

November 28, 2005

Financial Results for the Six Months Ended September 30, 2005

The Dai-ichi Mutual Life Insurance Company (President: Katsutoshi Saito) announces financial results for the six months ended September 30, 2005.

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Attached: Supplementary Materials for the Six Months Ended September 30, 2005

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1. Business Highlights

(1) Policies in Force

	As of September 30, 2004		As of September 30, 2005						As of March 31, 2005	
	Number of policies (Thousands)	Amount (100 millions of yen)	Number of policies			Amount			Number of policies (Thousands)	Amount (100 millions of yen)
			(Thousands)	Changes (%)	Changes (pre-FYE, %)	(100 millions of yen)	Changes (%)	Changes (pre-FYE, %)		
Individual insurance	11,620	1,923,656	11,526	99.2	99.4	1,860,543	96.7	98.2	11,593	1,894,682
Individual annuities	1,168	65,192	1,164	99.7	99.9	65,819	101.0	100.7	1,165	65,351
Group insurance	-	552,586	-	-	-	552,763	100.0	100.8	-	548,560
Group annuities	-	61,850	-	-	-	59,907	96.9	100.5	-	59,615

- Note: 1. Policy amount in force of individual annuities is equal to (a) the funds to be held at the time annuity payments are to commence for an annuity for which payment has not yet commenced, and (b) the amount of policy reserve for an annuity for which payments have commenced.
2. Policy amount in force of group annuities is equal to the amount of outstanding corresponding policy reserve.
3. "Changes" for number and amount of policies in force are presented in comparison with the end of previous interim period (as of September 30, 2004).
4. "Changes (pre-FYE)" for number and amount of policies in force are presented in comparison with the previous fiscal year end (as of March 31, 2005).

(2) New Policies

	Number of policies (Thousands)	Amount (100 millions of yen)	Amount		Changes (%)
			New Business	Net increase by conversion	
Six months ended September 30, 2004					
Individual insurance	593	66,767	54,510	12,256	85.1
Individual annuities	18	1,180	1,291	(110)	192.7
Group insurance	-	6,343	6,343		188.1
Group annuities	-	5	5		323.1
Six months ended September 30, 2005					
Individual insurance	561	61,728	52,197	9,530	92.5
Individual annuities	18	1,252	1,344	(92)	106.1
Group insurance	-	2,859	2,859		45.1
Group annuities	-	8	8		165.7
Year ended March 31, 2005					
Individual insurance	1,197	139,088	114,894	24,194	91.2
Individual annuities	36	2,291	2,539	(248)	189.2
Group insurance	-	8,945	8,945		115.4
Group annuities	-	30	30		721.1

- Note: 1. Number of new policies is the sum of new business and policies after conversion.
2. Amount of new policies for individual annuities, both new business and net increase by conversion, is equal to the funds to be held at the time annuity payments are to commence.
3. Amount of new policies for group annuities is equal to the initial premium payment.
4. Changes for amount of new policies are presented in comparison with the previous interim period (six months ended September 30, 2004).

(reference) Surrender and lapses in individual insurance and individual annuities

	Six months ended September 30, 2004	Six months ended September 30, 2005
Amount of surrender and lapses	83,997	74,595
Surrender and lapses rate (%)	4.14	3.81

(100 Millions of yen except percentages)

Year ended March 31, 2005
163,022
8.03

(3) Annualized Net Premium of Individual Insurance and Individual Annuities with Medical and Survival Benefits (100 Millions of yen)

	As of September 30, 2004	As of September 30, 2005	Changes		As of March 31, 2005
			(%)	(pre-FYE, %)	
Policies in Force	4,432	4,610	104.0	101.7	4,533
	Six months ended September 30, 2004	Six months ended September 30, 2005	Changes (%)		Year ended March 31, 2005
New Policies	309	281	91.1		626

- Note: 1. Annualized net premium above includes (a) premium related to medical benefits such as hospitalization and surgery benefits, (b) premium related to survival benefits such as specific illness and nursing benefits, and (c) premium related to premium waiver benefits, in which disability cause is excluded but causes such as specific illness and nursing care are included.
 2. Annualized net premium is calculated by using multipliers for various premium payment terms to the premium per payment. In single premium contracts, the amount is calculated by dividing the premium by duration of policies.
 3. New policies include net increase by conversion.
 4. "Changes" for annualized net premium from policies in force and new policies are presented in comparison with the previous interim period (as of September 30, 2004 and for the six months ended September 30, 2004, respectively).
 5. "Changes (pre-FYE)" for annualized net premium from policies in force are presented in comparison with the previous fiscal year end (as of March 31, 2005).

(reference) Total annualized net premium of individual insurance and individual annuities

(100 Millions of yen)

	As of September 30, 2004	As of September 30, 2005	Changes		As of March 31, 2005
			(%)	(pre-FYE, %)	
Policies in Force	21,678	21,363	98.5	99.4	21,501
	Six months ended September 30, 2004	Six months ended September 30, 2005	Changes (%)		Year ended March 31, 2005
New Policies	856	805	94.1		1,728

- Note: 1. "Changes" for annualized net premium from policies in force and new policies are presented in comparison with the previous interim period (as of September 30, 2004 and for the six months ended September 30, 2004, respectively).
 2. "Changes (pre-FYE)" for annualized net premium from policies in force are presented in comparison with the previous fiscal year end (as of March 31, 2005).

(4) Profit and Loss Items

(Millions of yen except percentages)

	Six months ended September 30, 2004	Six months ended September 30, 2005	Changes (%)		Year ended March 31, 2005
Premium and other income	1,702,010	1,684,880	99.0		3,530,451
Investment income	360,992	517,617	143.4		835,774
Benefits and claims	1,586,537	1,485,678	93.6		3,411,184
Investment expense	135,017	105,354	78.0		238,005
Net surplus from operations	79,334	80,982	102.1		236,232

Note: Changes for profit and loss items are presented in comparison with the previous interim period (six months ended September 30, 2004).

(5) Total Assets

(Millions of yen except percentages)

	As of September 30, 2004	As of September 30, 2005	Changes		As of March 31, 2005
			(%)	(pre-FYE, %)	
Total Assets	29,711,695	30,621,934	103.1	102.6	29,847,706

- Note: 1. "Changes" for total assets are presented in comparison with the end of previous interim period (as of September 30, 2004).
 2. "Changes (pre-FYE)" for total assets are presented in comparison with the previous fiscal year end (as of March 31, 2005).

2.Unaudited Non-Consolidated Balance Sheets

(Millions of yen

	As of September 30, 2004		As of September 30, 2005		As of March 31, 2005 (summarized)	
	Amount	(%)	Amount	(%)	Amount	(%)
(ASSETS)						
Cash and deposits	173,535	0.6	148,452	0.5	188,229	0.6
Call loans	239,600	0.8	225,600	0.7	254,000	0.9
Deposit paid for securities borrowing transactions	-	-	-	-	20,298	0.1
Monetary claims bought	523,770	1.8	430,342	1.4	520,122	1.7
Money held in trust	3,031	0.0	6,911	0.0	6,108	0.0
Securities	20,948,943	70.5	22,416,880	73.2	21,411,692	71.7
[Government bonds]	[5,589,908]		[6,064,988]		[5,989,456]	
[Local government bonds]	[1,113,558]		[893,084]		[994,112]	
[Corporate bonds]	[3,185,180]		[3,121,114]		[3,094,283]	
[Stocks]	[4,444,947]		[5,201,716]		[4,666,697]	
[Foreign securities]	[6,212,054]		[6,662,172]		[6,237,635]	
Loans	6,109,716	20.6	5,760,721	18.8	5,805,303	19.4
Policy loans	736,310		708,399		712,438	
Ordinary loans	5,373,405		5,052,321		5,092,864	
Real estate and movable assets	1,284,915	4.3	1,231,491	4.0	1,247,909	4.2
[Real estate]	[1,277,780]		[1,225,456]		[1,241,592]	
Reinsurance receivables	78	0.0	57	0.0	107	0.0
Other assets	445,269	1.5	407,042	1.3	407,140	1.4
Customers' liabilities for acceptances and guarantees	2,822	0.0	6,897	0.0	1,110	0.0
Reserve for possible loan losses	(19,840)	(0.1)	(12,296)	(0.0)	(14,212)	(0.0)
Reserve for possible investment losses	(147)	(0.0)	(168)	(0.0)	(103)	(0.0)
Total assets	29,711,695	100.0	30,621,934	100.0	29,847,706	100.0

(Millions of yen

	As of September 30, 2004		As of September 30, 2005		As of March 31, 2005 (summarized)	
	Amount	(%)	Amount	(%)	Amount	(%)
(LIABILITIES)						
Policy reserves and others	26,533,836	89.3	26,795,068	87.5	26,486,069	88.7
Reserve for outstanding claims	323,226		210,275		274,269	
Policy reserves	25,776,802		26,167,488		25,821,788	
Reserve for policyholder dividends	433,806		417,304		390,010	
Reinsurance payables	528	0.0	442	0.0	434	0.0
Subordinated bonds	55,525	0.2	56,595	0.2	53,695	0.2
Other liabilities	1,078,127	3.6	987,964	3.2	948,285	3.2
Reserve for employees' retirement benefits	439,214	1.5	452,030	1.5	443,804	1.5
Reserve for contingent losses	25,921	0.1	-	-	-	-
Reserve for price fluctuations	173,453	0.6	186,953	0.6	180,453	0.6
Deferred tax liabilities	25,215	0.1	234,971	0.8	94,856	0.3
Deferred tax liabilities for land revaluation	3,919	0.0	15,639	0.1	15,373	0.1
Acceptances and guarantees	2,822	0.0	6,897	0.0	1,110	0.0
Total liabilities	28,338,565	95.4	28,736,562	93.8	28,224,083	94.6
(CAPITAL)						
Foundation funds	140,000	0.5	110,000	0.4	140,000	0.5
Accumulated redeemed foundation funds	220,000	0.7	250,000	0.8	220,000	0.7
Revaluation reserve	248	0.0	248	0.0	248	0.0
Surplus	154,818	0.5	158,175	0.5	221,086	0.7
Reserve for future losses	4,000		4,300		4,000	
General reserve	98,887		101,526		98,814	
Unappropriated retained earnings	51,930		52,349		118,271	
[Net surplus for the period]	52,109		51,948		138,925	
Reserve for land revaluation	6,946	0.0	27,718	0.1	27,248	0.1
Net unrealized gains on securities, net of tax	851,116	2.9	1,339,229	4.4	1,015,040	3.4
Total capital	1,373,130	4.6	1,885,372	6.2	1,623,623	5.4
Total liabilities and capital	29,711,695	100.0	30,621,934	100.0	29,847,706	100.0

3.Unaudited Non-Consolidated Statements of Earnings

(Millions of yen)

	Six months ended		Six months ended		Year ended March 31, 2005	
	September 30, 2004		September 30, 2005		(summarized)	
	Amount	(%)	Amount	(%)	Amount	(%)
ORDINARY REVENUES	2,225,884	100.0	2,433,635	100.0	4,746,767	100.0
Premium and other income	1,702,010		1,684,880		3,530,451	
[Premium income]	[1,701,722]		[1,684,613]		[3,529,690]	
Investment income	360,992		517,617		835,774	
[Interest and dividends]	[301,835]		[319,899]		[639,718]	
[Gains on money held in trust]	[-]		[727]		[-]	
[Gains on sale of securities]	[53,542]		[49,481]		[124,807]	
[Gains on redemption of securities]	[300]		[3,071]		[3,932]	
[Gains on investment in separate accounts]	[910]		[144,144]		[61,966]	
Other ordinary revenues	162,881		231,136		380,541	
[Transfer from policy reserves]	[19,507]		[-]		[-]	
ORDINARY EXPENSES	2,146,549	96.4	2,352,653	96.7	4,510,534	95.0
Benefits and claims	1,586,537		1,485,678		3,411,184	
[Claims]	[414,890]		[498,303]		[846,083]	
[Annuities]	[108,495]		[124,199]		[287,787]	
[Benefits]	[258,638]		[253,028]		[525,233]	
[Surrender values]	[593,554]		[492,079]		[1,396,106]	
[Other refunds]	[210,469]		[117,459]		[354,909]	
Provision for policy reserves and others	16,355		351,770		37,935	
Provision for reserve for outstanding claims	10,039		-		-	
Provision for policy reserves	-		345,699		25,478	
Provision for interest on policyholder dividends	6,316		6,070		12,456	
Investment expenses	135,017		105,354		238,005	
[Interest expenses]	[3,636]		[3,841]		[7,185]	
[Losses on money held in trust]	[271]		[-]		[134]	
[Losses on sale of securities]	[68,253]		[34,337]		[111,707]	
[Losses on valuation of securities]	[2,514]		[2,023]		[5,355]	
[Losses on redemption of securities]	[1,598]		[57]		[2,640]	
[Derivative transaction losses]	[15,313]		[9,555]		[17,334]	
Operating expenses	206,622		205,270		425,415	
Other ordinary expenses	202,016		204,579		397,993	
NET SURPLUS FROM OPERATIONS	79,334	3.6	80,982	3.3	236,232	5.0
Extraordinary gains	7,562	0.3	1,060	0.0	16,028	0.3
Extraordinary losses	23,127	1.0	20,736	0.9	80,977	1.7
Net surplus before adjustment for taxes, etc.	63,769	2.9	61,306	2.5	171,283	3.6
Corporate income tax-current	44,535	2.0	51,889	2.1	76,485	1.6
Corporate income tax-deferred	(32,874)	(1.5)	(42,531)	(1.7)	(44,127)	(0.9)
Net surplus for the period	52,109	2.3	51,948	2.1	138,925	2.9
Transfer from subsidy for social public enterprise	826	0.0	826	0.0	826	0.0
Transfer from fund for Public Health Awards	42	0.0	41	0.0	69	0.0
Transfer from fund for Green Design Award	5	0.0	4	0.0	51	0.0
Transfer from revaluation reserve	(1,052)	(0.0)	(470)	(0.0)	(21,601)	(0.5)
Unappropriated net surplus for the period	51,930	2.3	52,349	2.2	118,271	2.5

Notes to the Unaudited Interim Non-Consolidated Financial Statements for the Six Months Ended September 30, 2005

I. Basis for Preparation of Unaudited Interim Non-Consolidated Balance Sheet and Statement of Earnings for the six months ended September 30, 2005

1. Valuation Methods of Securities

The valuation of securities, including bank deposits and monetary claims bought which are equivalent to marketable securities, and marketable securities managed as trust assets in money held in trust, is as explained below:

Trading securities are carried at fair value with cost determined by the moving average method. Held-to-maturity debt securities are stated at amortized cost determined by the moving average method. Policy-reserve-matching bonds are stated at amortized cost determined by the moving average method in accordance with the Industry Audit Committee Report No. 21 “Temporary Treatment of Accounting and Auditing Concerning Policy-reserve-matching Bonds in the Insurance Industry” issued by the Japanese Institute of Certified Public Accountants (JICPA).

Stocks of subsidiaries and affiliated companies are stated at cost determined by the moving average method.

Available-for-sale securities which have market value are valued at market value at the end of the interim period (for domestic stocks, the average value during September), with cost determined by the moving average method. With respect to available-for-sale securities for which there is no market value, government/corporate bonds (including foreign bonds), whose premium or discount represents the interest adjustment, are valued at the amortized cost, determined by the moving average method, and all others are valued at cost using the moving average method. Net unrealized gains or losses on these available-for-sale securities are presented as a separate component of capital and not in the non-consolidated statements of earnings.

The amortization of premium or discount is calculated by the straight-line method.

2. Policy-reserve-matching Bonds

The Company classifies yen-denominated bonds that are held to match the duration of sub-groups of (i) individual life insurance and annuities with the maturity of 10 years or less, (ii) individual life insurance and annuities with the maturity of more than 10 years and within 40 years, (iii) financial insurance and annuities, and (iv) employee-funded corporate pension contracts, with the exception of some insurance types, as policy-reserve-matching bonds in accordance with the Industry Audit Committee Report No. 21 “Temporary Treatment of Accounting and Auditing Concerning Policy-reserve-matching Bonds in the Insurance Industry” issued by the Japanese Institute of Certified Public Accountants (JICPA).

The total of policy-reserve-matching bonds as of September 30, 2005 amounted to ¥3,896,716 million. The market value of these bonds as of September 30, 2005 was ¥3,978,565 million.

3. Valuation Methods of Derivative Transactions

Derivative transactions are reported at fair value.

4. Depreciation of Real Estate and Movable Assets

Depreciation of buildings (excluding leasehold improvements and structures) is calculated by the straight-line method, while depreciation of assets other than buildings is determined by the declining balance method. Movable assets acquired for ¥100,000 or more but less than ¥200,000 are depreciated by equal amounts over three years.

5. Translation of Assets and Liabilities Denominated in Foreign Currencies to Yen

Foreign currency-denominated assets and liabilities are translated to yen at the prevailing exchange rate at the end of the interim period. Stocks of subsidiaries and affiliated companies are translated to yen at the exchange rate on the date of acquisition.

6. Reserve s

(1) Reserve for Possible Loan Losses

Reserve for possible loan losses is calculated based on the internal rules for self-assessment, write-offs and reserves on assets.

For loans to and claims on obligors that have already experienced bankruptcy, reorganization, or other formal legal failure (hereafter, “bankrupt obligors”) and loans to and claims on obligors that have suffered substantial business failure (hereafter, “substantially bankrupt obligors”), the reserve is calculated by deducting the estimated recoverable amount of the collateral or guarantees from the book value of the loans and claims after the direct write-off described below.

For loans and claims to obligors that have not yet suffered business failure but are considered highly likely to fail (hereafter, “obligors at risk of bankruptcy”), the reserve is calculated by deducting the estimated recoverable amount, determined based on an overall assessment of the obligor’s ability to pay and collateral or guarantees, from book value of the loans and claims.

For other loans and claims, the reserve is calculated by multiplying the actual rate or other appropriate rate of losses from bad debts during a certain period in the past by the amount of the loans and claims.

For all loans and claims, the relevant department in the Company performs an asset quality assessment based on the internal rules for self-assessment, and an independent audit department audits the result of the assessment. The above reserves are established based on the result of this assessment.

For loans and claims to bankrupt and substantially bankrupt obligors, the unrecoverable amount is calculated by deducting the amount deemed recoverable from collateral and guarantees from the amount of the loans and claims and is directly written off from the amount of the loans and claims. The amount written off during the six months ended September 30, 2005 was ¥13,461 million.

(2) Reserve for Employees’ Retirement Benefits

For the reserve for employees’ retirement benefits, the amount calculated in accordance with the accounting standards for retirement benefits (“Statement on Establishing Accounting Standards for Retirement Benefits” issued on June 16, 1998 by the Business Accounting Council) is provided, based on the estimation of projected benefit obligations and pension assets as of March 31, 2005.

Gains on plan amendments are amortized by the straight-line method over certain years based on employees’ average remaining length of service.

Actuarial differences are amortized from the following fiscal year over certain years based on employees’ average remaining length of service.

(3) Reserve for Possible Investment Losses

A reserve for possible investment losses is established for securities with no market value. It is calculated based on the internal rules for self-assessment, write-offs and reserves on assets.

(4) Reserve for Price Fluctuations

A reserve for price fluctuations is calculated substantially in accordance with Article 115 of the Insurance Business Law.

7. Methods for Hedge Accounting

Hedging transactions are accounted for in accordance with the “Statement on Establishment of Accounting Standards for Financial Products” issued on January 22, 1999 by the Business Accounting Council. Primarily, special hedge accounting for interest swaps and the deferral hedge method are used for cash flow hedges of certain ordinary

loans and government and corporate bonds; the currency allotment method is used for foreign currency-denominated loans, and the fair value hedge method is used for hedges against exchange rate fluctuations in the value of certain foreign currency-denominated securities. Hedge effectiveness is assessed primarily by a comparison of fluctuations in cash flows or fair values of hedged and hedging instruments.

8. Calculation of National and Local Consumption Tax

The Company accounts for national and local consumption tax by the tax-exclusion method. Non-recoverable consumption tax on certain assets is capitalized as other assets and amortized equally over 5 years in accordance with the Tax Law, and such taxes other than deferred consumption tax are recognized as an expense when incurred.

9. Policy Reserves

Policy reserves of the Company are established in accordance with Article 116 of the Insurance Business Law. Insurance premium reserves are calculated as follows:

- Reserves for policies subject to the standard policy reserve rules are calculated based on the methods stipulated by the Commissioner of Financial Services Agency (Notification of the Minister of Finance No. 48, 1996).
- Reserves for other policies are established based on the net level premium method.

10. Amortization of Software Costs

The Company uses the straight-line method of amortization for the software, which is reported as other assets, based on the estimated useful life of five years.

11. Corporate Income Taxes and Resident Taxes

Corporate income taxes and resident taxes, including taxes deferred, for the six months ended September 30, 2005 are calculated based on the estimated provision for or reversal of reserves for tax basis adjustments of real estate and reserve for policyholder dividends, and estimated interest payment for foundation funds, in the appropriation of net surplus at the fiscal year end.

12. Deferred Assets

Deferred discount on bonds is recognized as other assets. Amortization is calculated by the straight-line method over the period for which bonds are outstanding.

13. Impairment Accounting on Fixed Assets

Effective from the six months ended September 30, 2005, impairment accounting on fixed assets is adopted in accordance with “Opinions on Accounting Standards for Impairment of Fixed Assets” by the Business Accounting Council (August 9, 2002) and “Guidance for the Application of Accounting Standards for Impairment of Fixed Assets” (Guidance for the Application of Accounting Standards No.6, October 31, 2003). The effect of this change was to decrease net surplus before adjustment for taxes, etc. by ¥11,399 million for the six months ended September 30, 2005.

II. Notes to the Unaudited Interim Non-Consolidated Balance Sheet as of September 30, 2005

1. Yen Amounts

Yen amounts of less than ¥1 million have been omitted.

2. Revaluation of Land

Based on the “Law for Revaluation of Land” (Publicly Issued Law 34, March 31, 1998), the Company revalued land for business use. The difference between fair value and book value resulting from the revaluation, net of related deferred taxes, is recorded as reserve for land revaluation as a separate component of capital and the related deferred tax liability is recorded as deferred tax liabilities for land revaluation.

- Date of revaluation: March 31, 2001
- Method stipulated in Article 3 Paragraph 3 of the Law for Revaluation of Land

The fair value was determined based on the appraisal value publicly announced for tax assessment purposes with certain reasonable adjustments in accordance with Article 2-1 and 2-4 of the Enforcement Ordinance relating to the Law for Revaluation of Land.

The excess of the new book value of the land over the fair value after revaluation in accordance with Article 10 of the Law for Revaluation of Land as of September 30, 2005 was ¥96,239 million.

3. Accumulated Depreciation of Real Estate and Movable Assets

Accumulated depreciation of real estate and movable assets was ¥590,804 million.

4. Accounting for Beneficial Interests in Securitized Mortgage Loans

The trust beneficial interests obtained in the securitization of mortgage loans originated by the Company in August 2000 amounted to ¥26,793 million and are included as loans in the non-consolidated balance sheet. The reserve for possible loan losses for this particular beneficial interests is calculated based on the balance of the underlying loans. The balance of the underlying loans in the trust as of September 30, 2005 was ¥109,664 million.

5. Problem Loans

The total amounts of credits to bankrupt borrowers, delinquent loans, loans past due for three months or more, and restructured loans, which were included in loans, amounted to ¥27,012 million. The amount of credits to bankrupt borrowers was ¥1,212 million, the amount of delinquent loans was ¥20,140 million, the amount of loans past due for three months or more was ¥923 million, and the amount of restructured loans was ¥4,735 million.

Credits to bankrupt borrowers represent non-accrual loans, excluding the balances already written-off, which meet the conditions prescribed in Article 96, Paragraph 1, Item 3 and 4 of the Enforcement Ordinance of the Corporation Tax Law. Accruals of such loans are suspended since the principal or interest on such loans is unlikely to be collected.

Delinquent loans are credits that are delinquent other than credits to bankrupt borrowers and loans for which interest payments have been suspended to assist and support the borrowers in the restructuring of their businesses.

Loans past due for three months or more are loans for which interest or principal payments are delinquent for three months or more under the terms of the loans excluding those loans classified as credits to bankrupt borrowers or delinquent loans.

Restructured loans are loans for which certain concessions favorable to borrowers, such as interest reductions or exemptions, postponement of principal or interest payments, release from repayment or other agreements have been negotiated for the purpose of assisting and supporting the borrowers in the restructuring of their businesses. This category excludes loans classified as credits to bankrupt borrowers, delinquent loans, and loans past due for three months or more.

As a result of the direct write-off of loans, credits to bankrupt borrowers and delinquent loans decreased by ¥6,751 million and ¥6,709 million, respectively.

6. Assets and Liabilities Held in Separate Accounts

The total amounts of assets held in separate accounts defined in Article 118 of the Insurance Business Law was ¥1,493,606 million. Separate account liabilities were the same amount as separate account assets.

7. Leased Computers

In addition to movable assets included in the non-consolidated balance sheet, the Company has computers as significant leased movable assets.

8. Changes in Reserve for Policyholder Dividends

Changes in reserve for policyholder dividends were as follows:

	(Millions of yen)
Balance at the end of previous fiscal year	¥ 390,010
Transfer from surplus in previous fiscal year	82,164
Dividends paid in the interim period	(60,941)
Interest accrual in the interim period	6,070
	<hr/>
Balance at the end of the interim period	¥ 417,304

9. Redemption of Foundation Funds and Provision for Accumulated Redeemed Foundation Funds

Due to the redemption of foundation funds of ¥30,000 million during the six months ended September 30, 2005, the Company provided the same amount as accumulated redeemed foundation funds, in accordance with Article 56 of the Insurance Business Law.

10. Commitment Line

There were unused commitment line agreements under which the Company is the lender of ¥22,188 million.

11. Subordinated Debt

Other liabilities included subordinated debt of ¥130,000 million whose repayment is subordinated to other obligations.

12. Subordinated Bonds

Subordinated bonds of ¥56,595 million shown in liabilities were foreign currency-denominated subordinated bonds whose repayment is subordinated to other obligations.

13. Obligations to the Life Insurance Policyholders Protection Corporation of Japan

The future obligations of the Company estimated as of September 30, 2005, imposed by the former Insurance Policyholders Protection Fund that has been taken over by the Life Insurance Policyholders Protection Corporation of Japan based on the Supplementary Provision 140 Paragraph 5 of the Financial System Reform Law, amount to ¥6,812 million. These obligations will be recognized as operating expenses in the years in which they are paid.

The future obligations of the Company estimated as of September 30, 2005 to the Life Insurance Policyholders Protection Corporation of Japan under Article 259 of the Insurance Business Law were ¥44,264 million. These obligations will be recognized as operating expenses in the years in which they are paid.

14. Stocks of Subsidiaries

The amount of stocks of subsidiaries the Company held was ¥11,307 million.

15. Assets Pledged as Collateral / Secured Liabilities

Assets pledged as collateral totaled ¥125,947 million. Secured liabilities totaled ¥2,235 million.

16. Securities Lending

Securities lent under lending agreements are included in the non-consolidated balance sheet. The total balance of securities lent was ¥483,977 million.

17. Reinsurance

Reserves for outstanding claims are not provided for reinsured parts defined in Article 71, Paragraph 1 of the Enforcement Ordinance of the Insurance Business Law, which is referred to in Article 73, Paragraph 3 of the Enforcement Regulations of the Law (hereinafter “reserves for outstanding claims reinsured”). The amount of policy reserves provided for reinsured parts defined in Article 71, Paragraph 1 of the Enforcement Ordinance of the Law (hereinafter “policy reserves reinsured”) was ¥0 million.

III. Notes to the Unaudited Interim Non-Consolidated Statement of Earnings for the six months ended September 30, 2005

1. Yen Amounts

Yen amounts of less than ¥1 million have been omitted.

2. Gains/Losses on Sale of Securities, Losses on Valuation of Securities

Gains on sale of securities included gains on sales of domestic bonds, domestic stocks and foreign securities of ¥7,364 million, ¥9,922 million and ¥32,194 million, respectively.

Losses on sale of securities included losses on sales of domestic bonds, domestic stocks and foreign securities of ¥8,956 million, ¥10,438 million and ¥14,943 million, respectively.

Losses on valuation of securities included losses on valuation of domestic bonds, domestic stocks and foreign securities of ¥86 million, ¥803 million and ¥1,133 million, respectively.

3. Reinsurance

In calculating reversal of reserves for outstanding claims, there was no adjustment of provision for reserves for outstanding claims reinsured. In calculating provision for policy reserves, reversal of policy reserves reinsured of ¥0 million was added back.

4. Interest and Dividends

Major components of interest and dividends for the six months ended September 30, 2005 were as follows:

	(Millions of yen)
Interest from bank deposits	¥ 16
Interest and dividends from securities	234,391
Interest from loans	55,562
Rental income	26,539
Other interest and dividends	3,389
	<hr/>
Total	¥ 319,899

5. Gains on Money Held in Trust

Gains on money held in trust included gains on valuation of securities of ¥591 million.

6. Derivative Transaction Losses

Derivative transaction losses included valuation losses of ¥3,330 million.

7. Impairment Loss on Fixed Assets

Details on impairment loss on fixed assets for the six months ended September 30, 2005 were as follows:

(1) Methods of Grouping Assets

Real estate and other assets used for insurance business purposes are recognized as a single asset group as a whole. Each real estate for rent and real estate not in use, which is not used for insurance business purposes, is deemed as an independent asset group.

(2) Rationale for Recognition of Impairment Loss

As a result of significant decline in profitability or market value in some asset groups, the Company wrote down the book value of these assets to the recoverable amount, and reported the reduced amount as an impairment loss in extraordinary losses.

(3) Breakdown of Impairment Loss

Amount of impairment loss by asset group and by category of fixed assets is as follows:

Usage	Number	Impairment Loss			(Millions of yen)
		Land	Leased Land	Building	Total
Real estate for rent	4	¥ 1,113	¥ 7,018	¥ 1,903	¥ 10,034
Real estate not in use	9	1,283	—	81	1,364
Total	13	¥ 2,396	¥ 7,018	¥ 1,984	¥ 11,399

(4) Calculation of Recoverable Amount

Value in use or net sale value is applied for recoverable amount of real estate for rent, and net sale value is applied for recoverable amount of real estate not in use. Discount rate of 3.27% is applied for discounting future cash flows in calculation of value in use. With respect to the net sale value, estimated disposal value, appraisal value based on real estate appraisal standards, or appraisal value based on publicly assessed land value is applied.

4. Breakdown of Net Surplus from Operations (Fundamental Profit)

(Millions of yen)

	Six months ended September 30, 2004	Six months ended September 30, 2005	Year ended March 31, 2005
Fundamental revenues	2,239,342	2,383,427	4,718,505
Premium and other income	1,702,010	1,684,880	3,530,451
Investment income	307,450	467,409	710,966
[Interest and dividends]	[301,835]	[319,899]	[639,718]
Other ordinary revenues	229,881	231,136	477,087
[Transfer from policy reserves]	[86,507]	[-]	[96,546]
Fundamental expense	2,038,530	2,160,927	4,295,203
Benefits and claims	1,586,537	1,485,678	3,411,184
Provision for policy reserves and others	16,355	243,270	12,456
Investment iexpenses	26,997	22,129	48,153
Operating expenses	206,622	205,270	425,415
Other ordinary expenses	202,016	204,579	397,993
Fundamental profit	A	200,811	222,499
Capital gains	53,542	50,208	124,807
Gains on money held in trust	-	727	-
Gains on investments in trading securities	-	-	-
Gains on sale of securities	53,542	49,481	124,807
Derivative transaction gains	-	-	-
Foreign exchange gains	-	-	-
Gains on trading account securities	-	-	-
Others	-	-	-
Capital losses	108,017	83,154	189,811
Losses on money held in trust	271	-	134
Losses on investments in trading securities	-	-	-
Losses on sale of securities	68,253	34,337	111,707
Losses on valuation of securities	2,514	2,023	5,355
Derivative transaction losses	15,313	9,555	17,334
Foreign exchange losses	21,664	37,237	55,279
Losses on trading account securities	-	-	-
Others	-	-	-
Net capital gains	B	(54,475)	(65,003)
Fundamental profit plus net capital gains	A+B	146,336	358,298
Other one-time gains	-	-	-
Reinsurance income	-	-	-
Reversal of contingency reserve	-	-	-
Others	-	-	-
Other one-time losses	67,001	108,570	122,066
Ceding reinsurance commissions	-	-	-
Provision for contingency reserve	67,000	108,500	122,025
Provision for specific reserve for possible loan losses	-	-	-
Provision for specific reserve for loans to refinancing countries	-	-	-
Write-down of loans	1	6	40
Others	-	64	-
Other one-time profits	C	(67,001)	(122,066)
Net surplus from operations	A+B+C	79,334	236,232

Note: 'Others' in other one-time losses represents provision for reserve for possible investment losses.

5. Investment of General Account Assets for the Six Months Ended September 30, 2005

(1) Investment Environment

Economic conditions in Japan for the period reached the final stage in the temporal stalemate; private domestic demand including consumer spending and capital investment continued to show steady recovery, and production adjustments in the technology sector caused by high inventory level has progressed.

Although U.S. economy suffered from adverse factors such as rise in energy prices and hurricanes, sound consumer spending due to improvement in employment and personal income conditions, as well as growing trend in capital investment supported by increasing corporate earnings resulted in continuously stable economic growth comparable to its potential.

Under the economic environment described above, investment environment was as follows:

[Domestic interest rate]

Yield on ten year government bonds remained at low level in general due to the temporal stalemate of the economy. However, toward the end of the period, upward pressure on interest rate increased reflecting stronger expectation on end of the stalemate and on possible lift of ultra-loose monetary policy. As a result, the interest rate ended at 1.475%.

Yield on ten-year government bonds:	March 31, 2005	1.320%
	September 30, 2005	1.475%

[Domestic Stocks]

Nikkei 225 surged strongly during and after summer, reflecting expectation on economic re-boost as well as steady corporate earnings, and ended the period at the level beyond 13,500.

Nikkei 225 Stock Average:	March 31, 2005	¥ 11,668
	September 30, 2005	¥ 13,574
TOPIX:	March 31, 2005	1,182
	September 30, 2005	1,412

[Foreign Currency]

U.S. dollar strengthened in general, reflecting increasing interest rate differentials between U.S. and Japan/Euro caused mainly by FRB's tightening monetary policy, as well as contrastive economic sentiment in those countries. Euro, on the other hand, due to the political crisis and slow economic recovery, dropped temporarily to ¥130 level against yen, but recovered toward the end of the period to ¥136 level, almost the same level as the previous year end.

yen/U.S. dollar:	March 31, 2005	¥107.39
	September 30, 2005	¥113.19
yen/euro:	March 31, 2005	¥138.87
	September 30, 2005	¥136.13

(2) Investment Results

[Asset Composition]

The Company continued to set fixed income investments, including bonds and loans, as a core of its asset portfolio, consistent with its mid- to long-term investment policies. Under its perspective that U.S. dollar and other foreign currencies would remain stable against Japanese yen, the Company increased its investment in foreign bonds in order to improve profitability, while controlling related risks by enhancing diversification of the portfolio.

The table below summarizes the investment results of general account by asset:

Assets	Investment results
Domestic bonds	The Company increased its position in domestic bonds evenly throughout the period based on Asset Liability Management (ALM) strategy. The Company also actively replaced low-yield bonds to those with higher yield during the period of higher interest rates. The Company also made efforts to improve investment yields by making various portfolio adjustments based on measures such as yield-curve analysis.
Loans	Total balance of loans decreased due to low demand from corporate borrowers. The Company maintained high profitability by setting adequate risk adjusted spreads, while also paying attention to the credit spread changes in the bond market.
Domestic stocks	Although the Company continues its long-term effort to reduce risk relating to stock holdings, the Company maintained the exposure for the interim period, taking into account the recent strong market conditions.
Foreign bonds	The Company increased its investment in foreign currency-denominated bonds with currency risk un-hedged, under its perspective that U.S. dollar and other foreign currencies would remain stable against Japanese yen. The Company controlled the related risks by diversifying the portfolio by sector and currency.
Foreign Stocks	The Company increased its investment in foreign stocks, adopting independent investment advisors as well as in-house managers to enhance diversified geographic allocation and investment styles.
Real Estate	Although decline in domestic real estate price has relatively slowed down, continuous polarization in the market is observed. Taking into account such trends, the Company continued to replace low return real estate with one with high risk-return profiles.

Note: Changes in assets are described in book value basis.

[Investment income and expenses]

The Company's efforts, which include timely replacement of low-yield domestic bonds with policy-reserve-matching bonds with longer duration and investment in foreign bonds, and increase in dividends from domestic stocks, led the Company to enjoy increase in income from interest and dividends compared to the previous interim period ended September 30, 2004. Therefore, along with other factors, investment income increased by ¥13,391 million, or 3.7% to ¥373,473 million. On the other hand, investment losses decreased by ¥29,663 million, or 22.0% to ¥105,354 million, mainly due to decrease in losses on sale of securities. As a result, net investment income increased by ¥43,054 million, or 19.1% to ¥268,119 million for the six months ended September 30, 2005.

(3) Investment Environment Outlook for the Six Months Ending March 31, 2006

Japanese economy in the second half of the fiscal year is likely to overcome the temporal stalemate and will show another recovery. Specifically, gradual improvement in employment and personal income will continue and will support steady consumer spending, while capital investment will maintain healthy growth reflecting increasing corporate earnings. Moreover, increase in exports is expected driven by recovery in foreign economies.

[Domestic interest rate]

Increasing expectation on lift of ultra-loose monetary policy by Bank of Japan is likely to put upward pressure on domestic interest rates. However, rapid rise in interest rate is unlikely, and ten-year government bond yield will likely gradually rise from mid-1% range to upper 1% range.

[Domestic stocks]

Domestic stock market will likely be stable reflecting the expected economic recovery and healthy growth in corporate earnings.

[Foreign currency]

The U.S. dollar will likely continue to be stable against other major currencies, mainly due to widening interest rate differentials against Japan and Euro, based on the outlook that FRB continues gradual tightening of federal funds rate.

(4) Investment Policies for the Six Months Ending March 31, 2006

The Company will continue to set fixed income investments, including bonds and loans, as a core of its asset portfolio, consistent with its mid- to long-term investment policies. The Company will increase its exposure in domestic bonds when interest rate shows upward trend from ALM perspective. The Company also intends to further enhance risk control measures by diversification and improve profitability, aiming for improved efficiency in overall investment portfolio.

The table below summarizes the expected investments of general account by asset:

Assets	Investment policies
Domestic bonds	<u>Increase</u> Taking into account possible re-boost of domestic economy, the Company will increase its investment in domestic bonds, mainly long-term and super-long-term bonds, when interest rate rises.
Loans	<u>Decrease</u> The Company will provide loans with attention to lending conditions and credit spread levels in the corporate bond market. However, total balance of loans is expected to decrease due to low demand from corporate borrowers.
Domestic stocks	<u>Slight decrease</u> The Company continues to reduce exposure in stock holdings to well control long-term risk-return profile of the overall asset portfolio. The Company will also make effort to improve profitability by actively selecting companies and sectors with high growth potential.
Foreign bonds	<u>Flat.</u> The Company will maintain foreign currency-denominated bond portfolio at the present level, since it contributes to diversification and better risk-return profile of the overall asset portfolio. The Company will carefully monitor domestic and foreign interest rate differentials.
Foreign Stocks	<u>Slight increase</u> The Company will continue to seek regional diversification, as well as investment style diversification by utilizing both in-house managers and independent investment advisors.

6. Investment Results of General Account

(1) Asset Composition (General Account)

(Millions of yen)

	As of September 30, 2004		As of September 30, 2005		As of March 31, 2005	
	Carrying value	%	Carrying value	%	Carrying value	%
Cash, deposits, and call loans	366,685	1.3	347,577	1.2	410,029	1.4
Security repurchased under resale agreements	-	-	-	-	-	-
Deposit paid for securities borrowing transactions	-	-	-	-	20,298	0.1
Monetary claims bought	523,770	1.8	430,342	1.5	520,122	1.8
Trading account securities	-	-	-	-	-	-
Money held in trust	3,031	0.0	6,911	0.0	6,108	0.0
Securities	19,720,508	69.4	20,997,933	72.0	20,151,762	70.7
Domestic bonds	9,521,674	33.5	9,701,811	33.3	9,697,160	34.0
Domestic stocks	4,053,891	14.3	4,735,263	16.2	4,287,014	15.0
Foreign securities	5,892,022	20.7	6,289,318	21.6	5,908,290	20.7
Foreign bonds	5,368,157	18.9	5,602,182	19.2	5,349,653	18.8
Foreign stocks and other securities	523,864	1.8	687,136	2.4	558,636	2.0
Other securities	252,920	0.9	271,539	0.9	259,297	0.9
Loans	6,108,216	21.5	5,759,721	19.8	5,803,803	20.4
Policy loans	736,310	2.6	708,399	2.4	712,438	2.5
Ordinary loans	5,371,905	18.9	5,051,321	17.3	5,091,364	17.9
Real estate	1,277,780	4.5	1,225,456	4.2	1,241,592	4.4
Real estate for rent	811,142	2.9	772,613	2.7	781,610	2.7
Deferred tax assets	-	-	-	-	-	-
Others	434,708	1.5	392,256	1.3	377,697	1.3
Reserve for possible loan losses	(19,839)	(0.1)	(12,296)	(0.0)	(14,211)	(0.0)
Total	28,414,861	100.0	29,147,905	100.0	28,517,204	100.0
Foreign currency-denominated assets	4,977,049	17.5	5,374,194	18.4	5,030,680	17.6

(2) Changes (Increase/Decrease) in Assets (General Account)

	Six months ended September 30, 2004	Six months ended September 30, 2005	Year ended March 31, 2005
Cash, deposits, and call loans	(162,716)	(62,451)	(119,372)
Security repurchased under resale agreements	-	-	-
Deposit paid for securities borrowing transactions	-	(20,298)	20,298
Monetary claims bought	37,499	(89,779)	33,852
Trading account securities	-	-	-
Money held in trust	839	803	3,916
Securities	565,686	846,171	996,940
Domestic bonds	336,830	4,651	512,316
Domestic stocks	(85,997)	448,249	147,125
Foreign securities	284,174	381,028	300,442
Foreign bonds	254,423	252,528	235,920
Foreign stocks and other securities	29,751	128,500	64,522
Other securities	30,679	12,242	37,056
Loans	(260,016)	(44,081)	(564,429)
Policy loans	(1,652)	(4,039)	(25,524)
Ordinary loans	(258,364)	(40,042)	(538,905)
Real estate	9,693	(16,136)	(26,493)
Real estate for rent	16,105	(8,996)	(13,426)
Deferred tax assets	-	-	-
Others	(89,719)	14,559	(146,730)
Reserve for possible loan losses	7,092	1,915	12,720
Total	108,359	630,700	210,703
Foreign currency-denominated assets	155,024	343,514	208,655

(3) Investment Income (General Account)

(Millions of yen)

	Six months ended September 30, 2004	Six months ended September 30, 2005	Year ended March 31, 2005
Interest and dividends	301,835	319,899	639,718
Interest from deposits	10	16	23
Interest and dividends from securities	208,653	234,391	456,256
Interest from loans	62,672	55,562	121,804
Rental income	27,580	26,539	55,639
Other interest and dividends	2,918	3,389	5,993
Gains on trading account securities	-	-	-
Gains on money held in trust	-	727	-
Gains on investments in trading securities	-	-	-
Gains on sale of securities	53,542	49,481	124,807
Gains on sale of domestic bonds	5,814	7,364	9,168
Gains on sale of domestic stocks	34,063	9,922	57,558
Gains on sale of foreign securities	13,664	32,194	58,080
Others	-	-	-
Gains on redemption of securities	300	3,071	3,932
Derivative transaction gains	-	-	-
Foreign exchange gains	-	-	-
Other investment income	4,404	294	5,349
Total	360,082	373,473	773,807

(4) Investment Expense (General Account)

(Millions of yen)

	Six months ended September 30, 2004	Six months ended September 30, 2005	Year ended March 31, 2005
Interest expenses	3,636	3,841	7,185
Losses on trading account securities	-	-	-
Losses on money held in trust	271	-	134
Losses on investments in trading securities	-	-	-
Losses on sale of securities	68,253	34,337	111,707
Losses on sale of domestic bonds	35,910	8,956	40,758
Losses on sale of domestic stocks	11,439	10,438	15,715
Losses on sale of foreign securities	20,903	14,943	55,233
Others	-	-	-
Losses on valuation of securities	2,514	2,023	5,355
Losses on valuation of domestic bonds	-	86	-
Losses on valuation of domestic stocks	1,800	803	2,862
Losses on valuation of foreign securities	714	1,133	2,493
Others	-	-	-
Losses on redemption of securities	1,598	57	2,640
Derivative transaction losses	15,313	9,555	17,334
Foreign exchange losses	21,664	37,237	55,279
Provision for reserve for possible loan losses	-	-	-
Provision for reserve for possible investment losses	-	64	-
Write-down of loans	1	6	40
Depreciation of rental real estate and others	8,791	7,842	17,072
Other investment expenses	12,972	10,387	21,255
Total	135,017	105,354	238,005

(5) Net Investment Income (General Account)

(Millions of yen)

	Six months ended September 30, 2004	Six months ended September 30, 2005	Year ended March 31, 2005
Net investment income	225,065	268,119	535,802

(6) Valuation Gains and Losses on Trading Securities (General Account)

(Millions of yen)

	As of September 30, 2004		As of September 30, 2005		As of March 31, 2005	
	Carrying value on the balance sheet	Valuation gains (losses) included in the statement of earnings	Carrying value on the balance sheet	Valuation gains (losses) included in the statement of earnings	Carrying value on the balance sheet	Valuation gains (losses) included in the statement of earnings
Trading securities	1,550	-	5,346	592	4,666	100
Money held in trust	1,550	-	5,346	592	4,666	100

Note: 'Valuation gains (losses) included in statement of earnings' include reversal gains (losses) at the beginning of the period.

(7) Fair Value Information on Securities (General Account) (securities with fair value except for trading securities)

(Millions of yen)

	Book value	Fair value	Gains (losses)		
			Gains	Losses	
As of September 30, 2004					
Bonds held to maturity	178,131	173,224	(4,906)	795	5,702
Domestic bonds	121,191	118,049	(3,142)	795	3,937
Foreign bonds	56,940	55,175	(1,764)	-	1,764
Policy-reserve-matching bonds	3,583,214	3,641,700	58,486	76,707	18,221
Domestic bonds	3,583,214	3,641,700	58,486	76,707	18,221
Stocks of subsidiaries and affiliates	-	-	-	-	-
Securities available for sale	14,551,834	15,883,174	1,331,339	1,526,763	195,424
Domestic bonds	5,703,715	5,817,082	113,367	119,860	6,493
Domestic stocks	2,951,396	3,952,183	1,000,786	1,154,756	153,969
Foreign securities	5,484,465	5,700,333	215,868	245,474	29,606
Foreign bonds	5,116,665	5,311,217	194,551	217,486	22,934
Foreign stocks and other securities	367,800	389,116	21,316	27,988	6,672
Other securities	210,259	211,576	1,316	6,671	5,354
Monetary claims bought	101,996	101,996	-	-	-
Certificates of deposit	100,000	100,000	-	-	-
Others	-	-	-	-	-
Total	18,313,180	19,698,099	1,384,918	1,604,267	219,348
Domestic bonds	9,408,121	9,576,832	168,711	197,364	28,653
Domestic stocks	2,951,396	3,952,183	1,000,786	1,154,756	153,969
Foreign securities	5,541,405	5,755,509	214,103	245,474	31,371
Foreign bonds	5,173,605	5,366,392	192,787	217,486	24,698
Foreign stocks and other securities	367,800	389,116	21,316	27,988	6,672
Other securities	210,259	211,576	1,316	6,671	5,354
Monetary claims bought	101,996	101,996	-	-	-
Certificates of deposit	100,000	100,000	-	-	-
Others	-	-	-	-	-
As of September 30, 2005					
Bonds held to maturity	179,631	175,471	(4,160)	760	4,920
Domestic bonds	121,748	119,729	(2,018)	760	2,778
Foreign bonds	57,883	55,741	(2,141)	-	2,141
Policy-reserve-matching bonds	3,896,716	3,978,565	81,848	96,978	15,130
Domestic bonds	3,896,716	3,978,565	81,848	96,978	15,130
Stocks of subsidiaries and affiliates	-	-	-	-	-
Securities available for sale	14,632,977	16,727,824	2,094,846	2,209,381	114,534
Domestic bonds	5,604,359	5,683,271	78,912	88,117	9,204
Domestic stocks	2,920,432	4,645,075	1,724,643	1,800,703	76,060
Foreign securities	5,721,568	6,001,666	280,098	308,838	28,740
Foreign bonds	5,319,301	5,544,298	224,997	250,999	26,002
Foreign stocks and other securities	402,266	457,367	55,100	57,838	2,737
Other securities	219,621	230,814	11,192	11,721	529
Monetary claims bought	101,995	101,995	-	-	-
Certificates of deposit	65,000	65,000	-	-	-
Others	-	-	-	-	-
Total	18,709,325	20,881,860	2,172,535	2,307,120	134,585
Domestic bonds	9,622,823	9,781,566	158,742	185,856	27,113
Domestic stocks	2,920,432	4,645,075	1,724,643	1,800,703	76,060
Foreign securities	5,779,451	6,057,408	277,956	308,838	30,882
Foreign bonds	5,377,185	5,600,040	222,855	250,999	28,144
Foreign stocks and other securities	402,266	457,367	55,100	57,838	2,737
Other securities	219,621	230,814	11,192	11,721	529
Monetary claims bought	101,995	101,995	-	-	-
Certificates of deposit	65,000	65,000	-	-	-
Others	-	-	-	-	-

(Millions of yen)

	Book value	Fair value	Gains (losses)		
			Gains	Losses	
As of March 31, 2005					
Bonds held to maturity	176,460	172,761	(3,699)	1,329	5,028
Domestic bonds	121,469	120,582	(886)	1,329	2,215
Foreign bonds	54,990	52,178	(2,812)	-	2,812
Policy-reserve-matching bonds	3,648,697	3,778,289	129,592	137,344	7,752
Domestic bonds	3,648,697	3,778,289	129,592	137,344	7,752
Stocks of subsidiaries and affiliates	-	-	-	-	-
Securities available for sale	14,659,063	16,246,810	1,587,747	1,757,575	169,827
Domestic bonds	5,792,130	5,926,807	134,677	136,606	1,929
Domestic stocks	2,923,025	4,196,548	1,273,523	1,387,462	113,939
Foreign securities	5,541,707	5,718,540	176,832	225,206	48,373
Foreign bonds	5,141,797	5,294,663	152,865	194,431	41,565
Foreign stocks and other securities	399,909	423,876	23,967	30,774	6,807
Other securities	219,202	221,917	2,714	8,299	5,585
Monetary claims bought	122,997	122,997	-	-	-
Certificates of deposit	60,000	60,000	-	-	-
Others	-	-	-	-	-
Total	18,484,221	20,197,861	1,713,640	1,896,248	182,608
Domestic bonds	9,562,297	9,825,680	263,382	275,280	11,898
Domestic stocks	2,923,025	4,196,548	1,273,523	1,387,462	113,939
Foreign securities	5,596,697	5,770,718	174,020	225,206	51,185
Foreign bonds	5,196,788	5,346,841	150,053	194,431	44,377
Foreign stocks and other securities	399,909	423,876	23,967	30,774	6,807
Other securities	219,202	221,917	2,714	8,299	5,585
Monetary claims bought	122,997	122,997	-	-	-
Certificates of deposit	60,000	60,000	-	-	-
Others	-	-	-	-	-

- Note: 1. The table above includes assets, such as certificates of deposit, which are considered appropriate to deem as securities, as defined in the Securities and Exchange Law.
2. Money held in trust classified as other than trading securities, in which bank deposits are held, is excluded from the table above. Book value, equivalent of fair value, of the trust as of September 30, 2004, 2005 and as of March 31, 2005 amounted to 1,481 million yen, 1,564 million yen and 1,441 million yen, respectively.

* Carrying values of securities without fair value are as follows:

	(Millions of yen)		
	As of September 30, 2004	As of September 30, 2005	As of March 31, 2005
Bonds held to maturity	-	-	-
Unlisted foreign bonds	-	-	-
Others	-	-	-
Policy-reserve-matching bonds	-	-	-
Stocks of subsidiaries and affiliates	28,931	29,049	28,929
Unlisted domestic stocks (except over-the-counter stocks)	20,717	20,835	20,715
Unlisted foreign stocks (except over-the-counter stocks)	8,214	8,214	8,214
Other securities	358,488	515,079	380,932
Unlisted domestic stocks (except over-the-counter stocks)	80,990	69,352	69,751
Unlisted foreign stocks (except over-the-counter stocks)	126,546	221,563	126,555
Unlisted foreign bonds	0	0	0
Others	150,950	224,162	184,626
Total	387,419	544,128	409,862

Note: The table above includes assets, such as certificates of deposit, which are considered appropriate to deem as securities, as defined in the Securities and Exchange Law.

(reference) Fair value information of securities, taking into account foreign exchange valuation gains (losses) of foreign securities without fair value which are listed on the table above, in addition to the figures in the table (7), is as follows:

(Millions of yen)

	Book value	Fair value	Gains (losses)		
				Gains	Losses
As of September 30, 2004					
Bonds held to maturity	178,131	173,224	(4,906)	795	5,702
Domestic bonds	121,191	118,049	(3,142)	795	3,937
Foreign bonds	56,940	55,175	(1,764)	-	1,764
Policy-reserve-matching bonds	3,583,214	3,641,700	58,486	76,707	18,221
Domestic bonds	3,583,214	3,641,700	58,486	76,707	18,221
Stocks of subsidiaries and affiliates	28,931	27,594	(1,337)	-	1,337
Domestic stocks	20,717	20,717	-	-	-
Foreign stocks	8,214	6,876	(1,337)	-	1,337
Securities available for sale	14,910,322	16,241,649	1,331,326	1,526,763	195,437
Domestic bonds	5,703,901	5,817,268	113,367	119,860	6,493
Domestic stocks	3,032,387	4,033,174	1,000,786	1,154,756	153,969
Foreign securities	5,611,012	5,826,867	215,855	245,474	29,619
Foreign bonds	5,116,665	5,311,217	194,551	217,486	22,934
Foreign stocks and other securities	494,346	515,650	21,303	27,988	6,685
Other securities	251,603	252,920	1,316	6,671	5,354
Monetary claims bought	211,417	211,417	-	-	-
Certificates of deposit	100,000	100,000	-	-	-
Others	-	-	-	-	-
Total	18,700,600	20,084,168	1,383,568	1,604,267	220,699
Domestic bonds	9,408,307	9,577,018	168,711	197,364	28,653
Domestic stocks	3,053,105	4,053,891	1,000,786	1,154,756	153,969
Foreign securities	5,676,166	5,888,920	212,753	245,474	32,721
Foreign bonds	5,173,605	5,366,392	192,787	217,486	24,698
Foreign stocks and other securities	502,561	522,527	19,966	27,988	8,022
Other securities	251,603	252,920	1,316	6,671	5,354
Monetary claims bought	211,417	211,417	-	-	-
Certificates of deposit	100,000	100,000	-	-	-
Others	-	-	-	-	-
As of September 30, 2005					
Bonds held to maturity	179,631	175,471	(4,160)	760	4,920
Domestic bonds	121,748	119,729	(2,018)	760	2,778
Foreign bonds	57,883	55,741	(2,141)	-	2,141
Policy-reserve-matching bonds	3,896,716	3,978,565	81,848	96,978	15,130
Domestic bonds	3,896,716	3,978,565	81,848	96,978	15,130
Stocks of subsidiaries and affiliates	29,049	27,801	(1,248)	-	1,248
Domestic stocks	20,835	20,835	-	-	-
Foreign stocks	8,214	6,966	(1,248)	-	1,248
Securities available for sale	15,148,056	17,242,893	2,094,837	2,209,381	114,544
Domestic bonds	5,604,433	5,683,346	78,912	88,117	9,204
Domestic stocks	2,989,785	4,714,428	1,724,643	1,800,703	76,060
Foreign securities	5,943,132	6,223,220	280,088	308,839	28,750
Foreign bonds	5,319,301	5,544,298	224,997	250,999	26,002
Foreign stocks and other securities	623,830	678,921	55,091	57,839	2,747
Other securities	260,347	271,539	11,192	11,721	529
Monetary claims bought	285,357	285,357	-	-	-
Certificates of deposit	65,000	65,000	-	-	-
Others	-	-	-	-	-
Total	19,253,454	21,424,731	2,171,277	2,307,120	135,843
Domestic bonds	9,622,898	9,781,641	158,742	185,856	27,113
Domestic stocks	3,010,620	4,735,263	1,724,643	1,800,703	76,060
Foreign securities	6,009,229	6,285,928	276,698	308,839	32,140
Foreign bonds	5,377,185	5,600,040	222,855	250,999	28,144
Foreign stocks and other securities	632,044	685,887	53,843	57,839	3,995
Other securities	260,347	271,539	11,192	11,721	529
Monetary claims bought	285,357	285,357	-	-	-
Certificates of deposit	65,000	65,000	-	-	-
Others	-	-	-	-	-

(Millions of yen)

	Book value	Fair value	Gains (losses)		
			Gains	Losses	
As of March 31, 2005					
Bonds held to maturity	176,460	172,761	(3,699)	1,329	5,028
Domestic bonds	121,469	120,582	(886)	1,329	2,215
Foreign bonds	54,990	52,178	(2,812)	-	2,812
Policy-reserve-matching bonds	3,648,697	3,778,289	129,592	137,344	7,752
Domestic bonds	3,648,697	3,778,289	129,592	137,344	7,752
Stocks of subsidiaries and affiliates	28,929	27,479	(1,450)	-	1,450
Domestic stocks	20,715	20,715	-	-	-
Foreign stocks	8,214	6,763	(1,450)	-	1,450
Securities available for sale	15,039,995	16,627,732	1,587,737	1,757,575	169,838
Domestic bonds	5,792,316	5,926,993	134,677	136,606	1,929
Domestic stocks	2,992,776	4,266,299	1,273,523	1,387,462	113,939
Foreign securities	5,668,262	5,845,085	176,822	225,206	48,383
Foreign bonds	5,141,797	5,294,663	152,865	194,431	41,565
Foreign stocks and other securities	526,465	550,421	23,956	30,774	6,818
Other securities	256,582	259,297	2,714	8,299	5,585
Monetary claims bought	270,057	270,057	-	-	-
Certificates of deposit	60,000	60,000	-	-	-
Others	-	-	-	-	-
Total	18,894,083	20,606,263	1,712,179	1,896,248	184,069
Domestic bonds	9,562,483	9,825,865	263,382	275,280	11,898
Domestic stocks	3,013,491	4,287,014	1,273,523	1,387,462	113,939
Foreign securities	5,731,467	5,904,027	172,559	225,206	52,646
Foreign bonds	5,196,788	5,346,841	150,053	194,431	44,377
Foreign stocks and other securities	534,679	557,185	22,506	30,774	8,268
Other securities	256,582	259,297	2,714	8,299	5,585
Monetary claims bought	270,057	270,057	-	-	-
Certificates of deposit	60,000	60,000	-	-	-
Others	-	-	-	-	-

- Note: 1. The table above includes assets, such as certificates of deposit, which are considered appropriate to deem as securities, as defined in the Securities and Exchange Law.
2. Money held in trust classified as other than trading securities, in which bank deposits are held, is excluded from the table above. Book value, equivalent of fair value, of the trust as of September 30, 2004, 2005 and as of March 31, 2005 amounted to 1,481 million yen, 1,564 million yen and 1,441 million yen, respectively.

(8) Fair Value Information on Money Held in Trust (General Account)

(Millions of yen)

	Carrying value on the balance sheet	Fair value	Gains (losses)		
				Gains	Losses
As of September 30, 2004	3,031	3,031	-	-	-
As of September 30, 2005	6,911	6,911	592	785	193
As of March 31, 2005	6,108	6,108	100	173	73

Note: Fair value in the table above is based on the valuation conducted by the fiduciary on a reasonable basis.

'Gains (losses)' include gains (losses) from derivative transactions within the trusts.

* Information on money held in trust for investment purpose is as follows:

(Millions of yen)

	As of September 30, 2004		As of September 30, 2005		As of March 31, 2005	
	Carrying value on the balance sheet	Valuation gains (losses) included in the statement of earnings	Carrying value on the balance sheet	Valuation gains (losses) included in the statement of earnings	Carrying value on the balance sheet	Valuation gains (losses) included in the statement of earnings
Money held in trust for investment purpose	1,550	-	5,346	592	4,666	100

Note: 'Valuation gains (losses) included in the statement of earnings' include reversal gains (losses) at the beginning of the period.

* Information on money held in trust classified as held-to-maturity, policy-reserve-matching, and available-for-sale are as follows:

(Millions of yen)

	Book value	Fair value	Gains (losses)		
				Gains	Losses
As of September 30, 2004					
Trust held to maturity	-	-	-	-	-
Trust matched with policy reserve	-	-	-	-	-
Trust available for sale	1,481	1,481	-	-	-
As of September 30, 2005					
Trust held to maturity	-	-	-	-	-
Trust matched with policy reserve	-	-	-	-	-
Trust available for sale	1,564	1,564	-	-	-
As of March 31, 2005					
Trust held to maturity	-	-	-	-	-
Trust matched with policy reserve	-	-	-	-	-
Trust available for sale	1,441	1,441	-	-	-

Note: Trust in which bank deposits are held is reported as 'Trust available for sale'.

(9) Total Net Unrealized Gains (Losses) of General Account Assets

(Millions of yen)

	As of September 30, 2004	As of September 30, 2005	As of March 31, 2005
Securities	1,383,568	2,171,277	1,712,179
Domestic bonds	168,711	158,742	263,382
Domestic stocks	1,000,786	1,724,643	1,273,523
Foreign securities	212,753	276,698	172,559
Foreign bonds	192,787	222,855	150,053
Foreign stocks and other securities	19,966	53,843	22,506
Other securities	1,316	11,192	2,714
Real estate	(129,170)	(52,613)	(69,578)
Total (including others not listed above)	1,256,101	2,118,999	1,644,622

Note: 1. Foreign exchange valuation gains (losses) only are taken into account for foreign securities without fair value.
2. Difference between the book value before revaluation and fair value is reported as unrealized gains (losses) of real estate.

7. Disclosed Claims Based on Categories of Obligors

		(Millions of yen)		
		As of September 30, 2004	As of September 30, 2005	As of March 31, 2005
	Claims against bankrupt and quasi-bankrupt obligors	8,920	6,079	7,218
	Claims with collection risk	23,906	15,278	16,043
	Claims for special attention	11,836	5,659	5,196
	Subtotal (I)	44,664	27,017	28,458
	[Percentage (I)/(II)]	[0.67]	[0.43]	[0.45]
	Claims against normal obligors	6,648,036	6,250,848	6,268,424
	Total (II)	6,692,701	6,277,865	6,296,882

- Note: 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 note 1. or 2. above.
4. Claims against normal obligors are all other loans.
5. Securities lent under repo and other transactions are included in claims from as of September 30, 2005. Accordingly, figures above as of September 30, 2004 and March 31, 2005 are also revised to include the relevant amount of claims (claims against normal obligors of 552,224 million yen and 464,994 million yen as of September 30, 2004 and March 31, 2005, respectively).

8. Risk-Monitored Loans

		(Millions of yen)		
		As of September 30, 2004	As of September 30, 2005	As of March 31, 2005
	Credits to bankrupt borrowers (I)	2,032	1,212	1,363
	Delinquent loans (II)	30,752	20,140	21,896
	Loans past due for three months or more (III)	2,283	923	849
	Restructured loans (IV)	9,553	4,735	4,346
	Total ((I)+(II)+(III)+(IV))	44,621	27,012	28,456
	[Percentage of total loans]	[0.73]	[0.47]	[0.49]

- Note: 1. For loans and claims to bankrupt and substantially bankrupt obligors, the unrecoverable amount is calculated by deducting the amount deemed recoverable from collateral and guarantees from the amount of the loans and claims and is directly written off from the amount of the loans and claims. The write-offs relating to bankrupt borrowers and delinquent loans for the six month ended September 30, 2004 were ¥2,089 million and ¥8,804 million, respectively. The write-offs of those loans for the six months ended September 30, 2005 were ¥6,751 million and ¥6,709 million, respectively. The write-offs of those loans for the fiscal year ended March 31, 2005 were ¥2,291 million and ¥10,911 million, respectively.
2. Credits to bankrupt borrowers represent non-accrual loans to borrowers which are subject to bankruptcy, corporate reorganization or rehabilitation or other similar, including but not limited to foreign, proceedings. Accrual of interest on such loans have been suspended based upon a determination that collection or repayment of principal or interest is unlikely due to significant delay in payment of principal or interest or for some other reason.
3. Delinquent loans are credits that are delinquent other than credits to bankrupt borrowers and loans for which interest payments have been suspended to assist and support the borrowers in the restructuring of their businesses.
4. Loans past due for three months or more are loans for which interest or principal payments are delinquent for three months or more under the terms of the loans excluding those loans classified as credits to bankrupt borrowers or delinquent loans.
5. Restructured loans are loans for which certain concessions favorable to borrowers, such as interest reductions or exemptions, postponement of principal or interest payments, release from repayment or other agreements have been negotiated for the purpose of assisting and supporting the borrowers in the restructuring of their businesses. This category excludes loans classified as credits to bankrupt borrowers, delinquent loans, and loans past due for three months or more.

9. Solvency Margin Ratio

(Millions of yen)

	As of September 30, 2004	As of September 30, 2005	As of March 31, 2005
Total solvency margin (A)	3,165,042	4,134,033	3,552,464
Capital (less certain items) *1	486,863	504,895	525,772
Reserve for price fluctuations	173,453	186,953	180,453
Contingency reserve	529,582	693,108	584,608
General reserve for possible loan losses	11,401	4,514	6,450
Net unrealized gains on securities (before tax) x 90% *2	1,198,193	1,885,353	1,428,963
Net unrealized gains (losses) on real estate x 85% *2	(140,036)	(95,971)	(112,200)
Qualifying subordinated debt	185,525	186,595	183,695
Excluded items	(5,750)	(5,750)	(5,750)
Others	725,809	774,334	760,472
Total risk $\sqrt{R_1^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	794,999	852,727	796,896
Insurance risk R ₁	201,469	205,509	204,997
Assumed investment yield risk R ₂	167,049	165,404	166,101
Investment risk R ₃	582,323	637,542	584,188
Business risk R ₄	19,016	20,244	19,105
Guaranteed minimum benefit risk R ₇	-	3,770	-
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	796.2%	969.6%	891.6%

*1: Expected disbursements from capital outside the Company, and net unrealized gains on securities, net of tax, is excluded.

*2: Multiplied by 100% if losses.

Note: The above figures are calculated based on Articles 86, 87, 161, 162 and 190 of the Enforcement Regulations of Insurance Business Law, and Announcement No. 50, Ministry of Finance, 1996.

10. Status of Separate Accounts

(1) Separate Account Assets by Product

(Millions of yen)

	As of September 30, 2004	As of September 30, 2005	As of March 31, 2005
Individual variable insurance	57,849	65,103	59,390
Individual variable annuities	170,310	226,770	190,925
Group annuities	1,114,674	1,201,733	1,100,072
Separate account total	1,342,834	1,493,606	1,350,388

(2) Policies in Force for Individual Variable Insurance and Individual Variable Annuities

A. Individual Variable Insurance

(Millions of yen except number of policies)

	As of September 30, 2004		As of September 30, 2005		As of March 31, 2005	
	Number of policies	Amount	Number of policies	Amount	Number of policies	Amount
Variable insurance (term life)	426	2,015	379	1,802	400	1,907
Variable insurance (whole life)	52,963	338,049	52,025	329,596	52,517	334,166
Total	53,389	340,064	52,404	331,398	52,917	336,074

Note: Policies in force include term life riders.

B. Individual Variable Annuities

(Millions of yen except number of policies)

	As of September 30, 2004		As of September 30, 2005		As of March 31, 2005	
	Number of policies	Amount	Number of policies	Amount	Number of policies	Amount
Total	31,535	159,063	47,412	212,793	39,717	179,055