

# Financial Section

## Non-Consolidated Balance Sheet

Meiji Yasuda Life Insurance Company

As of March 31, 2010 and 2009

	Millions of Yen		Millions of U.S. Dollars*
	FY2009	FY2008	FY2009
<b>ASSETS</b>			
Cash and deposits:			
Cash .....	¥ 628	¥ 655	\$ 6.7
Deposits .....	375,446	333,633	4,035.3
Call loans .....	187,000	345,000	2,009.8
Monetary claims bought .....	284,939	263,374	3,062.5
Securities:			
Domestic bonds:			
Government bonds .....	7,783,755	7,011,243	83,660.3
Municipal bonds .....	1,238,634	937,615	13,312.9
Corporate bonds .....	1,572,217	1,495,145	16,898.2
Domestic stocks .....	3,388,511	2,775,223	36,419.9
Foreign securities .....	2,944,194	2,741,898	31,644.3
Other securities .....	140,428	88,313	1,509.3
Loans:			
Policy loans .....	362,313	375,508	3,894.1
Financial loans .....	5,114,950	5,621,195	54,975.8
Tangible fixed assets:			
Land .....	655,961	670,540	7,050.3
Buildings .....	358,676	373,888	3,855.0
Construction in progress .....	10,233	2,780	109.9
Other tangible fixed assets .....	4,360	6,096	46.8
Intangible fixed assets:			
Software .....	41,234	38,777	443.1
Other intangible fixed assets .....	23,974	29,501	257.6
Agency account receivable .....	20	81	0.2
Reinsurance account receivable .....	2,262	2,983	24.3
Other assets:			
Accounts receivable .....	77,176	134,826	829.4
Prepaid expenses .....	3,812	3,876	40.9
Accrued income .....	69,987	71,441	752.2
Security deposits and rental deposits .....	9,060	5,436	97.3
Deposits on financial futures .....	586	284	6.2
Margins on financial futures .....	—	20	—
Derivative financial instruments .....	18,656	2,395	200.5
Suspense payment .....	11,054	5,167	118.8
Miscellaneous assets .....	84,059	70,879	903.4
Deferred tax assets .....	243,397	494,332	2,616.0
Customers' liabilities for acceptances and guarantees .....	20,024	15,222	215.2
Reserves for possible loan losses .....	(15,070)	(13,874)	(161.9)
<b>TOTAL ASSETS .....</b>	<b>¥ 25,012,490</b>	<b>¥ 23,903,468</b>	<b>\$ 268,835.8</b>

\*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥93.04 to US\$1.00 prevailing on March 31, 2010.

	Millions of Yen		Millions of U.S. Dollars*
	FY2009	FY2008	FY2009
<b>LIABILITIES AND NET ASSETS</b>			
(Liabilities)			
Policy reserves and others:			
Reserves for outstanding claims .....	¥ 129,520	¥ 138,920	\$ 1,392.0
Policy reserves .....	22,236,124	21,313,343	238,995.3
Reserves for policyholder dividends .....	330,649	352,502	3,553.8
Agency account payable .....	—	0	—
Reinsurance account payable .....	2,240	2,531	24.0
Other liabilities:			
Deposits received on bonds lending .....	284,570	490,989	3,058.5
Loans payable .....	100,000	100,000	1,074.8
Account payable .....	67,679	63,455	727.4
Unpaid expenses .....	27,334	25,088	293.7
Unearned income .....	7,490	8,571	80.5
Employees' and agents' savings deposits .....	21,953	20,800	235.9
Deposits received for guarantee .....	35,866	39,795	385.4
Margins on financial futures .....	39	715	0.4
Derivative financial instruments .....	20,426	61,322	219.5
Suspense receipts .....	10,284	9,670	110.5
Accrued retirement benefits for directors and executive officers.....	724	2,036	7.7
Reserves for contingent liabilities .....	3,809	4,202	40.9
Reserves for price fluctuations .....	184,980	177,522	1,988.1
Deferred tax liabilities on revaluation of land .....	118,623	120,972	1,274.9
Acceptances and guarantees .....	20,024	15,222	215.2
<b>TOTAL LIABILITIES .....</b>	<b>23,602,343</b>	<b>22,947,664</b>	<b>253,679.5</b>
(Net Assets)			
Foundation funds .....	60,000	60,000	644.8
Accumulated redeemed foundation funds .....	350,000	350,000	3,761.8
Revaluation reserves .....	452	452	4.8
Surplus retained:			
Reserves for loss compensation .....	7,253	6,918	77.9
Other surplus retained:			
Reserves for redemption of foundation funds .....	45,000	30,000	483.6
Accumulated fund for price fluctuations .....	29,764	29,764	319.9
Reserves for retirement benefits .....	—	1,629	—
Social welfare project promotion reserves .....	47	528	0.5
Reserves for advanced depreciation of real estate.....	20,374	19,997	218.9
Special reserves .....	2,000	2,000	21.4
Other reserves .....	85	85	0.9
Unappropriated surplus for the period .....	146,689	125,755	1,576.6
Total foundation funds and others .....	661,668	627,132	7,111.6
Unrealized gains (losses) on available-for-sale securities.....	677,168	255,397	7,278.2
Deferred hedge gains (losses) .....	(6,519)	(7,158)	(70.0)
Revaluation reserves for land .....	77,829	80,432	836.5
Total valuation and translation adjustments and others.....	748,478	328,671	8,044.6
<b>TOTAL NET ASSETS .....</b>	<b>1,410,146</b>	<b>955,803</b>	<b>15,156.3</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS .....</b>	<b>¥ 25,012,490</b>	<b>¥ 23,903,468</b>	<b>\$ 268,835.8</b>

\*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥93.04 to US\$1.00 prevailing on March 31, 2010.

# Non-Consolidated Statement of Operations and Surplus

Meiji Yasuda Life Insurance Company

For the years ended March 31, 2010 and 2009

	Millions of Yen		Millions of U.S. Dollars*
	FY2009	FY2008	FY2009
<b>ORDINARY REVENUE</b>			
Premium income and reinsurance refunds:			
Premium income .....	¥ 3,281,153	¥ 2,684,824	\$ 35,266.0
Refunds on reinsurance .....	1,276	1,723	13.7
Investment income and gain:			
Interest and dividends:			
Interest on deposits .....	456	873	4.9
Interest and dividends on securities .....	316,428	314,279	3,400.9
Interest on loans .....	116,791	122,925	1,255.2
Rental income .....	38,440	40,786	413.1
Other interest and dividends .....	8,114	9,126	87.2
Gains on money-held-in-trust .....	1	6	0.0
Gains on securities sold .....	81,216	57,383	872.9
Gains on securities redeemed .....	4,077	933	43.8
Income for derivative financial instruments .....	31,461	—	338.1
Other investment income .....	142	364	1.5
Gains on separate account assets investment .....	87,011	—	935.1
Other ordinary revenue:			
Annuity supplementary contract premiums .....	18,386	17,308	197.6
Benefits left to accumulate at interest .....	149,453	165,201	1,606.3
Reversal of outstanding claims .....	9,399	4,361	101.0
Reversal of policy reserves .....	—	356,824	—
Reversal of accrued pension and severance costs .....	13,853	1,950	148.8
Miscellaneous income .....	7,517	5,917	80.7
<b>TOTAL ORDINARY REVENUE</b> .....	<b>4,165,183</b>	<b>3,784,791</b>	<b>44,767.6</b>
<b>ORDINARY EXPENSES</b>			
Insurance benefits paid and others:			
Claims paid .....	816,108	871,312	8,771.5
Annuities paid .....	425,436	395,737	4,572.6
Benefits on policies paid .....	524,838	544,469	5,640.9
Surrender benefits paid .....	485,980	522,731	5,223.3
Other refunds paid .....	88,485	119,085	951.0
Reinsurance premiums .....	1,908	1,927	20.5
Provision for policy reserves and others:			
Provision for policy reserves .....	922,781	—	9,918.1
Interest on dividend reserves .....	1,075	1,147	11.5
Investment expenses and losses:			
Interest paid .....	3,570	4,870	38.3
Losses on trading securities .....	—	0	—
Losses on securities sold .....	58,221	113,220	625.7
Losses on securities appraised .....	12,258	285,552	131.7
Losses on securities redeemed .....	7,562	5,778	81.2
Expenses for derivative financial instruments .....	—	11,729	—
Losses on foreign exchange .....	337	571	3.6
Provision for reserves for possible loan losses .....	11,447	3,669	123.0
Depreciation on real estate for rent .....	11,075	11,388	119.0
Other investment expenses .....	11,572	11,907	124.3
Losses on separate account assets investment .....	—	152,052	—
Operating expenses .....	361,610	331,793	3,886.6
Other ordinary expenses:			
Payments of benefits left to accumulate at interest .....	191,961	233,891	2,063.2
Taxes .....	23,228	21,074	249.6
Depreciation .....	22,197	23,761	238.5
Miscellaneous expenses .....	4,947	5,670	53.1
<b>TOTAL ORDINARY EXPENSES</b> .....	<b>¥ 3,986,605</b>	<b>¥ 3,673,342</b>	<b>\$ 42,848.2</b>

	Millions of Yen		Millions of U.S. Dollars*
	FY2009	FY2008	FY2009
ORDINARY INCOME .....	¥ 178,577	¥ 111,448	\$ 1,919.3
Extraordinary profits:			
Gains on disposals of fixed assets .....	971	450	10.4
Reversal of reserves for price fluctuations.....	—	34,788	—
Extraordinary losses:			
Losses on disposals of fixed assets .....	14,514	6,442	155.9
Impairment losses .....	3,188	4,276	34.2
Provision for reserves for contingent liabilities .....	207	387	2.2
Provision for reserves for price fluctuations .....	7,458	—	80.1
Donations for social welfare project promotion .....	552	568	5.9
NET SURPLUS BEFORE TAXES .....	153,627	135,012	1,651.1
Provision for corporate income taxes .....	327	(371)	3.5
Corporate income tax equivalent adjustment .....	9,829	13,114	105.6
NET SURPLUS FOR THE PERIOD .....	¥ 143,470	¥ 122,269	\$ 1,542.0

\*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥93.04 to US\$1.00 prevailing on March 31, 2010.

## Appropriation of Surplus

Meiji Yasuda Life Insurance Company

	For the years ended March 31, 2010 and 2009		Millions of U.S. Dollars*
	Millions of Yen		FY2009
	FY2009	FY2008	FY2009
Unappropriated surplus for the period .....	¥ 146,689	¥ 125,755	\$ 1,576.6
Reversal of voluntary reserves:			
Reversal of reserves for advanced depreciation of real estate .....	456	450	4.9
Reversal of reserves for retirement benefits .....	—	1,629	—
TOTAL UNAPPROPRIATED SURPLUS .....	147,146	127,835	1,581.5
Provision for reserves for policyholder dividends .....	123,038	110,557	1,322.4
Net surplus for the period:			
Reserves for loss compensation .....	373	335	4.0
Interest on foundation funds .....	1,043	1,043	11.2
Voluntary reserves:			
Reserves for redemption of foundation funds .....	15,000	15,000	161.2
Social welfare project promotion reserves .....	553	72	5.9
Operating base reinforcement reserve .....	6,000	—	64.4
Reserves for advanced depreciation of real estate .....	1,137	827	12.2

\*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥93.04 to US\$1.00 prevailing on March 31, 2010.

# Non-Consolidated Statement of Changes in Net Assets

Meiji Yasuda Life Insurance Company

For the years ended March 31, 2010 and 2009

	Millions of Yen		Millions of U.S. Dollars*
	FY2009	FY2008	FY2009
Foundation funds and others			
Foundation funds			
Balance at the end of previous period .....	¥ 60,000	¥ 60,000	\$ 644.8
Changes during the period			
Total changes during the period .....	—	—	—
Balance at the end of current period .....	60,000	60,000	644.8
Accumulated redeemed foundation funds			
Balance at the end of previous period .....	350,000	350,000	3,761.8
Changes during the period			
Total changes during the period .....	—	—	—
Balance at the end of current period .....	350,000	350,000	3,761.8
Revaluation reserves			
Balance at the end of previous period .....	452	452	4.8
Changes during the period			
Total changes during the period .....	—	—	—
Balance at the end of current period .....	452	452	4.8
Surplus retained			
Reserves for loss compensation			
Balance at the end of previous period .....	6,918	6,497	74.3
Changes during the period			
Transfer to reserves for loss compensation .....	335	421	3.6
Total changes during the period .....	335	421	3.6
Balance at the end of current period .....	7,253	6,918	77.9
Other surplus retained			
Reserves for redemption of foundation funds			
Balance at the end of previous period .....	30,000	15,000	322.4
Changes during the period			
Transfer to reserves for redemption of foundation funds .....	15,000	15,000	161.2
Total changes during the period .....	15,000	15,000	161.2
Balance at the end of current period .....	45,000	30,000	483.6
Accumulated fund for price fluctuations			
Balance at the end of previous period .....	29,764	15,264	319.9
Changes during the period			
Transfer to accumulated fund for price fluctuations .....	—	14,500	—
Total changes during the period .....	—	14,500	—
Balance at the end of current period .....	29,764	29,764	319.9
Reserves for retirement benefits			
Balance at the end of previous period .....	1,629	2,113	17.5
Changes during the period			
Reversal of reserves for retirement benefits .....	(1,629)	(484)	(17.5)
Total changes during the period .....	(1,629)	(484)	(17.5)
Balance at the end of current period .....	—	1,629	—
Social welfare project promotion reserves			
Balance at the end of previous period .....	528	497	5.6
Changes during the period			
Transfer to social welfare project promotion reserves .....	72	600	0.7
Reversal of social welfare project promotion reserves .....	(552)	(568)	(5.9)
Total changes during the period .....	(480)	31	(5.1)
Balance at the end of current period .....	47	528	0.5

	Millions of Yen		Millions of U.S. Dollars*
	FY2009	FY2008	FY2009
Reserves for advanced depreciation of real estate			
Balance at the end of previous period .....	¥ 19,997	¥ 19,138	\$ 214.9
Changes during the period			
Transfer to reserves for advanced depreciation of real estate .....	827	1,298	8.8
Reversal of reserves for advanced depreciation of real estate .....	(450)	(439)	(4.8)
Total changes during the period .....	377	858	4.0
Balance at the end of current period .....	20,374	19,997	218.9
Special reserves			
Balance at the end of previous period .....	2,000	2,000	21.4
Changes during the period			
Total changes during the period .....	—	—	—
Balance at the end of current period .....	2,000	2,000	21.4
Other reserves			
Balance at the end of previous period .....	85	85	0.9
Changes during the period			
Total changes during the period .....	—	—	—
Balance at the end of current period .....	85	85	0.9
Unappropriated surplus			
Balance at the end of previous period .....	125,755	171,051	1,351.6
Changes during the period			
Transfer to reserves for policyholder dividends .....	(110,557)	(139,107)	(1,188.2)
Transfer to reserves for loss compensation .....	(335)	(421)	(3.6)
Interest payment on foundation funds .....	(1,043)	(1,049)	(11.2)
Net surplus .....	143,470	122,269	1,542.0
Transfer to reserves for redemption of foundation funds .....	(15,000)	(15,000)	(161.2)
Transfer to accumulated fund for price fluctuations .....	—	(14,500)	—
Reversal of reserves for retirement benefits .....	1,629	484	17.5
Transfer to social welfare project promotion reserves .....	(72)	(600)	(0.7)
Reversal of social welfare project promotion reserves .....	552	568	5.9
Transfer to reserves for advanced depreciation of real estate .....	(827)	(1,298)	(8.8)
Reversal of reserves for advanced depreciation of real estate .....	450	439	4.8
Reversal of revaluation reserves for land .....	2,666	2,918	28.6
Total changes during the period .....	20,933	(45,295)	224.9
Balance at the end of current period .....	146,689	125,755	1,576.6
Total surplus retained			
Balance at the end of previous period .....	216,679	231,648	2,328.8
Changes during the period			
Transfer to reserves for policyholder dividends .....	(110,557)	(139,107)	(1,188.2)
Interest payment on foundation funds .....	(1,043)	(1,049)	(11.2)
Net surplus .....	143,470	122,269	1,542.0
Reversal of revaluation reserves for land .....	2,666	2,918	28.6
Total changes during the period .....	34,535	(14,969)	371.1
Balance at the end of current period .....	251,215	216,679	2,700.0
Total foundation funds and others			
Balance at the end of previous period .....	627,132	642,101	6,740.4
Changes during the period			
Transfer to reserves for policyholder dividends .....	(110,557)	(139,107)	(1,188.2)
Interest payment on foundation funds .....	(1,043)	(1,049)	(11.2)
Net surplus .....	143,470	122,269	1,542.0
Reversal of revaluation reserves for land .....	2,666	2,918	28.6
Total changes during the period .....	34,535	(14,969)	371.1
Balance at the end of current period .....	661,668	627,132	7,111.6

	Millions of Yen		Millions of U.S. Dollars*
	FY2009	FY2008	FY2009
Valuation and translation adjustments and others			
Unrealized gains (losses) on available-for-sale securities			
Balance at the end of previous period .....	¥ 255,397	¥ 1,131,732	\$ 2,745.0
Changes during the period			
Net changes in items other than foundation funds and others .....	421,771	(876,335)	4,533.2
Total changes during the period .....	421,771	(876,335)	4,533.2
Balance at the end of current period .....	677,168	255,397	7,278.2
Deferred hedge gains (losses)			
Balance at the end of previous period .....	(7,158)	11	(76.9)
Changes during the period			
Net changes in items other than foundation funds and others .....	638	(7,169)	6.8
Total changes during the period .....	638	(7,169)	6.8
Balance at the end of current period .....	(6,519)	(7,158)	(70.0)
Revaluation reserves for land			
Balance at the end of previous period .....	80,432	83,350	864.4
Changes during the period			
Net changes in items other than foundation funds and others .....	(2,603)	(2,918)	(27.9)
Total changes during the period .....	(2,603)	(2,918)	(27.9)
Balance at the end of current period .....	77,829	80,432	836.5
Total valuation and translation adjustments and others			
Balance at the end of previous period .....	328,671	1,215,094	3,532.5
Changes during the period			
Net changes in items other than foundation funds and others .....	419,806	(886,422)	4,512.1
Total changes during the period .....	419,806	(886,422)	4,512.1
Balance at the end of current period .....	748,478	328,671	8,044.6
Total net assets			
Balance at the end of previous period .....	955,803	1,857,195	10,273.0
Changes during the period			
Transfer to reserves for policyholder dividends .....	(110,557)	(139,107)	(1,188.2)
Interest payment on foundation funds .....	(1,043)	(1,049)	(11.2)
Net surplus .....	143,470	122,269	1,542.0
Reversal of revaluation reserves for land .....	2,666	2,918	28.6
Net changes in items other than foundation funds and others .....	419,806	(886,422)	4,512.1
Total changes during the period .....	454,342	(901,392)	4,883.2
Balance at the end of current period .....	1,410,146	955,803	15,156.3

\*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥93.04 to US\$1.00 prevailing on March 31, 2010.

## Notes to Non-Consolidated Financial Statements

Meiji Yasuda Life Insurance Company

### 1. Basis of Preparation of Financial Statements

The financial statements are prepared in accordance with the Insurance Business Law and the Enforcement Regulations thereunder and in accordance with standard accounting principles and procedures followed by life insurance companies in Japan.

### 2. Significant Accounting Policies

#### (1) Securities

- a. Trading Securities are stated at fair value based mainly on the business year-end closing market price (Cost of their sales is determined by the moving average method).
  - b. Held-to-Maturity Debt Securities are stated at amortized cost using the moving average method (straight-line method).
  - c. Stock Securities Issued by Subsidiaries and Affiliates are stated at cost using the moving average method (refers to stock securities issued by those subsidiaries prescribed under Article 2 Paragraph 12 of the Insurance Business Law, child companies, etc., excluding subsidiaries, prescribed under Article 13-5-2 Paragraph 3 of the Enforcement Regulations of the Insurance Business Law and other affiliates prescribed under Paragraph 4 of the same Article).
  - d. Available-for-sale Securities
    - Stock securities for which market quotations are available are stated at fair value based on the average market price during March. Others are stated at market price built on market value method at the end of March. (Cost of their sales is determined by the moving average method)
    - Stock securities for which market quotations are unavailable
      - i) Bonds and debentures(Including bonds issued overseas) for which the difference in acquisition amounts are recognized as the difference in interest rate adjustment are stated at amortized cost using the moving average method(straight-line method)
      - ii) Other Securities that are not classified in category (i) are stated at cost methods using the moving average method.
- With Available-for-sale Securities, valuation differences are computed using the net asset adjustment method.

#### (2) Derivative Transactions

Derivative transactions are stated at fair value.

#### (3) Depreciation of Tangible Fixed Assets

Depreciation of tangible fixed assets is determined according to the following methods.

- Buildings
  - 1) Acquired on or before March 31, 2007  
The former straight-line method.
  - 2) Acquired on or after April 1, 2007  
The straight-line method.
- Tangible fixed assets other than buildings
  - 1) Acquired on or before March 31, 2007  
The former declining balance method.
  - 2) Acquired on or after April 1, 2007  
The declining balance method.

#### (4) Depreciation of Computer Software

Depreciation of computer software included under intangible fixed assets is calculated according to the straight-line method based on the useful life of the product.

#### (5) Foreign Exchange Rate

Assets and liabilities denominated in foreign currencies other than the stock issued by subsidiaries and affiliates are converted into yen at the exchange rates prevailing on the last business day of March. The stock issued by subsidiaries and affiliates is converted into yen at the exchange rates prevailing on the date of their acquisition.

#### (6) Calculation Criteria for Reserves etc.

##### 1) Reserves for Possible Loan Losses

- a. Reserves for possible loan losses are calculated according to the Company's internal standards for risk assessment of assets and the rules for the write-off and provision of reserves. All loans are assessed by the departments concerned and the results are audited by an independent Auditing Department.
- b. For loans to legally bankrupt and substantially bankrupt borrowers, reserves are provided at the balance outstanding after the direct deduction shown below and deduction of the net amount collectible through the disposal of collateral or the execution of guarantees.
- c. For loans to borrowers with high possibility of bankruptcy, reserves are provided at the amount deemed necessary based on a general assessment of financial solvency, after deduction of the net amount collectible through the disposal of collateral or the execution of guarantees.
- d. Reserves for possible loan losses on other loans are calculated on a historical basis according to the actual rate of loan losses over a given period.
- e. Where loans to legally bankrupt or substantially bankrupt borrowers are covered by collateral or guarantees, the balance after deduction of the assessed value of the collateral and the amount considered to be collectible through the execution of guarantees is directly deducted from the loans outstanding. In FY2009, these direct deductions amounted to ¥10,146 million.

##### 2) Accrued Pension and Severance Costs

To provide for the payment of retirement benefits in the future, the retirement benefits are provided at the amount accrued at the end of the year, based on the Accounting Standards for Retirement Benefits.

The projected pension assets exceeded the projected retirement benefit obligations at the end of the current fiscal year. The balance of the accrued pension and severance costs was zero.

##### 3) Accrued Retirement Benefits for Directors and Executive Officers

In order to pay retirement allowances and bonuses to directors and executive officers, a portion of the projected payable amount that is recognized to have accrued at the end of the fiscal year is set aside as reserves for retirement benefits.

The fiscal 2007, the Compensation Committee decided to abolish the retirement allowances and bonuses scheme from June 30, 2008, and no provisions have been made in connection with incumbent directors and executive officers since that date.



#### **4) Reserves for Contingent Liabilities**

Reserves for contingent liabilities are provided based primarily on the amount of estimated possible losses in the future with respect to securitization of receivable. These reserves are provided in compliance with Article 24-4 of the Enforcement Regulations of the Insurance Business Law.

#### **5) Reserves for Price Fluctuations**

Reserves for price fluctuations are calculated in accordance with Article 115 of the Insurance Business Law.

#### **(7) Lease Transactions**

Ownership non-transfer finance lease transactions with starting dates on or before March 31, 2008 shall continue to be accounted for in accordance with the methods used for normal lease transactions.

#### **(8) Method of Hedge Accounting**

Hedging transactions have been accounted for in accordance with the "Accounting Standards for Financial Instruments" (Accounting Standards Board of Japan (ASBJ), March 10, 2008). These transactions consist primarily of: interest rate swaps used as a cash flow hedge related to loans and loans payable, which are treated exceptionally; and market-based hedge accounting using forward exchange contracts to hedge against exchange rate fluctuation risk related to foreign currency denominated bonds.

From this fiscal year, the company uses interest rate swap transactions for the purpose of hedging against interest rate fluctuation risk, and uses deferred hedge treatment under the Industry Audit Committee Report No. 26, "Accounting and Audit Treatments Related to the Adoption of Accounting for Financial Instruments in the Insurance Industry" (Japanese Institute of Certified Public Accountants (JICPA) September 3, 2002). Hedge effectiveness is assessed by verifying the interest rate situation that exerts the impact on calculations of theoretical prices for both hedged items and hedging instruments.

#### **(9) Consumption Tax**

Consumption and local consumption taxes and the base price are recorded separately. Note that deferred consumption taxes on assets that do not qualify as deductive expenses are recorded as prepaid expenses and amortized on a straight-line basis over a five year period. Other consumption taxes that do not qualify as deductive expenses are recorded as expenses for the fiscal year in which they are incurred.

#### **(10) Policy Reserves**

Policy reserves are provided in accordance with Article 116 of the Insurance Business Law. The amounts are calculated using the following methods.

- a. Reserves for policies subject to the standard policy reserve requirement are calculated according to ordinances stipulated by the Prime Minister.
- b. Reserves for other policies are calculated on the basis of the net level premium method.

Under the provisions of Article 69 Paragraph 5 of the Enforcement Regulations of the Insurance Business Law, the policy reserves include ¥586,213 million to be additionally set aside over a period of three years from fiscal year 2007 as the difference arising from calculations of premium reserves using the expected rate of interest of 2.75% for individual annuity contracts concluded on or before April 1, 1996. The ¥128,343 million

accumulated in the current fiscal year brought the additional policy reserve set aside over the last three years to the required total (the portions following the start of pension payments for contracts for which pension payments start shall be set aside on each occasion in the fiscal year following the start of pension payments).

### **3. Balance Sheets**

#### **(1) Depreciation on Tangible Fixed Assets**

Accumulated depreciation on tangible fixed assets totaled ¥444,357 million.

#### **(2) Assets and Liabilities for Separate Accounts**

Combined assets and liabilities for separate accounts, prescribed in Article 118 paragraph 1 of the Insurance Business Law, amounted to ¥595,353 million.

#### **(3) Resource of Surplus Distribution**

The resource of surplus distribution as provided for in Article 30 paragraph 2 of the Enforcement Regulations of the Insurance Business Law was ¥748,931 million.

#### **(4) Monetary Claims on and Monetary Liabilities to Subsidiaries**

Total monetary claims on the Company's subsidiaries amounted to ¥3,690 million, while total monetary liabilities owed to subsidiaries amounted to ¥3,361 million.

#### **(5) Leased Movables**

The Company holds leased movables, including computers and peripherals, in addition to the tangible and intangible fixed assets reported on the Balance Sheets.

#### **(6) Reserves for Policyholder Dividends**

Changes in the reserves for policyholder dividends for FY2009 are shown below:

a. Balance at the end of FY2008 .....	¥352,502 million
b. Provision from surplus for FY2008 .....	¥110,557 million
c. Dividends to policyholders in FY2009 .....	¥133,545 million
d. Interest on reserves .....	¥ 1,134 million
e. Balance at the end of FY2009 .....	¥330,649 million

#### **(7) Assets and Liabilities Denominated in Foreign Currencies**

Assets denominated in foreign currencies totaled ¥2,064,162 million. (The main foreign currencies are US\$15,701 million and EUR 3,206 million.) Liabilities denominated in foreign currencies totaled ¥6,928 million. (The main foreign currencies are US\$38 million and EUR 14 million.)

#### **(8) Assets Pledged as Collateral**

Assets pledged as collateral amounted to ¥4,485 million in securities.

#### **(9) Status and fair value of financial instruments**

##### **1) Financial Instruments**

The "surplus management-type ALM" used for managing assets in the general account other than the separate accounts prescribed in Article 118 Paragraph 1 of the Insurance Business Law sees the surplus arising from the difference between assets and liabilities assessed at economic value as an indicator of financial soundness and focuses on fluctuations in this surplus (risk).

Based on this policy, the specific financial assets in which the company invests are principally securities and loans. Securities holdings primarily consist of bonds, stocks, investment trusts and investments in partnership capital; loans primarily consist of

loans to domestic customers and individuals.

As a general rule, use of derivatives is limited to hedging, primarily as a method of hedging against invested asset risk and insurance liability risk. Hedging transactions have been accounted for in accordance with the "Accounting Standards for Financial Instruments" (Accounting Standards Board of Japan (ASBJ), March 10, 2008). These transactions consist primarily of: interest rate swaps used as a cash flow hedge related to loans, which are treated exceptionally; market-based hedge accounting using forward exchange contracts to hedge against exchange rate fluctuation risk related to foreign currency denominated bonds; and hedges against interest rate risk related to insurance liability using interest rate swaps.

Securities are exposed to market risk (interest rate fluctuation risk, exchange rate fluctuation risk and price fluctuation risk) and credit risk; loans to credit risk and interest rate fluctuation risk; and derivatives transactions to market risk and credit risk.

Loan payable is exposed to interest rate fluctuation risk because they are made at fluctuating interest rates.

With regard to interest rate fluctuation risk management, fluctuation risk is managed on the basis of economic values, including liabilities, from a surplus management perspective, through purchases of long-term bonds aimed at prolonging asset duration in a sustained, stable manner and through interest rate risk hedges against insurance liabilities using interest rate swaps. The company hedges against exchange risk using forward exchange contracts where necessary for appropriate control of exchange fluctuation risk levels. With regard to market risk management including price fluctuation risk, the company makes integrated management for outstanding balances and the profit and loss situation of securities and derivatives transactions while mechanisms have been introduced to keep losses to within certain limits by establishing appropriate caps.

The Value at Risk (VaR) method is also used to measure the maximum foreseeable loss, and stress tests are regularly performed to simulate conditions that might arise in the event of sharp market fluctuations that exceed normal forecasts. The department which manages investment risk monitors the profit and loss situation and compliance with rules, while in addition to reporting on important matters to the Board of Directors, the department which manages investment risk submits reports regularly (or immediately in urgent cases) to the Sub-committee.

When managing credit risk, the risk inherent in each transaction is carefully identified and investments are limited to those that are judged to be highly safe. With regard to corporate loans, where credit risk judgments are particularly important, the department which manages credit risk ensure that a rigorous screening system is in place. In addition to monitoring customers who are granted credit facilities and implementing an internal credit rating scheme that uses corporate screening methods, the company takes decisions on highly important deals following careful discussions by the Investment Council (Management Council). Further, it sets exposure limits based on creditworthiness to ensure that risk is not concentrated among certain companies or groups, and works to disperse investments.

The company limits risk by drawing up policies on using derivatives transactions, establishing limits on balances according to the type of transaction, and setting exposure limits

for each counter party. At the same time, a system of internal checks has been established by isolating the departments executing the transactions from the administrative departments to ensure risk management is on an appropriate footing.

The fair values of financial instruments are prices based on the market price and, in cases where market prices are not available, include prices calculated by reasonable methods. Since certain assumptions, etc., are adopted for said price calculations, said prices may differ when different assumptions are used.

## 2) Fair Values of Financial Instruments

The amounts of the principal financial assets and liabilities reported in the balance sheet at the end of the fiscal year, and fair values and the differences between them, are as follows.

(Millions of Yen)

	Amount reported in the balance sheet	Fair value	Difference
Cash and deposits.....	376,075	376,075	—
Available-for-sale securities(CDs) .....	168,972	168,972	—
Monetary claims bought .....	248,019	250,182	2,163
Held-to-maturity debt securities.....	227,479	229,642	2,163
Available-for-sale securities.....	20,540	20,540	—
Securities.....	16,041,082	16,182,646	141,563
Trading securities .....	559,079	559,079	—
Held-to-maturity debt securities.....	5,791,561	5,933,125	141,563
Available-for-sale securities.....	9,690,441	9,690,441	—
Loans.....	5,477,264	5,568,303	91,039
Policy loans .....	362,313	362,313	—
Financial loans.....	5,114,950	5,205,990	91,039
Reserves for possible loan losses (*1) .....	(4,133)	—	—
	5,473,130	5,568,303	95,172
Deposits received on bonds lending.....	284,570	284,570	—
Loans payable .....	100,000	100,000	—
Derivative financial instruments (*2).....	(1,770)	(1,770)	—
Items to which hedge accounting does not apply.....	(3,760)	(3,760)	—
Items to which hedge accounting applies.....	1,989	1,989	—

(\*1) Excludes general reserve for possible losses on loans and specific reserve for possible loan losses related to loans

(\*2) The net amounts of claims and liabilities arising from derivatives transaction are shown as net amounts, and items whose totals are net liabilities are shown in parentheses ( ).

### a. Method used to calculate the fair value of financial instruments

#### Assets

##### ① Cash and deposits

The company uses book values for fair values because it assumes that since contract terms are short, fair values are close to book values. The same assessment method as in ③ Securities, has been used for securities transactions based on “Accounting Standards for Financial Instruments (ASBJ March 10, 2008).

##### ② Monetary claims bought

The same assessment method as in ③ Securities has been used for those monetary claims bought handled as securities under the provisions of the “Accounting Standards for Financial Instruments” (ASBJ, March 10, 2008), primarily in that the fair value is the price calculated by discounting the future cash flow received from transaction partners to the present value.

Some subordinated trust beneficiary rights are not included in monetary claims bought and their fair values are not subject to disclose, because it is recognized that it is extremely difficult to identify the fair value due to problems in calculating future cash flow. The balance sheet amount of said trust beneficiary rights at fiscal year-end was ¥36,919 million.

##### ③ Securities

Of available-for-sale securities, domestic stocks for which market quotations are available are stated at the average market price during March. Securities other than these are stated at market price as of the end of March.

Unlisted stocks, etc., for which market quotations are not available are not included among securities and their fair values are not subject to disclosure, because it is recognized that

it is extremely difficult to identify the fair value. The balance sheet amount of said unlisted stocks at fiscal year-end was ¥1,026,658 million, of which ¥139,861 million was stocks issued by subsidiaries and affiliates. Impairment losses of ¥350 million were recognized in connection with unlisted stocks other than stocks issued by subsidiaries and affiliates.

##### ④ Loans

The company uses book values for the fair values of policy loans because it assumes that fair values are close to book values as a result of projected repayment periods, interest conditions, etc., and no repayment periods according to characteristics such as limiting loans to within the cash surrender value.

The fair values of financial loans are primarily stated at prices that discount future cash flow to present value. The fair values of loans to borrowers who are legally bankrupt, substantially bankrupt or have a high possibility of bankruptcy are stated at the amounts obtained by deducting estimated losses from the book value before direct deductions.

#### Liabilities

##### ① Deposits received on bonds lending

The company uses book values for fair values because it assumes that since contract terms are short, fair values are close to book values.

##### ② Loans payable

Since loans are made at fluctuating interest rates that reflect market interest rates in the short term, and the company's credit standing does not change much after borrowing, their fair value is stated at book value because it is assumed said fair value is close to said book value.

### Derivative financial instruments

- ① The fair values of stock exchange transaction of stock index futures and bond futures etc., are stated at the closing or settlement prices as of March 31.
- ② The fair values of OTC transaction of foreign exchange contracts etc., are stated at theoretical prices based on the TTM, WM/Reuters or discount rate on March 31, or fair values obtained from counter parties on March 31.
- ③ The fair values of interest swap transactions are stated at theoretical prices discounting the difference of future cash flow to the present value, or fair values obtained from counter parties on March 31.

Since interest swaps subject to exceptional treatment are treated as an integral part of the hedged loan, their fair values are stated as included in the fair values of said loans.

b-1.

(Millions of Yen)

Type	Amount reported in the balance sheet	Fair value	Difference
Securities whose fair value exceeded the balance sheet amount			
1) Government & Municipal bonds .....	4,591,041	4,728,927	137,886
2) Corporate bonds.....	748,455	763,572	15,117
3) Other .....	222,806	226,995	4,188
Total .....	5,562,302	5,719,496	157,193
Securities whose fair value does not exceed the balance sheet amount			
1) Government & Municipal bonds .....	287,524	276,715	(10,809)
2) Corporate bonds.....	33,717	33,009	(707)
3) Other .....	135,496	133,546	(1,949)
Total .....	456,737	443,271	(13,466)

(\*) This table includes securities that are deemed appropriate to handle under the Financial Instruments and Exchange Act.

### b. Notes Concerning Securities Holdings by Purpose

- ① The valuation difference on Trading Securities included in profits (losses) for the fiscal year amounted to ¥100,104 million.
- ② The amounts reported in the balance sheet and fair values of the Held-to-Maturity Debt Securities by type at the end of the fiscal year, and the differences between them, are as follows (b-1). No Held-to-Maturity Debt Securities were sold during the fiscal year.
- ③ Sales of available-for-sale securities during the fiscal year amounted to ¥1,971,574 million; total gains on sales was ¥81,216 million; total loss on sales was ¥58,221 million. With regard to available-for-sale securities, acquisition costs, amortized costs, balance sheet amounts and the differences between them for each type of security are as follows (b-2).
- ④ "Acquisition or amortized costs" in the b-2 table refers to book values after impairment losses. Impairment losses on Available-for-sale securities for which market quotations are available amounted to ¥10,823 million during the fiscal year.

b-2.

(Millions of Yen)

Type	Acquisition or amortized costs	Amount reported in the balance sheet	Difference
Securities whose balance sheet amount exceeds the acquisition or amortized costs			
(1) Stocks .....	1,656,275	2,641,339	985,063
(2) Bonds.....	3,240,679	3,346,389	105,710
1) Government & Municipal bonds ....	2,545,198	2,633,152	87,953
2) Corporate bonds.....	695,480	713,237	17,756
(3) Other .....	718,658	780,945	62,287
Total .....	5,615,613	6,768,674	1,153,061
Securities whose balance sheet amount does not exceed the acquisition or amortized costs			
(1) Stocks .....	340,385	314,922	(25,463)
(2) Bonds.....	1,442,024	1,434,153	(7,870)
1) Government & Municipal bonds ....	1,396,041	1,388,521	(7,520)
2) Corporate bonds.....	45,982	45,632	(350)
(3) Other .....	1,420,720	1,362,204	(58,516)
Total .....	3,203,130	3,111,279	(91,850)

(\*) This table includes securities that are deemed appropriate to handle under the Financial Instruments and Exchange Act.

### c. Projected amounts for monetary claims and securities with maturity period to be redeemed following the balance sheet date

c-1.

(Millions of Yen)

	≤ 1 year	> 1 year ≤ 3 years	> 3 years ≤ 5 years	> 5 years ≤ 7 years	> 7 years ≤ 10 years	> 10 years
Deposits.....	375,446	—	—	—	—	—
Monetary claims bought .....	7,992	—	—	2,000	—	238,027
Loans (*).....	858,620	1,290,074	1,013,989	821,918	794,333	328,644
Securities						
Held-to-maturity debt securities.....	519,928	1,109,466	918,288	417,932	437,478	2,388,467
Available-for-sale securities with maturity period .....	143,619	609,662	629,948	254,481	2,011,402	3,002,081
Total .....	1,905,607	3,009,203	2,562,226	1,496,332	3,243,213	5,957,220

(\*) Loans do not include ¥3,076 million in claims against obligors who are bankrupt, etc., or other projected redemption amounts that are not expected to be recovered.

(\*) Policy loans that have no maturity period are not included in loans.

**d. Projected amounts of deposits received on bonds lending and loans payable to be repaid following the balance sheet date**

d-1. (Millions of Yen)

	≤ 1 year	> 1 year ≤ 3 years	> 3 years ≤ 5 years	> 5 years ≤ 7 years	> 7 years ≤ 10 years	> 10 years
Deposits received on bonds lending.....	284,570	—	—	—	—	—
Loans payable .....	—	—	—	—	—	100,000
Total .....	284,570	—	—	—	—	100,000

**(Additional information)**

The “Accounting Standards for Financial Instruments” (ASBJ, March 10, 2008) and the “Implementation Guidance on Disclosures of Fair Value of Financial Instruments” (ASBJ, March 10, 2008) have been applied from this fiscal year.

**(10) Real Estate**

The company has office buildings for lease in the Tokyo Metropolitan Area and elsewhere. The balance sheet amount of said, real estate as of the end of the fiscal year was ¥621,917 million, and the fair value was ¥656,616 million. Fair values are primarily calculated by means of the appraisal value by real estate appraisers (including those adjusted using indices, etc.)

**(Additional information)**

The “Accounting Standard for Disclosures about Fair Value of Investment and Rental Property” (ASBJ, November 28, 2008) and the “Implementation Guidance on Disclosures of Fair Value of Investment and Rental Property” (ASBJ, November 28, 2008).

**(11) Non-Performing Loans**

- Non-performing loans, including loans to borrowers under bankruptcy proceedings, past due loans, loans past due for three months or more, and restructured loans totaled ¥29,916 million. Loans to borrowers under bankruptcy proceedings amounted to ¥228 million and past due loans totaled ¥6,005 million.
- The direct deduction of estimated uncollectible amount for loans to bankrupt borrowers and past due loans was respectively ¥10,103 million, ¥43 million.
- Loans to borrowers under bankruptcy proceedings are nonaccrual loans for which events defined in Articles 96-1, subparagraphs 3 (i-v) and 4 of the Enforcement Regulations of the Corporate Income Tax Law (the Ordinance No. 97, 1965) have taken place. Accrued interest is not recorded as income due to substantial doubt over the ability to collect interest or principal because of delay in payment for extended periods.
- Past due loans are nonaccrual loans, other than loans to bankrupt borrowers, and loans whose interest payments are postponed to support the reconstruction efforts of borrowers.
- There were no loans past due for three months or more. Loans past due for three months or more are loans for which interest or principal payments are delinquent for three months or more under terms of the respective loans but not classified as loans to borrowers under bankruptcy proceedings or past due loans.
- Restructured loans totaled ¥23,682 million. Restructured loans are those subject to certain favorable concessions, including reduced interest rates or moratorium on interest payments, moratorium on repayments, or debt forgiveness, which are made to support the reconstruction efforts of borrowers.

**(12) Securities Lent**

The balance sheet amount of the securities lent under consumption

loan agreements, including sales and repurchase transactions (“repo”) was ¥1,329,318 million.

**(13) The Balance of Funds not yet Provided in Financing through Commitment Line Agreements for Loans**

The balance of funds not yet provided in financing through commitment line agreements for loans totaled ¥10,665 million.

**(14) Loans Payable**

Loans payable are subordinated debts whose repayment is subordinated to other obligation.

**(15) Contribution to Life Insurance Policyholders’ Protection Corporation of Japan**

The amount of the future contribution to the Life Insurance Policyholders’ Protection Corporation of Japan, founded in accordance with Article 259 of the Insurance Business Law, is estimated at ¥48,875 million. The contribution is recorded as an operating expense at the time of payment.

**(16) Liability for Retirement Benefits**

The detail of the Liability for Retirement Benefits is as listed below:

a. Benefit obligation .....	¥365,757 million
b. Plan assets .....	¥321,075 million
Including retirement benefit trust .....	¥147,544 million
c. Non-accumulated liability for	
retirement benefits (a+b) .....	¥ 44,681 million
d. Unrecognized actuarial difference .....	¥123,991 million
e. Unrecognized prior service cost .....	¥ 13,096 million
f. Pre-paid plan cost .....	¥ 66,213 million
g. Accrued pension and severance	
costs (c+d+e-f) .....	¥ — million

A calculation of Liability for Retirement Benefits is as listed below:

a. Allocation of expected retirement	
benefit payments .....	Fixed payments over a period of time
b. Discount rate .....	2.0%
c. Expected rate of return on plan assets	
Qualified pension fund and defined benefit	
corporate pension fund .....	3.0%
Retirement benefit trust .....	0.0%
d. Years for amortization of actuarial difference .....	10 years
e. Years for amortization of prior service cost .....	10 years

**(17) Deferred Tax Assets and Liabilities**

- Deferred tax assets, which amount to ¥624,096 million, consist mainly of ¥410,234 million in policy reserves, ¥66,870 million in reserves for price fluctuations, ¥44,908 million in losses on securities appraised, and ¥40,880 million in reserves for retirement benefits. The amount of deferred tax assets deducted as allowance account was ¥4,099 million.
- Deferred tax liabilities, which amount to ¥376,599 million, consist mainly of ¥341,989 million on unrealized gains on available-for-sale securities.



- c. The statutory effective tax rate for FY2009 was 36.15%. The difference between the statutory effective tax rate and the tax burden ratio after applying tax effect accounting consists primarily of a decrease of 28.77% in reserves for policyholder dividends.

#### (18) Revaluation of Land for Business

- a. Land used for the Company's business was revalued at publicly disclosed prices, in accordance with the Law concerning the Revaluation of the Land (Law No. 34, promulgated on March 31, 1998).
- b. Unrealized gains on the revaluation of land, net of deferred tax, was reported as revaluation reserves for land within net assets, and the relevant deferred tax was included in liabilities as deferred tax liabilities on revaluation of land.
- c. Date of revaluation: March 31, 2000  
Method of revaluation as provided in Article 3-3 of the law: The fair value of land is determined based on revisions to the Law Concerning Public Notification of Land Prices, as stipulated in Article 2-1 of the Law Concerning the Revaluation of Land (Law No. 119, issued on March 31, 1998) after making reasonable adjustments.
- d. The date and method related to the revaluation reserves of land acquired from The Yasuda Mutual Life Insurance Company upon the merger on January 1, 2004, are as follows.  
Date of revaluation: March 31, 2001  
Method of revaluation as provided in Article 3-3 of the law: The fair value of land is determined based on revisions to the Law Concerning Public Notification of Land Prices, as stipulated in Article 2-1 of the Law Concerning the Revaluation of Land (Law No. 119, issued on March 31, 1998) after making reasonable adjustments or to the Law Concerning Appraised Values, as stipulated in Article 2-5.

#### (19) Subsidiaries' Shares

The shares of subsidiaries were valued at ¥148,553 million.

#### (20) Others

The reserves for outstanding claims corresponding to the portion of reinsurance provided for under Article 71-1 of the Enforcement Regulations of the Insurance Business Law applied mutatis mutandis to Article 73-3 amounted to ¥60 million, and the underwriting reserves provided for under Article 71-1 of the Enforcement Regulations of the Insurance Business Law amounted to ¥1,268 million.

### 4. Operations and Surplus

#### (1) Transactions with Subsidiaries

Total profits from transactions with the Company's subsidiaries amounted to ¥6,970 million, while total expenses amounted to ¥31,812 million.

#### (2) Gains and Losses on Securities

- a. Gains on securities sold are ¥12,123 million from domestic bonds, ¥25,392 million from domestic stocks, and ¥43,700 million from foreign securities.
- b. Losses on securities sold are ¥252 million from domestic bonds and ¥1,012 million from domestic stocks, and ¥56,956 million from foreign securities.
- c. Losses on securities appraised are ¥319 million from domestic bonds, ¥10,882 million from domestic stocks, and ¥1,057

million from foreign securities.

#### (3) Outstanding Claims and Policy Reserves

When calculating the reversal of outstanding claims, the deducted amount of the reversal of outstanding claims for ceded reinsurance was ¥41 million. When calculating the provision for policy reserves, the additional amount of the reversal of policy reserves for ceded reinsurance was ¥1,414 million.

#### (4) Derivative Financial Instruments

Income for derivative financial instruments included valuation gains of ¥32,013 million.

#### (5) Cost of Retirement Benefits

The itemization of cost of retirement benefits is as listed below:

a. Service cost .....	¥11,226 million
b. Interest cost .....	¥ 7,548 million
c. Expected return on plan assets .....	−¥ 4,723 million
d. Amortization of actuarial difference .....	¥ 8,506 million
e. Amortization of prior service cost .....	−¥ 2,606 million
f. Others .....	¥ 16 million

Net Benefit Cost amounted to ¥19,968 million (a+b+c+d+e+f).

#### (6) Impairment Losses

Impairment losses for the year are as itemized below:

- 1) Asset grouping method  
Real estate, etc., provided for the use of the insurance business, etc., is treated as a single asset group for the overall insurance business, etc. For rental real estate and idle real estate, etc., not provided for the use of the insurance business, each individual property is treated as a single asset group.
- 2) Recognition of impairment losses  
Since there were marked declines in the profitability or fair value of some asset groups as a result of the deterioration in real estate market, book values were reduced to the amounts collectible, and the amounts of reduction were reported under extraordinary losses as impairment losses.
- 3) Itemization of asset groups for which impairment losses were recognized, and impairment losses posted by type of fixed asset

Type	No. of cases	Impairment loss (¥ million)		
		Land	Buildings	Total
Rental real estate, etc.	2	92	351	444
Idle real estate, etc.	49	1,346	1,398	2,744
Total	51	1,438	1,750	3,188

#### 4) Calculations of collectible amounts

The collectible amounts applied are the value in use or net sales value in the case of rental real estate, etc., and the net sales value in the case of idle real estate. Value in use has been calculated as the future cash flow after reflecting estimated divergence risk, discounted by 2.61%. The net sales value is calculated on the basis of the price obtained by deducting estimated disposal expenses from the appraisal value based on real estate appraisal criteria, or the appraisal price based on the posted price.

## Supplementary Financial Information (Non-Consolidated Basis)

Meiji Yasuda Life Insurance Company

### 1. Outline of Life Insurance and Group Pension Business

#### 1-1. Life Insurance and Group Pensions in Force

(Millions of Yen)

	FY2009	FY2008
Individual life insurance .....	¥ 97,485,858	¥105,953,065
Individual annuities .....	11,690,075	11,258,235
Group life insurance .....	105,815,528	106,929,000
Group pensions* .....	6,456,604	6,380,688

\*Sum total of policy reserves for group pensions

#### 1-2. Life Insurance and Group Pensions New Business

(Millions of Yen)

	FY2009	FY2008
Individual life insurance .....	¥2,375,874	¥2,510,454
Individual annuities .....	914,138	544,919
Group life insurance .....	1,114,015	564,504
Group pensions* .....	679	378

\*Sum total of first premiums

#### 1-4. Insurance Benefits Paid

(Millions of Yen)

	FY2009					FY2008
	Individual life	Individual annuities	Group life	Group pensions	Total*	Total*
Claims paid:						
Death benefits .....	¥263,437	¥1,125	¥152,573	—	¥421,884	¥423,553
Accidental death benefits .....	3,923	3	476	—	4,471	4,737
Disability benefits .....	39,996	30	11,937	—	51,967	51,133
Maturity benefits .....	289,777	163	19	46,427	337,308	391,496
Others .....	429	—	41	—	476	391
Annuities paid .....	20,910	190,576	21,212	187,596	425,436	395,737
Benefits on policies paid:						
Death benefits .....	3,052	14,487	7	3,729	21,446	18,753
Hospitalization benefits .....	41,007	1,342	436	—	44,394	45,290
Operation benefits .....	21,510	854	19	—	22,385	21,940
Injury benefits .....	1,048	5	75	—	1,129	1,143
Survivor benefits .....	74,431	847	—	—	77,074	86,618
Lump sum benefits .....	—	—	273	325,929	326,202	339,458
Others .....	29,364	141	8	2,686	32,204	31,265
Surrender benefits paid .....	262,449	97,397	11	100,798	485,980	522,731

\*Total includes insurance benefits paid to other types of insurance and annuities.

#### 1-3. Premium Income

(Millions of Yen)

	FY2009	FY2008
Individual life insurance .....	¥1,590,745	¥1,367,530
Individual annuities .....	649,954	315,817
Group life insurance .....	302,836	304,086
Group pensions .....	690,839	648,771
TOTAL* .....	¥3,281,153	¥2,684,824

\*Total includes premium income from other types of insurance and annuities.

## 2. Outline of Investments (General Account)

### 2-1. Breakdown of Assets

(Millions of Yen)

	FY2009	FY2008
Cash, deposits and call loans.....	¥ 548,469	¥ 656,137
Monetary claims bought .....	284,939	263,374
Securities:		
Domestic bonds .....	10,441,280	9,291,178
Domestic stocks.....	3,217,004	2,630,773
Foreign securities:		
Foreign bonds .....	1,769,000	1,734,606
Foreign stocks .....	1,013,523	860,423
Others .....	67,504	62,570
Loans:		
Policy loans .....	362,313	375,508
Financial loans .....	5,114,950	5,621,195
Real estate .....	1,024,871	1,047,209
Deferred tax assets .....	243,397	494,332
Others .....	352,437	366,228
Reserves for possible loan losses ..	(15,070)	(13,874)
TOTAL .....	¥ 24,424,621	¥ 23,389,664
(Assets denominated in foreign currencies) .....	¥ 1,899,026	¥ 1,808,922

### 2-2. Average Balances of Assets

(Millions of Yen)

	FY2009	FY2008
Cash, deposits and call loans.....	¥ 607,886	¥ 527,941
Monetary claims bought .....	284,987	289,485
Domestic bonds .....	9,636,555	9,135,828
Domestic stocks .....	2,273,956	2,472,608
Foreign securities:		
Foreign bonds .....	1,745,192	1,743,545
Foreign stocks .....	973,299	803,392
Loans .....	5,751,561	6,109,625
(Financial loans) .....	5,382,689	5,729,065
Real estate .....	1,050,140	1,063,361
TOTAL .....	¥ 23,309,323	¥ 23,156,271
(Overseas investments) .....	¥ 3,042,271	¥ 2,911,418

### 2-3. Investment Income and Gain

(Millions of Yen)

	FY2009	FY2008
Interest and dividends .....	¥ 480,232	¥ 487,991
Gains on money-held-in-trust .....	1	6
Gains on securities sold .....	81,216	57,383
Gains on securities redeemed.....	4,077	933
Income for derivative financial instruments .....	31,461	—
Others .....	142	364
TOTAL .....	¥ 597,132	¥ 546,679

### 2-4. Investment Expenses and Losses

(Millions of Yen)

	FY2009	FY2008
Interest paid .....	¥ 3,570	¥ 4,870
Loss on trading securities .....	—	0
Losses on securities sold .....	58,221	113,220
Losses on securities appraised .....	12,258	285,552
Losses on securities redeemed .....	7,562	5,778
Expenses for derivative financial instruments .....	—	11,729
Losses on foreign exchange .....	337	571
Provisions of reserves for possible loan losses .....	11,447	3,669
Depreciation of real estate for rent ..	11,075	11,388
Others .....	11,572	11,907
TOTAL .....	¥ 116,046	¥ 448,687

### 2-5. Net Investment Returns

(%)

	FY2009	FY2008
Cash, deposits and call loans .....	0.14	0.41
Monetary claims bought .....	2.20	2.13
Domestic bonds .....	1.87	1.86
Domestic stocks .....	2.84	(6.40)
Foreign securities:		
Foreign bonds .....	4.87	(3.90)
Foreign stocks .....	2.31	1.12
Loans .....	1.85	2.10
(Financial loans) .....	1.65	1.92
Real estate .....	2.09	2.29
TOTAL .....	2.06	0.42
(Overseas investments) .....	3.75	(1.75)



## 2-6. Breakdown of Securities Investment

(Millions of Yen)

	FY2009	FY2008
Domestic bonds:		
Government bonds .....	¥ 7,671,177	¥ 6,899,519
Municipal bonds .....	1,229,061	927,086
Corporate bonds .....	1,541,042	1,464,572
(Public corporation bonds) .....	642,478	624,780
Domestic stocks .....	3,217,004	2,630,773
Foreign securities:		
Foreign bonds .....	1,769,000	1,734,606
Foreign stocks .....	1,013,523	860,423
Others .....	67,504	62,570
<b>TOTAL .....</b>	<b>¥ 16,508,313</b>	<b>¥ 14,579,552</b>

## 2-7. Breakdown of Loans

(Millions of Yen)

	FY2009	FY2008
Policy loans .....	¥ 362,313	¥ 375,508
Financial loans:		
(Overseas loans) .....	263,651	315,454
Corporate loans .....	4,528,331	4,870,751
(to domestic corporations) .....	4,449,967	4,769,392
Loans to governments and supranationals .....	144,789	168,504
Loans to public organizations .....	135,945	191,248
Housing loans .....	130,630	190,462
Consumer loans .....	172,636	196,860
Others .....	2,617	3,367
<b>TOTAL .....</b>	<b>¥ 5,477,264</b>	<b>¥ 5,996,704</b>

## Securities and Others with Market Value\*

(Millions of Yen)

	FY2009				
	Book value	Market value	Equivalent of net unrealized gains	Equivalent of gross unrealized gains	Equivalent of gross unrealized losses
Domestic bonds .....	¥ 10,343,441	¥ 10,582,768	¥ 239,327	¥ 258,714	¥ 19,387
Domestic stocks .....	1,996,660	2,956,261	959,600	985,063	25,463
Foreign securities:					
Foreign bonds .....	1,778,693	1,769,075	(9,617)	14,422	24,039
Foreign stocks .....	267,354	277,359	10,004	43,992	33,987
Other securities .....	34,658	38,101	3,443	4,892	1,449
Others** .....	416,975	419,154	2,180	3,167	987
<b>TOTAL .....</b>	<b>¥ 14,837,784</b>	<b>¥ 16,042,722</b>	<b>¥ 1,204,938</b>	<b>¥ 1,310,254</b>	<b>¥ 105,316</b>

(Millions of Yen)

	FY2008				
	Book value	Market value	Equivalent of net unrealized gains	Equivalent of gross unrealized gains	Equivalent of gross unrealized losses
Domestic bonds .....	¥ 9,181,555	¥ 9,437,758	¥ 256,202	¥ 270,918	¥ 14,715
Domestic stocks .....	1,930,294	2,275,354	345,059	415,822	70,763
Foreign securities:					
Foreign bonds .....	1,720,860	1,713,805	(7,054)	28,604	35,659
Foreign stocks .....	303,476	250,635	(52,841)	9,067	61,908
Other securities .....	40,116	38,420	(1,695)	1,071	2,766
Others** .....	370,608	371,006	398	1,813	1,415
<b>TOTAL .....</b>	<b>¥ 13,546,911</b>	<b>¥ 14,086,980</b>	<b>¥ 540,069</b>	<b>¥ 727,299</b>	<b>¥ 187,230</b>

\* The above table shows information regarding securities and other instruments with market price. Trading securities are not included.

\*\*Others include those instruments treated as securities regulated by the Financial Instruments and Exchange Act, such as certificate of deposit.

## 2-8. Distribution of Foreign Securities Investment and Overseas Loans

(Millions of Yen)

	FY2009				FY2008			
	Foreign securities			Overseas loans	Foreign securities			Overseas loans
	Total	Bonds	Stocks		Total	Bonds	Stocks	
North America .....	¥ 1,162,323	¥ 1,113,799	¥ 48,524	¥ 44,000	¥ 850,969	¥ 808,338	¥ 42,630	¥ 59,700
Europe .....	615,904	539,879	76,025	94,000	822,545	760,189	62,355	128,500
Oceania .....	42,855	42,855	—	—	26,768	26,768	—	—
Asia .....	3,604	—	3,604	6,334	5,924	3,000	2,924	6,770
Latin America .....	925,663	40,294	885,369	4,400	814,463	61,951	752,512	4,462
Middle East .....	—	—	—	—	—	—	—	—
Africa .....	—	—	—	2,747	—	—	—	3,140
Supranationals .....	32,171	32,171	—	112,169	74,358	74,358	—	112,882
<b>TOTAL .....</b>	<b>¥ 2,782,523</b>	<b>¥ 1,769,000</b>	<b>¥ 1,013,523</b>	<b>¥ 263,651</b>	<b>¥ 2,595,029</b>	<b>¥ 1,734,606</b>	<b>¥ 860,423</b>	<b>¥ 315,454</b>

## 3. Non-performing Loans

(Millions of Yen)

	FY2009	FY2008
Loans to bankrupt borrowers .....	¥ 228	¥ 1,734
Past due loans .....	6,005	2,912
Loans past due three months or more .....	—	—
Restructured loans .....	23,682	25,568
<b>TOTAL .....</b>	<b>¥ 29,916</b>	<b>¥ 30,215</b>
Non-performing loans/total loans .....	0.55%	0.50%

## 4. Outline of Reserves

### 4-1. Policy Reserves

(Millions of Yen)

	FY2009	FY2008
Policy reserves:		
Individual life insurance .....	¥ 8,478,298	¥ 8,251,798
Individual annuities .....	6,419,606	5,807,806
Group life insurance .....	163,612	164,846
Group pensions .....	6,456,604	6,380,688
Others .....	244,538	249,879
Reserves for contingencies .....	473,464	458,323
<b>TOTAL .....</b>	<b>¥22,236,124</b>	<b>¥21,313,343</b>

### 4-2. Other Reserves

(Millions of Yen)

	FY2009	FY2008
Reserves for possible loan losses:		
General reserves for possible loan losses .....	¥ 2,511	¥ 2,340
Specific reserves for possible loan losses .....	12,559	11,534
Accrued retirement benefits for directors and executive officers .....	724	2,036
Reserves for contingent liabilities .....	3,809	4,202
Reserves for price fluctuations .....	184,980	177,522

## Consolidated Balance Sheet

Meiji Yasuda Life Insurance Company and Consolidated Subsidiaries

As of March 31, 2010 and 2009

	Millions of Yen		Millions of U.S. Dollars*
	FY2009	FY2008	FY2009
<b>ASSETS</b>			
Cash and deposits .....	¥ 434,566	¥ 392,766	\$ 4,670.7
Call loans .....	187,000	345,000	2,009.8
Monetary claims bought .....	284,939	263,374	3,062.5
Securities .....	17,042,300	15,021,734	183,171.7
Loans .....	5,493,257	6,012,235	59,041.8
Tangible fixed assets:			
Land .....	662,571	677,104	7,121.3
Buildings .....	363,207	378,690	3,903.7
Construction in progress .....	10,233	2,780	109.9
Other tangible fixed assets .....	4,648	6,489	49.9
Intangible fixed assets:			
Software .....	42,886	40,718	460.9
Other intangible fixed assets .....	24,037	29,569	258.3
Agency account receivable .....	1,662	1,689	17.8
Reinsurance account receivable .....	2,524	3,415	27.1
Other assets .....	279,772	298,321	3,007.0
Deferred tax assets .....	247,391	498,849	2,658.9
Customers' liabilities for acceptances and guarantees .....	20,024	15,222	215.2
Reserves for possible loan losses .....	(15,135)	(13,928)	(162.6)
<b>TOTAL ASSETS</b> .....	<b>¥ 25,085,889</b>	<b>¥ 23,974,035</b>	<b>\$ 269,624.7</b>
<b>LIABILITIES AND NET ASSETS</b>			
(Liabilities)			
Policy reserves and others:			
Reserves for outstanding claims .....	¥ 135,041	¥ 144,085	\$ 1,451.4
Policy reserves .....	22,283,750	21,361,079	239,507.2
Reserves for policyholder dividends .....	330,649	352,502	3,553.8
Agency account payable .....	11	0	0.1
Reinsurance account payable .....	2,477	2,746	26.6
Other liabilities .....	609,183	854,526	6,547.5
Accrued pension and severance costs .....	618	612	6.6
Accrued retirement benefits for directors and executive officers .....	724	2,036	7.7
Reserves for contingent liabilities .....	3,809	4,202	40.9
Reserves for price fluctuations .....	185,264	177,675	1,991.2
Deferred tax liabilities on revaluation of land .....	118,623	120,972	1,274.9
Acceptances and guarantees .....	20,024	15,222	215.2
<b>TOTAL LIABILITIES</b> .....	<b>23,690,179</b>	<b>23,035,662</b>	<b>254,623.5</b>
(Net Assets)			
Foundation funds .....	60,000	60,000	644.8
Accumulated redeemed foundation funds .....	350,000	350,000	3,761.8
Revaluation reserves .....	452	452	4.8
Consolidated surplus .....	247,275	213,436	2,657.7
Total foundation funds and others .....	657,728	623,889	7,069.3
Unrealized gains (losses) on available-for-sale securities .....	678,829	255,233	7,296.0
Deferred hedge gains (losses) .....	(6,519)	(7,158)	(70.0)
Revaluation reserves for land .....	77,829	80,432	836.5
Currency translation adjustment .....	(17,413)	(17,809)	(187.1)
Total valuation and translation adjustments and others .....	732,725	310,698	7,875.3
Minority interests .....	5,256	3,784	56.4
<b>TOTAL NET ASSETS</b> .....	<b>1,395,710</b>	<b>938,372</b>	<b>15,001.1</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b> .....	<b>¥ 25,085,889</b>	<b>¥ 23,974,035</b>	<b>269,624.7</b>

\*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥93.04 to US\$1.00 prevailing on March 31, 2010.

# Consolidated Statement of Operations and Surplus

Meiji Yasuda Life Insurance Company and Consolidated Subsidiaries

For the years ended March 31, 2010 and 2009

	Millions of Yen		Millions of U.S. Dollars*
	FY2009	FY2008	FY2009
<b>ORDINARY REVENUE</b>			
Premium income and reinsurance refunds .....	¥ 3,302,153	¥ 2,707,318	\$ 35,491.7
Investment income and gain:			
Interest and dividends .....	483,641	492,653	5,198.2
Gains on money-held-in-trust .....	1	6	0.0
Gains on securities sold .....	81,337	57,383	874.2
Gains on securities redeemed .....	4,077	933	43.8
Income for derivative financial instruments .....	31,461	—	338.1
Other investment income .....	220	394	2.3
Gains on separate account assets investment .....	87,011	—	935.1
Other ordinary revenue .....	212,654	567,145	2,285.6
Of which: Reversal of policy reserves .....	—	357,641	—
<b>TOTAL ORDINARY REVENUE</b> .....	<b>4,202,559</b>	<b>3,825,834</b>	<b>45,169.3</b>
<b>ORDINARY EXPENSES</b>			
Insurance benefits paid and others:			
Claims paid .....	823,498	878,809	8,851.0
Annuities paid .....	425,586	395,990	4,574.2
Benefits on policies paid .....	526,694	546,300	5,660.9
Surrender benefits paid .....	487,478	524,648	5,239.4
Other refunds paid and expenses .....	90,394	121,012	971.5
Provision for policy reserves and others:			
Provision for policy reserves .....	922,263	—	9,912.5
Interest on dividend reserves .....	1,075	1,147	11.5
Investment expenses and losses:			
Interest paid .....	3,624	4,923	38.9
Losses on trading securities .....	—	0	—
Losses on securities sold .....	58,429	113,420	627.9
Losses on securities appraised .....	12,529	285,837	134.6
Losses on securities redeemed .....	7,562	5,778	81.2
Expenses for derivative financial instruments .....	—	11,729	—
Losses on foreign exchange .....	338	570	3.6
Provision for reserves for possible loan losses .....	11,468	3,671	123.2
Depreciation on real estate for rent .....	11,259	11,561	121.0
Other investment expenses .....	12,754	13,185	137.0
Losses on separate account assets investment .....	—	152,052	—
Operating expenses .....	375,450	346,740	4,035.3
Other ordinary expenses .....	252,582	293,119	2,714.7
<b>TOTAL ORDINARY EXPENSES</b> .....	<b>4,022,991</b>	<b>3,710,499</b>	<b>43,239.3</b>
<b>ORDINARY INCOME</b> .....	<b>179,568</b>	<b>115,335</b>	<b>1,930.0</b>
Extraordinary profits:			
Gains on disposals of fixed assets .....	1,765	450	18.9
Reversal of reserves for price fluctuations .....	—	35,032	—
Other extraordinary profits .....	30	—	0.3
Extraordinary losses:			
Losses on disposals of fixed assets .....	14,516	6,490	156.0
Impairment losses .....	3,446	4,325	37.0
Provision for reserves for contingent liabilities .....	207	387	2.2
Provision for reserves for price fluctuations .....	7,588	—	81.5
Donations for social welfare project promotion .....	552	568	5.9
Other extraordinary losses .....	256	84	2.7
<b>NET SURPLUS BEFORE TAXES</b> .....	<b>154,796</b>	<b>138,960</b>	<b>1,663.7</b>
Provision for corporate income taxes .....	1,325	782	14.2
Corporate income tax equivalent adjustment .....	10,179	13,398	109.4
Minority interests .....	518	265	5.5
<b>NET SURPLUS FOR THE PERIOD</b> .....	<b>¥ 142,773</b>	<b>¥ 124,513</b>	<b>\$ 1,534.5</b>

\*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥93.04 to US\$1.00 prevailing on March 31, 2010.

**Consolidated Statement of Changes in Net Assets**  
Meiji Yasuda Life Insurance Company and Consolidated Subsidiaries

For the years ended March 31, 2010 and 2009			
	Millions of Yen		Millions of U.S. Dollars*
	FY2009	FY2008	FY2009
Foundation funds and others			
Foundation funds			
Balance at the end of previous period .....	¥ 60,000	¥ 60,000	\$ 644.8
Changes during the period			
Total changes during the period .....	—	—	—
Balance at the end of current period .....	60,000	60,000	644.8
Accumulated redeemed foundation funds			
Balance at the end of previous period .....	350,000	350,000	3,761.8
Changes during the period			
Total changes during the period .....	—	—	—
Balance at the end of current period .....	350,000	350,000	3,761.8
Revaluation reserves			
Balance at the end of previous period .....	452	452	4.8
Changes during the period			
Total changes during the period .....	—	—	—
Balance at the end of current period .....	452	452	4.8
Consolidated surplus			
Balance at the end of previous period .....	213,436	224,567	2,294.0
Changes during the period			
Transfer to reserves for policyholder dividends .....	(110,557)	(139,107)	(1,188.2)
Interest payment on foundation funds .....	(1,043)	(1,049)	(11.2)
Net surplus .....	142,773	124,513	1,534.5
Reversal of revaluation reserves for land .....	2,666	2,918	28.6
Increase resulting from decline in number of consolidated subsidiaries .....	—	849	—
Increase resulting from unification of accounting treatment for overseas subsidiaries .....	—	743	—
Total changes during the period .....	33,838	(11,130)	363.6
Balance at the end of current period .....	247,275	213,436	2,657.7
Total foundation funds and others			
Balance at the end of previous period .....	623,889	635,020	6,705.5
Changes during the period			
Transfer to reserves for policyholder dividends .....	(110,557)	(139,107)	(1,188.2)
Interest payment on foundation funds .....	(1,043)	(1,049)	(11.2)
Net surplus .....	142,773	124,513	1,534.5
Reversal of revaluation reserves for land .....	2,666	2,918	28.6
Increase resulting from decline in number of consolidated subsidiaries .....	—	849	—
Increase resulting from unification of accounting treatment for overseas subsidiaries .....	—	743	—
Total changes during the period .....	33,838	(11,130)	363.6
Balance at the end of current period .....	657,728	623,889	7,069.3

\*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥93.04 to US\$1.00 prevailing on March 31, 2010.

	Millions of Yen		Millions of U.S. Dollars*
	FY2009	FY2008	FY2009
Valuation and translation adjustments and others			
Unrealized gains (losses) on available-for-sale securities			
Balance at the end of previous period.....	¥ 255,233	¥ 1,132,404	\$ 2,743.2
Changes during the period			
Net changes in items other than foundation funds and others .....	423,596	(877,171)	4,552.8
Total changes during the period .....	423,596	(877,171)	4,552.8
Balance at the end of current period .....	678,829	255,233	7,296.0
Deferred hedge gains (losses)			
Balance at the end of previous period.....	(7,158)	11	(76.9)
Changes during the period			
Net changes in items other than foundation funds and others .....	638	(7,169)	6.8
Total changes during the period .....	638	(7,169)	6.8
Balance at the end of current period .....	(6,519)	(7,158)	(70.0)
Revaluation reserves for land			
Balance at the end of previous period.....	80,432	83,350	864.4
Changes during the period			
Net changes in items other than foundation funds and others .....	(2,603)	(2,918)	(27.9)
Total changes during the period .....	(2,603)	(2,918)	(27.9)
Balance at the end of current period .....	77,829	80,432	836.5
Foreign currency translation adjustment account			
Balance at the end of previous period.....	(17,809)	(9,314)	(191.4)
Changes during the period			
Net changes in items other than foundation funds and others .....	395	(8,494)	4.2
Total changes during the period .....	395	(8,494)	4.2
Balance at the end of current period .....	(17,413)	(17,809)	(187.1)
Total valuation and translation adjustments and others			
Balance at the end of previous period.....	310,698	1,206,452	3,339.4
Changes during the period			
Net changes in items other than foundation funds and others .....	422,026	(895,754)	4,535.9
Total changes during the period .....	422,026	(895,754)	4,535.9
Balance at the end of current period .....	732,725	310,698	7,875.3
Minority interests			
Balance at the end of previous period .....	3,784	3,743	40.6
Changes during the period			
Net changes in items other than foundation funds and others .....	1,471	41	15.8
Total changes during the period .....	1,471	41	15.8
Balance at the end of current period.....	5,256	3,784	56.4
Total net assets			
Balance at the end of previous period .....	938,372	1,845,216	10,085.6
Changes during the period			
Transfer to reserves for policyholder dividends.....	(110,557)	(139,107)	(1,188.2)
Interest payment on foundation funds .....	(1,043)	(1,049)	(11.2)
Net surplus .....	142,773	124,513	1,534.5
Reversal of revaluation reserves for land.....	2,666	2,918	28.6
Increase resulting from decline in number of consolidated subsidiaries .....	—	849	—
Increase resulting from unification of accounting treatment for overseas subsidiaries.....	—	743	—
Net changes in items other than foundation funds and others .....	423,498	(895,712)	4,551.7
Total changes during the period .....	457,337	(906,843)	4,915.4
Balance at the end of current period.....	1,395,710	938,372	15,001.1

\*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥93.04 to US\$1.00 prevailing on March 31, 2010.