

## **Supplementary Materials for the Six Months Ended September 30, 2006**

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

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## 1. Insurance Business Highlights

### (1) Total Policy Amount in Force

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

Category	As of September 30, 2005		As of September 30, 2006						As of March 31, 2006	
	Number	Amount	Number			Amount			Number	Amount
				% Change	% Change from previous FYE		% Change	% Change from previous FYE		
Individual insurance	3,473	131,966	3,272	94.2	97.2	138,328	104.8	101.9	3,368	135,720
Individual annuities	1,402	41,370	1,339	95.5	97.8	39,163	94.7	97.4	1,368	40,194
Sub total	4,876	173,337	4,611	94.6	97.4	177,492	102.4	100.9	4,736	175,915
Group insurance	-	105,502	-	-	-	104,002	98.6	99.6	-	104,469
Group annuities	-	7,166	-	-	-	7,830	109.3	101.0	-	7,754

Notes: 1. Policy amounts for individual annuities are equal to the fund to be held at the time annuity payments are to commence for an annuity for which annuity payments have not yet commenced and the amount of policy reserve for an annuity for which payments have commenced.  
2. The policy amount in force for group annuities is equal to the amount of outstanding policy reserve.  
3. % Changes are presented in comparison with the same term of previous fiscal year (hereinafter, same if not mentioned otherwise).

### (2) New Policy Amount

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

Category	Six months ended September 30, 2005					
	Number	% Change	Amount			Net increase from conversion
				% Change	New policies	
Individual insurance	155	93.9	14,885	102.5	12,088	2,797
Individual annuities	1	76.3	(131)	-	58	(190)
Sub total	157	93.6	14,754	101.9	12,147	2,606
Group insurance	-	-	398	171.4	398	-
Group annuities	-	-	0	12.5	0	-

Category	Six months ended September 30, 2006					
	Number	% Change	Amount			Net increase from conversion
				% Change	New policies	
Individual insurance	144	92.7	11,712	78.7	8,427	3,284
Individual annuities	5	341.8	53	-	149	(96)
Sub total	149	95.3	11,765	79.7	8,577	3,188
Group insurance	-	-	221	55.6	221	-
Group annuities	-	-	-	0.0	-	-

Category	Year ended March 31, 2006					
	Number	% Change	Amount			Net increase from conversion
				% Change	New policies	
Individual insurance	310	92.6	28,615	98.6	23,219	5,395
Individual annuities	3	86.2	(232)	-	126	(358)
Sub total	314	92.5	28,383	98.2	23,345	5,037
Group insurance	-	-	1,298	471.4	1,298	-
Group annuities	-	-	0	21.9	0	-

Notes: 1. The number of new policies includes increase from conversion.  
2. The new policy amount including net 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 annuities is equal to the initial premium payment.

### (3) Annualized Premiums

#### a) Policies in force

(Millions of Yen, %)

Category	As of September 30, 2005		As of September 30, 2006			As of March 31, 2006	
	Amount	% Change	Amount	% Change	% Change from previous FYE	Amount	% Change
Individual insurance	501,808	93.9	473,739	94.4	97.2	487,367	94.2
Individual annuities	210,849	96.9	205,966	97.7	99.1	207,775	97.0
<b>Total</b>	<b>712,657</b>	<b>94.8</b>	<b>679,706</b>	<b>95.4</b>	<b>97.8</b>	<b>695,143</b>	<b>95.0</b>
3rd sector products, included	107,446	102.7	111,500	103.8	101.9	109,472	103.2

#### b) New policies

(Millions of Yen, %)

Category	Six months ended September 30, 2005		Six months ended September 30, 2006		Year ended March 31, 2006	
	Amount	% Change	Amount	% Change	Amount	% Change
Individual insurance	21,709	92.1	17,927	82.6	42,386	90.9
Individual annuities	(398)	-	842	-	(648)	-
<b>Total</b>	<b>21,311</b>	<b>90.6</b>	<b>18,769</b>	<b>88.1</b>	<b>41,737</b>	<b>89.9</b>
3rd sector products, included	6,919	99.1	6,909	99.9	14,249	101.0

- Notes: 1. The new policies include net increase from conversion.  
2. The Japanese insurance market is legally divided into three major fields: the First Sector, which involves conventional life insurance; the Second Sector, which involves P&C insurance; and the Third Sector, which involves insurance positioned between the two, including medical insurance, cancer insurance, accident insurance, and nursing care insurance.  
3. The amounts are calculated by multiplying monthly premiums by 12, and dividing single premiums by the insurance period.

### (4) Policy Amount by Dividend Type (Individual insurance and annuities)

#### a) Policy amount in force

(100 Millions of Yen, %)

Category	As of September 30, 2005		As of September 30, 2006		As of March 31, 2006	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Participating	75,808	43.7	67,149	37.8	71,093	40.4
Semi-participating	42,675	24.6	41,637	23.5	42,273	24.0
Non-participating	54,852	31.6	68,705	38.7	62,548	35.6
<b>Total</b>	<b>173,337</b>	<b>100.0</b>	<b>177,492</b>	<b>100.0</b>	<b>175,915</b>	<b>100.0</b>

#### b) New policy amount

(100 Millions of Yen, %)

Category	Six months ended September 30, 2005		Six months ended September 30, 2006		Year ended March 31, 2006	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Participating	2	0.0	2	0.0	2	0.0
Semi-participating	1,531	12.6	1,256	14.6	2,979	12.8
Non-participating	10,613	87.4	7,318	85.3	20,363	87.2
<b>Total</b>	<b>12,147</b>	<b>100.0</b>	<b>8,577</b>	<b>100.0</b>	<b>23,345</b>	<b>100.0</b>

- Notes: 1. Semi-participating policies only pay dividends related to investment every five years.  
2. The new policy amounts do not include net increase from conversion.

**(5) Average Amount of New Policies and Policies in Force** (Individual insurance)

(Thousands of Yen)

Category	Six months ended September 30, 2005	Six months ended September 30, 2006	Year ended March 31, 2006
Average amount of new policies	8,540	6,727	8,234
Average policy amount in force	3,798	4,226	4,029

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

**(6) New Policy Rate** (New policy amount / Policy amount in force at the beginning of fiscal year)

(%)

Category	Six months ended September 30, 2005	Six months ended September 30, 2006	Year ended March 31, 2006
Individual insurance	9.51	6.21	18.27
Individual annuities	0.14	0.37	0.30
Sub total	7.16	4.88	13.76
Group insurance	0.38	0.21	1.22

Notes: 1. The above figures do not include increase from conversion.  
2. The figures of the six months ended September 30, 2006 and 2005 are not annualized.

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

(%)

Category	Six months ended September 30, 2005	Six months ended September 30, 2006	Year ended March 31, 2006
Individual insurance	6.05	5.27	12.29
Individual annuities	1.02	0.84	1.94
Sub total	4.79	4.26	9.69
Group insurance	0.03	0.08	6.28

Note: The figures of the six months ended September 30, 2006 and 2005 are not annualized.

**(8) Surrender and Lapse Amount**

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

Category	Six months ended September 30, 2005				Six months ended September 30, 2006				Year ended March 31, 2006	
	Number		Amount		Number		Amount		Number	Amount
		% Change		% Change		% Change		% Change		
Individual insurance	97	96.1	7,691	122.1	82	84.6	7,158	93.1	190	15,613
Individual annuities	14	81.1	436	82.4	11	77.3	336	77.1	28	826
Sub total	112	93.8	8,127	119.0	94	83.7	7,494	92.2	218	16,440
Group insurance	-	-	34	158.0	-	-	84	246.4	-	6,658

Note: Surrender and lapse amounts for individual annuities are equal to the fund 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.

**(9) Average Premium Amount of New Policies** (Individual insurance, Monthly payment)

(Yen)

Category	Six months ended September 30, 2005	Six months ended September 30, 2006	Year ended March 31, 2006
Average premium Amount	12,769	11,943	12,582

Note: The above figures do not include increase from conversion.

**(10) Average Assumed Investment Yield and Negative Spread**

(Millions of yen)

Category	Six months ended September 30, 2005	Six months ended September 30, 2006	Year ended March 31, 2006
Amount of negative spread	21,956	12,692	38,525
Investment yield on core profit (annualized)	2.04%	2.30%	2.10%
Average assumed investment yield (annualized)	2.81%	2.75%	2.78%
Individual insurance & Individual annuities, included	3.03%	2.98%	3.01%
Policy reserve in general account	5,708,704	5,685,477	5,676,724

- Notes:
- Method of calculating negative spread:  
(Investment yield on core profit [1.14%] - Average assumed investment yield [1.36%])  
x Policy reserve in general account [5,685.4 billion yen]
  - While investment yield on core profit and average assumed investment yield as in 1 above are not annualized as in the notes 3 and 4 hereunder.
  - "Investment yield on core profit" is calculated by dividing numerator as investment revenues and expenses (investment profit in general account) included in core profit less amount of provision for accumulated interest due to policyholders by denominator as policy reserve in general account.
  - Average assumed investment yield is calculated by dividing numerator as assumed interest (general account only) by denominator as policy reserve in general account.
  - Policy reserve in general account represents the earned policy reserve calculated for policy reserve in general account less contingency reserve by Hardy method as follows:  
Hardy method: (Policy reserve at beginning of fiscal year + Policy reserve at end of fiscal year - Assumed interest) x (1/2)

**(11) Mortality Rate** (Based on principal policies of individual insurance)

Category	Six months ended September 30, 2005	Six months ended September 30, 2006	Year ended March 31, 2006
Rate based on number of policies	3.00‰	3.14‰	6.31‰
Rate based on policy amount	1.17‰	1.11‰	2.38‰

- Notes:
- The above figures represent the rates of paid policies against passed policies.
  - 1‰ (per mille) represents 1/1000.
  - The figures of the six months ended September 30, 2006 and 2005 are not annualized.

## 2. Indices Concerning Accounting

### (1) Reserve for Outstanding Claims

(Millions of Yen)

Category		As of September 30, 2005	As of September 30, 2006	As of March 31, 2006
Insurance claims	Death benefits	7,869	7,381	7,586
	Accidental death benefits	269	335	380
	Disability benefits	819	831	779
	Maturity benefits	565	922	468
	Others	162	342	206
	Sub total	9,686	9,813	9,420
Annuity payments		441	714	492
Insurance benefits		5,858	5,568	5,635
Surrender payments		4,647	4,614	4,458
Deferred insurance benefits		83	90	77
Total, including others		21,173	21,203	20,477

### (2) Policy Reserve

(Millions of Yen)

Category		As of September 30, 2005	As of September 30, 2006	As of March 31, 2006	
Policy reserve (excluding contingency reserve)	Individual insurance	2,456,147	2,401,013	2,424,366	
	General accounts	2,455,468	2,400,326	2,423,660	
	Separate accounts	679	687	706	
	Individual annuities	2,538,609	2,510,862	2,525,028	
	General accounts	2,538,609	2,510,862	2,525,028	
	Separate accounts	-	-	-	
	Group insurance	10,327	11,152	11,086	
	General accounts	10,327	11,152	11,086	
	Separate accounts	-	-	-	
	Group annuities	716,630	783,019	775,481	
	General accounts	716,630	783,019	775,481	
	Separate accounts	-	-	-	
	Others	3,838	3,968	3,922	
	General accounts	3,838	3,968	3,922	
	Separate accounts	-	-	-	
	Sub total	5,725,553	5,710,016	5,739,885	
	General accounts	5,724,874	5,709,328	5,739,179	
	Separate accounts	679	687	706	
	Contingency reserve	I	44,287	45,195	44,713
		II	14,786	30,760	26,520
III		10	10	10	
Sub total		59,084	75,966	71,244	
Total		5,784,638	5,785,982	5,811,130	
General accounts		5,783,959	5,785,295	5,810,424	
Separate accounts		679	687	706	

### (3) Policy Reserve Calculating Methods and Ratios

Category		As of September 30, 2005	As of September 30, 2006	As of March 31, 2006
Calculating methods	Policies subject to Standard Policy Reserve Method	Net level premium reserve method	Net level premium reserve method	Net level premium 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"		100.0%	100.0%	100.0%

Notes: 1. The calculating methods and the ratios are set for individual insurance and individual annuity. The concept of accumulation method is not targeted at policy reserve for group insurance and group annuity, so these insurance policies are not included.  
2. The ratio for policies to which the standard policy reserve method is applied is indicated in the method laid down in Notice No. 48 from the Ministry of Finance. The ratio for policies to which the standard policy reserve method is not applied is indicated for accumulated reserve for claims and unearned premiums calculated with the net level premium reserve method.

### (4) Other Reserves

(Millions of Yen)

Category	As of September 30, 2005		As of September 30, 2006		As of March 31, 2006	
	Amount	Increase (Decrease)	Amount	Increase (Decrease)	Amount	Increase (Decrease)
Reserve for possible loan losses	3,088	259	1,632	(47)	1,680	(1,148)
General reserve	1,567	(184)	1,431	(50)	1,482	(269)
Specific reserve	1,520	443	200	3	197	(878)
Reserve for bonus to directors and corporate auditors	-	-	20	20	-	-
Reserve for employees' retirement benefits	33,245	(517)	32,327	(199)	32,527	(1,235)
Reserve for directors' and corporate auditors' retirement benefits	1,184	117	1,417	167	1,250	183
Reserve for price fluctuations	13,170	3,369	29,437	3,377	26,059	16,258

Note: Increase (Decrease) is presented in comparison with the end of the previous fiscal year.

### (5) Insurance Premiums

#### a) Payment method

(Millions of Yen)

Category	Six months ended September 30, 2005	Six months ended September 30, 2006	Year ended March 31, 2006
Individual insurance	263,547	242,446	519,100
[Single premiums]	46,401	39,791	92,143
[Annual payment]	6,101	5,516	11,414
[Semi-annual payment]	690	641	1,343
[Monthly payment]	210,353	196,496	414,199
Individual annuities	46,389	46,932	90,146
[Single premiums]	1,734	7,387	3,201
[Annual payment]	0	-	0
[Semi-annual payment]	-	-	-
[Monthly payment]	44,653	39,544	86,944
Group insurance	17,009	17,221	35,525
Group annuities	95,920	56,076	177,017
Total, including others	423,424	363,258	822,946

b) Year

(Millions of Yen)

Category		Six months ended September 30, 2005	Six months ended September 30, 2006	Year ended March 31, 2006
Individual insurance and annuities	First year	64,347	61,585	127,351
	Second and subsequent years	245,588	227,793	481,895
	Subtotal	309,936	289,378	609,247
Group insurance	First year	60	216	219
	Second and subsequent years	16,948	17,004	35,305
	Subtotal	17,009	17,221	35,525
Group annuities	First year	88	3,910	1,096
	Second and subsequent years	95,831	52,166	175,921
	Subtotal	95,920	56,076	177,017
Total, including others	First year	64,521	65,733	128,713
	Second and subsequent years	358,903	297,524	694,232
	Total	423,424	363,258	822,946
	% Change	7.5%	(14.2%)	4.4%

(6) Insurance Claims

(Millions of Yen)

Category	Six months ended September 30, 2005	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset formation insurance and annuities	Others	Six months ended September 30, 2006	Year ended March 31, 2006
Death benefits	24,843	13,606	1,847	9,024	-	-	1	24,480	50,924
Accidental death benefits	624	548	-	28	-	-	-	576	1,288
Disability benefits	1,103	624	66	442	-	-	-	1,133	2,158
Maturity benefits	231,432	149,582	-	1	21,172	-	-	170,755	403,596
Others	112	228	-	-	-	-	0	228	295
Total	258,115	164,590	1,914	9,496	21,172	-	1	197,175	458,262

(7) Annuity Payments

(Millions of Yen)

Six months ended September 30, 2005	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset formation insurance and annuities	Others	Six months ended September 30, 2006	Year ended March 31, 2006
58,039	-	56,645	210	7,123	43	-	64,023	115,815

**(8) Insurance Benefits**

(Millions of Yen)

Category	Six months ended September 30, 2005	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset formation insurance and annuities	Others	Six months ended September 30, 2006	Year ended March 31, 2006
Death benefits	2,983	441	2,531	2	-	-	-	2,975	6,272
Hospitalization benefits	10,981	10,844	128	12	-	-	39	11,025	22,277
Operation benefits	4,988	4,998	86	-	-	-	-	5,084	10,201
Injury benefits	28	23	-	8	-	-	-	32	56
Survival benefits	17,558	13,688	-	-	-	66	-	13,754	37,841
Others	17,337	41	10	5	18,239	-	1	18,299	29,741
<b>Total</b>	<b>53,877</b>	<b>30,038</b>	<b>2,757</b>	<b>28</b>	<b>18,239</b>	<b>66</b>	<b>40</b>	<b>51,171</b>	<b>106,390</b>

**(9) Surrender Payments**

(Millions of Yen)

Six months ended September 30, 2005	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset formation insurance and annuities	Others	Six months ended September 30, 2006	Year ended March 31, 2006
76,061	28,122	14,647	2	5,113	55	-	47,940	127,283

**(10) Operating Expenses**

(Millions of Yen)

Category	Six months ended September 30, 2005	Six months ended September 30, 2006	Year ended March 31, 2006
Sales Activity Related Expenses	12,820	10,792	24,712
In-house sales representative expenses	12,415	10,452	23,909
Sales agent expenses	144	108	270
Selection expenses	259	231	532
Sales Administrative Expenses	3,866	3,762	7,563
Administrative / operational expenses	3,058	2,602	5,914
Expenses for training of in-house sales representatives	776	1,107	1,565
Advertising expenses	30	51	83
General Administrative Expenses	24,930	25,004	50,258
Personnel expenses	10,477	10,839	21,017
Non-Personnel Expenses	13,469	13,188	27,274
[Donation and others]	[12]	[12]	[19]
Contributions	337	334	676
Burden charges	645	642	1,289
<b>Total</b>	<b>41,616</b>	<b>39,558</b>	<b>82,533</b>

- Notes:
1. Major non-personnel expenses are system-related costs, shop costs and welfare expenses.
  2. The contributions are burden charges paid to former Life Insurance Policyholders' Protection Fund taken over by the current Life Insurance Policyholders' Protection Corporation in accordance with the provision of Clause 5, Article 140 of bylaws to the Law Concerning Establishment of Laws Related to the Financial System Reformation.
  3. The burden charges are paid to the Life Insurance Policyholders' Protection Corporation in accordance with the provision of Article 259 of the Insurance Business Law.

**(11) Operating Expense Ratio (Against insurance premiums)**

Six months ended September 30, 2005	Six months ended September 30, 2006	Year ended March 31, 2006
9.8%	10.9%	10.0%

### **3. Investment in General Account Assets for the Six Months Ended September 30, 2006**

#### **(1) Six Months Ended September 30, 2006 Investment**

##### **a) Investment performances**

Taiyo Life's general account assets as of September 30, 2006 totaled ¥6,484.6 billion, down ¥100.6 billion from the previous fiscal year-end. Of these assets, net unrealized gains on "available-for-sale securities" resulting from application of the fair value accounting decreased by ¥93.8 billion from the previous fiscal year-end, to ¥399.1 billion. Out of such net unrealized gains, ¥255.0 billion was added directly to stockholders' equity as net unrealized gains on securities.

In terms of major asset allocation, while decreasing loans, the Company focused on investments to yen fixed income assets such as domestic public and corporate bonds to pursue stable income flow. Also, while decreasing foreign bonds considering interest rates, the Company made new investments to foreign investment trusts.

##### **b) Investment income/ expenses**

Investment income of general account assets for six months ended September 30, 2006 increased by ¥26.3 billion from the same term of the previous fiscal year, to ¥116.3 billion, due to increase of interest, dividend and income from real estate for rent as well as increase of gains on sales of securities.

Investment expenses totaled ¥34.7 billion, up ¥10.6 billion, due mainly to increase of losses on sales of securities.

As a result, net investment income totaled ¥81.6 billion, up ¥15.6 billion from the same term of the previous fiscal year.

Net unrealized gains/ losses on securities (*See Note*) were ¥379.4 billion, down ¥87.1 billion from the previous fiscal year-end, since net unrealized gains/ losses on domestic stocks decreased, due mainly to a fall in stock prices.

*Note: Net unrealized gains/ losses on securities represent those with market value.*

## (2) Assets Composition

(Millions of yen, %)

Category	As of September 30, 2005		As of September 30, 2006		As of March 31, 2006	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Cash and deposits, call loans	133,207	2.1	174,144	2.7	158,706	2.4
Securities repurchased under resale agreements	-	-	-	-	-	-
Pledged money for bond borrowing transaction	-	-	-	-	-	-
Monetary claims purchased	94,251	1.5	142,433	2.2	124,358	1.9
Securities under proprietary accounts	-	-	-	-	-	-
Monetary trusts	50	0.0	-	-	50	0.0
Securities	4,326,710	67.6	4,456,510	68.7	4,550,498	69.1
Domestic bonds	2,632,177	41.1	2,693,084	41.5	2,671,153	40.6
Domestic stocks	679,112	10.6	832,491	12.8	933,993	14.2
Foreign securities	895,916	14.0	864,065	13.3	863,303	13.1
Bonds	687,847	10.7	596,229	9.2	619,201	9.4
Stocks, etc.	208,069	3.2	267,836	4.1	244,102	3.7
Other securities	119,503	1.9	66,868	1.0	82,047	1.2
Loans	1,624,588	25.4	1,496,602	23.1	1,535,833	23.3
Policy loans	110,197	1.7	107,009	1.7	109,118	1.7
Commercial loans	1,514,390	23.6	1,389,592	21.4	1,426,715	21.7
Property and equipment	170,535	2.7	165,742	2.6	168,480	2.6
Deferred tax assets	-	-	-	-	-	-
Deferred tax assets concerning revaluation	4,121	0.1	-	-	-	-
Other assets	53,248	0.8	50,845	0.8	49,049	0.7
Reserve for possible loan losses	(3,088)	(0.0)	(1,632)	(0.0)	(1,680)	(0.0)
<b>Total</b>	<b>6,403,625</b>	<b>100.0</b>	<b>6,484,645</b>	<b>100.0</b>	<b>6,585,297</b>	<b>100.0</b>
Foreign currency denominated assets, included	850,999	13.3	788,790	12.2	793,354	12.0

## (3) Changes in the Amount of Assets by Categories

(Millions of yen)

Category	Six Months Ended September 30, 2005	Six Months Ended September 30, 2006	Year Ended March 31, 2006
Cash and deposits, call loans	(40,828)	15,437	(15,329)
Securities repurchased under resale agreements	-	-	-
Pledged money for bond borrowing transaction	-	-	-
Monetary claims purchased	10,908	18,074	41,016
Securities under proprietary accounts	-	-	-
Monetary trusts	-	(50)	-
Securities	251,659	(93,987)	475,447
Domestic bonds	61,383	21,931	100,360
Domestic stocks	131,551	(101,501)	386,431
Foreign securities	55,497	761	22,883
Bonds	6,809	(22,971)	(61,836)
Stocks, etc.	48,687	23,733	84,720
Other securities	3,227	(15,179)	(34,228)
Loans	(74,578)	(39,231)	(163,333)
Policy loans	(3,768)	(2,108)	(4,847)
Commercial loans	(70,810)	(37,123)	(158,485)
Property and equipment	(5,541)	(2,738)	(7,595)
Deferred tax assets	(3,349)	-	(3,349)
Deferred tax assets concerning revaluation	1,253	-	(2,868)
Other assets	(6,568)	1,796	(10,767)
Reserve for possible loan losses	(259)	47	1,148
<b>Total</b>	<b>132,696</b>	<b>(100,652)</b>	<b>314,368</b>
Foreign currency denominated assets, included	54,192	(4,563)	(3,451)

**(4) Investment Income**

(Millions of Yen)

Category	Six Months Ended September 30, 2005	Six Months Ended September 30, 2006	Year Ended March 31, 2006
Interests, dividends and income from real estate for rent	60,938	69,054	126,092
Interest income from deposits	1	31	2
Interest income and dividends from securities	39,392	45,728	83,751
Interest income from loans	17,302	15,309	33,677
Income from real estate for rent	3,689	3,625	7,348
Other income from interest and dividends	553	4,360	1,311
Gain on securities under proprietary accounts	-	-	-
Gains from monetary trusts, net	-	0	-
Gains on investments in trading securities, net	-	-	-
Gains on sale of securities	28,968	47,202	70,593
Gains on sale of domestic bonds	661	429	1,592
Gains on sale of domestic stocks	17,171	40,258	46,687
Gains on sale of foreign securities	9,584	6,514	19,797
Other	1,551	-	2,516
Gains on redemption of securities	-	-	-
Gains from derivatives, net	-	-	-
Foreign exchange gains, net	-	17	-
Other investment income	88	83	213
<b>Total</b>	<b>89,995</b>	<b>116,357</b>	<b>196,899</b>

**(5) Investment Expenses**

(Millions of Yen)

Category	Six Months Ended September 30, 2005	Six Months Ended September 30, 2006	Year Ended March 31, 2006
Interest expenses	808	810	1,624
Losses on securities under proprietary accounts	-	-	-
Losses from monetary trusts, net	0	-	0
Losses on investments in trading securities, net	-	-	-
Losses on sale of securities	8,846	21,598	25,458
Losses on sale of domestic bonds	851	2,317	9,689
Losses on sale of domestic stocks	4,784	12,593	8,326
Losses on sale of foreign securities	3,155	6,687	7,325
Others	55	-	117
Devaluation losses on securities	176	22	269
Devaluation losses on domestic bonds	-	-	-
Devaluation losses on domestic stocks	22	22	34
Devaluation losses on foreign securities	-	-	-
Others	154	-	235
Amortization of securities	-	-	-
Losses from derivatives, net	10,728	8,858	21,068
Foreign exchange losses, net	69	-	221
Provision for reserve for possible loan losses	265	-	-
Write-offs of loans	15	8	-
Depreciation of real estate for rent	1,341	1,223	2,692
Other investment expenses	1,764	2,185	3,558
<b>Total</b>	<b>24,016</b>	<b>34,707</b>	<b>54,893</b>

**(6) Net Investment Income**

(Millions of Yen)

Category	Six Months Ended September 30, 2005	Six Months Ended September 30, 2006	Year Ended March 31, 2006
<b>Total</b>	<b>65,979</b>	<b>81,650</b>	<b>142,006</b>

**[Reference] Breakdown of gains / losses from derivatives, net**

(Millions of Yen)

Category	Six Months Ended September 30, 2005	Six Months Ended September 30, 2006	Year Ended March 31, 2006
Interest-rate-related gains / losses	28	15	297
Currency-related gains / losses	(8,540)	(8,691)	(17,675)
Stock-related gains / losses	(2,216)	(182)	(3,690)
Bond-related gains / losses	-	-	-
Other gains / losses	-	-	-
<b>Total</b>	<b>(10,728)</b>	<b>(8,858)</b>	<b>(21,068)</b>

**(7) Securities**

(Millions of Yen, %)

Category	As of September 30, 2005		As of September 30, 2006		As of March 31, 2006	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Government bonds	670,091	15.5	748,021	16.8	719,807	15.8
Municipal bonds	541,997	12.5	588,771	13.2	542,817	11.9
Corporate bonds	1,420,088	32.8	1,356,292	30.4	1,408,528	31.0
Public corporation bonds, included	1,084,097	25.1	1,080,078	24.2	1,104,679	24.3
Domestic Stocks	679,112	15.7	832,491	18.7	933,993	20.5
Foreign securities	895,916	20.7	864,065	19.4	863,303	19.0
Foreign bonds	687,847	15.9	596,229	13.4	619,201	13.6
Foreign stocks	208,069	4.8	267,836	6.0	244,102	5.4
Other securities	119,503	2.8	66,868	1.5	82,047	1.8
<b>Total</b>	<b>4,326,710</b>	<b>100.0</b>	<b>4,456,510</b>	<b>100.0</b>	<b>4,550,498</b>	<b>100.0</b>

**(8) Stock Holdings by Industry**

(Millions of Yen, %)

Category	As of September 30, 2005		As of September 30, 2006		As of March 31, 2006		
	Amount	Percentage	Amount	Percentage	Amount	Percentage	
Fishery, agriculture and forestry	313	0.0	202	0.0	386	0.0	
Mining	6,491	1.0	1,559	0.2	5,020	0.5	
Construction	15,885	2.3	14,170	1.7	19,921	2.1	
Manufacturing industries	Food products	5,573	0.8	6,305	0.8	5,236	0.6
	Textiles and clothing	8,544	1.3	8,079	1.0	11,698	1.3
	Pulp and paper	6,361	0.9	4,891	0.6	5,782	0.6
	Chemicals	35,609	5.2	38,577	4.6	44,081	4.7
	Medicals	11,755	1.7	17,908	2.2	12,047	1.3
	Oil and coal products	1,483	0.2	1,837	0.2	3,626	0.4
	Rubber products	3,284	0.5	2,410	0.3	3,453	0.4
	Glass and stone products	7,063	1.0	2,600	0.3	8,361	0.9
	Steel	41,931	6.2	33,543	4.0	44,782	4.8
	Non-steel metals	8,280	1.2	4,864	0.6	13,691	1.5
	Metal products	572	0.1	3,300	0.4	2,983	0.3
	Machinery	120,794	17.8	144,048	17.3	171,957	18.4
	Electric appliances	47,280	7.0	75,189	9.0	75,603	8.1
	Transportation vehicles	21,659	3.2	32,641	3.9	27,302	2.9
	Precision machinery	12,953	1.9	13,606	1.6	14,696	1.6
Others	5,552	0.8	6,981	0.8	10,062	1.1	
Electric and gas utilities	15,846	2.3	20,905	2.5	17,314	1.9	
Transportation / information telecommunications	Ground transportation	53,643	7.9	66,754	8.0	70,279	7.5
	Water transportation	8,270	1.2	2,563	0.3	5,126	0.5
	Air transportation	110	0.0	273	0.0	206	0.0
	Warehouses / transportation	915	0.1	830	0.1	1,089	0.1
	Information / telecommunications	17,689	2.6	15,664	1.9	18,455	2.0
Commerce	Wholesaling	20,374	3.0	22,659	2.7	28,526	3.1
	Retailers	13,106	1.9	14,398	1.7	18,940	2.0
Financial services / insurance	Banking	74,814	11.0	122,185	14.7	119,452	12.8
	Securities and commodity futures trading	22,451	3.3	36,650	4.4	43,231	4.6
	Insurance	18,170	2.7	23,418	2.8	23,228	2.5
	Other financial services	18,718	2.8	22,896	2.8	23,237	2.5
Real estate	43,382	6.4	62,947	7.6	74,354	8.0	
Service companies	10,225	1.5	7,624	0.9	9,854	1.1	
<b>Total</b>	<b>679,112</b>	<b>100.0</b>	<b>832,491</b>	<b>100.0</b>	<b>933,993</b>	<b>100.0</b>	

**(9) Securities by Contractual Maturity Dates**

(Millions of Yen)

Category	As of September 30, 2005						Total
	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*	
Government bonds	86,846	81,137	83,174	99,711	173,683	145,538	670,091
Municipal bonds	24,739	75,931	83,690	68,270	279,001	10,364	541,997
Corporate bonds	70,188	313,536	255,635	158,416	459,212	163,097	1,420,088
Domestic Stocks						679,112	679,112
Foreign securities	76,447	95,916	220,023	73,881	160,587	269,060	895,916
Foreign bonds	76,356	93,388	208,521	73,881	160,587	75,110	687,847
Stocks, etc.	90	2,527	11,501	-	-	193,949	208,069
Other securities	61	2,872	4,658	-	-	111,911	119,503
<b>Total</b>	<b>258,283</b>	<b>569,393</b>	<b>647,182</b>	<b>400,280</b>	<b>1,072,485</b>	<b>1,379,084</b>	<b>4,326,710</b>

(Millions of Yen)

Category	As of September 30, 2006						Total
	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*	
Government bonds	77,106	88,358	43,812	86,871	121,371	330,501	748,021
Municipal bonds	20,535	79,837	88,025	68,389	287,805	44,177	588,771
Corporate bonds	64,167	244,927	230,846	189,238	377,232	249,879	1,356,292
Domestic Stocks						832,491	832,491
Foreign securities	42,808	194,007	104,147	80,001	90,105	352,994	864,065
Foreign bonds	42,651	179,736	104,147	80,001	89,295	100,395	596,229
Stocks, etc.	157	14,270	-	-	809	252,598	267,836
Other securities	971	111	6,868	-	2,380	56,537	66,868
<b>Total</b>	<b>205,589</b>	<b>607,242</b>	<b>473,699</b>	<b>424,501</b>	<b>878,896</b>	<b>1,866,581</b>	<b>4,456,510</b>

(Millions of Yen)

Category	As of March 31, 2006						Total
	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*	
Government bonds	88,260	58,664	34,655	86,406	152,885	298,934	719,807
Municipal bonds	21,115	82,474	71,003	71,477	284,067	12,678	542,817
Corporate bonds	64,844	263,871	247,620	143,804	465,641	222,746	1,408,528
Domestic Stocks						933,993	933,993
Foreign securities	39,112	136,468	139,299	77,570	149,815	321,038	863,303
Foreign bonds	39,016	133,228	127,892	77,570	149,815	91,677	619,201
Stocks, etc.	95	3,239	11,406	-	-	229,360	244,102
Other securities	53	5,654	4,142	-	1,109	71,087	82,047
<b>Total</b>	<b>213,385</b>	<b>547,132</b>	<b>496,721</b>	<b>379,259</b>	<b>1,053,520</b>	<b>1,860,479</b>	<b>4,550,498</b>

Note: "Due after Ten Years" includes securities with maturity dates unfixed.

**(10) Loans**

(Millions of Yen)

Category	As of September 30, 2005	As of September 30, 2006	As of March 31, 2006
Policy loans	110,197	107,009	109,118
Policyholders loans	107,577	104,464	106,516
Premium loans	2,620	2,545	2,601
Commercial loans	1,514,390	1,389,592	1,426,715
[Loans to non-residents included]	[100,974]	[104,923]	[104,923]
Loans to corporations	1,101,198	972,246	1,019,213
[Loans to domestic corporations included]	[1,002,196]	[869,246]	[916,213]
Loans to Japanese government, government-related organizations and international organizations	9,519	6,101	7,872
Loans to Japanese local governments and public entities	13,441	13,428	10,188
Mortgage loans	241,954	250,890	246,001
Consumer loans	128,353	127,599	123,787
Others	19,924	19,326	19,652
<b>Total</b>	<b>1,624,588</b>	<b>1,496,602</b>	<b>1,535,833</b>

**(11) Loans to Domestic Companies by Company Size**

(Number, Millions of Yen, %)

Category		As of September 30, 2005		As of September 30, 2006		As of March 31, 2006	
			Percentage		Percentage		Percentage
Large-sized corporations	Number of debtors	182	74.6	177	73.4	178	75.4
	Amount	886,036	88.4	756,396	87.0	809,481	88.4
Medium-sized corporations	Number of debtors	7	2.9	4	1.7	5	2.1
	Amount	7,139	0.7	6,929	0.8	7,312	0.8
Small- and medium-sized corporations	Number of debtors	55	22.5	60	24.9	53	22.5
	Amount	109,019	10.9	105,921	12.2	99,419	10.9
<b>Total</b>	Number of debtors	<b>244</b>	<b>100.0</b>	<b>241</b>	<b>100.0</b>	<b>236</b>	<b>100.0</b>
	Amount	<b>1,002,196</b>	<b>100.0</b>	<b>869,246</b>	<b>100.0</b>	<b>916,213</b>	<b>100.0</b>

Notes:

1. Corporations are grouped as follows:

Business type	(i) All except (ii)-(iv)		(ii) Retail & restaurants		(iii) Services		(iv) Wholesalers	
Large-sized corporations	With employees more than 300, and	With a capital of 1,000 million yen or more	With more than 50 employees, and	With a capital of 1,000 million yen or more	With more than 100 employees, and	With a capital of 1,000 million yen or more	With more than 100 employees, and	With a capital of 1,000 million yen or more
Medium-sized corporations		With a capital of more than 300 million yen and less than 1,000 million yen		With a capital of more than 50 million yen and less than 1,000 million yen		With a capital of more than 50 million yen and less than 1,000 million yen		
Small- and medium-sized corporations	With a capital of 300 million yen or less, or regular employees of 300 or less		With a capital of 50 million yen or less, or regular employees of 50 or less		With a capital of 50 million yen or less, or regular employees of 100 or less		With a capital of 100 million yen or less, or regular employees of 100 or less	

2. The number of debtors represents those who have an obligation, net of loans to the Company, not the number of loan transactions.

**(12) Loans by Industry**

(Millions of Yen, %)

Industry	As of September 30, 2005		As of September 30, 2006		As of March 31, 2006		
	Amount	Percentage	Amount	Percentage	Amount	Percentage	
Domestic	Manufacturing industries	166,277	11.0	123,465	8.9	139,981	9.8
	Food products	740	0.0	1,641	0.1	1,642	0.1
	Textiles and clothing	2,315	0.2	2,105	0.2	2,109	0.1
	Timber and wood products, pulp and paper	2,446	0.2	2,336	0.2	2,491	0.2
	Printing	-	-	-	-	-	-
	Chemicals	21,376	1.4	18,959	1.4	19,799	1.4
	Oil and coal	7,312	0.5	7,187	0.5	7,250	0.5
	Ceramic and stone products	2,383	0.2	1,867	0.1	2,125	0.1
	Steel	73,181	4.8	36,459	2.6	48,066	3.4
	Non-steel metals	4,148	0.3	4,354	0.3	4,355	0.3
	Metal products	-	-	-	-	-	-
	Machinery	11,045	0.7	12,743	0.9	12,369	0.9
	Electric appliances	16,008	1.1	14,704	1.1	14,706	1.0
	Transportation vehicles	22,665	1.5	19,610	1.4	22,361	1.6
	Precision machinery	2,362	0.2	1,204	0.1	2,413	0.2
Others	290	0.0	290	0.0	290	0.0	
Agriculture, forestry and fisheries	-	-	-	-	-	-	
Mining	-	-	-	-	-	-	
Construction	11,865	0.8	7,232	0.5	7,868	0.6	
Electricity, gas heat supply and water supply	47,627	3.1	29,820	2.1	44,390	3.1	
Information and telecommunication	11,589	0.8	12,097	0.9	8,268	0.6	
Transportation	70,570	4.7	61,610	4.4	63,308	4.4	
Wholesalers	109,121	7.2	101,287	7.3	106,304	7.5	
Retailers	18,456	1.2	12,357	0.9	16,431	1.2	
Financial services/insurance	397,938	26.3	350,664	25.2	363,226	25.5	
Real estate	72,741	4.8	69,156	5.0	68,580	4.8	
Service companies	113,244	7.5	112,997	8.1	110,093	7.7	
Local governments	3,748	0.2	6,162	0.4	3,898	0.3	
Mortgage and consumer and others	390,232	25.8	397,816	28.6	389,440	27.3	
Total	1,413,416	93.3	1,284,669	92.4	1,321,792	92.6	
Overseas	Government organizations	1,973	0.1	1,923	0.1	1,923	0.1
	Financial institutions	8,001	0.5	7,000	0.5	7,000	0.5
	Commerce and industry companies	91,000	6.0	96,000	6.9	96,000	6.7
	Total	100,974	6.7	104,923	7.6	104,923	7.4
Grand total	1,514,390	100.0	1,389,592	100.0	1,426,715	100.0	

**(13) Loans by Contractual Maturity Dates**

(Millions of Yen)

Category	As of September 30, 2005						Total
	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*	
Floating rates loans	63,414	92,244	45,374	62,281	43,550	61,089	367,953
Fixed rates loans	197,896	231,013	173,218	260,199	207,197	76,911	1,146,437
<b>Total</b>	<b>261,310</b>	<b>323,258</b>	<b>218,592</b>	<b>322,481</b>	<b>250,748</b>	<b>138,000</b>	<b>1,514,390</b>

(Millions of Yen)

Category	As of September 30, 2006						Total
	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*	
Floating rates loans	25,000	80,909	57,967	70,467	24,139	45,773	304,258
Fixed rates loans	113,146	222,328	216,317	283,337	157,680	92,522	1,085,333
<b>Total</b>	<b>138,147</b>	<b>303,238</b>	<b>274,285</b>	<b>353,805</b>	<b>181,820</b>	<b>138,295</b>	<b>1,389,592</b>

(Millions of Yen)

Category	As of March 31, 2006						Total
	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*	
Floating rates loans	24,929	89,196	48,743	72,907	23,665	46,614	306,055
Fixed rates loans	152,162	229,163	213,012	287,226	157,026	82,067	1,120,659
<b>Total</b>	<b>177,091</b>	<b>318,360</b>	<b>261,755</b>	<b>360,134</b>	<b>180,691</b>	<b>128,681</b>	<b>1,426,715</b>

Note: "Due after Ten Years" includes loans with maturity dates unfixed.

## (14) Foreign Investments

### a. Investments by asset category

#### (i) Foreign currency denominated assets (yen amount not fixed)

(Millions of Yen, %)

Category	As of September 30, 2005		As of September 30, 2006		As of March 31, 2006	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Foreign bonds	754,264	67.2	640,092	60.4	665,534	62.7
Foreign stocks	74,770	6.7	98,992	9.3	99,334	9.4
Cash, deposits & others	21,964	2.0	49,705	4.7	28,485	2.7
<b>Total</b>	<b>850,999</b>	<b>75.8</b>	<b>788,790</b>	<b>74.4</b>	<b>793,354</b>	<b>74.7</b>

#### (ii) Foreign currency denominated assets of which the amount in yen is fixed

(Millions of Yen, %)

Category	As of September 30, 2005		As of September 30, 2006		As of March 31, 2006	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Foreign bonds	-	-	-	-	-	-
Cash, deposits & others	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### (iii) Yen-denominated assets

(Millions of Yen, %)

Category	As of September 30, 2005		As of September 30, 2006		As of March 31, 2006	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Loans to nonresidents	100,974	9.0	104,923	9.9	104,923	9.9
Foreign bonds	58,674	5.2	46,770	4.4	46,787	4.4
Foreign stocks & other securities	111,501	9.9	119,379	11.3	116,406	11.0
Others	-	-	-	-	-	-
<b>Total</b>	<b>271,151</b>	<b>24.2</b>	<b>271,073</b>	<b>25.6</b>	<b>268,117</b>	<b>25.3</b>

#### (iv) Total [ (i)+(ii)+(iii) ]

(Millions of Yen, %)

Category	As of September 30, 2005		As of September 30, 2006		As of March 31, 2006	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Foreign investments and loans	1,122,150	100.0	1,059,864	100.0	1,061,472	100.0
(Real estate held abroad included)	-	-	-	-	-	-

Note: "Foreign currency denominated assets of which the amount in yen is fixed" are assets whose amounts in yen to be received at the settlement are fixed by making exchange contracts, and are included in the Balance Sheet.

### b. Foreign currency denominated assets by currency

(Millions of Yen, %)

Category	As of September 30, 2005		As of September 30, 2006		As of March 31, 2006	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
US dollar	316,333	37.2	263,383	33.4	251,494	31.7
Euro	335,901	39.5	330,606	41.9	344,261	43.4
British pound	16,632	2.0	25,343	3.2	18,190	2.3
Canadian dollar	87,421	10.3	62,143	7.9	85,796	10.8
Swedish krona	67,148	7.9	67,775	8.6	56,960	7.2
Hong Kong dollar	27,561	3.2	39,539	5.0	36,651	4.6
Others	0	0.0	-	-	-	-
<b>Total</b>	<b>850,999</b>	<b>100.0</b>	<b>788,790</b>	<b>100.0</b>	<b>793,354</b>	<b>100.0</b>

c. Investments by region

(Millions of Yen, %)

Region	As of September 30, 2005							
	Foreign securities						Loans to non-residents	
	Foreign bonds		Foreign stocks & other securities		Amount	Percentage		
Amount	Percentage	Amount	Percentage					
North America	371,488	41.5	321,234	46.7	50,254	24.2	9,000	8.9
Europe	319,660	35.7	308,158	44.8	11,501	5.5	59,000	58.4
Oceania	-	-	-	-	-	-	-	-
Asia	27,629	3.1	-	-	27,629	13.3	1,001	1.0
Latin America	145,369	16.2	26,685	3.9	118,683	57.0	31,000	30.7
Middle East	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-
International organizations	31,769	3.5	31,769	4.6	-	-	973	1.0
Total	895,916	100.0	687,847	100.0	208,069	100.0	100,974	100.0

(Millions of Yen, %)

Region	As of September 30, 2006							
	Foreign securities						Loans to non-residents	
	Foreign bonds		Foreign stocks & other securities		Amount	Percentage		
Amount	Percentage	Amount	Percentage					
North America	320,595	37.1	255,088	42.8	65,507	24.5	9,000	8.6
Europe	343,864	39.8	319,277	53.5	24,586	9.2	64,000	61.0
Oceania	-	-	-	-	-	-	-	-
Asia	37,514	4.3	-	-	37,514	14.0	-	-
Latin America	154,830	17.9	14,603	2.4	140,227	52.4	31,000	29.5
Middle East	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-
International organizations	7,259	0.8	7,259	1.2	-	-	923	0.9
Total	864,065	100.0	596,229	100.0	267,836	100.0	104,923	100.0

(Millions of Yen, %)

Region	As of March 31, 2006							
	Foreign securities						Loans to non-residents	
	Foreign bonds		Foreign stocks & other securities		Amount	Percentage		
Amount	Percentage	Amount	Percentage					
North America	333,718	38.7	271,111	43.8	62,606	25.6	9,000	8.6
Europe	341,663	39.6	322,568	52.1	19,095	7.8	64,000	61.0
Oceania	-	-	-	-	-	-	-	-
Asia	36,801	4.3	-	-	36,801	15.1	-	-
Latin America	138,448	16.0	12,849	2.1	125,599	51.5	31,000	29.5
Middle East	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-
International organizations	12,671	1.5	12,671	2.0	-	-	923	0.9
Total	863,303	100.0	619,201	100.0	244,102	100.0	104,923	100.0

**(15) Valuation Gains on Trading Securities**

(Millions of Yen)

Category	As of September 30, 2005		As of September 30, 2006		As of March 31, 2006	
	Current Fair Value and Carrying Value	Net valuation gains/losses	Current Fair Value and Carrying Value	Net valuation gains/losses	Current Fair Value and Carrying Value	Net valuation gains/losses
Trading securities	-	-	-	-	-	-

**(16) Fair Value Information on Securities** (with current fair value out of securities excluding trading securities)

(Millions of Yen)

Category	As of September 30, 2005				
	Carrying value before mark-to-market	Current fair value	Net unrealized gains/losses	Net unrealized gains/losses	
				Gains	Losses
Held-to-maturity securities	305,909	305,920	11	2,190	2,179
Domestic bonds	223,335	223,130	(205)	1,868	2,074
Monetary claims purchased	77,573	77,790	217	322	105
Certificates of deposit	5,000	4,999	(0)	-	0
Policy reserve matching bonds	1,666,718	1,672,603	5,884	14,084	8,200
Stocks of subsidiaries and affiliated companies	-	-	-	-	-
Available-for-sale securities	2,015,354	2,334,031	318,677	329,074	10,397
Domestic bonds	730,821	742,122	11,300	15,000	3,700
Domestic stocks	398,737	660,739	262,001	263,604	1,602
Foreign securities	762,960	794,988	32,028	36,970	4,941
Bonds	661,348	687,847	26,498	29,787	3,288
Stocks, etc.	101,611	107,141	5,529	7,182	1,653
Other securities	106,116	119,503	13,387	13,456	69
Money claims purchased	16,718	16,677	(41)	43	84
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-
Total	3,987,983	4,312,555	324,572	345,350	20,778
Domestic bonds	2,620,876	2,637,855	16,978	30,953	13,974
Domestic stocks	398,737	660,739	262,001	263,604	1,602
Foreign securities	762,960	794,988	32,028	36,970	4,941
Bonds	661,348	687,847	26,498	29,787	3,288
Stocks, etc.	101,611	107,141	5,529	7,182	1,653
Other securities	106,116	119,503	13,387	13,456	69
Monetary claims purchased	94,292	94,468	175	365	190
Certificates of deposit	5,000	4,999	(0)	-	0
Others	-	-	-	-	-

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 do not include other than trading securities.

\*The carrying value before mark-to-market of securities without any current fair value is as follows:

(Millions of Yen)

Category	As of September 30, 2005
Held-to-maturity securities	-
Unlisted foreign bonds	-
Others	-
Policy reserve matching bonds	-
Stock of subsidiaries and affiliated companies	6,375
Available-for-sale securities	112,981
Unlisted domestic stocks	11,997
Unlisted foreign stocks	-
Unlisted foreign bonds	-
Others	100,983
Total	119,356

(Millions of Yen)

Category	As of September 30, 2006				
	Carrying value before mark-to-market	Current fair value	Net unrealized gains/losses	Net unrealized gains/losses	
				Gains	Losses
Held-to-maturity securities	356,671	349,745	(6,926)	1,254	8,180
Domestic bonds	230,925	225,338	(5,587)	979	6,566
Monetary claims purchased	120,746	119,406	(1,339)	274	1,614
Certificates of deposit	5,000	5,000	0	0	-
Policy reserve matching bonds	1,783,176	1,770,604	(12,571)	4,735	17,307
Stocks of subsidiaries and affiliated companies	-	-	-	-	-
Available-for-sale securities	1,932,301	2,331,226	398,924	416,312	17,388
Domestic bonds	675,613	678,982	3,369	7,881	4,512
Domestic stocks	460,015	810,728	350,713	358,171	7,458
Foreign securities	714,609	752,958	38,348	42,742	4,393
Bonds	576,299	596,229	19,929	22,263	2,333
Stocks, etc.	138,309	156,728	18,419	20,479	2,059
Other securities	59,969	66,868	6,899	7,495	596
Money claims purchased	22,094	21,687	(406)	21	427
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-
Total	4,072,149	4,451,576	379,426	422,302	42,876
Domestic bonds	2,689,715	2,674,925	(14,789)	13,596	28,386
Domestic stocks	460,015	810,728	350,713	358,171	7,458
Foreign securities	714,609	752,958	38,348	42,742	4,393
Bonds	576,299	596,229	19,929	22,263	2,333
Stocks, etc.	138,309	156,728	18,419	20,479	2,059
Other securities	59,969	66,868	6,899	7,495	596
Monetary claims purchased	142,840	141,094	(1,745)	296	2,042
Certificates of deposit	5,000	5,000	0	0	-
Others	-	-	-	-	-

Note: 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.

\*The carrying value before mark-to-market of securities without any current fair value is as follows:

(Millions of Yen)

Category	As of September 30, 2006
Held-to-maturity securities	-
Unlisted foreign bonds	-
Others	-
Policy reserve matching bonds	-
Stock of subsidiaries and affiliated companies	6,993
Available-for-sale securities	125,686
Unlisted domestic stocks	14,769
Unlisted foreign stocks	-
Unlisted foreign bonds	-
Others	110,916
Total	132,679

(Millions of Yen)

Category	As of March 31, 2006				
	Carrying value before mark-to-market	Current fair value	Net unrealized gains/losses	Net unrealized gains/losses	
				Gains	Losses
Held-to-maturity securities	340,401	336,474	(3,926)	1,342	5,268
Domestic bonds	229,004	227,019	(1,984)	1,305	3,290
Monetary claims purchased	106,397	104,454	(1,942)	36	1,978
Certificates of deposit	5,000	5,000	0	0	-
Policy reserve matching bonds	1,773,298	1,750,945	(22,353)	2,700	25,053
Stocks of subsidiaries and affiliated companies	-	-	-	-	-
Available-for-sale securities	1,949,006	2,441,908	492,902	508,904	16,002
Domestic bonds	667,801	668,850	1,049	7,442	6,393
Domestic stocks	466,882	915,698	448,816	449,644	827
Foreign securities	732,794	757,349	24,554	32,807	8,252
Bonds	609,075	619,201	10,125	16,301	6,176
Stocks, etc.	123,719	138,148	14,429	16,505	2,076
Other securities	63,045	82,047	19,001	19,004	2
Money claims purchased	18,482	17,961	(520)	4	525
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-
Total	4,062,706	4,529,328	466,622	512,946	46,324
Domestic bonds	2,670,104	2,646,815	(23,288)	11,448	34,737
Domestic stocks	466,882	915,698	448,816	449,644	827
Foreign securities	732,794	757,349	24,554	32,807	8,252
Bonds	609,075	619,201	10,125	16,301	6,176
Stocks, etc.	123,719	138,148	14,429	16,505	2,076
Other securities	63,045	82,047	19,001	19,004	2
Monetary claims purchased	124,879	122,416	(2,463)	41	2,504
Certificates of deposit	5,000	5,000	0	0	-
Others	-	-	-	-	-

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 do not include other than trading securities.

\*The carrying value before mark-to-market of securities without any current fair value is as follows:

(Millions of Yen)

Category	As of March 31, 2006
Held-to-maturity securities	-
Unlisted foreign bonds	-
Others	-
Policy reserve matching bonds	-
Stock of subsidiaries and affiliated companies	6,375
Available-for-sale securities	117,893
Unlisted domestic stocks	11,919
Unlisted foreign stocks	-
Unlisted foreign bonds	-
Others	105,974
Total	124,268

\*The followings are total amount of unrealized gains/losses on the carrying value for the yen-valuated foreign securities out of securities without current fair value, and the securities with current fair value.

(Millions of Yen)

Category	As of September 30, 2005				
	Carrying value before mark-to-market	Current fair value	Net unrealized gains/losses	Net unrealized	
				Gains	Losses
Held-to-maturity securities	305,909	305,920	11	2,190	2,179
Domestic bonds	223,335	223,130	(205)	1,868	2,074
Monetary claims purchased	77,573	77,790	217	322	105
Certificates of deposit	5,000	4,999	(0)	-	0
Policy reserve matching bonds	1,666,718	1,672,603	5,884	14,084	8,200
Stocks of subsidiaries and affiliated companies	6,375	6,375	-	-	-
Available-for-sale securities	2,128,336	2,447,007	318,671	329,074	10,403
Domestic bonds	730,821	742,122	11,300	15,000	3,700
Domestic stocks	410,735	672,737	262,001	263,604	1,602
Foreign securities	863,893	895,916	32,023	36,970	4,946
Bonds	661,348	687,847	26,498	29,787	3,288
Stocks, etc.	202,545	208,069	5,524	7,182	1,658
Other securities	106,116	119,503	13,387	13,456	69
Money claims purchased	16,718	16,677	(41)	43	84
Certificates of deposit	-	-	-	-	-
Others	50	50	-	-	-
Total	4,107,340	4,431,907	324,567	345,350	20,783
Domestic bonds	2,620,876	2,637,855	16,978	30,953	13,974
Domestic stocks	417,110	679,112	262,001	263,604	1,602
Foreign securities	863,893	895,916	32,023	36,970	4,946
Bonds	661,348	687,847	26,498	29,787	3,288
Stocks, etc.	202,545	208,069	5,524	7,182	1,658
Other securities	106,116	119,503	13,387	13,456	69
Monetary claims purchased	94,292	94,468	175	365	190
Certificates of deposit	5,000	4,999	(0)	-	0
Others	50	50	-	-	-

(Millions of Yen)

Category	As of September 30, 2006				
	Carrying value before mark-to-market	Current fair value	Net unrealized gains/losses	Net unrealized	
				Gains	Losses
Held-to-maturity securities	356,671	349,745	(6,926)	1,254	8,180
Domestic bonds	230,925	225,338	(5,587)	979	6,566
Monetary claims purchased	120,746	119,406	(1,339)	274	1,614
Certificates of deposit	5,000	5,000	0	0	-
Policy reserve matching bonds	1,783,176	1,770,604	(12,571)	4,735	17,307
Stocks of subsidiaries and affiliated companies	6,993	6,993	-	-	-
Available-for-sale securities	2,057,987	2,457,103	399,115	416,504	17,389
Domestic bonds	675,613	678,982	3,369	7,881	4,512
Domestic stocks	474,785	825,498	350,713	358,171	7,458
Foreign securities	825,525	864,065	38,539	42,934	4,394
Bonds	576,299	596,229	19,929	22,263	2,333
Stocks, etc.	249,225	267,836	18,610	20,670	2,060
Other securities	59,969	66,868	6,899	7,495	596
Money claims purchased	22,094	21,687	(406)	21	427
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-
Total	4,204,829	4,584,446	379,617	422,494	42,877
Domestic bonds	2,689,715	2,674,925	(14,789)	13,596	28,386
Domestic stocks	481,778	832,491	350,713	358,171	7,458
Foreign securities	825,525	864,065	38,539	42,934	4,394
Bonds	576,299	596,229	19,929	22,263	2,333
Stocks, etc.	249,225	267,836	18,610	20,670	2,060
Other securities	59,969	66,868	6,899	7,495	596
Monetary claims purchased	142,840	141,094	(1,745)	296	2,042
Certificates of deposit	5,000	5,000	0	0	-
Others	-	-	-	-	-

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 and their carrying value and the current fair value were 50 million yen as of September 30, 2005 (There were no unrealized gains/losses).

( Millions of Yen )

Category	As of March 31, 2006				
	Carrying value before mark-to-market	Current fair value	Net unrealized gains/losses	Gains	Losses
Held-to-maturity securities	340,401	336,474	(3,926)	1,342	5,268
Domestic bonds	229,004	227,019	(1,984)	1,305	3,290
Monetary claims purchased	106,397	104,454	(1,942)	36	1,978
Certificates of deposit	5,000	5,000	0	0	-
Policy reserve matching bonds	1,773,298	1,750,945	(22,353)	2,700	25,053
Stocks of subsidiaries and affiliated companies	6,375	6,375	-	-	-
Available-for-sale securities	2,066,899	2,559,831	492,931	508,934	16,003
Domestic bonds	667,801	668,850	1,049	7,442	6,393
Domestic stocks	478,801	927,617	448,816	449,644	827
Foreign securities	838,719	863,303	24,584	32,837	8,253
Bonds	609,075	619,201	10,125	16,301	6,176
Stocks, etc.	229,643	244,102	14,458	16,535	2,077
Other securities	63,045	82,047	19,001	19,004	2
Money claims purchased	18,482	17,961	(520)	4	525
Certificates of deposit	-	-	-	-	-
Others	50	50	-	-	-
Total	4,186,975	4,653,627	466,651	512,977	46,325
Domestic bonds	2,670,104	2,646,815	(23,288)	11,448	34,737
Domestic stocks	485,176	933,993	448,816	449,644	827
Foreign securities	838,719	863,303	24,584	32,837	8,253
Bonds	609,075	619,201	10,125	16,301	6,176
Stocks, etc.	229,643	244,102	14,458	16,535	2,077
Other securities	63,045	82,047	19,001	19,004	2
Monetary claims purchased	124,879	122,416	(2,463)	41	2,504
Certificates of deposit	5,000	5,000	0	0	-
Others	50	50	-	-	-

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 and their carrying value and the current fair value were 50 million yen as of March 31, 2006 (There were no unrealized gains/losses).

**(17) Fair Value Information on Monetary Trusts**

(Millions of Yen)

Category	As of September 30, 2005					As of September 30, 2006				
	Carrying value	Current fair value	Net unrealized gains/losses			Carrying value	Current fair value	Net unrealized gains/losses		
			Gains	Losses				Gains	Losses	
Monetary trusts	50	50	-	-	-	-	-	-	-	-

Category	As of March 31, 2006				
	Carrying value	Current fair value	Net unrealized gains/losses		
			Gains	Losses	
Monetary trusts	50	50	-	-	-

**\* Monetary trusts for investment**

(Millions of Yen)

Category	As of September 30, 2005		As of September 30, 2006		As of March 31, 2006	
	Current Fair Value and Carrying Value	Net valuation gains/losses	Current Fair Value and Carrying Value	Net valuation gains/losses	Current Fair Value and Carrying Value	Net valuation gains/losses
Monetary trusts for investment	-	-	-	-	-	-

**\* Monetary trusts for held-to-maturity securities, policy reserve matching bonds and available-for-sale securities**

(Millions of Yen)

Category	As of September 30, 2005					As of September 30, 2006				
	Carrying value before mark-to-market	Current fair value	Net unrealized gains/losses			Carrying value before mark-to-market	Current fair value	Net unrealized gains/losses		
			Gains	Losses				Gains	Losses	
Monetary trusts for held-to-maturity	-	-	-	-	-	-	-	-	-	-
Monetary trusts for policy reserve matching	-	-	-	-	-	-	-	-	-	-
Other monetary trusts	50	50	-	-	-	-	-	-	-	-
Jointly operated and designed monetary trusts	50	50	-	-	-	-	-	-	-	-
<b>Total</b>	<b>50</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Category	As of March 31, 2006				
	Carrying value before mark-to-market	Current fair value	Net unrealized gains/losses		
			Gains	Losses	
Monetary trusts for held-to-maturity	-	-	-	-	-
Monetary trusts for policy reserve matching	-	-	-	-	-
Other monetary trusts	50	50	-	-	-
Jointly operated and designed monetary trusts	50	50	-	-	-
<b>Total</b>	<b>50</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>-</b>

**(18) Fair Value Information on Real Estate**

(Millions of Yen)

Category	As of September 30, 2005					As of September 30, 2006				
	Carrying value	Current fair value	Net unrealized gains/losses			Carrying value	Current fair value	Net unrealized gains/losses		
			Gains	Losses				Gains	Losses	
Land	101,079	91,562	(9,516)	3,498	13,014	99,929	96,212	(3,717)	8,153	11,870
Leasehold	156	110	(46)	10	57	156	106	(49)	11	61
<b>Total</b>	<b>101,235</b>	<b>91,673</b>	<b>(9,562)</b>	<b>3,508</b>	<b>13,071</b>	<b>100,086</b>	<b>96,318</b>	<b>(3,767)</b>	<b>8,164</b>	<b>11,931</b>

Category	As of March 31, 2006				
	Carrying value	Current fair value	Net unrealized gains/losses		
			Gains	Losses	
Land	100,866	96,268	(4,597)	8,099	12,697
Leasehold	156	109	(46)	11	58
<b>Total</b>	<b>101,023</b>	<b>96,378</b>	<b>(4,644)</b>	<b>8,111</b>	<b>12,755</b>

Note: Current fair value are calculated based on the appraisal prices and posted prices.

**(19) Fair Value Information on Derivative Transactions**  
**(total transactions which hedge accounting applied and not applied)**

**(i) Breakdown of net gains/losses (breakdown of transactions which hedge accounting applied and not applied)**

(Millions of Yen)

Category	As of September 30, 2005					
	Interest-rate-related	Currency-related	Stock-related	Bond-related	Others	Total
Hedge accounting applied	1,726	(17,030)	-	-	-	(15,303)
Hedge accounting not applied	-	(635)	(1,710)	-	-	(2,345)
<b>Total</b>	<b>1,726</b>	<b>(17,665)</b>	<b>(1,710)</b>	<b>-</b>	<b>-</b>	<b>(17,649)</b>

Note: Accrued interest of interest-related net gains/losses applied hedge accounting [96 million yen], currency-related net gains/losses with fair value hedge accounting [(17,030) million yen], and net gains/losses not applied hedge accounting are recorded on the statement of

Category	As of September 30, 2006					
	Interest-rate-related	Currency-related	Stock-related	Bond-related	Others	Total
Hedge accounting applied	(682)	(8,450)	-	-	-	(9,133)
Hedge accounting not applied	-	(816)	-	-	-	(816)
<b>Total</b>	<b>(682)</b>	<b>(9,267)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,950)</b>

Note: Accrued interest of interest-related net gains/losses applied hedge accounting [91 million yen], currency-related net gains/losses with fair value hedge accounting [(8,450) million yen], and net gains/losses not applied hedge accounting are recorded on the statement of

Category	As of March 31, 2006					
	Interest-rate-related	Currency-related	Stock-related	Bond-related	Others	Total
Hedge accounting applied	(2,083)	(5,577)	-	-	-	(7,660)
Hedge accounting not applied	-	(322)	(986)	-	-	(1,309)
<b>Total</b>	<b>(2,083)</b>	<b>(5,900)</b>	<b>(986)</b>	<b>-</b>	<b>-</b>	<b>(8,969)</b>

Note: Accrued interest of interest-related net gains/losses applied hedge accounting [94 million yen], currency-related net gains/losses with fair value hedge accounting [(5,577) million yen], and net gains/losses not applied hedge accounting are recorded on the statement of

**(ii) Interest-rate-related derivative transactions**

(Millions of Yen)

Category	Type	As of September 30, 2005			As of September 30, 2006			As of March 31, 2006			
		Contracted value or notional principal amount		Current market or fair value	Contracted value or notional principal amount		Current market or fair value	Contracted value or notional principal amount		Current market or fair value	
		Over 1 year	Valuation gains (losses)		Over 1 year	Valuation gains (losses)		Over 1 year	Valuation gains (losses)		
OTC	Interest rate swaps										
	Receipts fixed, payments floating	185,939	125,572	1,726	144,598	133,033	(682)	138,286	123,240	(2,083)	(2,083)
	<b>Total</b>			<b>1,726</b>			<b>(682)</b>				<b>(2,083)</b>

Note: Valuation gains(losses) indicates the current market or fair value.

**(Reference) Balance of notional principal of interest rate swapping by term to maturity**

(Millions of Yen)

Type	As of September 30, 2005						
	1 year or shorter	1 year to 3 years	3 year to 5 years	5 year to 7 years	7 year to 10 years	Over 10 years	Total
Receipts fixed, payments floating	60,367	55,066	29,665	19,650	21,190	-	185,939
Average rate received	2.89%	1.17%	1.58%	1.65%	1.50%	-	1.88%
Average rate paid	0.51%	0.39%	0.59%	0.55%	0.51%	-	0.49%

Type	As of September 30, 2006						
	1 year or shorter	1 year to 3 years	3 year to 5 years	5 year to 7 years	7 year to 10 years	Over 10 years	Total
Receipts fixed, payments floating	11,565	49,971	37,348	35,400	10,312	-	144,598
Average rate received	1.21%	1.15%	1.53%	1.55%	1.79%	-	1.40%
Average rate paid	0.64%	0.74%	0.97%	0.84%	0.64%	-	0.81%

Type	As of March 31, 2006						
	1 year or shorter	1 year to 3 years	3 year to 5 years	5 year to 7 years	7 year to 10 years	Over 10 years	Total
Receipts fixed, payments floating	15,046	53,413	27,496	34,000	8,330	-	138,286
Average rate received	1.59%	1.18%	1.38%	1.58%	1.63%	-	1.39%
Average rate paid	0.87%	0.38%	0.60%	0.65%	0.28%	-	0.54%

## (iii) Currency-related derivative transactions

(Millions of Yen)

Category	Type	As of September 30, 2005			As of September 30, 2006			As of March 31, 2006					
		Contracted value or notional principal amount	Current market or fair value	Valuation gains (losses)	Contracted value or notional principal amount	Current market or fair value	Valuation gains (losses)	Contracted value or notional principal amount	Current market or fair value	Valuation gains (losses)			
											Over 1 year	Over 1 year	Over 1 year
OTC	Exchange contract												
	Sold	532,273	-	549,939	(17,665)	439,793	-	449,061	(9,267)	422,754	-	428,654	(5,900)
	US dollar	184,273	-	190,080	(5,807)	91,988	-	95,300	(3,312)	84,888	-	86,555	(1,667)
	Euro	243,875	-	248,795	(4,919)	241,818	-	245,460	(3,641)	239,526	-	243,893	(4,366)
	British pound	-	-	-	-	9,948	-	10,093	(144)	-	-	-	-
	Canadian dollar	58,579	-	65,222	(6,643)	47,635	-	49,066	(1,431)	65,459	-	65,005	453
	Swedish krona	45,546	-	45,841	(295)	48,401	-	49,139	(738)	32,879	-	33,199	(320)
	Hong Kong dollar	-	-	-	-	0	-	0	(0)	-	-	-	-
Total					(17,665)				(9,267)				(5,900)

Notes: 1. Exchange rate as of the end of each fiscal year is used for futures rate.

2. This disclosure excludes foreign-currency-dominated monetary receivables and payables which are recorded in yen in the balance sheet, for the reason the settlement amount in yen is fixed based on the exchange contract.

3. Valuation gains/losses indicates the difference between the contracted amount and the current fair value in futures transaction and forward agreements.

## (iv) Stock-related derivative transactions

(Millions of Yen)

Category	Type	As of September 30, 2005			As of September 30, 2006			As of March 31, 2006				
		Contracted value or notional principal amount	Current market or fair value	Valuation gains (losses)	Contracted value or notional principal amount	Current market or fair value	Valuation gains (losses)	Contracted value or notional principal amount	Current market or fair value	Valuation gains (losses)		
											Over 1 year	Over 1 year
OTC	Stock index futures											
	Bought Put	79,983	-		-	-		19,996	-			
Total		[2,237]	[-]	527	(1,710)	[-]	[-]	-	[-]	340	(986)	
Total					(1,710)							(986)

Notes: 1. Figures in parentheses indicates option premiums in the balance sheet.

2. Valuation gains (losses) indicates the difference between the option premium and the current market or fair value.

## (v) Bond-related derivative transactions

The Company did not have any balances as of September 30, 2006 and 2005, and March 31, 2006.

## (vi) Others

The Company did not have any balances as of September 30, 2006 and 2005, and March 31, 2006.

#### 4. Status of Separate Account Assets

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

(Millions of Yen)

Category	As of September 30, 2005	As of September 30, 2006	As of March 31, 2006
	Amount	Amount	Amount
Individual variable insurance	6,137	6,665	6,700
Individual variable annuities	-	-	-
Group annuities	-	-	-
Total of separate account	6,137	6,665	6,700

##### (2) Status of Individual Variable Insurance (Separate Accounts)

###### a. Total policy amount in force

(Number, Millions of Yen)

Category	As of September 30, 2005		As of September 30, 2006		As of March 31, 2006	
	Number	Amount	Number	Amount	Number	Amount
Variable insurance (term-life)	326	358	307	339	316	349
Variable insurance (whole-life)	543	1,722	533	1,708	541	1,720
Total	869	2,081	840	2,047	857	2,069

###### b. Asset composition

(Millions of Yen, %)

Category	As of September 30, 2005		As of September 30, 2006		As of March 31, 2006	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Cash and deposits, call loans	158	2.6	316	4.7	295	4.4
Securities	5,952	97.0	6,317	94.8	6,361	94.9
Domestic bonds	1,804	29.4	1,783	26.8	1,865	27.8
Domestic stocks	2,321	37.8	2,376	35.6	2,423	36.2
Foreign securities	1,826	29.8	2,158	32.4	2,072	30.9
Foreign bonds	669	10.9	752	11.3	724	10.8
Stocks, etc.	1,157	18.9	1,405	21.1	1,347	20.1
Other securities	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Others	26	0.4	31	0.5	43	0.6
Reserve for possible loan losses	-	-	-	-	-	-
Total	6,137	100.0	6,665	100.0	6,700	100.0

###### c. Net investment gains/losses

(Millions of Yen)

Category	Six Months Ended September 30, 2005	Six Months Ended September 30, 2006	Year Ended March 31, 2006
	Amount	Amount	Amount
Interests, dividends and income from real estate for rent	54	60	106
Gains on sale of securities	126	65	282
Gains on redemption of securities	-	-	-
Valuation gains on securities	1,011	1,226	1,471
Foreign exchange gains, net	0	0	0
Gains from derivatives, net	-	-	-
Other investment income	0	0	0
Losses on sale of securities	133	30	170
Amortization of securities	-	-	-
Devaluation losses on securities	518	1,331	499
Foreign exchange losses, net	1	0	2
Losses from derivatives, net	-	-	-
Other investment expenses	0	0	0
Net investment gains/losses	539	(10)	1,189

d. Valuation gains/losses on trading securities

(Millions of Yen)

Category	As of September 30, 2005		As of September 30, 2006		As of March 31, 2006	
	Current Fair Value and Carrying Value	Net valuation gains/losses	Current Fair Value and Carrying Value	Net valuation gains/losses	Current Fair Value and Carrying Value	Net valuation gains/losses
Trading securities	5,952	493	6,317	(105)	6,361	972

e. Fair value information on monetary trusts

The Company did not have any balances of monetary trusts as of September 30, 2006 and 2005, and March 31, 2006.

f. Fair value information on derivative transactions

Interest-rate-related derivative transactions	} The Company did not have any balances of these transactions as of September 30, 2006 and 2005, and March 31, 2006.
Currency-related derivative transactions	
Stock-related derivative transactions	
Bond-related derivative transactions	
Others	

**(3) Status of Individual Variable Annuities (Separate Accounts)**

The Company did not have any balances of individual variable annuities separate accounts as of September 30, 2006 and 2005, and March 31, 2006.

## 5. Reconciliation to Core Profit and Ordinary Profit

### (1) Reconciliation to Core Profit

(Millions of Yen)

Category	Six months ended September 30, 2005	Six months ended September 30, 2006	Year ended March 31, 2006
<b>Core Revenues</b>	549,469	476,169	1,020,645
Income from Insurance Premiums	423,442	363,388	823,011
Insurance premiums	423,424	363,258	822,946
Ceded reinsurance recoveries	18	130	64
Investment Income	61,566	69,138	127,495
Interest, dividends and income from real estate for rent	60,938	69,054	126,092
Other investment income	88	83	213
Gains on separate accounts, net	539	-	1,189
Other Ordinary Income	64,460	43,642	70,138
Income related to withheld insurance claims and other payments for future annuity payments	142	457	363
Income due to withheld insurance payments	15,456	11,879	33,467
Reversal of reserve for outstanding claims	-	-	205
Reversal of policy reserves (except contingency reserve)	47,398	29,869	33,066
Reversal of reserve for employees' retirement benefits	517	199	1,235
Other ordinary profit	945	1,235	1,800
Other Core Revenues	-	0	-
<b>Core Expenses</b>	533,158	448,447	982,446
Insurance Claims and Other Payments	469,709	386,532	857,053
Insurance claims	258,115	197,175	458,262
Annuity payments	58,039	64,023	115,815
Insurance benefits	53,877	51,171	106,390
Surrender payments	76,061	47,940	127,283
Other payments	23,452	26,080	49,004
Reinsurance payments	163	141	295
Provision for Policy and Other Reserves	538	767	88
Investment Expenses	3,729	4,229	7,875
Interest expense	808	810	1,624
Provision for general reserve for possible loan losses	(184)	-	-
Depreciation of real estate for rent	1,341	1,223	2,692
Other investment expenses	1,764	2,185	3,558
Losses on separate accounts, net	-	10	-
Operating Expenses	41,616	39,558	82,533
Other Ordinary Expenses	17,563	17,359	34,895
Payments related to withheld insurance claims	11,436	11,297	22,764
Taxes	2,713	2,475	5,234
Depreciation	2,651	2,610	5,339
Provision for reserve for employees' retirement benefits	-	-	-
Other ordinary losses	762	976	1,557
Other Core Expenses	0	-	0
<b>Core Profit</b>	16,311	27,721	38,199

## (2) Reconciliation to Ordinary Profit

(Millions of Yen)

Category	Six months ended September 30, 2005	Six months ended September 30, 2006	Year ended March 31, 2006
Core profit (A)	16,311	27,721	38,199
Capital gains	28,968	47,219	70,593
Gains from monetary trusts, net	-	-	-
Gains on investments in trading securities, net	-	-	-
Gains on sale of securities	28,968	47,202	70,593
Gains from derivatives, net	-	-	-
Foreign exchange gains, net	-	17	-
Others	-	-	-
Capital losses	19,820	30,479	47,017
Losses from monetary trusts, net	-	-	-
Losses on investments in trading securities, net	-	-	-
Losses on sale of securities	8,846	21,598	25,458
Devaluation losses on securities	176	22	269
Losses from derivatives, net	10,728	8,858	21,068
Foreign exchange losses, net	69	-	221
Others	-	-	-
Total capital gains/losses (B)	9,147	16,739	23,575
Core profit reflecting capital gains/losses (A) + (B)	25,459	44,461	61,774
Other one-time gains	-	-	-
Ceding reinsurance commissions	-	-	-
Reversal of contingency reserve	-	-	-
Others	-	-	-
Other one-time losses	3,125	4,730	14,819
Reinsurance premiums	-	-	-
Provision for contingency reserve	2,660	4,722	14,819
Provision for specific reserve for possible loans losses	449	-	-
Provision for specific reserve for loans to refinancing countries	-	-	-
Write-off of loans	15	8	-
Others	-	-	-
Other one-time gains/losses (C)	(3,125)	(4,730)	(14,819)
Ordinary profit (A) + (B) + (C)	22,333	39,731	46,954

Notes: 1. As regards six months ended September 30, 2005, income losses of (0) million yen on losses from monetary trusts are included in other core expenses of core profit instead of losses from monetary trusts, net.  
2. As regards six months ended September 30, 2006, income gains of 0 million yen on gains from monetary trusts are included in other core revenues of core profit instead of gains from monetary trusts, net.  
3. As regards year ended March 31, 2006, income losses of (0) million yen on losses from monetary trusts are included in other core revenues of core profit instead of losses from monetary trusts, net.

## 6. Disclosed Claims under the Insurance Business Law

(Millions of Yen)

Category	As of September 30, 2005	As of September 30, 2006	As of March 31, 2006
Claims against bankrupt and quasi-bankrupt obligors a	364	702	632
Claims with collection risk b	1,842	0	0
Claims for special attention c	5,085	4,150	4,748
Sub total a + b + c	7,293	4,854	5,381
% of Total	0.45%	0.32%	0.35%
Claims against normal obligors d	1,623,088	1,497,067	1,535,628
Total a + b + c + d	1,630,381	1,501,921	1,541,010

- 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.

## 7. Risk Monitored Loans (Under the Insurance Business Law)

(Millions of Yen)

Category	As of September 30, 2005	As of September 30, 2006	As of March 31, 2006
Loans to bankrupt companies a	179	430	193
Past due loans Restructured loans b	2,027	272	439
Loans overdue for three months or more c	5,024	4,109	4,698
Restructured loans d	61	40	49
Total a + b + c + d	7,293	4,854	5,381
% of total loans =e	0.45%	0.32%	0.35%
Specific reserve for possible loan losses f	1,518	196	193
General reserve for possible loan losses g	1,567	1,431	1,482
Amount covered by collateral and guarantees h	5,515	4,521	5,015
Sub total e - f - g - h	(1,309)	(1,296)	(1,310)
Coverage ratio A [ f + g ] / e	42.3%	33.6%	31.2%
Coverage ratio B [ f + g + h ] / e	117.9%	126.7%	124.4%

- Notes:
1. Certain Past due loans and loans to bankrupt companies were written off and charged to the reserve for possible loan losses. Past due loans decreased due to write-offs in the amounts of 15 million yen, 8 million yen and 871 million yen as of September 30, 2005, September 30, 2006 and March 31, 2006, respectively.
  2. Loans to bankrupt companies are loans to obligors that are subject to bankruptcy, corporate reorganization, or rehabilitation or other similar proceedings on which a company has stopped accruing interest after determining that collection or repayment of principal or interest is impossible due to a 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 restructuring or supporting the obligor) on which a company has stopped accruing interest based on self-assessment.
  4. Loans overdue for three months or more are loans, other than the loans described in Note 2 or 3 above, on which principal and/or interest are in arrears for three months or more.
  5. Restructured loans are loans, other than the loans described in Note 2, 3, or 4 above, for which agreements have been made between the relevant parties to provide a concessionary interest rate, rescheduling of due dates for interest and/or principal payments, waiver of claims, and/or other terms in favor of the obligor for purposes of restructuring or supporting the obligor.

## (Reference) Reserve for Possible Loan Losses

### (1) Reserve for Possible Loan Losses

(Millions of Yen)

Category	As of September 30, 2005	As of September 30, 2006	As of March 31, 2006
General reserve for possible loan losses	1,567	1,431	1,482
Specific reserve for possible loan losses	1,520	200	197
Specific reserve for loans to refinancing countries	-	-	-
Total	3,088	1,632	1,680

### (2) Specific Reserve for Possible Loan Losses

(Millions of Yen)

Category	As of September 30, 2005	As of September 30, 2006	As of March 31, 2006
Transfer	1,520	200	197
Reversal	1,070	196	199
Net transfer	449	3	(1)

Note: The amount of reversal indicated above does not include the amount of reversal made for any specific purpose.

### (3) Specific Reserve for Loans to Refinancing Countries

#### a. Specific reserve for loans to refinancing countries

The Company held no specific reserve for loans to refinancing countries as of September 30, 2005, September 30, 2006 and March 31, 2006.

#### b. Loan outstanding by country

The Company held no loan outstanding by country as of September 30, 2005, September 30, 2006 and March 31, 2006.

### (4) Write-off of Loans

(Millions of Yen)

Category	As of September 30, 2005	As of September 30, 2006	As of March 31, 2006
Write-off of loans	15	8	-

Note: The amounts of loan write-offs are those representing the portions of the relevant collateralized or guaranteed credits to Bankrupt Debtors and Effectively Bankrupt Debtors that remain unrecoverable, after deduction of the amounts equivalent to those deemed recoverable by way of valuation of collateral or execution of guarantee, and are reduced directly from the relevant aggregate credits.

## (Reference) Self-Assessment of Loans

Self-assessment of assets means individually reviewing each asset, and categorizing it according to risks in collection or deterioration of the value as an asset, which should provide the basis for adequate write-offs or reservation, and creation of reliable financial statements.

According to their risks in collection or deterioration of the value as an asset, assets are categorized into four classes from Class I - IV. Class I is composed of assets with no problem.

Taiyo Life has established the internal criteria for self-assessment, and write-offs and reservation, and is carrying out strict self-assessment, and write-offs and reserve.

In the results of self-assessment as of September 30, 2006, the Company deducted all assets categorized Class IV as uncollectible, and calculated the expected losses on each asset in Class III, and added the adequate reserve. Thus, the Company is making efforts to keep soundness of its assets.

### Self-Assessment of Loans

(Millions of Yen)

Classifications	As of September 30, 2005		As of September 30, 2006		As of March 31, 2005	
	Before write-offs / reservation	After write-offs / reservation	Before write-offs / reservation	After write-offs / reservation	Before write-offs / reservation	After write-offs / reservation
Class I	1,605,976	1,607,494	1,482,617	1,482,814	1,518,782	1,518,976
Class II	22,800	22,800	19,107	19,107	22,033	22,033
Class III	1,604	86	196	0	193	0
Class IV	15	-	8	-	871	-
Total exposures	1,630,397	1,630,381	1,501,929	1,501,921	1,541,881	1,541,010

Note: The total exposures include securities lent, guarantee endorsements, interest payable and suspense payments in addition to loans. The interest payable and suspense payments included here are limited to those related to loans and securities lent.

## 8. Solvency Margin Ratio

(Millions of Yen)

Items	As of September 30, 2005	As of September 30, 2006	As of March 31, 2006
Total solvency margin (A)	667,812	787,501	844,762
Net assets (less certain items)	116,586	161,971	98,966
Reserve for price fluctuations	13,170	29,437	26,059
Contingency reserve	59,084	75,966	71,244
Reserve for possible loan losses	1,567	1,431	1,482
Net unrealized gains on available-for-sale securities (before tax) (x 90 per cent, if gains; x 100 per cent, if losses)	286,804	359,203	443,638
Net unrealized gains (losses) on real estate (x 85 per cent, if gains; x 100 per cent, if losses)	(9,562)	(40,164)	(4,644)
Excess of amount of policy surrender payment	79,703	66,723	72,383
Unallotted portion of reserve for policyholder dividends	22,179	22,458	22,295
Future profits	5,856	6,339	6,339
Deferred tax assets	37,421	49,134	51,996
Subordinated debt	55,000	55,000	55,000
Deductible items	-	-	-
Total risk $\sqrt{R_1^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	134,947	154,921	161,631
Insurance risk $R_1$	36,505	37,080	36,831
Assumed investment yield risk $R_2$	24,780	24,109	24,255
Investment risk $R_3$	101,726	122,501	129,193
Business risk $R_4$	3,260	3,674	3,805
Minimum guarantee risk $R_7$	18	19	19
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	989.7%	1,016.6%	1,045.2%

- Notes: 1. The above Figures are calculated on the basis of the provisions of Articles 86 and 87 of the Enforcement Ordinance of Insurance Business Law as well as Notification No. 50 of 1996 by the Ministry of Finance.
2. "Net assets (less certain items)" as of September 30, 2006 represents net assets on the balance sheet less total valuation and translation adjustments, and estimated appropriation paid in cash. As of September 30, 2005 and March 31, 2006, "Net assets (less certain items)" above represents equity capital on the balance sheet less net unrealized gains on securities, and estimated appropriation paid in cash.
3. The figures of "minimum guarantee risk" are calculated on the basis of the regulatory standard.

## 9. Adjusted Net Assets

(Millions of Yen)

Item	As of September 30, 2005	As of September 30, 2006	As of March 31, 2006
Adjusted net assets	606,852	686,278	757,580

Note: Foregoing were calculated according to the orders providing classifications, etc. that are stipulated in 132.2 of Insurance Business Law, and descriptions provided in Notification No. 2 issued in January 1999 by Financial Supervisory Agency and Ministry of Finance.