

Supplementary Materials for the Nine Months Ended December 31, 2009

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1. Business Highlights

(1) Total Policy Amount in Force

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

Category	As of December 31, 2009				As of March 31, 2009	
	Number	Change from Previous FYE (%)	Amount	Change from Previous FYE (%)	Number	Amount
Individual insurance	188	92.8	11,984	90.1	202	13,303
Individual annuities	176	121.1	10,365	131.3	145	7,896
Individual variable annuities	145	128.0	9,255	137.1	113	6,749
Subtotal	364	104.6	22,350	105.4	348	21,200
Group insurance	-	-	1	86.1	-	1
Group annuities	-	-	271	89.1	-	304

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.

(2) New Policy Amount

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

Category	Nine Months Ended December 31, 2008					
	Number	Change (%)	Amount	Change (%)	New policies	Increase from conversion
Individual insurance	-	-	-	-	-	-
Individual annuities	26	265.1	1,608	205.9	1,608	-
Individual variable annuities	26	265.1	1,608	205.9	1,608	-
Subtotal	26	265.1	1,608	205.9	1,608	-
Group insurance	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-

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

Category	Nine Months Ended December 31, 2009					
	Number	Change (%)	Amount	Change (%)	New policies	Increase from conversion
Individual insurance	-	-	-	-	-	-
Individual annuities	33	126.5	2,084	129.6	2,084	-
Individual variable annuities	33	125.9	2,076	129.1	2,076	-
Subtotal	33	126.5	2,084	129.6	2,084	-
Group insurance	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-

Notes:

1. There is no conversion plan from FY2001.
2. The new policy amount for individual annuity is equal to the initial premium payment for individual variable annuities and fixed annuities.

(3) Annualized Premiums

1) Policies in force

(Millions of yen)

Category	As of December 31, 2009		As of March 31, 2009	
	Amount	Change from Previous FYE (%)	Amount	Amount
Individual insurance	20,342	91.2	22,316	
Individual annuities	149,220	132.8	112,342	
Total	169,562	125.9	134,658	
3rd Sector	5,105	92.8	5,500	

2) New policies

(Millions of yen)

Category	Nine Months Ended December 31, 2008		Nine Months Ended December 31, 2009	
	Amount	Change (%)	Amount	Change (%)
Individual insurance	-	-	-	-
Individual annuities	30,415	284.3	39,131	128.7
Total	30,415	284.3	39,131	128.7
3rd Sector	-	-	-	-

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&C insurance; and the Third Sector, which involves insurance positioned between the two, including medical insurance, cancer insurance, accident insurance, and nursing care insurance.

(4) Surrender and Lapse Amount

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

Category	Nine Months Ended December 31, 2008				Nine Months Ended December 31, 2009			
	Number		Amount		Number		Amount	
		Change (%)		Change (%)		Change (%)		Change (%)
Individual insurance	10	86.3	893	85.6	8	83.0	722	80.9
Individual annuities	2	88.3	170	66.2	1	74.6	115	67.7
Total	12	86.7	1,063	81.8	10	81.5	837	78.7

(5) Surrender and Lapse Rate

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

(%)

Category	Nine Months Ended December 31, 2008	Nine Months Ended December 31, 2009
Individual insurance	5.79	5.43
Individual annuities	2.37	1.46
Total	4.70	3.95

Note: The figures are not annualized.

2. Status of General Account Assets

(1) Asset Composition

(Millions of yen, %)

Category	As of December 31, 2009		As of March 31, 2009	
	Amount	Percentage	Amount	Percentage
Cash and deposits, call loans	21,455	4.5	28,806	5.6
Securities repurchased under resale agreements	-	-	-	-
Pledged money for bond borrowing transaction	-	-	-	-
Monetary claims purchased	-	-	-	-
Securities under proprietary accounts	-	-	-	-
Monetary trusts	50,520	10.5	64,612	12.7
Securities	367,958	76.3	378,201	74.1
Domestic bonds	367,339	76.2	377,658	74.0
Domestic stocks	179	0.0	182	0.0
Foreign securities	11	0.0	17	0.0
Bonds	-	-	-	-
Stocks, etc.	11	0.0	17	0.0
Other securities	427	0.1	341	0.1
Loans	6,480	1.3	6,657	1.3
Policy loans	6,457	1.3	6,627	1.3
Commercial loans	23	0.0	29	0.0
Property and equipment	264	0.1	278	0.1
Deferred tax asset	16,397	3.4	16,538	3.2
Other assets	18,974	3.9	15,535	3.0
Reserve for possible loan losses	(4)	(0.0)	(5)	(0.0)
Total assets	482,044	100.0	510,624	100.0
Foreign currency denominated assets	11	0.0	17	0.0

(2) Fair Value Information on Securities and Others

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

a. Securities with market value

(Millions of yen)

Category	As of December 31, 2009				
	Cost/carrying value before mark-to-market	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Held-to-maturity securities	290,102	294,963	4,861	4,952	(90)
Domestic bonds	290,102	294,963	4,861	4,952	(90)
Foreign bonds	-	-	-	-	-
Monetary claims purchased	-	-	-	-	-
Policy reserve matching bonds	389	387	(1)	-	(1)
Stocks of subsidiaries and affiliated companies	-	-	-	-	-
Available-for-sale securities	77,841	77,228	(613)	124	(738)
Domestic bonds	77,553	76,848	(705)	29	(734)
Domestic stocks	-	-	-	-	-
Foreign securities	15	11	(4)	-	(4)
Bonds	-	-	-	-	-
Stocks, etc.	15	11	(4)	-	(4)
Other securities	271	367	95	95	-
Monetary claims purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-
Total	368,332	372,579	4,246	5,077	(830)
Domestic bonds	368,044	372,199	4,155	4,981	(826)
Domestic stocks	-	-	-	-	-
Foreign securities	15	11	(4)	-	(4)
Bonds	-	-	-	-	-
Stocks, etc.	15	11	(4)	-	(4)
Other securities	271	367	95	95	-
Monetary claims purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-

b. Securities without market value (Carrying value)

(Millions of yen)

Category	As of December 31, 2009
Held-to-maturity securities	-
Unlisted foreign bonds	-
Other securities	-
Policy reserve matching bonds	-
Stocks of subsidiaries and affiliated companies	-
Available-for-sale securities	238
Unlisted domestic stocks (excluding over-the-counter stocks)	179
Unlisted foreign stocks (excluding over-the-counter stocks)	-
Unlisted foreign bonds	-
Others	59
Total	238

a. Securities with market value

(Millions of yen)

Category	As of March 31, 2009				
	Cost/carrying value before mark-to-market	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Held-to-maturity securities	289,787	294,032	4,244	4,572	(328)
Domestic bonds	289,787	294,032	4,244	4,572	(328)
Foreign bonds	-	-	-	-	-
Monetary claims purchased	-	-	-	-	-
Policy reserve matching bonds	-	-	-	-	-
Stocks of subsidiaries and affiliated companies	-	-	-	-	-
Available-for-sale securities	89,406	88,160	(1,246)	21	(1,267)
Domestic bonds	89,116	87,870	(1,246)	21	(1,267)
Domestic stocks	-	-	-	-	-
Foreign securities	17	17	-	-	-
Bonds	-	-	-	-	-
Stocks, etc.	17	17	-	-	-
Other securities	271	271	-	-	-
Monetary claims purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-
Total	379,194	382,193	2,998	4,594	(1,595)
Domestic bonds	378,904	381,903	2,998	4,594	(1,595)
Domestic stocks	-	-	-	-	-
Foreign securities	17	17	-	-	-
Bonds	-	-	-	-	-
Stocks, etc.	17	17	-	-	-
Other securities	271	271	-	-	-
Monetary claims purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-

b. Securities without market value (Carrying value)

(Millions of yen)

Category	As of March 31, 2009
Held-to-maturity securities	-
Unlisted foreign bonds	-
Other securities	-
Policy reserve matching bonds	-
Stocks of subsidiaries and affiliated companies	-
Available-for-sale securities	252
Unlisted domestic stocks (excluding over-the-counter stocks)	182
Unlisted foreign stocks (excluding over-the-counter stocks)	-
Unlisted foreign bonds	-
Others	69
Total	252

2) Fair value information on monetary trusts

(Millions of yen)

Category	As of December 31, 2009			
	Carrying value	Current fair value	Net unrealized gains (losses)	
			Gains	Losses
Monetary trusts	50,520	50,520	-	-

(Millions of yen)

Category	As of March 31, 2009			
	Carrying value	Current fair value	Net unrealized gains (losses)	
			Gains	Losses
Monetary trusts	64,612	64,612	-	-

a. Monetary trusts for investment

Category	As of December 31, 2009		As of March 31, 2009	
	Carrying value	Net valuation gains (losses)	Carrying value	Net valuation gains (losses)
Monetary trusts for investment	50,520	(20,425)	64,612	22,966

(Millions of yen)

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

The Company held no monetary trusts for held-to-maturity, policy reserve matching securities and others as of March 31, 2009 and December 31, 2009.

3) Fair value information on real estate

The Company held no real estate as of March 31, 2009 and December 31, 2009.

4) Fair value information on derivative transactions

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

Category	As of December 31, 2009					Total
	Interest-related	Currency-related	Stock-related	Bond-related	Others	
Hedge accounting applied	-	-	-	-	-	-
Hedge accounting not applied	-	657	10,710	-	-	11,367
Total	-	657	10,710	-	-	11,367

(Millions of yen)

Category	As of March 31, 2009					Total
	Interest-related	Currency-related	Stock-related	Bond-related	Others	
Hedge accounting applied	-	-	-	-	-	-
Hedge accounting not applied	-	(16)	31,809	-	-	31,793
Total	-	(16)	31,809	-	-	31,793

(Millions of yen)

b. Interest-related transactions

The Company held no interest-related derivative instruments as of March 31, 2009 and December 31, 2009.

c. Currency-related transactions

Category	As of December 31, 2009				As of March 31, 2009			
	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)
		Over 1 Year				Over 1 Year		
Over-the-counter transactions								
Currency options								
Sold:								
Call	-	-	-	-	-	-	-	
Put	[-]	[-]	[-]	[-]	[-]	[-]	[-]	
Bought:								
Call	-	-	-	-	-	-	-	
Put	[-]	[-]	[-]	[-]	[-]	[-]	[-]	
U.S. dollar	28,331	24,275	[4,812]	[657]	30,812	26,873	[(16)]	
Euro	[4,155]	[3,780]	[3,280]	[565]	[4,339]	[4,024]	[4,323]	
Total	17,005	14,494			18,473	16,035		
	[2,715]	[2,458]			[2,838]	[2,621]	[(483)]	
	11,326	9,780			12,339	10,838		
	[1,440]	[1,321]	[1,532]	[92]	[1,500]	[1,403]	[467]	
Total				657			(16)	

(Millions of yen)

Note: Parenthesized figures are option premiums.

d. Stock-related transactions

Category	As of December 31, 2009				As of March 31, 2009			
	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)
		Over 1 Year				Over 1 Year		
Over-the-counter transactions								
Stock index options:								
Sold								
Call	-	-	-	-	-	-	-	-
Put	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]
Bought:								
Call	-	-	-	-	-	-	-	-
Put	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]
Nikkei225	171,179	163,041	[43,928]	[10,710]	142,090	134,688	[57,739]	[31,809]
S&P500	[33,217]	[32,323]	[28,202]	[10,822]	[25,930]	[25,213]	[40,635]	[25,335]
DJES50	111,693	104,365	[3,913]	[2,147]	103,280	96,399	[5,097]	[3,318]
MSCI KOKUSAI	[17,380]	[16,622]	[2,329]	[1,152]	[15,299]	[14,675]	[3,285]	[2,099]
	9,383	9,203			9,503	9,331		
	[1,766]	[1,742]			[1,779]	[1,760]		
	5,001	4,906			5,060	4,972		
	[1,177]	[1,162]			[1,185]	[1,173]		
	45,101	44,566			24,245	23,985		
	[12,893]	[12,795]	[9,482]	[(3,410)]	[7,665]	[7,604]	[8,720]	[1,055]
Total				10,710				31,809

e Bond-related transactions

The Company held no bond-related derivative instruments as of March 31, 2009 and December 31, 2009.

f. Others

The Company held no other derivative instruments as of March 31, 2009 and December 31, 2009.

3. Status of Separate Account Assets

(1) Balance of Separate Account Assets

Category	As of December 31, 2009		As of March 31, 2009	
Individual variable insurance		2,074		1,973
Individual variable annuities		907,480		660,113
Total		909,555		662,086

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

1) Individual variable insurance

Category	As of December 31, 2009		As of March 31, 2009	
	Number	Amount	Number	Amount
	Variable insurance (term life)	0	15	0
Variable insurance (whole life)	2	11,441	2	11,655
Total	2	11,456	2	11,670

2) Individual variable annuities

Category	As of December 31, 2009		As of March 31, 2009	
	Number	Amount	Number	Amount
	Individual variable annuities	145	925,543	113

4. Reconciliation to Core Profit and Ordinary Profit

(1) Reconciliation to Core Profit

(Millions of yen)

Category	Nine Months Ended December 31, 2008	Nine Months Ended December 31, 2009
Core revenues	195,267	308,842
Income from insurance premiums	183,600	228,551
Insurance premiums	179,651	223,530
Ceded reinsurance recoveries	3,949	5,021
Investment income	3,218	73,761
Interest, dividends and income from real estate for rent	3,146	2,908
Gains on redemption of securities	-	-
Other investment income	72	0
Gains on separate accounts, net	-	70,852
Other ordinary income	8,448	6,529
Income related to withheld insurance claims and other payments for future annuity payments	6,595	5,783
Income due to withheld insurance payment	131	79
Reversal of reserve for outstanding claims	1,310	262
Reversal of policy reserves (except contingency reserve)	-	-
Reversal of reserve for employees' retirement benefits	403	399
Other ordinary income	8	4
Other core revenues	-	-
Core expenses	227,945	289,763
Insurance claims and other payments	66,669	54,229
Insurance claims	13,584	10,946
Annuity payments	4,600	4,697
Insurance benefits	12,725	12,224
Surrender payments	24,541	17,418
Other payments	8,996	5,623
Reinsurance premiums	2,221	3,318
Provision for policy and other reserves	55,812	220,529
Investment expenses	91,168	21
Interest expenses	5	1
Losses on redemption of securities	-	-
Provision for general reserve for possible loan losses	2	-
Depreciation of real estate for rent	-	-
Other investment expenses	32	20
Losses on separate accounts, net	91,128	-
Operating expenses	12,104	12,931
Other ordinary expenses	2,190	2,052
Payments related to withheld insurance claims	467	285
Taxes	1,206	1,274
Depreciation	484	454
Provision for reserve for employees' retirement benefits	-	-
Other ordinary losses	31	38
Other core expenses	-	-
Core profit	(32,678)	19,078

[Reference] Negative Spread

(Millions of yen, %)

Category	Nine Months Ended December 31, 2008	Nine Months Ended December 31, 2009
Amount of negative spread	2,699	2,642
Investment yield on core profit	1.03%	0.94%
Average assumed investment yield	1.90%	1.79%
Individual insurance and annuities	2.00%	1.87%
Policy reserve in general accounts	411,561	410,759

Notes:

1. Negative spread is calculated by the following method:

(Investment yield on core profit - Average assumed investment yield) x Policy reserve in general accounts x 3/4

2. "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.

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

4. Investment yield on core profit and average assumed investment yield are annualized.

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: Hardy method: (Policy reserve at beginning of fiscal year + Policy reserve at the end of fiscal year - Assumed interest) x 1/2

(2) Reconciliation to Ordinary Profit

(Millions of yen)

Category	Nine Months Ended December 31, 2008	Nine Months Ended December 31, 2009
Core profit (A)	(32,678)	19,078
Capital gains	25,622	3
Gains from monetary trusts, net	(Note 1) 25,622	-
Gains on investment in trading securities, net	-	-
Gains on sales of securities	0	3
Gains from derivatives, net	-	-
Foreign exchange gains, net	-	-
Others	-	-
Capital losses	472	21,979
Losses from monetary trusts, net	-	(Note 1) 21,892
Losses on investments in trading securities, net	-	-
Losses on sales of securities	224	87
Devaluation losses on securities	248	-
Losses from derivatives, net	-	-
Foreign exchange losses, net	-	-
Others	-	-
Capital gains (losses) (B)	25,150	(21,975)
Core profit reflecting capital gains (losses) (A)+(B)	(7,528)	(2,896)
Other one-time gains	-	3,255
Ceding reinsurance recoveries	-	-
Reversal of contingency reserve	-	-
Others	-	(Note 3) 3,255
Other one-time losses	8,402	6,760
Reinsurance premiums	-	-
Provision for contingency reserve	3,079	6,760
Provision for specific reserve for possible loan losses	0	-
Provision for specific reserves for loans to refinancing countries	-	-
Write-off of loans	-	-
Others	(Note 2) 5,322	-
Other one-time gains (losses) (C)	(8,402)	(3,504)
Ordinary profit (losses) (A)+(B)+(C)	(15,930)	(6,401)

Notes:

1. The figures of gains and losses from monetary trusts are equal to gains and losses on derivative transactions for the purpose of hedging minimum guarantee risks relating to individual variable annuities.

2. 'Others' in other one-time losses above include provision for policy reserve relating to minimum guarantee risks for individual variable annuities contracted prior to March 31, 2004, which were not mandatory in the FSA regulation.

3. Others' in Other one-time gains above include a 3,222 million yen of reversal for policy reserve relating to minimum guarantee risks for individual variable annuities contracted prior to March 31, 2004, which were not mandatory in the FSA regulation. In addition, they include a 32 millions yen of reversal for additional policy reserve relating to third sector products.

5. Solvency Margin Ratio

		(Millions of yen)	
Items	As of December 31, 2009	As of December 31, 2009	As of March 31, 2009
Total solvency margin (A)	101,232	101,232	92,917
Common stocks, etc. (less certain items)	43,806	43,806	48,297
Reserve for price fluctuations	416	416	433
Contingency reserve	24,268	24,268	17,508
Reserve for possible loan losses	3	3	4
Net unrealized gains on available-for-sale securities (before tax) (x 90 per cent., if gains; x 100 per cent., if losses)	(613)	(613)	(1,246)
Net unrealized gains(losses) on real estate (x 85 per cent., if gains; x 100 per cent., if losses)	-	-	-
Excess amount of policy reserve based on Zillmer method	33,351	33,351	27,921
Subordinated debt	-	-	-
Deductible items	-	-	-
Others	-	-	-
Total risk $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	28,462	28,462	22,335
Insurance risk R_1	1,017	1,017	1,098
3rd sector insurance risk R_8	315	315	340
Assumed investment yield risk R_2	339	339	349
Investment risk R_3	1,720	1,720	1,901
Business risk R_4	866	866	691
Minimum guarantee risk R_7	25,504	25,504	19,346
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	711.3%	711.3%	832.0%

Notes:

- The above ratio is calculated in accordance with Articles 86, 87 of the ministerial ordinance for Insurance Business Law as well as Announcement No. 50 issued by the Ministry of Finance in 1996.
- "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.
- "Minimum guarantee risk R_7 " were calculated using the standard method regulated by FSA.

6. Adjusted Net Assets

		(Millions of yen)	
Category	As of December 31, 2009	As of December 31, 2009	As of March 31, 2009
Adjusted net assets	94,202	94,202	87,155

Notes:

- The figure as of March 31, 2009 were calculated according to the orders providing classifications of Insurance Business Law, and descriptions provided in Notification No. 2 issued in January 1999 by Financial Supervisory Agency and Ministry of Finance.
- The figure as of December 31, 2009 were calculated using a reasonable method based on regulatory rules.

[Reference] Business Results for the Three Months from October 1 to December 31

1. Business Highlights

(1) New Policy Amount

(Number: Thousands, 100 Millions of yen)

Category	Three Months from October 1, 2008 to December 31, 2008				Three Months from October 1, 2009 to December 31, 2009						
	Number	Amount			Number	Amount					
		New policies	Increase from conversion			Change (%)	Change (%)	New policies	Increase from conversion		
Individual insurance	-	-	-	-	-	-	-	-	-	-	-
Individual annuities	10	548	548	-	10	102.1	768	140.0	768	-	-
Individual variable annuities	10	548	548	-	10	100.7	760	138.7	760	-	-
Subtotal	10	548	548	-	10	102.1	768	140.0	768	-	-
Group insurance	-	-	-	-	-	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-	-	-	-	-	-

Notes:

1. There is no conversion plan from FY2001.

2. The new policy amount for individual annuity is equal to the initial premium payment for individual variable annuities and fixed annuities.

(2) Annualized Premiums of New policies

(Millions of yen)

Category	Three Months from October 1, 2008 to December 31, 2008	Three Months from October 1, 2009 to December 31, 2009	Change
			(%)
Individual insurance	-	-	-
Individual annuities	10,734	13,887	129.4
Total	10,734	13,887	129.4
3rd Sector	-	-	-

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&C insurance; and the Third Sector, which involves insurance positioned between the two, including medical insurance, cancer insurance, accident insurance, and nursing care insurance.

2. Unaudited Non-Consolidated Statements of Operations

(Millions of yen)

	Three months from October 1, 2008 to December 31, 2008	Three months from October 1, 2009 to December 31, 2009
	Amount	Amount
Ordinary revenues	89,008	100,215
Income from insurance premiums	62,250	83,503
Insurance premiums	60,858	81,701
Ceded reinsurance recoveries	1,391	1,802
Investment income	23,476	14,294
Interest, dividends and income from real estate for rent	1,058	997
Interest income and dividends from securities	978	940
Interest income from loans	56	53
Other income from interest and dividends	24	2
Gains from monetary trust, net	22,417	-
Gains on sales of securities	0	2
Other investment income	0	0
Gains on separate accounts, net	-	13,294
Other ordinary income	3,281	2,417
Income related to withheld insurance claims and other payments for future annuity payments	2,248	1,832
Income due to withheld insurance payments	43	10
Reversal of reserve for outstanding claims	740	348
Reversal of reserve for employees' retirement benefits	244	224
Other ordinary income	3	1
Ordinary expenses	90,826	103,957
Insurance claims and other payments	23,342	18,738
Insurance claims	4,930	3,759
Annuity payments	1,668	1,727
Insurance benefits	4,126	3,723
Surrender payments	6,970	6,634
Other payments	4,785	1,648
Reinsurance premiums	861	1,245
Provision for policy and other reserves	3,867	76,274
Provision for policy reserve	3,866	76,273
Interest portion of reserve for policyholder dividends	1	1
Investment expenses	58,725	3,421
Interest expenses	4	0
Losses from monetary trusts, net	-	3,390
Losses on sales of securities	145	25
Devaluation losses on securities	229	-
Provision for reserve for possible loan losses	2	-
Other investment expenses	9	5
Losses on separate accounts, net	58,334	-
Operating expenses	4,035	4,808
Other ordinary expenses	854	713
Payments related to withheld insurance claims	155	77
Taxes	496	469
Depreciation	166	152
Provision for reserve for directors' and corporate auditors' retirement benefits	14	11
Other ordinary losses	21	1
Ordinary loss	1,817	3,741

(Millions of yen)

	Three months from October 1, 2008 to December 31, 2008	Three months from October 1, 2009 to December 31, 2009
	Amount	Amount
Extraordinary gains	-	21
Reversal of reserve for price fluctuations	-	21
Reversal of reserve for possible loan losses	-	0
Extraordinary losses	6	-
Losses on disposal of fixed assets	0	-
Provision for reserve for price fluctuations	6	-
Provision (Reversal) for reserve for policyholder dividends	5	(0)
Loss before income taxes	1,829	3,719
Current income taxes	2,924	(846)
Deferred income taxes	(3,364)	(264)
Total income taxes	(439)	(1,111)
Net loss	1,390	2,608

3. Reconciliation to Core Profit and Ordinary Profit

(1) Reconciliation to Core Profit

(Millions of yen)

Category	Three Months from October 1, 2008 to December 31, 2008	Three Months from October 1, 2009 to December 31, 2009
Core revenues	67,105	100,212
Income from insurance premiums	62,250	83,503
Insurance premiums	60,858	81,701
Ceded reinsurance recoveries	1,391	1,802
Investment income	1,059	14,291
Interest, dividends and income from real estate for rent	1,058	997
Gains on redemption of securities	-	-
Other investment income	0	0
Gains on separate accounts, net	-	13,294
Other ordinary income	3,795	2,417
Income related to withheld insurance claims and other payments for future annuity payments	2,248	1,832
Income due to withheld insurance payment	43	10
Reversal of reserve for outstanding claims	740	348
Reversal of policy reserves (except contingency reserve)	514	-
Reversal of reserve for employees' retirement benefits	244	224
Other ordinary income	3	1
Other core revenues	-	-
Core expenses	86,584	98,489
Insurance claims and other payments	23,342	18,738
Insurance claims	4,930	3,759
Annuity payments	1,668	1,727
Insurance benefits	4,126	3,723
Surrender payments	6,970	6,634
Other payments	4,785	1,648
Reinsurance premiums	861	1,245
Provision for policy and other reserves	1	74,222
Investment expenses	58,350	6
Interest expenses	4	0
Losses from redemption of securities	-	-
Provision for general reserve for possible loan losses	2	-
Depreciation of real estate for rent	-	-
Other investment expenses	9	5
Losses on separate accounts, net	58,334	-
Operating expenses	4,035	4,808
Other ordinary expenses	854	713
Payments related to withheld insurance claims	155	77
Taxes	496	469
Depreciation	166	152
Provision for reserve for employees' retirement benefits	-	-
Other ordinary losses	35	13
Other core expenses	-	-
Core profit	(19,479)	1,723

(2) Reconciliation to Ordinary Profit

(Millions of yen)

Category	Three Months from October 1, 2008 to December 31, 2008	Three Months from October 1, 2009 to December 31, 2009
Core profit (A)	(19,479)	1,723
Capital gains	22,417	2
Gains from monetary trusts, net	(Note 1) 22,417	-
Gains on investment in trading securities, net	-	-
Gains on sales of securities	0	2
Gains from derivatives, net	-	-
Foreign exchange gains, net	-	-
Others	-	-
Capital losses	374	3,415
Losses from monetary trusts, net	-	(Note 1) 3,390
Losses on investments in trading securities, net	-	-
Losses on sales of securities	145	25
Devaluation losses on securities	229	-
Losses from derivatives, net	-	-
Foreign exchange losses, net	-	-
Others	-	-
Capital gains (losses) (B)	22,042	(3,413)
Core profit reflecting capital gains (losses) (A)+(B)	2,562	(1,689)
Other one-time gains	-	519
Ceding reinsurance recoveries	-	-
Reversal of contingency reserve	-	-
Others	-	(Note 3) 519
Other one-time losses	4,380	2,572
Reinsurance premiums	-	-
Provision for contingency reserve	573	2,572
Provision for specific reserve for possible loan losses	0	-
Provision for specific reserve for loans to refinancing countries	-	-
Write-off of loans	-	-
Others	(Note 2) 3,807	-
Other one-time gains (losses) (C)	(4,380)	(2,052)
Ordinary profit (losses) (A)+(B)+(C)	(1,817)	(3,741)

Notes:

- The figures of gains and losses from monetary trusts are equal to gains and losses on derivative transactions for the purpose of hedging minimum guarantee risks relating to individual variable annuities.
- 'Others' in other one-time losses above include provision for policy reserve relating to minimum guarantee risks for individual variable annuities contracted prior to March 31, 2004, which were not mandatory in the FSA regulation.
- 'Others' in other one-time gains above include a 508 million yen of reversal of policy reserve relating to minimum guarantee risks for individual variable annuities contracted prior to March 31, 2004, which were not mandatory in the FSA regulation. In addition, they include a 11 millions yen of reversal for additional policy reserve relating to third sector products.

Exhibit

The State of Investment in Securitized Products, Sub-prime Related Products and Others (As of December 31, 2009)

The Company had no investment in securitized products, sub-prime related products and others as of December 31, 2009.