

Supplementary Materials for the Fiscal Year Ended March 31, 2007

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. Business Highlights (Non-Consolidated)

(1) Total Policy Amount in Force

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

Category	As of March 31, 2006				As of March 31, 2007			
	Number	Change (%)	Amount	Change (%)	Number	Change (%)	Amount	Change (%)
Individual insurance	286	84.4	20,708	82.0	253	88.6	17,734	85.6
Individual annuities	86	120.3	5,945	152.9	105	121.2	7,499	126.1
Subtotal	373	90.7	26,654	91.5	358	96.1	25,233	94.7
Group insurance	-	-	15,160	82.8	-	-	10,227	67.5
Group annuities	-	-	444	89.9	-	-	395	89.0

Notes:

1. Policy amounts for individual annuities are equal to the funds to be held at the time annuity payments are to commence for an annuity for which annuity payments have not yet commenced and the amount of policy reserve for an annuity for which payments have commenced.
2. The policy amount in force for group annuities is equal to the amount of outstanding policy reserve.

(2) New Policy Amount

(Number: Thousands, 100 Millions of yen)

Category	Year Ended March 31, 2006				Year Ended March 31, 2007			
	Number	Amount	New policies	Increase from conversion	Number	Amount	New policies	Increase from conversion
Individual insurance	3	341	341	-	0	0	0	-
Individual annuities	19	1,286	1,286	-	23	1,795	1,795	-
Subtotal	23	1,627	1,627	-	23	1,795	1,795	-
Group insurance	-	0	0	-	-	-	-	-
Group annuities	-	-	-	-	-	-	-	-

Notes:

1. There is no conversion plan from FY2001.
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 is equal to the initial premium payment.

(3) Annualized Premiums

a. Policy amount in force

(Millions of yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Change (%)	Amount	Change (%)
Individual insurance	32,681	81.0	28,721	87.9
Individual annuities	41,436	148.0	63,363	152.9
Total	74,117	108.5	92,085	124.2
3rd Sector	7,711	81.7	6,741	87.4

b. New policies

(Millions of yen, %)

Category	Year Ended March 31, 2006		Year Ended March 31, 2007	
	Amount	Change (%)	Amount	Change (%)
Individual insurance	485	18.2	0	0.2
Individual annuities	12,545	222.5	22,990	183.3
Total	13,030	156.9	22,991	176.4
3rd Sector	293	17.3	0	0.0

Notes:

1. New policies include net increase from conversions.
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 lump-sum payments by the insurance period.

(4) Policy Amount by Dividend Type (Individual Insurance and Annuities)**a. Policy amount in force**

(Millions of yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
Participating	1,614,147	60.6	1,426,030	56.5
Semi-participating	369,586	13.9	300,773	11.9
Non-participating	681,683	25.6	796,539	31.6
Total	2,665,417	100.0	2,523,343	100.0

b. New policies

(Millions of yen, %)

Category	Year Ended March 31, 2006		Year Ended March 31, 2007	
	Amount	Percentage	Amount	Percentage
Participating	-	-	-	-
Semi-participating	5,549	3.4	-	-
Non-participating	157,233	96.6	179,576	100.0
Total	162,783	100.0	179,576	100.0

Notes: Semi-participating policies only pay dividends related to investment every five years.

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

(Thousands of yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Average amount of new policies	8,892	12,600
Average amount in force	7,228	6,990

Note: There is no conversion plan from FY2001.

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

(%)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Individual insurance	1.4	0.0
Individual annuities	33.1	30.2
Subtotal	5.6	6.7
Group insurance	0.0	0.0

Note: There is no conversion plan from FY2001.

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

(%)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Individual insurance	15.4	10.0
Individual annuities	7.5	6.1
Subtotal	14.4	9.1
Group insurance	0.1	0.2

(8) Surrender and Lapse Amount

(Millions of yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Individual insurance	389,473	206,356
Individual annuities	29,221	36,410
Subtotal	418,694	242,766
Group insurance	1,843	3,681

(9) Average Premium Amount of Individual Insurance New Policies (Monthly premium)

(yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Average premium amount	9,723	18,530

Note: There is no conversion plan from FY2001.

(10) Average Assumed Investment Yield and Negative Spread

(Millions of yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Amount of negative spread	4,306	4,117
Investment yield on core profit	1.14%	1.13%
Average assumed investment yield	2.19%	2.17%
Individual insurance and annuities	2.36%	2.33%
Policy reserve in general account	411,721	396,596

Notes:

1. Method of calculating negative spread:

(Investment yield on core profit - Average assumed investment yield) x Policy reserve in general account

2. "Investment yield on core profit" is calculated by dividing numerator as investment revenues and expenses (investment profit in general account) included in core profit less amount of provision for accumulated interest due to policyholders by denominator as policy reserve in general account.

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

4. 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 for Individual Insurance

(%o)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Rate based on number of policies	4.46	5.21
Rate based on policy amount	5.16	6.44

(12) The Number of Reinsurance Companies Accepting the Company's policies

(Number)

Year Ended March 31, 2006	Year Ended March 31, 2007
4	4

(13) The Ratio of Reinsurance Premium paying to Top Five Reinsurance Companies to Total Reinsurance Premium Amount

(%)

Year Ended March 31, 2006	Year Ended March 31, 2007
100.0	100.0

(14) Reinsurance Premium Ratio by Rating Categories

(%)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
AAA	0.0	0.0
AA-	100.0	100.0

Note: Rating categories are based on the Insurer Financial Strength Rating Definitions by Standard & Poor's.

(15) Reinsurance Recovery Receivable

(Millions of yen)

Year Ended March 31, 2006	Year Ended March 31, 2007
-	0

(16) Ratio of Insurance Claims to Earned Premium by the Benefit Cause in 3rd Sector Insurance

(Millions of yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Occurrence rate in 3rd sector insurance	31.1	32.8
Medical	29.8	30.1
Cancer	60.8	51.9
Nursing care	1.5	1.6
Others	46.3	50.2

(17) Reserve for Outstanding Claims

(Millions of yen)

Category		Year Ended March 31, 2006	Year Ended March 31, 2007
Insurance claims	Death benefits	1,643	1,416
	Accidental death benefits	34	48
	Disability benefits	316	577
	Maturity benefits	499	600
	Others	17	-
	Subtotal	2,511	2,643
Annuity payments		37	55
Insurance benefits		583	670
Surrender payments		1,310	1,302
Deferred insurance benefits		22	22
Total including others		4,475	5,144

(18) Policy Reserve

(Millions of yen)

Category		As of March 31, 2006	As of March 31, 2007
Policy reserve (excluding contingency reserve)	Individual insurance	247,468	235,174
	General Accounts	244,281	232,059
	Separate Accounts	3,186	3,115
	Individual annuities	568,797	735,822
	General Accounts	115,316	124,058
	Separate Accounts	453,480	611,763
	Group insurance	285	235
	General Accounts	285	235
	Separate Accounts	-	-
	Group annuity	44,425	39,555
	General Accounts	44,369	39,555
	Separate Accounts	56	-
	Others	849	769
	General Accounts	849	769
	Separate Accounts	-	-
	Subtotal	861,827	1,011,557
General Accounts	405,103	396,678	
Separate Accounts	456,724	614,879	
Contingency reserve	Contingency reserve I	2,989	4,571
	Contingency reserve II	-	-
	Contingency reserve III	2,145	4,740
	Subtotal	5,134	9,311
Total		866,962	1,020,869
	General Accounts	410,237	405,990
	Separate Accounts	456,724	614,879

(19) Policy Reserve Calculating Methods and Ratios

Category			As of March 31, 2006	As of March 31, 2007
Calculating methods	Policies subject to standard policy reserve method	Variable annuities	Standard policy reserve method	Standard policy reserve method
		Other insurance	5-year Zillmer Method (Full-year Zillmer Method is applied to the policies whose effective date are before September 30, 2001.)	5-year Zillmer Method (Full-year Zillmer Method is applied to the policies whose effective date are before September 30, 2001.)
	Policies not subject to standard policy reserve method	Variable annuities	Net level premium reserve method	Net level premium reserve method
		Other insurance	Full-year Zillmer Method	Full-year Zillmer Method
	Ratio of "Amount of the Company's Policy Reserve (excluding Contingency Reserve)" to "Policy Reserve Required by Regulatory Standards"			99.2%

Note:

1. Calculating methods and ratios stated above cover individual insurance and annuity policies only. Group insurance and annuity policies have different calculating methods.
2. The ratio for policies the standard policy reserve method is indicated in the method laid down in Notice No. 48 from the Ministry of Finance. The ratio for policies not applied the standard policy reserve method is indicated for accumulated reserve for claims and unearned premiums calculated with the net level premium reserve method.
3. Policy reserve calculated by Full-year Zillmer Method is increased intentionally on the purpose of method change to net level premium reserve method.

(20) Policy Reserve for Separate Account Policies with Minimum Guarantee

(Millions of yen)

Category	As of March 31, 2006	As of March 31, 2007
Policy reserve (General account)	4,609	12,946

(21) Other Reserves

(Millions of yen)

Category		As of March 31, 2006		As of March 31, 2007	
		Amount	Increase (decrease)	Amount	Increase (decrease)
Reserve for Possible Loan Losses	General reserve	13	(1)	4	(9)
	Specific reserve	79	(50)	67	(11)
Reserve for employees' retirement benefits		7,886	(2,752)	7,794	(91)
Reserve for directors' and corporate auditors' retirement benefits		117	(5)	152	35
Reserve for price fluctuations		364	80	393	29

(22) Insurance Premium

(Millions of yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Individual insurance	28,313	23,780
Single premiums	484	-
Annual payment	2,930	2,566
Semi-annual payment	438	373
Monthly payment	24,460	20,840
Individual annuities	166,043	204,069
Single premiums	164,315	202,518
Annual payment	236	212
Semi-annual payment	23	20
Monthly payment	1,468	1,317
Group insurance	4,832	3,589
Group annuities	4,119	3,672
Total including others	203,351	235,146

(23) Insurance Claims

(Millions of yen)

Category	Year Ended March 31, 2006	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset formation insurance and annuities	Others	Year Ended March 31, 2007
Death benefits	12,684	8,447	-	2,200	-	-	-	10,647
Accidental death benefits	84	102	-	3	-	-	-	105
Disability benefits	702	674	-	119	-	-	-	793
Maturity benefits	10,573	9,413	-	-	-	34	-	9,447
Others	2	33	-	-	-	-	-	33
Total	24,046	18,670	-	2,323	-	34	-	21,027

(24) Annuity Payments

(Millions of yen)

Year Ended March 31, 2006	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset formation insurance and annuities	Others	Year Ended March 31, 2007
5,017	-	4,015	42	1,063	54	-	5,176

(25) Insurance Benefits

(Millions of yen)

Category	Year Ended March 31, 2006	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset formation insurance and annuities	Others	Year Ended March 31, 2007
Death benefits	7,032	1	8,725	-	-	0	-	8,727
Hospitalization benefits	1,567	1,346	2	4	-	-	0	1,353
Operation benefits	634	599	1	-	-	-	-	601
Injury benefits	20	29	-	0	-	-	-	30
Survival benefits	3,261	2,409	-	-	-	0	-	2,410
Others	4,170	53	-	-	3,508	-	-	3,562
Total	16,686	4,440	8,729	4	3,508	1	0	16,685

(26) Surrender Payments

(Millions of yen)

Year Ended March 31, 2006	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset formation insurance and annuities	Others	Year Ended March 31, 2007
38,812	8,422	35,631	-	1,315	35	-	45,406

(27) Operating Expenses

(Millions of yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Sales Activity Related Expenses	9,127	8,374
Sales Administrative Expenses	1,184	404
General Administrative Expenses	9,981	9,143
Total	20,294	17,921

Note: Selection expenses represent mainly expense for medical examinations at the time of contract.

(28) Operating Expense Ratio (Against insurance premiums)

(%)

Item	Year Ended March 31, 2006	Year Ended March 31, 2007
Operating expense ratio	10.0	7.6

2. Investment in General Account Assets for the Fiscal Year Ended March 31, 2007

(1) Fiscal Year Ended March 31, 2007 Investment Performance

As of March 31, 2007, general account assets amounted to ¥463.2 billion (¥476.3 billion), down ¥13.0 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).

For the fiscal year ended March 31, 2007, T&D Financial Life continued to invest mainly in yen-denominated fixed income assets, and sold all currency-hedged foreign bonds considering interest rate trends. In addition, T&D Financial Life started investing in call loan from July along with the end of the BOJ's zero-rate policy .

At the end of the fiscal year ended March 31, 2007, the percentages of general account assets in principal categories were as follows: domestic bonds, 76.4% (65.5%); domestic stocks, 0.0% (0.1%); foreign securities, 4.9% (9.4%); other securities, 1.0% (8.7%); and loans, 2.2% (2.8%).

For the fiscal year ended March 31, 2007, net investment income increased by ¥0.9 billion from the previous fiscal year, to 1.0 billion. This was mainly due to a decrease in losses from monetary trusts that are equal to gains and losses on derivative transactions for the purpose of hedging minimum guarantee risks relating to individual variable annuities.

(2) Asset Composition

(Millions of yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
Cash and deposits, call loans	30,582	6.4	31,756	6.9
Securities repurchased under resale agreements	-	-	-	-
Pledged money for bond borrowing transaction	-	-	-	-
Monetary claims purchased	-	-	-	-
Securities under proprietary accounts	-	-	-	-
Monetary trusts	7,748	1.6	12,340	2.7
Securities	398,232	83.6	381,539	82.4
Domestic bonds	311,786	65.5	353,902	76.4
Domestic stocks	481	0.1	115	0.0
Foreign securities	44,607	9.4	22,773	4.9
Foreign bonds	27,566	5.8	15,580	3.4
Foreign stocks and other securities	17,041	3.6	7,192	1.6
Other securities	41,356	8.7	4,747	1.0
Loans	13,333	2.8	10,259	2.2
Property and equipment	125	0.0	286	0.1
Deferred tax asset	5,207	1.1	6,254	1.4
Other assets	21,200	4.5	20,873	4.5
Reserve for possible loan losses	(92)	(0.0)	(71)	(0.0)
Total assets	476,337	100.0	463,238	100.0
Foreign currency denominated assets	658	0.1	660	0.1

(3) Changes in the Amount of Assets by Categories

(Millions of yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Cash and deposits, call loans	(2,703)	1,174
Securities repurchased under resale agreements	-	-
Pledged money for bond borrowing transaction	-	-
Monetary claims purchased	-	-
Securities under proprietary accounts	-	-
Monetary trusts	711	4,592
Securities	10,481	(16,693)
Domestic bonds	43,792	42,116
Domestic stocks	97	(366)
Foreign securities	(6,725)	(21,834)
Foreign bonds	(3,353)	(11,985)
Foreign stocks and other securities	(3,371)	(9,848)
Other securities	(26,683)	(36,609)
Loans	(1,419)	(3,074)
Property and equipment	(37)	161
Deferred tax asset	(1,864)	1,046
Other assets	(10,335)	(327)
Reserve for possible loan losses	52	20
Total assets	(5,115)	(13,099)
Foreign currency denominated assets	34	1

(4) Investment Income

(Millions of yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Interests, dividends and income from real estate for rent	4,590	4,396
Interest income from deposits	0	0
Interest income and dividends from securities	4,224	3,990
Interest income from loans	366	342
Income from real estate for rent	-	-
Other income from interest and dividends	0	62
Gain on securities under proprietary accounts	-	-
Gains from monetary trusts, net	-	-
Gains on investments in trading securities, net	-	-
Gains on sale of securities	502	1,266
Gains on sale of domestic bonds	145	-
Gains on sale of domestic stocks	356	1,266
Gains on sale of foreign securities	-	-
Other	-	-
Gains on redemption of securities	0	1
Gains from derivatives, net	-	-
Foreign exchange gains, net	-	-
Other investment income	170	136
Total	5,264	5,800

(5) Investment Expenses

(Millions of yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Interest expense	1	4
Losses on securities under proprietary accounts	-	-
Losses from monetary trusts, net	4,788	3,407
Losses on investments in trading securities, net	-	-
Losses on sale of securities	291	1,302
Losses on sale of domestic bonds	206	1,103
Losses on sale of domestic stocks	21	51
Losses on sale of foreign securities	63	148
Other	-	-
Devaluation losses on securities	55	-
Devaluation losses on domestic bonds	-	-
Devaluation losses on domestic stocks	55	-
Devaluation losses on foreign securities	-	-
Other	-	-
Amortization of securities	1	1
Losses from derivatives, net	-	-
Foreign exchange losses, net	0	0
Provision for reserve for possible loan losses	-	-
Write-off of loans	-	-
Depreciation of real estate for rent	-	-
Other investment expenses	61	50
Total	5,202	4,766

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

(6) Net Investment Income

(Millions of yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Net investment income	62	1,033

(7) Investment Yield by Asset Categories

(%)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Cash and deposits, call loans	0.00	0.14
Securities repurchased under resale agreements	-	-
Pledged money for bond borrowing transaction	-	-
Monetary claims purchased	-	-
Securities under proprietary accounts	-	-
Monetary trusts	(51.19)	(28.54)
Securities	1.20	1.08
Domestic bonds	0.96	0.91
Domestic stocks	(12.02)	55.31
Foreign securities	1.30	1.77
Loans	2.55	2.75
Property and equipment	-	-
Total general accounts [Excluding monetary trusts]	0.01 [1.07]	0.22 [0.98]
Foreign investments	1.30	0.44

(8) Securities

(Millions of yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
Government bonds	288,693	72.5	336,216	88.1
Municipal bonds	-	-	-	-
Corporate bonds	23,092	5.8	17,686	4.6
Public corporation bonds	4	0.0	16	0.0
Domestic stocks	481	0.1	115	0.0
Foreign securities	44,607	11.2	22,773	6.0
Foreign bonds	27,566	6.9	15,580	4.1
Foreign stocks and other securities	17,041	4.3	7,192	1.9
Other securities	41,356	10.4	4,747	1.2
Total	398,232	100.0	381,539	100.0

(9) Securities by Contractual Maturity Dates

(Millions of yen)

Category	As of March 31, 2006						
	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	67,034	60,525	85,172	15,100	6,214	54,646	288,693
Municipal bonds	-	-	-	-	-	-	-
Corporate bonds	-	1,093	4	9,996	6,998	5,000	23,092
Domestic stocks	-	-	-	-	-	481	481
Foreign securities	1,999	15,654	-	-	-	26,954	44,607
Foreign bonds	1,999	15,566	-	-	-	10,000	27,566
Foreign stocks and other securities	-	87	-	-	-	16,954	17,041
Other securities	190	2,180	108	-	2,512	36,365	41,356
Total	69,224	79,453	85,285	25,096	15,725	123,447	398,232

(Millions of yen)

Category	As of March 31, 2007						
	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	128,884	76,680	62,249	8,638	6,005	53,756	336,216
Municipal bonds	-	-	-	-	-	-	-
Corporate bonds	-	673	16	14,997	1,998	-	17,686
Domestic stocks	-	-	-	-	-	115	115
Foreign securities	15,262	393	-	-	-	7,117	22,773
Foreign bonds	15,234	345	-	-	-	-	15,580
Foreign stocks and other securities	27	47	-	-	-	7,117	7,192
Other securities	26	292	-	1,985	115	2,328	4,747
Total	144,173	78,040	62,266	25,621	8,120	63,317	381,539

* Includes securities with maturity dates unfixed.

(10) Stock Holdings by Industry

(Millions of yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
Fisheries, agriculture and forestry	-	-	-	-
Mining	-	-	-	-
Construction	0	0.0	0	0.0
Manufacturing industries				
Food products	-	-	-	-
Textiles and clothing	-	-	-	-
Pulp and paper	-	-	-	-
Chemicals	-	-	-	-
Medicals	-	-	-	-
Oil and coal products	-	-	-	-
Rubber products	-	-	-	-
Glass and stone products	-	-	-	-
Steel	-	-	-	-
Non-steel metals	-	-	-	-
Metal products	-	-	-	-
Machinery	-	-	-	-
Electric appliances	-	-	-	-
Transportation vehicles	-	-	-	-
Precision machinery	-	-	-	-
Others	-	-	-	-
Electric and gas utilities	-	-	-	-
Transportation/ information telecommunications				
Ground transportation	-	-	-	-
Water transportation	-	-	-	-
Air transportation	26	5.5	26	23.1
Warehouses/ transportation	-	-	-	-
Information/ telecommunications	-	-	-	-
Commerce				
Wholesalers	-	-	-	-
Retailers	365	75.9	-	-
Financial services / insurance				
Banking	-	-	-	-
Securities and commodity futures trading	-	-	-	-
Insurance	-	-	-	-
Other financial services	12	2.6	12	10.8
Real estate	49	10.3	49	42.4
Service companies	27	5.7	27	23.6
Total	481	100.0	115	100.0

Note: Categories of stock holdings by industry are based on the classification by Securities Identification Code Committee.

(11) Loans

(Millions of yen)

Category	As of March 31, 2006	As of March 31, 2007
Policy loans	8,261	7,704
Policyholder loans	6,856	6,394
Premium loans	1,405	1,309
Commercial loans	5,071	2,555
[Loans to non-residents]	[-]	[-]
Loans to corporations	5,000	2,500
[Loans to domestic corporations]	[5,000]	[2,500]
Loans to Japanese government, government-related organizations and international organizations	50	38
Loans to Japanese local governments and public entities	2	0
Mortgage loans	-	-
Consumer loans	-	-
Others	18	16
Total	13,333	10,259

(12) Loans to Domestic Companies by Company Size

(Millions of yen, %)

Category		As of March 31, 2006		As of March 31, 2007	
			Percentage		Percentage
Large corporations	Number of debtors	1	100.0	1	100.0
	Amount of loans	5,000	100.0	2,500	100.0
Medium-sized corporations	Number of debtors	-	-	-	-
	Amount of loans	-	-	-	-
Small corporations	Number of debtors	-	-	-	-
	Amount of loans	-	-	-	-
Total	Number of debtors	1	100.0	1	100.0
	Amount of loans	5,000	100.0	2,500	100.0

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 billion yen or more	With more than 50 employees, and	With a capital of 1 billion yen or more	With more than 100 employees, and	With a capital of 1 billion yen or more	With more than 100 employees, and	With a capital of 1 billion yen or more
Medium-sized corporations		With a capital of more than 300 million yen and less than 1 billion yen		With a capital of more than 50 million yen and less than 1 billion yen		With a capital of more than 50 million yen and less than 1 billion yen		With a capital of 100 million yen or less, or regular employees of 100 or less
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.

(13) Loans by Industry

(Millions of yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
Domestic Loans	-	-	-	-
Manufacturing Industries	-	-	-	-
Food products	-	-	-	-
Textiles and clothing	-	-	-	-
Timber and wood products	-	-	-	-
Pulp and paper	-	-	-	-
Printing	-	-	-	-
Chemicals	-	-	-	-
Oil and coal	-	-	-	-
Ceramic and stone products	-	-	-	-
Steel	-	-	-	-
Non-steel metals	-	-	-	-
Metal products	-	-	-	-
Machinery	-	-	-	-
Electric appliances	-	-	-	-
Transportation vehicles	-	-	-	-
Precision machinery	-	-	-	-
Others	-	-	-	-
Agriculture	-	-	-	-
Forestry	-	-	-	-
Fisheries	-	-	-	-
Mining	-	-	-	-
Construction	-	-	-	-
Utilities	-	-	-	-
Information and telecommunications	-	-	-	-
Transportation	20	0.4	10	0.4
Wholesalers	-	-	-	-
Retailers	-	-	-	-
Financial services/ insurance	5,022	99.0	2,520	98.6
Real estate	-	-	-	-
Service companies	8	0.2	8	0.3
Local governments	2	0.0	0	0.0
Mortgage and consumer and others	18	0.4	16	0.7
Total	5,071	100.0	2,555	100.0
Foreign Loans	-	-	-	-
Governments, etc.	-	-	-	-
Financial institutions	-	-	-	-
Commerce and industry companies	-	-	-	-
Total	-	-	-	-
Total	5,071	100.0	2,555	100.0

(14) Foreign Investments**1) Investments by asset category**

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

(Millions of yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
Foreign bonds	566	0.8	580	2.4
Foreign stocks	-	-	-	-
Non yen-denominated cash, cash equivalents and other assets	91	0.1	79	0.3
Total	658	0.9	660	2.7

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

(Millions of yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
Foreign bonds	-	-	-	-
Non yen-denominated cash, cash equivalents and other assets	-	-	-	-
Total	-	-	-	-

(c) Denominated in yen

(Millions of yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
Loans to borrowers located outside of Japan	-	-	-	-
Foreign bonds	26,999	36.0	15,000	61.6
Foreign stocks	47,301	63.1	8,669	35.6
Other	36	0.0	24	0.1
Total	74,337	99.1	23,694	97.3

(d) Total

(Millions of yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
Total foreign investments	74,996	100.0	24,354	100.0

2) Foreign currency denominated assets by currency

(Millions of yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
U.S. dollar	658	100.0	660	100.0
Euro	-	-	-	-
Canadian dollar	-	-	-	-
Australian dollar	-	-	-	-
Others	-	-	-	-
Total	658	100.0	660	100.0

3) Investments by region

(Millions of yen, %)

Category	As of March 31, 2006							
	Foreign securities						Loans to borrowers located outside of Japan	
			Bonds		Stocks and other securities			
Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	
North America	614	1.4	566	2.1	47	0.3	-	-
Europe	18,854	42.3	10,000	36.3	8,854	52.0	-	-
Oceania	-	-	-	-	-	-	-	-
Asia	-	-	-	-	-	-	-	-
Latin America	25,139	56.4	16,999	61.7	8,139	47.8	-	-
Middle East	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-
International Organizations	-	-	-	-	-	-	-	-
Total	44,607	100.0	27,566	100.0	17,041	100.0	-	-

(Millions of yen, %)

Category	As of March 31, 2007							
	Foreign securities						Loans to borrowers located outside of Japan	
			Bonds		Stocks and other securities			
Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	
North America	628	2.8	580	3.7	47	0.7	-	-
Europe	2,026	8.9	-	-	2,026	28.2	-	-
Oceania	-	-	-	-	-	-	-	-
Asia	-	-	-	-	-	-	-	-
Latin America	20,117	88.3	15,000	96.3	5,117	71.2	-	-
Middle East	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-
International Organizations	-	-	-	-	-	-	-	-
Total	22,773	100.0	15,580	100.0	7,192	100.0	-	-

(15) Fair Value Information on Securities and Others
1) Valuation gains (losses) on trading securities

(Millions of yen)

Category	As of March 31, 2006		As of March 31, 2007	
	Current fair value and carrying value	Valuation gains (losses)	Current fair value and carrying value	Valuation gains (losses)
Trading securities	453,866	75,563	608,338	(4,371)
Domestic bonds	642	(13)	606	6
Domestic stocks	1,849	695	1,797	(23)
Foreign bonds	529	38	554	24
Foreign stocks	1,550	158	1,496	15
Other securities	441,546	79,091	591,542	(1,415)
Monetary trust	7,748	(4,406)	12,340	(2,979)

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

a. Securities with market value

(Millions of yen)

Category	As of March 31, 2006				
	Cost/ carrying value before mark-to- market	Current fair value	Net unrealized gains (losses)		
				Gains	Losses
Held-to-maturity securities	285,920	285,309	(610)	682	(1,293)
Policy reserve matching bonds	-	-	-	-	-
Stocks of subsidiaries and affiliated companies	-	-	-	-	-
Available-for-sale securities	112,461	111,711	(749)	1,994	(2,743)
Domestic bonds	54,868	52,865	(2,003)	0	(2,003)
Domestic stocks	99	365	265	265	-
Foreign securities	17,633	17,608	(24)	128	(153)
Bonds	595	566	(28)	-	(28)
Stocks, etc.	17,038	17,041	3	128	(125)
Other securities	39,859	40,872	1,013	1,599	(585)
Monetary claims purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-
Total	398,381	397,021	(1,360)	2,676	(4,036)
Domestic bonds	313,789	311,096	(2,693)	588	(3,281)
Domestic stocks	99	365	265	265	-
Foreign securities	44,632	44,686	53	222	(168)
Bonds	27,594	27,645	50	93	(43)
Stocks, etc.	17,038	17,041	3	128	(125)
Other securities	39,859	40,872	1,013	1,599	(585)
Monetary claims purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
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.

b. Securities without market value (Carrying value)

(Millions of yen)

Category	As of March 31, 2006
Held-to-maturity securities	-
Unlisted foreign bonds	-
Other securities	-
Policy reserve matching bonds	-
Stocks of subsidiaries and affiliated companies	-
Available-for-sale securities	600
Unlisted domestic stocks (excluding over-the-counter stocks)	116
Unlisted foreign stocks (excluding over-the-counter stocks)	-
Unlisted foreign bonds	-
Others	484
Total	600

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

a. Securities with market value

(Millions of yen)

Category	As of March 31, 2007				
	Cost/ carrying value before mark-to- market	Current fair value	Net unrealized gains (losses)		
				Gains	Losses
Held-to-maturity securities	315,889	316,371	481	1,212	(731)
Policy reserve matching bonds	-	-	-	-	-
Stocks of subsidiaries and affiliated companies	-	-	-	-	-
Available-for-sale securities	66,424	65,215	(1,209)	425	(1,634)
Domestic bonds	54,549	53,013	(1,536)	16	(1,553)
Domestic stocks	-	-	-	-	-
Foreign securities	7,681	7,773	91	118	(26)
Bonds	592	580	(11)	-	(11)
Stocks, etc.	7,088	7,192	103	118	(14)
Other securities	4,194	4,429	235	290	(55)
Monetary claims purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-
Total	382,314	381,586	(727)	1,638	(2,365)
Domestic bonds	355,439	354,391	(1,047)	1,229	(2,276)
Domestic stocks	-	-	-	-	-
Foreign securities	22,681	22,765	84	118	(33)
Bonds	15,592	15,572	(19)	-	(19)
Stocks, etc.	7,088	7,192	103	118	(14)
Other securities	4,194	4,429	235	290	(55)
Monetary claims purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
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.

b. Securities without market value (Carrying value)

(Millions of yen)

Category	As of March 31, 2007
Held-to-maturity securities	-
Unlisted foreign bonds	-
Others	-
Policy reserve matching bonds	-
Stocks of subsidiaries and affiliated companies	-
Available-for-sale securities	434
Unlisted domestic stocks (excluding over-the-counter stocks)	115
Unlisted foreign stocks (excluding over-the-counter stocks)	-
Unlisted foreign bonds	-
Others	318
Total	434

3) Fair value information on monetary trusts

(Millions of yen)

Category	As of March 31, 2006			
	Carrying value	Current fair value	Net unrealized gains (losses)	
			Gains	Losses
Monetary trusts	7,748	7,748	-	-

Category	As of March 31, 2007			
	Carrying value	Current fair value	Net unrealized gains (losses)	
			Gains	Losses
Monetary trusts	12,340	12,340	-	-

a. Monetary trusts for investment

(Millions of yen)

Category	As of March 31, 2006		As of March 31, 2007	
	Carrying value	Net valuation gains(losses)	Carrying value	Net valuation gains(losses)
Monetary trusts for investment	7,748	(4,406)	12,340	(2,979)

Note: Above figures show all of the fair value information on monetary trusts including securities, cash and call loans and others.

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

(Millions of yen)

Category	As of March 31, 2006			
	Carrying value	Current fair value	Net unrealized gains (losses)	
			Gains	Losses
Monetary trusts for held-to-maturity	-	-	-	-
Monetary trusts for policy reserve matching	-	-	-	-
Other monetary trusts	-	-	-	-

Category	As of March 31, 2007			
	Carrying value	Current fair value	Net unrealized gains (losses)	
			Gains	Losses
Monetary trusts for held-to-maturity	-	-	-	-
Monetary trusts for policy reserve matching	-	-	-	-
Other monetary trusts	-	-	-	-

4) Fair value information on derivative transactions

a) General information

1. Types of transaction

The Company uses the following derivative transactions.

- i) Currency-related : currency option transactions
- ii) Interest-related : not applicable
- iii) Stock-related : stock index option transactions
- iv) Bond-related : not applicable

2. Transaction policy

The Company uses derivative transactions to hedge minimum guarantee risks (guaranteed minimum death benefit risk, guarantee of minimum annuitization value risk) relating to variable annuities.

3. Purpose of use

In accordance with the transaction policy, derivative transactions are used to hedge against the price fluctuation risks for the underlying assets of separate accounts.

4. Risk profile

Since the derivative transactions in which the Company is engaged are only put option purchases, it is exposed only to limited risks related to derivative transactions. Since it uses these transactions to hedge fluctuations of minimum guarantee risk from market risks (price fluctuation and currency risk) relating to the underlying assets of separate accounts, the risk of derivative transactions is limited further.

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 policy of hedging minimum guarantee risk relating to variable annuities is stipulated in the Company's internal regulations regarding the execution and monitoring of hedging transactions, and the Company conducts tightly controlled operations in this respect. In the Company's approach to risk management, the front and back offices are separated into the investment section and the clerical and administrative section, which mutually supervise each other. The Total Risk Control Division also ascertains and analyzes all kinds of risks, including derivative transaction risk, and regularly reports to the Board of Directors.

6. Supplemental information

The Company does not apply hedge accounting to derivative transactions for the purpose of hedging minimum guarantee risk relating to variable annuities.

b) Gains (losses) on derivatives with and without hedge accounting

i) Interest-related transactions

The Company held no interest-related derivative instruments as of March 31, 2006 and March 31, 2007.

ii) Currency-related transactions

(Millions of yen)

Category	As of March 31, 2006				As of March 31, 2007			
	Contracted value or notional principal amount		Current market or fair value	Valuation gains (losses)	Contracted value or notional principal amount		Current market or fair value	Valuation gains (losses)
		Over 1 Year				Over 1 Year		
Over-the-counter transactions								
Foreign exchange contracts:								
Sold:								
Call	-	-			-	-		
U.S. dollar	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]
Euro	-	-			-	-		
Put	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]
Bought:								
Call	-	-			-	-		
U.S. dollar	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]
Euro	29,401	26,945			35,692	32,286		
U.S. dollar	[3,446]	[3,393]	[1,918]	[(1,528)]	[4,472]	[4,338]	[2,170]	[(2,301)]
Euro	16,966	15,536			22,103	19,976		
Put	[2,159]	[2,125]	[1,203]	[(955)]	[3,023]	[2,930]	[1,646]	[(1,377)]
U.S. dollar	12,435	11,408			13,589	12,309		
Euro	[1,287]	[1,267]	[714]	[(572)]	[1,448]	[1,407]	[524]	[(923)]
Total				(1,528)				(2,301)

Note: Parenthesized figures are option premiums.

iii) Stock-related transactions

(Millions of yen)

Category	As of March 31, 2006				As of March 31, 2007			
	Contracted value or notional principal amount		Current market or fair value	Valuation gains (losses)	Contracted value or notional principal amount		Current market or fair value	Valuation gains (losses)
		Over 1 Year				Over 1 Year		
Over-the-counter transactions								
Stock index options:								
Sold:								
Call	-	-	-	-	-	-	-	-
Put	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]
Bought:								
Call	-	-	-	-	-	-	-	-
Put	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]
Nikkei225	63,940	59,531			104,408	97,500		
S&P500	[7,014]	[6,908]	[4,185]	[(2,828)]	[12,811]	[12,518]	[7,777]	[(5,034)]
DJES 50	63,940	59,531			96,744	89,942		
	[7,014]	[6,908]	[4,185]	[(2,828)]	[11,447]	[11,159]	[6,585]	[(4,861)]
	-	-	-	-	5,022	4,951	-	-
	[-]	[-]	[-]	[-]	[822]	[819]	[719]	[(103)]
	-	-	-	-	2,641	2,605	-	-
	[-]	[-]	[-]	[-]	[541]	[539]	[472]	[(69)]
Total				(2,828)				(5,034)

Note: Parenthesized figures are option premiums.

iv) Bond-related transactions

The Company held no bond-related derivative instruments as of March 31, 2006 and March 31, 2007.

v) Others

The Company held no other derivative instruments as of March 31, 2006 and March 31, 2007.

3. Status of Separate Account Assets (Non-Consolidated)

(1) Balance of Separate Account Assets

(Millions of yen)

Category	As of March 31, 2006	As of March 31, 2007
Individual variable insurance	3,227	3,127
Individual variable annuities	456,198	615,441
Group annuities	56	-
Total	459,481	618,569

(2) Status of Individual Variable Insurance (Separate accounts)

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

(Number: Thousands, Millions of yen)

Category	As of March 31, 2006		As of March 31, 2007	
	Number	Amount	Number	Amount
Variable insurance (term life)	0	16	0	15
Variable insurance (whole life)	3	12,533	3	12,272
Total	3	12,550	3	12,288

b. Asset composition

(Millions of yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
Cash and deposits, call loans	214	6.7	134	4.3
Securities	2,980	92.4	2,958	94.6
Domestic bonds	601	18.6	606	19.4
Domestic stocks	1,849	57.3	1,797	57.5
Foreign securities	529	16.4	554	17.7
Foreign bonds	529	16.4	554	17.7
Foreign stocks and other securities	-	-	-	-
Other securities	-	-	-	-
Loans	-	-	-	-
Other assets	31	1.0	34	1.1
Reserve for possible loan losses	-	-	-	-
Total assets	3,227	100.0	3,127	100.0

c. Net investment income

(Millions of yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Interests, dividends and income from real estate for rent	53	57
Gains on sale of securities	53	30
Gains on redemption of securities	-	-
Valuation gains on securities	1,216	938
Foreign exchange gains, net	-	0
Gains from derivatives, net	-	-
Other investment income	0	-
Losses on sale of securities	74	2
Amortization of securities	11	-
Devaluation losses on securities	502	932
Foreign exchange losses, net	-	-
Losses from derivatives, net	-	-
Other investment expenses	0	0
Net investment income	734	92

Note: Above net investment income(loss) are stated on the statements of operations as an item of the gains(losses) from separate accounts.

(3) Status of Individual Variable Annuities (Separate Accounts)**a. Total number of policies and total policy amount in force**

(Number:Thousands, Millions of yen)

Category	As of March 31, 2006		As of March 31, 2007	
	Number	Amount	Number	Amount
Individual variable annuities	49	459,514	69	621,544

b. Asset composition

(Millions of yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
Cash and deposits, call loans	10,799	2.4	18,758	3.0
Securities	443,097	97.1	593,039	96.4
Domestic bonds	-	-	-	-
Domestic stocks	-	-	-	-
Foreign securities	1,550	0.3	1,496	0.2
Foreign bonds	-	-	-	-
Foreign stocks and other securities	1,550	0.3	1,496	0.2
Other securities	441,546	96.8	591,542	96.1
Loans	-	-	-	-
Other assets	2,301	0.5	3,643	0.6
Reserve for possible loan losses	-	-	-	-
Total assets	456,198	100.0	615,441	100.0

c. Net investment income

(Millions of yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Interests, dividends and income from real estate for rent	7,041	12,682
Gains on sale of securities	-	-
Gains on redemption of securities	-	-
Valuation gains on securities	104,289	102,525
Foreign exchange gains, net	-	-
Gains from derivatives, net	-	-
Other investment income	-	-
Losses on sale of securities	16	6
Amortization of securities	-	-
Devaluation losses on securities	25,039	103,926
Foreign exchange losses, net	-	-
Losses from derivatives, net	-	-
Other investment expenses	-	-
Net investment income	86,274	11,274

d. Fair value information on securities

1) Valuation gains (losses) on trading securities

(Millions of yen)

Category	As of March 31, 2006		As of March 31, 2007	
	Current fair value and carrying value	Valuation gains(losses)	Current fair value and carrying value	Valuation gains(losses)
Trading securities	443,097	79,249	593,039	(1,400)

Note: The above table includes securities such as monetary trusts on trading securities.

2) Fair value information on monetary trusts

The company held no monetary trusts as of March 31, 2006 and 2007.

3) Fair value information on derivative transactions

(a) Interest-related transactions

The Company held no interest-related derivative instruments as of March 31, 2006 and 2007.

(b) Currency-related transactions

The Company held no currency-related derivative instruments as of March 31, 2006 and 2007.

(c) Stock-related transactions

The Company held no stock-related derivative instruments as of March 31, 2006 and 2007.

(d) Bond-related transactions

The Company held no bond-related derivative instruments as of March 31, 2006 and 2007.

(e) Others

The Company held no other derivative instruments as of March 31, 2006 and 2007.

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

a. Reconciliation to Core Profit

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Core Revenues	311,869	264,853
Income from insurance premiums	208,153	240,759
Insurance premiums	203,351	235,146
Ceded reinsurance recoveries	4,802	5,612
Investment income	91,788	15,906
Interest, dividends and income from real estate for rent	4,590	4,396
Gains on redemption of securities	0	1
Other investment income	170	136
Gains on separate accounts, net	87,026	11,372
Other ordinary income	11,926	8,188
Income related to withheld insurance claims and other payments for future annuity payments	6,413	7,751
Income due to withheld insurance payments	470	335
Reversal of reserve for outstanding claims	2,252	-
Reversal of policy and other reserves	-	-
Reversal of reserve for employees' retirement benefits	2,752	91
Other ordinary income	35	9
Other core revenues	-	-
Core Expenses	318,906	271,311
Insurance claims and other payments	97,131	99,590
Insurance claims	24,046	21,027
Annuity payments	5,017	5,176
Insurance benefits	16,686	16,685
Surrender payments	38,812	45,406
Other payments	9,235	7,825
Reinsurance payments	3,334	3,470
Provision for policy and other reserves	192,347	150,954
Investment expenses	64	56
Interest expense	1	4
Losses from redemption of securities	1	1
Provision for reserve for possible loan losses	-	-
Depreciation of real estate for rent	-	-
Other investment expenses	61	50
Losses on separate accounts, net	-	-
Operating expenses	20,294	17,921
Other ordinary expenses	9,068	2,787
Payments related to withheld insurance claims	543	638
Taxes	1,484	1,530
Depreciation	535	560
Provision for reserve for employees' retirement benefits	-	-
Other ordinary expenses	6,505	57
Other core expenses	-	-
Core Profit	(7,037)	(6,457)

b. Reconciliation to Ordinary Profit

(Millions of yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Core profit (A)	(7,037)	(6,457)
Capital gains	502	1,266
Gains from monetary trusts, net	-	-
Gains on investments in trading securities, net	-	-
Gains on sale of securities	502	1,266
Gains from derivatives, net	-	-
Foreign exchange gains, net	-	-
Others	-	-
Capital losses	5,137	4,710
Losses from monetary trusts, net <i>(Note 1)</i>	4,788	3,407
Losses on investments in trading securities, net	-	-
Losses on sale of securities	291	1,302
Devaluation losses on securities	55	0
Losses from derivatives, net	-	-
Foreign exchange losses, net	0	0
Others	-	-
Capital gains/losses (B)	(4,635)	(3,443)
Core profit reflecting capital gains / losses (A+B)	(11,672)	(9,900)
Other one-time gains	2,962	548
Ceding reinsurance commissions	-	-
Reversal of contingency reserve	-	-
Others <i>(Note 2)</i>	2,962	548
Other one-time losses	3,536	4,177
Reinsurance premiums	-	-
Provision for contingency reserve	3,536	4,177
Provision for specific reserve for possible loan losses	-	-
Provision for specific reserves for loans to refinancing countries	-	-
Write-off of loans	-	-
Others	-	-
Other one-time gains/losses (C)	(573)	(3,628)
Ordinary profit (A+B+C)	(12,246)	(13,528)

Notes:

1. The figures of gains and losses from monetary trusts are equal to gains and losses on delivative transactions for the purpose of hedging minimum guarantee risks relating to individual variable annuities.
2. 'Others' in Other one-time gains and losses above include reversal and provision for policy reserve relating to minimum guarantee risks for individual variable annuities contracted prior to March 31, 2004, which were not mandatory in the FSA regulation.

5. Disclosed Claims Based on Insurance Business Law Standard

(Non-Consolidated)	(Millions of yen, %)	
Category	As of March 31, 2006	As of March 31, 2007
Claims against bankrupt and quasi-bankrupt obligors	94	101
Claims with collection risk	-	-
Claims for special attention	-	-
Sub-total	94	101
[% of Total]	[0.70]	[0.97]
Claims against normal obligors	13,434	10,345
Total	13,529	10,446

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. The amount of policy loans included in total loan amounts above as of March 31, 2007 is 7,827 million yen, including 38 million yen of claims against bankrupt and quasi-bankrupt obligors, and 7,789 million yen of claims against normal obligors.

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

(Non-Consolidated)	(Millions of yen, %)	
Category	As of March 31, 2006	As of March 31, 2007
Loans to bankrupt companies	-	-
Past due loans	31	37
Loans over due for three months or more	-	-
Restructured loans	-	-
Total	31	37
[% of total loans]	[0.24]	[(0.37)]

Notes:

1. 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 impossible due to a significant delay in payment of principal or interest or for some other reason.
2. 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 borrower) on which the Company has stopped accruing interest based on self-assessment.
3. Loans over due for three months or more are loans, other than the loans described in notes 2 or 3 above, on which principal and/or interest are in arrears for three months or more.
4. 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 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 borrower for purposes of restructuring or supporting the borrower.
5. The total amount of risk monitored loans as of March 31, 2007 are comprehensive policy loans. The all amount of policy loans applicable to risk monitored loans are reserved by the amount of surrender and lapse and others.

(Reference) Reserve for Possible Loan Losses

(1) Reserve for Possible Loan Losses

(Millions of yen)

Category	As of March 31, 2006	As of March 31, 2007
General reserve for possible loan losses	13	4
Specific reserve for possible loan losses	79	67
Specific reserve for loans to refinancing countries	-	-
Total	92	71

(2) Specific Reserve for Possible Loan

(Millions of yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Transfer	1	0
Reversal	52	0
Total	(50)	(0)

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 March 31, 2006 and March 31, 2007.

b. Loan outstanding by country

The Company held no loan outstanding by country as of March 31, 2006 and March 31, 2007.

(4) Write-off of Loans

(Millions of yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Write-off of loans	-	-

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.

T&D Financial 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 of loans as of March 31, 2007, 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 March 31, 2006		As of March 31, 2007	
	Before write-offs / reservation	After write-offs / reservation	Before write-offs / reservation	After write-offs / reservation
Class I	13,465	13,466	10,382	10,383
Class II	-	-	-	-
Class III	-	-	-	-
Class IV	0	-	1	-
Total exposures	13,466	13,466	10,383	10,383

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.

7. Solvency Margin Ratio (Non-Consolidated)

		(Millions of yen, %)	
Items		As of March 31, 2006	As of March 31, 2007
Total solvency margin	(A)	71,703	71,523
Net assets (less certain items)		45,768	35,048
Reserve for price fluctuations		364	393
Contingency reserve		5,134	9,311
Reserve for possible loan losses		13	4
Net unrealized gains on available-for-sale securities (before tax) (x 90 per cent., if gains; x 100 per cent., if losses)		(749)	(1,209)
Net unrealized gains (losses) on real estate (x 85 per cent., if gains; x 100 per cent., if losses)		-	-
Excess of amount of policy surrender payment		20,555	27,585
Unallotted portion of reserve for policyholder dividends		-	-
Future profits		616	389
Deferred tax assets		-	-
Subordinated debt		-	-
Deductible items		-	-
Total risk $\sqrt{R_1^2 + (R_2 + R_3 + R_7)^2 + R_4}$	(B)	7,501	12,023
Insurance risk R_1		2,660	2,165
Assumed investment yield risk R_2		402	387
Investment risk R_3		2,512	2,005
Business risk R_4		281	407
Minimum guarantee risk R_7		3,796	9,020
Solvency margin ratio	$\frac{(A)}{(1/2) \times (B)} \times 100$	1,911.8%	1,189.7%

Notes:

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

2. "Net assets (less certain items)" as of March 31, 2007 represents net assets on the balance sheet less net unrealized gains on securities, provision for advanced depreciation on real estate, gains on deferred hedge and estimated appropriation paid in cash. As for March 31, 2006, "Net assets (less certain items)" above represents equity capital on the balance sheet less net unrealized gains on securities, provision for advanced depreciation on real estate and (estimated) appropriation paid in cash.

3. Minimum guarantee risks were calculated using the standard method regulated by FSA.

8. Adjusted Net Assets (Non-Consolidated)

		(Millions of yen)	
Items		As of March 31, 2006	As of March 31, 2007
Adjusted net assets		64,567	63,511