

[Press Statement on Account Settlement for Fiscal Year 2002]

(1) Status of contracts

		As of End of FY 2001	As of End of 1H, FY 2002	As of End of FY 2002
Amount of new policies	(MY)	2,188,155 (13.3% up)	1,050,809 (2.2% down)	2,175,488 (0.6% down)
Amount of policies in force	(MY)	15,232,917 (0.4% up)	15,173,403 (0.3% up)	15,268,605 (0.2% up)
Amount of surrender or lapsed policies	(MY)	1,209,680 (0.7% up)	642,396 (6.1% up)	1,318,853 (9.0% up)
Ratio of surrender and lapse	(%)	7.97	4.22	8.66
Income from insurance premium	(MY)	1,019,041 (7.1% down)	464,374 (8.3% down)	887,942 (12.9% down)

* Individual insurance + individual annuity

* () indicates YoY change rate.

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

* Income from insurance premium are based on Income Statement.

(2) Status of asserts, etc.

		As of End of FY 2001	As of End of 1H, FY 2002	As of End of FY 2002
Total assets	(MY)	6,834,028 (6.0% down)	6,706,709 (4.6% down)	6,528,068 (4.5% down)
Adjusted net assets	(MY)	455,632 (32.8% down)	473,291 (7.9% down)	341,261 (25.1% down)
Solvency margin ratio	(%)	767.0	783.1	681.5

* () indicates YoY change rate.

(3) Base profit/amount of negative spread

		As of End of FY 2001	As of End of FY 2002	As of End of FY 2003 (forecast)
Base profit	(MY)	13,875 (0.5% down)	28,734 (107.1% up)	29,400 (2.3% up)
Amount of negative spread	(MY)	66,274 (14,040down)	43,450 (22,823down)	38,600 (4,850down)
Yield of the management return in the base profit (Note)	(%)	2.56	2.45	2.28
Yield of the management return (general account)	(%)	2.48	1.31	
Average assumed investment yield	(%)	3.62	3.17	2.94

* () indicates YoY change rate. (Figures in "Amount of negative spread" indicates YoY change)

(4) Reserves

		As of End of FY 2001	As of End of 1H, FY 2002	As of End of FY 2002
Policy reserve	(MY)	6,305,137 (234,486down)	6,175,843 (184,777down)	6,079,898 (225,239down)
General accounts included	(MY)	6,235,883 (220,131down)	6,118,091 (175,198down)	6,030,905 (204,978down)
Separate accounts included	(MY)	69,253 (14,354down)	57,751 (9,579down)	48,992 (20,260down)
Reserve for price fluctuations	(MY)	54,911 (6,929up)	55,996 (6,896up)	2,132 (52,779down)
Reserve for contingency	(MY)	53,710 (52,638down)	54,080 (53,031down)	54,348 (637up)
"Reserve for contingency I" included	(MY)	41,640 (1,846up)	42,010 (1,453up)	42,277 (637up)
"Reserve for contingency II" included	(MY)	12,070 (54,484down)	12,070 (54,484down)	12,070 (-)
Accumulated fund for contingency	(MY)	-	-	-
Accumulated fund for price fluctuations	(MY)	-	-	-

* () indicates YoY change.

* "Policy reserve" does not include Reserve for contingency.

(5) Latent profits/losses

		As of End of FY 2001	As of End of 1H, FY 2002	As of End of FY 2002
Securities	(MY)	52,312	31,491	35,778 (16,534down)
Domestic shares included	(MY)	3,421	-57,337	-62,919 (66,341down)

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

* () indicates YoY change.

* Latent profits/losses include profits/losses on valuation of Other securities (with any market price) in addition to profits/losses on valuation of bonds held to maturity

(6) Asset impairment

		As of End of FY 2001	As of End of 1H, FY 2002	As of End of FY 2002
Securities	(MY)	1,751	7,347	82,595 (4,615.3% up)
Domestic shares included	(MY)	1,630	6,180	80,320 (4,826.5% up)
Major issues impaired		The Company withholds replies about individual issues.		
Criteria for asset impairment (decline rates, debtors' categories, etc.)		<p>(1) Securities with the market price</p> <ul style="list-style-type: none"> * Declining 50% or more of the acquisition costs. * Declining from 30% to less than 50%, and as a result of determination of the possibility of recovery, come-back close to the acquisition is unlikely. <p>(2) Securities without any market price</p> <p>a. Shares</p> <p>The real value (net assets per share x number of shares held) has reduced 50% or more due to worse financial conditions of the issuer, and no satisfactory evidence of likelihood of recovery.</p> <p>b. Bonds</p> <p>Class IV according to self-appraisal.</p>		

* () indicates YoY change rate.

(7) Performance and plan of asset management

		FY 2002 (Actual)	FY 2003 (Planned)
Domestic shares	(MY)	-124,007	Flat
Domestic bonds	(MY)	-122,273	Slightly decrease
Foreign shares	(MY)	-15,913	Flat
Foreign bonds	(MY)	103,859	Increase
Real estate	(MY)	2,109	Flat

(8) Level of the share price at which the latent profit/loss on shares becomes zero (as of the end of FY 2002)

Nikkei Stock Average	(yen)	approx.	9,680 yen
TOPIX	(point)	approx.	957 point

(9) Performance forecasts for FY 2003

		Forecasts for FY 2003
Ordinary revenue	(MY)	1,172,000 (15.4% down)
Income from insurance premiums	(MY)	860,500 (3.1% down)
Base profits	(MY)	29,400 (2.3% up)
Ordinary loss	(MY)	26,000 (12.8% up)
Net income	(MY)	6,400 (32.6% up)
Un-appropriated income	(MY)	32,900 (-)
Amount of new policies	(MY)	3,075,800 (41.4% up)
Amount of surrender or lapsed policies	(MY)	1,210,600 (8.2% down)
Ratio of surrender and lapse	%	7.93
Amount of policies in force	(MY)	16,590,800 (8.7% up)
Total assets	(MY)	6,437,200 (1.4% down)

* The amount of new policies and surrender or lapsed policies, the ratio of surrender and lapse, and the amount of policies in force are calculated for individual insurance and individual annuity.

* The amount of new policies includes the net increase from transfer.

* Since Shareholders' equity was changed following reorganization made as of April 1, 2003, Un-appropriated net income is not compared with that for the previous fiscal year.

(10) Cross-holdings of shares with banks

i Contributions from banks

		Total amount
Contributions to the fund	(MY)	-
Subordinated loans and others	(MY)	80,000

* In accordance with the provision of Article 88 of the Insurance Business Law, the whole amount of the fund was written off following the reorganization from a mutual company to a joint stock company.

ii Contributions to banks

		Total amount
Bank shares held (marked to market)	(MY)	55,296
Preferred stock (invested in SPC overseas)	(MY)	90,000
Preferred equity securities (invested in SPC overseas)	(MY)	-
Subordinated loans and others	(MY)	350,581

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

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

(11) Number of staff

		As of End of FY 2001	As of End of 1H, FY 2002	As of End of FY 2002
Sales staff members	(person)	8,948 (3.6% down)	8,832 (2.2% down)	8,809 (1.6% down)
Back-office staff members	(person)	2,825 (1.2% down)	3,012 (3.0% up)	2,909 (2.9% up)

* () indicates YoY change rate.

(12)

i) Future restructuring

In line with improving efficiency through review of business processes and reduction of staff members through promotion of computerization of paperwork, the Company is restricting personnel expenses through cutting of back office staff, and shift from full-time employees to part-time workers.

ii) Future measures for reinforcing total equity, our vies on cross-holding of shares with banks in particular

Currently, we have no specific idea about reinforcing total equity. As for relationships with banks, the Company intends to decrease the ratio of investments in financial institutions to reduce investment risks.

iii) Our opinion about the issue of lowering the promised yield on policies (Is a system itself necessary, measures if legislated and reasons for taking the measures)

The contents of amendment to Insurance Business Law are not quite clear. If the system that is currently under examination should make use of protecting policyholders' benefits upon bankruptcy settlement by Special Arrangement Law, the system can then be accepted with favor.

In the case of our Company, policies with the high promised yield on policies are maturing, and the burden of the negative spread is becoming lighter year by year, so there is no problem in soundness. The Company has no intention to reduce the promised yield on policies because the reduction will cause the burden on policyholders and may deteriorate in our Company.

(13) Interest payment to the fund

	(MY)	As of End of FY 2001	As of End of FY 2002
Interest payment to the fund	(MY)	531	343

* In accordance with the provision of Article 88 of the Insurance Business Law, the whole amount of the fund was written off following the reorganization from a mutual company to a joint stock company

**"Payments to the fund" indicates the amount paid in July 2002 for End of FY 2001, and that paid in March 2003 for End of FY 2002.

(14) Sales over the counter of banks (Oct. 2002 - end of March 2003)

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