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FACT BOOK

— 2009 —

REPORT ON 2008 YEAR RESULTS



Japan Reinsurance Federation of Consumers' Cooperatives

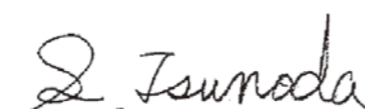
President's Message



Turmoil in the financial markets caused by the US subprime crisis became worse after Autumn 2008 and it triggered the Global Financial Crisis. In these circumstances, the Japanese economy entered a recession mostly due to a decrease in exports affected by a downturn in the global economy and the steep rise of prices of crude oil and raw materials. After the Lehman's collapse, both the real economy and the monetary economy have been changing rapidly, as seen when Japanese stock prices hit a record low at one point since the collapse of the bubble economy, and faster implementation of further reflation measurements are anticipated.

In the insurance sector, there has been an increase in recapitalization particularly among Life insurance companies due to an increase in the unrealized and realized securities losses by this turmoil in the financial market. Also, in the non-life insurance sector, the mega insurance groups were newly formed which will have an influence to the business in cooperative sector further.

While circumstances surrounding us become increasingly severe, we as a "Reinsurance Center" for cooperatives would enhance sound management and aim to be an organization that is trusted further by society, in order to fully exercise a function of being a Safety Net for cooperatives that are responsible for bringing stability and improvement to members' lives. We thank you for your understanding of our activities and really appreciate your continuous support.


Shusaku Tsunoda,
President of Saikyosairen

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SAIKYOSAIREN Fact Book 2009

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1 Financial Crisis

Beginning with US subprime loan issue, the financial crisis has spread out globally and global economy slackened further by the Lehman Shock. Reinsurance companies' capital was suffered and money flow to reinsurance market was impaired. Nikkei 225 dropped historically low and was below JPY 7,000 momentarily. Bond market experienced credit crunch and decline of interest rate. Saikyosairen however was not directly affected by the financial crisis because of our prudent financial policy.

2 Laws and Regulations

Revised Consumer Cooperative Law has become effective as from 1st April 2008. It requires consumer cooperatives to address various changes including enhancement of financial soundness. Revised Insurance Law was issued on 6th June 2008 and will come into force in two years. Cooperatives will be subject to Insurance Law after this revision and therefore they have to address it. Saikyosairen also has been preparing for these changes in regulation. Two years transaction period which was allowed to non regulated Kyosai has finished and each non regulated Kyosai has chosen to transform to either regulated Kyosai, Insurance Company or SASTI (Small Amount Short Term Insurance), or cease business from 1st April 2008.

3 Merger of the Non Life Insurance Companies

Merger of Mitusi Sumitom, Aioi and Nissay Dowa was announced in January and it was followed by announcement of consolidation of Sampo Japan and Nipponkoa. Non life insurance market is heading towards three mega insurance groups market.

4 Natural Catastrophe Losses

In 2008 year, no typhoons landed on mainland of Japan and it was a quiet year since 2000 year. As for Earthquake, it was a quiet year as well. We had an Iwate-Miyagi Earthquake on 14th June, but, its damage was limited and no earthquakes which seismic intensity exceeds five grade after 11th September.

Due to the less number of Catastrophe events, Saikyosairen was able to transfer the profit from the Natural peril policies into the Catastrophe reserve additionally.

5 International Conference

- (1) ICMIF Meeting of Reinsurance Officials (MORO) - Chicago, USA
- (2) Monte Carlo Reinsurance Rendezvous - Monte Carlo, Monaco
- (3) Baden Baden Reinsurance Meeting - Baden Baden, Germany

Saikyosairen joined MORO first time since Saikyosairen became a member of ICMIF. Saikyosairen joined the Monte Carlo Conference and Baden Baden Conference regularly and have exchanged information and have established the relationship with reinsurers.

1 Overall Performance

(1) Business Development

Due to new acceptance of motor reinsurance and an increase in natural peril reinsurance business but a reduction in fire reinsurance and comprehensive reinsurance, the total number of policies has decreased by 92,000 standing at 25,931,000 policies.

Due to a decrease in fire reinsurance, which was the first time this was experienced since we started this business, but an increase in natural peril reinsurance by 7.2%, the total number of units has increased by 1.1% standing at 1,397,950,000 units.

(2) Results

① Regarding operational income, due to a reduction in the margin of the premium by JPY 70 million and a reduction in the premium from CALI (Compulsory Automobile Liability Insurance) by JPY 410 million by means of the revision of the rate, net premium income has reduced by JPY 550 million (or 5.5% compared with the previous year) standing at JPY 9,610 million. Investment income reduced by JPY 90 million (or 20.7%) to JPY 350 million. As a result, the combined total stands at JPY 10.09 billion (a reduction of JPY 730 million, or 6.8%).

② Operational expenses stands at JPY 7.89 billion in total (a reduction of JPY 1,020 million, or 11.5%) due to a reduction in claims payments by JPY 590 million (or 9.7%) according to less natural catastrophe events, a reduction in transfer to liability reserves by JPY 130 million, and also a reduction in operating expenses including the redemption of IT development by JPY 280 million (or 36.7%).

③ As a result, Saikyosairen achieved a profit of JPY 2.19 billion (an increase of JPY 280 million, or 14.9%). Net Surplus for the period stands at JPY 4.2 billion due to a reduction in corporate and other taxes. Unappropriated surplus for the period is JPY 4.4 billion (an increase of JPY 2.29 billion, or 109.1%) after a drawdown from voluntary reserves.

(3) Financial Overview

Our security is reinforced by our capital base of JPY 23.47 billion (an increase of JPY 3.98 billion, or 20.4%) and this comprises the membership fund of JPY 5,290 million (an increase of JPY 70 million), statutory reserves of JPY 5,160 million (up by JPY 170 million) and voluntary reserves of JPY 8.47 billion (an increase of JPY 1.41 billion). Total assets have increased by JPY 6.56 billion to JPY 42.33 billion.

2 Business Performance

(1) Reinsurance business (excluding Compulsory Automobile Liability Insurance)

① Total number of policies : 25,774,000

Despite the fact that the policy count has increased in the classes of natural peril reinsurance by 110,000 and life reinsurance by 20,000 in addition to motor reinsurance, (which started to accept business again), by 335,000, due to a reduction in fire reinsurance by 260,000 and comprehensive reinsurance by 180,000, the total number of policies has decreased by 98,000, or 0.4% to 25,774,000.

Despite the fact that the number of units sold has decreased in the classes of fire, comprehensive, traffic accident and life reinsurance, due to an increase in natural peril reinsurance by 7.2%, the total number of units has increased by 1.1%.

② Reinsurance premium: JPY 13.32 billion

Due to a reduction in the number of policies and in the original rates, reinsurance premium for fire and traffic accident reinsurance have reduced by JPY 100 million (or 2.5%) and JPY 30 million (or 3.1%) respectively, but, owing to an increase in newly accepted motor reinsurance and natural peril reinsurance by JPY 60 million and JPY 140 million (or 2.2%) respectively, the overall result is up JPY 50 million (or 0.4%) to JPY 13.32 billion, which achieved their target by 100.6%.

③ Reinsurance claims: JPY 4.16 billion

Due to fewer natural catastrophe events, reinsurance claims for fire reinsurance and natural peril reinsurance have reduced by JPY 280 million (or 11.1%) and JPY 260 million (or 55.5%) respectively, and the overall result has reduced by JPY 600 million (or 12.7%) to JPY 4,160 million.

④ Net Reinsurance premium surplus: JPY 1,350 million

The net balances of premium income of traffic accident reinsurance and life reinsurance have reduced, but, due to a reduction of reinsurance claims in fire reinsurance, the net balance of fire reinsurance has increased by JPY 200 million and the overall result has increased by JPY 170 million (or 14.8%) to JPY 1,350 million.

(2) Compulsory Automobile Liability Insurance

The number of policies written this year was 79,000 and the number of policies in force stands at 157,000, which is a slight increase over last year. Due to the revision of original premium, the premium income has reduced by JPY 180 million (or 9.8%) to JPY 1,700 million.

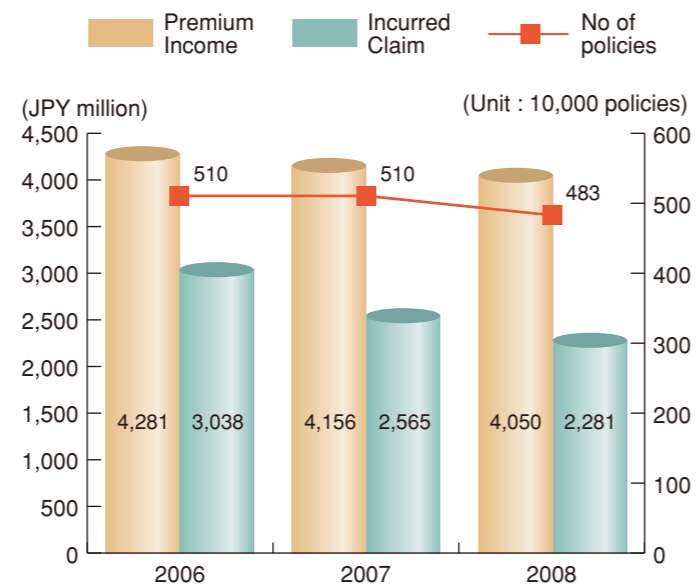
[Reinsurance Business Performance]

(Unit : JPY millions)

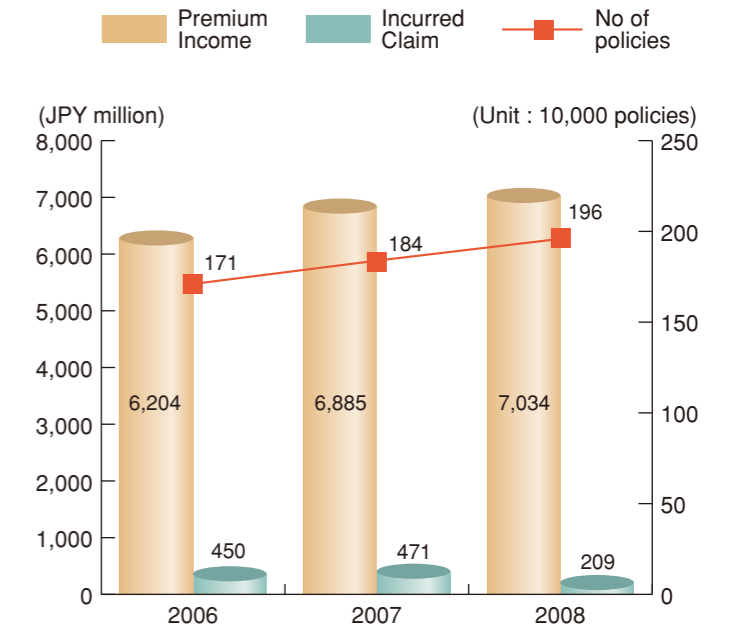
	Fire	Natural Peril	Comprehensive	Traffic Accident	Life	Automobil	Line Total	CALI	Business Total
Number of policies (unit:10,000)	483.9	196.4	882.0	405.1	576.3	33.5	2,577.4	15.7	2,593.1
Comparison to last year	-26.1	11.7	-18.6	-12.5	2.1	33.5	-9.8	0.60	-9.2
Growth (%)	-5.1%	6.4%	-2.1%	-3.0%	0.4%	—	-0.4%	4.3%	-0.4%
Number of units (unit:10,000)	90,167	36,956	2,788	9,206	627	33	139,779	15	139,795
Comparison to last year	-693	2,492	-28	-305	-2	33	1,495	0.60	1,496
Growth (%)	-0.8%	7.2%	-1.0%	-3.2%	-0.4%	—	1.1%	4.3%	1.1%
Premium income	4,050	7,034	643	1,087	446	63	13,327	1,705	15,032
Growth (Amounts)	-105	149	-9	-34	-10	63	52	-184	-132
Growth (%)	-2.5%	2.2%	-1.5%	-3.1%	-2.2%	—	0.4%	-9.8%	-0.9%
Incurred claims	2,281	209	261	984	429	—	4,165	805	4,971
Growth (Amounts)	-284	-261	-61	-5	3	—	-608	-219	-827
Growth (%)	-11.1%	-55.5%	-19.0%	-0.5%	0.9%	—	-12.7%	-21.4%	-14.3%
Loss Ratio (%)	56.3%	3.0%	40.6%	90.5%	96.2%	0.0%	31.3%	47.2%	33.1%
Net Premium Surplus	1,035	0	275	39	0	0	1,350	—	1,350
Growth (Amounts)	208	0	27	-46	-15	0	174	—	174
Growth (%)	25.3%	—	11.2%	-54.1%	-100.0%	—	14.8%	—	14.8%
Catastrophe Reserve balance	2,588	9,728	122	156	38	43	12,677	—	12,677

(NB) 1. Reinsurance Premium = Premium written before reinsurance cession
 2. Claims = Claims (including O/S) before reinsurance recovery
 3. Net Premium Surplus = after reinsurance cession

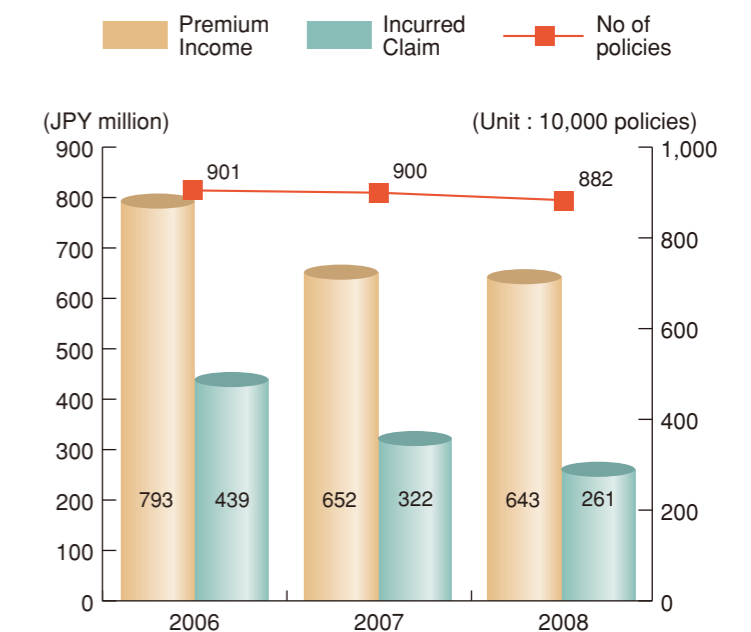
Fire Reinsurance



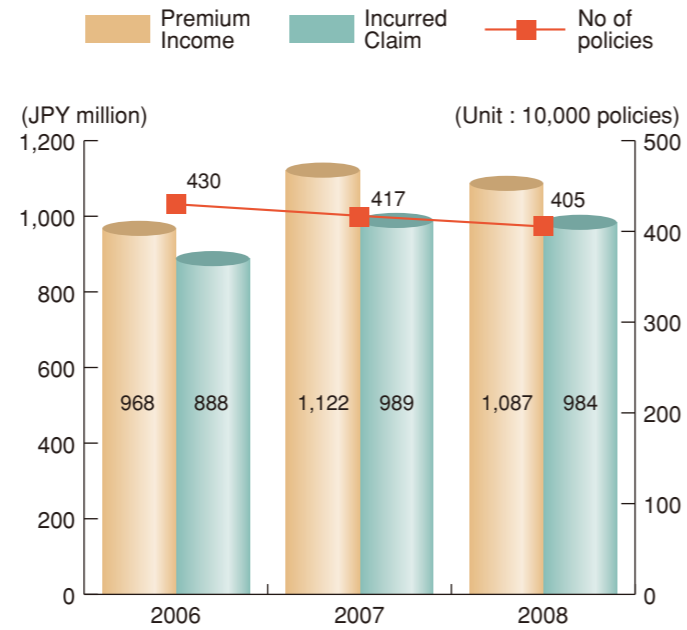
Natural Peril Reinsurance



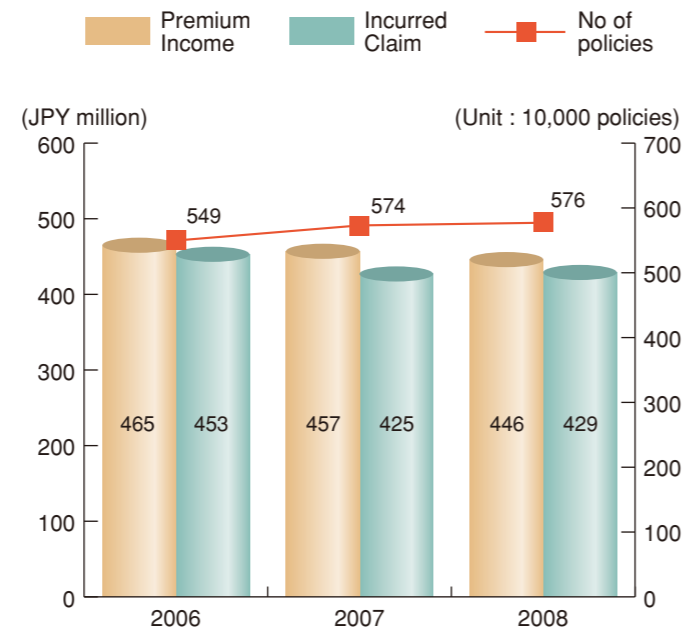
Comprehensive Reinsurance (Keicho)



Traffic Accident Reinsurance



Life Reinsurance

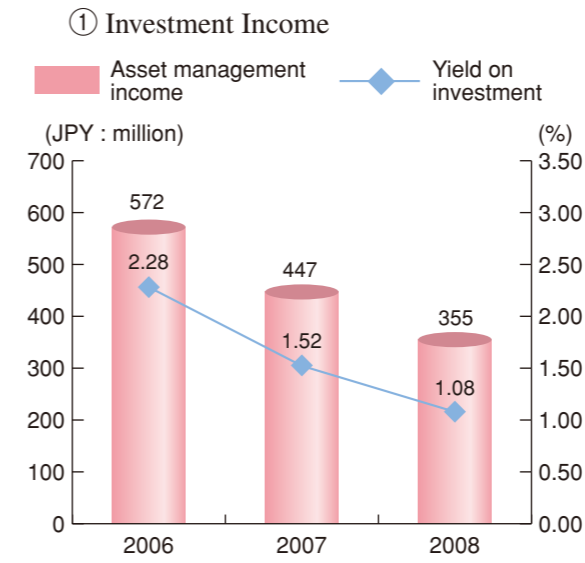


Automobile Reinsurance

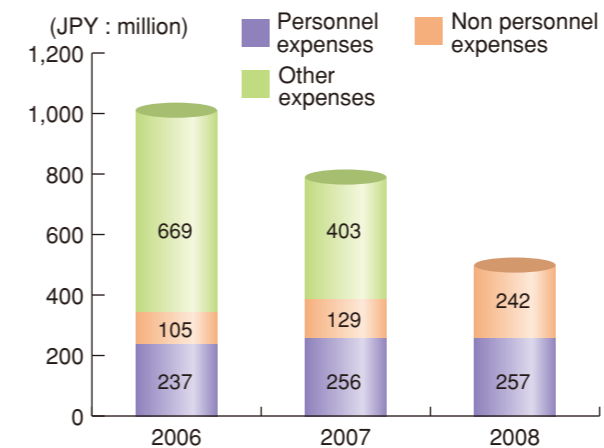
After three & a half years interval, Motor reinsurance business was accepted again and 335,000 policies were accepted. Reinsurance premium stands at JPY 60 million. The net balance of JPY 40 million was all funded by the Catastrophe Reserve.

3 Financial Result

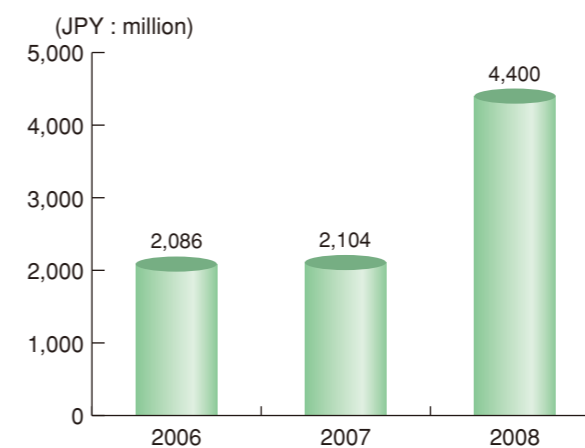
(1) Profit and Loss



(2) Business expenses



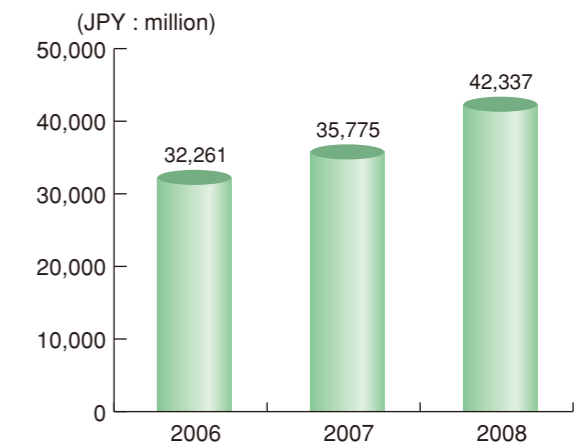
(3) Development of Unappropriated Surplus



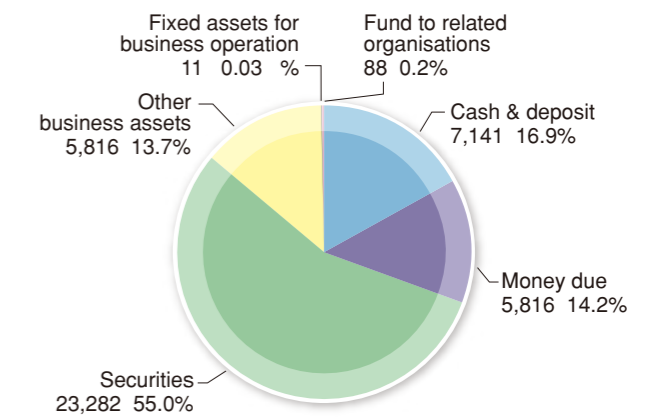
(2) Financial Result

① Assets

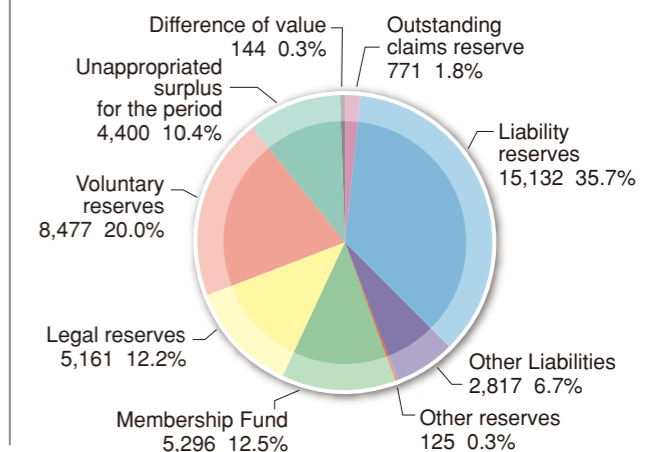
[Total assets up to 2008]



[Assets]



② Liabilities and Capital



1 Outline of Saikyosairen

(1) Outline

Name: Japan Reinsurance Federation of Consumers' Cooperatives (Saikyosairen)

President: Shusaku Tsunoda

Regulated law: The Consumers' Livelihood Cooperative Society Law

Authority: The Ministry of Health, Labour and Welfare

No. of members: 59

Membership fund: JPY 5,290 million

Established: 27th November 1987

(2) Members (59)

ZENROSAI = National Federation of Workers and Consumers Insurance Cooperatives
(Federation of Prefectural and Workers Cooperatives: 48 members)

JICHIRO KYOSAI = All Japan Prefectural and Municipal Workers' Cooperative Society

DENTSU KYOSAI SEIKYO = Telecommunications, Electronic Information and Allied
Workers' Insurance Cooperative

JP KYOSAI = Mutual Aid Cooperative for Postal Workers

ZENKOKU KOUN KYOSAI SEIKYO = National Traffic Industry Workers' Mutual Aid
Cooperative Society

SHINRIN ROHREN KYOSAI = Japan All Forest Relating Industry Workers' Insurance
Cooperative Society

ZENTOBACCO SEIKYO = The Japan Tobacco Workers Cooperative Society

ZENSUIDO KYOSAI = All Japan Water Supply Mutual Aid Cooperative Society

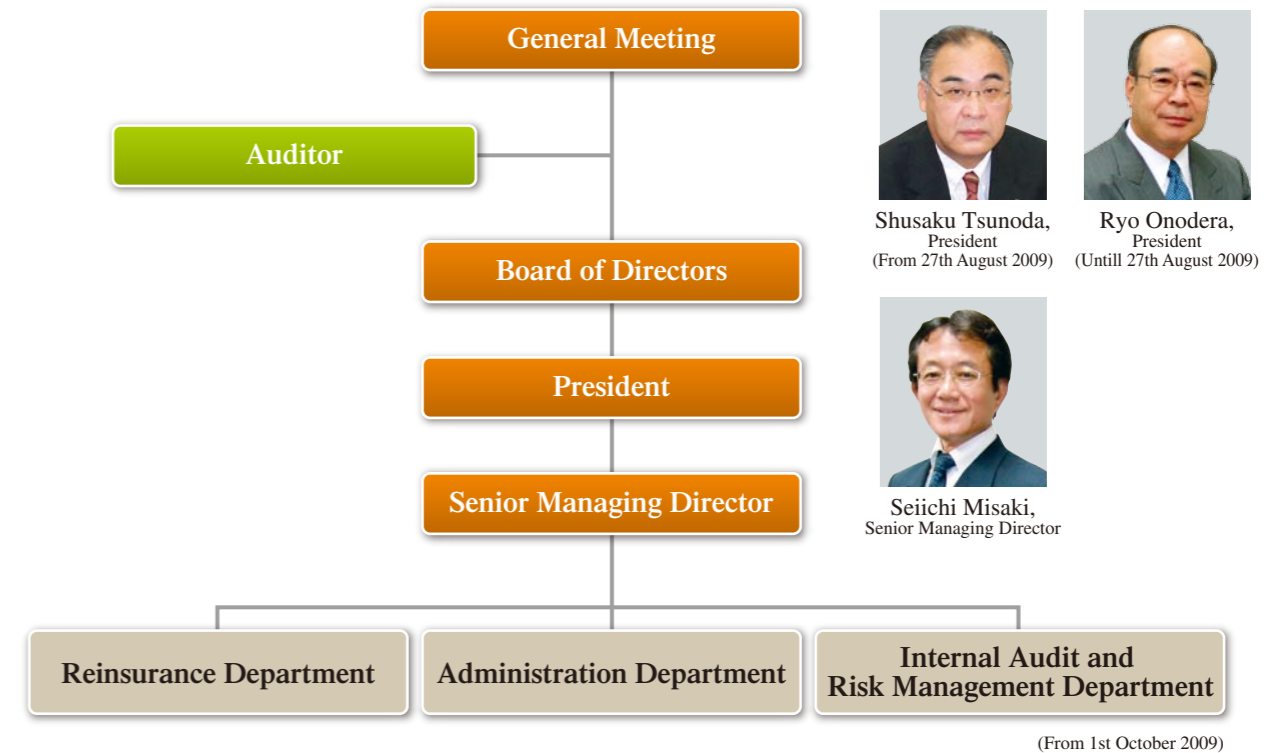
KYOUSYOKUIN KYOSAI = Teachers Mutual Aid Cooperative Society

CO·OP KYOSAIREN = Japanese Consumers' Cooperative Society

KOBE SHIMIN SEIKYO = Kobe Citizens' Cooperative Society

ZENBEIHAN = Japan Rice Millers' and Distributors' Cooperative

(3) Organization Chart



(4) Alignment with the Japan Cooperatives Insurance Association

Saikyosairen is a member of the Japan Cooperative Insurance Association.

The Japan Cooperative Insurance Association engages in activities which stabilize the life and improve the welfare of agriculture, forestry and fishery personnel and workers, through the development of cooperative insurance business.

(5) ICMIF (International Cooperative and Mutual Insurance Federation)

Saikyosairen is a member of the ICMIF. We applied for the membership in order to strengthen further our relationship with cooperative and mutual insurers around the world.

The ICMIF is headquartered in Manchester in the UK. It is an international federation for cooperative and mutual insurers which consists of 212 corporate members from 73 countries (as at 6th May 2009).

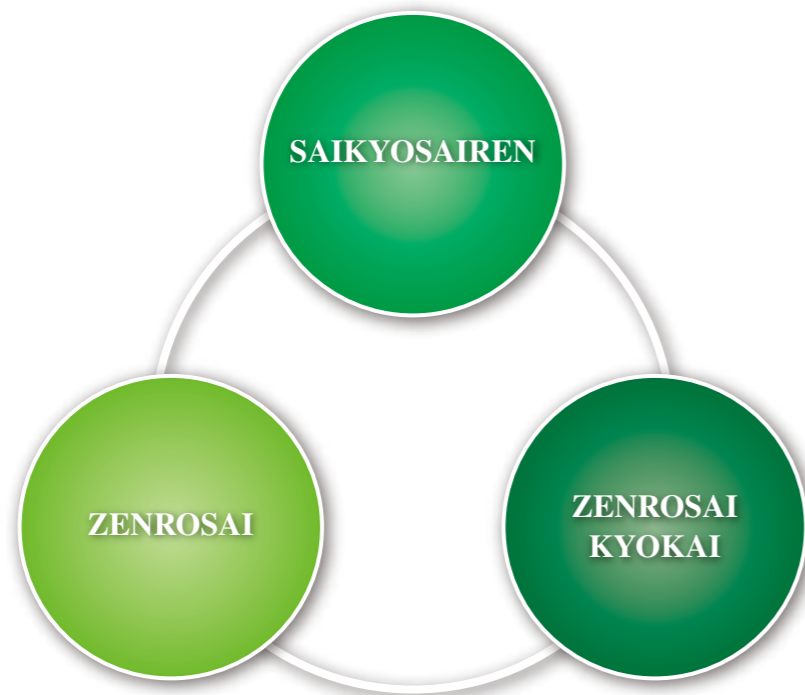
(6) National Council of Workers Welfare (Chuo Rofukukyo)

Saikyosairen is a member of the Chuo Rofukukyo to promote activities in workers' welfare and introduce function and role of reinsurance to labor unions and workers in Japan.

2 Outline of the Zenrosai Group

[Zenrosai Group]

The Zenrosai Group consists of three core organizations.



Saikyosairen (Japan Reinsurance Federation of Consumers' Cooperatives)

Established on 27th November, 1987

As the sole reinsurance organization arranging 'Sai-Kyosai' (reinsurance), Saikyosairen support original members by providing 'Sai-Kyosai' which helps maintain the stability and development of their business operations and also helps strengthen the relationship between each cooperative.

Zenrosai (National Federation of Workers and Consumers Insurance Cooperatives)

Established on 29th September, 1957

Zenrosai consists of 58 members which are Consumers' Insurance Cooperatives from each prefecture. It underwrites insurance, runs trust businesses and provides nursing care services etc.

Zenrosai Kyokai (National Association for Workers' Welfare and Cooperative Insurance)

Established on 1st June, 2004

Zenrosai Kyokai provides guidance, coordination and liaison services for workers' welfare and cooperative insurance.

3 History of Saikyosairen

1987	Reorganization of Jidosha Kyosairen, automobile cooperative insurer, to form Zenrosai Saikyosairen. Automobile cooperative insurance was authorized as their primary business. Started writing reinsurance business for Automobile, Fire, Comprehensive, Traffic Accident and Life insurances. Began to provide claims services and data processing for automobile insurance.
	<p>Background history</p> <p>1975 Kokuro Kyosai (currently Zenkoku Kouun Kyosai), Zentei Kyosai, Dentsu Kyosai, Zenrinya Kyosai (currently Shinrinroren Kyosai) and Zensembai Kyosai (currently Zentobacco Seikyo) formed Tansan Kyosai Rengokai (Federation of Industrial Cooperative Insurance Societies) in 1974 and started writing automobile insurance.</p> <p>1980 Zenrosai joined these companies and Nikkyosai Seikyo (currently Kyoshokuin Kyosai) and Jichiro Kyosai joined on the operational side (later they also started writing insurance business). Tansan Kyosai Rengokai was renamed Jidosha Kyosairen.</p> <p>1983 Zensuido Kyosai joined the Group.</p>
1991	Zenrosai, eight industrial cooperative insurance societies and Saikyosairen established the 'Conference to Promote CALI' (Compulsory Automobile Liability Insurance) and applied for a licence to underwrite CALI business.
1993	Nihon Seikyoren (Japanese Consumers' Cooperative Union) also became a member and began to reinsure with Zenrosai Saikyosairen.
1996	Zenrosai Saikyosairen became a member of The Japan Cooperative Insurance Association. Kobe Shimin Seikyo (Kobe Citizens' Cooperative Society) also became a member and began to reinsure with Zenrosai Saikyosairen. Zenrosai started writing Automobile Physical Damage Insurance.
1997	The Group started writing CALI business. Zenrosai Saikyosairen joined as a support organization of The National Road Safety Promotion Campaign. As part of their 10th year anniversary campaign, Zenrosai Saikyosairen started to support the fostering of guide dogs for various guide dog associations, such as The Japan Guide Dog Association.
1998	Zenrosai Saikyosairen was given a ministerial commendation during the 50th anniversary of the Consumers' Livelihood Cooperative Society Law.
1999	Industrial cooperative members started writing Automobile Physical Damage Insurance and Saikyosairen supported them by providing reinsurance.
2000	Zenrosai Saikyosairen started to write Natural Peril Reinsurance business and began placing international reinsurance for the group.
2004	Zenrosai Saikyosairen transferred Automobile Insurance Business to Zenrosai on 1st October and reorganized as the entity specializing in reinsurance business.
2006	Zenrosai Saikyosairen was renamed Saikyosairen at April 1st 2006. Saikyosairen became a member of International Cooperative and Mutual Insurance Federation (ICMIF) and National Council of Workers' Welfare al Conference (Chuo Rofukukyo).
2007	Zenbeihan (Japan Rice Millers' and Distributors' Cooperative) became a member and began to reinsure with Saikyosairen.
2008	Saikyosairen ceased to accept the reinsurance business of Motor Physical Damage Insurance. Saikyosairen re-started to accept the reinsurance business of Motor insurance. Saikyosairen obtained the approval for changing the articles of the federation according to introduction of the revised consumers' cooperatives law at 10th July.
2009	Due to the change of organization according to introduction of the revised consumers' cooperative law, Japanese Consumers' Cooperative Society newly joined the group as the member at 19th March.

1 Current reinsurance business

Saikyosairen continues to offer reinsurance support to cooperative members for the following classes of insurance business:

Class of business	Outline
Fire	Coverage against damage to homes and contents caused by fire, lightning, storm etc.
Natural Peril	Coverage against damage to homes and contents caused by earthquake, storm, flood, etc. It can only be purchased as an addition to the fire policy.
Comprehensive (Mutual Aid Benefit)	Coverage against death, disability and hospitalization and damage to homes and contents.
Life	Coverage against death, disability and hospitalization.
Traffic Accident	Coverage against death, disability and hospitalization of the insured caused by traffic accidents.
Automobile	Protection supplementary to CALI that covers third party liability in respect of death or bodily injury caused by the policyholder. Third party property damage and motor hull are also covered.
CALI	Compulsory Automobile Liability Insurance and administration of CALI Reinsurance Pool.



1 Research Activities

Saikyosairen holds various seminars and workshops to share the knowledge and hurdles we face with cooperatives. In 2008, six seminars and workshops were held in total.



2 Reinsurance Seminar

Saikyosairen holds training on reinsurance operation for cooperatives. In 2008, training on international reinsurance was held in London for the first time. The seminar contains lectures, discussions and visit to business partner in London. Total number of attendees was 15 including Saikyosairen's staff.



3 Contribution to society

Establishing a National Protection System for Natural Catastrophe Events

After the Hanshin-Awaji Great Earthquake, the Zenrosai Group established the National Congress, together with Hyogo Prefecture, Rengo (the Japan Trade Union Confederation) and JCCU (Japanese Consumers' Cooperative Union), and this has lobbied the government for a national protection system against natural catastrophe events.

As a result of this, a law providing for victim support was approved in May 1998. Victims who suffer a total insurance loss are entitled to maximum compensation of JPY 1 million (this was subsequently increased to JPY 3 million in April 2004 by a revision to the law.)

In December 2007, it was reviewed to allow victims to use this compensation to re-build the house itself as well although the limit of JPY 3million remains unchanged.

Saikyosairen supports this activity as a member of the Zenrosai Group.

4 Regeneration of the Natural Environment Project

Saikyosairen have participated in a project named 'Re-forestation on Mt. Fuji' organized by OISCA Incorporated Foundation since 2007.

At the first participation on 19th May 2007, our staffs worked on the project, and at the second and third participation, staffs at members joined together with our staff.

Furthermore, Saikyosairen participates in 'Re-forestation on Mt. Fuji' Promotion Association and also attends local study or networking meeting. Through these activities Saikyosairen make efforts by liaising closely with the society.

	Date	Participants
1 st	19 th May 2007	Employees, their families and employees of affiliated organizations (41 people in total)
2 nd	31 st May 2008	Employees and employees of our members (47 people in total)
3 rd	16 th May 2009	Employees and employees of our members (53 people in total)



20th Anniversary Celebration Project

Saikyosairen defined the concept for the project to celebrate its 20th Anniversary of establishment as 'social contribution founded on the spirit of mutual help', and decided to participate proactively in the project for regeneration of natural environment in liaison with members, co-operatives and staffs at Saikyosairen.

Re-forestation on Mt. Fuji Project

The project, organized by OISCA Incorporated Foundation, performs the Fuji's regeneration activity (tree-planting) at Nurusawa Village in Yamanashi Prefecture, where there is a concern on environmental destruction.

FACT BOOK —2009—

Data

1. Business Highlights

[Highlights of Operating Results]

2. Business Performance

[Reinsurance Business]

3. Financial Statement

[Balance Sheet]

[Profit and Loss Account]

1 Business Highlights

[Highlights of Operating Results]

(Unit : JPY million)

		2006	2007	2008	Growth (%)	
					2007	2008
Number of policies	Number of policies (unit : 10,000)	2,579.3	2,602.4	2,593.1	100.9	96.6
	Amounts reinsured (unit : JPY trillion)	21.5	21.9	122.4	101.9	558.6
Profit & Loss	Ordinary income	11,144	10,835	10,097	97.2	93.2
	Net premium income	10,169	10,168	9,611	100.0	94.5
	Investment income	572	447	355	78.2	79.3
	Ordinary expenses	9,692	8,921	7,899	92.0	88.5
	Net paid claims	6,725	6,180	5,582	91.9	90.3
	Operating expenses	1,013	789	499	77.9	63.3
	Ordinary surplus	1,451	1,913	2,198	131.8	114.9
Balance Sheet	Total assets	32,261	35,775	42,337	110.9	118.3
	Membership fund	4,981	5,225	5,296	104.9	101.4
	Net Assets	17,629	19,496	23,479	110.6	120.4

2 Business Performance

[Reinsurance Business]

		Fire	Natural Peril	Comprehensive	Traffic Accident	Life	Automobile	Total
Number of policies	The year ended March 31, 2009	4,839,876	1,964,384	8,820,102	4,051,069	5,763,970	335,185	25,774,586
	Net growth	-261,619	117,996	-186,654	-125,002	21,431	335,185	-98,663
	Growth (%)	94.9	106.4	97.9	97.0	100.4	—	99.6
Unit	The year ended March 31, 2009	901,673,670	369,563,402	27,883,316	92,066,609	6,274,705	335,185	1,397,796,887
	Net growth	-6,935,141	24,921,645	-282,609	-3,052,468	-27,586	335,185	14,959,026
	Growth (%)	99.2	107.2	99.0	96.8	99.6	—	101.1
Reinsured amounts	The year ended March 31, 2009 (unit: JPY million)	13,104,988	3,620,737	1,162,604	2,323,805	1,628,666	100,648,450	122,489,250
	Share (%)	10.7	3.0	0.9	1.9	1.3	82.2	100.0
	Net growth (Unit: JPY million)	-123,021	139,679	-78,564	-76,239	50,085	100,648,450	100,560,388
	Growth (%)	99.1	104.0	93.7	96.8	103.2	—	558.6
Premium income	2008 Result (Unit: JPY million)	4,051	7,035	643	1,088	447	64	13,327
	Share (%)	30.4	52.8	4.8	8.2	3.4	0.5	100.0
	Growth (%)	97.5	102.2	98.5	96.9	97.8	—	100.4
Paid claims	2008 Result (Unit: JPY million)	2,303	209	267	972	429	0	4,180
	Share (%)	55.1	5.0	6.4	23.3	10.3	0.0	100.0
	Growth (%)	93.2	42.9	79.9	97.4	100.7	—	88.6

3 Financial Statement

[Balance Sheet]

(Unit : JPY million)

		2006	2007	2008	Difference	Growth(%)
A S S E T S	Cash & Deposits	4,081	9,669	7,141		
	Money-in-trust	201	0	0	0	0.0
	Money due	1,500	3,000	6,000	3,000	100.0
	Securities	22,314	20,013	23,282	3,268	16.3
	Loans	0	0	0	0	—
	Reinsurance accounts receivables	358	431	284	-146	-34.0
	Fee service accounts receivables	0	0	0	0	—
	Other business assets	2,375	1,933	1,947	14	0.7
	Advance payment provisions	0	0	0	0	100.0
	Uncollected profits	173	70	50	-20	-29.0
	Other assets	183	67	72	5	7.4
	Fixed assets for business operation	491	87	10	-76	-87.8
	Fund	88	88	88	0	0.0
	Deferred tax asset	495	413	3,460	3,046	736.6
	Total Assets	32,261	35,775	42,337	6,562	18.3

(Unit : JPY million)

		2006	2007	2008	Difference	Growth(%)
L I A B I L I T I E S	Policy reserves	12,350	14,214	15,902		
	Reinsurance accounts payables	909	742	854	112	15.1
	Outsourced service accounts payables	0	0	0	0	—
	Fee income service accounts payables	0	0	0	0	—
	Other insurance business liabilities	1,234	1,074	845	-228	-21.3
	Expenses payable	35	32	9	-23	-70.3
	Other liabilities	12	110	1,106	996	902.7
	Other reserves	89	104	125	20	19.6
Total Liabilities	14,632	16,279	18,858	2,579	15.8	
C A P I T A L	Membership fund	4,981	5,225	5,296	71	1.4
	Legal reserves	4,931	4,981	5,160	179	3.6
	Voluntary reserves	5,641	7,060	8,477	1,417	20.1
	Unappropriated surplus for the period	2,086	2,104	4,400	2,296	109.1
	(Surplus for the period)	1,608	1,791	4,205	2,414	134.8
	Difference of value	-11	125	144	19	—
Total Capital	17,629	19,496	23,479	3,982	20.4	
Total Liabilities and Capital	32,261	35,775	42,337	6,562	18.3	

[Profit and Loss Account]

(Unit : JPY million)

	2006	2007	2008		
				Difference	Growth(%)
Ordinary income	11,144	10,835	10,097	-737	-6.8
Premium and other income	10,169	10,168	9,611	-557	-5.5
Transfer from policy reserves	0	0	37	37	100.0
Investment income	572	447	355	-92	-20.7
Other ordinary income	402	218	94	-123	-56.7
Ordinary expenses	9,692	8,921	7,899	-1,021	-11.5
Claims paid and other payments	6,725	6,180	5,582	-598	-9.7
Transfer to policy reserves	1,880	1,863	1,725	-138	-7.4
Investment expenses	1	8	1	-7	-84.0
Operating expenses	1,013	789	499	-289	-36.7
Other ordinary expenses	71	79	91	11	14.2
Ordinary surplus	1,451	1,913	2,198	284	14.9
Extraordinary income	0	0	15	15	100.0
Extraordinary loss	9	1	22	21	1,850.5
Surplus before tax	1,441	1,912	2,190	278	14.6
Corporate and other taxes	0	180	1,040	860	478.2
Adjustment of corporate taxes, etc	-167	-59	-3,055	-2,996	5,035.9
Net surplus for the period	1,608	1,791	4,205	2,414	134.8
Retained earnings from prior period	206	101	111	10	10.0
Payments from voluntary reserves	272	211	82	-128	-60.8
Unappropriated surplus for the period	2,086	2,104	4,400	2,296	109.1