

# NON-CONSOLIDATED FINANCIAL SUMMARY

(For the three months ended June 30, 2008)

August 12, 2008

Name of Company: **T&D Holdings, Inc.** (Financial Summary for Daido Life Insurance Company)  
 Stock Listings: Tokyo, Osaka  
 Security Code No.: 8795  
 Head Office: Tokyo, Japan  
 URL: <http://www.td-holdings.co.jp/e/>

## 1. Non-Consolidated Operating Results for the Three Months Ended June 30, 2008 ( April 1, 2008 – June 30, 2008 )

### (1) Results of Operations

Note: Amounts of less than one million yen have been eliminated, and percentages have been rounded to the nearest percent.

	Ordinary Revenues		Ordinary Profit				Net Income	
	Amount	% change	Amount	% change	Core Profit	% change	Amount	% change
Three months ended June 30, 2008	¥360,423 million	-	¥22,085 million	-	¥22,909 million	-	¥6,930 million	-
Three months ended June 30, 2007	¥316,011 million	14.9	¥40,963 million	29.9	¥31,182 million	11.8	¥18,674 million	31.4

	Net Income per Share
Three months ended June 30, 2008	¥4,620.14
Three months ended June 30, 2007	¥12,449.82

Note: Core Profit is a measure of a life insurance company's underlying profitability from core insurance operations on a non-consolidated basis, defined as ordinary profit excluding "capital gains and losses" such as gains and losses on sale of securities and devaluation losses on securities and "other one-time gains and losses" such as provision for (reversal of) contingency reserve and write-off of loans.

### (2) Financial Conditions

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
As of June 30, 2008	¥5,946,812 million	¥401,672 million	6.8%	¥267,781.92
As of March 31, 2008	¥6,047,881 million	¥374,410 million	6.2%	¥249,606.91

Note: Shareholder's equity: as of June 30, 2008: ¥ 401,672 million; as of March 31, 2008: ¥ 374,410 million.

## 2. Forecast for the Year Ending March 31, 2009 (April 1, 2008 - March 31, 2009)

Daido Life's forecast is omitted. Please refer to T&D Holdings' "Forecast for the Year Ending March 31, 2009" section in this material "Consolidated Financial Summary for the Three Months Ended June 30, 2008".

### 3. Others

(1) Adoption of Simple Accounting Method or Accounting Method Specific to Preparation for Quarterly Financial Statements:  
None

(2) Significant Changes in Accounting Principle and Procedure and Changes in Presentation Method for Quarterly Financial Statements

1. Changes due to the revision of accounting standards: Applicable
2. Changes due to other factors: Applicable

Note: Please refer to T&D Holdings' "Financial Review 5. Others" section in this material "Consolidated Financial Summary for the three months ended June 30, 2008".

(3) Number of Outstanding Shares (Common Stock)

1. Number of outstanding shares including treasury stock at the end of the term: as of June 30, 2008 : 1,500,000  
as of March 31, 2008 : 1,500,000
2. Number of treasury stock at the end of the term: None
3. Average number of outstanding shares during the term: for the three months ended June 30, 2008 : 1,500,000  
for the fiscal year ended March 31, 2008 : 1,500,000

**Daido Life Unaudited Non-Consolidated Balance Sheets**

(Millions of yen)

	As of June 30, 2008	As of March 31, 2008
	Amount	Amount
<b>Assets:</b>		
Cash and deposits	164,912	169,470
Cash	43	79
Deposit	164,869	169,391
Call loans	64,400	127,800
Monetary claims purchased	356,096	270,089
Monetary trusts	97,091	104,603
Securities	4,143,745	4,159,633
Government bonds	523,924	545,191
Municipal bonds	737,955	770,384
Corporate bonds	1,066,397	1,078,512
Domestic stocks	377,989	375,682
Foreign securities	667,937	653,482
Other securities	769,540	736,380
Loans	880,164	890,392
Policy loans	83,029	83,103
Commercial loans	797,134	807,289
Tangible fixed assets	138,809	140,434
Land	77,872	78,045
Buildings	59,564	61,013
Construction in progress	27	14
Other tangible fixed assets	1,344	1,361
Intangible fixed assets	8,195	8,634
Software	7,083	7,520
Other intangible fixed assets	1,112	1,113
Due from agencies	1,279	1,381
Due from reinsurers	218	708
Other assets	63,160	131,583
Accounts receivable	35,324	91,442
Prepaid expenses	4,139	1,285
Accrued income	15,427	17,129
Deposit for rent	3,805	3,802
Margin for futures contracts	696	-
Derivatives	899	15,204
Suspense payable	809	625
Other assets	2,057	2,093
Deferred tax assets	29,705	44,178
Reserve for possible loan losses	(968)	(1,029)
<b>Total assets</b>	<b>5,946,812</b>	<b>6,047,881</b>

(Millions of yen)

	As of June 30, 2008	As of March 31, 2008
	Amount	Amount
<b>Liabilities:</b>		
Policy reserves	5,297,402	5,392,173
Reserve for outstanding claims	46,436	48,481
Policy reserve	5,125,820	5,216,507
Reserve for policyholder dividends	125,145	127,184
Due to agencies	0	-
Due to reinsurers	199	388
Subordinated bond	29,970	27,971
Other liabilities	64,865	101,827
Income taxes payable	1,420	3,873
Accounts receivable	29,475	73,506
Prepaid expenses	7,282	10,351
Accrued income	3,347	3,495
Deposit for rent	3,622	584
Guarantee deposits	6,693	6,642
Derivatives	10,174	495
Suspense payable	2,847	2,878
Reserve for bonus to directors and corporate auditors	17	74
Reserve for employees' retirement benefits	75,633	75,555
Reserve for directors' and corporate auditors' retirement benefits	1,835	1,921
Reserve for price fluctuations	75,213	73,558
<b>Total liabilities</b>	<b>5,545,139</b>	<b>5,673,470</b>
<b>Net Assets:</b>		
Common stock	75,000	75,000
Capital surplus	54	54
Retained earnings	185,561	186,790
Legal reserve for future losses	12,769	11,137
Other retained earnings	172,792	175,652
Provision for advanced depreciation on real estate	1,559	1,559
General reserve	150,000	130,000
Unappropriated retained earnings	21,232	44,092
Total stockholders' equity	260,615	261,844
Net unrealized gains on securities	140,436	111,873
Deferred gains on hedging instruments	620	692
Total valuation and translation adjustments	141,057	112,566
<b>Total net assets</b>	<b>401,672</b>	<b>374,410</b>
<b>Total liabilities and net assets</b>	<b>5,946,812</b>	<b>6,047,881</b>

**Daido Life Unaudited Non-Consolidated Statements of Operations**

(Millions of yen)

	Three months ended June 30, 2008
	Amount
<b>Ordinary revenues</b>	360,423
<b>Income from insurance premiums</b>	203,067
Insurance premiums	202,901
Ceded reinsurance recoveries	165
<b>Investment income</b>	62,581
Interest, dividends and income from real estate for rent	31,070
Interest income from deposits	1,323
Interest income and dividends from securities	21,617
Interest income from loans	4,755
Interest from real estate for rent	1,976
Other income from interest and dividends	1,398
Gains on investment in trading securities, net	13,443
Gains on sales of securities	13,370
Foreign exchange gains, net	641
Gains on separate account, net	4,056
<b>Other ordinary income</b>	94,774
Income related to withheld insurance claims and other payments for future annuity payments	177
Income due to withheld insurance payments	758
Reversal of reserve for outstanding claims	2,044
Reversal of policy reserve	90,687
Other ordinary income	1,107
<b>Ordinary expenses</b>	338,338
<b>Insurance claims and other payments</b>	273,642
Insurance claims	116,413
Annuity payments	7,788
Insurance benefits	47,519
Surrender payments	81,979
Other payments	19,757
Reinsurance premiums	184
<b>Provision for policy and other reserves</b>	196
Interest portion of reserve for policyholder dividends	196
<b>Investment expenses</b>	30,643
Interest expenses	49
Losses from monetary trust, net	250
Losses on sales of securities	206
Devaluation losses on securities	8,630
Losses from derivatives, net	16,647
Foreign exchange losses, net	1,096
Write-off of loans	2
Depreciation of real estate for rent	784
Other investment expenses	2,974
<b>Operating expenses</b>	29,254
<b>Other ordinary expenses</b>	4,600
Payments related to withheld insurance claims	777
Taxes	1,642
Depreciation	1,072
Provision for reserve for employees' retirement benefits	78
Other ordinary losses	1,029
<b>Ordinary profit</b>	22,085

	Three months ended June 30, 2008
	Amount
<b>Extraordinary gains</b>	691
Gains on disposal of fixed assets	647
Reversal of reserve for possible loan losses	38
Recoveries of bad debts previously written-off	5
<b>Extraordinary losses</b>	1,875
Losses on disposal of fixed assets	220
Provision for reserve for price fluctuations	1,655
<b>Provision for reserve for policyholder dividends</b>	7,243
<b>Income before income taxes</b>	13,657
Current income taxes	8,357
Deferred income taxes	(1,629)
<b>Net income</b>	6,930

[Reference]

Unaudited Non-Consolidated Statements of Operations for the Three Months Ended June 30, 2007

(Millions of yen)

	Three months ended June 30, 2007
	Amount
<b>Ordinary revenues</b>	316,011
<b>Income from insurance premiums</b>	200,551
Insurance premiums	200,225
Ceded reinsurance recoveries	325
<b>Investment income</b>	77,700
Interest, dividends and income from real estate for rent	40,610
Interest income from deposits	1,928
Interest income and dividends from securities	31,018
Interest income from loans	4,664
Interest from real estate for rent	1,755
Other income from interest and dividends	1,244
Gains from monetary trust, net	7,046
Gains on investment in trading securities, net	14,800
Gains on sales of securities	7,937
Other investment income	678
Gains on separate account, net	6,626
<b>Other ordinary income</b>	37,759
Income related to withheld insurance claims and other payments for future annuity payments	79
Income due to withheld insurance payments	699
Reversal of reserve for outstanding claims	1,359
Reversal of policy reserve	33,641
Other ordinary income	1,978
<b>Ordinary expenses</b>	275,047
<b>Insurance claims and other payments</b>	217,168
Insurance claims	87,630
Annuity payments	7,305
Insurance benefits	51,008
Surrender payments	62,523
Other payments	8,511
Reinsurance premiums	188
<b>Provision for policy and other reserves</b>	204
Interest portion of reserve for policyholder dividends	204
<b>Investment expenses</b>	25,683
Interest expenses	78
Losses on sales of securities	74
Devaluation losses on securities	374
Losses from derivatives, net	17,630
Foreign exchange losses, net	1,355
Depreciation of real estate for rent	814
Other investment expenses	5,355
<b>Operating expenses</b>	28,426
<b>Other ordinary expenses</b>	3,564
Payments related to withheld insurance claims	601
Taxes	1,617
Depreciation	1,100
Provision for reserve for employees' retirement benefits	146
Other ordinary losses	99
<b>Ordinary profit</b>	40,963

	Three months ended June 30, 2007
	Amount
<b>Extraordinary gains</b>	35
Reversal of reserve for possible loan losses	31
Recoveries of bad debts previously written-off	4
<b>Extraordinary losses</b>	2,673
Losses on disposal of fixed assets	951
Provision for reserve for price fluctuations	1,722
<b>Provision for reserve for policyholder dividends</b>	8,352
<b>Income before income taxes</b>	29,974
Current income taxes	12,258
Deferred income taxes	(959)
<b>Net income</b>	18,674

## **Supplementary Materials for the Three Months Ended June 30, 2008**

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# 1. Business Highlights

## (1) Total Policy Amount in Force

(Number: Thousands, 100 Millions of yen, %)

Category	As of June 30, 2007				As of June 30, 2008				As of March 31, 2008	
	Number		Amount		Number		Amount		Number	Amount
		Change (%)		Change (%)		Change (%)		Change (%)		
Individual insurance	1,955	98.2	384,723	99.4	1,903	97.4	384,700	100.0	1,921	386,485
Individual term life insurance	1,454	99.8	358,599	99.9	1,435	98.7	360,412	100.5	1,445	361,753
Individual annuities	155	102.9	12,515	101.1	158	101.6	12,430	99.3	157	12,485
Sub total	2,111	98.6	397,239	99.5	2,062	97.7	397,131	100.0	2,079	398,971
Group insurance	-	-	117,763	97.8	-	-	120,978	102.7	-	121,213
Group annuities	-	-	19,110	96.2	-	-	17,069	89.3	-	18,112

Notes:

1. Policy amounts for individual annuities are equal to the funds to be held at the time annuity payments are to commence for an annuity for which annuity payments have not yet commenced and the amount of policy reserve for an annuity for which payments have commenced.

2. The policy amount in force for group annuities is equal to the amount of outstanding policy reserve.

3. % change is presented in comparison with the same term of the previous fiscal year (hereinafter same if not mentioned otherwise).

## (2) New Policy Amount

(Number: Thousands, 100 Millions of yen, %)

Category	Three Months Ended June 30, 2007					
	Number		Amount		New policies	Increase from conversion
		Change (%)		Change (%)		
Individual insurance	53	97.9	11,100	113.0	11,090	10
Individual term life insurance	45	102.8	10,922	113.9	10,912	10
Individual annuities	2	87.5	170	80.6	170	0
Subtotal	55	97.4	11,271	112.3	11,260	10
Group insurance	-	-	188	57.7	188	-
Group annuities	-	-	0	6.3	0	-

Category	Three Months Ended June 30, 2008					
	Number		Amount		New policies	Increase from conversion
		Change (%)		Change (%)		
Individual insurance	43	81.8	9,493	85.5	9,497	(3)
Individual term life insurance	36	80.2	9,317	85.3	9,321	(3)
Individual annuities	2	91.3	153	90.0	152	0
Subtotal	45	82.2	9,646	85.6	9,650	(3)
Group insurance	-	-	73	38.9	73	-
Group annuities	-	-	0	58.1	0	-

Category	Year Ended March 31, 2008					
	Number		Amount		New policies	Increase from conversion
		Change (%)		Change (%)		
Individual insurance	201	90.5	45,625	107.7	45,628	(3)
Individual term life insurance	170	92.7	44,898	108.4	44,901	(2)
Individual annuities	9	85.1	717	79.4	718	0
Subtotal	211	90.2	46,342	107.1	46,346	(4)
Group insurance	-	-	5,942	555.0	5,942	-
Group annuities	-	-	0	53.3	0	-

Notes:

1. The number of new policies includes increase from conversion.

2. The new policy amount including increase from conversion for individual annuities is funds to be held at the time annuity payments are to commence for an annuity.

3. The new policy amount for group annuity is equal to the initial premium payment.

**(3) Annualized Premiums****1) Policies in force**

(Millions of yen, %)

Category	Three months ended June 30, 2007		Three months ended June 30, 2008		Year ended March 31, 2008	
	Amount	Change (%)	Amount	Change (%)	Amount	Change (%)
Individual insurance	643,338	100.5	637,984	99.2	641,734	99.4
Individual annuities	47,086	102.8	47,478	100.8	47,451	101.1
Total	690,425	100.7	685,462	99.3	689,186	99.6
3rd Sector	58,083	96.5	56,478	97.2	57,001	97.3

**2) New policies**

(Millions of yen, %)

Category	Three months ended June 30, 2007		Three months ended June 30, 2008		Year ended March 31, 2008	
	Amount	Change (%)	Amount	Change (%)	Amount	Change (%)
Individual insurance	16,870	93.2	14,673	87.0	69,077	86.6
Individual annuities	671	80.5	595	88.7	2,914	79.0
Total	17,542	92.6	15,269	87.0	71,992	86.3
3rd Sector	943	106.9	869	92.2	3,992	102.6

Notes:

1. The amounts are calculated by multiplying monthly premiums by 12, and dividing lump-sum payments by the insurance period.

2. The Japanese insurance market is legally divided into three major fields: the First Sector, which involves conventional life insurance; the Second Sector, which involves P&amp;C insurance; and the Third Sector, which involves insurance positioned between the two, including medical insurance, cancer insurance, accident insurance, and nursing care insurance.

3. New policies include net increase from conversions.

**(4) Surrender and Lapse Amount**

(Number: Thousands, 100 Millions of yen, %)

Category	Three months ended June 30, 2007				Three months ended June 30, 2008				Year Ended March 31, 2008	
	Number	Change (%)	Amount	Change (%)	Number	Change (%)	Amount	Change (%)	Number	Amount
Individual insurance	50	101.0	8,995	107.9	49	97.7	9,050	100.6	189	34,938
Individual annuities	1	98.1	132	89.6	1	103.7	155	117.2	6	562
Total	51	100.9	9,127	107.6	50	97.8	9,206	100.9	195	35,500

**(5) Surrender and Lapse Rate****(Surrender and lapse amount / Policy amount in force at the beginning of the fiscal year)**

(%)

Category	Three months ended June 30, 2007	Three months ended June 30, 2008	Year Ended March 31, 2008
Individual insurance	2.34	2.34	9.08
Individual annuities	1.06	1.25	4.49
Total	2.30	2.31	8.93

Note: Surrender and lapse rate is not annualized.

## 2. Status of General Account Assets

### (1) Asset Composition

(Millions of yen, %)

Category	As of June 30, 2007		As of June 30, 2008		As of March 31, 2008	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Cash and deposits, call loans	301,833	4.8%	228,045	3.9%	294,085	5.0%
Monetary claims purchased	276,047	4.4	356,096	6.1	270,089	4.6
Monetary trusts	92,426	1.5	97,091	1.7	104,603	1.8
Securities	4,436,338	71.1	4,032,719	69.1	4,033,285	68.2
Domestic bonds	2,381,513	38.2	2,283,944	39.2	2,339,611	39.5
Domestic stocks	484,786	7.8	345,111	5.9	340,609	5.8
Foreign securities	665,440	10.7	638,884	11.0	621,314	10.5
Foreign bonds	240,430	3.9	207,032	3.5	205,094	3.5
Foreign stocks, etc.	425,010	6.8	431,852	7.4	416,219	7.0
Other securities	904,597	14.5	764,779	13.1	731,750	12.4
Loans	927,493	14.9	880,164	15.1	890,392	15.1
Policy loans	78,978	1.3	83,029	1.4	83,103	1.4
Commercial loans	848,515	13.6	797,134	13.7	807,289	13.6
Property and equipment	143,682	2.3	137,465	2.4	139,073	2.4
Deferred tax assets	-	-	29,705	0.5	44,178	0.7
Other assets	61,674	1.0	73,468	1.3	141,519	2.4
Reserve for possible loan losses	(1,011)	(0.0)	(968)	(0.0)	(1,029)	(0.0)
Total	6,238,486	100.0	5,833,788	100.0	5,916,199	100.0
Foreign currency denominated assets	484,241	7.8	409,159	7.0	391,091	6.6

Note: "property and equipment" shows the total value of land, buildings, and construction in progress.

## (2) Fair Value Information on Securities and Others

### 1) Fair value information on securities (except trading securities)

#### a. Securities with fair value

(Millions of yen)

Category	As of June 30, 2007				
	Cost / Carrying value before mark-to-market	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Held-to-maturity securities	5,221	5,098	(123)	-	123
Domestic bonds	5,221	5,098	(123)	-	123
Foreign bonds	-	-	-	-	-
Monetary claims purchased	-	-	-	-	-
Policy reserve matching bonds	-	-	-	-	-
Stocks of subsidiaries and affiliated companies	-	-	-	-	-
Available-for-sale securities	3,866,119	4,424,414	558,295	585,096	26,800
Domestic bonds	2,373,961	2,376,292	2,330	16,664	14,334
Domestic stocks	217,443	463,846	246,402	252,396	5,993
Foreign securities	271,722	280,744	9,022	12,229	3,207
Bonds	238,051	240,430	2,379	5,234	2,855
Stocks, etc.	33,670	40,313	6,643	6,994	351
Other securities	601,505	874,865	273,359	274,376	1,016
Monetary claims purchased	274,351	272,450	(1,900)	247	2,147
Certificates of deposit	89,000	89,000	-	-	-
Monetary trusts	38,134	67,215	29,081	29,182	100
Total	3,871,340	4,429,512	558,172	585,096	26,924
Domestic bonds	2,379,183	2,381,390	2,207	16,664	14,457
Domestic stocks	217,443	463,846	246,402	252,396	5,993
Foreign securities	271,722	280,744	9,022	12,229	3,207
Bonds	238,051	240,430	2,379	5,234	2,855
Stocks, etc.	33,670	40,313	6,643	6,994	351
Other securities	601,505	874,865	273,359	274,376	1,016
Monetary claims purchased	274,351	272,450	(1,900)	247	2,147
Certificates of deposit	89,000	89,000	-	-	-
Monetary trusts	38,134	67,215	29,081	29,182	100

Notes:

1. The above table includes assets such as certificates of deposits which are permitted to be treated as equivalent to securities defined in the Securities and Exchange Law.

2. Monetary trusts include securities other than trading securities.

#### b. Securities without fair value (Carrying Value)

(Millions of yen)

Category	As of June 30, 2007
Held-to-maturity securities	-
Unlisted foreign bonds	-
Other securities	-
Policy reserve matching bonds	-
Stocks of subsidiaries and affiliated companies	1,392
Available-for-sale securities	207,124
Unlisted domestic stocks	19,547
Unlisted foreign stocks	0
Unlisted foreign bonds	-
Others	187,576
Total	208,516

Note: Securities included in jointly operated designated monetary trusts are not included herein.

**a. Securities with fair value**

(Millions of yen)

Category	As of June 30, 2008				
	Cost / Carrying value before mark-to-market	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Held-to-maturity securities	5,215	5,120	(94)	-	94
Domestic bonds	5,215	5,120	(94)	-	94
Foreign bonds	-	-	-	-	-
Monetary claims purchased	-	-	-	-	-
Policy reserve matching bonds	-	-	-	-	-
Stocks of subsidiaries and affiliated companies	-	-	-	-	-
Available-for-sale securities	3,862,007	4,063,291	201,283	236,548	35,265
Domestic bonds	2,270,859	2,278,728	7,868	17,494	9,626
Domestic stocks	188,179	321,616	133,437	135,174	1,736
Foreign securities	321,871	317,465	(4,405)	4,414	8,820
Bonds	210,360	207,032	(3,327)	1,740	5,067
Stocks, etc.	111,510	110,432	(1,078)	2,674	3,752
Other securities	676,584	736,925	60,340	73,801	13,460
Monetary claims purchased	351,848	352,456	608	1,880	1,271
Certificates of deposit	40,000	40,000	-	-	-
Monetary trusts	12,664	16,098	3,434	3,783	349
Total	3,867,223	4,068,411	201,188	236,548	35,359
Domestic bonds	2,276,075	2,283,849	7,774	17,494	9,720
Domestic stocks	188,179	321,616	133,437	135,174	1,736
Foreign securities	321,871	317,465	(4,405)	4,414	8,820
Bonds	210,360	207,032	(3,327)	1,740	5,067
Stocks, etc.	111,510	110,432	(1,078)	2,674	3,752
Other securities	676,584	736,925	60,340	73,801	13,460
Monetary claims purchased	351,848	352,456	608	1,880	1,271
Certificates of deposit	40,000	40,000	-	-	-
Monetary trusts	12,664	16,098	3,434	3,783	349

Notes:

1. The above table includes assets such as certificates of deposits which are permitted to be treated as equivalent to securities defined in the Securities and Exchange Law.

2. Monetary trusts include securities other than trading securities.

**b. Securities without fair value (Carrying value)**

(Millions of yen)

Category	As of June 30, 2008
Held-to-maturity securities	-
Unlisted foreign bonds	-
Other securities	-
Policy reserve matching bonds	-
Stocks of subsidiaries and affiliated companies	1,392
Available-for-sale securities	183,737
Unlisted domestic stocks	22,101
Unlisted foreign stocks	0
Unlisted foreign bonds	-
Others	161,635
Total	185,129

Note: Securities included in jointly operated designated monetary trusts are not included herein.

**a. Securities with fair value**

(Millions of yen)

Category	As of March 31, 2008				
	Cost / Carrying value before mark-to-market	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Held-to-maturity securities	5,217	5,146	(70)	-	70
Domestic bonds	5,217	5,146	(70)	-	70
Foreign bonds	-	-	-	-	-
Monetary claims purchased	-	-	-	-	-
Policy reserve matching bonds	-	-	-	-	-
Stocks of subsidiaries and affiliated companies	-	-	-	-	-
Available-for-sale securities	3,847,655	4,011,578	163,922	209,611	45,688
Domestic bonds	2,303,599	2,334,393	30,794	33,972	3,178
Domestic stocks	202,332	317,084	114,751	118,091	3,340
Foreign securities	328,741	324,911	(3,830)	4,582	8,413
Bonds	206,343	205,094	(1,249)	2,510	3,759
Stocks, etc.	122,397	119,816	(2,580)	2,072	4,653
Other securities	683,957	700,358	16,400	44,646	28,245
Monetary claims purchased	261,161	266,640	5,479	5,787	308
Certificates of deposit	45,000	45,000	-	-	-
Monetary trusts	22,862	23,189	327	2,530	2,202
Total	3,852,872	4,016,725	163,852	209,611	45,758
Domestic bonds	2,308,816	2,339,540	30,724	33,972	3,248
Domestic stocks	202,332	317,084	114,751	118,091	3,340
Foreign securities	328,741	324,911	(3,830)	4,582	8,413
Bonds	206,343	205,094	(1,249)	2,510	3,759
Stocks, etc.	122,397	119,816	(2,580)	2,072	4,653
Other securities	683,957	700,358	16,400	44,646	28,245
Monetary claims purchased	261,161	266,640	5,479	5,787	308
Certificates of deposit	45,000	45,000	-	-	-
Monetary trusts	22,862	23,189	327	2,530	2,202

Notes:

1. The above table includes assets such as certificates of deposits which are permitted to be treated as equivalent to securities defined in the Securities and Exchange Law.

2. Monetary trusts include securities other than trading securities.

3. For the year ended March 31, 2008, the foreign preferred securities (cost/carrying value before mark-to-market: 91,342 million yen, current fair value: 90,651 million yen, net unrealized gains/losses: a loss of 690 million yen) classified as "b. securities without market value" was changed its category to "a. securities with market value" ("Other securities" in "Available-for-sale securities").

**b. Securities without fair value (Carrying Value)**

(Millions of yen)

Category	As of March 31, 2008
Held-to-maturity securities	-
Unlisted foreign bonds	-
Other securities	-
Policy reserve matching bonds	-
Stocks of subsidiaries and affiliated companies	1,392
Available-for-sale securities	178,964
Unlisted domestic stocks	22,132
Unlisted foreign stocks	0
Unlisted foreign bonds	-
Others	156,832
Total	180,357

Note: Securities included in jointly operated designated monetary trusts are not included herein.

**2) Fair value information on monetary trusts**

(Millions of yen)

Category	As of June 30, 2007				
	Carrying value before mark-to-market	Current fair value	Net unrealized gains (losses)		
				Gains	Losses
Monetary trusts	92,426	92,426	-	-	-

Category	As of June 30, 2008				
	Carrying value before mark-to-market	Current fair value	Net unrealized gains (losses)		
				Gains	Losses
Monetary trusts	97,091	97,091	-	-	-

Category	As of March 31, 2008				
	Carrying value before mark-to-market	Current fair value	Net unrealized gains (losses)		
				Gains	Losses
Monetary trusts	104,603	104,603	-	-	-

**a. Monetary trusts for investment**

The Company held no monetary trusts for investment as of June 30, 2007 and 2008, and March 31, 2008.

**b. Monetary trusts for held-to-maturity, policy reserve matching securities, and others**

(Millions of yen)

Category	As of June 30, 2007				
	Carrying Value before mark-to-market	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Monetary trusts for held-to-maturity	-	-	-	-	-
Monetary trusts for policy reserve matching	-	-	-	-	-
Other monetary trusts	63,345	92,426	29,081	29,182	100
Investment type focused on domestic bonds	-	-	-	-	-
Investment type focused on domestic stocks	39,545	68,626	29,081	29,182	100
Investment type focused on foreign securities	-	-	-	-	-
Balance-type	-	-	-	-	-
Investment type focused on collateral short-term money trusts	-	-	-	-	-
Jointly-managed monetary trusts	23,800	23,800	-	-	-
<b>Total</b>	<b>63,345</b>	<b>92,426</b>	<b>29,081</b>	<b>29,182</b>	<b>100</b>

(Millions of yen)

Category	As of June 30, 2008				
	Carrying Value before mark-to-market	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Monetary trusts for held-to-maturity	-	-	-	-	-
Monetary trusts for policy reserve matching	-	-	-	-	-
Other monetary trusts	93,657	97,091	3,434	3,783	349
Investment type focused on domestic bonds	-	-	-	-	-
Investment type focused on domestic stocks	13,357	16,791	3,434	3,783	349
Investment type focused on foreign securities	-	-	-	-	-
Balance-type	-	-	-	-	-
Investment type focused on collateral short-term money trust	-	-	-	-	-
Jointly-managed monetary trusts	80,300	80,300	-	-	-
<b>Total</b>	<b>93,657</b>	<b>97,091</b>	<b>3,434</b>	<b>3,783</b>	<b>349</b>

(Millions of yen)

Category	As of March 31, 2008				
	Carrying Value before mark-to-market	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Monetary trusts for held-to-maturity	-	-	-	-	-
Monetary trusts for policy reserve matching	-	-	-	-	-
Other monetary trusts	104,276	104,603	327	2,530	2,202
Investment type focused on domestic bonds	-	-	-	-	-
Investment type focused on domestic stocks	23,976	24,303	327	2,530	2,202
Investment type focused on foreign securities	-	-	-	-	-
Balance-type	-	-	-	-	-
Investment type focused on collateral short-term money trust	-	-	-	-	-
Jointly-managed monetary trusts	80,300	80,300	-	-	-
<b>Total</b>	<b>104,276</b>	<b>104,603</b>	<b>327</b>	<b>2,530</b>	<b>2,202</b>

Note: The above figures show all of the fair value information on monetary trusts including securities, cash and call loans, and others.

**3) Fair value information on real estate**

(Millions of yen)

Category	As of June 30, 2007				
	Carrying value	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Land	79,899	97,876	17,977	41,757	23,780
Leasehold	913	552	(360)	305	665
Total	80,812	98,429	17,617	42,063	24,445

(Millions of yen)

Category	As of June 30, 2008				
	Carrying value	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Land	77,872	113,160	35,288	53,741	18,453
Leasehold	913	607	(306)	388	694
Total	78,785	113,767	34,982	54,130	19,148

(Millions of yen)

Category	As of March 31, 2008				
	Carrying value	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Land	78,045	113,613	35,568	54,083	18,515
Leasehold	913	607	(306)	388	694
Total	78,958	114,220	35,262	54,472	19,209

Note: Fair values are basically calculated based on the appraisal price. Less important property is calculated based on the posted price.

#### 4) Fair value information on derivative transactions

##### a. Gains (losses) on derivatives with and without hedge accounting

(Millions of yen)

Category	As of June 30, 2008					
	Interest-related	Currency-related	Stock-related	Bond-related	Others	Total
Hedge accounting applied	727	(2,000)	-	-	-	(1,272)
Hedge accounting not applied	80	(7,371)	(712)	-	-	(8,002)
<b>Total</b>	<b>808</b>	<b>(9,371)</b>	<b>(712)</b>	<b>-</b>	<b>-</b>	<b>(9,275)</b>

Notes:

1. Gains (losses) on derivatives which are applied to fair value hedge method (currency-related transactions as of June 30, 2008: a loss of 2,000 million yen) and gains (losses) on derivatives which are not applied to hedge accounting are recorded in the income statements.

2. Assets and liabilities denominated in foreign currencies, which have fixed settlement amounts in yen under forward exchange contracts and have been disclosed in yen amounts in the balance sheets, are not subject to disclose.

##### b. Interest-related transactions

(Millions of yen)

Type	As of June 30, 2007			As of June 30, 2008			As of March 31, 2008					
	Contracted value or notional principal amount		Current market or fair value	Contracted value or notional principal amount		Current market or fair value	Contracted value or notional principal amount		Current market or fair value	Valuation gains (losses)		
	Over 1 Year	Valuation gains (losses)		Over 1 Year	Valuation gains (losses)		Over 1 Year	Valuation gains (losses)				
Over-the-counter transactions												
Interest rate swaps:												
Receipt fixed, payment floating	-	-	-	-	-	-	-	-	-	-		
Receipts floating, payments fixed	139,782	138,382	2,241	2,241	101,085	101,085	808	808	138,382	138,382	120	120
Receipts floating, payments floating	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>				2,241			808					120

##### c. Currency-related transactions

(Millions of yen)

Category	As of June 30, 2007			As of June 30, 2008			As of March 31, 2008					
	Contracted value or notional principal amount		Current market or fair value	Contracted value or notional principal amount		Current market or fair value	Contracted value or notional principal amount		Current market or fair value	Valuation gains (losses)		
	Over 1 Year	Valuation gains (losses)		Over 1 Year	Valuation gains (losses)		Over 1 Year	Valuation gains (losses)				
Over-the-counter transactions												
Foreign exchange contracts:												
Sold:	413,829	-	427,544	(13,715)	269,356	-	278,788	(9,432)	338,814	-	324,226	14,587
U.S. dollar	275,885	-	284,943	(9,057)	199,071	-	205,227	(6,156)	237,316	-	222,939	14,377
Euro	123,051	-	126,742	(3,690)	64,701	-	67,717	(3,016)	91,960	-	92,063	(103)
British pound	12,185	-	12,823	(638)	4,678	-	4,924	(245)	8,342	-	8,101	241
Canadian dollar	2,707	-	3,035	(328)	905	-	918	(13)	1,194	-	1,122	72
Bought:	924	-	924	(0)	7,415	-	7,476	60	201	-	202	0
U.S. dollar	452	-	452	0	7,206	-	7,268	61	201	-	202	0
Euro	472	-	471	(0)	208	-	207	(0)	-	-	-	-
British pound	-	-	-	-	-	-	-	-	-	-	-	-
Canadian dollar	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>				(13,715)				(9,371)				14,588

Notes:

1. Forward exchange rates are used as the year -term end exchange rates.

2. Assets and liabilities denominated in foreign currencies, which have fixed settlement amounts in yen under forward exchange contracts and have been disclosed in yen amounts in the balance sheets, are not subject to disclose.

**d. Stock-related transactions**

(Millions of yen)

Category	As of June 30, 2007			As of June 30, 2008			As of March 31, 2008		
	Contracted value or notional principal amount	Current market or fair value	Valuation gains (losses)	Contracted value or notional principal amount	Current market or fair value	Valuation gains (losses)	Contracted value or notional principal amount	Current market or fair value	Valuation gains (losses)
Exchange-traded transactions									
Stock index futures:									
Sold	19,770	-	19,897	(126)	-	-	-	-	-
Bought	-	-	-	-	14,648	-	13,936	(712)	-
Over-the-counter-transactions									
Stock options:									
Sold	-	-	-	-	-	-	-	-	-
Bought	-	-	-	-	-	-	-	-	-
<b>Total</b>				(126)			(712)		

**e. Bond-related transactions**

(Millions of yen)

Category	As of June 30, 2007			As of June 30, 2008			As of March 31, 2008		
	Contracted value or notional principal amount	Current market or fair value	Valuation gains (losses)	Contracted value or notional principal amount	Current market or fair value	Valuation gains (losses)	Contracted value or notional principal amount	Current market or fair value	Valuation gains (losses)
Exchange-traded transactions									
Bond futures contracts:									
Sold	-	-	-	-	-	-	-	-	-
Bought	-	-	-	-	-	-	-	-	-
<b>Total</b>									

**f. Others**

The Company held no other derivative instruments as of June 30, 2007 and 2008 as well as March 31, 2008.

### 3. Status of Separate Account Assets

#### (1) Balance of Separate Account Assets

(Millions of yen)

Category	As of June 30, 2007	As of June 30, 2008	As of March 31, 2008
Individual variable insurance	27,804	22,428	21,830
Individual variable annuities	18,771	16,927	16,596
Individual variable annuities (non-participating)	4,624	5,897	5,739
Group annuities	116,316	72,177	89,148
Total	167,516	117,431	133,315

#### (2) Total Number of Policies and Total Policy Amount in Force

##### 1) Individual variable insurance

(Number, Millions of yen)

Category	As of June 30, 2007		As of June 30, 2008		As of March 31, 2008	
	Number	Amount	Number	Amount	Number	Amount
Variable insurance (term life)	264	957	231	814	234	826
Variable insurance (whole life)	8,128	62,755	7,858	60,314	7,947	60,863
Total	8,392	63,712	8,089	61,128	8,181	61,690

##### 2) Individual variable annuities

(Number, Millions of yen)

Category	As of June 30, 2007		As of June 30, 2008		As of March 31, 2008	
	Number	Amount	Number	Amount	Number	Amount
Variable annuities (variable investment type)	179	803	169	737	172	745
Variable annuities (guaranteed living benefit type)	161	499	159	497	159	497
Total	340	1,302	328	1,234	331	1,242

##### 3) Non-participating individual variable annuities

(Number, Millions of yen)

Category	As of June 30, 2007		As of June 30, 2008		As of March 31, 2008	
	Number	Amount	Number	Amount	Number	Amount
Variable annuities (variable investment type)	278	3,758	407	5,243	391	5,072

#### 4. Reconciliation to Core Profit and Ordinary Profit

##### (1) Reconciliation to Core Profit

(Millions of yen)

Category	Three months ended June 30, 2007	Three months ended June 30, 2008	Year Ended March 31, 2008
Core Revenues	286,794	334,415	1,095,645
Income from Insurance Premiums	200,551	203,067	843,336
Insurance premiums	200,225	202,901	842,168
Ceded reinsurance recoveries	325	165	1,168
Investment Income	47,915	35,767	147,528
Interest, dividends and income from real estate for rent	40,610	31,070	144,744
Other investment income	678	641	2,783
Gains on separate accounts, net	6,626	4,056	-
Other Ordinary Income	38,234	94,862	89,478
Income related to withheld insurance claims and other payments for future annuity payments	79	177	613
Income due to withheld insurance payments	699	758	2,745
Reversal of reserve for outstanding claims	1,359	2,044	-
Reversal of policy reserves (except contingency reserve)	34,116	90,774	82,975
Other ordinary income	1,978	1,107	3,143
Other Core Revenues	92	718	15,302
Core Expenses	255,612	311,506	970,752
Insurance Claims and Other Payments	217,168	273,642	804,318
Insurance claims	87,630	116,413	272,443
Annuity payments	7,305	7,788	30,106
Insurance benefits	51,008	47,519	178,426
Surrender payments	62,523	81,979	253,823
Other payments	8,511	19,757	68,577
Reinsurance payments	188	184	941
Provision for Policy and Other Reserves	204	196	2,900
Investment Expenses	6,248	3,809	33,736
Interest expense	78	49	265
Depreciation of real estate for rent	814	784	3,343
Other investment expenses	5,355	2,974	13,844
Losses on separate accounts, net	-	-	16,282
Operating Expenses	28,426	29,254	114,170
Other Ordinary Expenses	3,564	4,600	15,627
Payments related to withheld insurance claims	601	777	2,880
Taxes	1,617	1,642	6,733
Depreciation	1,100	1,072	4,306
Provision for reserve for employees' retirement benefits	146	78	579
Other ordinary losses	99	1,029	1,127
Other Core Expenses	-	2	-
Core Profit	31,182	22,909	124,893

**(2) Reconciliation to Ordinary Profit**

(Millions of yen)

Category	Three months ended June 30, 2007	Three months ended June 30, 2008	Year Ended March 31, 2008
Core profit (A)	31,182	22,909	124,893
Capital gains	29,707	26,095	42,944
Gains from monetary trusts, net	7,046	-	13,955
Gains on investments in trading securities, net	14,800	13,443	-
Gains on sale of securities	7,937	13,370	14,913
Gains from derivatives, net	-	-	29,377
Others	(76)	(718)	(15,302)
Capital losses	19,451	26,829	60,791
Losses from monetary trusts, net	-	250	-
Losses on investments in trading securities, net	-	-	25,192
Losses on sale of securities	74	206	10,086
Devaluation losses on securities	374	8,630	19,429
Losses from derivatives, net	17,630	16,647	-
Foreign exchange losses, net	1,355	1,096	6,083
Others	15	(2)	-
Capital gains/losses (B)	10,256	(733)	(17,846)
(A)+(B)	41,438	22,175	107,046
Other one-time gains	(474)	(87)	(2,259)
Reversal of contingency reserve	(474)	(87)	(2,259)
Other one-time losses	-	2	121
Write-off of loans	-	2	121
Other one-time gains/losses (C)	(474)	(89)	(2,381)
Ordinary profit (A)+(B)+(C)	40,963	22,085	104,665

Note:

- Core profit for the year ended June 30, 2008 includes 567 million yen of income gains on investment in trading securities and 150 million yen of income losses from derivatives as other core revenues, and a loss of 2 million yen of income losses from monetary trusts as other core expenses, instead of capital gains/losses.
- Core profit for the three months ended June 30, 2007 includes 76 million yen of income gains from monetary trusts, and 15 million yen of income gains from derivatives as other core revenues, instead of capital gains/losses.
- Core profit for the year ended March 31, 2008 includes 646 million yen of income gains from monetary trusts, 14,434 million yen of income gains on investment in trading securities, and 220 million yen of income gains from derivatives as other core revenues, instead of capital gains/losses.

**(3) Negative Spread**

(Millions of yen)

Category	Three months ended June 30, 2007	Three months ended June 30, 2008	Year Ended March 31, 2008
Negative Spread	-	1,813	-
Investment yield on core profit	2.77%	2.29%	2.90%
Average assumed investment yield	2.49%	2.44%	2.46%
Policy reserves in general accounts	5,038,845	4,965,068	4,984,477

1. Negative spread calculations:

(The figure of the three months ended June 30, 2007 was positive spread of 3,582 million yen and the figure of the year ended March 31, 2008 was positive spread of 21,758 million yen.)

a) For the three months ended June 30, 2007 and 2008 are calculated by the following method:

$$(\text{Investment yield on core profit} - \text{Average assumed investment yield}) \times \text{Policy reserve in general accounts} \times 1/4$$

b) For the year the ended March 31, 2008 is calculated by the following method:

$$(\text{Investment yield on core profit} - \text{average assumed investment yield}) \times \text{policy reserves in general accounts}$$

2. Investment yield on core profit and average assumed investment yield as in 1 above are not annualized.

3. "Investment yield on core profit" is calculated by dividing numerator as investment revenues and expenses (investment profit in general account) included in core profit less amount of provision for accumulated interest due to policyholders by denominator as policy reserve in general reserve in general account.

4. Average assumed investment yield is calculated by dividing numerator as assumed interest (general accounts only) by denominator as policy reserve in general accounts.

5. Policy reserve in general accounts represents the earned policy reserve calculated for policy reserve in general accounts less contingency reserve by Hardy method as follows:

$$\text{Hardy method: } (\text{Policy reserve at beginning of fiscal year} + \text{Policy reserve at the end of fiscal year} - \text{Assumed interest}) \times 1/2$$

## 5. Solvency Margin Ratio

(Millions of yen)

Items	As of June 30, 2007	As of June 30, 2008	As of March 31, 2008
Total solvency margin (A)	1,179,583	900,578	852,732
Common stock, etc. (less certain items)	245,951	256,203	252,126
Reserve for price fluctuations	63,308	75,213	73,558
Contingency reserve	80,857	82,729	82,642
Reserve for possible loan losses	188	172	175
Net unrealized gains on available-for-sale securities (before tax) (x 90 per cent., if gains; x 100 per cent., if losses)	524,794	197,829	157,593
Net unrealized gains (losses) on real estate (x 85 per cent., if gains; x 100 per cent., if losses)	14,974	29,734	29,973
Excess amount of policy reserve based on Zillmer method	127,644	130,758	130,878
Unallotted portion of reserve for policyholder dividends	15,672	18,605	17,304
Future profits	16,185	14,486	15,618
Deferred tax assets	90,005	94,844	92,862
Subordinated debt	-	-	-
Deductible items	-	-	-
Total risk $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	175,416	163,172	155,557
Insurance risk $R_1$	29,395	29,355	29,522
Assumed investment yield risk $R_2$	18,912	17,785	18,080
Investment risk $R_3$	148,372	137,229	129,254
Business risk $R_4$	4,030	3,782	3,632
Minimum guarantee risk $R_7$	814	867	862
3rd sector insurance risk $R_8$	4,009	3,898	3,925
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	1,344.8%	1,103.8%	1,096.3%

Notes:

- Figures were calculated on the basis of the provisions of Articles 86 and 87 of the Enforcement Ordinance of Insurance Business Law as well as Notification No. 50 of 1996 by the Ministry of Finance, and considered appropriate by the Company.
- "Common stock, etc (less certain items)" represents net assets on the balance sheet less net unrealized gains on securities, provision for advanced depreciation on real estate, gains on deferred hedge and estimated appropriation paid in cash.
- Net unrealized gains(losses) on real estate are basically calculated based on the appraisal price. Less important property is calculated based on the posted price.
- "Excess amount of policy reserve based on Zillmer method" in Total solvency margin above represents was described as "Excess amount of policy surrender payment" in the fiscal year ended March 31, 2007.
- Minimum guarantee risks were calculated using the standard method regulated by FSA.

## 6. Adjusted Net Assets

(Millions of yen)

Item	As of June 30, 2007	As of June 30, 2008	As of March 31, 2008
Adjusted net assets	1,139,383	823,241	777,216

Note: Adjusted net assets are calculated based on the regulatory standard.