

May 28, 2004

Financial Results for the Fiscal Year Ended March 31, 2004

The Dai-ichi Mutual Life Insurance Company (President: Tomijiro Morita) announces financial results for the fiscal year ended March 31, 2004.

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Attached: Supplementary Materials for the Fiscal Year Ended March 31, 2004

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Financial Summary for the Fiscal Year Ended March 31, 2004

May 28, 2004

Dai-ichi Mutual Life Insurance Company

The financial results of the Company for the fiscal year ended March 31, 2004 will be reported at the 103rd annual representative policyholders' meeting to be held on July 2, 2004. Summary of the financial results are as follows:

1. Business Highlights

(1) Policies in Force

	As of March 31, 2004				As of March 31, 2003			
	Number of policies		Amount		Number of policies		Amount	
	(Thousands)	Changes (%, YoY)	(100 millions of yen)	Changes (%, YoY)	(Thousands)	Changes (%, YoY)	(100 millions of yen)	Changes (%, YoY)
Individual insurance	11,674	98.3	1,964,002	95.4	11,880	98.7	2,059,168	96.5
Individual annuities	1,174	96.9	65,202	97.6	1,211	98.0	66,826	97.8
Group insurance	-	-	543,444	100.3	-	-	541,935	103.2
Group annuities	-	-	64,834	91.7	-	-	70,670	91.9

- 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.

(2) New Policies

	Year ended March 31, 2004					Year ended March 31, 2003				
	Number (Thousands)	Amount		Changes (%, YoY)		Number (Thousands)	Amount		Changes (%, YoY)	
		(100 millions of yen)	New business				(100 millions of yen)	New business		
Individual insurance	1,233	152,496	122,400	30,095	86.2	1,339	176,845	139,192	37,652	96.0
Individual annuities	27	1,210	1,542	(331)	68.2	45	1,775	2,092	(317)	154.1
Group insurance	-	7,752	7,752		28.3	-	27,409	27,409		137.6
Group annuities	-	4	4		77.5	-	5	5		19.7

- 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.

(reference) Surrender and lapses in individual insurance and annuities

	Year ended March 31, 2004	Year ended March 31, 2003
Amount of surrender and lapses (100 millions of yen)	194,817	195,183
Surrender and lapses rate (%)	9.16	8.86

(3) Profit and Loss Items

	Year ended March 31, 2004 (millions of yen)	Changes (%, YoY)	Year ended March 31, 2003 (millions of yen)	Changes (%, YoY)
Premium and other income	3,420,906	96.0	3,562,109	88.0
Investment income	964,917	100.5	959,872	110.8
Benefits and claims	3,565,061	108.4	3,290,296	94.2
Investment expense	224,030	25.7	870,775	126.8
Net surplus from operations	272,887	203.4	134,159	129.7

(4) Statements of Surplus

	Year ended March 31, 2004 (millions of yen)	Changes (%, YoY)	Year ended March 31, 2003 (millions of yen)	Changes (%, YoY)
Unappropriated net surplus	98,377	130.7	75,292	260.6
Reserve for policyholders dividends	70,076	165.5	42,332	183.2
Net surplus	31,289	94.8	33,013	564.0

(5) Total Assets

	As of March 31, 2004 (millions of yen)	Changes (%, YoY)	As of March 31, 2003 (millions of yen)	Changes (%, YoY)
Total Assets	29,652,857	102.6	28,910,560	97.1

2. Policies in Force as of March 31, 2004 by Benefits

	Individual insurance (I)		Individual annuities (II)		Group insurance (III)		Total (I+II+III)	
	Number (Thousands)	Amount (100 millions of yen)	Number (Thousands)	Amount (100 millions of yen)	Number (Thousands)	Amount (100 millions of yen)	Number (Thousands)	Amount (100 millions of yen)
Death benefits								
general	11,222	1,952,152		0	44,910	543,379	56,132	2,495,532
accidental	(8,711)	(372,924)	(222)	(3,069)	(3,993)	(21,089)	(12,928)	(397,084)
others	(0)	(2)	(-)	(-)	(90)	(1,176)	(91)	(1,178)
Survival benefits	452	11,849	1,174	65,202	10	64	1,637	77,116
Hospitalization benefits								
accidental	(9,324)	(447)	(117)	(5)	(2,214)	(16)	(11,656)	(470)
sickness	(9,119)	(440)	(118)	(5)	(0)	(0)	(9,238)	(446)
others	(6,137)	(285)	(99)	(4)	(72)	(0)	(6,309)	(290)
Injury benefits	(12,343)	-	(120)	-	(3,677)	-	(16,141)	-
Operation benefits	(7,537)	-	(118)	-	-	-	(7,656)	-

	Group annuities (IV)		Financial insurance (V)		Financial annuities (VI)		Total (IV+V+VI)	
	Number (Thousands)	Amount (100 millions of yen)	Number (Thousands)	Amount (100 millions of yen)	Number (Thousands)	Amount (100 millions of yen)	Number (Thousands)	Amount (100 millions of yen)
Survival benefits	20,794	64,834	145	2,949	62	1,526	21,003	69,311

	Medical care insurance	
	Number (Thousands)	Amount (100 millions of yen)
Hospitalization benefits	766	8

	Group disability	
	Number (Thousands)	Amount (100 millions of yen)
Disability benefits	100	64

Note:

- Figures in parenthesis show numbers and amounts of additional benefits and of benefits to be paid from riders.
- Number of group insurance, group annuities, financial insurance, financial annuities, group medical care and group disability show the number of insureds.
- Amounts in 'Survival benefits' show the sum of (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, for individual insurance, individual annuities, group insurance (annuity riders) and financial annuities. The amounts in 'Survival benefits' show the amount of outstanding corresponding policy reserve for group annuities, financial insurance and others.
- Amounts in 'Hospitalization benefits' show the amount of hospitalization benefit to be paid per day.
- Amount in 'Hospitalization benefits' for medical care insurance shows the amount to be paid for hospitalization from sickness.
- Amount in group disability insurance shows the amount of disability benefits paid per month.
- The number of insureds and amount of policies for reinsurance written were 103 thousand and 187.9 billion yen, respectively.

3. Investment of General Account Assets for the Fiscal Year Ended March 31, 2004

(1) Investment for the Fiscal Year Ended March 31, 2004

A. Investment environment

Economic conditions for the year were initially adversely affected by the influence of the Iraq war and SARS. These conditions were relatively short-lived, and, with the recovery of stock prices throughout the world, overall economic conditions in Japan showed steady recovery. Though employment and consumption continued to be sluggish, improvement in sentiment of world economy led large manufacturers and other enterprises to boost capital investment, which became the main factor of high domestic economic growth.

U.S. economy also showed rapid growth toward the end of the year, due to recovery in capital investment and strong consumption supported by tax reduction.

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

[Domestic interest rate]

Domestic interest rate rose, and the yield on ten-year government bonds in the fiscal year end rose to 1.4% level, reflecting the recovery in economy and improved corporate earnings in and outside Japan.

Yield on ten-year government bonds:	March 31, 2003	0.700%
	March 31, 2004	1.435%

[Domestic Stocks]

Domestic stock prices recovered dramatically, reflecting the recovery in economy and improved corporate earnings, although early in the fiscal year, the Nikkei 225 Stock Average declined to the record low for post-bubble period of ¥7,600's because of the uncertainty in Japanese economic conditions.

Nikkei 225 Stock Average:	March 31, 2003	¥ 7,972
	March 31, 2004	¥ 11,715
TOPIX:	March 31, 2003	788
	March 31, 2004	1,179

[Foreign Currency]

The Japanese yen strengthened against U.S. dollar, reflecting steady recovery in Japanese economy and double deficit issue in the U.S..

yen/U.S. dollar:	March 31, 2003	¥120.20
	March 31, 2004	¥105.69
yen/euro:	March 31, 2003	¥129.83
	March 31, 2004	¥128.88

B. 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. The Company continued to decrease its cash position in a continuing low interest rate environment, and increased its exposure in credit risk products, including corporate bonds and asset backed securities, as well as its investment in foreign bonds, in order to improve profitability. The Company also continued to reduce domestic stocks from the standpoint of risk control.

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

Assets	Investment results
Domestic bonds	The Company decreased its investment in JGBs in a continuing low interest rate environment, and increased its exposure in credit risks products, including corporate bonds and asset backed securities, while paying attention to the credit spread changes. In the period of interest rate hike in the second half of the fiscal year, the Company increased its position in bonds held to maturity and policy-reserve-matching bonds from the viewpoint of Asset Liability Management (ALM).
Loans	The Company increased its loan exposures, typically loans to borrowers with high credit ratings. It continued to reduce the balance of its problem loans.
Domestic stocks	The carrying value on the balance sheet increased due to the rise in stock prices, while the book value decreased by continuing effort to reduce the risk relating to stock holdings.
Foreign bonds	The Company increased its investment in foreign currency-denominated bonds with currency risk fully hedged, which provided relatively higher yield than domestic bonds. The Company also maintained well diversified foreign currency-denominated bonds with currency risk un-hedged, which contributed to improved profitability and diversification of overall asset portfolio.
Foreign Stocks	The Company utilized independent investment advisors, as well as in-house managers, to establish diversified portfolio and improved profitability.
Real Estate	The Company continued to dispose of low return real estate.

[Investment income and expenses]

Amid low interest rate environment, the Company's continuing effort, including to decrease cash position and to increase its exposure in credit risk assets and foreign currency-denominated bonds, led the Company to minimize decrease in income from interest and dividends. However, investment income decreased 21.8% to 750,663 million yen, mainly due to the decrease in gains on sale of securities. Investment expenses decreased 64.1% to 224,030 million yen, mainly due to the sharp decrease in losses on valuation of securities. As a result, net investment income increased 56.9% to 526,633 million yen for the fiscal year ended March 31, 2004.

C. Perspectives in investment environment for the fiscal year ending March 31, 2005

Japanese economy will show steady growth throughout the year, led by corporate activities, including exports and capital investments, and strong economic growth in the U.S. and Asia. Monetary policy will be maintained in order to support recovery from deflation.

[Domestic interest rate]

Domestic interest rate will be under upward pressure by the steady economic growth, while unchanged monetary policy will avoid continuous or dramatic interest rate hike.

[Domestic stocks]

Domestic stock prices will show steady rise by the economic growth in and outside Japan.

[Foreign currency]

The U.S. dollar will be in a weak trend in a volatile market, mainly because of Iraq issue and coming U.S. presidential election in fall.

D. Investment policies for the fiscal year ending March 31, 2005

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 also continue to maintain its low cash position in a continuing low interest rate environment, and increase its exposure in credit risk products, including loans, corporate bonds and asset backed securities, as well as its investment in foreign bonds, in order to improve profitability.

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

Assets	Investment policies
Domestic bonds	<u>Slightly increased.</u> The Company will increase its investment in domestic bonds if interest rate hikes. It will also continue to increase its exposure in credit risk products, including corporate bonds and asset backed securities.
Loans	<u>Unchanged.</u> The Company will carefully monitor credit profile and control lending rate levels in order to earn stable profit from loan assets. It will also continue to reduce the balance of its problem loans.
Domestic stocks	<u>Slightly decreased.</u> The Company continues its effort to reduce the risk relating to stock holdings.
Foreign bonds	<u>Unchanged.</u> The Company will maintain its well-diversified foreign currency-denominated bonds portfolio, which contributes to improved profitability and diversification of overall asset portfolio.
Foreign Stocks	<u>Slightly increased.</u> The Company will continue to utilize independent investment advisors, as well as in-house managers. It will slightly increase its investment in foreign stocks, taking into account confident corporate earnings forecasts.

(2) Asset Composition (General Account)

(Millions of yen)

	As of March 31, 2004		As of March 31, 2003	
	Carrying value	%	Carrying value	%
Cash, deposits, and call loans	529,402	1.9	617,961	2.3
Security repurchased under resale agreements	-	-	-	-
Deposit paid for securities borrowing transactions	-	-	29,982	0.1
Monetary claims bought	486,270	1.7	341,256	1.2
Trading account securities	-	-	-	-
Money held in trust	2,191	0.0	2,352	0.0
Securities	19,154,822	67.7	18,063,816	65.9
Domestic bonds	9,184,844	32.4	9,978,466	36.4
Domestic stocks	4,139,889	14.6	3,252,043	11.9
Foreign securities	5,607,847	19.8	4,625,210	16.9
Foreign bonds	5,113,733	18.1	4,221,973	15.4
Foreign stocks	494,113	1.7	403,236	1.5
Other securities	222,240	0.8	208,096	0.8
Loans	6,368,232	22.5	6,265,281	22.9
Policy loans	737,963	2.6	770,815	2.8
Ordinary loans	5,630,269	19.9	5,494,466	20.0
Real estate	1,268,086	4.5	1,334,193	4.9
Real estate for rent	795,036	2.8	850,500	3.1
Deferred tax assets	-	-	282,255	1.0
Others	524,427	1.9	519,296	1.9
Reserve for possible loan losses	(26,932)	(0.1)	(47,962)	(0.2)
Total	28,306,501	100.0	27,408,434	100.0
Foreign currency-denominated assets	4,822,024	17.0	3,814,087	13.9

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

(Millions of yen)

	As of March 31, 2004	As of March 31, 2003
Cash, deposits, and call loans	(88,558)	56,213
Security repurchased under resale agreements	-	-
Deposit paid for securities borrowing transactions	(29,982)	(59,704)
Monetary claims bought	145,014	142,795
Trading account securities	-	(196,707)
Money held in trust	(160)	(96,667)
Securities	1,091,005	(66,014)
Domestic bonds	(793,622)	32,373
Domestic stocks	887,846	(1,262,079)
Foreign securities	982,636	1,090,512
Foreign bonds	891,759	1,035,374
Foreign stocks	90,876	55,137
Other securities	14,144	73,178
Loans	102,951	(80,803)
Policy loans	(32,852)	(21,374)
Ordinary loans	135,803	(59,428)
Real estate	(66,107)	(163,543)
Real estate for rent	(55,463)	(146,006)
Deferred tax assets	(282,255)	159,792
Others	5,130	(21,728)
Reserve for possible loan losses	21,030	22,773
Total	898,067	(303,593)
Foreign currency-denominated assets	1,007,937	870,696

(4) Investment Income (General Account)

(Millions of yen)

	As of March 31, 2004		As of March 31, 2003	
	Amount	%	Amount	%
Interest and dividends	615,647	82.0	622,859	64.9
Interest from deposits	34	0.0	111	0.0
Interest and dividends from securities	409,303	54.5	390,161	40.6
Interest from loans	143,172	19.1	162,934	17.0
Rental income	58,559	7.8	65,770	6.9
Other interest and dividends	4,577	0.6	3,883	0.4
Gains on trading account securities	-	-	90	0.0
Gains on money held in trust	-	-	-	-
Gains on investments in trading securities	-	-	-	-
Gains on sale of securities	129,032	17.2	333,297	34.7
Gains on sale of domestic bonds	14,648	2.0	85,825	8.9
Gains on sale of domestic stocks	78,931	10.5	65,266	6.8
Gains on sale of foreign stocks	35,452	4.7	182,205	19.0
Others	-	-	-	-
Gains on redemption of securities	4,890	0.7	2,370	0.2
Derivative transaction gains	-	-	-	-
Foreign exchange gains	-	-	-	-
Other investment income	1,093	0.1	1,254	0.1
Total	750,663	100.0	959,872	100.0

(5) Investment Expense (General Account)

(Millions of yen)

	As of March 31, 2004		As of March 31, 2003	
	Amount	%	Amount	%
Interest expenses	4,163	1.9	3,703	0.6
Losses on trading account securities	-	-	-	-
Losses on money held in trust	50	0.0	26,932	4.3
Losses on investments in trading securities	-	-	-	-
Losses on sale of securities	103,406	46.2	117,220	18.8
Losses on sale of domestic bonds	31,375	14.0	5,753	0.9
Losses on sale of domestic stocks	33,819	15.1	97,248	15.6
Losses on sale of foreign stocks	38,211	17.1	14,218	2.3
Others	-	-	-	-
Losses on valuation of securities	2,663	1.2	373,519	59.8
Losses on valuation of domestic bonds	-	-	-	-
Losses on valuation of domestic stocks	2,604	1.2	370,174	59.3
Losses on valuation of foreign stocks	59	0.0	3,345	0.5
Others	-	-	-	-
Losses on redemption of securities	2,789	1.2	485	0.1
Derivative transaction losses	24,172	10.8	164	0.0
Foreign exchange losses	48,166	21.5	45,082	7.2
Provision for reserve for possible loan losses	-	-	-	-
Provision for reserve for possible investment losses	-	-	395	0.1
Write-down of loans	255	0.1	11	0.0
Depreciation of rental real estate and others	17,859	8.0	22,811	3.7
Other investment expenses	20,503	9.2	33,917	5.4
Total	224,030	100.0	624,245	100.0

(6) Net Investment Income (General Account)

(Millions of yen)

	As of March 31, 2004	As of March 31, 2003
Net investment income	526,633	335,627

(7) Other Information on Investments (General Account)

A. Rates of return (general account)

(%)

	As of March 31, 2004	As of March 31, 2003
Cash, deposits, and call loans	0.01	0.02
Security repurchased under resale agreements	-	-
Deposit paid for securities borrowing transactions	0.02	(0.04)
Monetary claims bought	0.51	0.48
Trading account securities	-	0.06
Money held in trust	(2.27)	(34.75)
Domestic bonds	1.34	2.74
Domestic stocks	2.07	(8.82)
Foreign securities	3.08	7.21
Foreign bonds	3.16	8.28
Foreign stocks	2.26	(2.41)
Loans	2.27	2.58
Ordinary loans	1.92	2.24
Real estate	3.23	2.66
Total	1.93	1.22
Foreign investments	3.08	5.94

Note: 1. Rates of return above are calculated by dividing the net investment income included in net surplus from operations by the average daily balance on a book value basis.

2. 'Foreign investments' include yen-denominated assets.

B. Average daily balance (general account)

(100 millions of yen)

	As of March 31, 2004	As of March 31, 2003
Cash, deposits, and call loans	3,957	4,540
Security repurchased under resale agreements	-	-
Deposit paid for securities borrowing transactions	16	1,414
Monetary claims bought	3,715	2,732
Trading account securities	-	2,398
Money held in trust	118	782
Domestic bonds	94,017	97,934
Domestic stocks	32,950	39,908
Foreign securities	51,197	36,861
Foreign bonds	46,519	33,183
Foreign stocks	4,678	3,677
Loans	63,085	62,915
Ordinary loans	55,500	55,039
Real estate	8,521	9,831
Total	273,379	275,460
Foreign investments	55,685	43,332

C. Valuation gains and losses on trading securities (general account)

(Millions of yen)

	As of March 31, 2004		As of March 31, 2003	
	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	550	-	550	-
Money held in trust	550	-	550	-

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

D. 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 March 31, 2004						
	Bonds held to maturity	175,176	171,637	(3,539)	576	4,115
	Domestic bonds	120,912	118,031	(2,881)	576	3,457
	Foreign bonds	54,263	53,606	(657)	-	657
	Policy-reserve-matching bonds	1,665,815	1,696,593	30,778	41,514	10,735
	Domestic bonds	1,665,815	1,696,593	30,778	41,514	10,735
	Stocks of subsidiaries and affiliates	-	-	-	-	-
	Securities available for sale	15,897,425	17,202,692	1,305,267	1,517,984	212,716
	Domestic bonds	7,293,862	7,397,906	104,043	132,305	28,262
	Domestic stocks	2,989,663	4,038,698	1,049,035	1,164,448	115,412
	Foreign securities	5,253,549	5,412,904	159,354	216,504	57,149
	Foreign bonds	4,907,159	5,059,469	152,310	198,704	46,394
	Foreign stocks	346,390	353,434	7,044	17,799	10,755
	Other securities	192,350	185,185	(7,165)	4,726	11,891
	Monetary claims bought	72,998	72,998	-	-	-
	Certificates of deposit	95,000	95,000	-	-	-
	Others	-	-	-	-	-
	Total	17,738,416	19,070,924	1,332,507	1,560,075	227,567
	Domestic bonds	9,080,590	9,212,531	131,940	174,396	42,455
	Domestic stocks	2,989,663	4,038,698	1,049,035	1,164,448	115,412
	Foreign securities	5,307,813	5,466,510	158,697	216,504	57,807
	Foreign bonds	4,961,423	5,113,075	151,652	198,704	47,052
	Foreign stocks	346,390	353,434	7,044	17,799	10,755
	Other securities	192,350	185,185	(7,165)	4,726	11,891
	Monetary claims bought	72,998	72,998	-	-	-
	Certificates of deposit	95,000	95,000	-	-	-
	Others	-	-	-	-	-
	As of March 31, 2003					
	Bonds held to maturity	-	-	-	-	-
	Policy-reserve-matching bonds	964,489	1,137,426	172,937	172,937	-
	Domestic bonds	964,489	1,137,426	172,937	172,937	-
	Stocks of subsidiaries and affiliates	-	-	-	-	-
	Securities available for sale	17,037,602	17,359,310	321,707	895,110	573,403
	Domestic bonds	8,687,485	9,013,766	326,280	328,455	2,175
	Domestic stocks	3,277,500	3,126,121	(151,379)	337,744	489,123
	Foreign securities	4,318,432	4,479,289	160,856	226,248	65,392
	Foreign bonds	4,006,864	4,221,973	215,109	222,848	7,738
	Foreign stocks	311,568	257,315	(54,253)	3,400	57,653
	Other securities	218,189	204,139	(14,049)	2,661	16,711
	Monetary claims bought	80,993	80,993	-	-	-
	Certificates of deposit	455,000	455,000	-	-	-
	Others	-	-	-	-	-
	Total	18,002,092	18,496,737	494,644	1,068,047	573,403
	Domestic bonds	9,651,975	10,151,193	499,217	501,393	2,175
	Domestic stocks	3,277,500	3,126,121	(151,379)	337,744	489,123
	Foreign securities	4,318,432	4,479,289	160,856	226,248	65,392
	Foreign bonds	4,006,864	4,221,973	215,109	222,848	7,738
	Foreign stocks	311,568	257,315	(54,253)	3,400	57,653
	Other securities	218,189	204,139	(14,049)	2,661	16,711
	Monetary claims bought	80,993	80,993	-	-	-
	Certificates of deposit	455,000	455,000	-	-	-
	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 March 31, 2004 and 2003 amounted to 1,641 million yen and 1,802 million yen, respectively.

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

(Millions of yen)

	As of March 31, 2004	As of March 31, 2003
Bonds held to maturity	-	-
Unlisted foreign bonds	-	-
Others	-	-
Policy-reserve-matching bonds	-	-
Stocks of subsidiaries and affiliates	28,929	29,568
Unlisted domestic stocks (except over-the-counter stocks)	20,715	19,778
Unlisted foreign stocks (except over-the-counter stocks)	8,214	9,790
Other securities	312,536	251,088
Unlisted domestic stocks (except over-the-counter stocks)	80,475	106,143
Unlisted foreign stocks (except over-the-counter stocks)	133,405	135,910
Unlisted foreign bonds	0	0
Others	98,655	9,033
Total	341,466	280,656

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 D., is as follows:

(Millions of yen)

		Book value	Fair value	Gains (losses)	
				Gains	Losses
As of March 31, 2004					
Bonds held to maturity		175,176	171,637	(3,539)	576
Domestic bonds		120,912	118,031	(2,881)	576
Foreign bonds		54,263	53,606	(657)	-
Policy-reserve-matching bonds		1,665,815	1,696,593	30,778	41,514
Domestic bonds		1,665,815	1,696,593	30,778	41,514
Stocks of subsidiaries and affiliates		28,929	27,293	(1,636)	-
Domestic stocks		20,715	20,715	-	-
Foreign stocks		8,214	6,578	(1,636)	-
Securities available for sale		16,209,961	17,514,288	1,304,327	1,517,984
Domestic bonds		7,294,072	7,398,116	104,043	132,305
Domestic stocks		3,070,139	4,119,174	1,049,035	1,164,448
Foreign securities		5,386,954	5,545,369	158,414	216,504
Foreign bonds		4,907,159	5,059,469	152,310	198,704
Foreign stocks		479,795	485,899	6,104	17,799
Other securities		229,406	222,240	(7,165)	4,726
Monetary claims bought		134,388	134,388	-	-
Certificates of deposit		95,000	95,000	-	-
Others		-	-	-	-
Total		18,079,883	19,409,813	1,329,930	1,560,075
Domestic bonds		9,080,800	9,212,741	131,940	174,396
Domestic stocks		3,090,854	4,139,889	1,049,035	1,164,448
Foreign securities		5,449,433	5,605,553	156,120	216,504
Foreign bonds		4,961,423	5,113,075	151,652	198,704
Foreign stocks		488,009	492,477	4,467	17,799
Other securities		229,406	222,240	(7,165)	4,726
Monetary claims bought		134,388	134,388	-	-
Certificates of deposit		95,000	95,000	-	-
Others		-	-	-	-
As of March 31, 2003					
Bonds held to maturity		-	-	-	-
Policy-reserve-matching bonds		964,489	1,137,426	172,937	172,937
Domestic bonds		964,489	1,137,426	172,937	172,937
Stocks of subsidiaries and affiliates		29,568	28,335	(1,232)	-
Domestic stocks		19,778	19,778	-	-
Foreign stocks		9,790	8,557	(1,232)	-
Securities available for sale		17,288,691	17,610,618	321,927	895,426
Domestic bonds		8,687,696	9,013,976	326,280	328,455
Domestic stocks		3,383,644	3,232,264	(151,379)	337,744
Foreign securities		4,454,343	4,615,420	161,076	226,565
Foreign bonds		4,006,864	4,221,973	215,109	222,848
Foreign stocks		447,479	393,446	(54,033)	3,716
Other securities		222,145	208,096	(14,049)	2,661
Monetary claims bought		85,860	85,860	-	-
Certificates of deposit		455,000	455,000	-	-
Others		-	-	-	-
Total		18,282,749	18,776,381	493,632	1,068,364
Domestic bonds		9,652,185	10,151,403	499,217	501,393
Domestic stocks		3,403,422	3,252,043	(151,379)	337,744
Foreign securities		4,464,134	4,623,978	159,844	226,565
Foreign bonds		4,006,864	4,221,973	215,109	222,848
Foreign stocks		457,269	402,004	(55,265)	3,716
Other securities		222,145	208,096	(14,049)	2,661
Monetary claims bought		85,860	85,860	-	-
Certificates of deposit		455,000	455,000	-	-
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 March 31, 2004 and 2003 amounted to 1,641 million yen and 1,802 million yen, respectively.

E. 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 March 31, 2004	2,191	2,191	-	-	-
As of March 31, 2003	2,352	2,352	-	-	-

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 trading purpose is as follows:

(Millions of yen)

	As of March 31, 2004		As of March 31, 2003	
	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 trading purpose	550	-	550	-

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

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

(Millions of yen)

	As of March 31, 2004					As of March 31, 2003				
	Book value	Fair value	Gains (losses)			Book value	Fair value	Gains (losses)		
			Gains	Losses				Gains	Losses	
Trust held to maturity	-	-	-	-	-	-	-	-	-	-
Trust matched with policy reserve	-	-	-	-	-	-	-	-	-	-
Trust available for sale	1,641	1,641	-	-	-	1,802	1,802	-	-	-

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

F. Total net unrealized gains (losses) of general account assets

(Millions of yen)

	As of March 31, 2004	As of March 31, 2003
Securities	1,329,930	493,632
Domestic bonds	131,940	499,217
Domestic stocks	1,049,035	(151,379)
Foreign securities	156,120	159,844
Foreign bonds	151,652	215,109
Foreign stocks	4,467	(55,265)
Other securities	(7,165)	(14,049)
Real estate	(132,248)	(123,794)
Total (including others not listed above)	1,199,014	372,584

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.

4. Non-Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2004	As of March 31, 2003		As of March 31, 2004	As of March 31, 2003
(ASSETS)			(LIABILITIES)		
Cash and deposits	276,247	506,373	Policy reserves and others	26,523,349	26,770,727
Cash	1,317	1,392	Reserves for outstanding claims	313,187	165,943
Bank deposits	274,929	504,981	Policy reserves	25,796,310	26,129,591
Call loans	337,000	181,000	Reserve for policyholder dividends	413,851	475,191
Deposit paid for securities borrowing transactions	-	29,982	Reinsurance payables	682	614
Monetary claims bought	486,270	341,256	Subordinated bonds	52,845	-
Money held in trust	2,191	2,352	Other liabilities	941,080	856,999
Securities	20,388,505	19,454,618	Collateral for security lending transactions	419,107	417,640
Government bonds	5,262,390	5,830,480	Long-term debt and other borrowings	130,088	100,133
Local government bonds	1,259,722	1,597,113	Corporate income tax payable	28,494	630
Corporate bonds	3,032,811	3,044,057	Accounts payable	207,309	106,443
Stocks	4,568,534	3,695,455	Accrued expenses	36,749	42,435
Foreign securities	5,910,999	5,030,647	Unearned revenue	8,220	9,807
Other securities	354,047	256,864	Deposits received	64,541	68,221
Loans	6,369,732	6,266,781	Guarantee deposits received	35,372	43,010
Policy loans	737,963	770,815	Differential account for futures trading	-	140
Ordinary loans	5,631,769	5,495,966	Derivatives	6,682	62,729
Ordinary loans	5,604,032	5,467,314	Profit from deferred hedging	1,095	1,846
Trust loans	27,736	28,652	Suspense receipt	3,232	3,959
Real estate and movable assets	1,276,027	1,343,828	Other liabilities	186	-
Land	753,271	776,364	Reserve for employees' retirement benefits	420,889	394,947
Buildings	507,375	551,849	Reserve for possible losses on sale of claims	-	8,610
Movable assets	7,941	9,634	Reserve for possible losses on repurchase of land	-	677
Construction in progress	7,439	5,979	Reserve for contingent losses	25,921	-
Reinsurance receivables	93	242	Reserve for price fluctuations	167,453	87,453
Other assets	543,471	549,673	Reserve for securities transactions liabilities	-	0
Accounts receivable	62,111	154,588	Deferred tax liabilities	48,946	-
Prepaid expenses	6,996	7,042	Deferred tax liabilities for land revaluation	3,281	2,509
Accrued revenue	154,255	145,214	Acceptances and guarantees	526	556
Deposits	45,704	46,265	Total liabilities	28,184,976	28,123,097
Margin money for futures trading	6,410	8,881	(CAPITAL)		
Differential account for futures trading	3	-	Foundation funds	230,000	230,000
Derivatives	114,210	12,649	Accumulated redeemed foundation funds	70,000	70,000
Deferred hedge losses	12	0	Revaluation reserve	248	248
Suspense payment	13,578	25,126	Surplus	327,958	276,958
Other assets	140,189	149,905	Reserve for future losses	3,700	3,500
Deferred tax assets	-	282,255	General reserve	225,881	198,165
Customers' liabilities for acceptances and guarantees	526	556	Reserve for redemption of foundation funds	171,500	150,000
Reserve for possible loan losses	(26,934)	(47,965)	Reserve for risk allowance	43,139	43,139
Reserve for possible investment losses	(276)	(395)	Reserve for tax basis adjustments of real estate	11,084	4,871
			Other reserves	156	154
			Unappropriated retained earnings	98,377	75,292
			(Net surplus for the year)	(98,681)	(56,109)
			Reserve for land revaluation	5,816	4,447
			Net unrealized gains on securities, net of tax	833,856	205,808
			Total capital	1,467,880	787,463
Total assets	29,652,857	28,910,560	Total liabilities and capital	29,652,857	28,910,560

Notes to the Non-Consolidated Balance Sheet

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. 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 Industry Audit Committee Report No. 21 “Temporary Treatment of Accounting and Auditing Concerning Policy-reserve-matching Bonds in Insurance Industry” issued by the Japanese Institute of Certified Public Accountants (JICPA).

Stocks of subsidiaries and affiliated companies are stated at cost.

Available-for-sale securities which have market value are valued at market value at the end of the fiscal year (for domestic stocks, the average value during March), 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 statements of earnings.

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

2. Valuation Methods of Derivative Transactions

Derivative transactions are reported at fair value.

3. 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 Deliberation 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.

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.

Accumulated depreciation of real estate and movable assets was ¥632,296 million.

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 fiscal year. Stocks of subsidiaries and affiliated companies are translated to yen at the exchange rate on the date of acquisition.

6. Reserve for Possible Loan Losses

Reserves for possible loan losses are 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 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 fiscal years ended March 31, 2004 was ¥11,510 million.

7. 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 ¥27,736 million and are included as trust loans in the 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 March 31, 2004 was ¥138,362 million.

8. 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 Deliberation Council) is provided.

The funding status of employees’ retirement benefits of the Company as of March 31, 2004 was as follows:

(1) Funding status of the Company’s employees’ retirement benefits:

	(Millions of yen)
a. Projected benefit obligations	¥ (551,312)
b. Pension assets	86,439
	<hr/>
c. Unfunded benefit obligations (a + b)	(464,873)
d. Unrecognized transition differences	24,906
e. Unrecognized actuarial differences	52,678
f. Unrecognized gains on plan amendments	(33,601)
	<hr/>
g. Net amount recognized on the balance sheet (c + d + e + f)	(420,889)
h. Prepaid pension expenses	—
	<hr/>

i. Reserve for employees' retirement
benefits (g - h)

¥ (420,889)

(2) Assumptions used by the Company:

- Method of periodic allocation of benefit obligations—straight-line method
- Discount rate —2.6% per annum
- Estimated return on investment —2.6% per annum
- Amortization period for transition differences—5 years
- Amortization period for actuarial differences—10 years starting from the following fiscal year
- Amortization period for gains on plan amendments—10 years

9. Reserve for Contingent Losses

A reserve for contingent losses is established in accordance with the provision of Article 32-14 of the Enforcement Regulations of the Insurance Business Law. It is calculated based on estimated future possible losses from forward contracts and other agreements on real estate.

10. 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-off and reserve on assets.

11. Reserve for Price Fluctuations

A reserve for price fluctuations is calculated based on the book value of equities and other securities at the end of the fiscal year in accordance with the provisions of Article 115 of the Insurance Business Law.

12. 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 a prepaid expense 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.

13. 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.

14. Amortization of Software Costs

The Company uses the straight-line method of amortization based on the estimated useful life of the software.

15. 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 ¥49,943 million. The amount of credits to bankrupt borrowers was ¥2,458 million, the amount of delinquent loans was ¥37,868 million, the amount of loans past due for three months or more was ¥623 million, and the amount of restructured loans was ¥8,993 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 of 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-offs of loans described in 6. above, credits to bankrupt borrowers and delinquent loans decreased by ¥2,318 million and ¥9,191 million, respectively.

16. Assets and Liabilities Held in Separate Accounts

The total amounts of assets held in separate accounts was ¥1,394,640 million. Separate account liabilities were the same amount as separate account assets.

17. Receivables and Payables to Subsidiaries

The total amounts of receivables and payables to subsidiaries were ¥46,429 million and ¥3,399 million.

18. Leased Computers

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

19. 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	¥ 475,191
Transfer from surplus in previous fiscal year	42,332
Dividends paid in fiscal year	(117,073)
Interest accrual in fiscal year	13,401
Balance at the end of fiscal year	¥ 413,851

20. Securities Lending

Securities lent under lending agreements are included in the balance sheet. The total balance of securities lent was ¥417,279 million.

21. Commitment Line

There were unused commitment line agreements under which the Company is the lender of ¥29,161 million.

22. Net Assets

Net assets defined in Article 24-2, Paragraph 2, Item 2 of the Enforcement Regulations of the Insurance Business Law were ¥838,176 million.

23. Subordinated Debt

Long-term debt and other borrowings included subordinated debt of ¥130,000 million whose repayment is subordinated to other obligations.

24. Subordinated Bonds

Subordinated bonds of ¥52,845 million shown in liabilities were foreign currency-denominated subordinated bonds whose repayment is subordinated to other obligations.

25. Deferred Assets

The following accounting methods are applied for deferred assets:

(1) Bond Issuance Costs:

All costs are recognized as expenses in the years in which they are paid.

(2) Discount on Bonds:

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.

26. Assets Denominated in Foreign Currencies

Assets of the Company denominated in foreign currencies totaled ¥5,125,364 million. The principal foreign currency asset amounts were US\$26,579 million and 14,415 million euros.

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

The future obligations of the Company estimated as of March 31, 2004, 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 ¥11,699 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 March 31, 2004 to the Life Insurance Policyholders Protection Corporation of Japan under Article 259 of the Insurance Business Law were ¥62,617 million. These obligations will be recognized as operating expenses in the years in which they are paid.

28. Stocks of Subsidiaries

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

29. Application of Deferred Tax Accounting

Total deferred tax assets were ¥436,708 million. Total deferred tax liabilities were ¥485,654 million.

Major components of deferred tax assets were as follows:

	(Millions of yen)
Insurance policy reserve	¥ 186,796
Reserve for employees' retirement benefits	143,717
Reserve for price fluctuations	60,400
Reserve for possible loan losses	11,294

Major components of deferred tax liabilities were as follows:

	(Millions of yen)
Net unrealized gains on securities	¥ 470,470

Deferred tax liabilities and deferred tax assets are offset and presented as deferred tax liabilities.

The statutory tax rate for the Company during the fiscal year ended March 31, 2004 was 36.07%. The principal reason for the difference between the statutory tax rate and actual effective tax rate after considering deferred taxes is the impact of reserve for policyholder dividends.

30. Assets Pledged as Collateral / Secured Liabilities

Assets pledged as collateral totaled ¥161,624 million. Secured liabilities totaled ¥88 million.

31. 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 March 31, 2004 was ¥79,955 million.

32. Policy-reserve-matching Bonds

The Company classifies yen-denominated bonds that are held to match the duration of sub-groups of individual life insurance and annuities 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 March 31, 2004 amounted to ¥1,665,815 million. The market value of these bonds as of March 31, 2004 was ¥1,696,593 million.

5. Non-Consolidated Statements of Earnings

(Millions of yen)

	Year ended March 31, 2004	Year ended March 31, 2003
ORDINARY REVENUES	5,058,018	5,224,036
Premium and other income	3,420,906	3,562,109
Premium income	3,420,133	3,561,159
Reinsurance income	773	950
Investment income	964,917	959,872
Interest and dividends	615,647	622,859
Interest from bank deposits	34	111
Interest and dividends from securities	409,303	390,161
Interest from loans	143,172	162,934
Rental income	58,559	65,770
Other interest and dividends	4,577	3,883
Gains on trading account securities	-	90
Gains on sale of securities	129,032	333,297
Gains on redemption of securities	4,890	2,370
Other investment income	1,093	1,254
Gains on investment in separate accounts	214,253	-
Other ordinary revenues	672,194	702,054
Fund receipt for annuity rider of group insurance	1,120	1,247
Fund receipt for claim deposit payment	321,876	357,627
Transfer from policy reserves	333,281	328,512
Other ordinary revenues	15,915	14,666
ORDINARY EXPENSES	4,785,130	5,089,876
Benefits and claims	3,565,061	3,290,296
Claims	924,299	1,031,114
Annuities	269,915	255,901
Benefits	574,978	667,729
Surrender values	1,313,174	992,785
Other refunds	481,427	341,494
Ceding reinsurance commissions	1,266	1,271
Provision for policy reserves and others	160,644	15,204
Provision for reserve for outstanding claims	147,243	348
Provision for interest on policyholder dividends	13,401	14,856
Investment expenses	224,030	870,775
Interest expenses	4,163	3,703
Losses on money held in trust	50	26,932
Losses on sale of securities	103,406	117,220
Losses on valuation of securities	2,663	373,519
Losses on redemption of securities	2,789	485
Derivative transaction losses	24,172	164
Foreign exchange losses	48,166	45,082
Provision for reserve for possible investment losses	-	395
Write-down of loans	255	11
Depreciation of rented real estate and others	17,859	22,811
Other investment expenses	20,503	33,917
Losses on investment in separate accounts	-	246,530
Operating expenses	435,519	458,698
Other ordinary expenses	399,874	454,901
Claim deposit payments	332,900	384,626
National and local taxes	25,252	27,338
Depreciation	32,558	33,937
Provision for reserve for employees' retirement benefits	1,035	1,592
Other ordinary expenses	8,127	7,405
NET SURPLUS FROM OPERATIONS	272,887	134,159
EXTRAORDINARY GAINS	30,837	65,319
Gains on disposal of real estate and movable assets	858	514
Reversal of reserve for possible loan losses	21,249	8,804
Reversal of reserve for possible investment losses	118	-
Reversal of reserve for possible losses on sale of claims	8,610	-
Reversal of reserve for price fluctuations	-	56,000
Reversal of reserve for securities transactions liabilities	0	0
EXTRAORDINARY LOSSES	191,082	131,960
Losses on disposal of real estate and movable assets	59,329	104,591
Provision for reserve for possible losses on sale of claims	-	859
Provision for reserve for possible losses on repurchase of land	-	677
Provision for reserve for contingent losses	25,921	-
Provision for reserve for price fluctuations	80,000	-
Other extraordinary losses	25,830	25,831
Net surplus before adjustment for taxes, etc.	112,642	67,518
Corporate income taxes-current	36,418	667
Corporate income tax-deferred	(22,456)	10,740
Net surplus for the year	98,681	56,109
Transfer from subsidy for social public enterprise	826	826
Transfer from fund for Public Health Awards	50	47
Transfer from fund for Green Design Award	48	50
Transfer from revaluation reserve	(1,227)	18,258
Unappropriated net surplus for the year	98,377	75,292

Notes to the Non-Consolidated Statement of Earnings

1. Retirement Benefit Expenses

Retirement benefit expenses were ¥67,405 million, comprised of the following:

	(Millions of yen)
Service cost	¥ 24,842
Interest cost	14,667
Estimated investment income	(1,968)
Amortization of unrecognized transition differences	24,906
Amortization of unrecognized actuarial differences	4,956
Amortization of unrecognized gains on plan amendments	—
	<hr/>
Retirement benefit expenses	¥ 67,405
	<hr/>

2. Revenues and Expenses from Transactions with Subsidiaries

Total amounts of revenues and expenses from transactions with subsidiaries were ¥1,147 million and ¥21,213 million.

3. 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 ¥14,648 million, ¥78,931 million and ¥35,452 million, respectively.

Losses on sale of securities included losses on sales of domestic bonds, domestic stocks and foreign securities of ¥31,375 million, ¥33,819 million and ¥38,211 million, respectively.

Losses on valuation of securities included losses on valuation of domestic stocks and foreign securities of ¥2,604 million and ¥59 million, respectively.

4. Losses on Money Held in Trust

Losses on money held in trust included losses on valuation of securities of ¥5 million.

5. Derivative Transaction Losses

Derivative transaction losses included valuation gains of ¥3,863 million.

6. Losses on Disposal of Real Estate and Movable Assets

Losses on disposal of real estate and movable assets included valuation losses on real estate of ¥1,104 million.

7. Other Extraordinary Losses

Other extraordinary losses included a transfer to reserve for employees' retirement benefits of ¥24,906 million.

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

(Millions of yen)

	As of March 31, 2004	As of March 31, 2003
Fundamental revenues	4,928,986	4,890,648
Premium and other income	3,420,906	3,562,109
Investment income	835,885	626,484
[Interest and dividends]	[615,647]	[622,859]
Other ordinary revenues	672,194	702,054
[Reversal of reserve for policy reserves]	[333,281]	[328,512]
Fundamental expense	4,536,363	4,524,368
Benefits and claims	3,565,061	3,290,296
Provision for policy and other reserves	90,591	13,023
Investment iexpenses	45,316	307,448
Operating expenses	435,519	458,698
Other ordinary revenues	399,874	454,901
Fundamental profit A	392,622	366,280
Capital gains	129,032	333,387
Gains on money held in trust	-	-
Gains on investments in trading securities	-	-
Gains on sale of securities	129,032	333,297
Derivative transaction gains	-	-
Foreign exchange gains	-	-
Gains on trading account securities	-	90
Others	-	-
Capital losses	178,458	562,920
Losses on money held in trust	50	26,932
Losses on investments in trading securities	-	-
Losses on sale of securities	103,406	117,220
Losses on valuation of securities	2,663	373,519
Derivative transaction Losses	24,172	164
Foreign exchange Losses	48,166	45,082
Losses on trading account securities	-	-
Others	-	-
Net capital gains B	(49,426)	(229,532)
Fundamental profit plus net capital gains A+B	343,195	136,747
Other one-time gains	-	-
Ceding reinsurance commissions	-	-
Reversal of contingency reserve	-	-
Others	-	-
Other one-time losses	70,308	2,588
Reinsurance premiums	-	-
Provision for contingency reserve	70,053	2,181
Provision for specific reserve for possible loan losses	-	-
Provision for specific reserves for loans to refinancing countries	-	-
Write-down of loans	255	11
Others	-	395
Other one-time profits C	(70,308)	(2,588)
Net surplus from operations A+B+C	272,887	134,159

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

7. Non-Consolidated Statements of Surplus

(Thousands of yen)

	Year ended March 31, 2004	Year ended March 31, 2003
Unappropriated net surplus for the year	98,377,331	75,292,861
Transfer from general reserve	2,988,313	53,868
Transfer from reserve for tax basis adjustments of real estate	2,988,313	53,868
Total	101,365,645	75,346,730
Appropriation of unappropriated net surplus	101,365,645	75,346,730
Reserve for policyholder dividends	70,076,468	42,332,925
Net surplus	31,289,177	33,013,804
Reserve for future losses	300,000	200,000
Interest payment for foundation funds	4,120,000	4,120,000
General reserve	26,869,177	28,693,804
Reserve for redemption of foundation funds	21,500,000	21,500,000
Subsidy for social public enterprise	826,000	826,000
Fund for Public Health Awards	50,000	50,000
Fund for Green Design Award	50,000	50,000
Transfer to reserve for tax basis adjustments of real estate	4,443,177	6,267,804

Note: Net surplus is calculated by deducting provision for reserve for policyholder dividends from unappropriated net surplus.

8. Disclosed Claims Based on Categories of Obligors

(Millions of yen)

	As of March 31, 2004	As of March 31, 2003
Claims against bankrupt and quasi-bankrupt obligors	9,667	13,778
Claims with collection risk	30,710	38,670
Claims for special attention	9,616	8,116
Subtotal (I)	49,994	60,564
(Percentage (I)/(II))	(0.78)	(0.96)
Claims against normal obligors	6,348,979	6,243,847
Total (II)	6,398,973	6,304,412

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.

9. Risk-Monitored Loans

(Millions of yen)

	As of March 31, 2004	As of March 31, 2003
Credits to bankrupt borrowers (I)	2,458	3,541
Delinquent loans (II)	37,868	48,864
Loans past due for three months or more (III)	623	981
Restructured loans (IV)	8,993	7,134
Total ((I)+(II)+(III)+(IV))	49,943	60,522
(Percentage of total loans)	(0.78)	(0.97)

- 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 in the fiscal years ended March 31, 2004 and 2003 were ¥2,318 million and ¥13,298 million, respectively. The write-offs relating to delinquent loans in the fiscal years ended March 31, 2004 and 2003 were ¥9,191 million and ¥13,353 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.

10. Solvency Margin Ratio

(Millions of yen)

	As of March 31, 2004	As of March 31, 2003
Total solvency margin (A)	3,137,441	1,986,446
Capital (less certain items) ^{*1}	561,849	534,275
Reserve for price fluctuations	167,453	87,453
Contingency reserve	462,582	392,529
General reserve for possible loan losses	16,079	28,413
Net unrealized gains on securities (before tax) x 90% ^{*2}	1,173,894	289,735
Net unrealized gains (losses) on real estate x 85% ^{*2}	(141,346)	(130,751)
Qualifying subordinated debt	182,845	100,000
Excluded items	(5,750)	(5,750)
Others	719,833	690,540
Total risk $\sqrt{R_1^2 + (R_2 + R_3)^2} + R_4$ (B)	781,242	730,982
Insurance risk R_1	200,309	204,981
Assumed investment yield risk R_2	167,661	171,528
Investment risk R_3	568,080	511,600
Business risk R_4	18,721	17,762
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	803.2%	543.5%

*1: Expected disbursements from capital outside Dai-ichi, 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.

11. Status of Separate Account for the Fiscal Year Ended **March 31, 2004**

(1) Separate Account Assets by Products

(Millions of yen)

	As of March 31, 2004	As of March 31, 2003
Individual variable insurance	61,452	54,968
Individual variable annuities	152,878	64,616
Group annuities	1,180,308	1,424,944
Separate account total	1,394,640	1,544,530

(2) Individual Variable Insurance (Separate Account)

A. Policies in force

(Millions of yen)

	As of March 31, 2004		As of March 31, 2003	
	Number	Amount	Number	Amount
Variable insurance (term life)	453	2,160	517	2,437
Variable insurance (whole life)	53,376	341,909	54,515	351,182
Total	53,829	344,069	55,032	353,619

Note: Policies in force include term life riders.

B. Breakdown of separate account assets for individual variable insurance as of March 31, 2004

(Millions of yen)

	As of March 31, 2004		As of March 31, 2003	
	Amount	%	Amount	%
Cash, deposits, and call loans	1	0.0	3	0.0
Securities	55,243	89.9	50,051	91.1
Domestic bonds	17,879	29.1	14,374	26.2
Domestic stocks	21,433	34.9	18,294	33.3
Foreign securities	15,930	25.9	17,381	31.6
Foreign bonds	8,026	13.1	9,329	17.0
Foreign stocks	7,904	12.9	8,052	14.6
Other securities	-	-	-	-
Loans	-	-	-	-
Others	6,207	10.1	4,914	8.9
Reserve for possible loan losses	-	-	-	-
Total	61,452	100.0	54,968	100.0

C. Investment gains and losses of separate account for individual variable insurance

(Millions of yen)

	Year ended March 31, 2004	Year ended March 31, 2003
Interest and dividends	1,106	1,295
Gains on sales of securities	2,087	1,458
Gains on redemption of securities	-	-
Gains on valuation of securities	16,032	10,247
Foreign exchange gains	31	35
Derivative transaction gains	0	0
Other investment income	0	1
Losses on sales of securities	5,917	6,771
Losses on redemption of securities	-	-
Losses on valuation of securities	5,161	14,635
Foreign exchange losses	39	38
Derivative transaction losses	0	0
Other investment expenses	1	0
Net investment income	8,138	(8,408)

D. Fair value information on securities in separate account for individual variable insurance

* Valuation gains (losses) of trading securities

(Millions of yen)

	As of March 31, 2004		As of March 31, 2003	
	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	55,243	10,871	50,051	(4,388)

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

* Fair value information on money held in trust

The Company had no balances as of March 31, 2004 or 2003.

(3) Individual Variable Annuities (Separate Account)

A. Policies in force

(Millions of yen)

	As of March 31, 2004		As of March 31, 2003	
	Number	Amount	Number	Amount
Individual variable annuities	21,786	140,792	9,950	54,999

B. Breakdown of separate account assets for individual variable annuities as of March 31, 2004

(Millions of yen)

	As of March 31, 2004		As of March 31, 2003	
	Amount	%	Amount	%
Cash, deposits, and call loans	3,129	2.0	2,615	4.0
Securities	145,772	95.4	59,581	92.2
Domestic bonds	4,240	2.8	4,182	6.5
Domestic stocks	3,656	2.4	2,664	4.1
Foreign securities	6,067	4.0	3,966	6.1
Foreign bonds	3,495	2.3	3,180	4.9
Foreign stocks	2,571	1.7	785	1.2
Other securities	131,806	86.2	48,768	75.5
Loans	-	-	-	-
Others	3,977	2.6	2,419	3.7
Reserve for possible loan losses	-	-	-	-
Total	152,878	100.0	64,616	100.0

C. Investment gains and losses of separate account for individual variable annuities

(Millions of yen)

	Year ended March 31, 2004	Year ended March 31, 2003
Interest and dividends	893	485
Gains on sales of securities	275	135
Gains on redemption of securities	-	-
Gains on valuation of securities	18,128	896
Foreign exchange gains	3	3
Derivative transaction gains	0	0
Other investment income	0	0
Losses on sales of securities	458	717
Losses on redemption of securities	-	-
Losses on valuation of securities	1,496	4,262
Foreign exchange losses	3	2
Derivative transaction losses	0	0
Other investment expenses	67	22
Net investment income	17,275	(3,484)

D. Fair value information on securities in separate account for individual variable annuities

* Valuation gains (losses) of trading securities

(Millions of yen)

	As of March 31, 2004		As of March 31, 2003	
	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	145,772	16,632	59,581	(3,365)

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

* Fair value information on money held in trust

The Company had no balances as of March 31, 2004 or 2003.

12. Consolidated Financial Summary

(1) Selected Financial Data and Other Information

(Millions of yen)

	Fiscal year ended March 31, 2004	Fiscal year ended March 31, 2003
Ordinary revenues	5,090,418	5,255,911
Net surplus from from operations	275,373	135,273
Net surplus for the year	99,349	56,546
Total assets	29,718,275	28,977,623

(2) Scope of Consolidation and Application of Equity Method

	Fiscal year ended March 31, 2004	Fiscal year ended March 31, 2003
Number of consolidated subsidiaries	9	12
Number of non-consolidated subsidiaries accounted for under the equity method	0	0
Number of affiliates accounted for under the equity method	7	9

(3) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2004	As of March 31, 2003		As of March 31, 2004	As of March 31, 2003
(ASSETS)			(LIABILITIES)		
Cash and deposits	292,453	516,161	Policy reserves and others	26,523,349	26,770,727
Call loans	337,000	181,000	Reserves for outstanding claims	313,187	165,943
Deposit paid for securities borrowing transactions	-	29,982	Policy reserves	25,796,310	26,129,591
Monetary claims bought	486,270	341,256	Reserve for policyholder dividends	413,851	475,191
Money held in trust	2,191	2,352	Reinsurance payables	682	614
Securities	20,385,369	19,452,216	Bonds	52,845	-
Loans	6,343,001	6,243,962	Other liabilities	1,000,650	919,310
Real estate and movable assets	1,331,400	1,406,690	Reserve for employees' retirement benefits	421,876	395,797
Reinsurance receivables	93	242	Reserve for possible losses on sale of claims	-	8,610
Other assets	564,123	567,041	Reserve for possible losses on repurchase of land	-	677
Deferred tax assets	3,884	286,614	Reserve for contingent losses	25,921	-
Customers' liabilities for acceptances and guarantees	526	556	Reserve for price fluctuations	167,453	87,453
Reserve for possible loan losses	(27,762)	(50,057)	Reserve for securities transactions liabilities	-	0
Reserve for possible investment losses	(276)	(396)	Deferred tax liabilities	49,144	67
			Deferred tax liabilities for land revaluation	3,281	2,509
			Acceptances and guarantees	526	556
			Total liabilities	28,245,732	28,186,325
			(MINORITY INTERESTS)		
			Minority interests	1,604	1,494
			(CAPITAL)		
			Foundation funds	230,000	230,000
			Accumulated redeemed foundation funds	70,000	70,000
			Revaluation reserve	248	248
			Consolidated surplus	332,161	278,146
			Reserve for land revaluation	5,816	4,447
			Net unrealized gains on securities, net of tax	833,996	205,802
			Foreign currency translation adjustments	(1,284)	1,158
			Total capital	1,470,938	789,803
Total assets	29,718,275	28,977,623	Total liabilities, minority interests and capital	29,718,275	28,977,623

(4) Consolidated Statements of Earnings

(Millions of yen)

	Year ended March 31, 2004	Year ended March 31, 2003
ORDINARY REVENUES	5,090,418	5,255,911
Premium and other income	3,420,801	3,562,109
Investment income	992,139	986,420
Interest and dividends	614,842	622,264
Gains on trading account securities	-	90
Gains on sale of securities	129,032	333,285
Gains on redemption of securities	4,890	2,370
Other investment income	29,120	28,409
Gains on investment in separate accounts	214,253	-
Other ordinary revenues	677,476	707,381
ORDINARY EXPENSES	4,815,045	5,120,638
Benefits and claims	3,565,059	3,290,291
Claims	924,297	1,031,109
Annuities	269,915	255,901
Benefits	574,978	667,729
Surrender values	1,313,174	992,785
Other refunds	482,694	342,765
Provision for policy reserves and others	160,644	15,204
Provision for reserve for outstanding claims	147,243	348
Provision for interest on policyholder dividends	13,401	14,856
Investment expenses	228,033	874,183
Interest expenses	4,751	4,340
Losses on money held in trust	50	26,932
Losses on sale of securities	103,459	117,240
Losses on valuation of securities	2,668	373,299
Losses on redemption of securities	2,789	485
Derivative transaction losses	24,172	164
Foreign exchange losses	48,206	45,104
Provision for reserve for possible investment losses	-	396
Write-down of loans	924	15
Depreciation of rented real estate and others	17,859	22,812
Other investment expenses	23,151	36,861
Losses on investment in separate accounts	-	246,530
Operating expenses	427,840	450,791
Other ordinary expenses	433,466	490,166
NET SURPLUS FROM OPERATIONS	275,373	135,273
EXTRAORDINARY GAINS	30,452	65,293
Gains on disposal of real estate and movable assets	1,132	759
Reversal of reserve for possible loan losses	20,589	8,534
Reversal of reserve for possible investment losses	119	-
Reversal of reserve for possible losses on sale of claims	8,610	-
Reversal of reserve for price fluctuations	-	56,000
Reversal of reserve for securities transaction liabilities	0	0
Other extraordinary gains	0	0
EXTRAORDINARY LOSSES	191,230	132,008
Losses on disposal of real estate and movable assets	59,374	104,632
Provision for reserve for possible losses on sale of claims	-	859
Provision for reserve for possible losses on repurchase of land	-	677
Provision for reserve for contingent losses	25,921	-
Provision for reserve for price fluctuations	80,000	-
Other extraordinary losses	25,934	25,838
Net surplus before adjustment for taxes, etc.	114,595	68,558
Corporate income taxes-current	36,998	1,305
Corporate income tax-deferred	(21,901)	10,550
Minority interests in losses of subsidiaries	148	156
Net surplus for the year	99,349	56,546

(5) Consolidated Statements of Surplus

(Millions of yen)

	Year ended March 31, 2004	Year ended March 31, 2003
Consolidated surplus at beginning of year	278,146	235,691
Increase in consolidated surplus	101,992	74,894
Net surplus for the year	99,349	56,546
Increase in surplus due to changes in the subsidiaries included in the scope of consolidation	2,642	78
Increase of other surplus	0	18,268
Decrease in consolidated surplus	47,976	32,439
Reserve for policyholder dividends	42,332	23,104
Money reserved for revaluation	-	248
Interest on foundation funds	4,120	3,016
Decrease in surplus due to changes in the subsidiaries included in the scope of consolidation	217	5,892
Decrease of other surplus	1,306	177
Consolidated surplus at end of year	332,161	278,146

(6) Risk-Monitored Loans

(Millions of yen)

	As of March 31, 2004	As of March 31, 2003
Credits to bankrupt borrowers (I)	2,484	3,571
Delinquent loans (II)	40,772	53,753
Loans past due for three months or more (III)	623	981
Restructured loans (IV)	11,263	10,129
Total ((I)+(II)+(III)+(IV))	55,143	68,437
(Percentage of total loans)	(0.87)	(1.10)

- 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 in the fiscal years ended March 31, 2004 and 2003 were ¥2,336 million and ¥14,043 million, respectively. The write-offs relating to delinquent loans in the fiscal years ended March 31, 2004 and 2003 were ¥11,385 million and ¥13,601 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.

(reference) Disclosed claims based on categories of obligors

(Millions of yen)

	As of March 31, 2004	As of March 31, 2003
Claims against bankrupt and quasi-bankrupt obligors	10,765	14,360
Claims with collection risk	32,542	43,007
Claims for special attention	11,886	11,111
Subtotal	55,193	68,479
Claims against normal obligors	6,317,086	6,213,144
Total	6,372,280	6,281,623

- 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.

(7) Segment Information

The Company and its consolidated subsidiaries are engaged in businesses other than life insurance business. Those businesses have a minimal impact on overall consolidated financial conditions, and the segment information on those businesses is omitted.

13. Selected Financial Information by Insurance Products

(Millions of yen)

	Individual insurance and annuities	Group insurance	Group annuities	Others	Total
Policies in force at the beginning of the year	212,599,484	54,193,595	7,067,017	-	-
Policies in force at the end of the year	202,920,505	54,344,407	6,483,487	-	-
Net increase in policies in force	(9,678,978)	150,812	(583,529)	-	-
Ordinary revenues	-	-	-	-	5,058,018
a. Premium and other income	2,177,782	177,143	1,006,469	59,510	3,420,906
Premium	2,177,712	176,505	1,006,469	59,446	3,420,133
b. Ordinary revenues other than a. above	-	-	-	-	1,637,111
Reversal of (provision for) policy reserves	(187,756)	(550)	583,529	8,112	333,281
Ordinary expenses	-	-	-	-	4,785,130
c. Benefits and claims	1,732,482	101,998	1,662,146	68,434	3,565,061
Claims	805,159	98,982	15,434	4,722	924,299
Annuities	110,042	779	153,063	6,029	269,915
Benefits	200,772	318	366,048	7,838	574,978
Surrender values	577,507	947	686,333	48,385	1,313,174
d. Ordinary expenses other than c. above	-	-	-	-	1,220,069
Net surplus from operations	-	-	-	-	272,887

Note: 1. Categorization of insurance products:

'Others' are the sum of financial insurance, financial annuities, medical care insurance, group disability insurance and reinsurance written.

2. Policies in force:

- 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.
- Policies in force of group insurance include those of annuity riders attached to group insurance, which are the sum of (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.
- Policies in force of group annuities are equal to the amount of outstanding corresponding policy reserve.

3. Profit and loss items:

- 'Premium and other income' shows the sum of premium and reinsurance income.
- 'Benefits and claims' shows the sum of claims, annuities, benefits, surrender values, other payments and reinsurance premium.