

Supplementary Materials
for the Six Months Ended September 30, 2003 Financial Results

Percentages are rounded to the nearest relevant percentage point.
Therefore, the sums of each percentage do not always amount to
100%.

1. Insurance Business Highlights (Non-Consolidated)

| | |
|---|-----|
| (1) Total number of policies and total policy amount in force | P.1 |
| (2) Number of new policies and new policy amount | P.1 |
| (3) Term life insurance policies by dividend type | P.2 |
| (4) Average amount of new policies and amount in force | P.3 |
| (5) New policy rate | P.3 |
| (6) Surrender and lapse rate | P.3 |
| (7) Surrender and lapse amount | P.4 |
| (8) Average premium amount of new policies | P.4 |
| (9) Average assumed investment yield | P.4 |
| (10) Mortality rate | P.4 |
| (11) Reserve for outstanding claims | P.5 |
| (12) Policy reserve | P.5 |
| (13) Policy reserve calculating methods and ratios | P.5 |
| (14) Other reserves | P.6 |
| (15) Insurance premium | P.6 |
| (16) Insurance claims | P.7 |
| (17) Annuity payments | P.7 |
| (18) Insurance benefits | P.7 |
| (19) Surrender payments | P.7 |
| (20) Operating expenses | P.7 |

2. Investment of General Account Assets for the Six Months Ended September 30, 2003 (Non-Consolidated)

| | |
|--|-----------|
| (1) Six months ended September 30, 2003 investment | P.8 - 9 |
| (2) Asset composition | P.10 |
| (3) Changes in the amount of assets by categories | P.10 |
| (4) Investment gains/losses by asset categories | P.11 |
| (5) Investment income/gains | P.12 |
| (6) Investment expenses/losses | P.12 |
| (7) Net investment gains/losses | P.12 |
| (8) Securities | P.13 |
| (9) Securities by contractual maturity dates | P.14 |
| (10) Stock holdings by industry | P.15 |
| (11) Municipal bonds by region | P.16 |
| (12) Loans | P.16 |
| (13) Loans to domestic companies by company size | P.16 |
| (14) Loans by region | P.17 |
| (15) Loans by industry | P.18 |
| (16) Loans by collateral type | P.19 |
| (17) Foreign investments | P.20 - 21 |
| (18) Fair value information on securities and others | P.22 - 32 |

3. Status of Separate Account Assets for the Six Months Ended September 30, 2003 (Non-Consolidated)

| | |
|---|-----------|
| (1) Balance of separate account assets | P.33 |
| (2) Status of individual variable insurance and annuities (separate accounts) | P.33 - 36 |

4. Total of General Account Assets and Separate Account Assets (Non-Consolidated)

| | |
|---|-----------|
| (1) Asset composition | P.37 |
| (2) Fair value information on securities and others | P.38 - 48 |

5. Risk Monitored Loans (Based on Insurance Business Law Guidelines)

| | |
|--------------------|------|
| (Consolidated) | P.49 |
| (Non-Consolidated) | P.50 |

6. Disclosed Claims Based on Insurance Business Law Standard

| | |
|---|------|
| (Consolidated) | P.51 |
| (Non-Consolidated) | P.51 |
| (Reference) Reserve for possible loan losses (non-consolidated) | P.52 |

7. Core Profit and Reconciliation to Non-Consolidated Ordinary Profit

P.53

8. Solvency Margin Ratio

| | |
|--|------|
| (Non-Consolidated) | P.54 |
| (T&D Financial Life Insurance Company) | P.55 |

1. Insurance Business Highlights (Non-Consolidated)

(1) Total number of policies and total policy amount in force

(Number, 100 Millions of Yen)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|----------------------|--------------------------|---------|--------------------------|---------|----------------------|---------|
| | Number | Amount | Number | Amount | Number | Amount |
| Individual Insurance | 1,992,453 | 379,196 | 2,001,314 | 379,727 | 2,006,206 | 381,811 |
| Individual Annuities | 136,524 | 11,562 | 128,740 | 11,135 | 135,904 | 11,615 |
| Subtotal | 2,128,977 | 390,758 | 2,130,054 | 390,863 | 2,142,110 | 393,426 |
| Group Insurance | - | 124,187 | - | 126,834 | - | 123,658 |
| Group Annuities | - | 24,014 | - | 25,129 | - | 24,418 |

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) Number of new policies and new policy amount

(Number, 100 Millions of Yen)

| | Six Months Ended September 30, 2003 | | | |
|----------------------|-------------------------------------|--------|--------------|--------------------------|
| | Number | Amount | Amount | |
| | | | New Policies | Increase from Conversion |
| Individual Insurance | 120,683 | 20,755 | 20,711 | 44 |
| Individual Annuities | 3,811 | 338 | 337 | 1 |
| Subtotal | 124,494 | 21,094 | 21,049 | 45 |
| Group Insurance | - | 691 | 691 | |
| Group Annuities | - | 2 | 2 | |

| | Six Months Ended September 30, 2002 | | | |
|----------------------|-------------------------------------|--------|--------------|--------------------------|
| | Number | Amount | Amount | |
| | | | New Policies | Increase from Conversion |
| Individual Insurance | 132,475 | 22,399 | 22,261 | 137 |
| Individual Annuities | 5,333 | 565 | 565 | 0 |
| Subtotal | 137,808 | 22,964 | 22,826 | 137 |
| Group Insurance | - | 3,792 | 3,792 | |
| Group Annuities | - | 0 | 0 | |

| | Year Ended March 31, 2003 | | | |
|----------------------|---------------------------|--------|--------------|--------------------------|
| | Number | Amount | Amount | |
| | | | New Policies | Increase from Conversion |
| Individual Insurance | 265,082 | 45,336 | 45,116 | 220 |
| Individual Annuities | 15,635 | 1,398 | 1,397 | 0 |
| Subtotal | 280,717 | 46,735 | 46,513 | 221 |
| Group Insurance | - | 4,976 | 4,976 | |
| Group Annuities | - | 0 | 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 products is equal to the initial premium payment.

(3) Term life insurance policies by dividend type

(Number, 100 Millions of Yen, %)

| | As of September 30, 2003 | | | | Six Months Ended September 30, 2003 | | | |
|--------------------|--------------------------|------------|---------|------------|-------------------------------------|------------|--------|------------|
| | Policies in force | | | | New policies | | | |
| | Number | | Amount | | Number | | Amount | |
| | | Percentage | | Percentage | | Percentage | | Percentage |
| Participating | 821,088 | 59.6 | 224,910 | 64.9 | 22,390 | 22.7 | 5,749 | 28.7 |
| Semi-participating | 306,652 | 22.2 | 76,696 | 22.1 | 13,885 | 14.1 | 4,139 | 20.7 |
| Non-participating | 250,795 | 18.2 | 45,019 | 13.0 | 62,213 | 63.2 | 10,128 | 50.6 |
| Total | 1,378,535 | 100.0 | 346,625 | 100.0 | 98,488 | 100.0 | 20,017 | 100.0 |

| | As of September 30, 2002 | | | | Six Months Ended September 30, 2002 | | | |
|--------------------|--------------------------|------------|---------|------------|-------------------------------------|------------|--------|------------|
| | Policies in force | | | | New policies | | | |
| | Number | | Amount | | Number | | Amount | |
| | | Percentage | | Percentage | | Percentage | | Percentage |
| Participating | 868,293 | 64.1 | 239,127 | 69.2 | 23,580 | 23.6 | 6,417 | 30.4 |
| Semi-participating | 323,502 | 23.9 | 76,883 | 22.3 | 13,106 | 13.2 | 4,085 | 19.3 |
| Non-participating | 162,719 | 12.0 | 29,253 | 8.5 | 63,090 | 63.2 | 10,619 | 50.3 |
| Total | 1,354,514 | 100.0 | 345,265 | 100.0 | 99,776 | 100.0 | 21,122 | 100.0 |

| | As of March 31, 2003 | | | | Year Ended March 31, 2003 | | | |
|--------------------|----------------------|------------|---------|------------|---------------------------|------------|--------|------------|
| | Policies in force | | | | New policies | | | |
| | Number | | Amount | | Number | | Amount | |
| | | Percentage | | Percentage | | Percentage | | Percentage |
| Participating | 849,001 | 61.9 | 233,548 | 67.1 | 51,061 | 25.9 | 13,595 | 31.8 |
| Semi-participating | 315,934 | 23.1 | 77,038 | 22.1 | 28,006 | 14.2 | 8,553 | 20.0 |
| Non-participating | 205,907 | 15.0 | 37,460 | 10.8 | 118,365 | 59.9 | 20,613 | 48.2 |
| Total | 1,370,842 | 100.0 | 348,046 | 100.0 | 197,432 | 100.0 | 42,762 | 100.0 |

Notes:

1. *Semi-participating policies only pay dividends related to investment every five years.*
2. *The figures for new policies do not include the net increase from conversion.*

(4) Average amount of new policies and amount in force (Individual insurance)

(Thousands of Yen)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|--------------------------------|--|--|---------------------------|
| Average Amount of New Policies | 17,434 | 17,118 | 17,330 |
| Average Amount in Force | 19,031 | 18,973 | 19,031 |

Note: The average amount of new policies does not include increase from conversion.

(5) New policy rate (New policy amount / amount in force at the beginning of fiscal year)

(%)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|----------------------|--|--|---------------------------|
| Individual Insurance | 5.42 | 5.88 | 11.9 |
| Individual Annuities | 3.02 | 5.37 | 13.3 |
| Group Insurance | 0.56 | 3.18 | 4.2 |

Notes:

1. The new policy amount does not include increase from conversion.
2. Policy amount in force for individual annuities are the funds to be held at the time annuity payments are to commence for an annuity for which annuity payments have not yet commenced.
3. The figures for the six months ended September 30, 2003 and 2002 are not annualized.

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

(%)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|----------------------|--|--|---------------------------|
| Individual Insurance | 5.28 | 4.80 | 9.6 |
| Individual Annuities | 2.94 | 2.77 | 5.6 |
| Group Insurance | - | - | 0.0 |

Notes:

1. The surrender and lapse rate represents adjusted rate including increase and decrease of policy amount and reinstatement.
2. The figures for the six months ended September 30, 2003 and 2002 are not annualized.
3. Group insurance figures for the six months ended September 30, 2003 and 2002 are shown as bars, because the amount of adjusted surrender and lapse are below zero.

(Reference) Surrender and lapse rate without adjustments

(%)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|------------------------------------|--|--|---------------------------|
| Individual Insurance and Annuities | 4.64 | 4.23 | 8.5 |

Note: The figures for the six months ended September 30, 2003 and 2002 are not annualized.

(7) Surrender and lapse amount

(Millions of Yen)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|----------------------|--|--|---------------------------|
| Individual Insurance | 1,791,541 | 1,618,463 | 3,233,160 |
| Individual Annuities | 31,939 | 28,110 | 57,495 |
| Group Insurance | 70,661 | 28,997 | 51,559 |

(8) Average premium amount of individual insurance new policies (Monthly Premium)

(Yen)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|------------------------|--|--|---------------------------|
| Average Premium Amount | 200,511 | 201,093 | 215,499 |

Notes:

1. The figures do not include increase from conversion.
2. The figures are annualized.

(9) Average assumed investment yield for individual insurance and annuities

(%)

| | As of September 30, 2003 | As of September 30, 2002 | As of March 31, 2003 |
|----------------------------------|--------------------------|--------------------------|----------------------|
| Average Assumed Investment Yield | 3.79 | 3.97 | 3.87 |

(10) Mortality rate for individual insurance

(%o)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|----------------------------------|--|--|---------------------------|
| Rate based on Number of Policies | 1.88 | 1.95 | 3.98 |
| Rate based on Policy Amount | 2.13 | 2.04 | 4.24 |

Note: The figures for the six months ended September 30, 2003 and 2002 are not annualized.

(11) Reserve for outstanding claims

(Millions of Yen)

| | As of September 30, 2003 | As of September 30, 2002 | As of March 31, 2003 |
|---------------------------|-----------------------------|-----------------------------|----------------------|
| Insurance Claims | | | |
| Death Benefits | 26,700 | 29,587 | 29,419 |
| Accidental Death Benefits | 751 | 3,843 | 969 |
| Disability Benefits | 5,377 | 2,160 | 5,668 |
| Maturity Benefits | 670 | 692 | 1,145 |
| Others | 0 | 0 | 1 |
| Sub Total | 33,501 | 36,283 | 37,205 |
| Annuity Payments | 82 | 75 | 79 |
| Insurance Benefits | 3,722 | 3,629 | 6,123 |
| Surrender Payments | 4,619 | 3,497 | 3,918 |
| Total | 42,422 | 43,945 | 47,734 |

(12) Policy reserve

(Millions of Yen)

| | As of September 30, 2003 | As of September 30, 2002 | As of March 31, 2003 |
|--|-----------------------------|-----------------------------|----------------------|
| Policy Reserve (excluding contingency reserve) | | | |
| Individual Insurance | 2,495,979 | 2,426,900 | 2,472,474 |
| Individual Annuity | 397,846 | 379,372 | 389,898 |
| Group Insurance | 9,971 | 9,274 | 9,770 |
| Group Annuity | 2,401,057 | 2,508,457 | 2,441,452 |
| Others | 5,675 | 5,868 | 5,780 |
| Sub Total | 5,310,530 | 5,329,873 | 5,319,376 |
| Contingency Reserve | | | |
| Contingency Reserve I | 43,465 | 43,154 | 43,417 |
| Contingency Reserve II | 32,201 | 31,548 | 31,924 |
| Sub Total | 75,667 | 74,702 | 75,341 |
| Total | 5,386,197 | 5,404,576 | 5,394,718 |

(13) Policy reserve calculating methods and ratios

| | | As of September 30, 2003 | As of September 30, 2002 | As of March 31, 2003 |
|--|--|----------------------------------|----------------------------------|----------------------------------|
| Calculating Methods | Policies subject to Standard Policy Reserve Method | Standard Policy Reserve Method | Standard Policy Reserve Method | Standard Policy Reserve Method |
| | Policies not subject to Standard Policy Reserve Method | Net Level Premium Reserve Method | Net Level Premium Reserve Method | Net Level Premium Reserve Method |
| Ratio of "Amount of the Company's Policy Reserve (Excluding Contingency Reserve)" to "Policy Reserve Required by Regulatory Standards" | | 100% | 100% | 100% |

Note: Calculating methods and ratios stated above cover individual insurance and annuity policies only. Group insurance and annuity policies have different calculating methods.

(14) Other reserves

(Millions of Yen)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|---|-----------------------------|------------------------|-----------------------------|------------------------|----------------------|------------------------|
| | Amount | Increase (Decrease) | Amount | Increase (Decrease) | Amount | Increase (Decrease) |
| Reserve for Possible Loan Losses | | | | | | |
| General Reserve | 1,322 | (1,813) | 4,413 | (1,617) | 3,136 | (2,894) |
| Specific Reserve | 3,169 | (533) | 3,657 | (1,829) | 3,703 | (1,783) |
| Specific Reserves for Loans to Refinancing Countries | - | - | - | - | - | - |
| Reserve for Employees' Retirement Benefits | 62,757 | (1,054) | 61,616 | 181 | 63,812 | 2,377 |
| Reserve for Losses on Sale of Loans | 64 | 0 | 63 | 0 | 63 | 0 |
| Allowance for Reserve for Policyholder Dividends | - | - | - | (30,662) | - | (30,662) |
| Reserve for Price Fluctuations | 30,005 | 763 | 28,726 | 684 | 29,242 | 1,199 |

(15) Insurance premium*a. Payment Method*

(Millions of Yen)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|-----------------------|--|--|------------------------------|
| Individual Insurance | 302,260 | 320,737 | 641,681 |
| [Single Premiums] | [18,011] | [34,209] | [70,173] |
| [Annual Payment] | [70,844] | [71,638] | [141,603] |
| [Semi-Annual Payment] | [624] | [656] | [1,318] |
| [Monthly Payment] | [212,779] | [214,232] | [428,586] |
| Individual Annuities | 15,193 | 24,523 | 43,308 |
| [Single Premiums] | [1,470] | [8,739] | [11,734] |
| [Annual Payment] | [1,743] | [4,770] | [9,017] |
| [Semi-Annual Payment] | [74] | [73] | [149] |
| [Monthly Payment] | [11,904] | [10,939] | [22,406] |
| Group Insurance | 21,924 | 22,608 | 49,613 |
| Group Annuities | 139,569 | 146,270 | 251,116 |
| Total | 480,132 | 515,398 | 988,327 |

b. Year

(Millions of Yen, %)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|------------------------------------|--|--|------------------------------|
| Individual Insurance and Annuities | | | |
| First Year | 51,875 | 74,657 | 147,890 |
| Second and Subsequent Year | 265,578 | 270,603 | 537,099 |
| Sub Total | 317,454 | 345,260 | 684,990 |
| Group Insurance | | | |
| First Year | 394 | 301 | 1,657 |
| Second and Subsequent Year | 21,530 | 22,307 | 47,956 |
| Sub Total | 21,924 | 22,608 | 49,613 |
| Group Annuities | | | |
| First Year | 452 | 1,042 | 2,013 |
| Second and Subsequent Year | 139,116 | 145,228 | 249,103 |
| Sub Total | 139,569 | 146,270 | 251,116 |
| Total | | | |
| First Year | 52,775 | 76,087 | 151,714 |
| Second and Subsequent Year | 427,357 | 439,310 | 836,612 |
| Total | 480,132 | 515,398 | 988,327 |
| % Change | (6.8) | 2.4 | (6.6) |

(16) Insurance claims

(Millions of Yen)

| | Individual Insurance | Individual Annuities | Group Insurance | Group Annuities | Workers' Asset Formation Insurance and Annuities | Others | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|---------------------------|----------------------|----------------------|-----------------|-----------------|--|------------|-------------------------------------|-------------------------------------|---------------------------|
| Death Benefits | 78,816 | 11 | 12,941 | - | - | 135 | 91,904 | 84,694 | 175,660 |
| Accidental Death Benefits | 780 | - | 122 | - | - | 9 | 911 | 932 | 2,033 |
| Disability Benefits | 6,031 | 5 | 644 | - | - | - | 6,681 | 5,988 | 12,852 |
| Maturity Benefits | 32,685 | 0 | - | 48,540 | 57 | - | 81,283 | 66,435 | 104,654 |
| Others | - | - | - | 602 | - | 29 | 632 | 642 | 687 |
| Total | 118,313 | 16 | 13,708 | 49,143 | 57 | 173 | 181,412 | 158,694 | 295,889 |

(17) Annuity payments

(Millions of Yen)

| Individual Insurance | Individual Annuities | Group Insurance | Group Annuities | Workers' Asset Formation Insurance and Annuities | Others | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2002 |
|----------------------|----------------------|-----------------|-----------------|--|--------|-------------------------------------|-------------------------------------|---------------------------|
| 40 | 3,034 | 38 | 10,391 | 49 | - | 13,553 | 13,188 | 27,104 |

(18) Insurance benefits

(Millions of Yen)

| | Individual Insurance | Individual Annuities | Group Insurance | Group Annuities | Workers' Asset Formation Insurance and Annuities | Others | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|--------------------------|----------------------|----------------------|-----------------|-----------------|--|-----------|-------------------------------------|-------------------------------------|---------------------------|
| Death Benefits | 51 | 628 | 1 | - | - | - | 681 | 467 | 1,207 |
| Hospitalization Benefits | 6,180 | 23 | 213 | - | - | 31 | 6,447 | 6,779 | 13,332 |
| Operation Benefits | 3,052 | 15 | - | - | - | - | 3,067 | 2,982 | 5,819 |
| Injury Benefits | 62 | - | 52 | - | - | - | 115 | 136 | 257 |
| Survival Benefits | 662 | - | - | - | 47 | - | 710 | 948 | 2,326 |
| Others | 35 | 481 | 25 | 102,642 | 1 | 6 | 103,191 | 116,479 | 231,371 |
| Total | 10,045 | 1,147 | 292 | 102,642 | 49 | 37 | 114,214 | 127,794 | 254,314 |

(19) Surrender payments

(Millions of Yen)

| Individual Insurance | Individual Annuities | Group Insurance | Group Annuities | Workers' Asset Formation Insurance and Annuities | Others | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|----------------------|----------------------|-----------------|-----------------|--|--------|-------------------------------------|-------------------------------------|---------------------------|
| 94,827 | 8,502 | - | 9,273 | 229 | - | 112,833 | 106,682 | 215,896 |

(20) Operating expenses

(Millions of Yen)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|---|-------------------------------------|-------------------------------------|---------------------------|
| Sales Activity Related Expenses | 15,866 | 16,312 | 32,669 |
| In-house sales representative expenses | 9,680 | 10,050 | 20,162 |
| Sales agent expenses | 5,850 | 5,921 | 11,831 |
| Selection expenses | 335 | 340 | 675 |
| Sales Administrative Expenses | 10,259 | 11,002 | 20,297 |
| Administrative / operational expenses | 9,603 | 9,776 | 18,668 |
| Advertising expenses | 655 | 1,225 | 1,629 |
| General Administrative Expenses | 28,091 | 29,092 | 56,244 |
| Personnel expenses | 9,129 | 8,978 | 17,804 |
| Expenses for premium collection, computer systems, equipments, offices and others | 18,015 | 18,856 | 35,929 |
| [Donation / contribution and others] | [100] | [29] | [41] |
| Contribution to the Policyholder Protection Fund | 416 | 418 | 833 |
| Contribution to the Policyholder Protection Corporation | 530 | 838 | 1,676 |
| Total | 54,217 | 56,406 | 109,212 |

2. Investment in General Account Assets for the Six Months Ended September 30, 2003 **(Non-Consolidated)**

(1) Six months ended September 30, 2003 investment

a. Environment

Economic sentiment improved substantially during the interim term under review, with the swift conclusion of the war in Iraq, subsiding of the SARS outbreak, and injection of public funds into the Resona Group. The Bank of Japan also supported these trends through such measures as continuing its policy of credit relaxation. In real economic terms as well, consumer spending showed signs of improvement, capital investment continued to recover gradually, and two consecutive upward adjustments were made to the Japanese government's monthly economic report in August and September 2003.

Against this backdrop, the Japanese stock market experienced a sharp rise. Although weak at the start of the fiscal year, the stock market began to rise in the latter half of April on the strength of recovery in overseas stock markets and active buying demand on the part of foreign investors. This, together with the injection of public funds into the Resona Group in May, helped to dispel some anxiety surrounding the financial system, thus providing further momentum to rising stock prices. Stock prices remained strong throughout the half as a result of the robustness of global stock markets, improved business confidence, and more favorable than expected economic indicators announced in the Bank of Japan's *tankan* summary for July.

(Nikkei average: March 31, 2003: ¥7,972; September 30, 2003: ¥10,219)

(Topix: March 31, 2003: 788; September 30, 2003: 1,018)

Following an initial downward slide, Japan's long-term interest rates surged upward during the interim term. Yields on 10-year Japanese government bonds dropped to the 0.4% mark, as difficulties facing institutional investors caused a greater flow of capital into government bonds, and indications suggesting worldwide deflation were also present. However, weakness in the 20-year Japanese government bond auction in June proved to be a turning point, with yields beginning to rise thereafter. Strong stock prices and improved business confidence provided a further boost to interest rates during the remainder of the half, and, by the beginning of September, yields had rebounded to the 1.6% mark. Subsequently, as the interim term drew to a close, yields dipped again slightly owing to the sudden appreciation of the yen and the Bank of Japan's emphasis on continued credit relaxation.

(10-year JGB yields: March 31, 2003: 0.70%; September 30, 2003: 1.39%)

In currency exchange markets, although the U.S. dollar displayed weakness against the euro and the yen from the outset of the fiscal year, large-scale yen selling intervention in May following the yen's rise against the dollar to the ¥115 mark brought a respite to the yen's appreciation. However, G7 statements in the latter half of September were interpreted as critical of this intervention, resulting in a resumption in the rise of the yen's value.

Regarding the euro, low interest rates in the United States gave the euro substantial strength against the dollar, with the euro rising against the yen as well to the ¥140 mark. However, improvement in U.S. business confidence subsequently led to the euro's depreciation against both the dollar and yen.

(Yen/dollar exchange rate: March 31, 2003: ¥120.20; September 30, 2003: ¥111.25)

(Yen/euro exchange rate: March 31, 2003: ¥129.85; September 30, 2003: ¥129.18)

b. Investment principles

To efficiently invest the insurance premiums it receives from customers, Daido Life emphasizes the investment principles of “investment to match the assumed yields, terms and other characteristics of its insurance products” and “maintaining the soundness of assets.”

To ensure that its investment operations are conducted in accordance with those principles, the Company undertakes rigorous risk management in each asset category and strategically allocates assets within tolerable risk with an eye to increasing investment yields.

c. Investment performance

As of September 30, 2003, general account assets amounted to ¥5,903.4 billion (¥5,840.1 billion), up ¥63.3 billion from the level at the end of the previous fiscal year (hereinafter, figures in parentheses represent levels at the end of the previous fiscal year).

During the interim term under review, while the Company invested proactively in currency-hedged foreign bonds and the stock market recovered, the Company also reduced its balance of stock index futures selling, which it had conducted for hedging purposes. The Company also sold a portion of its bond holdings as well as bond futures as a countermeasure against the risk of drain on its capital due to increased interest rates.

At the end of the interim term, the percentages of the Company’s general account assets in principal categories were as follows: domestic bonds, 43.7% (52.0%); domestic stocks, 4.7% (3.5%); foreign securities, 11.9% (6.0%); and loans, 19.7% (20.2%).

Regarding principal items within investment income and expenses, interest, dividends, and income from real estate for rent amounted to ¥61.1 billion. Gains on sales of securities totaled ¥22.4 billion, while losses on sales of securities were ¥1.0 billion. Net gains from monetary trusts were ¥5.0 billion. Net losses from derivatives were ¥3.5 billion, and devaluation losses on securities were ¥0.4 billion.

(2) Asset composition

(Millions of Yen, %)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|--|--------------------------|------------|--------------------------|------------|----------------------|------------|
| | Amount | Percentage | Amount | Percentage | Amount | Percentage |
| Cash and deposits, call loans | 364,821 | 6.2% | 404,978 | 7.0% | 390,043 | 6.7% |
| Securities repurchased under resale agreements | - | - | - | - | - | - |
| Pledged money for bond borrowing transaction | - | - | - | - | - | - |
| Monetary claims purchased | 59,998 | 1.0 | 11,998 | 0.2 | 40,897 | 0.7 |
| Securities under proprietary accounts | - | - | - | - | - | - |
| Monetary trusts | 183,025 | 3.1 | 81,972 | 1.4 | 150,393 | 2.6 |
| Securities | 3,859,375 | 65.4 | 3,804,215 | 65.8 | 3,786,043 | 64.8 |
| Domestic bonds | 2,577,809 | 43.7 | 2,871,778 | 49.7 | 3,035,369 | 52.0 |
| Domestic stocks | 279,604 | 4.7 | 267,354 | 4.6 | 201,720 | 3.5 |
| Foreign securities | 705,427 | 11.9 | 464,740 | 8.0 | 352,167 | 6.0 |
| Foreign bonds | 553,164 | 9.4 | 317,956 | 5.5 | 211,429 | 3.6 |
| Foreign stocks and other securities | 152,263 | 2.6 | 146,783 | 2.5 | 140,738 | 2.4 |
| Other securities | 296,533 | 5.0 | 200,342 | 3.5 | 196,786 | 3.4 |
| Loans | 1,165,163 | 19.7 | 1,165,502 | 20.2 | 1,181,658 | 20.2 |
| Policy loans | 79,093 | 1.3 | 72,647 | 1.3 | 78,248 | 1.3 |
| Commercial loans | 1,086,070 | 18.4 | 1,092,855 | 18.9 | 1,103,410 | 18.9 |
| Property and equipment | 167,672 | 2.8 | 176,247 | 3.0 | 174,607 | 3.0 |
| Deferred tax asset | 41,112 | 0.7 | 78,442 | 1.4 | 60,721 | 1.0 |
| Other assets | 66,762 | 1.1 | 65,504 | 1.1 | 62,595 | 1.1 |
| Reserve for possible loan losses | (4,492) | (0.1) | (8,070) | (0.1) | (6,839) | (0.1) |
| Total assets | 5,903,439 | 100.0 | 5,780,793 | 100.0 | 5,840,121 | 100.0 |
| Foreign currency denominated assets | 516,200 | 8.7 | 309,671 | 5.4 | 192,672 | 3.3 |

(3) Changes in the amount of assets by categories

(Millions of Yen)

| | Six Months Ended | Six Months Ended | Year Ended |
|--|--------------------|--------------------|----------------|
| | September 30, 2003 | September 30, 2002 | March 31, 2003 |
| | Amount | Amount | Amount |
| Cash and deposits, call loans | (25,221) | 74,802 | 59,867 |
| Securities repurchased under resale agreements | - | - | - |
| Pledged money for bond borrowing transaction | - | - | - |
| Monetary claims purchased | 19,100 | (30,396) | (1,497) |
| Securities under proprietary accounts | - | - | - |
| Monetary trusts | 32,631 | (13,222) | 55,197 |
| Securities | 73,331 | (28,614) | (46,786) |
| Domestic bonds | (457,559) | (79,994) | 83,596 |
| Domestic stocks | 77,884 | (29,546) | (95,180) |
| Foreign securities | 353,260 | 2,862 | (109,710) |
| Foreign bonds | 341,734 | (815) | (107,343) |
| Foreign stocks and other securities | 11,525 | 3,678 | (2,367) |
| Other securities | 99,746 | 78,064 | 74,508 |
| Loans | (16,495) | 8,227 | 24,383 |
| Policy loans | 845 | 5,330 | 10,931 |
| Commercial loans | (17,340) | 2,896 | 13,452 |
| Property and equipment | (6,934) | (3,014) | (4,655) |
| Deferred tax asset | (19,608) | 9,433 | (8,288) |
| Other assets | 4,167 | 5,837 | 2,928 |
| Reserve for possible loan losses | 2,347 | 3,447 | 4,678 |
| Total assets | 63,318 | 26,500 | 85,827 |
| Foreign currency denominated assets | 323,528 | 3,761 | (113,237) |

(4) Investment gains / losses by asset categories

a. Investment gains / losses by asset categories

(Millions of Yen)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|---|---|---|------------------------------|
| Cash and deposits, call loans | 22 | 26 | 48 |
| Securities repurchased under resale agreements | - | - | - |
| Pledged money for bond borrowing transaction | - | - | - |
| Monetary claims purchased | 9 | 10 | 18 |
| Securities under proprietary accounts | - | - | - |
| Monetary trusts | 4,978 | (17,575) | (20,974) |
| Domestic bonds | 52,653 | 37,286 | 72,079 |
| Domestic stocks | (15,531) | 4,550 | (15,138) |
| Foreign securities | 21,934 | 10,639 | 25,090 |
| Loans | 11,190 | 12,620 | 25,011 |
| Commercial loans | 9,277 | 10,885 | 21,396 |
| Property and equipment | 1,045 | 1,286 | 2,157 |
| Total general accounts | 76,271 | 40,925 | 84,087 |
| Other than stocks | 91,802 | 36,375 | 99,226 |
| Foreign investments | 21,325 | (2,322) | 11,848 |

b. Average daily balance

(Millions of Yen)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|--|---|---|------------------------------|
| | 328,467 | 257,051 | 301,132 |
| | - | - | - |
| | - | - | - |
| | 39,776 | 17,609 | 18,219 |
| | - | - | - |
| | 167,275 | 110,118 | 123,534 |
| | 2,664,060 | 2,892,367 | 2,868,241 |
| | 196,215 | 278,847 | 267,360 |
| | 599,573 | 460,694 | 461,089 |
| | 1,174,524 | 1,150,987 | 1,155,214 |
| | 1,096,601 | 1,082,185 | 1,082,958 |
| | 174,059 | 180,002 | 178,589 |
| | 5,719,355 | 5,675,976 | 5,719,932 |
| | 5,523,140 | 5,397,129 | 5,452,571 |
| | 761,341 | 577,798 | 604,696 |

Notes:

1. Average daily balance represents the average daily balance on a book value basis.
2. Foreign investments represent the total of foreign currency denominated assets and yen denominated assets.

(5) Investment income / gains

(Millions of Yen)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|---|--|--|------------------------------|
| Interests, dividends and income from real estate for rent | 61,180 | 63,278 | 133,150 |
| Interest income from deposits | 1,459 | 368 | 1,646 |
| Interest income and dividends from securities | 43,889 | 46,265 | 98,596 |
| Interest income from loans | 12,369 | 13,009 | 25,711 |
| Income from real estate for rent | 3,394 | 3,581 | 7,090 |
| Other income from interest and dividends | 68 | 53 | 104 |
| Gain on securities under proprietary accounts | - | - | - |
| Gains from monetary trusts, net | 5,025 | - | - |
| Gains on investments in trading securities, net | - | - | - |
| Gains on sale of securities | 22,415 | 13,254 | 32,676 |
| Gains on sale of domestic bonds | 16,041 | 3,474 | 5,625 |
| Gains on sale of domestic stocks | 3,708 | 2,658 | 5,027 |
| Gains on sale of foreign securities | 2,665 | 7,121 | 22,023 |
| Other | - | - | - |
| Gains on redemption of securities | - | - | - |
| Gains from derivatives, net | - | 15,135 | 21,111 |
| Foreign exchange gains, net | - | - | - |
| Other investment income | 1,267 | 334 | 2,961 |
| Total | 89,888 | 92,003 | 189,901 |

(6) Investment expenses / losses

(Millions of Yen)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|--|--|--|------------------------------|
| Interest expense | 15 | 22 | 37 |
| Losses on securities under proprietary accounts | - | - | - |
| Losses from monetary trusts, net | - | 6,696 | 11,748 |
| Losses on investments in trading securities, net | 1,618 | 3,826 | 3,018 |
| Losses on sale of securities | 1,068 | 7,270 | 19,657 |
| Losses on sale of domestic bonds | 703 | 380 | 890 |
| Losses on sale of domestic stocks | 238 | 4,750 | 13,884 |
| Losses on sale of foreign securities | 125 | 2,139 | 4,883 |
| Other | - | - | - |
| Devaluation losses on securities | 485 | 28,952 | 58,713 |
| Devaluation losses on domestic bonds | - | 174 | 174 |
| Devaluation losses on domestic stocks | 180 | 18,349 | 50,532 |
| Devaluation losses on foreign securities | 241 | 10,428 | 8,006 |
| Other | 62 | - | - |
| Amortization of securities | - | - | - |
| Losses from derivatives, net | 3,571 | - | - |
| Foreign exchange losses, net | 1,259 | 366 | 1,462 |
| Provision for reserve for possible loan losses | - | - | - |
| Provision of specific reserve | - | - | - |
| Provision of general reserve | - | - | - |
| Write-off of loans | 1,268 | 58 | 69 |
| Depreciation of real estate for rent | 1,529 | 1,518 | 3,069 |
| Other investment expenses | 2,801 | 2,367 | 8,034 |
| Total | 13,617 | 51,078 | 105,813 |

(7) Net investment gains / losses

(Millions of Yen)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|-----------------------------|--|--|------------------------------|
| Net investment gains/losses | 76,271 | 40,925 | 84,087 |

(8) Securities

(Millions of Yen, %)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|-------------------------------------|--------------------------|--------------|--------------------------|--------------|----------------------|--------------|
| | Amount | Percentage | Amount | Percentage | Amount | Percentage |
| Government bonds | 278,377 | 7.2% | 405,384 | 10.7% | 529,059 | 14.0% |
| Municipal bonds | 1,160,416 | 30.1 | 1,349,852 | 35.5 | 1,286,461 | 34.0 |
| Corporate bonds | 1,139,016 | 29.5 | 1,116,541 | 29.3 | 1,219,848 | 32.2 |
| Public corporation bonds | 504,945 | 13.1 | 437,299 | 11.5 | 535,614 | 14.1 |
| Domestic stocks | 279,604 | 7.2 | 267,354 | 7.0 | 201,720 | 5.3 |
| Foreign securities | 705,427 | 18.3 | 464,740 | 12.2 | 352,167 | 9.3 |
| Foreign bonds | 553,164 | 14.3 | 317,956 | 8.3 | 211,429 | 5.6 |
| Foreign stocks and other securities | 152,263 | 3.9 | 146,783 | 3.9 | 140,738 | 3.7 |
| Other securities | 296,533 | 7.7 | 200,342 | 5.3 | 196,786 | 5.2 |
| Total | 3,859,375 | 100.0 | 3,804,215 | 100.0 | 3,786,043 | 100.0 |
| Subordinated debentures | 46,829 | 1.2 | 47,936 | 1.3 | 48,460 | 1.3 |

Securities by holding purposes categories

(Millions of Yen)

| | As of September 30, 2003 | | | | |
|-------------------------------------|--------------------------|------------------|--------------------|---------------------------------------|------------------|
| | Trading | Held-to-maturity | Available-for-sale | Stocks of Subsidiaries and Affiliates | Total |
| Government bonds | - | 105,131 | 173,246 | - | 278,377 |
| Municipal bonds | - | 643,436 | 516,979 | - | 1,160,416 |
| Corporate bonds | - | 760,733 | 378,282 | - | 1,139,016 |
| Public corporation bonds | - | 374,101 | 130,844 | - | 504,945 |
| Domestic stocks | - | - | 260,581 | 19,023 | 279,604 |
| Foreign securities | 43,718 | 73,775 | 587,933 | - | 705,427 |
| Foreign bonds | - | 73,775 | 479,389 | - | 553,164 |
| Foreign stocks and other securities | 43,718 | - | 108,544 | - | 152,263 |
| Other securities | - | - | 296,533 | - | 296,533 |
| Total | 43,718 | 1,583,076 | 2,213,556 | 19,023 | 3,859,375 |

| | As of September 30, 2002 | | | | |
|-------------------------------------|--------------------------|------------------|--------------------|---------------------------------------|------------------|
| | Trading | Held-to-maturity | Available-for-sale | Stocks of Subsidiaries and Affiliates | Total |
| Government bonds | - | 109,432 | 295,951 | - | 405,384 |
| Municipal bonds | - | 703,643 | 646,209 | - | 1,349,852 |
| Corporate bonds | - | 638,182 | 478,358 | - | 1,116,541 |
| Public corporation bonds | - | 251,616 | 185,683 | - | 437,299 |
| Domestic stocks | - | - | 250,418 | 16,936 | 267,354 |
| Foreign securities | 37,307 | 53,213 | 367,819 | 6,401 | 464,740 |
| Foreign bonds | - | 53,213 | 264,743 | - | 317,956 |
| Foreign stocks and other securities | 37,307 | - | 103,075 | 6,401 | 146,783 |
| Other securities | - | - | 200,342 | - | 200,342 |
| Total | 37,307 | 1,504,471 | 2,239,099 | 23,337 | 3,804,215 |

| | As of March 31, 2003 | | | | |
|-------------------------------------|----------------------|------------------|--------------------|---------------------------------------|------------------|
| | Trading | Held-to-maturity | Available-for-sale | Stocks of Subsidiaries and Affiliates | Total |
| Government bonds | - | 108,877 | 420,182 | - | 529,059 |
| Municipal bonds | - | 669,306 | 617,154 | - | 1,286,461 |
| Corporate bonds | - | 709,872 | 509,975 | - | 1,219,848 |
| Public corporation bonds | - | 328,938 | 206,676 | - | 535,614 |
| Domestic stocks | - | - | 182,831 | 18,888 | 201,720 |
| Foreign securities | 35,891 | 50,405 | 265,870 | - | 352,167 |
| Foreign bonds | - | 50,405 | 161,023 | - | 211,429 |
| Foreign stocks and other securities | 35,891 | - | 104,846 | - | 140,738 |
| Other securities | - | - | 196,786 | - | 196,786 |
| Total | 35,891 | 1,538,461 | 2,192,802 | 18,888 | 3,786,043 |

(9) Securities by contractual maturity dates

(Millions of Yen)

| | As of September 30, 2003 | | | | | | |
|-------------------------------------|--------------------------|--|--|--|---|----------------------|------------------|
| | Due in One Year or Less | Due after One Year through Three Years | Due after Three Years through Five Years | Due after Five Years through Seven Years | Due after Seven Years through Ten Years | Due after Ten Years* | Total |
| Government bonds | 86,619 | 61,459 | 51,933 | 18,018 | 48,136 | 12,209 | 278,377 |
| Municipal bonds | 171,495 | 266,176 | 245,792 | 319,721 | 149,968 | 7,261 | 1,160,416 |
| Corporate bonds | 131,899 | 199,378 | 217,977 | 210,611 | 175,860 | 203,288 | 1,139,016 |
| Domestic stocks | | | | | | 279,604 | 279,604 |
| Foreign securities | 10,221 | 111,621 | 104,059 | 127,535 | 145,442 | 206,546 | 705,427 |
| Foreign bonds | 10,221 | 111,486 | 102,751 | 119,340 | 135,661 | 73,702 | 553,164 |
| Foreign stocks and other securities | - | 135 | 1,307 | 8,194 | 9,781 | 132,844 | 152,263 |
| Other securities | 34 | 12,777 | 3,449 | 3,459 | 3,134 | 273,677 | 296,533 |
| Total | 400,271 | 651,413 | 623,212 | 679,347 | 522,543 | 982,588 | 3,859,375 |

| | As of September 30, 2002 | | | | | | |
|-------------------------------------|--------------------------|--|--|--|---|----------------------|------------------|
| | Due in One Year or Less | Due after One Year through Three Years | Due after Three Years through Five Years | Due after Five Years through Seven Years | Due after Seven Years through Ten Years | Due after Ten Years* | Total |
| Government bonds | 22,044 | 76,158 | 120,300 | 55,568 | 127,185 | 4,127 | 405,384 |
| Municipal bonds | 119,878 | 360,064 | 213,447 | 365,659 | 286,328 | 4,473 | 1,349,852 |
| Corporate bonds | 79,727 | 255,947 | 184,210 | 206,923 | 281,114 | 108,616 | 1,116,541 |
| Domestic stocks | | | | | | 267,354 | 267,354 |
| Foreign securities | 6,366 | 61,293 | 58,778 | 50,677 | 106,089 | 181,535 | 464,740 |
| Foreign bonds | 6,366 | 61,025 | 57,970 | 45,268 | 99,245 | 48,080 | 317,956 |
| Foreign stocks and other securities | - | 268 | 807 | 5,409 | 6,843 | 133,455 | 146,783 |
| Other securities | - | 12,681 | 3,206 | - | 5,337 | 179,116 | 200,342 |
| Total | 228,018 | 766,145 | 579,943 | 678,829 | 806,055 | 745,223 | 3,804,215 |

| | As of March 31, 2003 | | | | | | |
|-------------------------------------|-------------------------|--|--|--|---|----------------------|------------------|
| | Due in One Year or Less | Due after One Year through Three Years | Due after Three Years through Five Years | Due after Five Years through Seven Years | Due after Seven Years through Ten Years | Due after Ten Years* | Total |
| Government bonds | 169,871 | 93,677 | 86,939 | 57,860 | 116,582 | 4,127 | 529,059 |
| Municipal bonds | 134,842 | 325,129 | 232,714 | 326,115 | 263,971 | 3,687 | 1,286,461 |
| Corporate bonds | 81,227 | 268,188 | 174,344 | 233,164 | 297,094 | 165,828 | 1,219,848 |
| Domestic stocks | | | | | | 201,720 | 201,720 |
| Foreign securities | 6,044 | 34,530 | 34,317 | 57,950 | 71,562 | 147,762 | 352,167 |
| Foreign bonds | 6,044 | 34,317 | 32,680 | 52,911 | 62,209 | 23,265 | 211,429 |
| Foreign stocks and other securities | - | 212 | 1,636 | 5,039 | 9,352 | 124,497 | 140,738 |
| Other securities | - | 12,806 | 2,793 | 3,487 | 3,106 | 174,593 | 196,786 |
| Total | 391,987 | 734,332 | 531,108 | 678,578 | 752,317 | 697,720 | 3,786,043 |

* includes securities with maturity dates unfixed.

(10) Stock holdings by industry

(Millions of Yen, %)

| | As of September 30, 2002 | | As of September 30, 2003 | | As of March 31, 2003 | | |
|-------------------------------------|-----------------------------|--------------|--|----------------|----------------------|----------------|--------------|
| | Amount | Percentage | Amount | Percentage | Amount | Percentage | |
| Manufacturing industries | | | | | | | |
| Food products | 5,408 | 2.0% | | | | | |
| Textiles and clothing | 5,564 | 2.1 | | | | | |
| Pulp and paper | 423 | 0.2 | | | | | |
| Chemicals | 21,619 | 8.1 | | | | | |
| Oil and coal products | 597 | 0.2 | | | | | |
| Rubber products | 5,618 | 2.1 | | | | | |
| Glass and stone products | 356 | 0.1 | | | | | |
| Steel | 1,103 | 0.4 | | | | | |
| Non-steel metals | 55 | 0.0 | | | | | |
| Metal products | 1,009 | 0.4 | | | | | |
| Machinery | 23,467 | 8.8 | | | | | |
| Electric appliances | 9,041 | 3.4 | | | | | |
| Transportation vehicles | 635 | 0.2 | | | | | |
| Precision machinery | 10,081 | 3.8 | | | | | |
| Others | 5,201 | 1.9 | | | | | |
| Sub-total | 90,183 | 33.7 | | | | | |
| Non-manufacturing industries | | | | | | | |
| Fisheries | 221 | 0.1 | | | | | |
| Mining | 14 | 0.0 | | | | | |
| Construction | 10,235 | 3.8 | | | | | |
| Retailers and wholesalers | 13,650 | 5.1 | | | | | |
| Financial services/insurance | 97,090 | 36.3 | | | | | |
| Securities | 19,955 | 7.5 | | | | | |
| Real estate | 336 | 0.1 | | | | | |
| Ground transportation | 9,001 | 3.4 | | | | | |
| Water and air transportation | 8 | 0.0 | | | | | |
| Warehouses | 87 | 0.1 | | | | | |
| Telecommunications | 40 | 0.0 | | | | | |
| Electric utilities | 13,124 | 4.9 | | | | | |
| Service companies | 13,406 | 5.0 | | | | | |
| Sub-total | 177,170 | 66.3 | | | | | |
| Total | 267,354 | 100.0 | | | | | |
| | | | Fisheries, agriculture and forestry | 658 | 0.2% | 662 | 0.3% |
| | | | Mining | 14 | 0.0 | 14 | 0.0 |
| | | | Construction | 12,095 | 4.3 | 8,827 | 4.4 |
| | | | Manufacturing industries | | | | |
| | | | Food products | 6,077 | 2.2 | 5,384 | 2.7 |
| | | | Textiles and clothing | 2,358 | 0.8 | 1,601 | 0.8 |
| | | | Pulp and paper | 614 | 0.2 | 435 | 0.2 |
| | | | Chemicals | 21,143 | 7.6 | 6,080 | 3.0 |
| | | | Medicals | 17,011 | 6.1 | 13,526 | 6.7 |
| | | | Oil and coal products | - | - | 255 | 0.1 |
| | | | Rubber products | 5,886 | 2.1 | 5,431 | 2.7 |
| | | | Glass and stone products | 349 | 0.1 | 300 | 0.1 |
| | | | Steel | 1,327 | 0.5 | 887 | 0.4 |
| | | | Non-steel metals | - | - | - | - |
| | | | Metal products | 381 | 0.1 | 312 | 0.2 |
| | | | Machinery | 20,046 | 7.2 | 15,152 | 7.5 |
| | | | Electric appliances | 4,979 | 1.8 | 3,691 | 1.8 |
| | | | Transportation vehicles | 691 | 0.2 | 441 | 0.2 |
| | | | Precision machinery | 6,097 | 2.2 | 12,611 | 6.3 |
| | | | Others | 1,557 | 0.6 | 2,947 | 1.5 |
| | | | Electric and gas utilities | 14,588 | 5.2 | 13,756 | 6.8 |
| | | | Transportation / information telecommunications | | | | |
| | | | Ground transportation | 7,669 | 2.7 | 7,462 | 3.7 |
| | | | Water transportation | 8 | 0.0 | 8 | 0.0 |
| | | | Air transportation | - | - | - | - |
| | | | Warehouses / transportation | 94 | 0.0 | 91 | 0.0 |
| | | | Information / telecommunications | 9,377 | 3.4 | 0 | 0.0 |
| | | | Commerce | | | | |
| | | | Wholesalers | 5,839 | 2.1 | 4,368 | 2.2 |
| | | | Retailers | 5,544 | 2.0 | 4,220 | 2.1 |
| | | | Financial services / insurance | | | | |
| | | | Banking | 77,490 | 27.7 | 38,184 | 18.9 |
| | | | Securities and commodity futures trading | 26,657 | 9.5 | 16,162 | 8.0 |
| | | | Insurance | 18,946 | 6.8 | 20,734 | 10.3 |
| | | | Other financial services | 5,282 | 1.9 | 4,915 | 2.4 |
| | | | Real estate | 1,508 | 0.5 | 1,120 | 0.6 |
| | | | Service companies | 5,304 | 1.9 | 12,128 | 6.0 |
| | | | Total | 279,604 | 100.0 | 201,720 | 100.0 |

Notes:

1. From March 31, 2003, categories of stock holdings by industry are based on the classification by Securities Identification Code Committee.
2. The figure of "Information / telecommunications" as of March 31, 2003 represents the figure of "Telecommunications".

(11) Municipal bonds by region

(Millions of Yen)

| | As of September 30, 2003 | As of September 30, 2002 | As of March 31, 2003 |
|----------|--------------------------|--------------------------|----------------------|
| Hokkaido | 29,437 | 31,458 | 31,605 |
| Tohoku | 169,151 | 184,803 | 178,305 |
| Kanto | 227,368 | 270,923 | 258,268 |
| Chubu | 210,199 | 246,377 | 235,098 |
| Kinki | 162,635 | 202,782 | 193,625 |
| Chugoku | 110,248 | 121,235 | 116,413 |
| Shikoku | 96,983 | 105,648 | 101,967 |
| Kyushu | 154,392 | 186,623 | 171,176 |
| Total | 1,160,416 | 1,349,852 | 1,286,461 |

(12) Loans

(Millions of Yen)

| | As of September 30, 2003 | As of September 30, 2002 | As of March 31, 2003 |
|--|--------------------------|--------------------------|----------------------|
| Policy loans | 79,093 | 72,647 | 78,248 |
| Policyholder loans | 77,169 | 70,953 | 76,589 |
| Premium loans | 1,924 | 1,693 | 1,658 |
| Commercial loans | 1,086,070 | 1,092,855 | 1,103,410 |
| Loans to non-residents | 18,422 | 16,508 | 18,525 |
| Loans to corporations | 767,504 | 761,842 | 778,871 |
| Loans to domestic corporations | 762,267 | 759,355 | 774,031 |
| Loans to Japanese government, government-related organizations and international organizations | 31,004 | 28,722 | 27,729 |
| Loans to Japanese local governments and public entities | 17,193 | 12,906 | 17,303 |
| Mortgage loans | 26,089 | 30,042 | 28,118 |
| Consumer loans | 176,139 | 184,987 | 180,206 |
| Others | 68,137 | 74,353 | 71,180 |
| Total Loans | 1,165,163 | 1,165,502 | 1,181,658 |

(13) Loans to domestic companies by company size

(Millions of Yen, %)

| | | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|---------------------------|-------------------|--------------------------|------------|--------------------------|------------|----------------------|------------|
| | | Amount | Percentage | Amount | Percentage | Amount | Percentage |
| Large corporations | Number of debtors | 159 | 48.3 | 172 | 45.5 | 165 | 46.7 |
| | Amount of loans | 687,833 | 90.2 | 697,015 | 91.8 | 703,733 | 90.9 |
| Medium-sized corporations | Number of debtors | 3 | 0.9 | 5 | 1.3 | 4 | 1.1 |
| | Amount of loans | 8,135 | 1.1 | 11,052 | 1.5 | 10,197 | 1.3 |
| Small corporations | Number of debtors | 167 | 50.8 | 201 | 53.2 | 184 | 52.1 |
| | Amount of loans | 66,298 | 8.7 | 51,288 | 6.7 | 60,100 | 7.8 |
| Total | Number of debtors | 329 | 100.0 | 378 | 100.0 | 353 | 100.0 |
| | Amount of loans | 762,267 | 100.0 | 759,355 | 100.0 | 774,031 | 100.0 |

Notes:

1. Large corporations are defined, for purposes of the above table, as corporations with paid-in capital of at least 1 billion yen and more than 300 employees (more than 50 employees in the case of retailers and restaurants; more than 100 employees in the case of service companies; more than 100 employees in the case of wholesalers).
2. Medium-sized corporations are defined, for purposes of the above table, as corporations with paid-in capital of more than 300 million yen and less than 1 billion yen (more than 50 million yen and less than 1 billion yen in the case of retailers, restaurants and service companies; more than 100 million yen and less than 1 billion yen in the case of wholesalers) and more than 300 employees (more than 50 employees in the case of retailers and restaurants; more than 100 employees in the case of service companies and wholesalers).
3. Small corporations are defined, for purposes of the above table, as all other corporations.
4. The number of debtors represents those who have an obligation, net of loans to the Company, not the number of loan transactions.

(14) Loans by region

(Millions of Yen, %)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|----------|--------------------------|------------|--------------------------|------------|----------------------|------------|
| | Amount | Percentage | Amount | Percentage | Amount | Percentage |
| Hokkaido | 7,474 | 0.9% | 7,682 | 1.0% | 7,555 | 0.9% |
| Tohoku | 8,785 | 1.1 | 11,748 | 1.5 | 9,256 | 1.1 |
| Kanto | 499,949 | 61.7 | 468,761 | 58.4 | 487,568 | 59.5 |
| Chubu | 78,743 | 9.7 | 83,806 | 10.4 | 75,782 | 9.2 |
| Kinki | 200,888 | 24.8 | 216,362 | 26.9 | 224,647 | 27.4 |
| Chugoku | 2,657 | 0.3 | 2,821 | 0.3 | 2,674 | 0.3 |
| Shikoku | 1,642 | 0.2 | 1,666 | 0.2 | 1,552 | 0.2 |
| Kyushu | 10,233 | 1.3 | 10,264 | 1.3 | 10,935 | 1.3 |
| Total | 810,373 | 100.0 | 803,113 | 100.0 | 819,972 | 100.0 |

Notes:

- 1. The above figures do not include loans to individuals, non-residents, policy loans, etc.*
- 2. Geographic areas are classified by the places where debtors' head offices are.*

(15) Loans by industry

(Millions of Yen, %)

| | As of September 30, 2002 | |
|---|-----------------------------|--------------|
| | Amount | Percentage |
| Domestic Loans | | |
| Manufacturing Industries | | |
| Food products | 8,825 | 0.8% |
| Textiles and clothing | 8,792 | 0.8 |
| Pulp and paper | 571 | 0.0 |
| Chemicals | 11,672 | 1.1 |
| Oil and coal products | 3,485 | 0.3 |
| Rubber products | 6,177 | 0.6 |
| Glass and stone products | 706 | 0.1 |
| Steel | 31,747 | 2.9 |
| Non-steel metals | 3,175 | 0.3 |
| Metal products | 1,843 | 0.2 |
| Machinery | 6,849 | 0.6 |
| Electric appliances | 25,552 | 2.3 |
| Transportation vehicles | 2,700 | 0.2 |
| Others | 6,229 | 0.6 |
| Sub-total | 118,326 | 10.8 |
| Non-manufacturing Industries | | |
| Construction | 3,018 | 0.3 |
| Retailers and wholesalers | 107,007 | 9.8 |
| Financial services / insurance / securities | 302,517 | 27.7 |
| Real estate | 41,446 | 3.8 |
| Ground transportation | 8,161 | 0.7 |
| Water and air transportation | 11,827 | 1.1 |
| Electric utilities | 67,564 | 6.2 |
| Gas utilities | 12,445 | 1.1 |
| Service companies | 75,475 | 6.9 |
| Others | 11,565 | 1.0 |
| Sub-total | 641,029 | 58.6 |
| Government-related organizations | 21,400 | 2.0 |
| Local governments and public entities | 6,406 | 0.6 |
| Mortgage and consumers | 215,030 | 19.7 |
| Other | 74,153 | 6.8 |
| Total | 1,076,346 | 98.5 |
| Foreign Loans | | |
| Governments, etc. | 13,821 | 1.3 |
| Financial institutions | - | - |
| Commerce and industry companies | 2,486 | 0.2 |
| Other | 200 | 0.0 |
| Total | 16,508 | 1.5 |
| Total | 1,092,855 | 100.0 |

(Millions of Yen, %)

| | As of September 30, 2003 | | As of March 31, 2003 | |
|----------------------------------|-----------------------------|--------------|----------------------|--------------|
| | Amount | Percentage | Amount | Percentage |
| Domestic Loans | | | | |
| Manufacturing Industries | 116,052 | 10.7% | 121,550 | 11.0% |
| Food products | 8,388 | 0.8 | 8,556 | 0.8 |
| Textiles and clothing | 7,310 | 0.7 | 7,724 | 0.7 |
| Timber and wood products | 545 | 0.1 | 726 | 0.1 |
| Pulp and paper | 550 | 0.1 | 550 | 0.0 |
| Printing | - | - | 8 | 0.0 |
| Chemicals | 13,937 | 1.3 | 13,624 | 1.2 |
| Oil and coal | 3,091 | 0.3 | 3,260 | 0.3 |
| Ceramic and stone products | 700 | 0.1 | 700 | 0.1 |
| Steel | 28,772 | 2.6 | 30,546 | 2.8 |
| Non-steel metals | 3,045 | 0.3 | 3,110 | 0.3 |
| Metal products | 1,418 | 0.1 | 1,639 | 0.1 |
| Machinery | 7,594 | 0.7 | 7,045 | 0.6 |
| Electric appliances | 25,875 | 2.4 | 29,385 | 2.7 |
| Transportation vehicles | 2,000 | 0.2 | 2,100 | 0.2 |
| Precision machinery | 2,918 | 0.3 | 3,021 | 0.3 |
| Others | 9,905 | 0.9 | 9,551 | 0.9 |
| Agriculture | - | - | - | - |
| Forestry | - | - | - | - |
| Fisheries | 7 | 0.0 | 8 | 0.0 |
| Mining | - | - | - | - |
| Construction | 3,766 | 0.3 | 4,636 | 0.4 |
| Utilities | 85,807 | 7.9 | 86,476 | 7.8 |
| Telecommunications | 8,254 | 0.8 | 11,242 | 1.0 |
| Transportation | 47,767 | 4.4 | 41,566 | 3.8 |
| Wholesalers | 87,502 | 8.1 | 95,567 | 8.7 |
| Retailers | 11,232 | 1.0 | 11,232 | 1.0 |
| Financial services/insurance | 321,834 | 29.6 | 318,507 | 28.9 |
| Real estate | 57,537 | 5.3 | 52,644 | 4.8 |
| Service companies | 69,176 | 6.4 | 75,703 | 6.9 |
| Local governments | 763 | 0.1 | 794 | 0.1 |
| Mortgage and consumer and others | 257,291 | 23.7 | 264,954 | 24.0 |
| Other | 655 | 0.1 | - | - |
| Total | 1,067,647 | 98.3 | 1,084,884 | 98.3 |
| Foreign Loans | | | | |
| Governments, etc. | 13,185 | 1.2 | 13,685 | 1.2 |
| Financial institutions | 2,737 | 0.3 | 2,840 | 0.3 |
| Commerce and industry companies | 2,500 | 0.2 | 2,000 | 0.2 |
| Other | - | - | - | - |
| Total | 18,422 | 1.7 | 18,525 | 1.7 |
| Total | 1,086,070 | 100.0 | 1,103,410 | 100.0 |

Note: From March 31, 2003, categories of domestic loans by industry are based on the classification of Bank of Japan's survey.

(16) Loans by collateral type

(Millions of Yen, %)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|---------------------------------------|--------------------------|--------------|--------------------------|--------------|----------------------|--------------|
| | Amount | Percentage | Amount | Percentage | Amount | Percentage |
| Collateral | 24,400 | 2.2% | 33,358 | 3.1% | 29,328 | 2.7% |
| Stocks and other securities | 11,878 | 1.1 | 15,047 | 1.4 | 13,530 | 1.2 |
| Real and personal estate | 12,522 | 1.2 | 18,311 | 1.7 | 15,798 | 1.4 |
| Loans collateralized with receivables | - | - | - | - | - | - |
| Guarantees | 36,090 | 3.3 | 28,916 | 2.6 | 33,458 | 3.0 |
| Unsecured | 768,305 | 70.7 | 757,347 | 69.3 | 775,710 | 70.3 |
| Others | 257,274 | 23.7 | 273,232 | 25.0 | 264,912 | 24.0 |
| Total Loans | 1,086,070 | 100.0 | 1,092,855 | 100.0 | 1,103,410 | 100.0 |
| Subordinated loans | 156,671 | 14.4 | 168,657 | 15.4 | 156,664 | 14.2 |

(17) Foreign investments*a. Investments by asset category*

(a) Denominated in foreign currency (yen amount not fixed)

(Millions of Yen, %)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|---|--------------------------|-------------|--------------------------|-------------|----------------------|-------------|
| | Amount | Percentage | Amount | Percentage | Amount | Percentage |
| Foreign bonds | 413,016 | 45.0% | 199,263 | 32.3% | 91,281 | 18.8% |
| Foreign stocks | 2,241 | 0.2 | 8,102 | 1.3 | 1,913 | 0.4 |
| Non yen-denominated cash, cash equivalents and other assets | 100,941 | 11.0 | 102,305 | 16.6 | 99,477 | 20.5 |
| Total | 516,200 | 56.3 | 309,671 | 50.2 | 192,672 | 39.7 |

(b) Denominated in foreign currency (yen amount fixed with forward currency exchange contracts)

(Millions of Yen, %)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|---|--------------------------|-------------|--------------------------|-------------|----------------------|-------------|
| | Amount | Percentage | Amount | Percentage | Amount | Percentage |
| Foreign bonds | 4,178 | 0.5% | 4,270 | 0.7% | 4,223 | 0.9% |
| Non yen-denominated cash, cash equivalents and other assets | 131,187 | 14.3 | 76,660 | 12.4 | 44,481 | 9.2 |
| Total | 135,366 | 14.8 | 80,930 | 13.1 | 48,705 | 10.0 |

(c) Denominated in yen

(Millions of Yen, %)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|---|--------------------------|-------------|--------------------------|-------------|----------------------|-------------|
| | Amount | Percentage | Amount | Percentage | Amount | Percentage |
| Loans to borrowers located outside of Japan | 18,422 | 2.0% | 16,508 | 2.7% | 18,525 | 3.8% |
| Foreign stocks | 60,000 | 6.5 | 60,000 | 9.7 | 60,000 | 12.4 |
| Foreign bonds | 140,147 | 15.3 | 118,692 | 19.2 | 120,147 | 24.8 |
| Other foreign securities | 19,522 | 2.1 | 18,760 | 3.0 | 16,991 | 3.5 |
| Other | 28,018 | 3.1 | 12,926 | 2.1 | 27,910 | 5.8 |
| Total | 266,110 | 29.0 | 226,889 | 36.7 | 243,576 | 50.2 |

(d) Total

(Millions of Yen, %)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|----------------------------------|--------------------------|---------------|--------------------------|---------------|----------------------|---------------|
| | Amount | Percentage | Amount | Percentage | Amount | Percentage |
| Total foreign investments | 917,677 | 100.0% | 617,491 | 100.0% | 484,953 | 100.0% |

b. Foreign currency denominated assets by currency

(Millions of Yen, %)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|-------------------|--------------------------|--------------|--------------------------|--------------|----------------------|--------------|
| | Amount | Percentage | Amount | Percentage | Amount | Percentage |
| Euro | 298,896 | 57.9% | 128,401 | 41.4% | 67,416 | 35.0% |
| U.S. dollar | 181,600 | 35.2 | 151,362 | 48.9 | 109,655 | 56.9 |
| British pound | 24,109 | 4.7 | 20,331 | 6.6 | 10,437 | 5.4 |
| Canadian dollar | 10,587 | 2.1 | 7,442 | 2.4 | 3,573 | 1.9 |
| Australian dollar | 538 | 0.1 | 515 | 0.2 | 500 | 0.3 |
| Swiss franc | 468 | 0.1 | 1,616 | 0.5 | 1,087 | 0.6 |
| Swedish krone | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Norwegian krone | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Denmark krone | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Hong Kong dollar | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Singapore dollar | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 516,200 | 100.0 | 309,671 | 100.0 | 192,672 | 100.0 |

c. Investments by region

(Millions of Yen, %)

| | As of September 30, 2003 | | | | | | | |
|--------------------------------|--------------------------|--------------|----------------|--------------|--------------------------------|--------------|---|--------------|
| | Foreign Securities | | | | | | Loans to Borrowers Located Outside of Japan | |
| | | | Bonds | | Stocks and Other Securities | | | |
| Amount | Percentage | Amount | Percentage | Amount | Percentage | Amount | Percentage | |
| North America | 170,898 | 24.2% | 140,470 | 25.4% | 30,427 | 20.0% | 6,500 | 35.3% |
| Europe | 265,630 | 37.7 | 261,000 | 47.2 | 4,630 | 3.0 | 3,500 | 19.0 |
| Oceania | 5,594 | 0.8 | 5,594 | 1.0 | - | - | - | - |
| Asia | - | - | - | - | - | - | 200 | 1.1 |
| Latin America | 199,290 | 28.3 | 82,085 | 14.8 | 117,205 | 77.0 | 3,237 | 17.6 |
| Middle East | - | - | - | - | - | - | - | - |
| Africa | - | - | - | - | - | - | - | - |
| International Organizations | 64,012 | 9.1 | 64,012 | 11.6 | - | - | 4,985 | 27.1 |
| Total | 705,427 | 100.0 | 553,164 | 100.0 | 152,263 | 100.0 | 18,422 | 100.0 |

| | As of September 30, 2002 | | | | | | | |
|--------------------------------|--------------------------|--------------|----------------|--------------|--------------------------------|--------------|---|--------------|
| | Foreign Securities | | | | | | Loans to Borrowers Located Outside of Japan | |
| | | | Bonds | | Stocks and Other Securities | | | |
| Amount | Percentage | Amount | Percentage | Amount | Percentage | Amount | Percentage | |
| North America | 135,944 | 29.3% | 98,807 | 31.1% | 37,136 | 25.3% | 6,500 | 39.4% |
| Europe | 146,560 | 31.5 | 143,494 | 45.1 | 3,065 | 2.1 | 3,500 | 21.2 |
| Oceania | 5,627 | 1.2 | 5,627 | 1.8 | - | - | - | - |
| Asia | - | - | - | - | - | - | 200 | 1.2 |
| Latin America | 171,617 | 36.9 | 65,036 | 20.4 | 106,581 | 72.6 | 486 | 2.9 |
| Middle East | - | - | - | - | - | - | - | - |
| Africa | - | - | - | - | - | - | - | - |
| International Organizations | 4,991 | 1.1 | 4,991 | 1.6 | - | - | 5,821 | 35.3 |
| Total | 464,740 | 100.0 | 317,956 | 100.0 | 146,783 | 100.0 | 16,508 | 100.0 |

| | As of March 31, 2003 | | | | | | | |
|--------------------------------|----------------------|--------------|----------------|--------------|--------------------------------|--------------|---|--------------|
| | Foreign Securities | | | | | | Loans to Borrowers Located Outside of Japan | |
| | | | Bonds | | Stocks and Other Securities | | | |
| Amount | Percentage | Amount | Percentage | Amount | Percentage | Amount | Percentage | |
| North America | 90,317 | 25.6% | 60,064 | 28.4% | 30,253 | 21.5% | 6,500 | 35.1% |
| Europe | 76,641 | 21.8 | 72,602 | 34.3 | 4,038 | 2.9 | 3,500 | 18.9 |
| Oceania | 5,651 | 1.6 | 5,651 | 2.7 | - | - | - | - |
| Asia | - | - | - | - | - | - | 200 | 1.1 |
| Latin America | 176,135 | 50.0 | 69,688 | 33.0 | 106,446 | 75.6 | 2,840 | 15.3 |
| Middle East | - | - | - | - | - | - | - | - |
| Africa | - | - | - | - | - | - | - | - |
| International Organizations | 3,421 | 1.0 | 3,421 | 1.6 | - | - | 5,485 | 29.6 |
| Total | 352,167 | 100.0 | 211,429 | 100.0 | 140,738 | 100.0 | 18,525 | 100.0 |

(18) Fair value information on securities and others

a. Fair value information on securities

(a) Valuation gains (losses) on trading securities

(Millions of Yen)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|----------------------|---------------------------------------|--------------------------|---------------------------------------|--------------------------|---------------------------------------|--------------------------|
| | Current Fair Value and Carrying Value | Valuation Gains (Losses) | Current Fair Value and Carrying Value | Valuation Gains (Losses) | Current Fair Value and Carrying Value | Valuation Gains (Losses) |
| Trading securities | 79,071 | 3,988 | 57,082 | (6,555) | 68,794 | (8,039) |
| Domestic bonds | - | - | - | - | - | - |
| Domestic stocks | - | - | - | - | - | - |
| Foreign bonds | - | - | - | - | - | - |
| Foreign stocks, etc. | 43,718 | (1,768) | 37,307 | (4,103) | 35,891 | (4,065) |
| Monetary trusts | 35,352 | 5,756 | 19,775 | (2,452) | 32,903 | (3,973) |

(b)-1. Securities with market value

(Millions of Yen)

| | As of September 30, 2003 | | | | |
|-------------------------------|---|---|-------------------------------|---------|--------|
| | Amortized Cost / Carrying Value Prior to Mark-to-Market | Current Fair Value / and Carrying Value | Net Unrealized Gains (Losses) | | |
| | | | Gains | Losses | |
| Held-to-maturity securities | 1,583,076 | 1,635,607 | 52,531 | 60,200 | 7,669 |
| Domestic bonds | 1,509,301 | 1,560,447 | 51,145 | 58,433 | 7,287 |
| Foreign Bonds | 73,775 | 75,160 | 1,385 | 1,766 | 381 |
| Available-for-sale securities | 2,119,551 | 2,245,188 | 125,636 | 144,521 | 18,884 |
| Domestic bonds | 1,031,430 | 1,068,508 | 37,077 | 38,369 | 1,291 |
| Domestic stocks | 165,322 | 250,217 | 84,895 | 87,516 | 2,621 |
| Foreign securities | 520,582 | 512,805 | (7,777) | 4,364 | 12,142 |
| Bonds | 485,695 | 479,389 | (6,306) | 3,716 | 10,022 |
| Stocks, etc. | 34,886 | 33,416 | (1,470) | 648 | 2,119 |
| Others | 282,137 | 291,909 | 9,771 | 10,998 | 1,227 |
| Monetary claims purchased | 59,998 | 59,998 | - | - | - |
| Certificates of deposit | 20,000 | 20,000 | - | - | - |
| Monetary trusts | 40,080 | 41,749 | 1,668 | 3,271 | 1,602 |
| Total | 3,702,627 | 3,880,795 | 178,167 | 204,721 | 26,553 |
| Domestic bonds | 2,540,731 | 2,628,955 | 88,223 | 96,803 | 8,579 |
| Domestic stocks | 165,322 | 250,217 | 84,895 | 87,516 | 2,621 |
| Foreign securities | 594,357 | 587,965 | (6,391) | 6,131 | 12,523 |
| Bonds | 559,470 | 554,549 | (4,921) | 5,482 | 10,404 |
| Stocks, etc. | 34,886 | 33,416 | (1,470) | 648 | 2,119 |
| Others | 282,137 | 291,909 | 9,771 | 10,998 | 1,227 |
| Monetary claims purchased | 59,998 | 59,998 | - | - | - |
| Certificates of deposit | 20,000 | 20,000 | - | - | - |
| Monetary trusts | 40,080 | 41,749 | 1,668 | 3,271 | 1,602 |

Notes:

1. The above table includes assets such as certificates of deposits which are permitted to be considered as equivalent to securities defined in the Securities and Exchange Law.
2. Monetary trusts include securities other than trading securities.
3. Other than the above, valuation gains (devaluation losses) on derivatives classified as monetary trusts within available-for-sale securities, which are charged or credit to income, resulted in a loss of 80 million yen as of September 30, 2003.

(b)-2. Securities without market value (Carrying value)

(Millions of Yen)

| | As of September 30, 2003 |
|--|--------------------------|
| Stocks of subsidiaries and affiliates | 19,023 |
| Available-for-sale securities | 90,129 |
| Unlisted domestic stocks (excluding over-the-counter stocks) | 10,364 |
| Unlisted foreign stocks (excluding over-the-counter stocks) | 60,000 |
| Unlisted foreign bonds | - |
| Others | 19,765 |
| Total | 109,153 |

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

(b)-1. Securities with market value

(Millions of Yen)

| | As of September 30, 2002 | | | | |
|--------------------------------|---|---|-------------------------------|---------|--------|
| | Amortized Cost / Carrying Value Prior to Mark-to-Market | Current Fair Value / and Carrying Value | Net Unrealized Gains (Losses) | | |
| | | | | Gains | Losses |
| Held-to-maturity securities | 1,504,471 | 1,593,416 | 88,944 | 90,503 | 1,558 |
| Domestic bonds | 1,451,258 | 1,538,776 | 87,518 | 88,746 | 1,228 |
| Foreign Bonds | 53,213 | 54,639 | 1,426 | 1,757 | 330 |
| Available -for-sale securities | 2,150,389 | 2,223,323 | 72,933 | 101,421 | 28,488 |
| Domestic bonds | 1,354,969 | 1,420,519 | 65,550 | 66,820 | 1,270 |
| Domestic stocks | 230,504 | 239,506 | 9,001 | 22,941 | 13,939 |
| Foreign securities | 292,848 | 297,463 | 4,615 | 7,531 | 2,916 |
| Bonds | 259,843 | 264,743 | 4,900 | 6,912 | 2,012 |
| Stocks, etc. | 33,005 | 32,720 | (284) | 618 | 903 |
| Others | 198,329 | 197,181 | (1,148) | 3,063 | 4,212 |
| Monetary claims purchased | 11,998 | 11,998 | - | - | - |
| Certificates of deposit | - | - | - | - | - |
| Monetary trusts | 61,738 | 56,653 | (5,085) | 1,064 | 6,149 |
| Total | 3,654,861 | 3,816,739 | 161,878 | 191,925 | 30,047 |
| Domestic bonds | 2,806,227 | 2,959,296 | 153,068 | 155,567 | 2,498 |
| Domestic stocks | 230,504 | 239,506 | 9,001 | 22,941 | 13,939 |
| Foreign securities | 346,061 | 352,103 | 6,041 | 9,288 | 3,247 |
| Bonds | 313,056 | 319,383 | 6,326 | 8,670 | 2,343 |
| Stocks, etc. | 33,005 | 32,720 | (284) | 618 | 903 |
| Others | 198,329 | 197,181 | (1,148) | 3,063 | 4,212 |
| Monetary claims purchased | 11,998 | 11,998 | - | - | - |
| Certificates of deposit | - | - | - | - | - |
| Monetary trusts | 61,738 | 56,653 | (5,085) | 1,064 | 6,149 |

Notes:

1. The above table includes assets such as certificates of deposits which are permitted to be considered as equivalent to securities defined in the Securities and Exchange Law.
2. Monetary trusts include securities other than trading securities.
3. Other than the above, valuation gains (devaluation losses) on derivatives classified as monetary trusts within available-for-sale securities, which are charged or credit to income, resulted in a gain of 61 million yen as of September 30, 2002.

(b)-2. Securities without market value (Carrying value)

(Millions of Yen)

| | As of September 30, 2002 |
|--|--------------------------|
| Stocks of subsidiaries and affiliates | 23,337 |
| Available-for-sale securities | 84,121 |
| Unlisted domestic stocks (excluding over-the-counter stocks) | 10,911 |
| Unlisted foreign stocks (excluding over-the-counter stocks) | 60,000 |
| Unlisted foreign bonds | - |
| Others | 13,209 |
| Total | 107,458 |

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

(b)-1. Securities with market value

(Millions of Yen)

| | As of March 31, 2003 | | | | |
|--------------------------------|---|---|-------------------------------|---------|--------|
| | Amortized Cost / Carrying Value Prior to Mark-to-Market | Current Fair Value / and Carrying Value | Net Unrealized Gains (Losses) | | |
| | | | | Gains | Losses |
| Held-to-maturity securities | 1,538,461 | 1,642,486 | 104,024 | 104,452 | 428 |
| Domestic bonds | 1,488,056 | 1,590,145 | 102,089 | 102,284 | 194 |
| Foreign Bonds | 50,405 | 52,340 | 1,935 | 2,168 | 233 |
| Available -for-sale securities | 2,157,307 | 2,231,216 | 73,908 | 99,798 | 25,890 |
| Domestic bonds | 1,472,609 | 1,547,313 | 74,703 | 74,952 | 249 |
| Domestic stocks | 168,600 | 172,240 | 3,639 | 14,198 | 10,559 |
| Foreign securities | 189,955 | 193,012 | 3,057 | 6,429 | 3,371 |
| Bonds | 156,564 | 161,023 | 4,459 | 5,633 | 1,174 |
| Stocks, etc. | 33,391 | 31,989 | (1,401) | 796 | 2,197 |
| Others | 195,458 | 192,096 | (3,361) | 3,129 | 6,490 |
| Monetary claims purchased | 40,897 | 40,897 | - | - | - |
| Certificates of deposit | 33,000 | 33,000 | - | - | - |
| Monetary trusts | 56,785 | 52,655 | (4,130) | 1,088 | 5,219 |
| Total | 3,695,769 | 3,873,702 | 177,932 | 204,251 | 26,318 |
| Domestic bonds | 2,960,665 | 3,137,458 | 176,792 | 177,236 | 443 |
| Domestic stocks | 168,600 | 172,240 | 3,639 | 14,198 | 10,559 |
| Foreign securities | 240,360 | 245,353 | 4,992 | 8,597 | 3,605 |
| Bonds | 206,969 | 213,364 | 6,394 | 7,801 | 1,407 |
| Stocks, etc. | 33,391 | 31,989 | (1,401) | 796 | 2,197 |
| Others | 195,458 | 192,096 | (3,361) | 3,129 | 6,490 |
| Monetary claims purchased | 40,897 | 40,897 | - | - | - |
| Certificates of deposit | 33,000 | 33,000 | - | - | - |
| Monetary trusts | 56,785 | 52,655 | (4,130) | 1,088 | 5,219 |

Notes:

1. The above table includes assets such as certificates of deposits which are permitted to be considered as equivalent to securities defined in the Securities and Exchange Law.
2. Monetary trusts include securities other than trading securities.
3. Other than the above, valuation gains (devaluation losses) on derivatives classified as monetary trusts within available-for-sale securities, which are charged or credit to income, resulted in a gain of 54 million yen as of March 31, 2003.

(b)-2. Securities without market value (Carrying value)

(Millions of Yen)

| As of March 31, 2003 | |
|--|---------|
| Stocks of subsidiaries and affiliates | 18,888 |
| Available-for-sale securities | 87,576 |
| Unlisted domestic stocks (excluding over-the-counter stocks) | 10,591 |
| Unlisted foreign stocks (excluding over-the-counter stocks) | 60,000 |
| Unlisted foreign bonds | - |
| Others | 16,985 |
| Total | 106,465 |

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

(c) Fair value information consisting of those stated in the previous table (b)-1. and foreign exchange and other gains (losses) for (b)-2.

(Millions of Yen)

| | As of September 30, 2003 | | | | |
|---------------------------------------|---|---|-------------------------------|---------|--------|
| | Amortized Cost / Carrying Value Prior to Mark-to-Market | Current Fair Value / and Carrying Value | Net Unrealized Gains (Losses) | | |
| | | | | Gains | Losses |
| Held-to-maturity securities | 1,583,076 | 1,635,607 | 52,531 | 60,200 | 7,669 |
| Domestic bonds | 1,509,301 | 1,560,447 | 51,145 | 58,433 | 7,287 |
| Foreign Bonds | 73,775 | 75,160 | 1,385 | 1,766 | 381 |
| Stocks of subsidiaries and affiliates | 19,023 | 19,023 | - | - | - |
| Available-for-sale securities | 2,209,681 | 2,335,304 | 125,623 | 145,081 | 19,458 |
| Domestic bonds | 1,031,430 | 1,068,508 | 37,077 | 38,369 | 1,291 |
| Domestic stocks | 175,686 | 260,581 | 84,895 | 87,516 | 2,621 |
| Foreign securities | 595,928 | 587,933 | (7,994) | 4,684 | 12,679 |
| Bonds | 485,695 | 479,389 | (6,306) | 3,716 | 10,022 |
| Stocks, etc. | 110,232 | 108,544 | (1,688) | 968 | 2,656 |
| Others | 286,557 | 296,533 | 9,975 | 11,239 | 1,263 |
| Monetary claims purchased | 59,998 | 59,998 | - | - | - |
| Certificates of deposit | 20,000 | 20,000 | - | - | - |
| Monetary trusts | 40,080 | 41,749 | 1,668 | 3,271 | 1,602 |
| Total | 3,811,781 | 3,989,935 | 178,154 | 205,281 | 27,127 |
| Domestic bonds | 2,540,731 | 2,628,955 | 88,223 | 96,803 | 8,579 |
| Domestic stocks | 194,709 | 279,604 | 84,895 | 87,516 | 2,621 |
| Foreign securities | 669,703 | 663,094 | (6,609) | 6,450 | 13,060 |
| Bonds | 559,470 | 554,549 | (4,921) | 5,482 | 10,404 |
| Stocks, etc. | 110,232 | 108,544 | (1,688) | 968 | 2,656 |
| Others | 286,557 | 296,533 | 9,975 | 11,239 | 1,263 |
| Monetary claims purchased | 59,998 | 59,998 | - | - | - |
| Certificates of deposit | 20,000 | 20,000 | - | - | - |
| Monetary trusts | 40,080 | 41,749 | 1,668 | 3,271 | 1,602 |

(Millions of Yen)

| | As of September 30, 2002 | | | | |
|---------------------------------------|---|---|-------------------------------|---------|--------|
| | Amortized Cost / Carrying Value Prior to Mark-to-Market | Current Fair Value / and Carrying Value | Net Unrealized Gains (Losses) | | |
| | | | | Gains | Losses |
| Held-to-maturity securities | 1,504,471 | 1,593,416 | 88,944 | 90,503 | 1,558 |
| Domestic bonds | 1,451,258 | 1,538,776 | 87,518 | 88,746 | 1,228 |
| Foreign Bonds | 53,213 | 54,639 | 1,426 | 1,757 | 330 |
| Stocks of subsidiaries and affiliates | 23,337 | 23,338 | 1 | 767 | 766 |
| Available-for-sale securities | 2,234,511 | 2,307,752 | 73,240 | 101,786 | 28,546 |
| Domestic bonds | 1,354,969 | 1,420,519 | 65,550 | 66,820 | 1,270 |
| Domestic stocks | 241,416 | 250,418 | 9,001 | 22,941 | 13,939 |
| Foreign securities | 362,913 | 367,819 | 4,906 | 7,842 | 2,936 |
| Bonds | 259,843 | 264,743 | 4,900 | 6,912 | 2,012 |
| Stocks, etc. | 103,069 | 103,075 | 6 | 929 | 923 |
| Others | 201,475 | 200,342 | (1,132) | 3,117 | 4,250 |
| Monetary claims purchased | 11,998 | 11,998 | - | - | - |
| Certificates of deposit | - | - | - | - | - |
| Monetary trusts | 61,738 | 56,653 | (5,085) | 1,064 | 6,149 |
| Total | 3,762,320 | 3,924,507 | 162,186 | 193,057 | 30,871 |
| Domestic bonds | 2,806,227 | 2,959,296 | 153,068 | 155,567 | 2,498 |
| Domestic stocks | 258,352 | 267,354 | 9,001 | 22,941 | 13,939 |
| Foreign securities | 422,527 | 428,861 | 6,334 | 10,367 | 4,033 |
| Bonds | 313,056 | 319,383 | 6,326 | 8,670 | 2,343 |
| Stocks, etc. | 109,470 | 109,478 | 7 | 1,697 | 1,690 |
| Others | 201,475 | 200,342 | (1,132) | 3,117 | 4,250 |
| Monetary claims purchased | 11,998 | 11,998 | - | - | - |
| Certificates of deposit | - | - | - | - | - |
| Monetary trusts | 61,738 | 56,653 | (5,085) | 1,064 | 6,149 |

(Millions of Yen)

| | As of March 31, 2003 | | | | |
|---------------------------------------|---|---|---------|-------------------------------|--------|
| | Amortized Cost / Carrying Value Prior to Mark-to-Market | Current Fair Value / and Carrying Value | | Net Unrealized Gains (Losses) | |
| | | | | Gains | Losses |
| Held-to-maturity securities | 1,538,461 | 1,642,486 | 104,024 | 104,452 | 428 |
| Domestic bonds | 1,488,056 | 1,590,145 | 102,089 | 102,284 | 194 |
| Foreign Bonds | 50,405 | 52,340 | 1,935 | 2,168 | 233 |
| Stocks of subsidiaries and affiliates | 18,888 | 18,888 | - | - | - |
| Available-for-sale securities | 2,244,884 | 2,319,354 | 74,470 | 100,434 | 25,963 |
| Domestic bonds | 1,472,609 | 1,547,313 | 74,703 | 74,952 | 249 |
| Domestic stocks | 179,192 | 182,831 | 3,639 | 14,198 | 10,559 |
| Foreign securities | 262,495 | 265,870 | 3,374 | 6,802 | 3,428 |
| Bonds | 156,564 | 161,023 | 4,459 | 5,633 | 1,174 |
| Stocks, etc. | 105,931 | 104,846 | (1,084) | 1,169 | 2,254 |
| Others | 199,903 | 196,786 | (3,116) | 3,391 | 6,507 |
| Monetary claims purchased | 40,897 | 40,897 | - | - | - |
| Certificates of deposit | 33,000 | 33,000 | - | - | - |
| Monetary trusts | 56,785 | 52,655 | (4,130) | 1,088 | 5,219 |
| Total | 3,802,234 | 3,980,729 | 178,494 | 204,886 | 26,392 |
| Domestic bonds | 2,960,665 | 3,137,458 | 176,792 | 177,236 | 443 |
| Domestic stocks | 198,080 | 201,720 | 3,639 | 14,198 | 10,559 |
| Foreign securities | 312,901 | 318,211 | 5,309 | 8,971 | 3,662 |
| Bonds | 206,969 | 213,364 | 6,394 | 7,801 | 1,407 |
| Stocks, etc. | 105,931 | 104,846 | (1,084) | 1,169 | 2,254 |
| Others | 199,903 | 196,786 | (3,116) | 3,391 | 6,507 |
| Monetary claims purchased | 40,897 | 40,897 | - | - | - |
| Certificates of deposit | 33,000 | 33,000 | - | - | - |
| Monetary trusts | 56,785 | 52,655 | (4,130) | 1,088 | 5,219 |

b. Fair value information on monetary trusts

(Millions of Yen)

| | As of September 30, 2003 | | | | |
|--|--------------------------|--------------------|---|-------------------------------|--------|
| | Carrying Value | Current Fair Value | | Net Unrealized Gains (Losses) | |
| | | | | Gains | Losses |
| Monetary Trusts | 183,025 | 183,025 | - | - | - |
| Investment type focused on domestic bonds | 10,850 | 10,850 | - | - | - |
| Investment type focused on domestic stocks | 55,023 | 55,023 | - | - | - |
| Investment type focused on foreign stocks | 16,851 | 16,851 | - | - | - |
| Investment type focused on collateralized short term money trust | 100,000 | 100,000 | - | - | - |
| Jointly operated designated monetary trusts | 300 | 300 | - | - | - |

| | As of September 30, 2002 | | | | |
|---|--------------------------|--------------------|---|-------------------------------|--------|
| | Carrying Value | Current Fair Value | | Net Unrealized Gains (Losses) | |
| | | | | Gains | Losses |
| Monetary Trusts | 81,972 | 81,972 | - | - | - |
| Investment type focused on domestic bonds | 10,832 | 10,832 | - | - | - |
| Investment type focused on domestic stocks | 32,654 | 32,654 | - | - | - |
| Investment type focused on foreign stocks | 38,185 | 38,185 | - | - | - |
| Jointly operated designated monetary trusts | 300 | 300 | - | - | - |

| | As of March 31, 2003 | | | | |
|--|----------------------|--------------------|---|-------------------------------|--------|
| | Carrying Value | Current Fair Value | | Net Unrealized Gains (Losses) | |
| | | | | Gains | Losses |
| Monetary Trusts | 150,393 | 150,393 | - | - | - |
| Investment type focused on domestic bonds | 11,086 | 11,086 | - | - | - |
| Investment type focused on domestic stocks | 45,406 | 45,406 | - | - | - |
| Investment type focused on foreign stocks | 38,599 | 38,599 | - | - | - |
| Investment type focused on collateralized short term money trust | 55,000 | 55,000 | - | - | - |
| Jointly operated designated monetary trusts | 300 | 300 | - | - | - |

(a) Monetary trusts within trading securities

(Millions of Yen)

| | As of September 30, 2003 | | As of September 30, 2002 | |
|--------------------|---------------------------------------|------------------------------|---------------------------------------|------------------------------|
| | Current Fair Value and Carrying Value | Net Valuation Gains (Losses) | Current Fair Value and Carrying Value | Net Valuation Gains (Losses) |
| Trading securities | 35,352 | 5,756 | 19,775 | (2,452) |
| Domestic stocks | 35,352 | 5,756 | 19,775 | (2,452) |

| | As of March 31, 2003 | |
|--------------------|---------------------------------------|------------------------------|
| | Current Fair Value and Carrying Value | Net Valuation Gains (Losses) |
| Trading securities | 32,903 | (3,973) |
| Domestic stocks | 32,903 | (3,973) |

(b) Monetary trusts within available-for-sale securities

(Millions of Yen)

| | As of September 30, 2003 | | | | |
|-------------------------------|---|--|-------------------------------|--------------|--------------|
| | Carrying Value Prior to Mark-to- Market | Current Fair Value and Carrying Value | Net Unrealized Gains (Losses) | | |
| | | | Gains | Losses | |
| Available-for-sale securities | 40,080 | 41,749 | 1,668 | 3,271 | 1,602 |
| Domestic bonds | 10,668 | 10,778 | 109 | 188 | 78 |
| Domestic stocks | 12,888 | 14,632 | 1,744 | 1,978 | 234 |
| Foreign stocks | 16,523 | 16,338 | (185) | 1,104 | 1,289 |
| Total | 40,080 | 41,749 | 1,668 | 3,271 | 1,602 |

| | As of September 30, 2002 | | | | |
|-------------------------------|---|--|-------------------------------|--------------|--------------|
| | Carrying Value Prior to Mark-to- Market | Current Fair Value and Carrying Value | Net Unrealized Gains (Losses) | | |
| | | | Gains | Losses | |
| Available-for-sale securities | 61,738 | 56,653 | (5,085) | 1,064 | 6,149 |
| Domestic bonds | 10,330 | 10,714 | 383 | 418 | 34 |
| Domestic stocks | 8,953 | 8,902 | (50) | 458 | 509 |
| Foreign stocks | 42,455 | 37,036 | (5,418) | 187 | 5,606 |
| Total | 61,738 | 56,653 | (5,085) | 1,064 | 6,149 |

| | As of March 31, 2003 | | | | |
|-------------------------------|---|--|-------------------------------|--------------|--------------|
| | Carrying Value Prior to Mark-to- Market | Current Fair Value and Carrying Value | Net Unrealized Gains (Losses) | | |
| | | | Gains | Losses | |
| Available-for-sale securities | 56,785 | 52,655 | (4,130) | 1,088 | 5,219 |
| Domestic bonds | 10,578 | 11,003 | 425 | 443 | 18 |
| Domestic stocks | 7,734 | 7,299 | (434) | 220 | 655 |
| Foreign stocks | 38,473 | 34,351 | (4,121) | 424 | 4,545 |
| Total | 56,785 | 52,655 | (4,130) | 1,088 | 5,219 |

Notes:

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

2. Other than the above, net valuation gains (devaluation losses) on derivatives classified as monetary trusts within available-for-sale securities, which are charged or credited to income, showed a loss of 80 million yen as of September 30, 2003, a gain of 61 million yen as of September 30, 2002, and a gain of 54 million yen as of March 31, 2003, respectively.

c. Fair value information on real estate

(Millions of Yen)

| | As of September 30, 2003 | | | | |
|--------------|--------------------------|-----------------------|-------------------------------|---------------|---------------|
| | Carrying Value | Current Fair Value | Net Unrealized Gains (Losses) | | |
| | | | Gains | Losses | |
| Land | 96,338 | 82,625 | (13,713) | 27,574 | 41,288 |
| Leasehold | 1,038 | 638 | (399) | 324 | 724 |
| Total | 97,376 | 83,263 | (14,112) | 27,899 | 42,012 |

| | As of September 30, 2002 | | | | |
|--------------|--------------------------|-----------------------|-------------------------------|---------------|---------------|
| | Carrying Value | Current Fair Value | Net Unrealized Gains (Losses) | | |
| | | | Gains | Losses | |
| Land | 99,229 | 91,242 | (7,986) | 30,549 | 38,535 |
| Leasehold | 1,038 | 723 | (314) | 363 | 677 |
| Total | 100,267 | 91,966 | (8,301) | 30,912 | 39,213 |

| | As of March 31, 2003 | | | | |
|--------------|----------------------|-----------------------|-------------------------------|---------------|---------------|
| | Carrying Value | Current Fair Value | Net Unrealized Gains (Losses) | | |
| | | | Gains | Losses | |
| Land | 97,711 | 85,250 | (12,461) | 28,216 | 40,677 |
| Leasehold | 1,038 | 673 | (365) | 335 | 700 |
| Total | 98,749 | 85,923 | (12,826) | 28,552 | 41,378 |

Note: Figures for current fair value are based on posted prices.

d. Fair value information on derivative transactions

(a) Gains (losses) on derivatives

(Millions of Yen)

| | As of September 30, 2003 | | | | | |
|------------------------------|--------------------------|------------------|---------------|----------------|----------|--------------|
| | Interest-related | Currency-related | Stock-related | Bond-related | Others | Total |
| Hedge accounting applied | - | - | - | - | - | - |
| Hedge accounting not applied | (831) | 1,424 | 1,228 | (2,093) | - | (272) |
| Total | (831) | 1,424 | 1,228 | (2,093) | - | (272) |

| | As of September 30, 2002 | | | | | |
|------------------------------|--------------------------|------------------|---------------|--------------|----------|----------------|
| | Interest-related | Currency-related | Stock-related | Bond-related | Others | Total |
| Hedge accounting applied | - | - | - | - | - | - |
| Hedge accounting not applied | (1,388) | (3,221) | 94 | - | - | (4,515) |
| Total | (1,388) | (3,221) | 94 | - | - | (4,515) |

| | As of March 31, 2003 | | | | | |
|------------------------------|----------------------|------------------|---------------|--------------|----------|----------------|
| | Interest-related | Currency-related | Stock-related | Bond-related | Others | Total |
| Hedge accounting applied | - | - | - | - | - | - |
| Hedge accounting not applied | (1,354) | (614) | (853) | - | - | (2,822) |
| Total | (1,354) | (614) | (853) | - | - | (2,822) |

Notes:

1. Gains (losses) on derivatives 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 disclosure.

(b) Interest-related transactions

(Millions of Yen)

| | As of September 30, 2003 | | | | As of September 30, 2002 | | | |
|--------------------------------------|---|---------------|------------------------------|--------------------------|---|---------------|------------------------------|--------------------------|
| | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) |
| | | | | | | | | |
| Over-the-counter transactions | | | | | | | | |
| Interest rate swaps: | | | | | | | | |
| Receipts fixed, payments floating | - | - | - | - | - | - | - | - |
| Receipts floating, payments fixed | 59,200 | 6,600 | (831) | (831) | 61,800 | 59,200 | (1,388) | (1,388) |
| Receipts floating, payments floating | - | - | - | - | - | - | - | - |
| Others: | | | | | | | | |
| Sold | - | - | - | - | - | - | - | - |
| Bought | - | - | - | - | - | - | - | - |
| Total | | | | (831) | | | | (1,388) |

| | As of March 31, 2003 | | | |
|--------------------------------------|---|---------------|------------------------------|--------------------------|
| | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) |
| | | | | |
| Over-the-counter transactions | | | | |
| Interest rate swaps: | | | | |
| Receipts fixed, payments floating | - | - | - | - |
| Receipts floating, payments fixed | 61,800 | 29,200 | (1,354) | (1,354) |
| Receipts floating, payments floating | - | - | - | - |
| Others: | | | | |
| Sold | - | - | - | - |
| Bought | - | - | - | - |
| Total | | | | (1,354) |

Interest rate swaps by contractual maturity dates:

(Millions of Yen, %)

| | As of September 30, 2003 | | | | As of September 30, 2002 | | | |
|------------------------------------|--------------------------|---------------------|-------------------------|------------------|--------------------------|---------------------|-------------------------|------------------|
| | Total | One year or shorter | One year to three years | Over three years | Total | One year or shorter | One year to three years | Over three years |
| Receipts fixed, payments floating: | | | | | | | | |
| Notional amount | - | - | - | - | - | - | - | - |
| Average fixed rate (receipt) | - | - | - | - | - | - | - | - |
| Average fixed rate (payment) | - | - | - | - | - | - | - | - |
| Receipts floating, payments fixed | | | | | | | | |
| Notional amount | 59,200 | 52,600 | 5,200 | 1,400 | 61,800 | 2,600 | 55,200 | 4,000 |
| Average fixed rate (receipt) | 0.46 | 0.51 | 0.07 | 0.07 | 1.10 | 0.07 | 1.23 | 0.07 |
| Average fixed rate (payment) | 2.21 | 2.24 | 1.97 | 1.97 | 2.20 | 1.97 | 2.22 | 1.97 |

(Millions of Yen, %)

| | As of March 31, 2003 | | | |
|------------------------------------|----------------------|---------------------|-------------------------|------------------|
| | Total | One year or shorter | One year to three years | Over three years |
| Receipts fixed, payments floating: | | | | |
| Notional amount | - | - | - | - |
| Average fixed rate (receipt) | - | - | - | - |
| Average fixed rate (payment) | - | - | - | - |
| Receipts floating, payments fixed | | | | |
| Notional amount | 61,800 | 32,600 | 25,200 | 4,000 |
| Average fixed rate (receipt) | 0.76 | 0.87 | 0.74 | 0.07 |
| Average fixed rate (payment) | 2.20 | 2.19 | 2.24 | 1.97 |

(c) Currency-related transactions

(Millions of Yen)

| | As of September 30, 2003 | | | | As of September 30, 2002 | | | |
|-------------------------------|---|---------------|------------------------------|--------------------------|---|---------------|------------------------------|--------------------------|
| | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) |
| | | | | | | | | |
| Over-the-counter transactions | | | | | | | | |
| Foreign exchange contracts: | | | | | | | | |
| Sold: | | | | | | | | |
| U.S. dollar | 405,749 | - | 404,325 | 1,424 | 161,564 | - | 164,786 | (3,221) |
| Euro | 134,204 | - | 131,935 | 2,269 | 87,545 | - | 89,565 | (2,020) |
| British pound | 253,455 | - | 254,271 | (815) | 61,230 | - | 62,192 | (962) |
| Canadian dollar | 18,089 | - | 18,118 | (29) | 12,788 | - | 13,027 | (239) |
| Canadian dollar | - | - | - | - | - | - | - | - |
| Bought: | | | | | | | | |
| U.S. dollar | 311 | - | 311 | (0) | 155 | - | 156 | 0 |
| Euro | 311 | - | 311 | (0) | 146 | - | 147 | 0 |
| Euro | - | - | - | - | 9 | - | 9 | 0 |
| British pound | - | - | - | - | - | - | - | - |
| Canadian dollar | - | - | - | - | - | - | - | - |
| Total | | | | 1,424 | | | | (3,221) |

| | As of March 31, 2003 | | | |
|-------------------------------|---|---------------|------------------------------|--------------------------|
| | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) |
| | | | | |
| Over-the-counter transactions | | | | |
| Foreign exchange contracts: | | | | |
| Sold: | | | | |
| U.S. dollar | 70,271 | - | 70,885 | (613) |
| Euro | 42,279 | - | 42,344 | (64) |
| Euro | 22,087 | - | 22,589 | (502) |
| British pound | 5,904 | - | 5,950 | (46) |
| Canadian dollar | - | - | - | - |
| Bought: | | | | |
| U.S. dollar | 204 | - | 204 | (0) |
| U.S. dollar | 204 | - | 204 | (0) |
| Euro | - | - | - | - |
| British pound | - | - | - | - |
| Canadian dollar | - | - | - | - |
| Total | | | | (614) |

Notes:

1. Forward exchange rates are used as the 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 disclosure.

(d) Stock-related transactions

(Millions of Yen)

| | As of September 30, 2003 | | | | As of September 30, 2002 | | | |
|------------------------------|--|------------------|------------------------------------|--------------------------------|--|------------------|------------------------------------|--------------------------------|
| | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) |
| | | | | | | | | |
| Exchange-traded transactions | | | | | | | | |
| Stock index futures: | | | | | | | | |
| Sold | 54,633 | - | 53,405 | 1,228 | 98,060 | - | 97,966 | 94 |
| Bought | - | - | - | - | - | - | - | - |
| Stock options: | | | | | | | | |
| Sold | | | | | | | | |
| Call | - | - | - | - | - | - | - | - |
| Put | - | - | - | - | - | - | - | - |
| Bought | | | | | | | | |
| Call | - | - | - | - | - | - | - | - |
| Put | - | - | - | - | - | - | - | - |
| Total | | | | 1,228 | | | | 94 |

| | As of March 31, 2003 | | | |
|------------------------------|--|------------------|------------------------------------|--------------------------------|
| | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) |
| | | | | |
| Exchange-traded transactions | | | | |
| Stock index futures: | | | | |
| Sold | 82,825 | - | 83,679 | (853) |
| Bought | - | - | - | - |
| Stock options: | | | | |
| Sold | | | | |
| Call | - | - | - | - |
| Put | - | - | - | - |
| Bought | | | | |
| Call | - | - | - | - |
| Put | - | - | - | - |
| Total | | | | (853) |

(e) Bond-related transactions

(Millions of Yen)

| | As of September 30, 2003 | | | | As of September 30, 2002 | | | |
|------------------------------|--|------------------|------------------------------------|--------------------------------|--|------------------|------------------------------------|--------------------------------|
| | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) |
| | | | | | | | | |
| Exchange-traded transactions | | | | | | | | |
| Bond futures contracts: | | | | | | | | |
| Sold | 203,513 | - | 205,606 | (2,093) | - | - | - | - |
| Bought | - | - | - | - | - | - | - | - |
| Bond futures options: | | | | | | | | |
| Sold | | | | | | | | |
| Call | - | - | - | - | - | - | - | - |
| Put | - | - | - | - | - | - | - | - |
| Bought | | | | | | | | |
| Call | - | - | - | - | - | - | - | - |
| Put | - | - | - | - | - | - | - | - |
| Total | | | | (2,093) | | | | - |

| | As of March 31, 2003 | | | |
|------------------------------|--|------------------|------------------------------------|--------------------------------|
| | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) |
| | | | | |
| Exchange-traded transactions | | | | |
| Bond futures contracts: | | | | |
| Sold | - | - | - | - |
| Bought | - | - | - | - |
| Bond futures options: | | | | |
| Sold | | | | |
| Call | - | - | - | - |
| Put | - | - | - | - |
| Bought | | | | |
| Call | - | - | - | - |
| Put | - | - | - | - |
| Total | | | | - |

(f) Others

The Company held no other derivative instruments as of September 30, 2003, 2002 and March 31, 2003.

3. Status of Separate Account Assets for the Six Months Ended September 30, 2003 **(Non-Consolidated)**

(1) Balance of separate account assets

(Millions of Yen)

| | As of September 30, 2003 | As of September 30, 2002 | As of March 31, 2003 |
|-------------------------------|--------------------------|--------------------------|----------------------|
| Individual Variable Insurance | 25,326 | 26,377 | 24,206 |
| Individual Variable Annuities | 14,037 | 13,499 | 13,306 |
| Group Insurance | 123,326 | 169,039 | 137,540 |
| Total | 162,690 | 208,916 | 175,054 |

(2) Status of individual variable insurance and annuities (separate accounts)

a. Total number of policies and total policy amount in force

Individual variable insurance

(Number, Millions of Yen)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|---------------------------------|--------------------------|--------|--------------------------|--------|----------------------|--------|
| | Number | Amount | Number | Amount | Number | Amount |
| Variable Insurance (term life) | 420 | 1,490 | 480 | 1,737 | 431 | 1,544 |
| Variable Insurance (whole life) | 10,051 | 81,632 | 10,398 | 85,225 | 10,233 | 83,466 |
| Total | 10,471 | 83,123 | 10,878 | 86,963 | 10,664 | 85,011 |

Individual variable annuities

(Number, Millions of Yen)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|--|--------------------------|--------|--------------------------|--------|----------------------|--------|
| | Number | Amount | Number | Amount | Number | Amount |
| Variable Annuities (variable investment type) | 235 | 1,074 | 205 | 969 | 229 | 1,018 |
| Variable Annuities (guaranteed investment type) | 178 | 542 | 151 | 434 | 164 | 486 |
| Total | 413 | 1,616 | 356 | 1,403 | 393 | 1,504 |

b. Asset Composition

Individual variable insurance

(Millions of Yen, %)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|-------------------------------------|--------------------------|------------|--------------------------|------------|----------------------|------------|
| | Amount | Percentage | Amount | Percentage | Amount | Percentage |
| Cash and deposits, call loans | 1 | 0.0 | 1 | 0.0 | 1,308 | 5.4 |
| Securities | 22,430 | 88.6 | 24,126 | 91.5 | 21,503 | 88.8 |
| Domestic bonds | 6,865 | 27.1 | 9,120 | 34.6 | 7,133 | 29.5 |
| Domestic stocks | 9,477 | 37.4 | 9,163 | 34.7 | 8,140 | 33.6 |
| Foreign securities | 6,087 | 24.0 | 5,842 | 22.2 | 6,229 | 25.7 |
| Foreign bonds | 3,131 | 12.4 | 2,970 | 11.3 | 3,098 | 12.8 |
| Foreign stocks and other securities | 2,956 | 11.7 | 2,871 | 10.9 | 3,130 | 12.9 |
| Other securities | - | - | - | - | - | - |
| Loans | - | - | - | - | - | - |
| Other assets | 2,894 | 11.4 | 2,250 | 8.5 | 1,395 | 5.8 |
| Reserve for possible loan losses | - | - | - | - | - | - |
| Total assets | 25,326 | 100.0 | 26,377 | 100.0 | 24,206 | 100.0 |

Individual variable annuities

(Millions of Yen, %)

| | As of September 30, 2003 | | | | | |
|-------------------------------------|---------------------------|------------|-------------------------|------------|----------------------------|------------|
| | Variable investment type | | | | Guaranteed investment type | |
| | Emphasis on stable return | | Emphasis on high return | | | |
| | Amount | Percentage | Amount | Percentage | Amount | Percentage |
| Cash and deposits, call loans | 1 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Securities | 4,194 | 86.5 | 3,778 | 91.1 | 4,551 | 90.3 |
| Domestic bonds | 3,044 | 62.8 | 802 | 19.4 | 2,374 | 47.1 |
| Domestic stocks | 495 | 10.2 | 1,928 | 46.5 | 1,327 | 26.3 |
| Foreign securities | 654 | 13.5 | 1,046 | 25.2 | 850 | 16.9 |
| Foreign bonds | 413 | 8.5 | 491 | 11.9 | 632 | 12.5 |
| Foreign stocks and other securities | 240 | 5.0 | 554 | 13.4 | 217 | 4.3 |
| Other securities | - | - | - | - | - | - |
| Loans | - | - | - | - | - | - |
| Other assets | 652 | 13.5 | 367 | 8.9 | 490 | 9.7 |
| Reserve for possible loan losses | - | - | - | - | - | - |
| Total assets | 4,848 | 100.0 | 4,146 | 100.0 | 5,043 | 100.0 |

| | As of March 31, 2002 | | | | | |
|-------------------------------------|---------------------------|------------|-------------------------|------------|----------------------------|------------|
| | Variable investment type | | | | Guaranteed investment type | |
| | Emphasis on stable return | | Emphasis on high return | | | |
| | Amount | Percentage | Amount | Percentage | Amount | Percentage |
| Cash and deposits, call loans | 0 | 0.0 | 1 | 0.0 | 1 | 0.0 |
| Securities | 4,346 | 90.9 | 3,680 | 94.1 | 4,646 | 96.6 |
| Domestic bonds | 3,234 | 67.7 | 958 | 24.5 | 2,655 | 55.2 |
| Domestic stocks | 495 | 10.4 | 1,697 | 43.4 | 1,148 | 23.9 |
| Foreign securities | 616 | 12.8 | 1,025 | 26.2 | 842 | 17.5 |
| Foreign bonds | 399 | 8.3 | 516 | 13.2 | 646 | 13.4 |
| Foreign stocks and other securities | 217 | 4.5 | 508 | 13.0 | 196 | 4.1 |
| Other securities | - | - | - | - | - | - |
| Loans | - | - | - | - | - | - |
| Other assets | 433 | 9.1 | 227 | 5.9 | 161 | 3.4 |
| Reserve for possible loan losses | - | - | - | - | - | - |
| Total assets | 4,780 | 100.0 | 3,909 | 100.0 | 4,809 | 100.0 |

| | As of March 31, 2003 | | | | | |
|-------------------------------------|---------------------------|------------|-------------------------|------------|----------------------------|------------|
| | Variable investment type | | | | Guaranteed investment type | |
| | Emphasis on stable return | | Emphasis on high return | | | |
| | Amount | Percentage | Amount | Percentage | Amount | Percentage |
| Cash and deposits, call loans | 469 | 9.7 | 242 | 6.5 | 282 | 5.9 |
| Securities | 4,321 | 89.8 | 3,456 | 92.8 | 4,457 | 93.5 |
| Domestic bonds | 3,173 | 65.9 | 835 | 22.4 | 2,470 | 51.8 |
| Domestic stocks | 507 | 10.6 | 1,608 | 43.2 | 1,167 | 24.5 |
| Foreign securities | 641 | 13.3 | 1,012 | 27.2 | 819 | 17.2 |
| Foreign bonds | 417 | 8.7 | 498 | 13.4 | 617 | 13.0 |
| Foreign stocks and other securities | 223 | 4.6 | 514 | 13.8 | 201 | 4.2 |
| Other securities | - | - | - | - | - | - |
| Loans | - | - | - | - | - | - |
| Other assets | 23 | 0.5 | 25 | 0.7 | 28 | 0.6 |
| Reserve for possible loan losses | - | - | - | - | - | - |
| Total assets | 4,814 | 100.0 | 3,724 | 100.0 | 4,768 | 100.0 |

c. Net investment gains / losses

Individual variable insurance

(Millions of Yen)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|---|--|--|------------------------------|
| Interests, dividends and income from real estate for rent | 233 | 279 | 541 |
| Gains on sale of securities | 280 | 325 | 530 |
| Gains on redemption of securities | - | - | - |
| Valuation gains on securities | 3,067 | - | - |
| Foreign exchange gains, net | - | 3 | 3 |
| Gains from derivatives, net | - | - | - |
| Other investment income | 0 | 0 | 0 |
| Losses on sale of securities | 1,584 | 1,090 | 2,100 |
| Amortization of securities | - | - | - |
| Devaluation losses on securities | - | 2,105 | 2,508 |
| Foreign exchange losses, net | 1 | - | - |
| Losses from derivatives, net | - | - | - |
| Other investment expenses | 0 | 0 | 0 |
| Net investment gains/losses | 1,994 | (2,586) | (3,532) |

Individual variable annuities

(Millions of Yen)

| | Six Months Ended September 30, 2003 | | | Six Months Ended September 30, 2002 | | |
|---|-------------------------------------|-------------------------|----------------------------|-------------------------------------|-------------------------|----------------------------|
| | Variable investment type | | Guaranteed investment type | Variable investment type | | Guaranteed investment type |
| | Emphasis on stable return | Emphasis on high return | | Emphasis on stable return | Emphasis on high return | |
| Interests, dividends and income from real estate for rent | 50 | 36 | 49 | 60 | 42 | 60 |
| Gains on sale of securities | 25 | 38 | 45 | 23 | 34 | 22 |
| Gains on redemption of securities | - | - | - | - | - | - |
| Valuation gains on securities | 103 | 557 | 304 | - | - | - |
| Foreign exchange gains, net | - | 0 | 0 | 0 | 0 | 0 |
| Gains from derivatives, net | - | - | - | - | - | - |
| Other investment income | 0 | 0 | 0 | 0 | 0 | 0 |
| Losses on sale of securities | 142 | 218 | 175 | 62 | 153 | 101 |
| Amortization of securities | - | - | - | - | - | - |
| Devaluation losses on securities | - | - | - | 132 | 410 | 186 |
| Foreign exchange losses, net | 0 | - | - | - | - | - |
| Losses from derivatives, net | - | - | - | - | - | - |
| Other investment expenses | 0 | 0 | 0 | 0 | 0 | 0 |
| Net investment gains/losses | 35 | 413 | 223 | (111) | (486) | (204) |

| | Year Ended March 31, 2003 | | |
|---|---------------------------|-------------------------|----------------------------|
| | Variable investment type | | Guaranteed investment type |
| | Emphasis on stable return | Emphasis on high return | |
| Interests, dividends and income from real estate for rent | 116 | 83 | 118 |
| Gains on sale of securities | 60 | 65 | 69 |
| Gains on redemption of securities | - | - | - |
| Valuation gains on securities | - | - | - |
| Foreign exchange gains, net | 0 | 0 | 0 |
| Gains from derivatives, net | - | - | - |
| Other investment income | 0 | 0 | 0 |
| Losses on sale of securities | 113 | 290 | 191 |
| Amortization of securities | - | - | - |
| Devaluation losses on securities | 139 | 539 | 270 |
| Foreign exchange losses, net | - | - | - |
| Losses from derivatives, net | - | - | - |
| Other investment expenses | 0 | 0 | 0 |
| Net investment gains/losses | (76) | (681) | (273) |

Note: Net investment gains/losses stated above are recorded in lump sum as an item of "gains (losses) from separate accounts, net" in the income statement.

d. Fair value information on securities

Valuation gains (losses) on trading securities

Individual variable insurance

(Millions of Yen)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|----------------------|---------------------------------------|--------------------------|---------------------------------------|--------------------------|---------------------------------------|--------------------------|
| | Current Fair Value and Carrying Value | Valuation Gains (Losses) | Current Fair Value and Carrying Value | Valuation Gains (Losses) | Current Fair Value and Carrying Value | Valuation Gains (Losses) |
| Trading securities | 22,430 | 3,067 | 24,126 | (2,105) | 21,503 | (2,508) |
| Domestic bonds | 6,865 | (161) | 9,120 | 56 | 7,133 | 94 |
| Domestic stocks | 9,477 | 3,040 | 9,163 | (892) | 8,140 | (1,571) |
| Foreign bonds | 3,131 | (215) | 2,970 | (23) | 3,098 | 34 |
| Foreign stocks, etc. | 2,956 | 403 | 2,871 | (1,245) | 3,130 | (1,066) |
| Monetary trusts | - | - | - | - | - | - |

Individual variable annuities (Variable investment type / Emphasis on stable return)

(Millions of Yen)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|----------------------|---------------------------------------|--------------------------|---------------------------------------|--------------------------|---------------------------------------|--------------------------|
| | Current Fair Value and Carrying Value | Valuation Gains (Losses) | Current Fair Value and Carrying Value | Valuation Gains (Losses) | Current Fair Value and Carrying Value | Valuation Gains (Losses) |
| Trading securities | 4,194 | 103 | 4,346 | (132) | 4,321 | (139) |
| Domestic bonds | 3,044 | (65) | 3,234 | 21 | 3,173 | 44 |
| Domestic stocks | 495 | 166 | 495 | (69) | 507 | (122) |
| Foreign bonds | 413 | (22) | 399 | 14 | 417 | 23 |
| Foreign stocks, etc. | 240 | 25 | 217 | (99) | 223 | (85) |
| Monetary trusts | - | - | - | - | - | - |

Individual variable annuities (Variable investment type / Emphasis on high return)

(Millions of Yen)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|----------------------|---------------------------------------|--------------------------|---------------------------------------|--------------------------|---------------------------------------|--------------------------|
| | Current Fair Value and Carrying Value | Valuation Gains (Losses) | Current Fair Value and Carrying Value | Valuation Gains (Losses) | Current Fair Value and Carrying Value | Valuation Gains (Losses) |
| Trading securities | 3,778 | 557 | 3,680 | (410) | 3,456 | (539) |
| Domestic bonds | 802 | (21) | 958 | 6 | 835 | 12 |
| Domestic stocks | 1,928 | 542 | 1,697 | (198) | 1,608 | (371) |
| Foreign bonds | 491 | (25) | 516 | 13 | 498 | 18 |
| Foreign stocks, etc. | 554 | 61 | 508 | (232) | 514 | (198) |
| Monetary trusts | - | - | - | - | - | - |

Individual variable annuities (Guaranteed investment type)

(Millions of Yen)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|----------------------|---------------------------------------|--------------------------|---------------------------------------|--------------------------|---------------------------------------|--------------------------|
| | Current Fair Value and Carrying Value | Valuation Gains (Losses) | Current Fair Value and Carrying Value | Valuation Gains (Losses) | Current Fair Value and Carrying Value | Valuation Gains (Losses) |
| Trading securities | 4,551 | 304 | 4,646 | (186) | 4,457 | (270) |
| Domestic bonds | 2,374 | (66) | 2,655 | 15 | 2,470 | 39 |
| Domestic stocks | 1,327 | 383 | 1,148 | (137) | 1,167 | (265) |
| Foreign bonds | 632 | (35) | 646 | 24 | 617 | 31 |
| Foreign stocks, etc. | 217 | 23 | 196 | (88) | 201 | (76) |
| Monetary trusts | - | - | - | - | - | - |

e. Fair value information on derivative transactions

(a) Interest-related transactions

The Company held no interest-related derivative instruments as of September 30, 2003, 2002 and March 31, 2003.

(b) Currency-related transactions

The Company held no currency-related derivative instruments as of September 30, 2003, 2002 and March 31, 2003.

(c) Stock-related transactions

The Company held no stock-related derivative instruments as of September 30, 2003, 2002 and March 31, 2003.

(d) Bond-related transactions

The Company held no bond-related derivative instruments as of September 30, 2003, 2002 and March 31, 2003.

(e) Others

The Company held no other derivative instruments as of September 30, 2003, 2002 and March 31, 2003.

4. Total of General Account Assets and Separate Account Assets (Non-Consolidated)

(1) Asset composition

(Millions of Yen)

| | As of September 30, 2003 | | |
|--|--------------------------|------------------|-----------|
| | General Account | Separate Account | Total |
| Cash and deposits, call loans | 364,821 | 10 | 364,831 |
| Securities repurchased under resale agreements | - | - | - |
| Pledged money for bond borrowing transaction | - | - | - |
| Monetary claims purchased | 59,998 | - | 59,998 |
| Securities under proprietary accounts | - | - | - |
| Monetary trusts | 183,025 | - | 183,025 |
| Securities | 3,859,375 | 147,458 | 4,006,834 |
| Domestic bonds | 2,577,809 | 54,723 | 2,632,532 |
| Domestic stocks | 279,604 | 51,313 | 330,918 |
| Foreign securities | 705,427 | 41,421 | 746,849 |
| Foreign bonds | 553,164 | 19,216 | 572,380 |
| Foreign stocks and other securities | 152,263 | 22,205 | 174,468 |
| Other securities | 296,533 | - | 296,533 |
| Loans | 1,165,163 | - | 1,165,163 |
| Property and equipment | 167,672 | - | 167,672 |
| Deferred tax asset | 41,112 | - | 41,112 |
| Other assets | 66,762 | 760 | 67,523 |
| Reserve for possible loan losses | (4,492) | - | (4,492) |
| Total assets | 5,903,439 | 148,229 | 6,051,668 |
| Foreign currency denominated assets | 516,200 | 41,863 | 558,063 |

Note: The figure of other assets of separate accounts dose not include the amount of due from general accounts. Other assets and total assets including due from general accounts are 15,211 million yen and 162,690 million yen,

(2) Fair value information on securities and others

a. Fair value information on securities

(a) Valuation gains (losses) on trading securities

(Millions of Yen)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|----------------------|---------------------------------------|--------------------------|---------------------------------------|--------------------------|---------------------------------------|--------------------------|
| | Current Fair Value and Carrying Value | Valuation Gains (Losses) | Current Fair Value and Carrying Value | Valuation Gains (Losses) | Current Fair Value and Carrying Value | Valuation Gains (Losses) |
| Trading securities | 226,530 | 23,491 | 257,028 | (27,437) | 232,421 | (29,419) |
| Domestic bonds | 54,723 | (1,273) | 82,886 | 373 | 63,323 | 1,055 |
| Domestic stocks | 51,313 | 17,991 | 66,862 | (8,132) | 55,071 | (12,266) |
| Foreign bonds | 19,216 | (1,163) | 21,033 | (42) | 20,012 | 16 |
| Foreign stocks, etc. | 65,924 | 2,180 | 66,471 | (17,183) | 61,110 | (14,252) |
| Monetary trusts | 35,352 | 5,756 | 19,775 | (2,452) | 32,903 | (3,973) |

(b)-1. Securities with market value

(Millions of Yen)

| | As of September 30, 2003 | | | | |
|-------------------------------|---|---|-------------------------------|---------|--------|
| | Amortized Cost / Carrying Value Prior to Mark-to-Market | Current Fair Value / and Carrying Value | Net Unrealized Gains (Losses) | | |
| | | | | Gains | Losses |
| Held-to-maturity securities | 1,583,076 | 1,635,607 | 52,531 | 60,200 | 7,669 |
| Domestic bonds | 1,509,301 | 1,560,447 | 51,145 | 58,433 | 7,287 |
| Foreign Bonds | 73,775 | 75,160 | 1,385 | 1,766 | 381 |
| Available-for-sale securities | 2,119,551 | 2,245,188 | 125,636 | 144,521 | 18,884 |
| Domestic bonds | 1,031,430 | 1,068,508 | 37,077 | 38,369 | 1,291 |
| Domestic stocks | 165,322 | 250,217 | 84,895 | 87,516 | 2,621 |
| Foreign securities | 520,582 | 512,805 | (7,777) | 4,364 | 12,142 |
| Bonds | 485,695 | 479,389 | (6,306) | 3,716 | 10,022 |
| Stocks, etc. | 34,886 | 33,416 | (1,470) | 648 | 2,119 |
| Others | 282,137 | 291,909 | 9,771 | 10,998 | 1,227 |
| Monetary claims purchased | 59,998 | 59,998 | - | - | - |
| Certificates of deposit | 20,000 | 20,000 | - | - | - |
| Monetary trusts | 40,080 | 41,749 | 1,668 | 3,271 | 1,602 |
| Total | 3,702,627 | 3,880,795 | 178,167 | 204,721 | 26,553 |
| Domestic bonds | 2,540,731 | 2,628,955 | 88,223 | 96,803 | 8,579 |
| Domestic stocks | 165,322 | 250,217 | 84,895 | 87,516 | 2,621 |
| Foreign securities | 594,357 | 587,965 | (6,391) | 6,131 | 12,523 |
| Bonds | 559,470 | 554,549 | (4,921) | 5,482 | 10,404 |
| Stocks, etc. | 34,886 | 33,416 | (1,470) | 648 | 2,119 |
| Others | 282,137 | 291,909 | 9,771 | 10,998 | 1,227 |
| Monetary claims purchased | 59,998 | 59,998 | - | - | - |
| Certificates of deposit | 20,000 | 20,000 | - | - | - |
| Monetary trusts | 40,080 | 41,749 | 1,668 | 3,271 | 1,602 |

Notes:

1. The above table includes assets such as certificates of deposits which are permitted to be considered as equivalent to securities defined in the Securities and Exchange Law.
2. Monetary trusts include securities other than trading securities.
3. Other than the above, valuation gains (devaluation losses) on derivatives classified as monetary trusts within available-for-sale securities, which are charged or credit to income, resulted in a loss of 80 million yen as of September 30, 2003.

(b)-2. Securities without market value (Carrying value)

(Millions of Yen)

| | As of September 30, 2003 |
|--|--------------------------|
| Stocks of subsidiaries and affiliates | 19,023 |
| Available-for-sale securities | 90,129 |
| Unlisted domestic stocks (excluding over-the-counter stocks) | 10,364 |
| Unlisted foreign stocks (excluding over-the-counter stocks) | 60,000 |
| Unlisted foreign bonds | - |
| Others | 19,765 |
| Total | 109,153 |

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

(b)-1. Securities with market value

(Millions of Yen)

| | As of September 30, 2002 | | | | |
|-------------------------------|---|---|-------------------------------|---------|--------|
| | Amortized Cost / Carrying Value Prior to Mark-to-Market | Current Fair Value / and Carrying Value | Net Unrealized Gains (Losses) | | |
| | | | | Gains | Losses |
| Held-to-maturity securities | 1,504,471 | 1,593,416 | 88,944 | 90,503 | 1,558 |
| Domestic bonds | 1,451,258 | 1,538,776 | 87,518 | 88,746 | 1,228 |
| Foreign Bonds | 53,213 | 54,639 | 1,426 | 1,757 | 330 |
| Available-for-sale securities | 2,150,389 | 2,223,323 | 72,933 | 101,421 | 28,488 |
| Domestic bonds | 1,354,969 | 1,420,519 | 65,550 | 66,820 | 1,270 |
| Domestic stocks | 230,504 | 239,506 | 9,001 | 22,941 | 13,939 |
| Foreign securities | 292,848 | 297,463 | 4,615 | 7,531 | 2,916 |
| Bonds | 259,843 | 264,743 | 4,900 | 6,912 | 2,012 |
| Stocks, etc. | 33,005 | 32,720 | (284) | 618 | 903 |
| Others | 198,329 | 197,181 | (1,148) | 3,063 | 4,212 |
| Monetary claims purchased | 11,998 | 11,998 | - | - | - |
| Certificates of deposit | - | - | - | - | - |
| Monetary trusts | 61,738 | 56,653 | (5,085) | 1,064 | 6,149 |
| Total | 3,654,861 | 3,816,739 | 161,878 | 191,925 | 30,047 |
| Domestic bonds | 2,806,227 | 2,959,296 | 153,068 | 155,567 | 2,498 |
| Domestic stocks | 230,504 | 239,506 | 9,001 | 22,941 | 13,939 |
| Foreign securities | 346,061 | 352,103 | 6,041 | 9,288 | 3,247 |
| Bonds | 313,056 | 319,383 | 6,326 | 8,670 | 2,343 |
| Stocks, etc. | 33,005 | 32,720 | (284) | 618 | 903 |
| Others | 198,329 | 197,181 | (1,148) | 3,063 | 4,212 |
| Monetary claims purchased | 11,998 | 11,998 | - | - | - |
| Certificates of deposit | - | - | - | - | - |
| Monetary trusts | 61,738 | 56,653 | (5,085) | 1,064 | 6,149 |

Notes:

1. The above table includes assets such as certificates of deposits which are permitted to be considered as equivalent to securities defined in the Securities and Exchange Law.
2. Monetary trusts include securities other than trading securities.
3. Other than the above, valuation gains (devaluation losses) on derivatives classified as monetary trusts within available-for-sale securities, which are charged or credit to income, resulted in a gain of 61 million yen as of September 30, 2002.

(b)-2. Securities without market value (Carrying value)

(Millions of Yen)

| As of September 30, 2002 | |
|--|---------|
| Stocks of subsidiaries and affiliates | 23,337 |
| Available-for-sale securities | 84,121 |
| Unlisted domestic stocks (excluding over-the-counter stocks) | 10,911 |
| Unlisted foreign stocks (excluding over-the-counter stocks) | 60,000 |
| Unlisted foreign bonds | - |
| Others | 13,209 |
| Total | 107,458 |

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

(b)-1. Securities with market value

(Millions of Yen)

| | As of March 31, 2003 | | | | |
|-------------------------------|---|---|-------------------------------|---------|--------|
| | Amortized Cost / Carrying Value Prior to Mark-to-Market | Current Fair Value / and Carrying Value | Net Unrealized Gains (Losses) | | |
| | | | | Gains | Losses |
| Held-to-maturity securities | 1,538,461 | 1,642,486 | 104,024 | 104,452 | 428 |
| Domestic bonds | 1,488,056 | 1,590,145 | 102,089 | 102,284 | 194 |
| Foreign Bonds | 50,405 | 52,340 | 1,935 | 2,168 | 233 |
| Available-for-sale securities | 2,157,307 | 2,231,216 | 73,908 | 99,798 | 25,890 |
| Domestic bonds | 1,472,609 | 1,547,313 | 74,703 | 74,952 | 249 |
| Domestic stocks | 168,600 | 172,240 | 3,639 | 14,198 | 10,559 |
| Foreign securities | 189,955 | 193,012 | 3,057 | 6,429 | 3,371 |
| Bonds | 156,564 | 161,023 | 4,459 | 5,633 | 1,174 |
| Stocks, etc. | 33,391 | 31,989 | (1,401) | 796 | 2,197 |
| Others | 195,458 | 192,096 | (3,361) | 3,129 | 6,490 |
| Monetary claims purchased | 40,897 | 40,897 | - | - | - |
| Certificates of deposit | 33,000 | 33,000 | - | - | - |
| Monetary trusts | 56,785 | 52,655 | (4,130) | 1,088 | 5,219 |
| Total | 3,695,769 | 3,873,702 | 177,932 | 204,251 | 26,318 |
| Domestic bonds | 2,960,665 | 3,137,458 | 176,792 | 177,236 | 443 |
| Domestic stocks | 168,600 | 172,240 | 3,639 | 14,198 | 10,559 |
| Foreign securities | 240,360 | 245,353 | 4,992 | 8,597 | 3,605 |
| Bonds | 206,969 | 213,364 | 6,394 | 7,801 | 1,407 |
| Stocks, etc. | 33,391 | 31,989 | (1,401) | 796 | 2,197 |
| Others | 195,458 | 192,096 | (3,361) | 3,129 | 6,490 |
| Monetary claims purchased | 40,897 | 40,897 | - | - | - |
| Certificates of deposit | 33,000 | 33,000 | - | - | - |
| Monetary trusts | 56,785 | 52,655 | (4,130) | 1,088 | 5,219 |

Notes:

1. The above table includes assets such as certificates of deposits which are permitted to be considered as equivalent to securities defined in the Securities and Exchange Law.
2. Monetary trusts include securities other than trading securities.
3. Other than the above, valuation gains (devaluation losses) on derivatives classified as monetary trusts within available-for-sale securities, which are charged or credit to income, resulted in a gain of 54 million yen as of March 31, 2003.

(b)-2. Securities without market value (Carrying value)

(Millions of Yen)

| As of March 31, 2003 | |
|--|---------|
| Stocks of subsidiaries and affiliates | 18,888 |
| Available-for-sale securities | 87,576 |
| Unlisted domestic stocks (excluding over-the-counter stocks) | 10,591 |
| Unlisted foreign stocks (excluding over-the-counter stocks) | 60,000 |
| Unlisted foreign bonds | - |
| Others | 16,985 |
| Total | 106,465 |

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

(c) Fair value information consisting of those stated in the previous table (b)-1. and foreign exchange and other gains (losses) for (b)-2.

(Millions of Yen)

| | As of September 30, 2003 | | | | |
|---------------------------------------|---|---|-------------------------------|---------|--------|
| | Amortized Cost / Carrying Value Prior to Mark-to-Market | Current Fair Value / and Carrying Value | Net Unrealized Gains (Losses) | | |
| | | | | Gains | Losses |
| Held-to-maturity securities | 1,583,076 | 1,635,607 | 52,531 | 60,200 | 7,669 |
| Domestic bonds | 1,509,301 | 1,560,447 | 51,145 | 58,433 | 7,287 |
| Foreign Bonds | 73,775 | 75,160 | 1,385 | 1,766 | 381 |
| Stocks of subsidiaries and affiliates | 19,023 | 19,023 | - | - | - |
| Available-for-sale securities | 2,209,681 | 2,335,304 | 125,623 | 145,081 | 19,458 |
| Domestic bonds | 1,031,430 | 1,068,508 | 37,077 | 38,369 | 1,291 |
| Domestic stocks | 175,686 | 260,581 | 84,895 | 87,516 | 2,621 |
| Foreign securities | 595,928 | 587,933 | (7,994) | 4,684 | 12,679 |
| Bonds | 485,695 | 479,389 | (6,306) | 3,716 | 10,022 |
| Stocks, etc. | 110,232 | 108,544 | (1,688) | 968 | 2,656 |
| Others | 286,557 | 296,533 | 9,975 | 11,239 | 1,263 |
| Monetary claims purchased | 59,998 | 59,998 | - | - | - |
| Certificates of deposit | 20,000 | 20,000 | - | - | - |
| Monetary trusts | 40,080 | 41,749 | 1,668 | 3,271 | 1,602 |
| Total | 3,811,781 | 3,989,935 | 178,154 | 205,281 | 27,127 |
| Domestic bonds | 2,540,731 | 2,628,955 | 88,223 | 96,803 | 8,579 |
| Domestic stocks | 194,709 | 279,604 | 84,895 | 87,516 | 2,621 |
| Foreign securities | 669,703 | 663,094 | (6,609) | 6,450 | 13,060 |
| Bonds | 559,470 | 554,549 | (4,921) | 5,482 | 10,404 |
| Stocks, etc. | 110,232 | 108,544 | (1,688) | 968 | 2,656 |
| Others | 286,557 | 296,533 | 9,975 | 11,239 | 1,263 |
| Monetary claims purchased | 59,998 | 59,998 | - | - | - |
| Certificates of deposit | 20,000 | 20,000 | - | - | - |
| Monetary trusts | 40,080 | 41,749 | 1,668 | 3,271 | 1,602 |

(Millions of Yen)

| | As of September 30, 2002 | | | | |
|---------------------------------------|---|---|-------------------------------|---------|--------|
| | Amortized Cost / Carrying Value Prior to Mark-to-Market | Current Fair Value / and Carrying Value | Net Unrealized Gains (Losses) | | |
| | | | | Gains | Losses |
| Held-to-maturity securities | 1,504,471 | 1,593,416 | 88,944 | 90,503 | 1,558 |
| Domestic bonds | 1,451,258 | 1,538,776 | 87,518 | 88,746 | 1,228 |
| Foreign Bonds | 53,213 | 54,639 | 1,426 | 1,757 | 330 |
| Stocks of subsidiaries and affiliates | 23,337 | 23,338 | 1 | 767 | 766 |
| Available-for-sale securities | 2,234,511 | 2,307,752 | 73,240 | 101,786 | 28,546 |
| Domestic bonds | 1,354,969 | 1,420,519 | 65,550 | 66,820 | 1,270 |
| Domestic stocks | 241,416 | 250,418 | 9,001 | 22,941 | 13,939 |
| Foreign securities | 362,913 | 367,819 | 4,906 | 7,842 | 2,936 |
| Bonds | 259,843 | 264,743 | 4,900 | 6,912 | 2,012 |
| Stocks, etc. | 103,069 | 103,075 | 6 | 929 | 923 |
| Others | 201,475 | 200,342 | (1,132) | 3,117 | 4,250 |
| Monetary claims purchased | 11,998 | 11,998 | - | - | - |
| Certificates of deposit | - | - | - | - | - |
| Monetary trusts | 61,738 | 56,653 | (5,085) | 1,064 | 6,149 |
| Total | 3,762,320 | 3,924,507 | 162,186 | 193,057 | 30,871 |
| Domestic bonds | 2,806,227 | 2,959,296 | 153,068 | 155,567 | 2,498 |
| Domestic stocks | 258,352 | 267,354 | 9,001 | 22,941 | 13,939 |
| Foreign securities | 422,527 | 428,861 | 6,334 | 10,367 | 4,033 |
| Bonds | 313,056 | 319,383 | 6,326 | 8,670 | 2,343 |
| Stocks, etc. | 109,470 | 109,478 | 7 | 1,697 | 1,690 |
| Others | 201,475 | 200,342 | (1,132) | 3,117 | 4,250 |
| Monetary claims purchased | 11,998 | 11,998 | - | - | - |
| Certificates of deposit | - | - | - | - | - |
| Monetary trusts | 61,738 | 56,653 | (5,085) | 1,064 | 6,149 |

(Millions of Yen)

| | As of March 31, 2003 | | | | |
|---------------------------------------|---|---|---------|-------------------------------|--------|
| | Amortized Cost / Carrying Value Prior to Mark-to-Market | Current Fair Value / and Carrying Value | | Net Unrealized Gains (Losses) | |
| | | | | Gains | Losses |
| Held-to-maturity securities | 1,538,461 | 1,642,486 | 104,024 | 104,452 | 428 |
| Domestic bonds | 1,488,056 | 1,590,145 | 102,089 | 102,284 | 194 |
| Foreign Bonds | 50,405 | 52,340 | 1,935 | 2,168 | 233 |
| Stocks of subsidiaries and affiliates | 18,888 | 18,888 | - | - | - |
| Available-for-sale securities | 2,244,884 | 2,319,354 | 74,470 | 100,434 | 25,963 |
| Domestic bonds | 1,472,609 | 1,547,313 | 74,703 | 74,952 | 249 |
| Domestic stocks | 179,192 | 182,831 | 3,639 | 14,198 | 10,559 |
| Foreign securities | 262,495 | 265,870 | 3,374 | 6,802 | 3,428 |
| Bonds | 156,564 | 161,023 | 4,459 | 5,633 | 1,174 |
| Stocks, etc. | 105,931 | 104,846 | (1,084) | 1,169 | 2,254 |
| Others | 199,903 | 196,786 | (3,116) | 3,391 | 6,507 |
| Monetary claims purchased | 40,897 | 40,897 | - | - | - |
| Certificates of deposit | 33,000 | 33,000 | - | - | - |
| Monetary trusts | 56,785 | 52,655 | (4,130) | 1,088 | 5,219 |
| Total | 3,802,234 | 3,980,729 | 178,494 | 204,886 | 26,392 |
| Domestic bonds | 2,960,665 | 3,137,458 | 176,792 | 177,236 | 443 |
| Domestic stocks | 198,080 | 201,720 | 3,639 | 14,198 | 10,559 |
| Foreign securities | 312,901 | 318,211 | 5,309 | 8,971 | 3,662 |
| Bonds | 206,969 | 213,364 | 6,394 | 7,801 | 1,407 |
| Stocks, etc. | 105,931 | 104,846 | (1,084) | 1,169 | 2,254 |
| Others | 199,903 | 196,786 | (3,116) | 3,391 | 6,507 |
| Monetary claims purchased | 40,897 | 40,897 | - | - | - |
| Certificates of deposit | 33,000 | 33,000 | - | - | - |
| Monetary trusts | 56,785 | 52,655 | (4,130) | 1,088 | 5,219 |

b. Fair value information on derivative transactions

(a) General information

1. Types of transaction

i) Interest-related : interest rate swap transactions

For a certain portion of fixed interest loans extended at interest levels lower than the assumed interest rate of insurance policies, the Company conducts interest rate swap transactions (in which the Company receives variable interest rates and pays fixed interest rates) to pursue gains when interest rates rise.

ii) Currency-related : foreign exchange contract transactions

The Company uses foreign exchange contracts as a means of hedging currency risks of foreign currency denominated assets.

iii) Stock-related : stock index futures trading

The Company uses stock index futures as a means of hedging against price fluctuation risks of domestic stocks.

iv) Bond-related : bond futures contract transactions

The Company uses bond futures as a means of hedging against price fluctuation risks of yen-denominated bonds.

2. Transaction policy

The Company uses derivative transactions for the purpose of hedging market risk exposures of underlying assets in the interest of efficient asset management and does not engage in speculative transactions for the purpose of profit taking.

3. Purposes of use

In line with the transaction policy, the use of derivative transactions is limited to the following four purposes:

i) Hedging transactions against underlying asset price fluctuation risks

ii) Transactions to supplement or replace underlying assets to eliminate time-related problems and liquidity problems until said underlying assets are incorporated into the Company's portfolio

iii) Transactions to adjust duration and interest type (fixed, variable) of underlying assets

iv) Transactions to hedge against, or disperse, underlying asset credit risks

4. Risk profile

As the derivative transactions in which the Company is engaged are in principle for purposes of hedging against underlying asset price fluctuation and credit risks, the Company is exposed to only limited risks related to derivative transactions.

The risk of nonperformance by counterparties is also limited because the Company only conducts transactions through exchanges or carefully selected OTC dealings with partners with high credit ratings.

5. Risk management

The transaction policy and purposes of use are stipulated by the Company's internal regulations governing asset management, and the Company thoroughly conducts tightly controlled operations in this respect. Conducting of new derivative transactions that are not stipulated by these regulations requires deliberation by the management committee and final approval by the Board of Directors.

In the Company's approach to risk management, the front office and middle/back offices are respectively separated into the investment and clerical & administrative sections, which mutually supervise each other. The Total Risk Management Division also ascertains and analyzes all kinds of risks, including derivative transaction risk and regularly reports to the Investment Policy Committee and the ALM Committee, which are responsible for the management of asset management returns and risks in terms of risk volume, position, and profit/loss level.

6. Supplemental information

i) Supplemental information of derivative transaction credit risks

Notional principals and contractual amounts of interest rates swap transactions and forward exchange contracts are of a nominal nature, with settlement conducted at the differential, not the nominal amount, and hence the amount itself is not an indicator of credit risk volume. Derivative transaction credit risk refers to the sum of the capital required to regain the original market position in the event of a transaction partner default (also referred to as "replacement cost") plus the potential for future increase in that capital amount ("potential exposure").

Derivative transaction credit risks

(Millions of Yen)

| | As of September 30, 2003 | | As of September 30, 2002 | | As of March 31, 2003 | |
|------------------|---|-------------------|---|-------------------|---|-------------------|
| | Contracted value or notional principal amount | Credit risk value | Contracted value or notional principal amount | Credit risk value | Contracted value or notional principal amount | Credit risk value |
| Interest-related | 59,200 | 0 | 61,800 | 2 | 61,800 | 1 |
| Currency-related | 579,325 | 163 | 259,189 | 26 | 159,262 | 15 |
| Stock-related | - | - | - | - | - | - |
| Bond-related | - | - | - | - | - | - |
| Total | 638,525 | 163 | 320,989 | 29 | 221,062 | 17 |

Notes:

1. Credit risk value is calculated using the current exposure method.
2. Currency-related transactions include separate account contracts (3,883 million yen as of September 30, 2003, and 681 million yen as of September 30, 2002) and credit risk values (0 million yen as of September 30, 2003, and 0 million yen as of September 30, 2002).

ii) Supplemental information of derivative transaction differential gain and loss

Items to which the hedging account has been applied are omitted from disclosure.

(b) Fair value information

1. Gains (losses) on derivatives

(Millions of Yen)

| | As of September 30, 2003 | | | | | |
|------------------------------|--------------------------|------------------|---------------|----------------|----------|--------------|
| | Interest-related | Currency-related | Stock-related | Bond-related | Others | Total |
| Hedge accounting applied | - | - | - | - | - | - |
| Hedge accounting not applied | (831) | 1,429 | 1,228 | (2,093) | - | (266) |
| Total | (831) | 1,429 | 1,228 | (2,093) | - | (266) |

| | As of September 30, 2002 | | | | | |
|------------------------------|--------------------------|------------------|---------------|--------------|----------|----------------|
| | Interest-related | Currency-related | Stock-related | Bond-related | Others | Total |
| Hedge accounting applied | - | - | - | - | - | - |
| Hedge accounting not applied | (1,388) | (3,222) | 94 | - | - | (4,516) |
| Total | (1,388) | (3,222) | 94 | - | - | (4,516) |

| | As of March 31, 2003 | | | | | |
|------------------------------|----------------------|------------------|---------------|--------------|----------|----------------|
| | Interest-related | Currency-related | Stock-related | Bond-related | Others | Total |
| Hedge accounting applied | - | - | - | - | - | - |
| Hedge accounting not applied | (1,354) | (614) | (853) | - | - | (2,822) |
| Total | (1,354) | (614) | (853) | - | - | (2,822) |

Notes:

1. Gains (losses) on derivatives 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 disclosure.

2. Interest-related transactions

(Millions of Yen)

| | As of September 30, 2003 | | | | As of September 30, 2002 | | | |
|--------------------------------------|---|---------------|------------------------------|--------------------------|---|---------------|------------------------------|--------------------------|
| | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) |
| | | | | | | | | |
| Over-the-counter transactions | | | | | | | | |
| Interest rate swaps: | | | | | | | | |
| Receipts fixed, payments floating | - | - | - | - | - | - | - | - |
| Receipts floating, payments fixed | 59,200 | 6,600 | (831) | (831) | 61,800 | 59,200 | (1,388) | (1,388) |
| Receipts floating, payments floating | - | - | - | - | - | - | - | - |
| Others: | | | | | | | | |
| Sold | - | - | - | - | - | - | - | - |
| Bought | - | - | - | - | - | - | - | - |
| Total | | | | (831) | | | | (1,388) |

| | As of March 31, 2003 | | | |
|--------------------------------------|---|---------------|------------------------------|--------------------------|
| | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) |
| | | | | |
| Over-the-counter transactions | | | | |
| Interest rate swaps: | | | | |
| Receipts fixed, payments floating | - | - | - | - |
| Receipts floating, payments fixed | 61,800 | 29,200 | (1,354) | (1,354) |
| Receipts floating, payments floating | - | - | - | - |
| Others: | | | | |
| Sold | - | - | - | - |
| Bought | - | - | - | - |
| Total | | | | (1,354) |

Interest rate swaps by contractual maturity dates:

(Millions of Yen, %)

| | As of September 30, 2003 | | | | As of September 30, 2002 | | | |
|------------------------------------|--------------------------|---------------------|-------------------------|------------------|--------------------------|---------------------|-------------------------|------------------|
| | Total | One year or shorter | One year to three years | Over three years | Total | One year or shorter | One year to three years | Over three years |
| | | | | | | | | |
| Receipts fixed, payments floating: | | | | | | | | |
| Notional amount | - | - | - | - | - | - | - | - |
| Average fixed rate (receipt) | - | - | - | - | - | - | - | - |
| Average fixed rate (payment) | - | - | - | - | - | - | - | - |
| Receipts floating, payments fixed | | | | | | | | |
| Notional amount | 59,200 | 52,600 | 5,200 | 1,400 | 61,800 | 2,600 | 55,200 | 4,000 |
| Average fixed rate (receipt) | 0.46 | 0.51 | 0.07 | 0.07 | 1.10 | 0.07 | 1.23 | 0.07 |
| Average fixed rate (payment) | 2.21 | 2.24 | 1.97 | 1.97 | 2.20 | 1.97 | 2.22 | 1.97 |
| | As of March 31, 2003 | | | | | | | |
| | Total | One year or shorter | One year to three years | Over three years | | | | |
| Receipts fixed, payments floating: | | | | | | | | |
| Notional amount | - | - | - | - | | | | |
| Average fixed rate (receipt) | - | - | - | - | | | | |
| Average fixed rate (payment) | - | - | - | - | | | | |
| Receipts floating, payments fixed | | | | | | | | |
| Notional amount | 61,800 | 32,600 | 25,200 | 4,000 | | | | |
| Average fixed rate (receipt) | 0.76 | 0.87 | 0.74 | 0.07 | | | | |
| Average fixed rate (payment) | 2.20 | 2.19 | 2.24 | 1.97 | | | | |

3. Currency-related transactions

(Millions of Yen)

| | As of September 30, 2003 | | | | As of September 30, 2002 | | | |
|-------------------------------|--|------------------|------------------------------------|--------------------------------|--|------------------|------------------------------------|--------------------------------|
| | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) |
| | | | | | | | | |
| Over-the-counter transactions | | | | | | | | |
| Foreign exchange contracts: | | | | | | | | |
| Sold: | 409,639 | - | 408,208 | 1,430 | 162,244 | - | 165,467 | (3,222) |
| U.S. dollar | 138,093 | - | 135,819 | 2,274 | 88,225 | - | 90,246 | (2,021) |
| Euro | 253,455 | - | 254,271 | (815) | 61,230 | - | 62,192 | (962) |
| British pound | 18,089 | - | 18,118 | (29) | 12,788 | - | 13,027 | (239) |
| Canadian dollar | - | - | - | - | - | - | - | - |
| Bought: | 311 | - | 311 | (0) | 155 | - | 156 | 0 |
| U.S. dollar | 311 | - | 311 | (0) | 146 | - | 147 | 0 |
| Euro | - | - | - | - | 9 | - | 9 | 0 |
| British pound | - | - | - | - | - | - | - | - |
| Canadian dollar | - | - | - | - | - | - | - | - |
| Total | | | | 1,429 | | | | (3,222) |

| | As of March 31, 2003 | | | |
|-------------------------------|--|------------------|------------------------------------|--------------------------------|
| | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) |
| | | | | |
| Over-the-counter transactions | | | | |
| Foreign exchange contracts: | | | | |
| Sold: | 70,271 | - | 70,885 | (613) |
| U.S. dollar | 42,279 | - | 42,344 | (64) |
| Euro | 22,087 | - | 22,589 | (502) |
| British pound | 5,904 | - | 5,950 | (46) |
| Canadian dollar | - | - | - | - |
| Bought: | 204 | - | 204 | (0) |
| U.S. dollar | 204 | - | 204 | (0) |
| Euro | - | - | - | - |
| British pound | - | - | - | - |
| Canadian dollar | - | - | - | - |
| Total | | | | (614) |

Notes:

1. Forward exchange rates are used as the 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 disclosure.

4. Stock-related transactions

(Millions of Yen)

| | As of September 30, 2003 | | | | As of September 30, 2002 | | | |
|------------------------------|--|------------------|------------------------------------|--------------------------------|--|------------------|------------------------------------|--------------------------------|
| | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) |
| | | | | | | | | |
| Exchange-traded transactions | | | | | | | | |
| Stock index futures: | | | | | | | | |
| Sold | 54,633 | - | 53,405 | 1,228 | 98,060 | - | 97,966 | 94 |
| Bought | - | - | - | - | - | - | - | - |
| Stock options: | | | | | | | | |
| Sold | | | | | | | | |
| Call | - | - | - | - | - | - | - | - |
| Put | - | - | - | - | - | - | - | - |
| Bought | | | | | | | | |
| Call | - | - | - | - | - | - | - | - |
| Put | - | - | - | - | - | - | - | - |
| Total | | | | 1,228 | | | | 94 |

| | As of March 31, 2003 | | | |
|------------------------------|--|------------------|------------------------------------|--------------------------------|
| | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) |
| | | | | |
| Exchange-traded transactions | | | | |
| Stock index futures: | | | | |
| Sold | 82,825 | - | 83,679 | (853) |
| Bought | - | - | - | - |
| Stock options: | | | | |
| Sold | | | | |
| Call | - | - | - | - |
| Put | - | - | - | - |
| Bought | | | | |
| Call | - | - | - | - |
| Put | - | - | - | - |
| Total | | | | (853) |

5. Bond-related transactions

(Millions of Yen)

| | As of September 30, 2003 | | | | As of September 30, 2002 | | | |
|------------------------------|--|------------------|------------------------------------|--------------------------------|--|------------------|------------------------------------|--------------------------------|
| | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) |
| | | | | | | | | |
| Exchange-traded transactions | | | | | | | | |
| Bond futures contracts: | | | | | | | | |
| Sold | 203,513 | - | 205,606 | (2,093) | - | - | - | - |
| Bought | - | - | - | - | - | - | - | - |
| Bond futures options: | | | | | | | | |
| Sold | | | | | | | | |
| Call | - | - | - | - | - | - | - | - |
| Put | - | - | - | - | - | - | - | - |
| Bought | | | | | | | | |
| Call | - | - | - | - | - | - | - | - |
| Put | - | - | - | - | - | - | - | - |
| Total | | | | (2,093) | | | | - |

| | As of March 31, 2003 | | | |
|------------------------------|--|------------------|------------------------------------|--------------------------------|
| | Contracted value or notional principal amount | Over One Year | Current market or fair value | Valuation gains (losses) |
| | | | | |
| Exchange-traded transactions | | | | |
| Bond futures contracts: | | | | |
| Sold | - | - | - | - |
| Bought | - | - | - | - |
| Bond futures options: | | | | |
| Sold | | | | |
| Call | - | - | - | - |
| Put | - | - | - | - |
| Bought | | | | |
| Call | - | - | - | - |
| Put | - | - | - | - |
| Total | | | | - |

6. Others

The Company held no other derivative instruments as of September 30, 2003, 2002 and March 31, 2003.

5. Risk Monitored Loans (Based on Insurance Business Law Guidelines)

(Consolidated)

(Millions of Yen, %)

| | As of September 30, 2003 | As of September 30, 2002 | As of March 31, 2003 |
|--|-----------------------------|-----------------------------|----------------------|
| Loans to bankrupt companies | 288 | 482 | 293 |
| Past due loans | 6,004 | 8,703 | 8,405 |
| Loans overdue for three months or more | 406 | 389 | 234 |
| Restructured loans | 485 | 2,244 | 885 |
| Total: a | 7,185 | 11,820 | 9,818 |
| [% of total loans] | [0.62] | [1.01] | [0.83] |
| Specific reserve for possible loan losses: b | 3,169 | 3,700 | 3,703 |
| General reserve for possible loan losses: c | 1,322 | 4,411 | 3,136 |
| Amount covered by collateral and guarantees: d | 3,621 | 6,211 | 5,311 |
| Sub-total =a-b-c-d | (928) | (2,503) | (2,332) |
| Coverage ratio A = (b+c) / a | [62.5] | [68.6] | [69.7] |
| Coverage ratio B = (b+c+d) / a | [112.9] | [121.2] | [123.8] |

Notes:

1. A portion of past due loans and loans to bankrupt companies was written off. Write-offs relating to bankrupt companies for the six months ended as of September 30, 2003, September 30, 2002 and March 31, 2003 amounted to 591million yen, 3,955 million yen and 986 million yen, respectively. Past due loans also decreased due to write-offs in the amounts of 5,485 million yen, 4,659 million yen and 4,122 million yen as of September 30, 2003, September 30, 2002 and March 31, 2003, respectively.
2. "Loans to bankrupt companies" are loans to borrowers that are subject to bankruptcy, corporate reorganization or rehabilitation or other similar proceedings on which the Company has stopped accruing interest after determining that collection or repayment of principal or interest is unlikely due to the significant delay in payment of principal or interest or for some other reason.
3. "Past due loans" are loans other than the loans described in note 2 above and the loans for which due dates for interest payments have been rescheduled for purposes of reconstruction or support of the borrower, on which the Company has stopped accruing interest based on its self-assessment.
4. "Loans overdue for three months or more" are loans other than the loans described in notes 2 or 3 above for which principal and/or interest are in arrears for three months or more.
5. "Restructured loans" are loans other than the loans described in notes 2, 3 or 4 above for which agreements have been made between the relevant parties providing a concessionary interest rate, rescheduling of due dates for interest and/or principal payments, waiver of claims and/or other terms in favour of the borrower for purposes of reconstruction or support of the borrower.

(Non-Consolidated)

(Millions of Yen, %)

| | As of September 30, 2003 | As of September 30, 2002 | As of March 31, 2003 |
|--|-----------------------------|-----------------------------|----------------------|
| Loans to bankrupt companies | 288 | 482 | 293 |
| Past due loans | 6,004 | 8,703 | 8,405 |
| Loans overdue for three months or more | 406 | 389 | 234 |
| Restructured loans | 485 | 2,242 | 885 |
| Total: a | 7,185 | 11,818 | 9,818 |
| [% of total loans] | [0.62] | [1.01] | [0.83] |
| Specific reserve for possible loan losses: b | 3,169 | 3,657 | 3,703 |
| General reserve for possible loan losses: c | 1,322 | 4,413 | 3,136 |
| Amount covered by collateral and guarantees: d | 3,621 | 6,211 | 5,311 |
| Sub-total =a-b-c-d | (928) | (2,463) | (2,332) |
| Coverage ratio A = (b+c) / a | [62.5] | [68.3] | [69.7] |
| Coverage ratio B = (b+c+d) / a | [112.9] | [120.8] | [123.8] |

Notes:

- 1. A portion of past due loans and loans to bankrupt companies was written off. Write-offs relating to bankrupt companies as of September 30, 2003, September 30, 2002 and March 31, 2003 amounted to 591 million yen, 3,955 and 986 million yen, respectively. Past due loans also decreased due to write-offs in the amounts of 5,485 million yen, 4,659 million yen and 4,122 million yen as of September 30, 2003, September 30, 2002 and March 31, 2003, respectively.*
- 2. "Loans to bankrupt companies" are loans to borrowers that are subject to bankruptcy, corporate reorganization or rehabilitation or other similar proceedings on which the Company has stopped accruing interest after determining that collection or repayment of principal or interest is unlikely due to the significant delay in payment of principal or interest or for some other reason.*
- 3. "Past due loans" are loans other than the loans described in note 2 above and the loans for which due dates for interest payments have been rescheduled for purposes of reconstruction or support of the borrower, on which the Company has stopped accruing interest based on its self-assessment.*
- 4. "Loans overdue for three months or more" are loans other than the loans described in notes 2 or 3 above for which principal and/or interest are in arrears for three months or more.*
- 5. "Restructured loans" are loans other than the loans described in notes 2, 3 or 4 above for which agreements have been made between the relevant parties providing a concessionary interest rate, rescheduling of due dates for interest and/or principal payments, waiver of claims and/or other terms in favour of the borrower for purposes of reconstruction or support of the borrower.*

6. Disclosed Claims Based on Insurance Business Law Standard

(Consolidated)

(Millions of Yen, %)

| | As of September 30, 2003 | As of September 30, 2002 | As of March 31, 2003 |
|---|-----------------------------|-----------------------------|----------------------|
| Claims against bankrupt and quasi-bankrupt obligors | 1,776 | 4,210 | 3,632 |
| Claims with collection risk | 4,520 | 4,976 | 5,066 |
| Claims for special attention | 900 | 2,640 | 1,124 |
| Sub-total | 7,196 | 11,827 | 9,823 |
| [% of Total] | [0.61] | [1.01] | [0.83] |
| Claims against normal obligors | 1,165,697 | 1,161,557 | 1,177,928 |
| Total | 1,172,894 | 1,173,385 | 1,187,752 |

Notes:

1. Claims against bankrupt and quasi-bankrupt obligors are loans to borrowers who are subject to bankruptcy, corporate reorganization or rehabilitation or other similar proceedings and other borrowers in serious financial difficulties.
2. Claims with collection risk are loans to obligors (other than bankrupt and quasi-bankrupt obligors) with deteriorated financial condition and results of operations from which it is unlikely that the principal and interest on the loans will be recovered.
3. Claims for special attention are loans on which principal and/or interest are past due for three months or more and loans with a concessionary interest rate, as well as loans with renegotiated conditions in favor of the borrower, including renegotiated schedule and/or waivers, in each case, other than the loans described in notes 1 or 2 above.
4. Claims against normal obligors are all other loans.
5. From the fiscal year ended March 31, 2003, above claims exclude those related to security lending contracts with cash collateral. For comparison purpose, the figures shown above as of September 30, 2002 excluded 97,878 million yen of claims against normal obligors related to security lending, which was included in the previous statement.

(Non-Consolidated)

(Millions of Yen, %)

| | As of September 30, 2003 | As of September 30, 2002 | As of March 31, 2003 |
|---|-----------------------------|-----------------------------|----------------------|
| Claims against bankrupt and quasi-bankrupt obligors | 1,776 | 4,210 | 3,632 |
| Claims with collection risk | 4,520 | 4,976 | 5,066 |
| Claims for special attention | 900 | 2,639 | 1,124 |
| Sub-total | 7,196 | 11,825 | 9,823 |
| [% of Total] | [0.61] | [1.01] | [0.83] |
| Claims against normal obligors | 1,165,697 | 1,161,522 | 1,177,928 |
| Total | 1,172,894 | 1,173,348 | 1,187,752 |

Notes:

1. Claims against bankrupt and quasi-bankrupt obligors are loans to borrowers who are subject to bankruptcy, corporate reorganization or rehabilitation or other similar proceedings and other borrowers in serious financial difficulties.
2. Claims with collection risk are loans to obligors (other than bankrupt and quasi-bankrupt obligors) with deteriorated financial condition and results of operations from which it is unlikely that the principal and interest on the loans will be recovered.
3. Claims for special attention are loans on which principal and/or interest are past due for three months or more and loans with a concessionary interest rate, as well as loans with renegotiated conditions in favor of the borrower, including renegotiated schedule and/or waivers, in each case, other than the loans described in notes 1 or 2 above.
4. Claims against normal obligors are all other loans.
5. From the fiscal year ended March 31, 2003, above claims exclude those related to security lending contracts with cash collateral. For comparison purpose, the figures shown above as of September 30, 2002 excluded 97,878 million yen of claims against normal obligors related to security lending, which was included in the previous statement.

(Reference) Reserves for possible loan losses (non-consolidated)

(Millions of Yen)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|---|--|--|------------------------------|
| 1. Reserve for possible loan losses | | | |
| a. General reserve | 1,322 | 4,413 | 3,136 |
| b. Specific reserve | 3,169 | 3,657 | 3,703 |
| c. Specific reserves for loans to refinancing countries | - | - | - |
| 2. Net provision for specific reserve | | | |
| a. Provision | 3,169 | 3,657 | 7,360 |
| b. Reversal | 3,214 | 3,942 | 7,595 |
| c. Net provision | (44) | (284) | (234) |
| 3. Specific reserves for loans to refinancing countries | | | |
| a. Number of countries | - | - | - |
| b. Amount of loans | - | - | - |
| c. Net provision | - | - | - |
| 4. Write-off of loans | 1,268 | 58 | 69 |

7. Core Profit and Reconciliation to Non-Consolidated Ordinary Profit

(Millions of Yen)

| | Six Months Ended September 30, 2003 | Six Months Ended September 30, 2002 | Year Ended March 31, 2003 |
|--|--|--|------------------------------|
| Core profit (A) | 48,056 | 38,788 | 88,729 |
| Capital gains | 27,441 | 28,390 | 53,788 |
| Gains from monetary trusts, net | 5,025 | - | - |
| Gains on investments in trading securities, net | - | - | - |
| Gains on sale of securities | 22,415 | 13,254 | 32,676 |
| Gains from derivatives, net | - | 15,135 | 21,111 |
| Foreign exchange gains, net | - | - | - |
| Others | - | - | - |
| Capital losses | 8,002 | 47,112 | 94,601 |
| Losses from monetary trusts, net | - | 6,696 | 11,748 |
| Losses on investments in trading securities, net | 1,618 | 3,826 | 3,018 |
| Losses on sale of securities | 1,068 | 7,270 | 19,657 |
| Devaluation losses on securities | 485 | 28,952 | 58,713 |
| Losses from derivatives, net | 3,571 | - | - |
| Foreign exchange losses, net | 1,259 | 366 | 1,462 |
| Others | - | - | - |
| Capital gains/losses (B) | 19,438 | (18,721) | (40,812) |
| (A+B) | 67,495 | 20,066 | 47,917 |
| Other one-time gains | (325) | - | - |
| Ceding reinsurance commissions | - | - | - |
| Reversal of contingency reserve | (325) | - | - |
| Others | - | - | - |
| Other one-time losses | 1,268 | 1,239 | 1,890 |
| Reinsurance premiums | - | - | - |
| Provision for contingency reserve | - | 1,181 | 1,820 |
| Provision for specific reserve for possible loan losses | - | - | - |
| Provision for specific reserves for loans to refinancing countries | - | - | - |
| Write-off of loans | 1,268 | 58 | 69 |
| Others | - | - | - |
| Other one-time gains/losses (C) | (1,593) | (1,239) | (1,890) |
| Ordinary profit (A+B+C) | 65,901 | 18,827 | 46,027 |

8. Solvency Margin Ratio

| (Non-Consolidated) | | (Millions of Yen) | | |
|--|---|-----------------------------|-----------------------------|-------------------------|
| | | As of September 30, 2003 | As of September 30, 2002 | As of March 31, 2003 |
| Total solvency margin (A) | | 515,795 | 416,603 | 424,846 |
| Equity (less certain items) | | 148,768 | 116,080 | 122,186 |
| Reserve for price fluctuation | | 30,005 | 28,726 | 29,242 |
| Contingency reserve | | 75,667 | 74,702 | 75,341 |
| Reserve for possible loan losses | | 1,322 | 4,413 | 3,136 |
| Net unrealized gains on available-for-sale securities (before tax) (x 90 per cent., if gains; x 100 per cent., if losses) | | 113,060 | 65,916 | 67,023 |
| Net unrealized gains(losses) on real estate (x 85 per cent., if gains; x 100 per cent., if losses) | | (14,112) | (8,301) | (12,826) |
| Excess of amount of policy surrender payment | | 111,378 | 107,842 | 109,281 |
| Unallotted portion of reserve for policyholder dividends | | 7,843 | 7,634 | 7,634 |
| Future profits | | 16,553 | 12,240 | 13,284 |
| Deferred tax assets | | 40,308 | 22,348 | 25,541 |
| Subordinated debt | | - | - | - |
| Deductible items | | (15,000) | (15,000) | (15,000) |
| Total risk (B) | $\sqrt{R_1^2 + (R_2 + R_3)^2} + R_4$ | 96,432 | 101,008 | 98,773 |
| Insurance risk | R_1 | 34,585 | 35,055 | 34,895 |
| Assumed investment yield risk | R_2 | 22,071 | 23,199 | 22,543 |
| Investment risk | R_3 | 65,327 | 68,816 | 67,191 |
| Business risk | R_4 | 2,439 | 2,541 | 2,492 |
| Solvency margin ratio | $\frac{(A)}{(1/2) \times (B)} \times 100$ | 1,069.7% | 824.9% | 860.2% |

Notes:

1. The above ratio is calculated in accordance with Articles 86, 87, 161, 162 and 190 of the ministerial ordinance for Insurance Business Law as well as Announcement No. 50 issued by the Ministry of Finance in 1996.
2. Equity as of September 30, 2003 and 2002 represent equity on the balance sheet less net unrealized gains on securities, deferred gain on sale of real estate and estimated appropriation paid in cash.
3. Equity as of March 31, 2003 represents equity on the balance sheet less net unrealized gains on securities, deferred gain on sale of real estate and appropriation paid in cash.
4. Deductible items in the total solvency margin include the capital contribution to T&D Financial Life Insurance Company.

(T&D Financial Life Insurance Company)

(Millions of Yen)

| | As of September 30, 2003 | As of September 30, 2002 | As of March 31, 2003 | |
|--|---|-----------------------------|-------------------------|----------|
| Total solvency margin (A) | 23,997 | 30,462 | 26,815 | |
| Equity (less certain items) | 21,682 | 27,022 | 23,891 | |
| Reserve for price fluctuations | 158 | 38 | 101 | |
| Contingency reserve | 353 | 104 | 174 | |
| Reserve for possible loan losses | 18 | 381 | 355 | |
| Net unrealized gains on available-for-sale securities (before tax) (x 90 per cent., if gains; x 100 per cent., if losses) | 569 | 904 | 641 | |
| Net unrealized gains(losses) on real estate (x 85 per cent., if gains; x 100 per cent., if losses) | - | 70 | 9 | |
| Subordinated debt | - | - | - | |
| Others | 1,214 | 1,941 | 1,641 | |
| Total risk (B) | $\sqrt{R_1^2 + (R_2 + R_3)^2} + R_4$ | 5,003 | 4,742 | 5,197 |
| Insurance risk | R_1 | 3,627 | 3,765 | 3,788 |
| Assumed investment yield risk | R_2 | 456 | 507 | 477 |
| Investment risk | R_3 | 2,687 | 2,050 | 2,764 |
| Business risk | R_4 | 203 | 189 | 210 |
| Solvency margin ratio | $\frac{(A)}{(1/2) \times (B)} \times 100$ | 959.1% | 1,284.8% | 1,031.9% |

Notes:

1. The above ratio is calculated in accordance with Articles 86, 87, 161, 162 and 190 of the ministerial ordinance for Insurance Business Law as well as Announcement No. 50 issued by the Ministry of Finance in 1996.

2. Equity represents equity on the balance sheet less net unrealized gains on securities.