
Financial Results for the Six Months Ended September 30, 2010

The Dai-ichi Frontier Life Insurance Co., Ltd. (the "Company"; President: Satoru Tsutsumi) announces its financial results for the six months ended September 30, 2010.

[Contents]

Financial Summary for the Six Months Ended September 30, 2010

1.	Business Highlights	.....	P. 1
2.	Investment of General Account Assets	.....	P. 3
3.	Investment Results of General Account	.....	P. 4
4.	Non-Consolidated Balance Sheets	.....	P. 9
5.	Non-Consolidated Statements of Earnings	.....	P. 10
6.	Non-Consolidated Statements of Changes in Net Assets	.....	P. 11
7.	Breakdown of Net Surplus from Operations (Fundamental Profit)	.....	P. 16
8.	Disclosed Claims by Obligor Category	.....	P. 17
9.	Risk-Monitored Loans	.....	P. 17
10.	Solvency Margin Ratio	.....	P. 17
11.	Separate Account Status	.....	P. 18
12.	Consolidated Financial Summary	.....	P. 18

Reference: Business Highlights for the Three Months Ended September 30, 2010	P. 19
--	-------	-------

Reference: Exposure to Securitized Products and Subprime-related Investment	P. 22
---	-------	-------

1. Business Highlights

(1) Policies in Force and New Policies

Policies in Force

	As of September 30, 2010				As of March 31, 2010	
	Number of Policies		Amount		Number of Policies (thousands)	Amount (millions of yen)
	(thousands)	% of March 31, 2010 total	(millions of yen)	% of March 31, 2010 total		
Individual insurance	-	-	-	-	-	-
Individual annuities	247	111.0	1,387,285	108.3	222	1,280,943
Group insurance	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-

Note: Policy amount in force for individual annuities is equal to the sum of (a) the amount required to fund annuity payments when they commence for annuities that have not yet commenced paying out and (b) policy reserves for annuities that have commenced paying out.

New Policies

	Number of Policies		Amount			
	(thousands)	% of September 30, 2009 total	(millions of yen)	% of September 30, 2009 total	New Business	Net increase from conversions
Six months ended September 30, 2009						
Individual insurance	-		-		-	-
Individual annuities	97		525,987		525,987	-
Group insurance	-		-		-	-
Group annuities	-		-		-	-
Six months ended September 30, 2010						
Individual insurance	-	-	-	-	-	-
Individual annuities	26	27.0	138,630	26.4	138,630	-
Group insurance	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-

Note: Amount of new policies (new business) for individual annuities is equal to the amount required to fund annuity payments when they commence.

(2) Annualized Net Premiums

Policies in Force

(millions of yen except percentages)

	As of September 30, 2010		As of March 31, 2010
		% of March 31, 2010 total	
Individual insurance	-	-	-
Individual annuities	141,596	110.2	128,433
Total	141,596	110.2	128,433
Medical and survival benefits	-	-	-

New Policies

(millions of yen except percentages)

	Six months ended September 30, 2009	Six months ended September 30, 2010	% of September 30, 2009 total
Individual annuities	55,035	14,995	27.2
Total	55,035	14,995	27.2
Medical and survival benefits	-	-	-

Note: Annualized net premiums are calculated by multiplying the per-premium payments by a multiplier that depends on the premium payment terms. For single-premium contracts, the amount is calculated by dividing the premium by the duration of the policy.

(3) Profit and Loss Items

(millions of yen except percentages)

	Six months ended September 30, 2009	Six months ended September 30, 2010	% of September 30, 2009 total
Investment income	53,367	5,048	9.5
Insurance claims and other	14,233	39,698	278.9
Investment expenses	3,608	18,712	518.6

(4) Total Assets

(millions of yen except percentages)

	As of September 30, 2010		As of March 31, 2010
		% of March 31, 2010 total	
Total Assets	1,526,561	107.3	1,423,173

2. Investment of General Account Assets

(1) Investment Environment

The Japanese economy has weakened, owing to (i) the diminishing effect of the government's economic stimulus measures, including a decline in the pace of recovering personal consumption led by narrowing down the list of commodities eligible for the Eco-point subsidy program, and (ii) slowing growth rate of external demand due to revision of monetary policy in newly developing economies.

The U.S. economy has recovered moderately, given (i) economic measures taken by the U.S. government supporting the steady development of personal consumption and (ii) improvement in business sentiment increasing capital expenditure. However, slow recovery in housing investment and the employment environment caused downward pressure on the economy.

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

[Domestic interest rates]

The yield on ten-year Japanese government bonds has declined and dropped below 1% for the first time since August 2003, with the weakening of Japanese economy reflecting (i) diminishing effect of government's economic stimulus measures and (ii) slowing growth of external demand. Although the yield once rose reflecting concerns over the fiscal deficit related to Democratic Party's leadership election in September, it continued to decline as the Bank of Japan additionally eased monetary policy including measures taken against yen appreciation.

Yield on ten-year government bonds: March 31, 2010 1.390% ; September 30, 2010 0.930%

[Domestic Stocks]

The Nikkei 225 Stock Average has dropped below 10,000 with (i) the weakening of Japanese economy, reflecting slowing growth of external demand, which has driven economic growth in the previous periods, and slowing corporate production activity and (ii) concerns over the outlook for corporate profits owing to the progressive appreciation of the yen against other currencies, to levels not seen in 15 years.

Nikkei 225 Stock Average: March 31, 2010 ¥11,089 ; September 30, 2010 ¥9,369

TOPIX: March 31, 2010 978 ; September 30, 2010 829

[Foreign Currency]

The U.S. dollar depreciated against the yen to a level unseen since 1995, reflecting (i) concerns over the slipping back of the U.S. economy and (ii) monetary easing that the FRB is supposed to continue. Under the circumstances, the Japanese government conducted foreign exchange intervention for the first time since 2004. However, the yen appreciated again in late September with projections that the U.S. was to continue monetary easing.

The Euro also depreciated against the yen reflecting investor unease despite (i) emergency rescue packages as lending programs for governments and (ii) bank stress tests to relieve financial instability in Europe.

yen/U.S. dollar: March 31, 2010 ¥93.04 ; September 30, 2010 ¥83.82

yen/euro: March 31, 2010 ¥124.92 ; September 30, 2010 ¥114.24

(2) Investment Policies

General account assets are invested primarily in call loans, other money market instruments, and yen-denominated bonds. Foreign-currency denominated individual annuities are invested in foreign-currency denominated bonds. Certain instruments are also used to mitigate the guaranteed minimum benefit risk on individual variable annuities.

(3) Investment Results

We invested primarily in fixed-income assets, such as call loans, other money market instruments, and yen-denominated bonds. Foreign-currency denominated individual annuities are invested in foreign-currency denominated bonds. Derivative trades attributable to money held in trust and investments in foreign securities (investment trusts) were also used to mitigate the guaranteed minimum benefit risk on individual variable annuities. As a result, investment income was 5,048 million yen mainly due to gain on money held in trust (3,870 million yen), incurred through transactions to hedge the guaranteed minimum benefit risk on individual variable annuities and gain on trading securities (301 million yen). Investment expenses were 592 million yen mainly due to net derivative financial instruments loss (207 million yen).

3. Investment Results of General Account

(1) Asset Composition (General Account)

(millions of yen)

	As of September 30, 2010		As of March 31, 2010	
	Carrying value	%	Carrying value	%
Cash, deposits, and call loans	11,004	4.1	24,698	10.1
Securities repurchased under resale agreements	-	-	-	-
Deposit paid for securities borrowing transactions	-	-	-	-
Monetary receivable purchased	-	-	-	-
Trading account securities	-	-	-	-
Money held in trust	50,197	18.5	33,426	13.6
Securities	162,969	60.1	142,064	57.8
Domestic bonds	125,478	46.2	114,508	46.6
Domestic stocks	-	-	-	-
Foreign securities	37,490	13.8	27,556	11.2
Foreign bonds	30,690	11.3	21,987	9.0
Foreign stocks and other securities	6,800	2.5	5,569	2.3
Other securities	-	-	-	-
Loans	-	-	-	-
Real estate	-	-	-	-
Deferred tax assets	-	-	-	-
Other	47,169	17.4	45,426	18.5
Allowance for doubtful accounts	(21)	(0.0)	(16)	(0.0)
Total	271,319	100.0	245,599	100.0
Foreign currency-denominated assets	2,304	0.8	-	-

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

(millions of yen)

	Six months ended September 30, 2009	Six months ended September 30, 2010
Cash, deposits, and call loans	11,646	(13,693)
Securities repurchased under resale agreements	-	-
Deposit paid for securities borrowing transactions	-	-
Monetary receivable purchased	-	-
Trading account securities	-	-
Money held in trust	33,064	16,770
Securities	20,831	20,904
Domestic bonds	11,900	10,970
Domestic stocks	-	-
Foreign securities	9,431	9,934
Foreign bonds	9,431	8,703
Foreign stocks and other securities	-	1,231
Other securities	(500)	-
Loans	-	-
Real estate	-	-
Deferred tax assets	-	-
Other	20,482	1,743
Allowance for doubtful accounts	(5)	(5)
Total	86,019	25,720
Foreign currency-denominated assets	-	2,304

(3) Investment Income (General Account)

(millions of yen)

	Six months ended September 30, 2009	Six months ended September 30, 2010
Interest, dividends and other income	587	824
Interest on deposits	1	0
Interest and dividends on securities	572	818
Interest on loans	-	-
Rent revenue from real estate	-	-
Other interest and dividends	13	5
Gain on trading account securities	-	-
Gain on money held in trust	-	3,870
Gain on investments in trading securities	-	301
Gain on sale of securities	105	52
Gain on sale of domestic bonds	105	52
Gain on sale of domestic stocks	-	-
Gain on sale of foreign securities	-	-
Other	-	-
Gain on redemption of securities	-	-
Net derivative financial instruments gain	-	-
Foreign exchange gain	-	-
Other investment income	-	-
Total	693	5,048

(4) Investment Expenses (General Account)

(millions of yen)

	Six months ended September 30, 2009	Six months ended September 30, 2010
Interest expenses	-	0
Loss on trading account securities	-	-
Loss on money held in trust	3,435	-
Loss on investments in trading securities	-	-
Loss on sale of securities	0	-
Loss on sale of domestic bonds	0	-
Loss on sale of domestic stocks	-	-
Loss on sale of domestic securities	-	-
Other	-	-
Loss on valuation of securities	-	-
Loss on valuation of domestic bonds	-	-
Loss on valuation of domestic stocks	-	-
Loss on valuation of foreign securities	-	-
Other	-	-
Loss on redemption of securities	-	-
Net derivative financial instrument loss	-	207
Foreign exchange loss	-	47
Provision for allowance for doubtful accounts	5	5
Write-down of loans	-	-
Depreciation of real estate for rent and other	-	-
Other investment expenses	166	332
Total	3,608	592

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

(millions of yen)

	As of September 30, 2010		As of March 31, 2010	
	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	56,997	4,172	38,995	(15,842)

Note: Figures in this table include money held in trust and other instruments classified as trading securities.

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

(millions of yen)

	Book value	Fair value	Gains (losses)		
			Gains	Losses	
As of September 30, 2010					
Bonds held to maturity	-	-	-	-	-
Policy-reserve-matching bonds	-	-	-	-	-
Stocks of subsidiaries and affiliates	-	-	-	-	-
Securities available for sale	151,905	156,169	4,263	4,349	86
Domestic bonds	121,621	125,478	3,857	3,864	6
Domestic stocks	-	-	-	-	-
Foreign securities	30,284	30,690	406	485	79
Foreign bonds	30,284	30,690	406	485	79
Foreign stocks and other securities	-	-	-	-	-
Other securities	-	-	-	-	-
Monetary receivables purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Other	-	-	-	-	-
Total	151,905	156,169	4,263	4,349	86
Domestic bonds	121,621	125,478	3,857	3,864	6
Domestic stocks	-	-	-	-	-
Foreign securities	30,284	30,690	406	485	79
Foreign bonds	30,284	30,690	406	485	79
Foreign stocks and other securities	-	-	-	-	-
Other securities	-	-	-	-	-
Monetary receivables purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Other	-	-	-	-	-
As of March 31, 2010					
Bonds held to maturity	-	-	-	-	-
Policy-reserve-matching bonds	-	-	-	-	-
Stocks of subsidiaries and affiliates	-	-	-	-	-
Securities available for sale	134,627	136,495	1,868	1,928	59
Domestic bonds	112,790	114,508	1,717	1,767	49
Domestic stocks	-	-	-	-	-
Foreign securities	21,836	21,987	150	160	10
Foreign bonds	21,836	21,987	150	160	10
Foreign stocks and other securities	-	-	-	-	-
Other securities	-	-	-	-	-
Monetary receivables purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Other	-	-	-	-	-
Total	134,627	136,495	1,868	1,928	59
Domestic bonds	112,790	114,508	1,717	1,767	49
Domestic stocks	-	-	-	-	-
Foreign securities	21,836	21,987	150	160	10
Foreign bonds	21,836	21,987	150	160	10
Foreign stocks and other securities	-	-	-	-	-
Other securities	-	-	-	-	-
Monetary receivables purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Other	-	-	-	-	-

Book values of securities for which it is not practicable to determine fair value

Not applicable.

(7) 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)	
				Gains	Losses
As of September 30, 2010	50,197	50,197	-	-	-
As of March 31, 2010	33,426	33,426	-	-	-

*Information on money held in trust for investment purposes

(millions of yen)

	As of September 30, 2010		As of March 31, 2010	
	Carrying value on the balance sheet	Valuation gains (losses) included in the statements of earnings	Carrying value on the balance sheet	Valuation gains (losses) included in the statements of earnings
Money held in trust for investment purposes	50,197	3,870	33,426	(12,911)

*Information on money held in trust classified as held-to-maturity, policy-reserve-matching, or other money held in trust

Not applicable.

4. Non-Consolidated Balance Sheets

(millions of yen)

	As of September 30, 2010	As of March 31, 2010 (Summarized)
	Amount	Amount
(ASSETS)		
Cash and deposits	8,087	9,700
Call loans	8,800	20,300
Money held in trust	50,197	33,426
Securities	1,411,512	1,313,552
[Government bonds]	[51,429]	[45,134]
[Local government bonds]	[1,900]	[2,135]
[Corporate bonds]	[72,148]	[67,237]
[Foreign securities]	[37,490]	[27,556]
Tangible assets	103	126
Intangible assets	2	2
Reinsurance accounts receivable	44,534	44,519
Other assets	3,346	1,561
Allowance for doubtful accounts	(21)	(16)
Total assets	1,526,561	1,423,173

(millions of yen)

	As of September 30, 2010	As of March 31, 2010 (Summarized)
	Amount	Amount
(LIABILITIES)		
Reserve for insurance policy liabilities	1,408,421	1,300,274
Reserves for outstanding claims	753	610
Policy reserves	1,407,667	1,299,664
Reinsurance accounts payable	609	346
Other liabilities	3,052	4,333
Corporate income tax payable	4	4
Other liabilities	3,048	4,329
Reserve for employees' retirement benefits	46	32
Reserve for retirement benefits of directors, executive officers and corporate auditors	1	2
Reserve for price fluctuations	101	75
Deferred tax liabilities	1,543	676
Total liabilities	1,413,777	1,305,742
(NET ASSETS)		
Capital stock	117,500	117,500
Capital surplus	67,500	67,500
Legal capital surplus	67,500	67,500
Retained earnings	(74,935)	(68,760)
Other retained earnings	(74,935)	(68,760)
Retained earnings brought forward	(74,935)	(68,760)
Total shareholders' equity	110,064	116,239
Net unrealized gains on securities, net of tax	2,719	1,191
Total valuation and translation adjustments	2,719	1,191
Total net assets	112,784	117,431
Total liabilities and net assets	1,526,561	1,423,173

5. Non-Consolidated Statement of Earnings

(millions of yen)

	Six months ended September 30, 2009	Six months ended September 30, 2010
	Amount	Amount
ORDINARY REVENUES	607,036	166,678
Insurance premiums and other	553,375	161,628
[Insurance premiums]	[524,208]	[138,399]
Investment income	53,367	5,048
[Interest, dividends and other income]	[587]	[824]
[Gain on trading account securities]	[-]	[3,870]
[Gain on investments in trading securities]	[-]	[301]
[Gain on sales of securities]	[105]	[52]
[Gain on investment in separate accounts]	[52,673]	[-]
Other ordinary revenues	293	1
ORDINARY EXPENSES	610,042	173,136
Insurance claims and other	14,233	39,698
[Annuities]	[52]	[257]
[Benefits]	[1,930]	[4,011]
[Surrender benefits]	[2,450]	[10,227]
[Other refunds]	[746]	[457]
Provision for policy reserve and other	562,469	108,146
Provision for reserves for outstanding claims	-	143
Provision for policy reserve	562,469	108,003
Investment expenses	3,608	18,712
[Interest expenses]	[-]	[0]
[Loss on money held in trust]	[3,435]	[-]
[Loss on sales of securities]	[0]	[-]
[Net derivative financial instruments loss]	[-]	[207]
[Loss on separate accounts]	[-]	[18,119]
Operating expenses	26,444	6,133
Other ordinary expenses	3,285	446
ORDINARY PROFIT(LOSS)	(3,005)	(6,458)
EXTRAORDINARY GAINS	-	314
EXTRAORDINARY LOSSES	12	26
Net income(loss) before income taxes	(3,017)	(6,170)
Corporate income taxes - current	2	4
Income taxes	2	4
Net income(loss)	(3,019)	(6,174)

6. Non-Consolidated Statement of Changes in Net Assets

Statement of changes in net assets for the six months ended September 30, 2010
(April 1, 2010 - September 30, 2010)

(millions of yen)

	Six months ended September 30, 2009	Six months ended September 30, 2010
	Amount	Amount
Shareholders' equity		
Capital stock		
Beginning balance as of March 31, 2010	107,500	117,500
Changes during the period		
Issuance of new shares	10,000	-
Changes during the period	10,000	-
Ending balance as of September 30, 2010	117,500	117,500
Capital surplus		
Legal capital surplus		
Beginning balance as of March 31, 2010	57,500	67,500
Changes during the period		
Issuance of new shares	10,000	-
Changes during the period	10,000	-
Ending balance as of September 30, 2010	67,500	67,500
Retained earnings		
Other retained earnings		
Retained earnings brought forward		
Beginning balance as of March 31, 2010	(60,403)	(68,760)
Changes during the period		
Net loss	3,019	6,174
Changes during the period	(3,019)	(6,174)
Ending balance as of September 30, 2010	(63,422)	(74,935)
Total shareholders' equity		
Beginning balance as of March 31, 2010	104,596	116,239
Changes during the period		
Issuance of new shares	20,000	-
Net loss	3,019	6,174
Changes during the period	16,980	(6,174)
Ending balance as of September 30, 2010	121,577	110,064
Valuation and translation adjustments		
Net unrealized gains on securities, net of tax		
Beginning balance as of March 31, 2010	348	1,191
Changes during the period		
Net changes of items other than shareholders' equity	663	1,528
Changes during the period	663	1,528
Ending balance as of September 30, 2010	1,012	2,719
Total		
Beginning balance as of March 31, 2010	104,945	117,431
Changes during the period		
Issuance of new shares	20,000	-
Net loss	3,019	6,174
Net changes of items other than shareholders' equity	663	1,528
Changes during the period	17,644	(4,646)
Ending balance as of September 30, 2010	122,589	112,784

As of September 30, 2010

- 1 Securities are valued as follows.
 (a) Trading securities are valued at fair value (sales cost is calculated with the moving-average method).
 (b) Other securities with fair values are valued at fair value using market prices as of the end of September (sales cost is calculated with the moving-average method). Securities for which it is not practicable to determine fair value are recorded on the balance sheet at acquisition cost.
 Valuation differences on other securities are all reported as a component of net assets.
- 2 Derivative transactions are reported at fair value (including derivatives transactions on money held in trust and foreign securities (investment trusts)).
- 3 Depreciation on tangible assets is calculated as follows.
 (a) Assets acquired on or before March 31, 2007:
 Declining-balance method as per the previous standard
 (b) Assets acquired on or after April 1, 2007:
 Declining-balance method as revised
 Of other tangible assets, assets with an acquisition price of at least 100,000 yen but less than 200,000 yen are depreciated evenly over three years.
- 4 Intangible assets are depreciated with the straight line method.
- 5 Foreign currency-denominated assets and liabilities are translated into yen-denominated amounts at market exchange rates as of the end of September.
 Changes in market values of bonds included in foreign currency-denominated available-for-sale securities are divided into two, and the portion attributable to changes in the securities' nominal market prices in their local currencies is included in "valuation difference on available-for-sale securities", and the rest in "foreign exchange gains/losses".
 Additional information
 Since the start of sales of foreign currency-denominated annuities, in order to appropriately recognize foreign exchange-related gains/losses from both foreign currency-denominated available-for-sale securities and foreign currency-denominated liabilities accrued during a period, changes in market values of bonds included in foreign currency-denominated available-for-sale securities are divided into two, and the portion attributable to changes in the securities' nominal market prices in their local currencies is included in "valuation differences on available-for-sale securities", and the rest in "foreign exchange gains/losses".
- 6 Allowance for doubtful accounts is calculated by multiplying the value of loan claims by the historical loan loss rates calculated from actual loan losses, pursuant to rules on self-assessment of, write-offs on, and reserves for assets. Relevant departments assess all loan claims based on the self-assessment rules, and an independent department responsible for auditing assets audits the assessment results. Provisions to the allowance for doubtful accounts are determined based on the assessment results.
- 7 To provision for employees' retirement benefits, the amount recognized as having accrued as of the end of September, 2010 is recorded in the reserve for employees' retirement benefits. The amount is calculated with the simplified method (whereby the total amount of retirement benefits to all employees assuming that all employees retire voluntarily as of fiscal year-end is used as the benefit obligation) specified in the Practical Guidelines on Accounting Standards for Retirement Benefits (Interim Report) (JICPA Accounting System Committee Report No. 13).
- 8 To provision for retirement benefits of directors, executives and auditors seconded from the Dai-ichi Life Insurance Company, Limited (the parent company), which are payable to the parent company, the Company records its share accrued benefits as of September 30, 2010, calculated pursuant to the parent company's regulations on retirement benefits, in the reserve for retirement benefits of directors, executive officers and corporate auditors.
- 9 The reserve for price fluctuations is calculated pursuant to Article 115 of the Insurance Business Act.

As of September 30, 2010

- 10 Finance leases that do not transfer title to the leased assets to the lessee are treated as follows, pursuant to the Accounting Standard for Lease Transactions (ASBJ Statement No. 13, March 30, 2007) and its accompanying Guidance on the Accounting Standard for Lease Transactions (ASBJ Guidance No. 16, March 30, 2007).
 (a) Lease agreements concluded on or after April 1, 2008, except those of minor value, are accounted for as ordinary sales/purchase transactions.
 (b) Transactions other than those corresponding to (a) above are accounted for as ordinary lease transactions.
- 11 National and local consumption taxes are recorded with the tax-exclusion method. Non-recoverable consumption tax on certain assets is capitalized as a prepaid expense and amortized equally over five years in accord with corporate taxation law, and such taxes other than deferred consumption tax are recognized as an expense in the first half of the year in which they are incurred.
- 12 Policy reserves are those reserves set aside in accord with Article 116 of the Insurance Business Act. Insurance premium reserve is calculated as follows.
 (a) For policies subject to the Standard Policy Reserve Method: Method stipulated by the Financial Services Agency Commissioner (Ministry of Finance Notification No. 48, 1996)
 (b) For policies not subject to the Standard Policy Reserve Method: Net level premium reserve method
- 13 Amounts of financial assets recorded on the balance sheet, their fair values, and differences between the two are as follows.

(millions of yen)

	Amount recorded on balance sheet	Fair value	Difference
(1) Cash and deposits	8,087	8,087	-
(2) Call loans	8,800	8,800	-
(3) Money held in trust	50,197	50,197	-
(4) Securities	1,411,512	1,411,512	-
(a) Trading securities	1,255,343	1,255,343	-
(b) Other securities	156,169	156,169	-
Assets total	1,478,597	1,478,597	-
Derivative financial instruments			
(a) Derivative financial instruments to which hedge accounting is not applied.	(2,567)	(2,567)	-
Derivative financial instruments total	(2,567)	(2,567)	-

Note: Derivative transactions include money held in trust and foreign securities (investment trusts). Net derivative assets and liabilities arising from derivative transactions are reported as a net value. A negative total indicates a net liability position.

Fair values of financial instruments are calculated as follows.

(a) Cash and deposits:

Deposits are recorded at book value as all deposits have no maturities and their book values approximate their fair values.

(b) Call loans:

Call loans are recorded at book value as all call loans have short maturities and their book values approximate their fair values.

(c) Money held in trust: Information on the fair value of derivative transactions attributable to money held in trust appears in "(e) Derivative transactions" below.

(d) Securities:

Bonds are recorded at their price on securities exchanges. Investments in investment trusts are recorded at net asset value.

(e) Derivatives transactions:

For foreign exchange forward contracts, futures market prices on the end of September, 2010 are used as fair value. For futures transactions and other market traded instruments, securities exchange market closing prices are used as fair value.

As of September 30 ,2010

- 14 Accumulated depreciation on tangible assets is 240 million yen.
- 15 Assets in separate accounts, as defined by Article 118 of the Insurance Business Act, total 1,255,352 million yen. Liabilities total the same amount.
- 16 Assets pledged as collateral by securities are 205 million yen.
- 17 Assets for which rights held can be freely disposed of by means of sale or collateralization are available-for-sale securities that have been accepted as collateral of reinsurance dealings, and in this period ownership was maintained for total market value of 751 million yen as of September 30, 2010, and we have no assets pledged as re-collateral.
- 18 Reserves for outstanding claims attributable to the portion of reinsurance specified in Article 71, paragraph 1, of the Ordinance for Enforcement of the Insurance Business Act, applied under Article 73, paragraph 3, of said Ordinance ("reserves for outstanding ceding insurance claims"), amount to 21 million yen. Policy reserves attributable to the portion of reinsurance specified in Article 71, paragraph 1, of said Ordinance ("ceding reinsurance policy reserves") amount to 4,331 million yen.
- 19 As of the end of September, 2010 , the Company estimated that it will be required to contribute 850 million yen to the Life Insurance Policyholders Protection Corporation of Japan pursuant to Article 259 of the Insurance Business Act. Contributions are expensed as an operating expense in the first half of the year in which they are incurred.

Notes to the Non-Consolidated Statement of Earnings

Six months ended September 30, 2010									
1	Total expenses from transactions with affiliated companies amounted to 43 million yen.								
2	Gain on sale of securities is 52 million yen, attributable to sales of Japanese Government Bonds and other bonds.								
3	Insurance premiums and other includes the operating expenses received in association with ceding reinsurance business of 13,117 million yen.								
4	Insurance claims and other includes ceding reinsurance policy reserves transferred of 88,206 million yen and the ceding reinsurance policy reserve adjustment of -65,189 million yen.								
5	The calculation of reversal of reserve for outstanding claims involved deducting a 7 million yen provision for reserve for outstanding ceding insurance claims. The calculation of provision for policy reserves involved deducting a 2,833 million yen provision for outstanding ceding insurance policy reserves.								
6	The details of interest, dividends and other income are as follows.								
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Interest on deposits</td> <td style="text-align: right;">0 million yen</td> </tr> <tr> <td>Interest and dividends from securities</td> <td style="text-align: right;">818 million yen</td> </tr> <tr> <td>Other interest and dividends</td> <td style="text-align: right;">5 million yen</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">824 million yen</td> </tr> </table>	Interest on deposits	0 million yen	Interest and dividends from securities	818 million yen	Other interest and dividends	5 million yen	Total	824 million yen
Interest on deposits	0 million yen								
Interest and dividends from securities	818 million yen								
Other interest and dividends	5 million yen								
Total	824 million yen								
7	The main component of gain on investments in trading securities is a valuation gain of 301 million yen.								
8	Gain on money held in trust includes a valuation gain of 3,870 million yen.								
9	Net loss per share for the first half of the year was 3,337,576.00 yen.								

Notes to Non-Consolidated Statement of Changes in Net Assets

Six months ended September 30, 2010				
1	Number of outstanding shares by class			
	No. shares as of March 31, 2010	Increase in number of shares in six months ended September 30,2010	Decrease in number of shares in six months ended September 30,2010	No. shares as of September 30, 2010
	Outstanding shares			
	Common stock	1,850	0	0
				1,850

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

(millions of yen)

		Six months ended September 30, 2009	Six months ended September 30, 2010
Fundamental profit	A	24,120	(9,356)
Capital gains		105	4,226
Gain on money held in trust		-	3,870
Gain on investments in trading securities		-	301
Gain on sales of securities		105	52
Net derivative financial instruments gain		-	-
Foreign exchange gains		-	-
Other		-	1
Capital losses		3,436	254
Loss on money held in trust		3,435	-
Loss on investments in trading securities		-	-
Loss on sales of securities		0	-
Loss on valuation of securities		-	-
Net derivative financial instruments loss		-	207
Foreign exchange losses		-	47
Other		-	-
Net capital gains (losses)	B	(3,330)	3,971
Fundamental profit plus net capital gains (losses)	A + B	20,790	(5,384)
Other one-time gains		-	-
Reinsurance income		-	-
Reversal of contingency reserve		-	-
Other		-	-
Other one-time losses		23,795	1,073
Ceding reinsurance commissions		-	-
Provision for contingency reserve		23,795	1,073
Provision for specific allowance for doubtful accounts		-	-
Provision for specific reserve for loans to refinancing countries		-	-
Write-down of loans		-	-
Other		-	-
Other one-time profits (losses)	C	(23,795)	(1,073)
Ordinary profit (loss)	A + B + C	(3,005)	(6,458)

Note: 1. Fundamental profit includes the amount below.

	Six months ended September 30, 2009	Six months ended September 30, 2010
Adjustment of the portion valued in exchange rate fluctuations of foreign-currency denominated annuities' liability	-	(1)

2. Other capital gains include the amount below.

	Six months ended September 30, 2009	Six months ended September 30, 2010
Adjustment of the portion valued in exchange rate fluctuations of foreign-currency denominated annuities' liability	-	1

3. Gains (losses) on money held in trust and gains (losses) on investments in trading securities are attributable to investments in derivative financial instruments (including investments in monetary trusts, foreign securities (investment trusts)) for the purpose of mitigating the guaranteed minimum benefit risk on individual variable annuities.

8. Disclosed Claims by Obligor Category

Not applicable.

9. Risk-Monitored Loans

Not applicable.

10. Solvency Margin Ratio

(millions of yen)

	As of September 30, 2010	As of March 31, 2010
Total solvency margin (A)	222,902	224,341
Common stock, etc.	110,064	116,239
Reserve for price fluctuations	101	75
Contingency reserve	45,832	44,759
General allowance for doubtful accounts	21	16
Net unrealized gains on securities (before tax) × 90% *1	3,837	1,681
Net unrealized gains (losses) on real estate × 85% *1	-	-
Policy reserves in excess of surrender values	63,044	61,570
Qualifying subordinated debt	-	-
Excluded items	-	-
Other	-	-
Total Risk $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	29,352	37,789
Insurance risk R1	0	-
3rd sector insurance risk R8	-	-
Assumed investment yield risk R2	9	7
Investment risk R3	(14,343)	(6,175)
Business risk R4	854	1,100
Guaranteed minimum benefit risk R7	42,831	42,855
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	1,518.8%	1,187.3%

*1: Multiplied by 100% if losses.

Note: 1. The above figures are calculated pursuant to Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act and Ministry of Finance Official Notification No. 50 of 1996.

2. Guaranteed minimum benefit risk is calculated by the standard method.

3. Derivative financial instruments attributable to money held in trust and investments in foreign securities (investment trusts) are used to mitigate guaranteed minimum benefit risk on individual variable annuities. Derivative financial instruments reduced guaranteed minimum benefit risk by 9,105 million yen in the fiscal year ended March 31, 2010, and by 17,900 million yen in the first half of the year, and these amounts are included in "Investment risk" above.

11. Separate Account Status

(1) Separate Account Assets by Product

(millions of yen)

	As of September 30, 2010	As of March 31, 2010
Individual variable insurance	-	-
Individual variable annuities	1,255,352	1,178,615
Group annuities	-	-
Separate account total	1,255,352	1,178,615

(2) Individual Variable Insurance and Annuities (Separate Account)

A. Individual Variable Insurance (Separate Account)

Not applicable.

B. Individual Variable Annuities (Separate Account)

(millions of yen except number of policies)

	As of September 30, 2010		As of March 31, 2010	
	Number of policies (thousands)	Amount	Number of policies (thousands)	Amount
Individual variable annuities	229	1,302,175	208	1,208,546

Notes: 1. Policy amount in force for individual annuities is equal to the sum of (a) the amount required to fund annuity payments when they commence for annuities that have not yet commenced paying out and (b) policy reserves for annuities that have commenced paying out.

2. Policy amounts not placed into separate accounts as of the end of the fiscal period are included in policies in force.

12. Consolidated Financial Summary

Not applicable.

Reference: Business Highlights for the Three Months Ended September 30, 2010

(1) New Policies

	Number of policies (thousands)		Amount (millions of yen)		New Business	Net increase from conversions
		% of September 30, 2009 total		% of September 30, 2009 total		
Three months ended September 30, 2009						
Individual insurance	-		-		-	-
Individual annuities	62		337,879		337,879	-
Group insurance	-		-		-	-
Group annuities	-		-		-	-
Three months ended September 30, 2010						
Individual insurance	-	-	-	-	-	-
Individual annuities	11	17.6	58,089	17.2	58,089	-
Group insurance	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-

Note: Amount of new policies (new business) for individual annuities is equal to the amount required to fund annuity payments when they commence.

(2) Annualized Net Premiums

(millions of yen except percentages)

	Three months ended September 30, 2009	Three months ended September 30, 2010	
			% of September 30, 2009 total
Individual insurance	-	-	-
Individual annuities	35,170	6,181	17.6
Total	35,170	6,181	17.6
Medical and survival benefits	-	-	-

Note: Annualized net premiums are calculated by multiplying the per-premium payments by a multiplier that depends on the premium payment terms. For single-premium contracts, the amount is calculated by dividing the premium by the duration of the policy.

(3) Non-Consolidated Statement of Earnings

(millions of yen)

	Three months ended September 30, 2009	Three months ended September 30, 2010
	Amount	Amount
ORDINARY REVENUES	376,237	104,572
Insurance premiums and other	355,948	69,561
[Insurance premiums]	[336,844]	[58,000]
Investment income	20,194	34,936
[Interest, dividends and other income]	[336]	[416]
[Gain on trading account securities]	[-]	[-]
[Gain on investments in trading securities]	[-]	[-]
[Gain on sales of securities]	[88]	[30]
[Gain on investment in separate accounts]	[19,768]	[34,489]
Other ordinary revenues	94	74
ORDINARY EXPENSES	379,356	96,680
Insurance claims and other	8,713	20,553
[Annuities]	[28]	[153]
[Benefits]	[923]	[2,196]
[Surrender benefits]	[1,663]	[5,032]
[Other refunds]	[455]	[194]
Provision for policy reserve and other	351,773	64,425
Provision for reserves for outstanding claims	-	-
Provision for policy reserve	351,773	64,425
Investment expenses	246	8,972
[Interest expenses]	[-]	[0]
[Loss on money held in trust]	[78]	[5,783]
[Loss on investment in trading securities]	[-]	[2,764]
[Loss on sales of securities]	[-]	[-]
[Net derivative financial instruments loss]	[-]	[207]
[Loss on separate accounts]	[-]	[-]
Operating expenses	16,556	2,548
Other ordinary expenses	2,065	181
ORDINARY PROFIT(LOSS)	(3,118)	7,891
EXTRAORDINARY GAINS	-	-
EXTRAORDINARY LOSSES	6	15
Net income(loss) before income taxes	(3,124)	7,876
Corporate income taxes - current	1	2
Income taxes	1	2
Net income(loss)	(3,126)	7,874

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

(millions of yen)

		Three months ended September 30, 2009	Three months ended September 30, 2010
Fundamental profit	A	7,973	17,294
Capital gains		88	31
Gain on money held in trust		-	-
Gain on investments in trading securities		-	-
Gain on sale of securities		88	30
Net derivative financial instruments gain		-	-
Foreign exchange gains		-	-
Other		-	1
Capital losses		78	8,802
Loss on money held in trust		78	5,783
Loss on investments in trading securities		-	2,764
Loss on sales of securities		-	-
Loss on valuation of securities		-	-
Net derivative financial instruments loss		-	207
Foreign exchange losses		-	47
Other		-	-
Net capital gains (losses)	B	10	(8,770)
Fundamental profit plus net capital gains	A+B	7,983	8,523
Other one-time gains		-	-
Reinsurance income		-	-
Reversal of contingency reserve		-	-
Other		-	-
Other one-time losses		11,102	632
Ceding reinsurance commissions		-	-
Provision for contingency reserve		11,102	632
Provision for specific allowance for doubtful accounts		-	-
Provision for specific reserve for loans to refinancing countries		-	-
Write-down of loans		-	-
Other		-	-
Other one-time profits (losses)	C	(11,102)	(632)
Ordinary profit (loss)	A+B+C	(3,118)	7,891

Note: 1. Fundamental profit includes the amount below.

	Three months ended September 30, 2009	Three months ended September 30, 2010
Adjustment of the portion valued in exchange rate fluctuations of foreign-currency denominated annuities' liability	-	(1)

2. Other includes the amount below.

	Three months ended September 30, 2009	Three months ended September 30, 2010
Adjustment of the portion valued in exchange rate fluctuations of foreign-currency denominated annuities' liability	-	1

3. Gains (losses) on money held in trust and gains (losses) on investments in trading securities are attributable to investments in derivative financial instruments (including investments in monetary trusts, foreign securities (investment trusts)) for the purpose of mitigating the guaranteed minimum benefit risk on individual variable annuities.

(5) Quarterly consolidated Financial Summary

Not applicable.

Reference: Exposure to Securitized Products and Subprime-related Investments

Exposure to securitized products and subprime-related investments is as follows.

Investment Exposures

- (1) Special-Purpose Entities (SPEs, as of September 30, 2010)

The Company has no investments in SPEs

- (2) Collateralized Debt Obligations (CDOs, as of September 30, 2010)

The Company has no investments in CDOs.

- (3) Other Subprime and Alt-A Exposures (as of September 30, 2010)

The Company has no other subprime or Alt-A exposures.

- (4) Commercial Mortgage-Backed Securities (CMBS, as of September 30, 2010)

The Company has no investments in CMBS.

- (5) Leveraged Finance (as of September 30, 2010)

The Company has no leveraged finance exposures.

- (6) Others (as of September 30, 2010)

The Company has no other relevant exposures.