

1. Overview of the Life Insurance Business in Japan in Fiscal 2006

f) Asset Distribution

At the end of fiscal 2006, total assets of the life insurers soared to Y220 trillion (\$1,865 billion). Securities constitute a large part of these assets, accounting for 73.7 percent or Y162.1972 trillion (\$1,373 billion). Loans come in second at Y35 trillion (\$297 billion), accounting for 15.9 percent.

Table-7 Breakdown of Assets

(Amount: Y 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
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
2005	209,879	150,815	44,783	18,335	30,931	39,396	10,408	19,560	3,615
2006	220,217	162,197 <73.7> ^c	48,733 <22.1>	19,146 <8.7>	32,367 <14.7>	41,435 <18.8>	9,831 <4.4>	21,153 <9.6>	4,462 <2.0>

(Continued)

Fiscal Year	Sub Total	Loans		Cash Reserves + Call Loans	Real Estates
		Policy Loans	Financial Loans		
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
2005	36,728	4,027	32,700	5,484	6,834
2006	35,077 <15.9>	3,897 <1.8>	31,179 <14.2>	5,656 <2.6>	6,671 <3.0>

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

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

c. Figures in < angle brackets > are the percentage of each asset to the total assets.

Reference:

Fiscal Year	Loans Abroad
2001	4,220
2002	3,668
2003	3,331
2004	2,587
2005	2,670
2006	2,624

Fiscal Year	Investment Yield on Assets in General Accounts (%)
2001	1.31
2002	1.15
2003	1.94
2004	2.15
2005	2.42
2006	2.45