

B. Balance Sheet

At the end of fiscal 2004, the assets held by all life insurers operating in Japan amounted to ¥191 trillion (or roughly \$1.79 trillion)², an increase of 3.9 percent from the previous fiscal year.

Liabilities expanded by 3.5 percent as a result of the buildup of liability reserves (a 3.1 percent increase), other reserves and other liabilities. Following the recovery of stock prices in particular, price fluctuation reserves were built up substantially, adding ¥236.8 billion (\$2.2 billion) to the prior year's ¥770 billion (\$7.2 billion) and topping ¥1 trillion (\$9.41 billion).

The total capital held by all member life insurers has surpassed ¥10 trillion (\$94 billion) with a significant increase of 12.0 percent from the previous fiscal year.

Table 2. Balance Sheet of Member Companies as a Whole³ (billion ¥)

Fiscal Year	Assets		Liabilities			Capital
	Total	Nominal GDP(%)	Total ^a	Liability Reserves	Price Fluctuation Reserves	Total
1960	752	4.5	710	628	0	41
1970	5,854	7.8	5,567	5,070	0	287
1980	26,257	10.7	24,689	22,019	-	1,568
1990	131,618	29.7	127,939	118,032	-	3,679
2000	191,730	37.6	185,673	166,857	783	6,057
2001	184,370	36.6	177,299	161,221	603	7,071
2002	179,831	36.1	174,276	159,649	467	5,554
2003	184,329	36.7	175,326	160,714	770	9,003
2004	191,523	37.9	181,442	165,705	1,007	10,080
G.R.(%) ^b	3.9	1.2 points	3.5	3.1	30.7	12.0

^a The total amount of liabilities includes other liabilities not shown in the above table.

^b Hereinafter G.R. stands for growth rates from the previous fiscal year.

² The Yen/US Dollar currency rate at ¥106.97 (as of the end of March 2005) is applied to the translation of the dollar-based figures. Hereinafter all dollar-based figures in parentheses represent approximate values converted using this rate.

³ Rounding errors may be observed wherever percentages or total amounts are summed up.