

Supplementary Materials for the Nine Months Ended December 31, 2009

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1. Business Highlights

(1) Total Policy Amount in Force

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

Category	As of December 31, 2009				As of March 31, 2009	
	Number		Amount		Number	Amount
		Change from Previous FYE (%)		Change from Previous FYE (%)		
Individual insurance	4,294	125.9	146,219	106.3	3,410	137,617
Individual annuities	1,232	98.1	34,935	97.2	1,256	35,935
Subtotal	5,526	118.4	181,154	104.4	4,667	173,552
Group insurance	-	-	103,755	101.4	-	102,368
Group annuities	-	-	7,296	105.6	-	6,906

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.
3. The product "Hoken Kumikyoku Best", launched on October 2008 has its own product feature that individual protections as main policies put into one product. And each protection is counted as one policy.
4. As for the product "Hoken Kumikyoku Best", the number of policies in force on individual insurance was 2,651 thousands as of December 31, 2009; 2,757 thousands as of March 31, 2009 assuming that the number of policies was counted based on the number of those riders consisting of the product.

(2) New Policy Amount

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

Category	Nine Months Ended December 31, 2008					
	Number		Amount		New policies	Increase from conversion
		Change (%)		Change (%)		
Individual insurance	615	395.8	15,599	140.8	10,545	5,054
Individual annuities	35	111.2	860	109.9	896	(35)
Subtotal	651	346.8	16,459	138.8	11,441	5,018
Group insurance	-	-	132	19.2	132	-
Group annuities	-	-	0	1,078.7	0	-

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

Category	Nine Months Ended December 31, 2009					
	Number		Amount		New policies	Increase from conversion
		Change (%)		Change (%)		
Individual insurance	1,267	206.0	19,805	127.0	10,846	8,958
Individual annuities	29	81.8	731	85.0	750	(19)
Subtotal	1,296	199.1	20,536	124.8	11,597	8,939
Group insurance	-	-	136	103.2	136	-
Group annuities	-	-	0	92.1	0	-

Notes:

1. The number of new policies includes increase from conversion.
2. The new policy amount including increase from conversion for individual annuities is funds to be held at the time annuity payments are to commence for an annuity.
3. The new policy amount for group annuity is equal to the initial premium payment.
4. The product "Hoken Kumikyoku Best", launched on October 2008 has its own product feature that individual protections as main policies put into one product. And each protection is counted as one policy.
5. As of the product "Hoken Kumikyoku Best", the number of new policies on individual insurance was 226 thousand for the nine months ended December 31, 2009; 172 thousand for the nine months ended December 31, 2008, assuming that the number of policies was counted based on the number of those riders consisting of the product.

(3) Annualized Premiums

1) Policies in force

(Millions of yen)

Category	As of December 31, 2009		As of March 31, 2009	
	Amount	Change from Previous FYE (%)	Amount	
Individual insurance	394,195	97.6	404,021	
Individual annuities	210,310	100.6	209,068	
Total	604,506	98.6	613,090	
3rd Sector	110,528	100.2	110,358	

2) New policies

(Millions of yen)

Category	Nine Months Ended December 31, 2008		Nine Months Ended December 31, 2009	
	Amount	Change (%)	Amount	Change (%)
Individual insurance	19,924	100.4	24,922	125.1
Individual annuities	6,875	116.3	5,936	86.3
Total	26,799	104.1	30,859	115.1
3rd Sector	7,665	101.7	7,346	95.8

Notes:

1. New policies include net increase from conversions.
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) Surrender and Lapse Amount

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

Category	Nine Months Ended December 31, 2008				Nine Months Ended December 31, 2009			
	Number		Amount		Number		Amount	
		Change (%)		Change (%)		Change (%)		Change (%)
Individual insurance	110	94.9	9,059	91.6	142	129.2	8,097	89.4
Individual annuities	14	100.2	439	101.3	13	91.0	395	90.0
Total	125	95.5	9,498	92.0	156	124.8	8,492	89.4

Notes:

1. The product "Hoken Kumikyoku Best", launched on October 2008 has its own product feature that individual protections as main policies put into one product. And each protection is counted as one policy.
2. As of the product "Hoken Kumikyoku Best", the number of surrender and lapse on individual insurance for the nine months ended December 31, 2009 was 92 thousand; 109 thousand for the nine months ended December 31, 2008; assuming that the number of policies was counted based on the number of those riders consisting of the product.

(5) Surrender and Lapse Rate

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

(%)

Category	Nine Months Ended December 31, 2008	Nine Months Ended December 31, 2009
Individual insurance	6.73	5.88
Individual annuities	1.18	1.10
Total	5.53	4.89

Note: The figures of the nine months ended December 31, 2008 and 2009 are not annualized.

2. Status of General Account Assets

(1) Asset Composition

(Millions of yen, %)

Category	As of December 31, 2009		As of March 31, 2009	
	Amount	Percentage	Amount	Percentage
Cash and deposits, call loans	152,909	2.6	126,042	2.2
Securities repurchased under resale agreements	-	-	-	-
Pledged money for bond borrowing transaction	-	-	-	-
Monetary claims purchased	145,492	2.5	145,344	2.5
Securities under proprietary accounts	-	-	-	-
Monetary trusts	-	-	-	-
Securities	3,740,881	64.8	3,671,031	63.7
Domestic bonds	2,326,795	40.3	2,570,552	44.6
Domestic stocks	357,008	6.2	291,616	5.1
Foreign securities	1,052,893	18.2	804,137	13.9
Bonds	824,058	14.3	575,957	10.0
Stocks, etc.	228,835	4.0	228,180	4.0
Other securities	4,184	0.1	4,723	0.1
Loans	1,429,689	24.8	1,493,880	25.9
Policy loans	91,482	1.6	96,709	1.7
Commercial loans	1,338,207	23.2	1,397,170	24.2
Property and equipment	161,191	2.8	161,944	2.8
Deferred tax assets	64,374	1.1	85,592	1.5
Deferred tax assets on land revaluation	-	-	-	-
Other assets	81,883	1.4	84,136	1.5
Reserve for possible loan losses	(1,816)	(0.0)	(1,618)	(0.0)
Total assets	5,774,604	100.0	5,766,353	100.0
Foreign currency denominated assets	926,867	16.1	680,242	11.8

(2) Fair Value Information on Securities and Others

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

a. Securities with market value

(Millions of yen)

Category	As of December 31, 2009				
	Cost/carrying value before mark-to-market	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Held-to-maturity securities	412,503	418,120	5,617	6,951	1,334
Domestic bonds	293,193	297,322	4,129	5,264	1,134
Monetary claims purchased	119,309	120,797	1,487	1,687	200
Certificates of deposit	-	-	-	-	-
Policy reserve matching bonds	1,468,288	1,499,028	30,739	35,509	4,769
Stocks of subsidiaries and affiliated companies	-	-	-	-	-
Available-for-sale securities	1,864,436	1,921,420	56,983	113,538	56,555
Domestic bonds	549,823	565,313	15,489	16,993	1,504
Domestic stocks	231,605	295,145	63,539	76,300	12,760
Foreign securities	1,055,621	1,033,246	(22,374)	19,774	42,149
Bonds	839,010	824,058	(14,952)	14,263	29,216
Stocks, etc.	216,610	209,188	(7,422)	5,510	12,933
Other securities	1,213	1,532	318	318	-
Monetary claims purchased	26,171	26,182	10	151	141
Certificates of deposit	-	-	-	-	-
Monetary trusts	-	-	-	-	-
Total	3,745,228	3,838,568	93,340	156,000	62,659
Domestic bonds	2,311,305	2,361,664	50,358	57,767	7,408
Domestic stocks	231,605	295,145	63,539	76,300	12,760
Foreign securities	1,055,621	1,033,246	(22,374)	19,774	42,149
Bonds	839,010	824,058	(14,952)	14,263	29,216
Stocks, etc.	216,610	209,188	(7,422)	5,510	12,933
Other securities	1,213	1,532	318	318	-
Monetary claims purchased	145,481	146,979	1,497	1,838	341
Certificates of deposit	-	-	-	-	-
Monetary trusts	-	-	-	-	-

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

b. Securities without market value (Carrying value)

(Millions of yen)

Category	As of December 31, 2009
Held-to-maturity securities	-
Unlisted foreign bonds	-
Other securities	-
Policy reserve matching bonds	-
Stocks of subsidiaries and affiliated companies	4,999
Available-for-sale securities	84,236
Unlisted domestic stocks	56,863
Unlisted foreign stocks	7,188
Unlisted foreign bonds	-
Others	20,184
Total	89,235

a. Securities with market value

(Millions of yen)

Category	As of March 31, 2009				
	Cost/carrying value before mark-to-market	Current fair value	Net unrealized gains (losses)		
				Gains	Losses
Held-to-maturity securities	370,735	373,301	2,566	4,175	1,608
Domestic bonds	250,435	252,534	2,098	3,146	1,047
Monetary claims purchased	120,299	120,767	467	1,028	561
Certificate of deposit	-	-	-	-	-
Policy reserve matching bonds	1,484,618	1,501,525	16,906	21,156	4,249
Stocks of subsidiaries and affiliated companies	-	-	-	-	-
Available-for-sale securities	1,871,586	1,876,229	4,642	72,115	67,472
Domestic bonds	816,028	835,498	19,469	22,427	2,958
Domestic stocks	221,556	230,234	8,677	31,219	22,541
Foreign securities	806,563	783,293	(23,269)	18,334	41,604
Bonds	580,075	575,957	(4,118)	16,188	20,306
Stocks, etc.	226,488	207,336	(19,151)	2,146	21,297
Other securities	2,262	2,157	(104)	-	104
Monetary claims purchased	25,175	25,045	(130)	133	263
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-
Total	3,726,940	3,751,056	24,115	97,447	73,331
Domestic bonds	2,551,083	2,589,558	38,474	46,730	8,255
Domestic stocks	221,556	230,234	8,677	31,219	22,541
Foreign securities	806,563	783,293	(23,269)	18,334	41,604
Bonds	580,075	575,957	(4,118)	16,188	20,306
Stocks, etc.	226,488	207,336	(19,151)	2,146	21,297
Other securities	2,262	2,157	(104)	-	104
Monetary claims purchased	145,474	145,812	337	1,162	824
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-

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

b. Securities without market value (Carrying value)

(Millions of yen)

Category	As of March 31, 2009
Held-to-maturity securities	-
Unlisted foreign bonds	-
Other securities	-
Policy reserve matching bonds	-
Stocks of subsidiaries and affiliated companies	4,680
Available-for-sale securities	83,773
Unlisted domestic stocks	56,701
Unlisted foreign stocks	7,695
Unlisted foreign bonds	-
Others	19,375
Total	88,454

c. Fair value information consisting of those stated in previous table-b and foreign exchange and other gains/losses for table-a

(Millions of yen)

Category	As of December 31, 2009				
	Cost/carrying value before mark-to-market	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Held-to-maturity securities	412,503	418,120	5,617	6,951	1,334
Domestic bonds	293,193	297,322	4,129	5,264	1,134
Monetary claims purchased	119,309	120,797	1,487	1,687	200
Certificates of deposit	-	-	-	-	-
Policy reserve matching bonds	1,468,288	1,499,028	30,739	35,509	4,769
Stocks of subsidiaries and affiliated companies	4,999	4,999	-	-	-
Available-for-sale securities	1,948,673	2,000,582	51,909	113,539	61,629
Domestic bonds	549,823	565,313	15,489	16,993	1,504
Domestic stocks	288,469	352,009	63,539	76,300	12,760
Foreign securities	1,080,113	1,052,893	(27,219)	19,774	46,993
Bonds	839,010	824,058	(14,952)	14,263	29,216
Stocks, etc.	241,102	228,835	(12,267)	5,510	17,777
Other securities	4,095	4,184	88	318	229
Monetary claims purchased	26,171	26,182	10	151	141
Certificates of deposit	-	-	-	-	-
Monetary trusts	-	-	-	-	-
Total	3,834,464	3,922,730	88,266	156,000	67,734
Domestic bonds	2,311,305	2,361,664	50,358	57,767	7,408
Domestic stocks	293,468	357,008	63,539	76,300	12,760
Foreign securities	1,080,113	1,052,893	(27,219)	19,774	46,993
Bonds	839,010	824,058	(14,952)	14,263	29,216
Stocks, etc.	241,102	228,835	(12,267)	5,510	17,777
Other securities	4,095	4,184	88	318	229
Monetary claims purchased	145,481	146,979	1,497	1,838	341
Certificates of deposit	-	-	-	-	-
Monetary trusts	-	-	-	-	-

(Millions of yen)

Category	As of March 31, 2009				
	Cost/ carrying value before mark-to-market	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Held-to-maturity securities	370,735	373,301	2,566	4,175	1,608
Domestic bonds	250,435	252,534	2,098	3,146	1,047
Monetary claims purchased	120,299	120,767	467	1,028	561
Certificate of deposit	-	-	-	-	-
Policy reserve matching bonds	1,484,618	1,501,525	16,906	21,156	4,249
Stocks of subsidiaries and affiliated companies	4,680	4,680	-	-	-
Available-for-sale securities	1,955,359	1,956,341	981	72,147	71,165
Domestic bonds	816,028	835,498	19,469	22,427	2,958
Domestic stocks	278,258	286,936	8,677	31,219	22,541
Foreign securities	830,849	804,137	(26,711)	18,364	45,075
Bonds	580,075	575,957	(4,118)	16,188	20,306
Stocks, etc.	250,773	228,180	(22,592)	2,175	24,768
Other securities	5,048	4,723	(324)	1	326
Monetary claims purchased	25,175	25,045	(130)	133	263
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-
Total	3,815,394	3,835,849	20,454	97,478	77,024
Domestic bonds	2,551,083	2,589,558	38,474	46,730	8,255
Domestic stocks	282,939	291,616	8,677	31,219	22,541
Foreign securities	830,849	804,137	(26,711)	18,364	45,075
Bonds	580,075	575,957	(4,118)	16,188	20,306
Stocks, etc.	250,773	228,180	(22,592)	2,175	24,768
Other securities	5,048	4,723	(324)	1	326
Monetary claims purchased	145,474	145,812	337	1,162	824
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-

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

2) Fair value information on monetary trusts

The Company held no monetary trusts as of March 31, 2009 and December 31, 2009.

3) Fair value information on real estate

(Millions of yen)

Category	As of December 31, 2009				
	Carrying value	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Land	98,753	120,290	21,536	30,610	9,073
Leasehold	156	115	(41)	12	54
Total	98,910	120,405	21,495	30,623	9,128

(Millions of yen)

Category	As of March 31, 2009				
	Carrying value	Current fair value	Net unrealized gains (losses)		
			Gains	Losses	
Land	98,491	120,868	22,377	31,258	8,880
Leasehold	156	113	(43)	12	55
Total	98,647	120,982	22,334	31,271	8,936

Note: Fair values are basically calculated based on the appraisal price. Less important property is calculated based on the posted price.

4) Fair value information on derivative transactions

a. Gains (losses) on derivatives with and without hedge accounting

(Millions of yen)

Category	As of December 31, 2009					
	Interest-related	Currency-related	Stock-related	Bond-related	Others	Total
Hedge accounting applied	2,756	(912)	(743)	-	-	1,100
Hedge accounting not applied	-	281	(948)	-	-	(667)
Total	2,756	(631)	(1,692)	-	-	433

(Millions of yen)

Category	As of March 31, 2009					
	Interest-related	Currency-related	Stock-related	Bond-related	Others	Total
Hedge accounting applied	1,773	(27,292)	-	-	-	(25,518)
Hedge accounting not applied	-	(1,716)	(7,869)	-	-	(9,586)
Total	1,773	(29,008)	(7,869)	-	-	(35,105)

Notes: Accrued interest of interest-rate-related net gains/losses applied hedge accounting. [135 million yen: as of December 31, 2009; 65 million yen: as of March 31, 2009], currency-related net gains/losses with fair value hedge accounting [(912) million yen: as of December 31, 2009; (27,292) million yen: as of March 31, 2009], stock-related net gains /losses [(743) million yen: as of December 31, 2009] and net gains/losses not applied hedge accounting are recorded on the statement of operations.

b. Interest-related transactions

(Millions of yen)

Category	As of December 31, 2009				As of March 31, 2009			
	Contracted value or notional principal amount		Current market or fair value	Valuation gains (losses)	Contracted value or notional principal amount		Current market or fair value	Valuation gains (losses)
		Over 1 Year				Over 1 Year		
Over-the-counter transactions								
Interest rate swaps:								
Receipts fixed, payments floating	125,897	109,345	2,756	2,756	128,208	116,672	1,773	
Total				2,756			1,773	

c. Currency-related transactions

(Millions of yen)

Category	As of December 31, 2009				As of March 31, 2009			
	Contracted value or notional principal amount		Current market or fair value	Valuation gains (losses)	Contracted value or notional principal amount		Current market or fair value	Valuation gains (losses)
		Over 1 Year				Over 1 Year		
Over-the-counter transactions								
Foreign exchange contracts								
Sold:	752,226	-	752,936	(710)	494,901	-	524,014	(29,112)
U.S. dollar	345,461	-	349,155	(3,693)	209,503	-	218,323	(8,820)
Euro	351,901	-	348,257	3,644	223,708	-	240,036	(16,327)
British pound	9,722	-	9,484	238	10,170	-	11,043	(873)
Canadian dollar	21,743	-	22,641	(897)	29,466	-	31,200	(1,733)
Swedish krona	21,560	-	21,521	38	20,898	-	22,256	(1,357)
Hong Kong dollar	1,837	-	1,876	(39)	1,153	-	1,153	(0)
Bought:	-	-	-	-	5,088	-	5,192	104
U.S. dollar	-	-	-	-	0	-	0	0
Euro	-	-	-	-	5,088	-	5,192	104
Currency options								
Bought:								
Call Option	4,500	-			-	-		
U.S. dollar	[29]	-	108	79	[-]	-		-
Put Option	4,500	-			-	-		
U.S. dollar	[29]	-	108	79	[-]	-		-
Total				(631)				(29,008)

Notes:

1. Forward exchange rates are used as the year -term end exchange rates.
2. Figures in parentheses indicate option premiums in the balance sheets.
3. 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.
4. Valuation gains/losses indicate the difference between the contracted amount and the current fair value in futures transaction, as well as the difference between the option premiums and the current fair value in the option transaction.

d. Stock-related transactions

(Millions of yen)

Category	As of December 31, 2009				As of March 31, 2009			
	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		
Exchange-traded transactions								
Stock indexed futures:								
Sold	5,004	-	5,270	(265)	48,491	-	54,810	(6,318)
Over-the-counter transactions								
Future contracts:								
Sold	13,424	-	14,168	(743)	-	-	-	-
Stock indexed options:								
Sold								
Call Option	34,556	-			-	-		
U.S. dollar	[443]	-	133	309	[-]	-		-
Bought								
Put Option	79,350	-			58,500	-	101	(1,551)
U.S. dollar	[1,007]	-	14	(993)	[1,653]	-		
Total				(1,692)				(7,869)

Notes:

1. Figures in parentheses indicate option premiums in the balance sheets.
2. Valuation gains/losses indicate the difference between the contracted amount and the current fair value in futures transaction and forward agreements, as well as the difference between the option premiums and the current fair value in the option transaction.

e. Bond-related transactions

The Company held no bond-related derivative instruments as of March 31, 2009 and December 31, 2009.

f. Others

The Company held no other derivative instruments as of March 31, 2009 and December 31, 2009.

3. Status of Separate Account Assets

(1) Balance of Separate Account Assets

(Millions of yen)

Category	As of December 31, 2009		As of March 31, 2009	
	Number	Amount	Number	Amount
Individual variable insurance		5,384		4,840
Individual variable annuities		-		-
Group annuities		-		-
Total		5,384		4,840

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

1) Individual variable insurance

(Number, Millions of yen)

Category	As of December 31, 2009		As of March 31, 2009	
	Number	Amount	Number	Amount
Variable insurance (term life)	213	227	261	283
Variable insurance (whole life)	507	1,470	513	1,476
Total	720	1,698	774	1,760

2) Individual variable annuities

The company held no individual variable annuities as of March 31, 2009 and December 31, 2009.

4. Reconciliation to Core Profit and Ordinary Profit

(1) Reconciliation to Core Profit

(Millions of yen)

Category	Nine Months Ended December 31, 2008	Nine Months Ended December 31, 2009
Core revenues	755,518	692,831
Income from insurance premiums	460,433	539,815
Insurance premiums	460,369	539,747
Ceded reinsurance recoveries	64	68
Investment income	93,026	97,511
Interest, dividends and income from real estate for rent	92,908	96,657
Other investment income	117	253
Gains on separate accounts, net	-	600
Other ordinary income	202,057	55,504
Income related to withheld insurance claims and other payments for future annuity payments	215	243
Income due to withheld insurance payment	25,714	18,507
Reversal of reserve for outstanding claims	1,643	863
Reversal of policy reserves (except contingency reserve)	172,862	34,722
Reversal of reserve for employees' retirement benefits	-	-
Other ordinary income	1,621	1,617
Other core revenues	-	-
Core expenses	728,038	658,794
Insurance claims and other payments	624,624	557,896
Insurance claims	246,395	247,381
Annuity payments	119,494	125,054
Insurance benefits	79,950	71,926
Surrender payments	76,076	66,834
Other payments	102,508	46,523
Reinsurance premiums	199	176
Provision for policy and other reserves	79	63
Investment expenses	6,652	5,418
Interest expenses	1,186	1,140
Provision for general reserve for possible loan losses	-	228
Depreciation of real estate for rent	1,759	1,710
Other investment expenses	2,730	2,339
Losses on separate accounts, net	975	-
Operating expenses	59,331	61,624
Other ordinary expenses	37,350	33,790
Payments related to withheld insurance claims	26,837	23,471
Taxes	3,601	3,872
Depreciation	3,613	4,087
Provision for reserve for employees' retirement benefits	1,620	234
Other ordinary losses	1,677	2,123
Other core expenses	-	-
Core profit	27,479	34,036

(2) Reconciliation to Ordinary Profit

(Millions of yen)

Category	Nine Months Ended December 31, 2008	Nine Months Ended December 31, 2009
Core profit (A)	27,479	34,036
Capital gains	73,615	30,877
Gains from monetary trusts, net	-	-
Gains on investment in trading securities, net	-	-
Gains on sales of securities	73,201	30,877
Gains from derivatives, net	-	-
Foreign exchange gains, net	413	-
Others	-	-
Capital losses	167,695	25,505
Losses from monetary trusts, net	-	-
Losses on investments in trading securities, net	-	-
Losses on sales of securities	135,497	12,426
Devaluation losses on securities	31,334	529
Losses from derivatives, net	863	12,021
Foreign exchange losses, net	-	527
Others	-	-
Capital gains (losses) (B)	(94,080)	5,372
Core profit reflecting capital gains (losses) (A)+(B)	(66,601)	39,408
Other one-time gains	26,938	-
Ceding reinsurance recoveries	-	-
Reversal of contingency reserve	26,938	-
Others	-	-
Other one-time losses	83	450
Reinsurance premiums	-	-
Provision for contingency reserve	-	464
Provision for specific reserve for possible loan losses	-	(29)
Provision for specific reserve for loans to refinancing countries	-	-
Write-off of loans	83	16
Others	-	-
Other one-time gains (losses) (C)	26,855	(450)
Ordinary profit (losses) (A)+(B)+(C)	(39,746)	38,958

(3) Average Assumed Investment Yield and Negative Spread

(Millions of yen)

Category	Nine Months Ended December 31, 2008	Nine Months Ended December 31, 2009
Amount of negative spread	22,932	13,357
Investment yield on core profit (annualized)	2.14%	2.34%
Average assumed investment yield (annualized)	2.70%	2.68%
Individual insurance and annuities	2.93%	2.91%
Policy reserve in general accounts	5,408,475	5,264,536

Notes:

- Method of calculating negative spread:
(Investment yield on core profit [1.75%] - Average assumed investment yield [2.00%]) x Policy reserve in general account [5,264.5] billion yen
- Investment yield on core profit and average assumed investment yield as in the note 1 above are not annualized.
- "Investment yield on core profit" is calculated by dividing numerator as investment revenues and expenses (investment profit in general account) included in core profit less amount of provision for accumulated interest due to policyholders by denominator as policy reserve in general account.
- Average assumed investment yield is calculated by dividing numerator as assumed interest (general account only) by denominator as policy reserve in general account.
- Policy reserve in general account represents the earned policy reserve calculated for policy reserve in general account less contingency reserve by Hardy method as follows:
Hardy method: (Policy reserve at the beginning of fiscal year + Policy reserve at the end of fiscal year - Assumed interests) x (1/2)

5. Solvency Margin Ratio

		(Millions of yen)	
Items	As of December 31, 2009	As of December 31, 2009	As of March 31, 2009
Total solvency margin (A)	467,072	467,072	388,011
Common stocks, etc. (less certain items)	195,021	195,021	186,522
Reserve for price fluctuations	20,037	20,037	10,000
Contingency reserve	77,348	77,348	76,884
General reserve for possible loan losses	1,683	1,683	1,455
Net unrealized gains on available-for-sale securities (before tax) (x 90 per cent., if gains; x 100 per cent., if losses)	46,718	46,718	883
Net unrealized gains(losses) on real estate (x 85 per cent., if gains; x 100 per cent., if losses)	(15,964)	(15,964)	(14,796)
Excess amount of policy reserve based on Zillmer method	39,986	39,986	44,695
Unallotted portion of reserve for policyholder dividends	11,304	11,304	11,231
Future profits	1,377	1,377	1,377
Deferred tax assets	39,558	39,558	34,756
Subordinated debt	50,000	50,000	35,000
Deductible items	-	-	-
Total risk $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	91,886	91,886	89,559
Insurance risk R_1	27,635	27,635	27,369
3rd sector insurance risk R_8	8,454	8,454	8,121
Assumed investment yield risk R_2	21,492	21,492	21,901
Investment risk R_3	60,420	60,420	57,793
Business risk R_4	2,360	2,360	2,304
Minimum guarantee risk R_7	16	16	16
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	1,016.6%	1,016.6%	866.4%

Notes:

- 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. The figure as of December 31, 2009 was calculated using a reasonable method based on the regulatory rules.
- "Common stock, etc. (less certain items)" represents net assets on the balance sheet less net unrealized gains on securities.
- The figures of "minimum guarantee risk R_7 " are calculated on the basis of the regulatory standard.

6. Adjusted Net Assets

		(Millions of yen)	
Category	As of December 31, 2009	As of December 31, 2009	As of March 31, 2009
Adjusted net assets	411,386	411,386	330,425

Note: Foregoing were calculated according to the orders providing classifications of Insurance Business Law, and descriptions provided in Notification No. 2 issued in January 1999 by Financial Supervisory Agency and Ministry of Finance. The figure as of December 31, 2009 was calculated using a reasonable method based on the regulatory rules.

[Reference]

Business Results for the Three Months from October 1 to December 31

1. Business Highlights

(1) New Policy Amount

(Number: Thousand, 100 Millions of yen)

Category	Three Months from October 1, 2008 to December 31, 2008				Three Months from October 1, 2009 to December 31, 2009					
	Number	Amount			Number	Amount				
		New policies	Increase from conversion			Change (%)	Amount			
Individual insurance	521	8,429	4,556	3,872	469	90.0	7,895	93.7	4,701	3,194
Individual annuities	10	243	250	(7)	9	95.2	259	106.8	266	(6)
Subtotal	531	8,672	4,807	3,865	479	90.1	8,155	94.0	4,968	3,187
Group insurance	-	68	68	-	-	-	110	160.7	110	-
Group annuities	-	-	-	-	-	-	0	-	0	-

Notes:

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

(2) Annualized Premiums of New policies

(Millions of yen)

Category	Three Months from October 1, 2008 to December 31, 2008		Three Months from October 1, 2009 to December 31, 2009	
	Amount		Amount	Change (%)
Individual insurance	7,869		10,296	130.8
Individual annuities	2,020		1,998	98.9
Total	9,890		12,295	124.3
3rd Sector	3,439		2,651	77.1

Notes:

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

2. Unaudited Non-Consolidated Statements of Operations

(Millions of yen)

	Three months from October 1, 2008 to December 31, 2008	Three months from October 1, 2009 to December 31, 2009
	Amount	Amount
Ordinary revenues	304,580	227,470
Income from insurance premiums	144,196	182,844
Insurance premiums	144,161	182,844
Ceded reinsurance recoveries	35	-
Investment income	59,365	38,318
Interest, dividends and income from real estate for rent	27,129	32,073
Interest income from deposits	48	12
Interest income and dividends from securities	16,770	21,805
Interest income from loans	7,466	7,681
Interest from real estate for rent	1,917	1,757
Other income from interest and dividends	926	816
Gains on sales of securities	25,835	5,901
Gains from derivatives, net	5,790	-
Foreign exchange gains, net	569	65
Other investment income	41	157
Gains on separate accounts, net	-	120
Other ordinary income	101,018	6,307
Income related to withheld insurance claims and other payments for future annuity payments	137	36
Income due to withheld insurance payments	8,541	5,869
Reversal of reserve for outstanding claims	562	-
Reversal of policy reserve	91,382	-
Other ordinary income	394	401
Ordinary expenses	365,808	217,528
Insurance claims and other payments	205,291	176,085
Insurance claims	85,064	72,481
Annuity payments	43,481	44,715
Insurance benefits	25,310	21,897
Surrender payments	29,646	21,356
Other payments	21,711	15,557
Reinsurance premiums	76	76
Provision for policy and other reserves	25	165
Provision for reserve for outstanding claims	-	11
Provision for policy reserve	-	139
Interest portion of reserve for policyholder dividends	25	14
Investment expenses	126,094	8,221
Interest expenses	377	443
Losses on sales of securities	109,267	3,099
Devaluation losses on securities	14,502	200
Losses from derivatives, net	-	3,171
Provision for reserve for possible loan losses	61	-
Write-off of loans	78	16
Depreciation of real estate for rent	594	580
Other investment expenses	578	708
Losses on separate accounts, net	634	-
Operating expenses	20,888	21,383
Other ordinary expenses	13,509	11,672
Payments related to withheld insurance claims	9,502	8,048
Taxes	1,299	1,366
Depreciation	1,204	1,403
Provision for reserve for employees' retirement benefits	978	85
Other ordinary losses	524	768
Ordinary profit (loss)	(61,227)	9,942

(Millions of yen)

	Three months from October 1, 2008 to December 31, 2008	Three months from October 1, 2009 to December 31, 2009
	Amount	Amount
Extraordinary gains	62,041	1,360
Reversal of reserve for price fluctuations	62,041	-
Reversal of reserve for possible loan losses	-	1,358
Recoveries of bad debts previously written-off	0	2
Extraordinary losses	385	4,111
Losses on disposal of fixed assets	385	69
Provision for reserve for price fluctuations	-	4,041
Provision for reserve for policyholder dividends	1,992	4,379
Income (Loss) before income taxes	(1,564)	2,811
Current income taxes	(10,902)	(184)
Deferred income taxes	16,855	(202)
Total income taxes	5,953	(387)
Net income (loss)	(7,518)	3,199

3. Reconciliation to Core Profit and Ordinary Profit

(1) Reconciliation to Core Profit

(Millions of yen)

Category	Three Months from October 1, 2008 to December 31, 2008	Three Months from October 1, 2009 to December 31, 2009
Core revenues	245,822	221,610
Income from insurance premiums	144,196	182,844
Insurance premiums	144,161	182,844
Ceded reinsurance recoveries	35	-
Investment income	27,171	32,351
Interest, dividends and income from real estate for rent	27,129	32,073
Other investment income	41	157
Gains on separate accounts, net	-	120
Other ordinary income	74,454	6,414
Income related to withheld insurance claims and other payments for future annuity payments	137	36
Income due to withheld insurance payment	8,541	5,869
Reversal of reserve for outstanding claims	562	-
Reversal of policy reserves (except contingency reserve)	64,818	106
Reversal of reserve for employees' retirement benefits	-	-
Other ordinary income	394	401
Other core revenues	-	-
Core expenses	241,861	210,901
Insurance claims and other payments	205,291	176,085
Insurance claims	85,064	72,481
Annuity payments	43,481	44,715
Insurance benefits	25,310	21,897
Surrender payments	29,646	21,356
Other payments	21,711	15,557
Reinsurance premiums	76	76
Provision for policy and other reserves	25	25
Investment expenses	2,146	1,733
Interest expenses	377	443
Provision for general reserve for possible loan losses	(37)	-
Depreciation of real estate for rent	594	580
Other investment expenses	578	708
Losses on separate accounts, net	634	-
Operating expenses	20,888	21,383
Other ordinary expenses	13,509	11,672
Payments related to withheld insurance claims	9,502	8,048
Taxes	1,299	1,366
Depreciation	1,204	1,403
Provision for reserve for employees' retirement benefits	978	85
Other ordinary losses	524	768
Other core expenses	-	-
Core profit	3,960	10,709

(2) Reconciliation to Ordinary Profit

(Millions of yen)

Category	Three Months from October 1, 2008 to December 31, 2008	Three Months from October 1, 2009 to December 31, 2009
Core profit (A)	3,960	10,709
Capital gains	32,194	5,966
Gains from monetary trusts, net	-	-
Gains on investments in trading securities, net	-	-
Gains on sales of securities	25,835	5,901
Gains from derivatives, net	5,790	-
Foreign exchange gains, net	569	65
Others	-	-
Capital losses	123,770	6,471
Losses from monetary trusts, net	-	-
Losses on investments in trading securities, net	-	-
Losses on sales of securities	109,267	3,099
Devaluation losses on securities	14,502	200
Losses from derivatives, net	-	3,171
Foreign exchange losses, net	-	-
Others	-	-
Capital gains (losses) (B)	(91,575)	(504)
Core profit reflecting capital gains (losses) (A)+(B)	(87,614)	10,204
Other one-time gains	26,563	-
Ceding reinsurance recoveries	-	-
Reversal of contingency reserve	26,563	-
Others	-	-
Other one-time losses	177	261
Reinsurance premiums	-	-
Provision for contingency reserve	-	245
Provision for specific reserve for possible loans losses	98	-
Provision for specific reserve for loans to refinancing countries	-	-
Write-off of loans	78	16
Others	-	-
Other one-time gains (losses) (C)	26,386	(261)
Ordinary profit (losses) (A)+(B)+(C)	(61,227)	9,942

Exhibit

**The State of Investment in Securitized Products, Sub-prime Related Products and Others
(As of December 31, 2009)**

1. Overseas Investments

(1) SPEs

(Billions of yen)

	Fair value	Net unrealized gains/losses	Realized gains/losses
SPEs	-	-	-
ABCP	-	-	-
SIV	-	-	-
Other products	-	-	-

Note: The above table shows the figures for SPEs to invest in securitized products and others.

(2) CDO

(Billions of yen)

	Rating	Fair value	Net unrealized gains/losses	Realized gains/losses
CDO		-	-	-
ABS-CDO		-	-	-
AAA	AAA	-	-	-
AA	AA	-	-	-
A	A	-	-	-
BBB and below	BBB and below	-	-	-
CLO		-	-	-
AAA	AAA	-	-	-
AA	AA	-	-	-
A	A	-	-	-
BBB and below	BBB and below	-	-	-
CBO		-	-	-
Other products		-	-	-

(3) Other sub-prime and ALT-A exposure

(Billions of yen)

	Fair value	Net unrealized gains/losses	Realized gains/losses
Other sub-prime and ALT-A exposure	-	-	-

(4) CMBS

(Billions of yen)

	Rating	Fair value	(ref.) as of September 30, 2009	Net unrealized gains/losses	Realized gains/losses
CMBS		-	-	-	-
Japan		-	-	-	-
AAA	AAA	-	-	-	-
AA	AA	-	-	-	-
A	A	-	-	-	-
BBB and below	BBB and below	-	-	-	-

(5) Leveraged Finance

(Billions of yen)

	Fair value	(ref.) as of September 30, 2009	Net unrealized gains/losses	Realized gains/losses
Leveraged Finance	-	-	-	-

2. Domestic Investments

(1) SPEs

(Billions of yen)

	Fair value	Net unrealized gains/losses	Realized gains/losses
SPEs	-	-	-
ABCP	-	-	-
SIV	-	-	-
Other products	-	-	-

Note: The above table shows the figures for SPEs to invest in securitized products and others.

(2) CDO

(Billions of yen)

		Fair value	Net unrealized gains/losses	Realized gains/losses
CDO		9.0	0.0	0.1
ABS-CDO	Rating	6.0	0.0	0.0
	AAA	-	-	-
	sub-prime and ALT-A exposure	-	-	-
	AA	6.0	0.0	0.0
	sub-prime and ALT-A exposure	-	-	-
	A	-	-	-
CLO	BBB and below	-	-	-
	CLO	3.0	0.0	0.0
	AAA	3.0	0.0	0.0
	AA	-	-	0.0
	A	-	-	-
	BBB and below	-	-	-
CBO		-	-	-
Other products		-	-	-

(3) Other sub-prime and ALT-A exposure

(Billions of yen)

	Fair value	Net unrealized gains/losses	Realized gains/losses
Other sub-prime and ALT-A exposure	-	-	-

(4) CMBS

(Billions of yen)

		Fair value	(ref.) as of September 30, 2009	Net unrealized gains/losses	Realized gains/losses
CMBS		8.1	8.1	(0.0)	0.1
Japan	Rating	8.1	8.1	(0.0)	0.1
	AAA	2.4	2.4	0.0	0.0
	AA	1.8	1.8	(0.0)	0.0
	A	3.7	3.7	(0.0)	0.0
	BBB and below	-	-	-	-

(5) Leveraged Finance

(Billions of yen)

	Fair value	(ref.) as of September 30, 2009	Net unrealized gains/losses	Realized gains/losses
Leveraged Finance	-	-	-	-

(6) Other products

(Billions of yen)

		Fair Value	Net unrealized gains/losses	Realized gains/losses
RMBS		224.8	2.8	3.3
AAA	AAA	219.4	2.8	3.2
	Securities issued by Japan Housing Finance Agency	81.2	1.3	1.1
	AA	4.8	0.0	0.1
	A	0.4	-	0.0
	BBB and below	-	-	-
Other products		85.0	0.0	1.3
	AAA	9.8	(0.0)	0.1
	AA	36.0	0.0	0.4
	A	21.9	-	0.2
	BBB	2.0	-	0.0
	None (apartment loans securitized by Taiyo)	15.2	-	0.5

Notes: 1. RMBS are backed with domestic residential mortgages in Japan Housing Finance Agency and domestic finance institutions.

2. Other products include credit card-backed securities, lease-backed securities, credit linked loans and apartment loans.

Notes: 1. Realized gains/losses include interest, dividends and income from real estate for rent in addition to gains/losses on sales of securities.

2. Rating is based on JCR, R&I, S&P and Moody's. If there is more than one rating, lower rating is showed.