

Supplementary Materials for the Six Months Ended September 30, 2007

Percentages are rounded to the nearest relevant percentage point.

Therefore, the sums of each percentage do not always amount to 100%.

1. Business Highlights

(1) Total Policy Amount in Force	P3
(2) New Policy Amount	P3
(3) Annualized Premiums	P3
(4) Policies by Dividend Type (Individual Insurance and Annuities)	P4
(5) Average Amount of New Policies and Policy Amount in Force (Individual Insurance)	P4
(6) New Policy Rate	P4
(7) Surrender and Lapse Rate	P4
(8) Surrender and Lapse Amount	P4
(9) Average Premium Amount of Individual Insurance New Policies (Monthly Premium)	P4
(10) Average Assumed Investment Yield and Negative Spread	P5
(11) Mortality Rate for Individual Insurance	P5
(12) The Number of Reinsurance Companies Accepting the T&D Financial Life's Policies	P5
(13) The Ratio of Reinsurance Premium Paying to Top Five Reinsurance Companies to Total Reinsurance Premium	P5
(14) Reinsurance Premium Ratio by Rating Categories	P5
(15) Reinsurance Recovery Receivable	P5
(16) Ratio of Insurance Claims to Earned Premium by the Benefit Cause in Third Sector Insurance	P5
(17) Reserve for Outstanding Claims	P6
(18) Policy Reserve	P6
(19) Policy Reserve Calculating Methods and Ratios	P6
(20) Other Reserves	P7
(21) Insurance Premium	P7
(22) Insurance Claims	P7
(23) Annuity Payments	P7
(24) Insurance Benefits	P7
(25) Surrender Payments	P8
(26) Operating Expenses	P8
(27) Operating Expense Ratio (Against Insurance Premiums)	P8

2. Status of General Account Assets

(1) Investment Performance	P9
(2) Asset Composition	P10

(3) Changes in the Amount of Assets by Categories	P10
(4) Investment Income	P11
(5) Investment Expenses	P11
(6) Net Investment Income	P11
(7) Securities	P12
(8) Securities by Contractual Maturity Dates	P12
(9) Stock Holdings by Industry	P13
(10) Loans	P14
(11) Loans to Domestic Companies by Company Size	P14
(12) Loans by Industry	P15
(13) Foreign Investments	P16
(14) Fair Value Information on Securities and Others	P18
1) Valuation gains (losses) on trading securities	P18
2) Fair value information on securities (except trading securities)	P18
3) Fair value information on monetary trusts	P21
4) Fair value information on real estate	P21
5) Fair value information on derivative transactions	P22

3. Status of Separate Account Assets

(1) Balance of Separate Account Assets	P24
(2) Total Number of Policies and Policy Amount in Force (Separate Accounts)	P24

4. Reconciliation to Core Profit and Ordinary Profit P25

5. Disclosed Claims Based on Insurance Business Law Standard P27

6. Risk Monitored Loans (Based on Insurance Business Law Guidelines) P27

(Reference) Reserves for Possible Loan Losses	P28
(Reference) Self-Assessment of Loans	P28

7. Solvency Margin Ratio P29

8. Adjusted Net Assets P29

1. Business Highlights

(1) Total Policy Amount in Force

(Number: Thousands, 100 Millions of yen)

Category	As of September 30, 2006		As of September 30, 2007						As of March 31, 2007	
	Number	Amount	Number			Amount			Number	Amount
				Change (%)	Change from previous FYE (%)		Change (%)	Change from previous FYE (%)		
Individual insurance	268	19,052	240	89.5	94.8	16,536	86.8	93.2	253	17,734
Individual annuities	91	6,239	110	121.1	105.3	7,918	126.9	105.6	105	7,499
Subtotal	360	25,292	351	97.6	97.9	24,455	96.7	96.9	358	25,233
Group insurance	-	14,819	-	-	-	10,337	69.8	101.1	-	10,227
Group annuities	-	405	-	-	-	378	93.4	95.7	-	395

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	Six Months Ended September 30, 2006				Six Months Ended September 30, 2007			
	Number	Amount	New policies		Number	Amount	New policies	
				Increase from conversion				Increase from conversion
Individual insurance	0	0	0	-	-	-	-	-
Individual annuities	7	540	540	-	8	639	639	-
Subtotal	7	540	540	-	8	639	639	-
Group insurance	-	-	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-	-	-

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

Notes:

1. There is no conversion plan from FY2001.
2. The new policy amount for individual annuities is funds to be held at the time annuity payments are to commence for an annuity.
3. The new policy amount for group annuity products is equal to the initial premium payment.

(3) Annualized Premiums

a. Policy Amount in Force

(Millions of yen)

Category	As of September 30, 2006	As of September 30, 2007	Change (%)	Change from previous FYE (%)	As of March 31, 2007
Individual annuities	47,486	71,217	150.0	112.4	63,363
Total	78,029	98,287	126.0	106.7	92,085
3rd Sector	7,172	6,394	89.2	94.9	6,741

As of March 31, 2007
28,721
63,363
92,085
6,741

b. New Policy Amount

(Millions of yen)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Change (%)	Year Ended March 31, 2007
Individual annuities	6,252	8,744	139.9	22,990
Total	6,253	8,744	139.9	22,991
3rd Sector	0	-	-	0

Year Ended March 31, 2007
0
22,990
22,991
0

Notes:

1. The amounts are calculated by multiplying monthly premiums by 12, and dividing single premiums by the insurance period.
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.

(4) Policies by Dividend Type (Individual Insurance and Annuities)**a. Policies in Force**

(Millions of yen, %)

Category	As of September 30, 2006		As of September 30, 2007		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Participating	1,515,369	59.9	1,332,417	54.5	1,426,030	56.5
Semi-participating	328,708	13.0	282,010	11.5	300,773	11.9
Non-participating	685,125	27.1	831,074	34.0	796,539	31.6
Total	2,529,204	100.0	2,445,503	100.0	2,523,343	100.0

b. New Policies

(Millions of yen, %)

Category	Six Months Ended September 30, 2006		Six Months Ended September 30, 2007		Year Ended March 31, 2007	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Participating	-	-	-	-	-	-
Semi-participating	-	-	-	-	-	-
Non-participating	54,064	100.0	63,901	100.0	179,576	100.0
Total	54,064	100.0	63,901	100.0	179,576	100.0

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

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

(Thousands of yen)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
Average amount of new policies	12,600	-	12,600
Average amount in force	7,091	6,873	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 fiscal year)

(%)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
Individual insurance	0.0	-	0.0
Individual annuities	9.1	8.5	30.2
Subtotal	2.0	2.5	6.7
Group insurance	-	-	-

Notes:

1. There is no conversion plan from FY2001.

2. The figures for the six months ended September 30, 2007 and 2006 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, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
Individual insurance	5.9	4.0	10.0
Individual annuities	2.8	2.4	6.1
Subtotal	5.2	3.5	9.1
Group insurance	0.2	0.0	0.2

Note: The figures for the six months ended September 30, 2007 and 2006 are not annualized.

(8) Surrender and Lapse Amount

(Number, Millions of yen)

Category	Six Months Ended September 30, 2006				Six Months Ended September 30, 2007				Year Ended March 31, 2007	
	Number		Amount		Number		Amount		Number	Amount
	Change (%)		Change (%)		Change (%)		Change (%)			
Individual insurance	12,983	59.1	122,015	57.2	8,147	62.8	71,343	58.5	22,220	206,356
Individual annuities	1,683	107.3	16,842	166.1	1,735	103.1	17,922	106.4	3,357	36,410
Subtotal	14,666	62.3	138,858	62.1	9,882	67.4	89,266	64.3	25,577	242,766
Group insurance	-	-	3,126	300.8	-	-	246	7.9	-	3,681

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

(Yen)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
Average premium amount	18,530	-	18,530

Note: There is no conversion plan from FY2001.

(10) Average Assumed Investment Yield and Negative Spread

(Millions of yen)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
Amount of negative spread	2,049	1,970	4,117
Investment yield on core profit	1.13%	1.11%	1.13%
Average assumed investment yield	2.16%	2.12%	2.17%
Individual insurance and annuities	2.33%	2.26%	2.33%
Policy reserve in general accounts	400,278	392,097	396,596

Notes:

1. Method of calculating negative spread:

 $(\text{Investment yield on core profit} - \text{Average assumed investment yield}) \times \text{Policy reserve in general accounts}$

2. While investment yield on core profit and average assumed investment yield in the table are annualized as in the notes 3 and 4 hereunder.

3. "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.

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

5. Policy reserve in general accounts represents the earned policy reserve calculated for policy reserve in general accounts less contingency reserve by Hardy method as follows:

Hardy method: $(\text{Policy reserve at beginning of fiscal year} + \text{Policy reserve at end of fiscal year} - \text{Assumed interest}) \times 1/2$ **(11) Mortality Rate for Individual Insurance**

(%o)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
Rate based on number of policies	2.48	2.75	5.21
Rate based on policy amount	2.91	3.47	6.44

Note: The figures for the six months ended September 30, 2007 and 2006 are not annualized.

(12) The Number of Reinsurance Companies Accepting the T&D Financial Life's Policies

(Number)

Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
4	4	4

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

(%)

Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
100.0	100.0	100.0

(14) Reinsurance Premium Ratio by Rating Categories

(%)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
AAA	0.0	0.0	0.0
AA ⁺	99.9	100.0	100.0
A ⁺	0.1	0.0	0.0

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

(15) Reinsurance Recovery Receivable

(Millions of yen)

Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
7	380	0

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

(%)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
Occurrence rate in third sector insurance	31.9	43.6	32.8
Medical	30.1	31.4	30.1
Cancer	54.9	54.7	51.9
Nursing care	1.9	6.9	1.6
Others	47.7	73.9	50.2

(17) Reserve for Outstanding Claims

(Millions of yen)

Category	As of September 30, 2006	As of September 30, 2007	As of March 31, 2007
Insurance claims			
Death benefits	1,729	1,143	1,416
Accidental death benefits	39	31	48
Disability benefits	360	1,063	577
Maturity benefits	422	599	600
Others	-	-	-
Subtotal	2,553	2,838	2,643
Annuity payments	51	144	55
Insurance benefits	530	688	670
Surrender payments	1,683	930	1,302
Deferred insurance benefits	13	16	22
Total	5,009	5,296	5,144

(18) Policy Reserve

(Millions of yen)

Category	As of September 30, 2006	As of September 30, 2007	As of March 31, 2007
Policy reserve (excluding contingency reserve)			
Individual insurance	241,565	229,023	235,174
General accounts	238,518	225,984	232,059
Separate accounts	3,046	3,039	3,115
Individual annuities	604,354	783,893	735,822
General accounts	119,698	126,866	124,058
Separate accounts	484,656	657,026	611,763
Group insurance	265	218	235
General accounts	265	218	235
Separate accounts	-	-	-
Group annuities	40,544	37,867	39,555
General accounts	40,500	37,867	39,555
Separate accounts	44	-	-
Others	785	728	769
General accounts	785	728	769
Separate accounts	-	-	-
Subtotal	887,515	1,051,732	1,011,557
General accounts	399,768	391,665	396,678
Separate accounts	487,746	660,066	614,879
Contingency reserve			
Contingency reserve 1	3,308	4,981	4,571
Contingency reserve 2	-	-	-
Contingency reserve 3	3,187	6,768	4,740
Contingency reserve 4	-	361	-
Subtotal	6,496	12,111	9,311
Total	894,011	1,063,844	1,020,869
General accounts	406,264	403,777	405,990
Separate accounts	487,746	660,066	614,879

Note: Method of accumulating reserves has been changed from the fiscal year ending March 31, 2008 along with regulation change. 19 million yen of contingency reserve relating to the third sector which were included in "Contingency reserve 1" is now included in "Contingency reserve 4" with 341 million yen of contingency reserve as an object of stress-test.

(19) Policy Reserve Calculating Methods and Ratios

Category	As of September 30, 2006	As of September 30, 2007	As of March 31, 2007	
Calculating methods	Policies subject to Standard Policy Reserve Method	Variable annuities Net Level Premium Reserve Method	Net Level Premium Reserve Method	Net Level Premium Reserve Method
	Policies not subject to 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.)	5-year Zillmer Method (Full-year Zillmer Method is applied to the policies whose effective date are before September 30, 2001.)
		Variable annuities Net Level Premium Reserve Method	Net Level Premium Reserve Method	Net Level Premium Reserve Method
	Other insurance Full-year Zillmer Method	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"	99.4%	99.6%	99.5%	

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

(20) Other Reserves

(Millions of yen)

Category	As of September 30, 2006		As of September 30, 2007		As of March 31, 2007	
	Amount	Increase (Decrease)	Amount	Increase (Decrease)	Amount	Increase (Decrease)
Reserve for possible loan losses						
General reserve	4	(9)	4	0	4	(9)
Specific reserve	68	(10)	65	(1)	67	(11)
Reserve for employees' retirement benefits	7,699	(186)	7,623	(171)	7,794	(91)
Reserve for directors' retirement benefits	134	16	165	12	152	35
Reserve for price fluctuations	385	21	404	11	393	29

(21) Insurance Premium

(Millions of yen)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
	Individual insurance	12,360	10,709
Single premiums	-	-	-
Annual payment	1,360	1,146	2,566
Semi-annual payment	194	163	373
Monthly payment	10,805	9,400	20,840
Individual annuities	68,044	72,369	204,069
Single premiums	67,262	71,663	202,518
Annual payment	98	87	212
Semi-annual payment	10	9	20
Monthly payment	672	608	1,317
Group insurance	2,016	1,280	3,589
Group annuities	1,798	1,510	3,672
Total	84,227	85,876	235,146

(22) Insurance Claims

(Millions of yen)

Category	Six Months Ended September 30, 2006	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset formation insurance and annuities	Others	Six Months Ended September 30, 2007	Year Ended March 31, 2007
	Death benefits	5,224	3,655	-	770	-	-	0	4,426
Accidental death benefits	72	52	-	-	-	-	-	52	105
Disability benefits	377	772	-	45	-	-	-	818	793
Maturity benefits	4,458	4,496	-	-	-	14	-	4,510	9,447
Others	27	33	-	-	-	-	-	33	33
Total	10,160	9,010	-	815	-	14	0	9,840	21,027

(23) Annuity Payments

(Millions of yen)

Six Months Ended September 30, 2006	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset formation insurance and annuities	Others	Six Months Ended September 30, 2007	Year Ended March 31, 2007
2,555	-	2,131	17	516	30	-	2,695	5,176

(24) Insurance Benefits

(Millions of yen)

Category	Six Months Ended September 30, 2006	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset formation insurance and annuities	Others	Six Months Ended September 30, 2007	Year Ended March 31, 2007
	Death benefits	3,095	3	5,063	-	-	0	-	5,067
Hospitalization benefits	696	653	3	1	-	-	0	658	1,353
Operation benefits	314	344	2	-	-	-	-	346	601
Injury benefits	13	85	-	0	-	-	-	85	30
Survival benefits	817	694	-	-	-	-	-	694	2,410
Others	1,966	72	-	-	2,051	-	-	2,124	3,562
Total	6,902	1,853	5,068	1	2,051	0	0	8,976	16,685

(25) Surrender Payments

(Millions of yen)

Six Months Ended September 30, 2006	Individual insurance	Individual annuities	Group insurance	Group annuities	Workers' asset formation insurance and annuities	Others	Six Months Ended September 30, 2007	Year Ended March 31, 2007
21,487	4,715	18,133	-	204	7	-	23,061	45,406

(26) Operating Expenses

(Millions of yen)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
Sales activity related expenses	3,076	2,774	8,374
Sales administrative expenses	249	122	404
General administrative expenses	4,483	4,668	9,143
Total	7,809	7,565	17,921

(27) Operating Expense Ratio (Against Insurance Premiums)

(%)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
Operating expense ratio	9.3	8.8	7.6

2. Status of General Account Assets

(1) Investment Performance

As of September 30, 2007, general account assets amounted to ¥452.8 billion (¥463.2 billion), down ¥10.3 billion from the level at the end of the previous fiscal year (hereinafter, figures in parentheses represent levels at the end of the previous fiscal year).

For the interim term ended September 30, 2007, T&D Financial Life continued to invest mainly in yen-denominated fixed income assets such as domestic bonds to gain stable investment returns for medium to long term, considering the characteristics of the company's insurance liabilities and tolerable risk levels. In addition, T&D Financial Life has derivative transactions for the purpose of hedging minimum guarantee risks relating to individual variable annuities such as guarantee for minimum death benefit and minimum living benefit .

At the end of the interim term ended September 30, 2007, the percentages of general account assets in principal categories were as follows: domestic bonds, 77.9% (76.4%); domestic stocks, 0.0% (0.0%); foreign securities, 3.3% (4.9%); other securities, 0.4% (1.0%); and loans, 1.9% (2.2%).

For the interim term ended September 30, 2007, net investment income increased by ¥3.0 billion from the same term of the previous fiscal year, to ¥3.2 billion. This was mainly due to ¥1.0 billion of gains from monetary trusts that are equal to gains on derivative transactions for the purpose of hedging minimum guarantee risks relating to individual variable annuities, which increased by ¥2.6 billion from the same term of the previous fiscal year.

(2) Asset Composition

(Millions of yen, %)

Category	As of September 30, 2006		As of September 30, 2007		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Cash and deposits, call loans	35,530	7.6	33,650	7.4	31,756	6.9
Securities repurchased under resale agreements	-	-	-	-	-	-
Pledged money for bond borrowing transaction	-	-	-	-	-	-
Monetary claims purchased	-	-	-	-	-	-
Securities under proprietary accounts	-	-	-	-	-	-
Monetary trusts	10,138	2.2	15,853	3.5	12,340	2.7
Securities	389,202	82.9	370,104	81.7	381,539	82.4
Domestic bonds	348,799	74.3	352,966	77.9	353,902	76.4
Domestic stocks	408	0.1	184	0.0	115	0.0
Foreign securities	25,688	5.5	15,083	3.3	22,773	4.9
Bonds	17,574	3.7	15,000	3.3	15,580	3.4
Stock, etc.	8,114	1.7	83	0.0	7,192	1.6
Other securities	14,306	3.0	1,869	0.4	4,747	1.0
Loans	11,847	2.5	8,803	1.9	10,259	2.2
Property and equipment	294	0.1	276	0.1	286	0.1
Deferred tax asset	4,934	1.1	7,309	1.6	6,254	1.4
Other assets	17,818	3.8	16,960	3.7	20,873	4.5
Reserve for possible loan losses	(72)	(0.0)	(70)	(0.0)	(71)	(0.0)
Total assets	469,693	100.0	452,888	100.0	463,238	100.0
Foreign currency denominated assets	666	0.1	83	0.0	660	0.1

(3) Changes in the Amount of Assets by Categories

(Millions of yen)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
Cash and deposits, call loans	4,948	1,894	1,174
Securities repurchased under resale agreements	-	-	-
Pledged money for bond borrowing transaction	-	-	-
Monetary claims purchased	-	-	-
Securities under proprietary accounts	-	-	-
Monetary trusts	2,390	3,512	4,592
Securities	(9,030)	(11,434)	(16,693)
Domestic bonds	37,013	(935)	42,116
Domestic stocks	(73)	69	(366)
Foreign securities	(18,919)	(7,689)	(21,834)
Bonds	(9,991)	(580)	(11,985)
Stock, etc.	(8,927)	(7,109)	(9,848)
Other securities	(27,050)	(2,878)	(36,609)
Loans	(1,486)	(1,456)	(3,074)
Property and equipment	169	(10)	161
Deferred tax asset	(273)	1,055	1,046
Other assets	(3,382)	(3,912)	(327)
Reserve for possible loan losses	20	1	20
Total assets	(6,643)	(10,350)	(13,099)
Foreign currency denominated assets	7	(577)	1

(4) Investment Income

(Millions of yen)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
Interests, dividends and income from real estate for rent	2,237	2,202	4,396
Interest income from deposits	0	0	0
Interest income and dividends from securities	2,051	1,927	3,990
Interest income from loans	176	152	342
Income from real estate for rent	-	-	-
Other income from interest and dividends	8	122	62
Gain on securities under proprietary accounts	-	-	-
Gains from monetary trusts, net	-	1,012	-
Gains on investments in trading securities, net	-	-	-
Gains on sale of securities	333	276	1,266
Gains on sale of domestic bonds	-	4	-
Gains on sale of domestic stocks	333	260	1,266
Gains on sale of foreign securities	-	12	-
Other	-	-	-
Gains on redemption of securities	0	-	1
Gains from derivatives, net	-	-	-
Foreign exchange gains, net	-	0	-
Other investment income	53	33	136
Total	2,624	3,526	5,800

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

(5) Investment Expenses

(Millions of yen)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
Interest expense	0	19	4
Losses on securities under proprietary accounts	-	-	-
Losses from monetary trusts, net	1,609	-	3,407
Losses on investments in trading securities, net	-	-	-
Losses on sale of securities	807	189	1,302
Losses on sale of domestic bonds	659	189	1,103
Losses on sale of domestic stocks	-	-	51
Losses on sale of foreign securities	148	-	148
Other	-	-	-
Devaluation losses on securities	-	7	-
Devaluation losses on domestic bonds	-	-	-
Devaluation losses on domestic stocks	-	7	-
Devaluation losses on foreign securities	-	-	-
Other	-	-	-
Amortization of securities	-	-	1
Losses from derivatives, net	-	-	-
Foreign exchange losses, net	0	-	0
Provision for reserve for possible loan losses	-	0	-
Write-off of loans	-	-	-
Depreciation of real estate for rent	-	-	-
Other investment expenses	22	33	50
Total	2,440	250	4,766

Note: The figures of losses from monetary trusts are equal to 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	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
Net investment income	184	3,275	1,033

(7) Securities

(Millions of yen, %)

Category	As of September 30, 2006		As of September 30, 2007		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Government bonds	330,884	85.0	340,488	92.0	336,216	88.1
Municipal bonds	-	-	-	-	-	-
Corporate bonds	17,915	4.6	12,478	3.4	17,686	4.6
Public corporation bonds	11	0.0	22	0.0	16	0.0
Domestic stocks	408	0.1	184	0.0	115	0.0
Foreign securities	25,688	6.6	15,083	4.1	22,773	6.0
Bonds	17,574	4.5	15,000	4.1	15,580	4.1
Stocks, etc.	8,114	2.1	83	0.0	7,192	1.9
Other securities	14,306	3.7	1,869	0.5	4,747	1.2
Total	389,202	100.0	370,104	100.0	381,539	100.0

(8) Securities by Contractual Maturity Dates

(Millions of yen)

Category	As of September 30, 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	112,951	75,267	68,083	11,901	8,794	53,885	330,884
Municipal bonds	-	-	-	-	-	-	-
Corporate bonds	-	907	11	14,997	1,998	-	17,915
Domestic stocks	/	/	/	/	/	408	408
Foreign securities	2,271	15,390	-	-	-	8,026	25,688
Bonds	2,232	15,342	-	-	-	-	17,574
Stocks, etc.	39	48	-	-	-	8,026	8,114
Other securities	2,079	240	114	-	2,306	9,565	14,306
Total	117,302	91,805	68,209	26,899	13,099	71,885	389,202

(Millions of yen)

Category	As of September 30, 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	165,102	64,277	38,735	9,577	8,152	54,642	340,488
Municipal bonds	-	-	-	-	-	-	-
Corporate bonds	65	394	5,020	6,998	-	-	12,478
Domestic stocks	/	/	/	/	/	184	184
Foreign securities	15,000	83	-	-	-	-	15,083
Bonds	15,000	-	-	-	-	-	15,000
Stocks, etc.	-	83	-	-	-	-	83
Other securities	17	264	-	-	-	1,587	1,869
Total	180,185	65,019	43,756	16,576	8,152	56,414	370,104

(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
Bonds	15,234	345	-	-	-	-	15,580
Stocks, etc.	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.

(9) Stock Holdings by Industry

(Millions of yen, %)

Category	As of September 30, 2006		As of September 30, 2007		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Fisheries, agriculture and forestry	-	-	-	-	-	-
Mining	-	-	-	-	-	-
Construction	0	0.0	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	6.5	26	14.5	26	23.1
Warehouses / transportation	-	-	-	-	-	-
Information / telecommunications	-	-	-	-	-	-
Commerce						
Wholesalers	-	-	-	-	-	-
Retailers	292	71.7	-	-	-	-
Financial services / insurance						
Banking	-	-	-	-	-	-
Securities and commodity futures trading	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Other financial services	12	3.1	12	6.8	12	10.8
Real estate	49	12.0	48	26.5	49	42.4
Service companies	27	6.7	96	52.3	27	23.6
Total	408	100.0	184	100.0	115	100.0

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

(10) Loans

(Millions of yen)

Category	As of September 30, 2006	As of September 30, 2007	As of March 31, 2007
Policy loans	8,031	7,504	7,704
Policyholder loans	6,558	6,138	6,394
Premium loans	1,473	1,366	1,309
Commercial loans	3,815	1,298	2,555
[Loans to non-residents]	-	-	-
Loans to corporations	3,750	1,250	2,500
[Loans to domestic corporations]	3,750	1,250	2,500
Loans to Japanese government, government-related organizations and international organizations	47	32	38
Loans to Japanese local governments and public entities	0	-	0
Mortgage loans	-	-	-
Consumer loans	-	-	-
Others	17	15	16
Total	11,847	8,803	10,259

(11) Loans to Domestic Companies by Company Size

(Number, Millions of yen, %)

Category	As of September 30, 2006		As of September 30, 2007		As of March 31, 2007		
		Percentage		Percentage		Percentage	
Large corporations	Number of debtors	1	100.0	1	100.0	1	100.0
	Amount of loans	3,750	100.0	1,250	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	1	100.0
	Amount of loans	3,750	100.0	1,250	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 more than 100 million yen and less than 1 billion 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, %)

Category	As of September 30, 2006		As of September 30, 2007		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Domestic Loans						
Manufacturing Industries	-	-	-	-	-	-
Food products	-	-	-	-	-	-
Textiles and clothing	-	-	-	-	-	-
Timber, 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	-	-	-	-	-	-
Telecommunications	-	-	-	-	-	-
Transportation	15	0.4	5	0.4	10	0.4
Wholesalers	-	-	-	-	-	-
Retailers	-	-	-	-	-	-
Financial services/insurance	3,774	98.9	1,268	97.7	2,520	98.6
Real estate	-	-	-	-	-	-
Service companies	8	0.2	9	0.7	8	0.3
Local governments	0	0.0	-	-	0	0.0
Mortgage and consumer and others	17	0.5	15	1.2	16	0.7
Total	3,815	100.0	1,298	100.0	2,555	100.0
Foreign Loans						
Governments, etc.	-	-	-	-	-	-
Financial institutions	-	-	-	-	-	-
Commerce and industry companies, etc.	-	-	-	-	-	-
Total	-	-	-	-	-	-
Total	3,815	100.0	1,298	100.0	2,555	100.0

Note: Categories of domestic loans by industry are based on the classification of Bank of Japan's survey.

(13) Foreign Investments

1) Investments by asset category

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

(Millions of yen, %)

Category	As of September 30, 2006		As of September 30, 2007		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Foreign bonds	574	1.8	-	-	580	2.4
Foreign stocks	-	-	-	-	-	-
Non yen-denominated cash, cash equivalents and other assets	91	0.3	83	0.5	79	0.3
Total	666	2.1	83	0.5	660	2.7

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

(Millions of yen, %)

Category	As of September 30, 2006		As of September 30, 2007		As of March 31, 2007	
	Amount	Percentage	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 September 30, 2006		As of September 30, 2007		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Loans to borrowers located outside of Japan	-	-	-	-	-	-
Foreign bonds	16,999	54.2	15,000	89.8	15,000	61.6
Foreign stocks, etc	13,666	43.6	1,587	9.5	8,669	35.6
Other	31	0.1	25	0.2	24	0.1
Total	30,697	97.9	16,612	99.5	23,694	97.3

(d) Total

(Millions of yen, %)

Category	As of September 30, 2006		As of September 30, 2007		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Total foreign investments	31,363	100.0	16,695	100.0	24,354	100.0

2) Foreign currency denominated assets by currency

(Millions of yen, %)

Category	As of September 30, 2006		As of September 30, 2007		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
U.S. dollar	666	100.0	83	100.0	660	100.0
Euro	-	-	-	-	-	-
Canadian dollar	-	-	-	-	-	-
Australian dollar	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	666	100.0	83	100.0	660	100.0

3) Investments by region

(Millions of yen, %)

Category	As of September 30, 2006							
	Foreign Securities						Loans to Borrowers Located Outside of Japan	
			Bonds		Stocks, etc.			
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
North America	622	2.4	574	3.3	48	0.6	-	-
Europe	1,957	7.6	-	-	1,957	24.1	-	-
Oceania	-	-	-	-	-	-	-	-
Asia	-	-	-	-	-	-	-	-
Latin America	23,108	90.0	16,999	96.7	6,108	75.3	-	-
Middle East	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-
International Organizations	-	-	-	-	-	-	-	-
Total	25,688	100.0	17,574	100.0	8,114	100.0	-	-

(Millions of yen, %)

Category	As of September 30, 2007							
	Foreign Securities						Loans to Borrowers Located Outside of Japan	
			Bonds		Stocks, etc.			
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
North America	58	0.4	-	-	58	70.5	-	-
Europe	-	-	-	-	-	-	-	-
Oceania	-	-	-	-	-	-	-	-
Asia	-	-	-	-	-	-	-	-
Latin America	15,024	99.6	15,000	100.0	24	29.5	-	-
Middle East	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-
International Organizations	-	-	-	-	-	-	-	-
Total	15,083	100.0	15,000	100.0	83	100.0	-	-

(Millions of yen, %)

Category	As of March 31, 2007							
	Foreign Securities						Loans to Borrowers Located Outside of Japan	
			Bonds		Stocks, etc.			
	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	-	-

(14) Fair Value Information on Securities and Others

1) Valuation gains (losses) on trading securities

(Millions of yen)

Category	As of September 30, 2006		As of September 30, 2007		As of March 31, 2007	
	Current fair value and carrying value	Valuation gains (losses)	Current fair value and carrying value	Valuation gains (losses)	Current fair value and carrying value	Valuation gains (losses)
Trading securities	10,138	(1,537)	15,853	1,742	12,340	(2,979)

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

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

a. Securities with market value

(Millions of yen)

Category	As of September 30, 2006				
	Cost/ carrying value before mark-to-market	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Held-to-maturity securities	306,873	307,063	190	1,316	(1,126)
Policy reserve matching bonds	-	-	-	-	-
Stocks of subsidiaries and affiliated companies	-	-	-	-	-
Available-for-sale securities	82,596	81,761	(835)	1,158	(1,993)
Domestic bonds	60,334	58,926	(1,408)	32	(1,441)
Domestic stocks	99	292	192	192	-
Foreign securities	8,690	8,688	(2)	76	(79)
Bonds	593	574	(19)	-	(19)
Stocks, etc.	8,097	8,114	16	76	(59)
Other securities	13,470	13,853	382	856	(473)
Monetary claims purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-
Total	389,469	388,824	(644)	2,475	(3,119)
Domestic bonds	350,207	348,996	(1,211)	1,348	(2,559)
Domestic stocks	99	292	192	192	-
Foreign securities	25,690	25,681	(9)	77	(86)
Bonds	17,593	17,567	(26)	0	(26)
Stocks, etc.	8,097	8,114	16	76	(59)
Other securities	13,470	13,853	382	856	(473)
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 September 30, 2006
Held-to-maturity securities	-
Unlisted foreign bonds	-
Other securities	-
Policy reserve matching bonds	-
Stocks of subsidiaries and affiliated companies	-
Available-for-sale securities	568
Unlisted domestic stocks (excluding over-the-counter stocks)	115
Unlisted foreign stocks (excluding over-the-counter stocks)	-
Unlisted foreign bonds	-
Others	452
Total	568

a. Securities with market value

(Millions of yen)

Category	As of September 30, 2007				
	Cost/ carrying value before mark-to-market	Current fair value	Net unrealized gains (losses)		
				Gains	Losses
Held-to-maturity securities	277,163	277,580	417	1,189	(772)
Policy reserve matching bonds	-	-	-	-	-
Stocks of subsidiaries and affiliated companies	-	-	-	-	-
Available-for-sale securities	93,810	92,474	(1,336)	108	(1,444)
Domestic bonds	92,225	90,803	(1,421)	7	(1,428)
Domestic stocks	-	-	-	-	-
Foreign securities	91	83	(8)	3	(11)
Bonds	-	-	-	-	-
Stocks, etc.	91	83	(8)	3	(11)
Other securities	1,494	1,587	93	97	(3)
Monetary claims purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-
Total	370,974	370,054	(919)	1,297	(2,216)
Domestic bonds	354,388	353,387	(1,001)	1,196	(2,198)
Domestic stocks	-	-	-	-	-
Foreign securities	15,091	15,080	(11)	3	(14)
Bonds	15,000	14,997	(3)	-	(3)
Stocks, etc.	91	83	(8)	3	(11)
Other securities	1,494	1,587	93	97	(3)
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 September 30, 2007
Held-to-maturity securities	-
Unlisted foreign bonds	-
Other securities	-
Policy reserve matching bonds	-
Stocks of subsidiaries and affiliated companies	-
Available-for-sale securities	466
Unlisted domestic stocks (excluding over-the-counter stocks)	184
Unlisted foreign stocks (excluding over-the-counter stocks)	-
Unlisted foreign bonds	-
Others	282
Total	466

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	-
Other securities	-
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 September 30, 2006				
	Carrying value before mark-to-market	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Monetary trusts	10,138	10,138	-	-	-

Category	As of September 30, 2007				
	Carrying value before mark-to-market	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Monetary trusts	15,853	15,853	-	-	-

Category	As of March 31, 2007				
	Carrying value before mark-to-market	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 September 30, 2006		As of September 30, 2007		As of March 31, 2007	
	Carrying value	Net valuation gains(losses)	Carrying value	Net valuation gains(losses)	Carrying value	Net valuation gains(losses)

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

The company held no monetary trusts for held-to-maturity, policy reserve matching securities and others as of September 30, 2006 and 2007 as well as March 31, 2007.

4) Fair value information on real estate

The company held no real estate as of September 30, 2006 and 2007 as well as March 31, 2007.

5) 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) Currency-related transactions

(Millions of yen)

Category	As of September 30, 2006				As of September 30, 2007				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)	Contracted value or notional principal amount		Current market or fair value	Valuation gains (losses)
		Over 1 Year				Over 1 Year				Over 1 Year		
Over-the-counter transactions												
Currency options:												
Sold:												
Call	-	-	-	-	-	-	-	-	-	-	-	-
U.S. dollar	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]
Euro	-	-	-	-	-	-	-	-	-	-	-	-
Put	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]
Bought:												
Call	-	-	-	-	-	-	-	-	-	-	-	-
Put	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]
U.S. dollar	37,098	33,714	[2,419]	[(2,101)]	35,175	31,580	[2,441]	[(2,066)]	35,692	32,286	[2,170]	[(2,301)]
Euro	[4,520]	[4,420]	[2,419]	[(2,101)]	[4,508]	[4,330]	[2,441]	[(2,066)]	[4,472]	[4,338]	[2,170]	[(2,301)]
U.S. dollar	23,995	21,803	[1,837]	[(1,306)]	21,656	19,409	[1,773]	[(1,237)]	22,103	19,976	[1,646]	[(1,377)]
Euro	[3,143]	[3,075]	[1,837]	[(1,306)]	[3,010]	[2,888]	[1,773]	[(1,237)]	[3,023]	[2,930]	[1,646]	[(1,377)]
	13,103	11,911	[581]	[(795)]	13,518	12,170	[668]	[(829)]	13,589	12,309	[524]	[(923)]
	[1,376]	[1,345]	[581]	[(795)]	[1,497]	[1,441]	[668]	[(829)]	[1,448]	[1,407]	[524]	[(923)]
Total				(2,101)				(2,066)				(2,301)

Note: Parenthesized figures are option premiums.

ii) Interest-related transactions

The Company held no interest-related derivative instruments as of September 30, 2006 and 2007 as well as March 31, 2007.

iii) Stock-related transactions

(Millions of yen)

Category	As of September 30, 2006				As of September 30, 2007				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)	Contracted value or notional principal amount		Current market or fair value	Valuation gains (losses)
		Over 1 Year				Over 1 Year				Over 1 Year		
Over-the-counter transactions												
Stock index options:												
Sold:												
Call	-	-	-	-	-	-	-	-	-	-	-	-
Put	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]
Bought:												
Call	-	-	-	-	-	-	-	-	-	-	-	-
Put	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]	[-]
Nikkei225	79,984	74,070	[5,467]	[(3,793)]	107,739	100,927	[10,943]	[(3,526)]	104,408	97,500	[7,777]	[(5,034)]
S&P500	[9,260]	[9,048]	[5,467]	[(3,793)]	[14,469]	[14,077]	[8,885]	[(3,111)]	[12,811]	[12,518]	[7,777]	[(5,034)]
DJES 50	79,984	74,070	[5,467]	[(3,793)]	94,293	87,675	[8,885]	[(3,111)]	96,744	89,942	[6,585]	[(4,861)]
	[9,260]	[9,048]	[5,467]	[(3,793)]	[11,996]	[11,615]	[8,885]	[(3,111)]	[11,447]	[11,159]	[6,585]	[(4,861)]
	-	-	-	-	8,752	8,620	[1,207]	[(262)]	5,022	4,951	[719]	[(103)]
	[-]	[-]	[-]	[-]	[1,470]	[1,463]	[1,207]	[(262)]	[822]	[819]	[719]	[(103)]
	-	-	-	-	4,693	4,631	[850]	[(152)]	2,641	2,605	[472]	[(69)]
	[-]	[-]	[-]	[-]	[1,003]	[998]	[850]	[(152)]	[541]	[539]	[472]	[(69)]
Total				(3,793)				(3,526)				(5,034)

Note: Parenthesized figures are option premiums.

iv) Bond-related transactions

The Company held no bond-related derivative instruments as of September 30, 2006 and 2007 as well as March 31, 2007.

v) Others

The Company held no other derivative instruments as of September 30, 2006 and 2007 as well as March 31, 2007.

3. Status of Separate Account Assets

(1) Balance of Separate Account Assets

(Millions of yen)

Category	As of September 30, 2006		As of September 30, 2007		As of March 31, 2007	
	Number	Amount	Number	Amount	Number	Amount
Individual variable insurance		3,051		3,101		3,127
Individual variable annuities		487,732		659,188		615,441
Group annuities		44		-		-
Total		490,828		662,290		618,569

(2) Total Number of Policies and Policy Amount in Force (Separate Accounts)

a. Individual variable insurance

(Number: Thousands, Millions of yen)

Category	As of September 30, 2006		As of September 30, 2007		As of March 31, 2007	
	Number	Amount	Number	Amount	Number	Amount
Variable insurance (term life)	0	15	0	15	0	15
Variable insurance (whole life)	3	12,417	3	12,066	3	12,272
Total	3	12,433	3	12,081	3	12,288

b. Individual variable annuities

(Number: Thousands, Millions of yen)

Category	As of September 30, 2006		As of September 30, 2007		As of March 31, 2007	
	Number	Amount	Number	Amount	Number	Amount
Variable annuities	54	492,496	75	666,983	69	621,544
Total	54	492,496	75	666,983	69	621,544

4. Reconciliation to Core Profit and Ordinary Profit

a. Reconciliation to Core Profit

(Millions of yen)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
Core Revenues	91,019	96,486	264,853
Income from insurance premiums	85,606	88,081	240,759
Insurance premiums	84,227	85,876	235,146
Ceded reinsurance recoveries	1,379	2,205	5,612
Investment income	2,290	3,693	15,906
Interest, dividends and income from real estate for rent	2,237	2,202	4,396
Gains on redemption of securities	0	-	1
Other investment income	53	33	136
Gains on separate accounts, net	-	1,456	11,372
Other ordinary income	3,122	4,712	8,188
Income related to withheld insurance claims and other payments for future annuity payments	2,719	4,409	7,751
Income due to withheld insurance payments	208	126	335
Reversal of reserve for outstanding claims	-	-	-
Reversal of policy and other reserves	-	-	-
Reversal of reserve for employees' retirement benefits	186	171	91
Other ordinary income	7	4	9
Other core revenues	-	-	-
Core Expenses	94,287	99,881	271,311
Insurance claims and other payments	47,875	50,006	99,590
Insurance claims	10,160	9,840	21,027
Annuity payments	2,555	2,695	5,176
Insurance benefits	6,902	8,976	16,685
Surrender payments	21,487	23,061	45,406
Other payments	4,762	3,487	7,825
Reinsurance payments	2,007	1,945	3,470
Provision for policy and other reserves	26,160	40,413	150,954
Investment expenses	11,286	54	56
Interest expense	0	19	4
Losses on redemption of securities	-	-	1
Provision for reserve for possible loan losses	-	0	-
Depreciation of real estate for rent	-	-	-
Other investment expenses	22	33	50
Losses on separate accounts, net	11,263	-	-
Operating expenses	7,809	7,565	17,921
Other ordinary expenses	1,155	1,842	2,787
Payments related to withheld insurance claims	232	261	638
Taxes	629	579	1,530
Depreciation	272	323	560
Provision for reserve for employees' retirement benefits	-	-	-
Other ordinary expenses	20	677	57
Other core expenses	-	-	-
Core Profit	(3,267)	(3,395)	(6,457)

b. Reconciliation to Ordinary Profit

(Millions of yen)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
Core profit (A)	(3,267)	(3,395)	(6,457)
Capital gains	333	1,289	1,266
Gains from monetary trusts, net	-	(Note 1) 1,012	-
Gains on investments in trading securities, net	-	-	-
Gains on sale of securities	333	276	1,266
Gains from derivatives, net	-	-	-
Foreign exchange gains, net	-	0	-
Others	-	-	-
Capital losses	2,417	196	4,710
Losses from monetary trusts, net	(Note 1) 1,609	-	(Note 1) 3,407
Losses on investments in trading securities, net	-	-	-
Losses on sale of securities	807	189	1,302
Devaluation losses on securities	-	7	-
Losses from derivatives, net	-	-	-
Foreign exchange losses, net	0	-	0
Others	-	-	-
Capital gains/losses (B)	(2,083)	1,093	(3,443)
Core profit reflecting capital gains/losses (A+B)	(5,351)	(2,301)	(9,900)
Other one-time gains	-	84	548
Ceding reinsurance recoveries	-	-	-
Reversal of contingency reserve	-	-	-
Others	-	(Note 2) 84	(Note 2) 548
Other one-time losses	1,426	2,799	4,177
Reinsurance premiums	-	-	-
Provision for contingency reserve	1,361	2,799	4,177
Provision for specific reserve for possible loan losses	-	(0)	-
Provision for specific reserves for loans to refinancing countries	-	-	-
Write-off of loans	-	-	-
Others	(Note 2) 64	-	-
Other one-time gains/losses (C)	(1,426)	(2,715)	(3,628)
Ordinary profit (losses) (A+B+C)	(6,777)	(5,016)	(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

(Millions of yen, %)

Category	As of September 30, 2006	As of September 30, 2007	As of March 31, 2007
Claims against bankrupt and quasi-bankrupt obligors	105	104	101
Claims with collection risk	-	-	-
Claims for special attention	-	-	-
Sub-total	105	104	101
[% of Total]	[0.88]	[1.16]	[0.97]
Claims against normal obligors	11,948	8,899	10,345
Total	12,054	9,004	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 September 30, 2007 is 7,642 million yen, including 41 million yen of claims against bankrupt and quasi-bankrupt obligors, and 7,601 million yen of claims against normal obligors.

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

(Millions of yen, %)

Category	As of September 30, 2006	As of September 30, 2007	As of March 31, 2007
Loans to bankrupt companies	-	-	-
Past due loans	42	41	37
Loans over due for three months or more	-	-	-
Restructured loans	-	-	-
Total:	42	41	37
[% of total loans]	[0.36]	[0.47]	[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 September 30, 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) Reserves for Possible Loan Losses**(1) Reserves for Possible Loan Losses**

(Millions of yen)

Category	As of September 30, 2006	As of September 30, 2007	As of March 31, 2007
General reserve	4	4	4
Specific reserve	68	65	67
Specific reserve for loans to refinancing countries	-	-	-
Total	72	70	71

(2) Specific Reserve for Possible Loan Losses

(Millions of yen)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	Year Ended March 31, 2007
Transfer	68	0	0
Reversal	68	0	0
Net transfer	(0)	(0)	(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 September 30, 2006 and 2007 as well as March 31, 2007.

b. Loan outstanding by country

The Company held no specific reserve for loan outstanding by country as of September 30, 2006 and 2007 as well as March 31, 2007.

(4) Write-off of Loans

(Millions of yen)

Category	Six Months Ended September 30, 2006	Six Months Ended September 30, 2007	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-evaluation 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 normal and three classes from Class II - IV.

T&D Financial Life has established the internal criteria for self-evaluation, and write-offs and reservation, and is carrying out strict self-evaluation, and write-offs and reserve.

In the results of self-evaluation as of September 30, 2007, the Company deducted all assets categorized Class IV as uncollectible, and added the adequate reserve. Thus, the Company is making efforts to keep soundness of its assets.

Self-Assessment of Loans

(Millions of yen)

Class	As of September 30, 2006		As of September 30, 2007		As of March 31, 2007	
	Before write-offs / reservation	After write-offs / reservation	Before write-offs / reservation	After write-offs / reservation	Before write-offs / reservation	After write-offs / reservation
Normal	11,990	11,991	8,940	8,941	10,382	10,383
Class II	-	-	-	-	-	-
Class III	-	-	-	-	-	-
Class IV	0	-	1	-	1	-
Total balance of receivables	11,991	11,991	8,941	8,941	10,383	10,383

Note: The total balance of receivables includes loans, 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

(Millions of yen)

Category	As of September 30, 2006	As of September 30, 2007	As of March 31, 2007
Total solvency margin (A)	69,122	72,091	71,523
Net assets (less certain items)	39,891	31,424	35,048
Reserve for price fluctuations	385	404	393
Contingency reserve	6,496	12,111	9,311
Reserve for possible loan losses	4	4	4
Net unrealized gains on available-for-sale securities(before tax) (x 90 per cent., if gains; x 100 per cent., if losses)	(835)	(1,336)	(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	22,563	29,094	27,585
Unallotted portion of reserve for policyholder dividends	-	-	-
Future profits	616	389	389
Deferred tax assets	-	-	-
Subordinated debt	-	-	-
Deductible items	-	-	-
Total risk $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	8,867	13,343	12,023
Insurance risk R_1	2,517	1,691	2,165
Assumed investment yield risk R_2	395	378	387
Investment risk R_3	2,297	1,514	2,005
Business risk R_4	320	445	407
Minimum guarantee risk R_7	5,474	10,829	9,020
3rd sector insurance risk R_8	-	428	-
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	1,559.0%	1,080.5%	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)" represents net assets on the balance sheet less total valuation and translation adjustments, and estimated appropriation paid in cash.
3. The figures of "minimum guarantee risk" were calculated on the basis of the regulatory standard.
4. "3rd sector insurance risk" is separated from "insurance risk" since the fiscal year ending March 31, 2008 according to the FSA regulation.

8. Adjusted Net Assets

(Millions of yen)

Category	As of September 30, 2006	As of September 30, 2007	As of March 31, 2007
Adjusted net assets	63,353	64,119	63,511