

## **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. Insurance Business Highlights

### (1) Total Policy Amount in Force

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

Category	As of March 31, 2006				As of March 31, 2007			
	Number		Amount		Number		Amount	
		% Change		% Change		% Change		% Change
Individual insurance	3,368	93.7	135,720	106.8	3,163	93.9	138,203	101.8
Individual annuities	1,368	95.2	40,194	94.4	1,312	95.9	38,241	95.1
Sub total	4,736	94.1	175,915	103.7	4,476	94.5	176,445	100.3
Group insurance	-	-	104,469	98.6	-	-	101,102	96.8
Group annuities	-	-	7,754	107.9	-	-	7,917	102.1

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

### (2) New Policy Amount

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

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

Category	Year ended March 31, 2007					
	Number		Amount		New policies	Net increase from conversion
		% Change		% Change		
Individual insurance	271	87.4	21,070	73.6	15,440	5,630
Individual annuities	14	408.9	203	-	372	(169)
Sub total	285	91.0	21,273	75.0	15,812	5,460
Group insurance	-	-	510	39.4	510	-
Group annuities	-	-	0	3.9	0	-

- Notes: 1. The number of new policies includes increase from conversion.
2. The new policy amount n for individual annuities is funds to be held at the time annuity payments are to commence for an annuity.
3. The new policy amount for group annuities is equal to the initial premium payment.

**(3) Annualized Premiums****a) Policies in force**

(Millions of Yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	% Change	Amount	% Change
Individual insurance	487,367	94.2	458,215	94.0
Individual annuities	207,775	97.0	204,601	98.5
Sub total	695,143	95.0	662,816	95.3
3rd sector products, included	109,472	103.2	112,107	102.4

**b) New policies**

(Millions of Yen, %)

Category	Year ended March 31, 2006		Year ended March 31, 2007	
	Amount	% Change	Amount	% Change
Individual insurance	42,386	90.9	34,139	80.5
Individual annuities	(648)	-	2,462	-
Sub total	41,737	89.9	36,601	87.7
3rd sector products, included	14,249	101.0	13,129	92.1

- Notes: 1. The new policies include net increase from conversion  
2. The amounts are calculated by multiplying monthly premiums by 12, and dividing lump-sum payments by the insurance period.  
3. 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) Policy Amount by Dividend Type (Individual insurance and annuities)****a) Policy amount in force**

(100 Millions of Yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
Participating	71,093	40.4	62,904	35.7
Semi-participating	42,273	24.0	41,238	23.4
Non-participating	62,548	35.6	72,302	41.0
Total	175,915	100.0	176,445	100.0

**b) New policy amount**

(100 Millions of Yen, %)

Category	Year ended March 31, 2006		Year ended March 31, 2007	
	Amount	Percentage	Amount	Percentage
Participating	2	0.0	2	0.0
Semi-participating	2,979	12.8	2,449	15.5
Non-participating	20,363	87.2	13,361	84.5
Total	23,345	100.0	15,812	100.0

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

**(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	8,234	6,482
Average amount in force	4,029	4,368

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

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

(%)

Category	Year ended March 31, 2006	Year ended March 31, 2007
Individual insurance	18.27	11.38
Individual annuities	0.30	0.93
Sub total	13.76	8.99
Group insurance	1.22	0.49

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

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

(%)

Category	Year ended March 31, 2006	Year ended March 31, 2007
Individual insurance	12.29	10.59
Individual annuities	1.94	1.64
Sub total	9.69	8.55
Group insurance	6.28	1.85

**(8) Surrender and Lapse Amount**

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

Category	Year ended March 31, 2006				Year ended March 31, 2007			
	Number		Amount		Number		Amount	
		% Change		% Change		% Change		% Change
Individual insurance	190	92.5	15,613	118.0	168	88.4	14,379	92.1
Individual annuities	28	80.3	826	81.7	22	79.4	659	79.7
Sub total	218	90.7	16,440	115.4	190	87.2	15,038	91.5
Group insurance	-	-	6,658	5,992.7	-	-	1,937	29.1

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

(Yen)

Category	Year ended March 31, 2006	Year ended March 31, 2007
Average insurance premium	12,582	12,006

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

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

(Millions of yen)

Category	Year ended March 31, 2006	Year ended March 31, 2007
Amount of negative spread	38,525	24,638
Investment yield on core profit	2.10%	2.30%
Average assumed investment yield	2.78%	2.74%
Individual insurance & annuities, included	3.01%	2.98%
Policy reserve in general account	5,676,724	5,625,033

Notes: 1. Method of calculating negative spread:

(Investment yield on core profit [2.30%] - Average assumed investment yield [2.74%])

x Policy reserve in general account [5,625.0 billion yen]

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**

Category	Year ended March 31, 2006	Year ended March 31, 2007
Rate based on number of policies	6.31‰	6.49‰
Rate based on policy amount	2.38‰	2.27‰

Notes: 1. The above figures represent the rates of paid policies against passed policies.

2. 1‰ (per mille) represents 1/1000.

## 2. Indices Concerning Accounting

### (1) Reserve for Outstanding Claims

(Millions of Yen)

Category		As of March 31, 2006	As of March 31, 2007
Insurance claims	Death benefits	7,586	8,005
	Accidental death benefits	380	457
	Disability benefits	779	923
	Maturity benefits	468	674
	Others	206	464
	Sub total	9,420	10,524
Annuity payments		492	807
Insurance benefits		5,635	5,899
Surrender payments		4,458	4,378
Deferred insurance benefits		77	83
Total, including others		20,477	22,121

### (2) Policy Reserve

(Millions of Yen)

Category		As of March 31, 2006	As of March 31, 2007
Policy reserve (excluding contingency reserve)	Individual insurance	2,424,366	2,359,352
	General Accounts	2,423,660	2,358,753
	Separate Accounts	706	598
	Individual annuities	2,525,028	2,498,927
	General Accounts	2,525,028	2,498,927
	Separate Accounts	-	-
	Group insurance	11,086	11,547
	General Accounts	11,086	11,547
	Separate Accounts	-	-
	Group annuities	775,481	791,738
	General Accounts	775,481	791,738
	Separate Accounts	-	-
	Others	3,922	3,996
	General Accounts	3,922	3,996
	Separate Accounts	-	-
Sub total	5,739,885	5,665,562	
General Accounts	5,739,179	5,664,963	
Separate Accounts	706	598	
Contingency reserve	I	44,713	45,538
	II	26,520	40,000
	III	10	10
	Sub total	71,244	85,549
Total		5,811,130	5,751,111
	General Accounts	5,810,424	5,750,513
	Separate Accounts	706	598

### (3) 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	Net level premium reserve method	Net level premium reserve method
	Policies not subject to Standard Policy Reserve Method	Net level premium reserve method	Net level premium reserve method
Ratio of "amount of the company's policy reserve (excluding contingency reserve)" to "policy reserve required by regulatory standards"		100.0%	100.0%

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

### (4) Policy Reserve by Contract Year

(Millions of Yen, %)

Contract Year	Policy Reserve Amount	Assumed Investment Yield
- FY1980	5,053	4.00 – 5.50
FY1981 - FY1985	370,318	1.00 – 6.00
FY1986 - FY1990	828,031	1.00 – 6.00
FY1991 - FY1995	831,267	1.00 – 5.75
FY1996 - FY2000	1,375,104	1.75 – 2.75
FY2001	295,130	1.50 – 2.00
FY2002	276,864	1.50
FY2003	220,385	1.50
FY2004	200,563	1.50
FY2005	183,228	1.50
FY2006	271,732	1.50

- Notes:
1. The policy reserve amount stated above represents that of individual insurance and annuities excluding contingency reserve.
  2. The assumed investment yields stated above represent the main yield used in calculating policy reserve for each contract year.

### (5) Other Reserves

(Millions of Yen)

Category	As of March 31, 2006	Increase	Decrease (used for specific purpose)	Decrease (used for other purpose)	As of March 31, 2007
Reserve for possible loan losses	1,680	2,364	0	1,679	2,364
General reserve	1,482	1,447	-	1,482	1,447
Specific reserve	197	916	0	196	916
Reserve for bonus to directors and corporate auditors	-	40	-	-	40
Reserve for employees' retirement benefits	32,527	-	-	809	31,718
Reserve for directors' and corporate auditors' retirement benefits	1,250	266	35	-	1,481
Reserve for price fluctuations	26,059	16,503	-	-	42,563

- Notes:
1. "Decrease (used for other purpose)" of the general reserve for possible loan losses represents the recast based on the past loan loss ratio of general loan receivables.
  2. "Decrease (used for other purpose)" of the specific reserve for possible loan losses represents collection and others through repayment.

**(6) Insurance Premium****a) Payment method**

(Millions of Yen)

Category	Year ended March 31, 2006	Year ended March 31, 2007
Individual insurance	519,100	478,697
[Single premiums]	92,143	74,098
[Annual payment]	11,414	10,381
[Semi-annual payment]	1,343	1,255
[Monthly payment]	414,199	392,962
Individual annuities	90,146	97,820
[Single premiums]	3,201	18,828
[Annual payment]	0	0
[Semi-annual payment]	-	-
[Monthly payment]	86,944	78,991
Group insurance	35,525	34,776
Group annuities	177,017	92,801
Total, including others	822,946	705,293

**b) Year**

(Millions of Yen)

Category		Year ended March 31, 2006	Year ended March 31, 2007
Individual insurance and annuities	First year	127,351	120,771
	Second and subsequent years	481,895	455,745
	Sub total	609,247	576,517
Group insurance	First year	219	379
	Second and subsequent years	35,305	34,397
	Sub total	35,525	34,776
Group annuities	First year	1,096	4,048
	Second and subsequent years	175,921	88,753
	Sub total	177,017	92,801
Total, including others	First year	128,713	125,241
	Second and subsequent years	694,232	580,051
	Total	822,946	705,293
	% Change	4.4%	(14.3%)

**(7) 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	50,924	27,894	3,711	18,055	-	-	2	49,665
Accidental death benefits	1,288	1,180	-	68	-	-	-	1,248
Disability benefits	2,158	1,210	132	1,022	-	-	-	2,365
Maturity benefits	403,596	308,124	-	1	21,172	-	-	329,297
Others	295	636	2	-	-	-	0	638
Total	458,262	339,045	3,846	19,147	21,172	-	3	383,215

**(8) 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
115,815	-	113,683	436	14,346	61	-	128,527

**(9) 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	6,272	930	5,195	4	-	11	-	6,141
Hospitalization benefits	22,277	21,637	262	22	-	-	79	22,002
Operation benefits	10,201	10,078	173	-	-	-	-	10,251
Injury benefits	56	43	-	14	-	-	-	58
Survival benefits	37,841	33,682	-	-	-	154	-	33,837
Others	29,741	85	20	7	32,694	-	2	32,810
Total	106,390	66,458	5,652	48	32,694	166	82	105,102

**(10) 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
127,283	58,295	29,670	7	7,554	133	-	95,662

**(11) Operating Expenses**

(Millions of Yen)

Category	Year ended March 31, 2006	Year ended March 31, 2007
Sales Activity Related Expenses	24,712	20,855
In-house sales representative expenses	23,909	20,172
Sales agent expenses	270	219
Underwriting expenses	532	464
Sales Administrative Expenses	7,563	7,202
Administrative / operational expenses	5,914	4,930
Expenses for training of in-house sales representatives	1,565	1,716
Advertising expenses	83	554
General Administrative Expenses	50,258	50,753
Personnel expenses	21,017	21,395
Non-Personnel Expenses	27,274	27,406
[Donation and others]	[19]	[17]
Contributions	676	668
Burden charges	1,289	1,283
<b>Total</b>	<b>82,533</b>	<b>78,811</b>

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

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

Year ended March 31, 2006	Year ended March 31, 2007
10.0%	11.2%

### **3. Investment in General Account Assets**

#### **(1) Fiscal Year 2006 Investment**

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

Taiyo Life's general account assets as of March 31, 2007 totaled ¥6,545.6 billion, down ¥39.6 billion from the previous fiscal year-end.

In terms of major asset allocation, the Company focused on investments to yen interest income assets to pursue stable income flow. While decreasing loans, the Company made new investments to yen-denominated public and corporate bonds and monetary claims purchased. As a result, the outstanding balance of yen interest income assets stayed around the same level as at the previous fiscal year-end.

As for other assets than yen interest income assets, the Company manages investment corresponding to financial market environment. While decreasing foreign bonds considering interest rate level, and domestic stocks, the Company made new investments to foreign stocks and investment trusts.

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

Investment income of general account assets for fiscal year 2006 increased by ¥14.7 billion from the previous fiscal year, to ¥211.6 billion due to increase of interest, dividends, and gains on sales of securities.

Investment expenses totaled ¥70.3 billion, up ¥15.4 billion from the previous fiscal year, due mainly to increasing losses on sales of securities, while decreasing losses from derivatives.

As a result, net investment income totaled ¥141.2 billion, down ¥0.7 billion from the previous fiscal year.

Net unrealized gains on securities (*See Note*) as a whole were ¥499.6 billion, up ¥33.0 billion from the previous fiscal year-end, due mainly to a fall in domestic interest rate and a rise in foreign stock prices.

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

**(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	158,706	2.4	201,562	3.1
Securities repurchased under resale agreements	-	-	-	-
Pledged money for bond borrowing transaction	-	-	-	-
Monetary claims purchased	124,358	1.9	155,228	2.4
Securities under proprietary accounts	-	-	-	-
Monetary trusts	50	0.0	-	-
Securities	4,550,498	69.1	4,478,636	68.4
Domestic bonds	2,671,153	40.6	2,626,478	40.1
Domestic stocks	933,993	14.2	870,930	13.3
Foreign securities	863,303	13.1	863,699	13.2
Foreign bonds	619,201	9.4	581,817	8.9
Foreign stocks and other securities	244,102	3.7	281,882	4.3
Other securities	82,047	1.2	117,528	1.8
Loans	1,535,833	23.3	1,502,246	23.0
Policy loans	109,118	1.7	105,316	1.6
Commercial loans	1,426,715	21.7	1,396,930	21.3
Property and equipment	168,480	2.6	163,014	2.5
Deferred tax assets	-	-	-	-
Deferred tax assets concerning revaluation	-	-	-	-
Other assets	49,049	0.7	47,359	0.7
Reserve for possible loan losses	(1,680)	(0.0)	(2,364)	(0.0)
<b>Total</b>	<b>6,585,297</b>	<b>100.0</b>	<b>6,545,684</b>	<b>100.0</b>
Foreign currency denominated assets included	793,354	12.0	776,976	11.9

**(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	(15,329)	42,855
Securities repurchased under resale agreements	-	-
Pledged money for bond borrowing transaction	-	-
Monetary claims purchased	41,016	30,869
Securities under proprietary accounts	-	-
Monetary trusts	-	(50)
Securities	475,447	(71,861)
Domestic bonds	100,360	(44,675)
Domestic stocks	386,431	(63,063)
Foreign securities	22,883	396
Foreign bonds	(61,836)	(37,383)
Foreign stocks and other securities	84,720	37,779
Other securities	(34,228)	35,480
Loans	(163,333)	(33,587)
Policy loans	(4,847)	(3,801)
Commercial loans	(158,485)	(29,785)
Property and equipment	(7,595)	(5,466)
Deferred tax assets	(3,349)	-
Deferred tax assets concerning revaluation	(2,868)	-
Other assets	(10,767)	(1,689)
Reserve for possible loan losses	1,148	(683)
<b>Total</b>	<b>314,368</b>	<b>(39,612)</b>
Foreign currency denominated assets included	(3,451)	(16,378)

**(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	126,092	137,257
Interest income from deposits	2	127
Interest income and dividends from securities	83,751	93,403
Interest income from loans	33,677	30,279
Income from real estate for rent	7,348	7,423
Other income from interest and dividends	1,311	6,023
Gain on securities under proprietary accounts	-	-
Gains from monetary trusts, net	-	0
Gains on investments in trading securities, net	-	-
Gains on sale of securities	70,593	74,223
Gains on sale of domestic bonds	1,592	895
Gains on sale of domestic stocks	46,687	61,881
Gains on sale of foreign securities	19,797	11,446
Others	2,516	-
Gains on redemption of securities	-	-
Gains from derivatives, net	-	-
Foreign exchange gains, net	-	-
Other investment income	213	155
Total	196,899	211,636

**(5) Investment Expenses**

(Millions of Yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Interest expenses	1,624	1,624
Losses on securities under proprietary accounts	-	-
Losses from monetary trusts, net	0	-
Losses on investments in trading securities, net	-	-
Losses on sale of securities	25,458	45,329
Losses on sale of domestic bonds	9,689	13,843
Losses on sale of domestic stocks	8,326	19,256
Losses on sale of foreign securities	7,325	12,229
Others	117	-
Devaluation losses on securities	269	99
Devaluation losses on domestic bonds	-	-
Devaluation losses on domestic stocks	34	99
Devaluation losses on foreign securities	-	-
Others	235	-
Amortization of securities	-	-
Losses from derivatives, net	21,068	15,668
Foreign exchange losses, net	221	422
Provision for reserve for possible loan losses	-	684
Write-offs of loans	-	-
Depreciation of real estate for rent	2,692	2,485
Other investment expenses	3,558	4,044
Total	54,893	70,357

**(6) Net Investment Income**

(Millions of Yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Total	142,006	141,278

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

(Millions of Yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Interest-rate-related gains / losses	297	27
Currency-related gains / losses	(17,675)	(15,513)
Stock-related gains / losses	(3,690)	(182)
Bond-related gains / losses	-	-
Other gains / losses	-	-
Total	(21,068)	(15,668)

## (7) Investment Income by Asset Categories

### a. Investment Yield

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Cash, deposits & call loans	0.01	0.22
Securities repurchased under resale agreements	-	-
Pledged money for bond borrowing transaction	-	-
Monetary claims purchased	1.20	1.61
Securities under proprietary accounts	-	-
Monetary trusts	(0.39)	0.52
Securities	2.80	2.76
Domestic bonds	1.09	1.02
Domestic stocks	7.67	10.86
Foreign securities	4.06	3.26
Other securities	17.36	9.07
Loans	2.00	1.88
Policy loans	4.29	4.21
Commercial loans	1.83	1.70
Property and equipment	1.89	2.08
Total general accounts	2.33	2.31
Foreign investments and loans receivable included	3.53	2.63

Notes: 1. The yield is calculated with the average daily balance of the book value as the denominator, and the difference the between the profit on asset management and the loss on asset management in recurring earnings as the numerator.

The numerator for the yield of "Shares" and "General accounts" includes "Devaluation losses of trust securities."

2. Foreign investments and loans receivable are the total of foreign-currency-denominated assets and yen-denominated assets.

### b. Average daily balance

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
Cash, deposits & call loans	129,048	170,684
Securities repurchased under resale agreements	-	-
Pledged money for bond borrowing transaction	-	-
Monetary claims purchased	95,960	141,076
Securities under proprietary accounts	-	-
Monetary trusts	50	24
Securities	3,979,648	4,034,254
Domestic bonds	2,621,943	2,684,657
Domestic stocks	431,700	467,095
Foreign securities	834,229	806,872
Other securities	91,775	75,630
Loans	1,633,877	1,513,842
Policy loans	110,691	107,013
Commercial loans	1,523,186	1,406,828
Property and equipment	171,974	166,543
Total general accounts	6,097,383	6,103,295
Foreign investments and loans receivable included	1,040,776	976,063

**(8) Securities**

(Millions of Yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
Government bonds	719,807	15.8	908,567	20.3
Municipal bonds	542,817	11.9	535,207	12.0
Corporate bonds	1,408,528	31.0	1,182,703	26.4
Public corporation bonds, included	1,104,679	24.3	952,643	21.3
Domestic Stocks	933,993	20.5	870,930	19.4
Foreign securities	863,303	19.0	863,699	19.3
Foreign bonds	619,201	13.6	581,817	13.0
Foreign stocks and other securities	244,102	5.4	281,882	6.3
Other securities	82,047	1.8	117,528	2.6
<b>Total</b>	<b>4,550,498</b>	<b>100.0</b>	<b>4,478,636</b>	<b>100.0</b>

**(9) Stock Holdings by Industry**

(Millions of Yen, %)

Category	As of March 31, 2006		As of March 31, 2007		
	Amount	Percentage	Amount	Percentage	
Fishery, agriculture and forestry	386	0.0	239	0.0	
Mining	5,020	0.5	1,818	0.2	
Construction	19,921	2.1	11,502	1.3	
Manufacturing industries	Food products	5,236	0.6	7,342	0.8
	Textiles and clothing	11,698	1.3	7,824	0.9
	Pulp and paper	5,782	0.6	3,797	0.4
	Chemicals	44,081	4.7	43,610	5.0
	Medicals	12,047	1.3	16,450	1.9
	Oil and coal products	3,626	0.4	1,497	0.2
	Rubber products	3,453	0.4	1,744	0.2
	Glass and stone products	8,361	0.9	2,883	0.3
	Steel	44,782	4.8	45,530	5.2
	Non-steel metals	13,691	1.5	4,250	0.5
	Metal products	2,983	0.3	2,877	0.3
	Machinery	171,957	18.4	166,456	19.1
	Electric appliances	75,603	8.1	60,481	6.9
	Transportation vehicles	27,302	2.9	35,772	4.1
	Precision machinery	14,696	1.6	12,079	1.4
Others	10,062	1.1	6,611	0.8	
Electric and gas utilities	17,314	1.9	29,284	3.4	
Transportation / information telecommunications	Ground transportation	70,279	7.5	72,990	8.4
	Water transportation	5,126	0.5	4,577	0.5
	Air transportation	206	0.0	369	0.0
	Warehouses / transportation	1,089	0.1	876	0.1
	Information / telecommunications	18,455	2.0	18,449	2.1
Commerce	Wholesaling	28,526	3.1	24,552	2.8
	Retailers	18,940	2.0	6,380	0.7
Financial services / insurance	Banking	119,452	12.8	105,985	12.2
	Securities and commodity futures trading	43,231	4.6	38,725	4.4
	Insurance	23,228	2.5	23,670	2.7
	Other financial services	23,237	2.5	18,553	2.1
Real estate	74,354	8.0	87,092	10.0	
Service companies	9,854	1.1	6,649	0.8	
<b>Total</b>	<b>933,993</b>	<b>100.0</b>	<b>870,930</b>	<b>100.0</b>	

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

(Millions of Yen)

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

(Millions of Yen)

Category	As of March 31, 2007						Total
	Due in One Year or Less	Due after One Year through Three Years	Due after Three Years through Five Years	Due after Five Years through Seven Years	Due after Seven Years through Ten Years	Due after Ten Years*	
Government bonds	50,751	111,125	126,246	77,061	201,235	342,146	908,567
Municipal bonds	30,987	61,484	77,390	98,156	192,316	74,871	535,207
Corporate bonds	87,673	203,260	199,596	222,998	226,718	242,456	1,182,703
Domestic Stocks						870,930	870,930
Foreign securities	68,357	147,118	100,550	61,627	99,813	386,232	863,699
Foreign bonds	68,225	138,864	100,550	61,627	95,012	117,536	581,817
Foreign stocks and other securities	131	8,254	-	-	4,800	268,696	281,882
Other securities	24	8,225	5,828	-	2,309	101,139	117,528
<b>Total</b>	<b>237,793</b>	<b>531,215</b>	<b>509,612</b>	<b>459,844</b>	<b>722,393</b>	<b>2,017,776</b>	<b>4,478,636</b>

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

**(11) Loans**

(Millions of Yen)

Category	As of March 31, 2006	As of March 31, 2007
Policy loans	109,118	105,316
Policyholders loans	106,516	102,820
Premium loans	2,601	2,495
Commercial loans	1,426,715	1,396,930
[Loans to non-residents included]	104,923	106,650
Loans to corporations	1,019,213	972,278
[Loans to domestic corporations included]	916,213	867,278
Loans to Japanese government, government-related organizations and international organizations	7,872	5,071
Loans to Japanese local governments and public entities	10,188	12,944
Mortgage loans	246,001	260,867
Consumer loans	123,787	126,794
Others	19,652	18,973
<b>Total</b>	<b>1,535,833</b>	<b>1,502,246</b>

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

(Number, Millions of Yen, %)

Category		As of March 31, 2006		As of March 31, 2007	
			Percentage		Percentage
Large-sized corporations	Number of debtors	178	75.4	179	72.8
	Amount	809,481	88.4	753,967	86.9
Medium-sized corporations	Number of debtors	5	2.1	4	1.6
	Amount	7,312	0.8	5,600	0.6
Small- and medium-sized corporations	Number of debtors	53	22.5	63	25.6
	Amount	99,419	10.9	107,710	12.4
Total	Number of debtors	236	100.0	246	100.0
	Amount	916,213	100.0	867,278	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.

**(13) Loans by Industry**

(Millions of Yen, %)

Category		As of March 31, 2006		As of March 31, 2007	
		Amount	Percentage	Amount	Percentage
Domestic	Manufacturing industries	139,981	9.8	120,536	8.6
	Food products	1,642	0.1	1,641	0.1
	Textiles and clothing	2,109	0.1	1,600	0.1
	Timber and wood products	-	-	-	-
	Pulp and paper	2,491	0.2	3,680	0.3
	Printing	-	-	-	-
	Chemicals	19,799	1.4	17,234	1.2
	Oil and coal	7,250	0.5	7,125	0.5
	Ceramic and stone products	2,125	0.1	1,610	0.1
	Steel	48,066	3.4	36,132	2.6
	Non-steel metals	4,355	0.3	3,479	0.2
	Metal products	-	-	-	-
	Machinery	12,369	0.9	12,379	0.9
	Electric appliances	14,706	1.0	13,201	0.9
	Transportation vehicles	22,361	1.6	20,970	1.5
	Precision machinery	2,413	0.2	1,191	0.1
	Others	290	0.0	290	0.0
	Agriculture	-	-	-	-
	Forestry	-	-	-	-
	Fisheries	-	-	-	-
	Mining	-	-	-	-
	Construction	7,868	0.6	6,159	0.4
	Electricity, gas heat supply and water supply	44,390	3.1	27,525	2.0
	Information and telecommunication	8,268	0.6	13,376	1.0
	Transportation	63,308	4.4	56,599	4.1
	Wholesalers	106,304	7.5	106,270	7.6
	Retailers	16,431	1.2	11,507	0.8
Financial services/insurance	363,226	25.5	342,595	24.5	
Real estate	68,580	4.8	79,004	5.7	
Service companies	110,093	7.7	114,254	8.2	
Local governments	3,898	0.3	5,813	0.4	
Mortgage and consumer and others	389,440	27.3	406,635	29.1	
Total	1,321,792	92.6	1,290,280	92.4	
Overseas	Government organizations	1,923	0.1	1,650	0.1
	Financial institutions	7,000	0.5	7,000	0.5
	Commerce and industry companies	96,000	6.7	98,000	7.0
	Total	104,923	7.4	106,650	7.6
Grand total		1,426,715	100.0	1,396,930	100.0

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

(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
Floating rates loans	46,884	56,274	55,601	57,603	23,831	52,363	292,558
Fixed rates loans	139,110	186,200	222,651	292,121	142,896	121,390	1,104,371
<b>Total</b>	<b>185,994</b>	<b>242,475</b>	<b>278,253</b>	<b>349,724</b>	<b>166,728</b>	<b>173,753</b>	<b>1,396,930</b>

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

## (15) Foreign Investments

### a. Investments by asset category

(i) Foreign currency denominated assets (yen amount not fixed) (Millions of Yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
Foreign bonds	665,534	62.7	584,290	57.5
Foreign stocks	99,334	9.4	124,638	12.3
Cash, deposits & others	28,485	2.7	68,047	6.7
Total	793,354	74.7	776,976	76.5

(ii) Foreign currency denominated assets of which the amount in yen is fixed (Millions of Yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
Foreign bonds	-	-	-	-
Cash, deposits & others	-	-	-	-
Total	-	-	-	-

(iii) Yen denominated assets (Millions of Yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
Loans to non-residents	104,923	9.9	106,650	10.5
Foreign bonds	46,787	4.4	43,194	4.3
Foreign stocks & other securities	116,406	11.0	89,380	8.8
Others	-	-	-	-
Total	268,117	25.3	239,224	23.5

(iv) Total [ (i)+(ii)+(iii) ] (Millions of Yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
Foreign investments and loans	1,061,472	100.0	1,016,200	100.0
(Real estate held abroad included)	-	-	-	-

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

### b. Foreign currency denominated assets by currency

(Millions of Yen, %)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount	Percentage	Amount	Percentage
US dollar	251,494	31.7	263,420	33.9
Euro	344,261	43.4	309,832	39.9
British pound	18,190	2.3	25,205	3.2
Canadian dollar	85,796	10.8	53,565	6.9
Swedish krona	56,960	7.2	63,414	8.2
Hong Kong dollar	36,651	4.6	61,538	7.9
Others	-	-	-	-
Total	793,354	100.0	776,976	100.0

c. Investments by region

(Millions of Yen, %)

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

(Millions of Yen, %)

Region	As of March 31, 2007							
	Foreign securities						Loans to non-residents	
			Foreign bonds		Foreign stocks & other securities			
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
North America	322,582	37.3	253,006	43.5	69,575	24.7	9,000	8.4
Europe	339,437	39.3	310,396	53.3	29,041	10.3	64,000	60.0
Oceania	-	-	-	-	-	-	-	-
Asia	58,594	6.8	-	-	58,594	20.8	-	-
Latin America	136,002	15.7	11,331	1.9	124,671	44.2	33,000	30.9
Middle East	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-
International organizations	7,082	0.8	7,082	1.2	-	-	650	0.6
Total	863,699	100.0	581,817	100.0	281,882	100.0	106,650	100.0

## (16) Valuation Gains on Trading Securities

(Millions of Yen)

Category	As of March 31, 2006		As of March 31, 2007	
	Current Fair Value and Carrying Value	Net valuation gains/losses	Current Fair Value and Carrying Value	Net valuation gains/losses
Trading securities	-	-	-	-
Monetary trusts	-	-	-	-

Note: "Monetary trusts" is composed of securities held in monetary trust.

## (17) Fair Value Information on Securities (those with current fair value out of securities excluding trading securities)

(Millions of Yen)

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

Notes: 1. The above table includes assets such as certificates of deposits which are permitted to be considered as equivalent to securities defined in the Securities and Exchange Law.

2. Monetary trusts do not include other than trading securities.

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

(Millions of Yen)

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

(Millions of Yen)

Category	As of March 31, 2007				
	Carrying value before mark-to-market	Current fair value	Net unrealized gains/losses	Net unrealized gains/losses	
				Gains	Losses
Held-to-maturity securities	367,982	364,727	(3,255)	1,709	4,964
Domestic bonds	230,062	227,468	(2,594)	1,225	3,820
Monetary claims purchased	132,920	132,259	(661)	483	1,144
Certificates of deposit	5,000	4,999	(0)	-	0
Policy reserve matching bonds	1,654,986	1,660,914	5,927	10,391	4,463
Stocks of subsidiaries and affiliated companies	-	-	-	-	-
Available-for-sale securities	2,011,945	2,508,936	496,990	504,915	7,924
Domestic bonds	736,526	741,429	4,902	6,553	1,650
Domestic stocks	428,171	853,871	425,699	429,036	3,336
Foreign securities	719,991	773,799	53,807	55,795	1,987
Foreign bonds	563,924	581,817	17,893	18,747	854
Foreign stocks and other securities	156,067	191,981	35,914	37,047	1,133
Other securities	104,600	117,528	12,927	13,506	579
Money claims purchased	22,654	22,307	(346)	23	370
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-
Total	4,034,914	4,534,577	499,662	517,015	17,353
Domestic bonds	2,621,575	2,629,811	8,236	18,170	9,934
Domestic stocks	428,171	853,871	425,699	429,036	3,336
Foreign securities	719,991	773,799	53,807	55,795	1,987
Foreign bonds	563,924	581,817	17,893	18,747	854
Foreign stock and other securities	156,067	191,981	35,914	37,047	1,133
Other securities	104,600	117,528	12,927	13,506	579
Monetary claims purchased	155,575	154,567	(1,007)	507	1,515
Certificates of deposit	5,000	4,999	(0)	-	0
Others	-	-	-	-	-

Notes: 1. The above table includes assets such as certificates of deposits which are permitted to be considered as equivalent to securities defined in the Securities and Exchange Law.

2. Monetary trusts do not include other than trading securities.

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

(Millions of Yen)

Category	As of March 31, 2007
Held-to-maturity securities	-
Unlisted foreign bonds	-
Others	-
Policy reserve matching bonds	-
Stock of subsidiaries and affiliated companies	4,680
Available-for-sale securities	101,795
Unlisted domestic stocks (except OTC-traded stocks)	12,378
Unlisted foreign stocks (except OTC-traded stocks)	-
Unlisted foreign bonds	-
Others	89,417
Total	106,476

\*The followings are unrealized profits and losses on the carrying value for the yen-translated foreign securities out of securities without current fair value, and the securities with current fair value.

(Millions of Yen)

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

(Millions of Yen)

Category	As of March 31, 2007				
	Carrying value before mark-to-market	Current fair value	Net unrealized gains/losses	Net unrealized gains/losses	
				Gains	Losses
Held-to-maturity securities	367,982	364,727	(3,255)	1,709	4,964
Domestic bonds	230,062	227,468	(2,594)	1,225	3,820
Monetary claims purchased	132,920	132,259	(661)	483	1,144
Certificates of deposit	5,000	4,999	(0)	-	0
Policy reserve matching bonds	1,654,986	1,660,914	5,927	10,391	4,463
Stocks of subsidiaries and affiliated companies	4,680	4,680	-	-	-
Available-for-sale securities	2,113,741	2,611,214	497,473	505,416	7,943
Domestic bonds	736,526	741,429	4,902	6,553	1,650
Domestic stocks	440,549	866,249	425,699	429,036	3,336
Foreign securities	809,409	863,699	54,290	56,296	2,006
Foreign bonds	563,924	581,817	17,893	18,747	854
Foreign stocks and other securities	245,484	281,882	36,397	37,548	1,151
Other securities	104,600	117,528	12,927	13,506	579
Money claims purchased	22,654	22,307	(346)	23	370
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-
Total	4,141,391	4,641,537	500,146	517,517	17,371
Domestic bonds	2,621,575	2,629,811	8,236	18,170	9,934
Domestic stocks	445,230	870,930	425,699	429,036	3,336
Foreign securities	809,409	863,699	54,290	56,296	2,006
Foreign bonds	563,924	581,817	17,893	18,747	854
Foreign stock and other securities	245,484	281,882	36,397	37,548	1,151
Other securities	104,600	117,528	12,927	13,506	579
Monetary claims purchased	155,575	154,567	(1,007)	507	1,515
Certificates of deposit	5,000	4,999	(0)	-	0
Others	-	-	-	-	-

Notes: 1. The above table includes assets such as certificates of deposits which are permitted to be considered as equivalent to securities defined in the Securities and Exchange Law.

2. Monetary trusts include securities other than trading securities and their carrying value and the current fair value were 50 million yen as of March 31, 2006. (There were no unrealized gains/losses.)

### (18) Fair Value Information on Monetary Trusts

(Millions of Yen)

Category	As of March 31, 2006					As of March 31, 2007				
	Carrying value	Current fair value	Net unrealized gains/losses		Carrying value	Current fair value	Net unrealized gains/losses			
			Gains	Losses			Gains	Losses		
Monetary trusts	50	50	-	-	-	-	-	-	-	

\* 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	-	-	-	-

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

(Millions of Yen)

Category	As of March 31, 2006					As of March 31, 2007				
	Carrying value before mark-to-market	Current fair value	Net unrealized gains/losses		Carrying value before mark-to-market	Current fair value	Net unrealized gains/losses			
			Gains	Losses			Gains	Losses		
Held-to-maturity securities	-	-	-	-	-	-	-	-	-	
Policy reserve matching bonds	-	-	-	-	-	-	-	-	-	
Available-for-sale securities	50	50	-	-	-	-	-	-	-	
Jointly operated and designed monetary trusts	50	50	-	-	-	-	-	-	-	
<b>Total</b>	<b>50</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

### (19) Fair Value Information on Real Estate

(Millions of Yen)

Category	As of March 31, 2006					As of March 31, 2007				
	Carrying value	Current fair value	Net unrealized gains/losses		Carrying value	Current fair value	Net unrealized gains/losses			
			Gains	Losses			Gains	Losses		
Land	100,866	96,268	(4,597)	8,099	12,697	98,452	110,141	11,688	21,279	9,590
Leasehold	156	109	(46)	11	58	156	117	(39)	12	51
<b>Total</b>	<b>101,023</b>	<b>96,378</b>	<b>(4,644)</b>	<b>8,111</b>	<b>12,755</b>	<b>98,609</b>	<b>110,258</b>	<b>11,649</b>	<b>21,291</b>	<b>9,642</b>

Note: Current fair value are calculated based on the appraisal price or posted price.

## (20) Fair Value Information on Derivative Transactions

(total transactions to which hedge accounting is or is not applied)

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

(Millions of Yen)

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

(Millions of Yen)

	As of March 31, 2007					
	Interest-rate-related	Currency-related	Stock-related	Bond-related	Others	Total
Hedge accounting applied	(733)	(3,562)	-	-	-	(4,295)
Hedge accounting not applied	-	(250)	-	-	-	(250)
<b>Total</b>	<b>(733)</b>	<b>(3,812)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,546)</b>

Note: Accrued interest of interest-rate-related net gains/losses applied hedge accounting. [94 million yen: as of March 31, 2006; 65 million yen: as of March 31, 2007], currency-related net gains/losses with fair value hedge accounting [(5,577) million yen: as of March 31, 2006; (3,562) million yen: as of March 31, 2007], and net gains/losses not applied hedge accounting are recorded on the statement of operations.

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

(Millions of Yen)

Category	Type	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			
OTC	Interest rate swaps								
	Receipts fixed, payments floating	138,286	123,240	(2,083)	(2,083)	146,024	116,235	(733)	(733)
	<b>Total</b>				(2,083)				(733)

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

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

(Millions of Yen)

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

(Millions of Yen)

	As of March 31, 2007						
	1 year or shorter	1 year to 3 years	3 years to 5 years	5 years to 7 years	7 years to 10 years	Over 10 years	Total
Receipts fixed, payments floating	29,789	35,836	35,453	34,500	10,445	-	146,024
(Average rate received)	1.06%	1.36%	1.61%	1.52%	1.80%	-	1.43%
(Average rate paid)	0.73%	1.20%	1.07%	1.05%	0.89%	-	1.01%

## (iii) Currency-related derivative transactions

(Millions of Yen)

Category	Type	As of March 31, 2006			As of March 31, 2007				
		Contracted value or notional principal amount	Over 1 year	Current market or fair value	Valuation gains (losses)	Contracted value or notional principal amount	Over 1 year	Current market or fair value	Valuation gains (losses)
OTC	Exchange contracts								
	Sold	422,754	-	428,654	(5,900)	376,822	-	380,635	(3,812)
	US dollar	84,888	-	86,555	(1,667)	81,551	-	80,725	826
	Euro	239,526	-	243,893	(4,366)	201,479	-	205,728	(4,248)
	British pound	-	-	-	-	9,727	-	9,599	128
	Canadian dollar	65,459	-	65,005	453	37,481	-	37,602	(121)
	Swedish krona	32,879	-	33,199	(320)	46,582	-	46,979	(397)
	Total				(5,900)				(3,812)

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

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

3. Valuation gains/losses indicates the difference between the contracted amount and the current market or fair value.

## (iv) Stock-related derivative transactions

(Millions of Yen)

Category	Type	As of March 31, 2006			As of March 31, 2007				
		Contracted value or notional principal amount	Over 1 year	Current market or fair value	Valuation gains (losses)	Contracted value or notional principal amount	Over 1 year	Current market or fair value	Valuation gains (losses)
OTC	Stock index options								
	Bought								
	Put	19,996	-	340	(986)	-	-	-	-
		[1,326]	[-]			[-]	[-]		
	Total				(986)				-

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

2. Valuation gains/losses indicates the difference between the contracted amount and the current market or fair value.

## (v) Bond-related derivative transactions

The Company did not have any balances of bond-related derivative transactions as of March 31, 2006 and 2007.

## (vi) Others

The Company did not have any balances of other derivative transactions as of March 31, 2006 and 2007.

#### 4. Status of Separate Account Assets

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

(Millions of Yen)

Category	As of March 31, 2006		As of March 31, 2007	
	Amount		Amount	
Individual variable insurance	6,700		6,822	
Individual variable annuities	-		-	
Group annuities	-		-	
Total of separate account	6,700		6,822	

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

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

(Number, Millions of Yen)

Category	As of March 31, 2006		As of March 31, 2007	
	Number	Amount	Number	Amount
Variable insurance (term-life)	316	349	298	323
Variable insurance (whole-life)	541	1,720	529	1,504
Total	857	2,069	827	1,827

###### 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	295	4.4	203	3.0
Securities	6,361	94.9	6,574	96.4
Domestic bonds	1,865	27.8	1,978	29.0
Domestic stocks	2,423	36.2	2,336	34.3
Foreign securities	2,072	30.9	2,259	33.1
Foreign bonds	724	10.8	771	11.3
Foreign stock and other securities	1,347	20.1	1,487	21.8
Other securities	-	-	-	-
Loans	-	-	-	-
Others	43	0.6	43	0.6
Reserve for possible loan losses	-	-	-	-
Total	6,700	100.0	6,822	100.0

**c. Net investment gains/losses**

(Millions of Yen)

Category	Year Ended March 31, 2006	Year Ended March 31, 2007
	Amount	Amount
Interests, dividends and income from real estate for rent	106	120
Gains on sale of securities	282	187
Gains on redemption of securities	-	-
Valuation gains on securities	1,471	1,325
Foreign exchange gains, net	0	1
Gains from derivatives, net	-	-
Other investment income	0	0
Losses on sale of securities	170	57
Amortization of securities	-	-
Devaluation losses on securities	499	1,319
Foreign exchange losses, net	2	1
Losses from derivatives, net	-	-
Other investment expenses	0	0
Net investment gains/losses	1,189	256

**d. Valuation gains/losses on trading securities**

(Millions of Yen)

Category	Year Ended March 31, 2006		Year Ended March 31, 2007	
	Current Fair Value and Carrying Value	Net valuation gains/losses	Current Fair Value and Carrying Value	Net valuation gains/losses
Trading securities	6,361	972	6,574	5

**e. Fair value information on monetary trusts**

The Company did not have any balances of monetary trusts as of March 31, 2006 and 2007.

**f. Fair value information on derivative transactions**

Interest-rate-related derivative transactions  
 Currency-related derivative transactions  
 Stock-related derivative transactions  
 Bond-related derivative transactions  
 Others

} The Company did not have any balances of these transactions as of March 31, 2006 and 2007.

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

The Company did not have any balances of individual variable annuities separate accounts as of March 31, 2006 and 2007.

## 5. Reconciliation to Core Profit and Ordinary Profit

### (1) Reconciliation to Core Profit

(Millions of Yen)

Category	Year ended March 31, 2006	Year ended March 31, 2007
Core Revenues	1,020,645	952,099
Income from Insurance Premiums	823,011	705,582
Insurance premiums	822,946	705,293
Ceded reinsurance recoveries	64	289
Investment Income	127,495	137,670
Interest, dividends and income from real estate for rent	126,092	137,257
Other investment income	213	155
Gains on separate accounts, net	1,189	256
Other Ordinary Income	70,138	108,846
Income related to withheld insurance claims and other payments for future annuity payments	363	705
Income due to withheld insurance payments	33,467	30,808
Reversal of reserve for outstanding claims	205	-
Reversal of policy reserves (except contingency reserve)	33,066	74,323
Reversal of reserve for employees' retirement benefits	1,235	809
Other ordinary profit	1,800	2,199
Other Core Revenues	-	0
Core Expenses	982,446	898,114
Insurance Claims and Other Payments	857,053	772,881
Insurance claims	458,262	383,215
Annuity payments	115,815	128,527
Insurance benefits	106,390	105,102
Surrender payments	127,283	95,662
Other payments	49,004	60,111
Reinsurance payments	295	262
Provision for Policy and Other Reserves	88	1,731
Investment Expenses	7,875	8,117
Interest expense	1,624	1,624
Provision for general reserve for possible loan losses	-	(35)
Depreciation of real estate for rent	2,692	2,485
Other investment expenses	3,558	4,044
Operating Expenses	82,533	78,811
Other Ordinary Expenses	34,895	36,572
Payments related to withheld insurance claims	22,764	24,496
Taxes	5,234	4,868
Depreciation	5,339	5,199
Provision for reserve for employees' retirement benefits	-	-
Other ordinary losses	1,557	2,007
Other Core Expenses	0	-
Core Profit	38,199	53,984

**(2) Reconciliation to Ordinary Profit**

(Millions of Yen)

	Year ended March 31, 2006	Year ended March 31, 2007
Core profit (A)	38,199	53,984
Capital gains	70,593	74,223
Gains from monetary trusts, net	-	-
Gains on investments in trading securities, net	-	-
Gains on sale of securities	70,593	74,223
Gains from derivatives, net	-	-
Foreign exchange gains, net	-	-
Others	-	-
Capital losses	47,017	61,520
Losses from monetary trusts, net	-	-
Losses on investments in trading securities, net	-	-
Losses on sale of securities	25,458	45,329
Devaluation losses on securities	269	99
Losses from derivatives, net	21,068	15,668
Foreign exchange losses, net	221	422
Others	-	-
Total capital gains/losses (B)	23,575	12,703
Core profit reflecting capital gains/losses (A) + (B)	61,774	66,687
Other one-time gains	-	-
Ceding reinsurance recoveries	-	-
Reversal of contingency reserve	-	-
Others	-	-
Other one-time losses	14,819	15,024
Reinsurance premiums	-	-
Provision for contingency reserve	14,819	14,304
Provision for specific reserve for possible loans lossess	-	720
Provision for specific reserve for loans to refinancing countries	-	-
Write-off of loans	-	-
Others	-	-
Other one-time gains/losses (C)	(14,819)	(15,024)
Ordinary profit (A) + (B) + (C)	46,954	51,662

Notes: 1. As regards year ended March 31, 2006, income losses of (0) million yen on losses from monetary trusts are included in other core expenses of core profit instead of losses from monetary trusts, net.

2. As regards year ended March 31, 2007, income gains of 0 million yen on gains from monetary trusts are included in other core revenues of core profit instead of gains from monetary trusts, net.

## **6. Disclosed Claims under the Insurance Business Law**

(Millions of Yen)

Category		As of March 31, 2006	As of March 31, 2007
Claims against bankrupt and quasi-bankrupt obligors	a	632	557
Claims with collection risk	b	0	1,004
Claims for special attention	c	4,748	4,198
Sub total	a + b + c	5,381	5,760
% of Total		0.35%	0.38%
Claims against normal obligors	d	1,535,628	1,501,481
Total	a + b + c + d	1,541,010	1,507,242

Notes: 1. Claims against bankrupt and quasi-bankrupt obligors are loans to borrowers who are subject to bankruptcy, corporate reorganization or rehabilitation or other similar proceedings and other borrowers in serious financial difficulties.  
2. Claims with collection risk are loans to obligors (other than bankrupt and quasi-bankrupt obligors) with deteriorated financial condition and results of operations from which it is unlikely that the principal and interest on the loans will be recovered.  
3. Claims for special attention are loans on which principal and/or interest are past due for three months or more and loans with a concessionary interest rate, as well as loans with renegotiated conditions in favor of the borrower, including renegotiated schedule and/or waivers, in each case, other than the loans described in Notes 1 or 2 above.  
4. Claims against normal obligors are all other loans.

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

(Millions of Yen)

Category		As of March 31, 2006	As of March 31, 2007
Loans to bankrupt companies	a	193	336
Past due loans	b	439	1,225
Loans overdue for three months or more	c	4,698	4,165
Restructured loans	d	49	32
Total	a + b + c + d	5,381	5,760
% of total loans	= e	0.35%	0.38%

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

## (Reference) Reserve for Possible Loan Losses

### (1) Reserve for Possible Loan Losses

(Millions of Yen)

Category	As of March 31, 2006	As of March 31, 2007
General reserve for possible loan losses	1,482	1,447
Specific reserve for possible loan losses	197	916
Specific reserve for loans to refinancing countries	-	-
Total	1,680	2,364

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

(Millions of Yen)

Category	As of March 31, 2006	As of March 31, 2007
Transfer	197	916
Reversal	199	196
Net transfer	(1)	720

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 2007.

#### b. Loan outstanding by country

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

### (4) Write-off of Loans

The Company held no write-off of loans as of March 31, 2006 and 2007.

## (Reference) Self-Assessment of Loans

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

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

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

In the results of self-assessment as of 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	1,518,782	1,518,976	1,485,628	1,486,542
Class II	22,033	22,033	20,600	20,600
Class III	193	0	1,013	100
Class IV	871	-	0	-
Total exposures	1,541,881	1,541,010	1,507,242	1,507,242

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

## 8. Solvency Margin Ratio

(Millions of Yen)

Items	As of March 31, 2006	As of March 31, 2007
Total solvency margin (A)	844,762	895,485
Net assets (less certain items)	98,966	154,776
Reserve for price fluctuations	26,059	42,563
Contingency reserve	71,244	85,549
Reserve for possible loan losses	1,482	1,447
Net unrealized gains on available-for-sale securities (before tax) (x 90 per cent, if gains; x 100 per cent, if losses)	443,638	447,726
Net unrealized gains (losses) on real estate (x 85 per cent, if gains; x 100 per cent, if losses)	(4,644)	(26,065)
Excess of amount of policy surrender payment	72,383	61,285
Unallotted portion of reserve for policyholder dividends	22,295	21,374
Future profits	6,339	6,757
Deferred tax assets	51,996	45,069
Subordinated debt	55,000	55,000
Deductible items	-	-
Total risk $\sqrt{R_1^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	161,631	162,744
Insurance risk $R_1$	36,831	37,068
Assumed investment yield risk $R_2$	24,255	23,727
Investment risk $R_3$	129,193	130,785
Business risk $R_4$	3,805	3,831
Minimum guarantee risk $R_7$	19	16
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	1,045.2%	1,100.4%

- Notes: 1. The above figures were calculated on the basis of the provisions of Articles 86 and 87 of the Enforcement Ordinance of Insurance Business Law as well as Notification No. 50 of 1996 by the Ministry of Finance.
2. "Net assets (less certain items)" as of March 31, 2007 represents net assets on the balance sheet less total valuation and translation adjustments, and estimated appropriation paid in cash. As of March 31, 2006, "Net assets (less certain items)" above represents equity capital on the balance sheet less net unrealized gains on securities, and estimated appropriation paid in cash.
3. The figures of "minimum guarantee risk" were calculated on the basis of the regulatory standard.

## 9. Adjusted Net Assets

(Millions of Yen)

Item	As of March 31, 2006	As of March 31, 2007
Adjusted net assets	757,580	834,661

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