

**c) Revenues and Expenditures**

(1) Premium Income

Premium income in fiscal year 2006 was Y27.7662 trillion (equivalent to \$ 235 billion: *hereinafter, dollar based-figures in parentheses represent approximate values converted by using the FY 2006 year-end rate USD/JPY 118.05*), down by 2 percent from the previous year. The amount decreased in all types of products such as individual insurance, individual annuity, group insurance, and group annuity (99.8 percent, 96.8 percent, 99.1 percent, and 93.5 percent year-on-year, respectively).

**Table-3 Breakdown of Premium Income by Product** (Amount: Y billion; %)

Fiscal Year	Total Premium Income <sup>a</sup>	Individual Insurance	Individual Annuity	Group Insurance	Group Annuity	Reinsurance
2001	26,185	15,671	2,135	1,356	6,631	31
2002	25,511	15,722	3,022	1,318	5,135	21
2003	25,960	14,867	4,638	1,296	4,870	16
2004	27,022	14,885	6,294	1,274	4,297	12
2005	28,332	15,072	7,584	1,264	4,151	14
2006	27,766	15,039	7,340	1,252	3,883	14
YY (%)	98.0	99.8	96.8	99.1	93.5	99.0

a. The amount of total premium income includes other premium income.

(2) Payments

The total amount paid by all member companies in connection with life insurance business under life insurance contracts in fiscal year 2006 was Y18.9720 trillion (\$160 billion), down by 7.6 percent from the previous year mainly due to a decline in the surrender value. Operating expenses, however, amounted to Y3.7146 trillion (\$31billion) owing to an increase in acquisition costs.

**Table-4 Breakdown of Payments** (Amount: Y billion; %)

Fiscal Year	Total Payments	Payments under Life Insurance Contracts				Provision for Reserves	Operating Expenses
		Insurance Money	Benefits	Annuity	Repayments		
2001	28,492	7,592	5,328	1,386	14,017	1,634	3,756
2002	23,648	7,766	4,712	1,470	9,339	2,297	3,595
2003	24,244	7,295	4,221	1,581	10,380	3,652	3,570
2004	21,336	6,341	3,846	1,659	8,605	5,756	3,567
2005	20,536	6,543	3,678	1,767	7,551	9,149	3,667
2006	18,972	5,727	3,742	1,914	6,612	8,663	3,714
YY (%)	92.4	87.5	101.7	108.3	87.5	94.7	101.3