

C. Asset Distribution

Securities constitute the core component of the life insurers' total assets, accounting for about 69 percent at ¥131,834.7 billion (\$1,232 billion) out of overall assets of ¥191 trillion (\$1,790 billion). Loans, the second major component which account for 20 percent at ¥38.3573 trillion (\$358 billion), continue to fall short of the previous fiscal year in value, reflecting mainly weak corporate demand for funds.

With regard to securities holdings, the share of domestic stocks in the total assets (11.5 percent) has been on an upward trend, in contrast to the share of corporate bonds (9.5 percent) which has been shrinking slightly in recent years. As the domestic interest rate remains very low, insurers have been continuing global asset diversification and raised the portion of foreign securities holdings, which marked the largest share in fiscal 2004 with 19.1 percent, since industry-wide statistics began.

Table 3. Asset Distribution

(billion ¥, %)

Fiscal Year	Total Assets ^a	Total ^a	Securities						
			Domestic Securities			Subtotal ^a	Foreign Securities		
			JGB ^b	Corporate Bonds	Stocks		GB ^b	Corporate Bonds	Stocks
1960	752	185	0.2	10	171	-	-	-	-
1970	5,854	1,274	33	85	1,145	0.2	-	-	-
1980	26,257	7,976	604	1,422	4,520	668	426	173	28
1990	131,618	58,887	4,961	5,257	28,916	17,199	6,470	4,960	3,763
2000	191,730	110,414	31,779	17,819	29,467	21,910	6,519	8,530	4,135
2001	184,370	111,020	32,832	17,926	24,707	26,419	7,308	12,287	3,635
2002	179,831	110,494	34,809	19,217	17,228	28,965	8,609	14,317	2,682
2003	184,329	120,457	35,524	18,877	21,362	33,789	11,936	15,467	2,787
2004	191,523	131,834	41,931	18,275	22,070	36,534	10,736	18,156	2,930
		<68.8> ^c	<21.9>	<9.5>	<11.5>	<19.1>	<5.6>	<9.5>	<1.5>

(Continued from the above table)

Fiscal Year	Total	Loans		Cash Reserves + Call Loans	Real Estates
		Policy Loans	Financial Loans		
1960	463	56	-	19	75
1970	3,928	393	-	94	516
1980	15,685	1,117	-	660	1,647
1990	49,894	3,219	-	8,161	7,186
2000	49,997	4,844	45,152	10,257	8,158
2001	47,056	4,691	42,364	6,303	8,081
2002	44,468	4,559	39,908	5,388	7,593
2003	41,720	4,356	37,364	4,926	7,598
2004	38,357	4,168	34,188	4,335	7,332
	<20.0>	<2.2>	<17.9>	<2.3>	<3.8>

<Reference> (billion ¥, %)

Fiscal Year	Loans Abroad
1960	-
1970	-
1980	524
1990	6,345
2000	4,085
2001	4,220
2002	3,668
2003	3,331
2004	2,587
	<1.4>

^a The amount of total assets, total securities and subtotal of the foreign securities include other assets, securities and foreign securities respectively.

^b JGB and GB stand for Japanese government bonds and government bonds respectively.

^c Figures in angle brackets are the proportion of each asset to the total assets.