

(Reference)

Forecast for fiscal March 2004 results

As reference, forecast for fiscal year ended March 2004 results made as of today and forecast announced at closing of the first quarter of fiscal year ended March 2004 (publicly announced on August 21st, 2003) are presented hereunder:

(Consolidated)

(100 Millions of Yen)

	Current forecast	Previous forecast made on August 21, 2003	Increase/decrease (%) since previous forecast
Ordinary revenues	12,550	11,890	660 (5.6% increase)
Ordinary profit	254	239	15 (6.3% increase)
Net income	37	37	

(Non-consolidated)

(100 Millions of Yen)

	Current forecast	Previous forecast made on August 21, 2003	Increase/decrease (%) since previous forecast
Ordinary revenues	12,390	11,720	670 (5.4% increase)
Income from insurance premiums	8,202	8,605	(403) (4.7% decrease)
Ordinary profit	286	260	26 (10.0% increase)
Core profit	354	33	24 (7.3% increase)
Net income	64	64	(—)
Un-appropriated profit	329	329	(—)
Annual dividends per share	1,500 Yen	1,500 Yen	(—)
New policy amount	30,758	30,758	(—)
Policy amount in force	163,514	163,514	(—)
Amount of surrender and lapse	13,498	13,498	(—)
Surrender and lapse rate	8.84%	8.84%	(—)
Negative spread	354	354	(—)
Average assumed investment yield	2.94%	2.94%	(—)
Total assets	64,372	64,372	(—)

* New insurance policy amount and policy amount in force represent the total of individual insurance and individual annuities. New insurance policy amount includes net increase by policy conversion.

* Forecast for business results presented in the above may largely differ from actual business results according to future uncertainties.

Supplementary Data for the Six Months Ended Sept. 30, 2003
Non-Consolidated Finance Results at Press Conference

(1) Sales results

		As of End of 1H, FY2003		As of End of FY2002	As of End of 1H, FY2002
			Ratio to End of FY 2002		
Amount of new policies	(MY)	1,467,059	—	39.6%	2,175,488
Amount of policies in force	(MY)	15,698,372	2.8%	3.5%	15,268,605
Amount of surrender and lapse	(MY)	685,084	—	6.6%	1,318,853
Ratio of surrender and lapse	(%)	4.49	—	—	8.66
Income from insurance premium	(MY)	413,674	—	(10.9%)	887,942
Individual insurance included	(MY)	346,681	—	(11.3%)	762,175
Group insurance included	(MY)	66,405	—	(9.2%)	124,575

* Other than Income from insurance premium is premiums for individual insurance and individual annuities.

* Surrender and lapse are calculated without offsetting recovered policies after lapse.

* Individual insurance included in Income from insurance premium is the total premium for the individual insurance and the individual annuities, and the group insurance is the total premiums for the group insurance and the group annuities.

* "Ratio to End of FY 2002" and "Ratio to End of 1H, FY 2002" indicate the ratio of the changes.

* Income from insurance premium are based on Income Statement.

(2) Assets

		As of End of 1H, FY2003		As of End of FY2002	As of End of 1H, FY2002
			Ratio to End of FY 2002		
Total assets	(MY)	6,613,248	1.3%	(1.4%)	6,528,068
Adjusted net assets	(MY)	377,533	10.6%	(20.2%)	341,261
Solvency margin ratio	(%)	833.1	151.6%	50.0%	681.5

*"Ratio to End of FY 2002" and "Ratio to End of 1H, FY 2002" indicate the ratio of the changes (Solvency margin ratio indicates the change in the percentage point).

(3) Core profit/amount of negative spread

		As of End of 1H, FY2003		As of End of FY2002	As of End of 1H, FY2002
			Ratio to End of FY 2002		
Core profit	(MY)	25,105	—	53.1%	28,734

*"Ratio to End of 1H, FY 2002" indicates the ratio of the changes.

		As of End of 1H, FY2003	As of End of FY2003 (forecast)	As of End of FY2002	As of End of 1H, 2002
Amount of negative spread	(MY)	11,393	35,400	43,450	21,993

(4) Policy and other reserves

		As of End of 1H, FY2003		As of End of FY2002	As of End of 1H, FY2002
			Change to End of FY 2002		
Policy reserves (excluding reserve for contingency)	(MY)	6,026,948	(52,949)	(148,894)	6,079,898
General accounts included (excluding reserve for contingency)	(MY)	5,990,496	(40,408)	(127,595)	6,030,905
Separates accounts included (excluding reserve for contingency)	(MY)	36,452	(12,540)	(21,299)	48,992
Reserve for price fluctuations	(MY)	3,275	1,143	(52,720)	2,132
Reserve for contingency	(MY)	54,893	544	812	54,348
Reserve for contingency I included	(MY)	42,822	544	812	42,277
Reserve for contingency II included	(MY)	12,070	—	—	12,070

* "Change to End of FY 2002" and "Change to End of 1H, FY 2002" indicate the actual amount of changes.

(5) Unrealized gains/loss

		As of End of 1H, FY2003			As of End of FY2002	As of End of 1H, FY2002
			Change to End of FY 2002	Change to End of 1H, FY 2002		
Securities	(MY)	106,711	70,932	75,219	35,778	31,491
Domestic shares included	(MY)	68,285	131,204	125,622	(62,919)	(57,337)
Domestic bonds included	(MY)	14,402	(74,684)	(63,171)	89,086	77,573
Foreign shares included	(MY)	19,002	7,105	6,932	11,896	12,069

* "Change to End of FY 2002" and "Change to End of 1H, FY 2002" indicate the actual amount of changes.

* The average price during the last month of each FY is used for market value of domestic and foreign shares, and currency exchange of foreign-currency denominated assets.

* Unrealized gains/losses are the total unrealized profits/losses on the yen-converted foreign securities out of securities without any market value, and the securities with market value.

(6) Devaluation Losses

		As of End of 1H, FY2003			As of End of FY2002	As of End of 1H, FY2002
			Ratio to End of FY 2002	Ratio to End of 1H, FY 2002		
Securities	(MY)	44	(99.9%)	(99.4%)	82,595	7,347
Domestic shares included	(MY)	44	(99.9%)	(99.3%)	80,320	6,180
Domestic bonds included	(MY)	-	-	-	-	-
Foreign shares included	(MY)	-	(100.0%)	(100.0%)	879	111

* "Ratio to End of FY 2002" and "Ratio to End of 1H, FY 2002" indicate the ratio of the changes.

(7) Performance and plan of asset management

		1H (Actual)	2H (Planned)
Domestic shares	(MY)	(46,698)	Slight increase
Domestic bonds	(MY)	(136,333)	Slight decrease
Foreign shares	(MY)	6,657	Level-off
Foreign bonds	(MY)	170,889	Level-off
Real estate	(MY)	(3,937)	Level-off

* 1H (Actual) indicates the amount of changes on a book-value basis.

(8) Stock index price at which unrealized gains/losses on assets becomes zero (as of the end of 1H, FY 2003)

Domestic shares (Nikkei Stock Average)	(yen)	approx.	8,840yen
Domestic shares (TOPIX)	(point)	approx.	881point
Domestic bonds	(%)	approx.	1.50%
Foreign securities	(yen)	approx.	112.0yen

* Domestic bonds are converted to the yield on newly issued 10-year government bonds, and foreign securities are converted from the U.S. dollar to yen.

(9) Performance forecast for FY2003

		Forecast for FY2003			
		Anticipated Revision		Previous forecast (as of Aug. 21, 2003)	Initial forecast (as of May 22, 2003)
Ordinary revenue	(MY)	1,239,000	(10.6% down)	1,172,000	1,172,000
Income from insurance premium	(MY)	820,200	(7.6% down)	860,500	860,500
Ordinary income	(MY)	28,600	(35.8% up)	26,000	26,000
Core profit	(MY)	35,400	(23.2% up)	33,000	29,400
Net income	(MY)	6,400	(32.6% up)	6,400	6,400
Unappropriated profit	(MY)	32,900	(-)	32,900	32,900
Amount of new policies	(MY)	3,075,800	(41.4% up)	3,075,800	3,075,800
Amount of policies in force	(MY)	16,351,400	(7.1% up)	16,351,400	16,590,800
Amount of surrender and lapse	(MY)	1,349,800	(2.4% up)	1,349,800	1,210,600
Ratio of surrender and lapse	(%)	8.84	(0.18 point up)	8.84	7.93
Total assets	(MY)	6,437,200	(1.7% down)	6,437,200	6,437,200

* () is the comparison with actual results for FY 2002.

(10) Cross-holding of capital with banks

i) Contribution from domestic banks

		Total amount
Contribution to the fund	(MY)	—
Subordinated loans and others	(MY)	80,000

* Subordinated loans and others as contribution from banks include subordinated loans and subordinated bonds.

ii) Contribution to domestic banks

		Total amount
Bank shares held (market value)	(MY)	56,317
Preferred stock (invested in SPC overseas)	(MY)	90,000
Preferred equity securities (invested in SPC overseas)	(MY)	-
Subordinated loans and others	(MY)	301,544

* The market price is the same as indicated on the Balance Sheet.

* Subordinated loans and others as contribution to banks include subordinated loans, subordinated bonds and preferred equity securities (except investments in overseas affiliated companies of banks and their group).

(11) Number of employees

		As of End of 1H, FY2003		As of End of FY2002	As of End of 1H, FY2002
		Ratio to End of FY 2002	Ratio to End of 1H, FY 2002		
In-house Sales Representatives	(person)	8,720	(1.0%)	(1.3%)	8,808
Administrative personnel	(person)	2,838	(2.4%)	(5.8%)	3,012

* "Ratio to End of FY 2002" and "Ratio to End of 1H, FY 2002" indicate the ratio of the changes.

(12) Sales over the counter of banks (number of new contract from October 2002 to September 2003)

Variable annuities	The Company is not engaged in sales over the counter of banks, but T&D Financial Life Insurance, a member of T&D Life Group, deals with this type of trade.
Fixed annuities	

(13) Others

i) Future measures for reinforcing capital

This time, the company issued publicly offered subordinated bonds of 20 billion yen. This is financing to prepare for maturity of the subordinated loan from a bank, which is also consistent with company's policy to unravel cross-holding with banks. From now on, the Company has to take other measures to enhance capital through accumulation of the net worth, and capital increase as the T&D Life Group, but the Company is intending to reduce the balance of subordinated debt in the long- and medium-term.

ii) Our opinion about the issue of lowering the guaranteed rate on policies

The burden of the negative spread is reducing every year because high guaranteed rate contracts is maturing, so these is no problem in our financial healthiness. Since cutting of the guaranteed rate leads to burden for policyholders, and possibly to undermine the favorable relationship we have built with them, the Company has no plan to cut the return.

iii) Future restructuring plan

The Company is striving to hold down personnel costs by reducing factors leading to paperwork through integration of business processes with the Call Center and IT technologies, and by cutting employment back office staff through positive introduction of part-time employees and temporary staff.

* The result value is indicated by cutting off fractions, and the percentage such as the YoY rate is rounded off.