar	Contract amount	28,711	81,353	502,526
					Over 1 year	—	—	—
Market value	28,789				81,369	504,192		
Net gains/losses	78			15	1,666			
Euro	Contract amount			20,324	—	—		
	Over 1 year			—	—	—		
	Market value			20,300	—	—		
Net gains/losses	(24)			—	—			
Net, including others				Contract amount		49,036	81,353	502,526
				Over 1 year		—	—	—
		Market value		49,090	81,369	504,192		
		Net gains/losses		53	15	1,666		

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

3. Currency-related, continued

As of March 31					2007	2006	2005		
Over-the-counter	Currency option	Sold	Call	U.S. Dollar	Contract amount	¥365,955 [339]	¥411,145 [1,139]	¥477,885 [974]	
					Over 1 year	—	—	—	
					Market value	238	344	1,854	
					Net gains/losses	100	795	(880)	
				Euro	Contract amount	—	28,562	41,661	
					Over 1 year	—	[121]	[223]	
					Market value	—	45	183	
					Net gains/losses	—	76	39	
				Net, including others	Contract amount	365,955	439,707	534,244	
					Over 1 year	[339]	[1,261]	[1,273]	
					Market value	238	389	2,140	
					Net gains/losses	100	872	(867)	
			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	—	—	—	
				Net, including others	Contract amount	—	—	—	
					Over 1 year	[—]	[—]	[—]	
					Market value	—	—	—	
					Net gains/losses	—	—	—	
		Purchased	Call	U.S. Dollar	Contract amount	—	—	—	
					Over 1 year	—	—	—	
					Market value	—	—	—	
					Net gains/losses	—	—	—	
				Euro	Contract amount	—	—	—	
					Over 1 year	—	—	—	
					Market value	—	—	—	
					Net gains/losses	—	—	—	
				Net, including others	Contract amount	—	—	—	
					Over 1 year	[—]	[—]	[—]	
					Market value	—	—	—	
					Net gains/losses	—	—	—	
			Put	U.S. Dollar	Contract amount	720,105	646,085	574,536	
					Over 1 year	[5,025]	[5,289]	[1,821]	
					Market value	—	117,470	—	
					Net gains/losses	—	[2,637]	[—]	
					Market value	1,857	3,319	268	
					Net gains/losses	(3,167)	(1,970)	(1,553)	
				Euro	Contract amount	—	28,562	41,661	
					Over 1 year	—	[115]	[222]	
					Market value	—	8	96	
					Net gains/losses	—	(106)	(125)	
				Net, including others	Contract amount	720,105	674,647	630,895	
					Over 1 year	[5,025]	[5,404]	[2,116]	
					Market value	1,857	3,327	381	
					Net gains/losses	(3,167)	(2,077)	(1,735)	
				Currency Swap	U.S. Dollar	Contract amount	4,862	3,947	533
					Over 1 year	4,862	3,947	533	
					Market value	8	12	0	
					Net gains/losses	8	12	0	
				Net, including others	Contract amount	4,862	3,947	533	
					Over 1 year	4,862	3,947	533	
					Market value	8	12	0	
					Net gains/losses	8	12	0	
				Total	Contract amount	¥(48,196)	¥(20,532)	¥(56,028)	

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

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

85. 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 2004 fiscal year-end to the fiscal 2006 year-end.

5. Bond-related

No data as there was not an ending balance from the 2004 fiscal year-end to the fiscal 2006 year-end.

6. Other

No data as there was not an ending balance from the 2004 fiscal year-end to the fiscal 2006 year-end.

SEPARATE ACCOUNT INDICATORS

About the General Account and Separate Account

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

Individual variable insurance, individual variable annuities and certain group 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.

86. Separate Account Asset Balance

As of March 31	2007		2006		2005	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Individual variable insurance	¥ 185,609	8.1%	¥ 189,054	8.1%	¥ 167,264	
Individual variable annuities	256,718	11.3	251,724	10.8	201,667	
Group annuities	1,836,884	80.6	1,893,728	81.1	1,780,254	
Separate Account total	¥2,279,213	100.0%	¥2,334,507	100.0%	¥2,149,186	

87. Status of Separate Account Assets for Individual Variable Insurance

In fiscal 2006, a sharp increase in foreign stock prices (with the Dow Jones Index rising nearly 11.2%) and the depreciation of the yen against the euro and other currencies (an approximate decrease of ¥14 against the euro) supported favorable investment performance in foreign currency denominated assets. Under these investment conditions, the fiscal 2006 investment yield for individual variable insurance rose 4.23%.

This also represented an increase of 80.81% (2.94% 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

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

As of March 31	2007		2006		2005	
	Number of Policies	Millions of Yen	Number of Policies	Millions of Yen	Number of Policies	Millions of Yen
Variable life insurance (defined term type)	3,394	¥ 18,205	3,683	¥ 20,063	3,910	¥ 22,052
Variable life insurance (whole life type)	40,553	672,814	41,510	701,083	42,617	726,298
Total	43,947	¥691,019	45,193	¥721,147	46,527	¥748,351

Note: Amounts include term life insurance riders.

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

Millions of Yen, %					
As of March 31	2007		2006		2005
Cash, deposits and call loans	¥ 9,017	4.9%	¥ 6,011	3.2%	¥ 8,009
Securities	167,549	90.3	173,566	91.8	148,246
Domestic bonds	38,083	20.5	39,660	21.0	54,002
Domestic stocks	73,272	39.5	75,962	40.2	51,746
Foreign securities	56,193	30.3	57,943	30.6	42,497
Foreign bonds	17,345	9.3	17,512	9.3	20,265
Foreign stocks and other securities	38,848	20.9	40,431	21.4	22,231
Other securities	—	—	—	—	—
Loans receivable	—	—	—	—	—
Other	9,042	4.9	9,476	5.0	11,009
Allowance for doubtful accounts	—	—	—	—	—
Total	¥185,609	100.0%	¥189,054	100.0%	¥167,264

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

Millions of Yen			
Fiscal years ended March 31	2007	2006	2005
Interest, dividends and other income	¥ 3,161	¥ 2,993	¥ 2,806
Gains on sales of securities	15,511	10,448	7,488
Gains from redemption of securities	—	—	5
Gains on valuation of securities	(7,673)	20,469	(1,426)
Foreign exchange gain, net	26	17	—
Gains from derivative financial instruments	359	347	18
Other income	1	2	4
Losses on sales of securities	5,040	2,595	3,542
Losses from redemption of securities	22	19	13
Losses on valuation of securities	(1,286)	(1,473)	(732)
Foreign exchange loss, net	—	—	12
Losses from derivative financial instruments	—	—	—
Other expenses	7	2	1
Net income	¥ 7,603	¥33,134	¥ 6,060

Notes: 1. Investment income and investment expenses related to the separate account are recorded on the statements of income 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.

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

Net valuation gains/losses on trading securities

Millions of Yen						
As of March 31	2007		2006		2005	
	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
Trading securities	¥167,549	¥(6,386)	¥173,566	¥21,943	¥148,246	¥(694)

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

No data as there was not an ending balance from the 2004 fiscal year-end to the fiscal 2006 year-end.

93. 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.

94. 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						2007
Hedge accounting applied	¥—	¥ —	¥ —	¥—	¥—	¥ —
Hedge accounting not applied	—	17	72	—	—	89
Total	¥—	¥ 17	¥ 72	¥—	¥—	¥ 89
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)

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

2. Interest rate-related

No data as there was not an ending balance from the 2004 fiscal year-end to the fiscal 2006 year-end.

3. Currency-related

						Millions of Yen		
As of March 31						2007	2006	2005
Over-the-counter	Currency options	Sold	U.S. Dollar	Contract amount	¥1,300	¥1,303	¥1,212	
				Over 1 year	—	—	—	
				Market value	1,308	1,304	1,246	
				Net gains/losses	(8)	(1)	(34)	
			Euro	Contract amount	434	67	277	
				Over 1 year	—	—	—	
				Market value	438	67	277	
				Net gains/losses	(4)	(0)	0	
			British Pound	Contract amount	20	764	—	
				Over 1 year	—	—	—	
				Market value	20	765	—	
				Net gains/losses	(0)	(1)	—	
			Other, net	Contract amount	1,754	2,135	1,612	
				Over 1 year	—	—	—	
				Market value	1,767	2,138	1,648	
				Net gains/losses	(12)	(3)	(36)	
		Purchased	U.S. Dollar	Contract amount	849	915	808	
				Over 1 year	—	—	—	
				Market value	860	914	830	
				Net gains/losses	10	(0)	22	
		Euro	Contract amount	232	1,109	—		
			Over 1 year	—	—	—		
				Market value	240	1,116	—	
				Net gains/losses	8	7	—	
		Canadian Dollar	Contract amount	436	—	—		
			Over 1 year	—	—	—		
				Market value	445	—	—	
				Net gains/losses	9	—	—	
		Other, net	Contract amount	1,714	2,172	1,585		
			Over 1 year	—	—	—		
			Market value	1,744	2,178	1,612		
			Net gains/losses	29	6	26		
Total			Net gains/losses	¥ 17	¥ 3	¥ (9)		

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

4. Stock-related

As of March 31		Millions of Yen			
Stock exchange	Stock index futures	Sold	2007	2006	2005
		Contract amount	¥ —	¥ —	¥ —
		Over 1 year	—	—	—
		Market value	—	—	—
		Net gains/losses	—	—	—
		Purchased			
		Contract amount	4,716	1,582	—
		Over 1 year	—	—	—
		Market value	4,789	1,710	—
		Net gains/losses	72	128	—
Total		Net gains/losses	¥ 72	¥ 128	¥ —

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

5. Bond-related

No data as there was not an ending balance from the 2004 fiscal year-end to the fiscal 2006 year-end.

6. Other

No data as there was not an ending balance from the 2004 fiscal year-end to the fiscal 2006 year-end.

STATUS OF SEPARATE ACCOUNT FOR INDIVIDUAL ANNUITIES

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

As of March 31	Number of Policies, Millions of Yen					
	2007		2006		2005	
	Policies	Value	Policies	Value	Policies	Value
Individual variable annuities	30,693	¥256,697	29,067	¥251,710	26,609	¥201,493

Note: Amounts represent policy reserve.

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

As of March 31	Millions of Yen, %					
	2007		2006		2005	
Cash, deposits and call loans	¥ 4,000	1.6%	¥ 7,000	2.8%	¥ 6,000	
Securities	246,502	96.0	237,996	94.5	188,217	
Domestic bonds	29,974	11.7	28,203	11.2	24,457	
Domestic stocks	—	—	—	—	—	
Foreign securities	—	—	—	—	—	
Foreign bonds	—	—	—	—	—	
Foreign stocks and other securities	—	—	—	—	—	
Other securities	216,528	84.3	209,792	83.3	163,759	
Loan receivables	—	—	—	—	—	
Other	6,215	2.4	6,728	2.7	7,449	
Allowance for doubtful accounts	—	—	—	—	—	
Total	¥256,718	100.0%	¥251,724	100.0%	¥201,667	

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

Fiscal years ended March 31	Millions of Yen		
	2007	2006	2005
Interest, dividend and other income	¥ 7,896	¥ 6,032	¥1,454
Gains on sales of securities	45	54	5
Gains from redemption of securities	—	—	—
Gains on valuation of securities	(2,254)	35,184	2,933
Foreign exchange, net	—	—	—
Gains from derivative financial instruments	—	—	—
Other income	0	0	0
Losses on sales of securities	102	74	141
Losses from redemption of securities	—	—	—
Losses on valuation of securities	(88)	(619)	(519)
Foreign exchange, net	—	—	—
Losses from derivative financial instruments	—	—	—
Other expenses	0	—	—
Net income	¥ 5,673	¥41,817	¥4,771

Note: 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 income.

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

Net valuation gains/losses on trading securities

As of March 31	2007		2006		2005	
	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
Trading securities	¥246,502	¥(2,166)	¥237,996	¥35,803	¥188,217	¥3,452

Millions of Yen

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

No data as there was not an ending balance from the 2004 fiscal year-end to the fiscal 2006 year-end.

100. 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 2004 fiscal year-end to the fiscal 2006 year-end.

101. 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 2004 fiscal year-end to the fiscal 2006 year-end.

STATUS OF SEPARATE ACCOUNT FOR GROUP ANNUITIES

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

As of March 31	Millions of Yen		
	2007	2006	2005
Separate account 1st treaty	¥1,733,152	¥1,797,140	¥1,665,021
Comprehensive account	1,296,855	1,348,966	1,237,576
Account by investment categories	436,296	448,173	427,444
Separate account 2nd treaty	97,438	92,959	114,028
Defined contribution pension plans	6,294	3,627	1,205
Total	¥1,836,884	¥1,893,728	¥1,780,254

Note: Separate account 1st treaty: Joint management of several pension funds and qualified retirement pension funds
 Comprehensive account: Balanced portfolio management
 Account by investment categories: Investments made in specific assets for closer matching with customer needs
 Separate account 2nd treaty: Independent management of annuity assets for each customer
 Defined contribution pension plans: Jointly managed funds for defined contribution pensions

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

(1) Asset management principles and fiscal 2006 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 2006

A sharp increase in foreign stock prices (with the Dow Jones Index rising nearly 11.2%) and the depreciation of the yen against the euro and other currencies (an approximate decrease of ¥14 against the euro) supported highly favorable investment performance in foreign currency denominated assets (foreign bonds: +9.82%; foreign stocks: +16.78%). Under these investment conditions, the fiscal 2006 investment yield (unit price fluctuation) rose 4.43%.

(2) Asset allocation in fiscal year 2006 (Comprehensive Account)

	Asset allocation results (Fiscal year)						Asset management results compared with standard asset allocation	%
	Standard asset allocation	2007				2006		
		End of Mar.	End of Dec.	End of Sept.	End of June	End of Mar.		
Yen denominated bonds, etc.	New standard (From Jan. 2007) 30.0%	23.3%	25.0%	23.9%	21.4%	23.7%	We distributed less than the old standard early in the fiscal year. Later, distribution was decreased significantly compared with the old standard. The fourth quarter distribution was less than the new standard.	
Yen denominated stocks	35.0	41.6	42.8	40.9	41.1	41.2	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 the second quarter. In fourth quarter, we also took a higher position compared with the new standard.	
Foreign currency denominated bonds	12.0	9.8	8.8	11.0	12.7	9.8	We started the fiscal year with a lower position than the old standard, and decreased distribution in the third quarter compared with the old standard. The fourth quarter distribution was lower than the new standard.	
Foreign currency denominated stocks	20.0	22.0	20.4	20.9	21.0	21.9	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 the second quarter. The fourth quarter distribution was higher than the new standard.	
Call loans and other short term assets	3.0	3.4	3.0	3.3	3.8	3.4	—	
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	—	

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

As of March 31	Millions of Yen		
	2007 Market value	2006 Market value	2005 Market value
Yen denominated bonds, etc.	¥ 300,974	¥ 316,079	¥ 450,344
Yen denominated bonds	300,974	316,079	450,344
Convertible bonds	—	—	—
Yen denominated stocks	537,909	551,116	375,638
Foreign currency denominated bonds	126,388	130,708	155,895
Foreign currency denominated stocks	283,742	292,296	182,809
Call loans and other short term assets	43,381	46,078	48,596
Total	¥1,292,394	¥1,336,277	¥1,213,281

(4) Investment return ratio (Comprehensive Account)

Fiscal years ended March 31	2007	2006	2005
Unit price fluctuation	4.43%	21.08%	4.44%

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

(1) Asset management principles and fiscal 2006 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 and liquidity risk by investing primarily in investment-grade securities.

Benchmark: Nomura Bond Performance Index (overall)

• Performance in fiscal 2006

After starting with a portfolio duration longer than market benchmarks, we gradually reduced our risk exposure, reflecting a heightened sense of caution following the Bank of Japan's lifting of the zero-interest-rate policy, and shifted to a neutral stance in mid-April. In late May, after shortening the duration of the portfolio upon the decline of long-term interest rates, we gradually adopted a more patient stance. Later, with the outlook for higher interest rates on the back of the continuing expansionary track of the domestic economy and speculation over the Bank of Japan's financial policies, we shifted to a short stance until the end of the fiscal year.

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 2006

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

3. OTC/small-cap equities accounts

• Asset management principles

Our stock selection process emphasizes 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 2006

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

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, country risk and liquidity risk, we invest mainly in bonds of leading industrialized nations.

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

• **Performance in fiscal 2006**

Throughout the fiscal year, we made flexible adjustments to the duration based on the relatively longer market benchmarks of the second half. In terms of country mix, we underweighted European securities through the third quarter and overweighted Italian securities throughout the fiscal year. As for the currency mix, we made flexible adjustments, overweighting the U.S. dollar against the euro through the third quarter and hedging the yen for the entire fiscal 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, country risk and liquidity risk, we invest mainly in bonds of leading industrialized nations. In principle, we use currency hedges as a means of avoiding currency risk.

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

• **Performance in fiscal 2006**

Throughout the fiscal year, we made flexible adjustments to the portfolio duration based on the relatively longer market benchmarks of the second half. In terms of country mix, we underweighted European securities and sterling securities through the third quarter and overweighted Italian securities for the entire fiscal 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 2006**

A breakdown by region shows that in the first half we underweighted North American securities and overweighted European securities and continued to do so in the second half. A breakdown by industry/sector illustrates how our weighting was based on business conditions and interest rate trends. In selecting individual stocks, we shifted to stocks with the potential of high returns based on an analysis of medium- to long-term performance utilizing our Stock Valuation System (SVS).

7. Money market accounts

• **Asset management principles**

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

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

• **Performance in fiscal 2006**

In the interest of maintaining liquidity and in pursuit of stable earnings, we invested mainly in unsecured overnight call loans throughout the fiscal year.

(2) Market value breakdown by investment category

As of March 31	Millions of Yen		
	2007	2006	2005
	Market value	Market value	Market value
Domestic bond accounts	¥150,811	¥155,842	¥124,046
Convertible bond accounts	—	—	—
Domestic stock accounts	121,556	125,465	109,591
OTC/small-cap equities accounts	3,914	5,267	2,820
Foreign bond accounts	58,599	53,668	66,391
Foreign bond accounts with currency hedging	13,823	12,099	15,626
Foreign equities accounts	57,539	51,766	34,933
Emerging company stock accounts	—	—	—
Money market accounts	20,742	35,776	59,692
Total	¥426,983	¥439,883	¥413,099

(3) Investment return ratio (investment specific)

As of March 31	%		
	2007	2006	2005
	Unit price fluctuation	Unit price fluctuation	Unit price fluctuation
Domestic bond accounts	1.81%	(1.38)%	1.90%
Convertible bond accounts	—	—	—
Domestic stock accounts	(4.41)	49.86	1.76
OTC/small-cap equities accounts	(21.43)	45.53	15.49
Foreign bonds accounts	9.69	7.01	12.60
Foreign bond accounts with currency hedging	(0.94)	(0.93)	2.56
Foreign stocks accounts	17.20	30.54	12.63
Emerging company stock accounts	—	—	—
Money market accounts	0.23	0.02	0.01

STATUS OF FINANCIAL ASSETS (CONSOLIDATED)

105. Nippon Life Group Performance

■ **Performance Overview in Fiscal Year under Review**

In the fiscal year under review, the Japanese economy has showed weak consumer spending, however, moderate growth was sustained due to an improvement of employment conditions as well as increases in capital spending supporting by healthy corporate earnings.

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 sale of non-life insurance in the individual market through sales representatives acting as agents of Nissay Dowa General Insurance. At the same time, we continued efforts to market non-life insurance in the corporate market with Nissay Dowa General Insurance.

In fiscal 2006, net premiums written at Nissay Dowa General Insurance increased to ¥326.3 billion, up 1.4%, due to higher revenues from new product launches in the core automobile insurance field and other factors. On the other hand, net claims rose 5.3% year on year to ¥186.7 billion as a result of an increase in typhoons and other natural disasters. General and administrative expenses for insurance underwriting came in at ¥50.0 billion, a 1.7% increase. As a result, income before income taxes at Nissay Dowa General Insurance shrank 18.0% to ¥9.6 billion and net income decreased 14.6% to ¥6.2 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 1.8% to ¥5,044.5 billion as a result of increases in the market value of management assets. In the investment trusts business, while account balances of Nissay/Putnam Income Open decreased during the fiscal year, the establishment of 15 new publicly offered investment trusts, including the Nissay High-Interest Bond Fund and the Nissay J-REIT Fund (two-month accounting period) and higher net asset balances of private placement investment trusts led to an increase of 6.2% in total assets under management to ¥2,208.1 billion. As a result, income before income taxes

at Nissay Dowa General Insurance rose 4.3% to ¥4.3 billion and net income increased 12.6% to ¥2.7 billion.

Information Technology Field

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

In fiscal 2006, Nissay Information Technology had sales of ¥41.9 billion, up 14.0%, income before income taxes of ¥640 million, up 143.6%, and net income of ¥60 million, down 58.3%.

Conclusion

As a result of these overall activities, consolidated total revenues amounted to ¥6,623.0 billion, a decrease of 4.4% from the previous fiscal year. Total expenditures amounted to ¥6,278.4 billion, down 3.3% year on year, and operating income was ¥344.5 billion, down 19.8%, while extraordinary profits were ¥53.3 billion and extraordinary losses were ¥52.9 billion. After income taxes, tax adjustments and minority interests, surplus in the current year jumped 48.8% to ¥305.3 billion. On the consolidated balance sheets, surplus at the end of the fiscal year amounted to ¥501.3 billion and total assets grew 2.6% to ¥52,159.9 billion.

106. Principal Indicators of Operating Performance (Consolidated)

Fiscal years ended March 31	Billions of Yen, Number		
	2007	2006	2005
Total revenues	¥ 6,623.0	¥ 6,924.3	¥ 6,504.3
Operating income	344.5	429.8	373.0
Surplus in the current year	305.3	205.2	202.7
Total assets (at year-end)	52,159.9	50,831.2	46,777.9
Net cash provided by (used in) operating activities	999.5	492.5	97.7
Net cash provided by (used in) investing activities	(1,526.2)	(85.7)	58.4
Net cash provided by (used in) financing activities	(39.7)	120.8	(54.5)
Cash and cash equivalents at the end of year	1,439.2	2,006.0	1,470.3
Number of consolidated subsidiaries and affiliates (at year-end)	12	12	13
Number of affiliates accounted for under the equity method (at year-end)	6	6	6
Number of employees	64,845	68,545	69,182

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

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

As of March 31		Millions of Yen		
		2007	2006	2005
Bankrupt and Quasi-Bankrupt	1	¥ 13,470	¥ 13,691	¥ 13,201
Doubtful	2	48,343	60,142	56,445
Substandard	3	16,124	16,420	16,611
Subtotal		77,938	90,254	86,257
Normal	4	13,357,941	13,014,348	12,456,520
Total 1+2+3+4		¥13,435,880	¥13,104,603	¥12,542,778

Notes: 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 ¥6,921 for bankrupt and quasi-bankrupt as of March 31, 2007, ¥26,786 million for bankrupt and quasi-bankrupt as of March 31, 2006, and ¥12,698 million for bankrupt and quasi-bankrupt and ¥3,190 million for doubtful as of March 31, 2005.

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 year: ¥822,681 million as of March 31, 2005.

108. Status of Risk-Monitored Loans (Consolidated)

		Millions of Yen, %		
As of March 31		2007	2006	2005
Loans to bankrupt borrowers	1	¥ 4,553	¥ 4,243	¥ 5,229
Delinquent loans	2	57,247	69,575	64,372
Loans three months or more in arrears	3	531	540	572
Restructured loans	4	15,593	15,880	16,038
Total 1+2+3+4		¥77,925	¥90,238	¥86,213
Percent of total loans receivable		(0.80)%	0.90%	0.84%

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

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.

109. 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		2007	2006	2005
Solvency margin gross amount	(A)	¥632,801	¥620,603	¥489,075
Total capital (excluding planned outflows, deferred tax assets and net unrealized gains/losses on securities)		159,996	156,810	154,341
Reserve for price fluctuations of investments in securities		6,384	5,752	5,147
Contingency reserve		129,541	127,015	115,645
General allowance for doubtful accounts		72	161	140
Net unrealized gains/losses on securities (Prior to tax effect deductions)		289,693	285,894	171,248
Net unrealized gains/losses on real estate		5,054	4,732	4,639
Deductions		—	—	—
Other		42,058	40,235	37,912
Total amount of risk	$\sqrt{R_1^2 + (R_2 + R_3)^2} + R_4 + R_5$ (B)	109,777	107,441	79,026
Underwriting risk (R ₁)		19,738	18,650	17,661
Assumed interest rate risk (R ₂)		607	623	641
Asset management risk (R ₃)		56,392	55,629	42,912
Business management risk (R ₄)		2,474	2,413	1,828
Catastrophe risk (R ₅)		46,982	45,764	30,198
Solvency margin ratio	$\frac{(A)}{(1/2) \times (B)} \times 100$	1,152.8%	1,155.2%	1,237.8%

Notes: 1. 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.

2. The calculation method for the solvency margin ratio was partially changed during fiscal 2006 in accordance with revisions to the Enforcement Regulation of the Insurance Business Law. This change, however, had no material impact on the Company. Total net assets for fiscal 2004 and 2005 are presented herein as total capital.

3. In fiscal 2006, total net assets constitute total assets after gains/losses on the revaluation of assets and gains/losses on exchange rate changes as presented in the balance sheets. In fiscal 2002, 2003, 2004 and 2005, total net assets constitute total capital after net gains/losses on securities and gains/losses from revaluation of real estate as presented in the balance sheets.

4. Minimum guarantee risk is calculated by standard methods.

110. Segment Information

From fiscal 2004 to fiscal 2006, 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.