

CHAPTER 6

Operational Data

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STATUS OF FINANCIAL ASSETS (NON-CONSOLIDATED)

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

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

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

2. Status of Risk-Monitored Loans

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

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

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

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

4. Ability to Pay Benefits (Solvency Margin Ratio)

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

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

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

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

4. Minimum guaranteed risk is calculated using standard methods.

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

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

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

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

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

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

Asset Self-Assessment

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

Self-assessment categories

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

Notes: Categories for collateral/guarantee-based recoverability

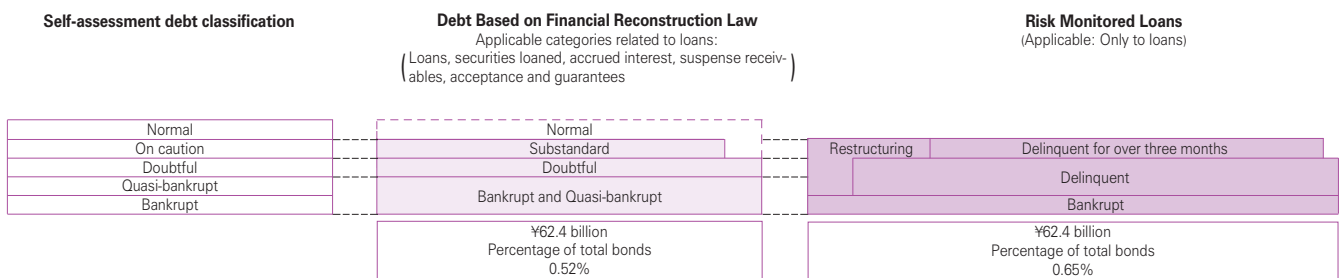
a) Estimation of disposal of solid collateral and solid guarantee

b) Estimation of disposal of general collateral and general guarantee

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

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

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



State of loan category amount (loans)

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

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

Standards for reserve for bad debt

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

Reserve principles:

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

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

1. Net valuation gain/loss from trading securities

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

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

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

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

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

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

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

Book value of securities with market value unavailable

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

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

Policy-reserve-matching bonds

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

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

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

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

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

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

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

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

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

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

Assets held in trust for trading purposes

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

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

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

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

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

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

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

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

2. Interest-rate related

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

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

(Reference) Interest-rate swap contracts by maturity dates

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

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

3. Currency-related

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

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

3. Currency-related, continued

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

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

3. Currency-related, continued

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

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

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

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

4. Stock-related

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

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

5. Bond-related

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

6. Others

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

9. Operating Income (Ordinary Income)

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

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

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

(Reference) Breakdown of other ordinary revenues and others

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

MAIN BUSINESS INDICATORS

10. Policies in Force and New Policies

1. Policies in force

(1) Number of policies

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

(2) Policy amount

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

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

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

2. New policies in force

(1) Number of policies

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

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

(2) Policy amount

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

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

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

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

11. Annualized Premiums

1. Policies held

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

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

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

11. Annualized Premiums, continued

2. New policies

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

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

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

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

12. New Policies by Product

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

12. New Policies by Product, continued

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

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

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

3. Whole life insurance includes comprehensive whole life insurance.

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

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

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

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

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

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

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

13. Policies in Force by Product

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

Number of Policies, Millions of Yen

13. Policies in Force by Product, continued

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

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

2. Whole life insurance includes comprehensive whole life insurance.

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

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

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

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

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

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

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

14. Amount of Policies in Force by Coverage Type

Millions of Yen

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

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

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

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

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

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

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

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

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

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

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

16. Trends and Transitions of Policies

1. Individual insurance

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

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

2. Individual annuities

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

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

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

16. Trends and Transitions of Policies, continued

3. Group insurance

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

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

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

4. Group annuities

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

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

2. Amount of new policies represent first premium revenues.

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

INSURANCE POLICY INDICATORS

17. Increase in Policy Amounts in Force

1. Number of policies in force and rate of increase

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

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

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

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

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

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

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

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

18. Increase in New Policies

1. Number of new policies and rate of increase

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

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

2. Excludes converted policies.

18. Increase in New Policies, continued

2. Increase in new policy amounts and rate of increase

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

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

19. Average Policy Coverage (Individual Insurance)

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

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

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

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

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

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

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

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

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

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

Note: Excludes converted policies.

23. Mortality Rate (Primary Individual Insurance Policies)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

30. Unreceived Reinsurance Premiums

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

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

ACCOUNTING INDICATORS

31. Reserve for Outstanding Claims

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

32. Policy Reserve

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

33. Policy Reserve Balance

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

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

1. Policy reserve accumulation method and rate

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

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

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

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

2. Policy reserve (breakdown by policy year)

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

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

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

1. Policy reserve balance (general account)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

37. Reserve for Dividends to Policyholders

Millions of Yen

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

Note: The numbers in brackets indicate accumulated dividends reserved.

38. Allowance for Doubtful Accounts and Other Reserves

Millions of Yen

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

Reason for recording:

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

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

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

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

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

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

39. Status of Allowance for Specialized Overseas Debt

1. Allowance for specialized overseas debt

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

2. Balance of debt by creditor countries

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

40. Reserves (Capital) and Surplus

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

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

41. Insurance Premiums

1. Premium payment method

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

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

41. Insurance Premiums, continued

2. Premium revenues by fiscal year

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

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

42. Death and Other Insurance Claims

1. Amount

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

42. Death and Other Insurance Claims, continued

2. Number of claims paid

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

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

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

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

43. Annuity Payments

Millions of Yen, Number of Policies

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

44. Health and Other Benefits

1. Amount

Millions of Yen

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

44. Health and Other Benefits, continued

2. Number of policies

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

45. Surrender Benefits

Millions of Yen

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

46. Depreciation

Millions of Yen, %

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

47. Operating Expenses

Millions of Yen

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

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

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

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

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

48. Tax Expenses

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

49. Lease Transactions

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

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

2. Future minimum lease payment year-end balance

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

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

3. Lease fees paid and depreciation

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

4. Calculation method for depreciation

The straight-line method is applied.

INDICATORS RELATED TO ASSET MANAGEMENT (GENERAL ACCOUNT)

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

(1) Investment environment

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

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

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

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

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

(2) Investment policy

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

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

(3) Overview of investment results

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

Domestic bonds

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

Domestic stocks

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

Foreign securities

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

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

Loans

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

Real estate

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

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

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

51. Portfolio Trends (General Account)

1. Asset structure

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

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

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

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

2. Increases/decreases in assets

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

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

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

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

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

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

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

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

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

53. Investment Income (General Account)

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

54. Investment Expenses (General Account)

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

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

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

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

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

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

57. Gain on Sales of Securities (General Account)

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

58. Loss on Sales of Securities (General Account)

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

59. Loss on Valuation of Securities (General Account)

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

60. Proprietary Trading Securities (General Account)

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

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

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

62. Securities Composition (General Account)

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

63. Securities by Maturity Date (General Account)

Millions of Yen

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

64. Bond Yield (General Account)

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

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

Millions of Yen, %

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

66. Loan Receivables (General Account)

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

67. Loans by Contractual Maturity Date (General Account)

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

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

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

Notes: 1. Classifications are defined as follows.

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

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

69. Breakdown of Loans by Industry (General Account)

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

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

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

71. Breakdown of Loans by Region (General Account)

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

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

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

72. Breakdown of Loans by Collateral (General Account)

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

73. Tangible Fixed Assets (General Account)

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

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

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

74. Appraisal Value of Real Estate (General Account)

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

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

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

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

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

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

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

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

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

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

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

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

78. Loan Interest Rates

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

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

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

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

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

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

6. Consumer loans show traditional mortgage-backed loans.

*As of April 12, 2001

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

1. Breakdown by asset composition

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

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

2. Composition of foreign currency denominated assets by currency

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

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

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

3. Overseas loans and investment by geographic area

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

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

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

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

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

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

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

82. Breakdown of Other Assets (General Account)

| | 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 | 2008 | | | | |
| Deferred assets | ¥ 7,069 | ¥ 1,322 | ¥ 52 | ¥ 3,945 | ¥ 4,394 |
| Other | 20,620 | 1,243 | 1,414 | 3,054 | 17,395 |
| Total | ¥ 27,690 | ¥ 2,566 | ¥ 1,466 | ¥ 6,999 | ¥ 21,789 |
| 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 |

SECURITIES INDICATORS (GENERAL ACCOUNT)

83. Market Value of Securities (General Account)

1. Net valuation gain/loss of trading securities

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

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

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

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

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

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

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

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

Book value of securities without quoted market value

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

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

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

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

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

Assets held in trust for investment

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

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

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

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

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

1. Transaction details

The following are derivatives transactions that we use:

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

2. Policy

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

3. Purpose

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

4. Risk details

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

5. Risk management system

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

6. Information regarding quantitative reports

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

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

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

(2) Supplementary explanation regarding market price calculations

Futures and other market transactions:

Liquidation value or closing market price at year-end

Exchange contract and currency option:

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

Interest swap transactions:

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

(3) Supplementary explanation regarding transaction gain and loss

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

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

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

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

(4) Hedge accounting methods

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

86. Credit Risk Amounts (General Account)

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

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

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

1. Product Securities Account

Bond related

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

2. General Account (excluding trading securities)

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

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

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

(2) Breakdown of interest-rate related derivative transactions

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

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

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

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

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

(3) Currency-related

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

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

(3) Currency-related, continued

| As of March 31 | | | | | 2008 | 2007 | 2006 | | |
|------------------|-----------------|------------------|-------------|------------------------------|------------------------|-----------------|-------------------|-------------------|-------|
| Over-the-counter | Currency option | Sold | Call | U.S. Dollar | Contract amount | ¥ 110,209 | ¥ 365,955 | ¥ 411,145 | |
| | | | | | Over 1 year | [121] | [339] | [1,139] | |
| | | | | | | — | — | — | |
| | | | | | Market value | 153 | 238 | 344 | |
| | | | | | Net gain/loss | (31) | 100 | 795 | |
| | | | | Euro | Contract amount | — | — | 28,562 | |
| | | | | | Over 1 year | — | — | [121] | |
| | | | | | | — | — | — | |
| | | | | | Market value | — | — | 45 | |
| | | | | | Net gain/loss | — | — | 76 | |
| | | | | Net, including others | Contract amount | 110,209 | 365,955 | 439,707 | |
| | | | | | Over 1 year | [121] | [339] | [1,261] | |
| | | | | | | — | — | — | |
| | | | | | Market value | 153 | 238 | 389 | |
| | | | | | Net gain/loss | (31) | 100 | 872 | |
| | | | Put | U.S. Dollar | Contract amount | — | — | — | |
| | | | | | Over 1 year | — | — | — | |
| | | | | | | — | — | — | |
| | | | | | Market value | — | — | — | |
| | | | | | Net gain/loss | — | — | — | |
| | | | | Euro | Contract amount | — | — | — | |
| | | | | | Over 1 year | — | — | — | |
| | | | | | | — | — | — | |
| | | | | | Market value | — | — | — | |
| | | | | | Net gain/loss | — | — | — | |
| | | | | Net, including others | Contract amount | — | — | — | |
| | | | | | Over 1 year | [—] | [—] | [—] | |
| | | | | | | — | — | — | |
| | | | | | Market value | — | — | — | |
| | | | | | Net gain/loss | — | — | — | |
| | | Purchased | Call | U.S. Dollar | Contract amount | — | — | — | |
| | | | | | Over 1 year | — | — | — | |
| | | | | | | — | — | — | |
| | | | | | Market value | — | — | — | |
| | | | | | Net gain/loss | — | — | — | |
| | | | | Euro | Contract amount | — | — | — | |
| | | | | | Over 1 year | — | — | — | |
| | | | | | | — | — | — | |
| | | | | | Market value | — | — | — | |
| | | | | | Net gain/loss | — | — | — | |
| | | | | Net, including others | Contract amount | — | — | — | |
| | | | | | Over 1 year | [—] | [—] | [—] | |
| | | | | | | — | — | — | |
| | | | | | Market value | — | — | — | |
| | | | | | Net gain/loss | — | — | — | |
| | | | Put | U.S. Dollar | Contract amount | 551,045 | 720,105 | 646,085 | |
| | | | | | Over 1 year | [11,251] | [5,025] | [5,289] | |
| | | | | | | 60,114 | — | 117,470 | |
| | | | | | | [2,462] | [—] | [2,637] | |
| | | | | | Market value | 33,504 | 1,857 | 3,319 | |
| | | | | | Net gain/loss | 22,253 | (3,167) | (1,970) | |
| | | | | Euro | Contract amount | 253,104 | — | 28,562 | |
| | | | | | Over 1 year | [5,202] | [—] | [115] | |
| | | | | | | 94,914 | — | — | |
| | | | | | | [2,876] | [—] | [—] | |
| | | | | | Market value | 3,805 | — | 8 | |
| | | | | | Net gain/loss | (1,396) | — | (106) | |
| | | | | Net, including others | Contract amount | 824,160 | 720,105 | 674,647 | |
| | | | | | Over 1 year | [16,775] | [5,025] | [5,404] | |
| | | | | | | 155,028 | — | 117,470 | |
| | | | | | | [5,338] | [—] | [2,637] | |
| | | | | | Market value | 38,055 | 1,857 | 3,327 | |
| | | | | | Net gain/loss | 21,279 | (3,167) | (2,077) | |
| | | | | Currency Swap | U.S. Dollar | Contract amount | 567 | 4,862 | 3,947 |
| | | | | | Over 1 year | 567 | 4,862 | 3,947 | |
| | | | | | | (4) | 8 | 12 | |
| | | | | | Market value | (4) | 8 | 12 | |
| | | | | | Net gain/loss | (4) | 8 | 12 | |
| | | | | Net, including others | Contract amount | 567 | 4,862 | 3,947 | |
| | | | | | Over 1 year | 567 | 4,862 | 3,947 | |
| | | | | | | (4) | 8 | 12 | |
| | | | | | Market value | (4) | 8 | 12 | |
| | | | | | Net gain/loss | (4) | 8 | 12 | |
| | | | | Total | Net gain/loss | ¥ 36,143 | ¥ (48,196) | ¥ (20,532) | |

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

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

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

(4) Stock-related

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

(5) Bond-related

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

(6) Other

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

Securitized Product Investments and Subprime-Related Investments

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

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

[Investments in Securitized Products]

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

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

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

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

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

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

SEPARATE ACCOUNT INDICATORS

About the General Account and Separate Account

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

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

88. Separate Account Asset Balance

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

89. Status of Separate Account Assets for Individual Variable Insurance

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

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

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

Regarding Investment Return on the Separate Account for Individual Variable Insurance

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

STATUS OF SEPARATE ACCOUNT FOR INDIVIDUAL VARIABLE INSURANCE

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

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

Note: Amounts include term life insurance riders.

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

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

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

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

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

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

Net valuation gain/loss on trading securities

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

Millions of Yen

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

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

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

1. Transaction details

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

Currency related: Foreign exchange contract transactions

Stock related: Stock index futures transactions

2. Policy

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

3. Purpose

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

4. Risk detail

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

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

5. Risk management system

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

6. Supplementary explanation of quantitative information

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

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

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

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

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

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

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

2. Interest rate-related

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

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

3. Currency-related

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

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

4. Stock-related

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

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

5. Bond-related

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

6. Other

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

STATUS OF SEPARATE ACCOUNT FOR INDIVIDUAL ANNUITIES

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

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

Note: Amounts represent policy reserve.

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

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

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

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

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

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

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

Net valuation gain/loss on trading securities

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

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

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

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

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

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

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

STATUS OF SEPARATE ACCOUNT FOR GROUP ANNUITIES

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

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

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

Comprehensive account: Balanced portfolio management

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

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

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

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

1. Asset management principles and fiscal 2007 performance

Asset management principles

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

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

Performance in fiscal 2007

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

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

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

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

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

4. Investment return ratio (Comprehensive Account)

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

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

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

1. Domestic bond accounts

• Asset management principals

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

Benchmark: Nomura Bond Performance Index (overall)

• Performance in fiscal 2007

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

2. Domestic equities accounts

• Asset management principals

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

Benchmark: TOPIX (dividends included)

• Performance in fiscal 2007

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

3. OTC/small-cap equities accounts

• Asset management principals

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

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

• Performance in fiscal 2007

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

4. Foreign bond accounts

• Asset management principals

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

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

• Performance in fiscal 2007

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

5. Foreign bond accounts with currency hedging

• Asset management principles

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

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

• Performance in fiscal 2007

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

6. Foreign equities accounts

• Asset management principles

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

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

• Performance in fiscal 2007

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

7. Money market accounts

• Asset management principles

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

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

• Performance in fiscal 2007

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

2. Market value breakdown by investment category

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

3. Investment return ratio (investment specific)

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

STATUS OF FINANCIAL ASSETS (CONSOLIDATED)

107. Nippon Life Group Performance

Performance Overview in Fiscal Year under Review

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

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

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

• Non-Life Insurance Field

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

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

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

• Asset Management Field

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

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

107. Nippon Life Group Performance, continued

• Information Technology Field

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

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

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

108. Principal Indicators of Operating Performance (Consolidated)

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

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

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

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

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

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

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

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

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

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

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

110. Status of Risk-Monitored Loans (Consolidated)

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

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

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

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

Nissay Dowa General Insurance

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

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

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

112. Segment Information

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

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