

**82- SUBMISSIONS FACING SHEET**

MICROFIC



02034010

REGISTRANT'S NAME

Daido Life Insurance Company

\*CURRENT ADDRESS

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\*\*FORMER NAME

\_\_\_\_\_

\*\*NEW ADDRESS

2-1, Edobori 2-chome, Nishi-ku, Osaka  
Japan  
\_\_\_\_\_

FILE NO. 82-

5268-34658

FISCAL YEAR

\_\_\_\_\_

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(Summary English Translation)

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November 6, 2001

To Concerned Parties:

Daido Life Insurance Company

Results of Objections of Policyholders  
against Organizational Changes (Demutualization)

Daido Life Insurance Company (President: Naoteru Miyato) did, on July 13, 2001 and in accordance with the provisions of Article 87 of the Insurance Business Law, make "Public Notice of Demutualization" in connection with its conversion from a mutual life insurance company to a joint stock corporation. The Company received objections from policyholders during the period from July 13, 2001 to October 31, 2001 and hereby provides notice of the results.

Results of objections of policyholders

1. Number of Policyholders

- ① Number of policyholders who submitted objections during the period for submitting objections ..... 18
- ② Total number of policyholders .....922,622
- ③ ①/②..... 0.002%

2. The amount equivalent to the amount of claims

- ① The amount equivalent to the amount of claims under the policies held by policyholders who submitted objections during the period for submitting objections .....¥10,370.18 million
- ② The amount equivalent to the amount of claims under the policies held by all policyholders.....¥5,194,700.05 million
- ③ ①/②..... 0.200%

Due to the fact that neither 1. ③ nor 2. ③above exceed the legal designation of one fifth (20%), the objections of policyholders against demutualization were not sufficient to nullify the resolution of demutualization.

In accordance with the above results, the Company will apply to the Commissioner of the Financial Services Agency to obtain approval for demutualization. If the approval is obtained, the Company will convert from a mutual life insurance company to a joint stock corporation on April 1, 2002.

(Summary English Translation)

November 28, 2001

To Concerned Parties:

Daido Life Insurance Company

Semi-Annual Business Report for the First Six Months of Fiscal Year 2001

Business results for the first six months of fiscal year 2001 (from April 1, 2001 to September 30, 2001) of Daido Life Insurance Company (President: Naoteru Miyato) are as attached.

< Table of contents >

1. Principal Results of Operations
2. Balance Sheet for the First Six Months of Fiscal Year 2001
3. Statement of Operations for the First Six Months of Fiscal Year 2001
4. Breakdown of Ordinary Profits (Core Profit)
5. Results of Investments of General Account Assets  
for the First Six Months of Fiscal Year 2001
6. Results of Investments (General Account)
7. Balance of Special Account Assets
8. Status of Problem Loans
9. Status of Loans by Classification of Obligors
10. Solvency Margin Ratio

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1. Principal Results of Operations

(1) Policy amount in force

(Yen in 100 Millions, %)

|                      | As of September 30, 2001 | Percentage compared to previous year | As of September 30, 2000 | As of March 31, 2001 |
|----------------------|--------------------------|--------------------------------------|--------------------------|----------------------|
| Individual insurance | 377,475                  | 99.6                                 | 378,908                  | 378,835              |
| Individual annuities | 10,897                   | 96.9                                 | 11,250                   | 11,062               |
| Group insurance      | 117,579                  | 102.9                                | 114,216                  | 115,850              |
| Group annuities      | 25,257                   | 99.0                                 | 25,511                   | 25,743               |

(2) New policy amount

(Yen in 100 Millions, %)

|                      | Six-month period ended September 30, 2001     |                                      |              |                               | Six-month period ended September 30, 2000     |                                      |              |                               |
|----------------------|---|--------------------------------------|--------------|-------------------------------|---|--------------------------------------|--------------|-------------------------------|
|                      | New policy amount + Increase from conversions |                                      |              |                               | New policy amount + Increase from conversions |                                      |              |                               |
|                      |   | Percentage compared to previous year | New policies | Net increase from conversions |   | Percentage compared to previous year | New policies | Net increase from conversions |
| Individual insurance | 22,521  | 99.6                                 | 22,202       | 319                           | 22,622  | 95.7                                 | 22,517       | 105                           |
| Individual annuities | 261   | 94.1                                 | 261          | 0                             | 277   | 120.0                                | 277          | 0                             |
| Group insurance      | 1,842   | 416.5                                | 1,842        | -                             | 442   | 53.5                                 | 442          | -                             |
| Group annuities      | 0   | 111.2                                | 0            | -                             | 0   | 21.8                                 | 0            | -                             |

|                      | Year ended March 31, 2001                     |                                      |              |                               |
|----------------------|---|--------------------------------------|--------------|-------------------------------|
|                      | New policy amount + Increase from conversions |                                      |              |                               |
|                      |   | Percentage compared to previous year | New policies | Net increase from conversions |
| Individual insurance | 43,468  | 95.1                                 | 43,302       | 166                           |
| Individual annuities | 546   | 109.4                                | 544          | 1                             |
| Group insurance      | 2,594   | 103.9                                | 2,594        | -                             |
| Group annuities      | 52  | 654.5                                | 52           | -                             |

## (3) Principal items of revenue and expense

(Yen in 100 Millions, %)

|  | Six-month period ended<br>September 30, 2001 | Percentage<br>compared to<br>previous year | Six-month period ended<br>September 30, 2000 | Year ended<br>March 31, 2001 |
|--|--|--|--|------------------------------|
| Income from insurance<br>premiums      | 5,041  | 94.6                                       | 5,328  | 10,722                       |
| Investment income                      | 874  | 70.3                                       | 1,244  | 1,915                        |
| Insurance claims and other<br>payments | 4,651  | 103.3                                      | 4,505  | 8,649                        |
| Investment expenses                    | 846  | 189.7                                      | 446  | 661                          |
| Investment income (losses)             | 28   | 3.5  | 798  | 1,254                        |

## (4) Total assets and increased assets

(Yen in 100 Millions, %)

|                  | As of<br>September 30, 2001 | Percentage<br>compared to<br>previous year | As of<br>September 30, 2000 | As of March 31,<br>2001 |
|------------------|-----------------------------|--|-----------------------------|-------------------------|
| Total assets     | 58,580                      | 99.9                                       | 58,639                      | 59,003                  |
| Increased assets | (422)                       | -  | 1,303                       | 1,667                   |

2. Balance Sheet for the First Six Months of Fiscal Year 2001

(Yen in Millions, %)

|   | As of September 30, 2001 |              | As of September 30, 2000 |              | Summarized balance sheet<br>(As of March 31, 2001) |              |
|---|--------------------------|--------------|--------------------------|--------------|--|--------------|
|   | Amount                   | % of total   | Amount                   | % of total   | Amount   | % of total   |
| <b>(Assets)</b>   |                          |              |                          |              |  |              |
| Cash and deposits                                       | 310,109                  | 5.3          | 80,712                   | 1.4          | 226,895  | 3.8          |
| Call loans  | 72,000                   | 1.2          | 116,668                  | 2.0          | 228,500  | 3.9          |
| Account for bonds purchased under repurchase agreements | -                        | -            | -                        | -            | -  | -            |
| Money claims purchased                                  | 26,999                   | 0.4          | 11,898                   | 0.2          | 27,795   | 0.5          |
| Securities for sale                                     | -                        | -            | -                        | -            | -  | -            |
| Monetary trusts   | 188,061                  | 3.2          | 324,700                  | 5.6          | 247,899  | 4.2          |
| Securities  | 3,811,428                | 65.1         | 3,894,706                | 66.4         | 3,751,997  | 63.6         |
| Domestic bonds  | 2,715,507                |              | 2,546,875                |              | 2,612,207  |              |
| Japanese national government bonds                      | 455,111                  |              | 465,752                  |              | 441,354  |              |
| Domestic municipal bonds                                | 1,283,353                |              | 1,152,279                |              | 1,198,704  |              |
| Domestic corporate bonds                                | 977,042                  |              | 928,843                  |              | 972,148  |              |
| Domestic stocks   | 406,594                  |              | 533,850                  |              | 479,893  |              |
| Foreign securities                                      | 582,007                  |              | 679,577                  |              | 551,180  |              |
| Loans   | 1,118,961                | 19.1         | 1,151,373                | 19.6         | 1,132,569  | 19.2         |
| Policy loans  | 62,113                   |              | 48,112                   |              | 55,942   |              |
| Ordinary loans  | 1,056,847                |              | 1,103,261                |              | 1,076,626  |              |
| Property and equipment                                  | 173,824                  | 3.0          | 200,641                  | 3.4          | 175,434  | 3.0          |
| Real estate   | 172,653                  |              | 199,457                  |              | 174,250  |              |
| Due from agency   | 0                        | 0.0          | -                        | -            | -  | -            |
| Due from reinsurers                                     | 1,046                    | 0.0          | 856                      | 0.0          | 1,156  | 0.0          |
| Other assets  | 75,961                   | 1.3          | 58,507                   | 1.0          | 60,065   | 1.0          |
| Deferred tax assets                                     | 93,392                   | 1.6          | 40,782                   | 0.7          | 65,825   | 1.1          |
| Reserve for possible loan losses                        | (13,698)                 | (0.2)        | (16,872)                 | (0.3)        | (17,754)   | (0.3)        |
| <b>Total assets</b>                                     | <b>5,858,086</b>         | <b>100.0</b> | <b>5,863,975</b>         | <b>100.0</b> | <b>5,900,384</b>                                   | <b>100.0</b> |

|   | As of September 30, 2001 |            | As of September 30, 2000 |            | Summarized balance sheet<br>(As of March 31, 2001) |            |
|---|--------------------------|------------|--------------------------|------------|--|------------|
|   | Amount                   | % of total | Amount                   | % of total | Amount   | % of total |
| <b>(Liabilities)</b>                                |                          |            |                          |            |  |            |
| Policy reserves                                     | 5,502,696                | 94.0       | 5,456,647                | 93.0       | 5,513,425  | 93.4       |
| Policy reserve                                      | 5,331,483                |            | 5,286,603                |            | 5,355,703  |            |
| Due to agency                                       | 0                        | 0.0        | 2                        | 0.0        | 0  | 0.0        |
| Due to reinsurers                                   | 1,122                    | 0.0        | 623                      | 0.0        | 742  | 0.0        |
| Bonds   | -                        | -          | -                        | -          | -  | -          |
| Other liabilities                                   | 141,282                  | 2.4        | 109,770                  | 1.9        | 103,905  | 1.8        |
| Reserve for employees' retirement benefits          | 60,239                   | 1.0        | 44,788                   | 0.8        | 60,039   | 1.0        |
| Reserve for losses on sale of loans                 | 62                       | 0.0        | 4,040                    | 0.1        | 62   | 0.0        |
| Reserve for losses on supporting designated debtors | -                        | -          | 1,820                    | 0.0        | -  | -          |
| Reserve for price fluctuations                      | 27,392                   | 0.5        | 26,265                   | 0.4        | 26,712   | 0.5        |
| Financial futures transactions                      | -                        | -          | -                        | -          | -  | -          |

|   |                  |              |                  |              |                  |              |
|---|------------------|--------------|------------------|--------------|------------------|--------------|
| responsibility reserve                            | -                | -            | -                | -            | -                | -            |
| Securities transactions<br>responsibility reserve | -                | -            | -                | -            | -                | -            |
| Deferred tax liability                            | -                | -            | -                | -            | -                | -            |
| <b>Total liabilities</b>                          | <b>5,732,794</b> | <b>97.9</b>  | <b>5,643,958</b> | <b>96.2</b>  | <b>5,704,887</b> | <b>96.7</b>  |
| (Equity)  |                  |              |                  |              |                  |              |
| Fund  | -                | -            | 6,800            | 0.1          | 6,800            | 0.1          |
| Legal reserves                                    | 36,071           | 0.6          | 29,101           | 0.5          | 29,101           | 0.5          |
| Surplus   | 88,170           | 1.5          | 112,814          | 2.0          | 119,189          | 2.0          |
| Voluntary reserves                                | 63,635           |              | 62,640           |              | 62,640           |              |
| Interim unappropriated<br>surplus                 | 24,534           |              | 50,174           |              | 56,549           |              |
| (Interim net income)                              | 9,432            |              | 18,343           |              | 24,718           |              |
| Net unrealized gains on<br>securities             | 1,050            | 0.0          | 71,301           | 1.2          | 40,405           | 0.7          |
| <b>Total equity</b>                               | <b>125,291</b>   | <b>2.1</b>   | <b>220,016</b>   | <b>3.8</b>   | <b>195,496</b>   | <b>3.3</b>   |
| <b>Total liabilities and equity</b>               | <b>5,858,086</b> | <b>100.0</b> | <b>5,863,975</b> | <b>100.0</b> | <b>5,900,384</b> | <b>100.0</b> |

(Note) "Interim unappropriated surplus" in the summarized balance sheet as of March 31, 2001 indicates unappropriated surplus, and "Interim net income" indicates net income.

### 3. Statement of Operations for the First Six Months of Fiscal Year 2001

(Yen in Millions, %)

|   | Six-month period ended<br>September 30, 2001<br>(From April 1, 2001 to<br>September 30, 2001) |             | Six-month period ended<br>September 30, 2000<br>(From April 1, 2000 to<br>September 30, 2000) |             | Summarized statement<br>of operations<br>(From April 1, 2000 to<br>March 31, 2001) |             |
|---|---|-------------|---|-------------|--|-------------|
|   | Amount  | % of total  | Amount  | % of total  | Amount   | % of total  |
| Ordinary revenue  | 620,284   | 100.0       | 666,133   | 100.0       | 1,269,183  | 100.0       |
| Income from insurance premiums                              | 504,180   |             | 532,805   |             | 1,072,245  |             |
| Income from insurance<br>premium                            | 503,481   |             | 532,340   |             | 1,071,194  |             |
| Investment income   | 87,441  |             | 124,465   |             | 191,572  |             |
| Interest, dividends and income<br>from real estate for rent | 67,174  |             | 74,036  |             | 150,173  |             |
| Gains from monetary trusts, net                             | -   |             | 8,980   |             | -  |             |
| Gains from sale of securities                               | 13,188  |             | 15,122  |             | 37,183   |             |
| Gains from derivative, net                                  | 7,014   |             | -   |             | -  |             |
| Gains from special accounts,<br>net                         | -   |             | -   |             | 4,097  |             |
| Valuation gains on special<br>accounts                      | -   |             | 25,039  |             | -  |             |
| Other ordinary incomes                                      | 28,663  |             | 8,863   |             | 5,365  |             |
| Reversal of policy reserve                                  | 24,220  |             | -   |             | -  |             |
| <b>Ordinary expenses</b>                                    | <b>612,790</b>  | <b>98.8</b> | <b>620,697</b>  | <b>93.2</b> | <b>1,186,929</b>   | <b>93.5</b> |
| Insurance claims and other<br>payments                      | 465,193   |             | 450,508   |             | 864,988  |             |
| Insurance claims  | 156,569   |             | 158,105   |             | 302,927  |             |
| Annuity insurance benefits                                  | 10,859  |             | 9,186   |             | 19,359   |             |
| Insurance benefits  | 129,697   |             | 127,409   |             | 261,626  |             |
| Policy surrender payments                                   | 142,924   |             | 95,943  |             | 202,502  |             |
| Other repayments  | 24,494  |             | -   |             | 77,170   |             |
| Provision for policy and other<br>reserves                  | 781   |             | 64,696  |             | 134,563  |             |
| Provision for policy reserve                                | -   |             | 63,924  |             | 133,025  |             |
| Investment expense  | 84,636  |             | 44,624  |             | 66,112   |             |
| Losses from monetary trusts                                 | 17,286  |             | -   |             | 1,772  |             |

|   |         |       |         |       |                       |       |
|---|---------|-------|---------|-------|-----------------------|-------|
| Losses from investments in trading securities           | 286     |       | -       |       | 3,364                 |       |
| Losses on sale of securities                            | 12,744  |       | 6,674   |       | 25,129                |       |
| Devaluation losses on securities                        | 19,295  |       | 13,085  |       | 10,788                |       |
| Losses from derivatives, net                            | -       |       | -       |       | 12,506                |       |
| Losses from special accounts                            | 27,403  |       | -       |       | -                     |       |
| Valuation losses on special accounts                    | -       |       | 11,971  |       | -                     |       |
| Operating expenses                                      | 54,878  |       | 53,697  |       | 107,228               |       |
| Other ordinary expenses                                 | 7,302   |       | 7,170   |       | 14,036                |       |
| Ordinary profit   | 7,494   | 1.2   | 45,435  | 6.8   | 82,254                | 6.5   |
| Extraordinary gains                                     | 4,330   | 0.7   | 1,386   | 0.2   | 3,588                 | 0.3   |
| Extraordinary losses                                    | 1,738   | 0.3   | 25,524  | 3.8   | 64,720                | 5.1   |
| Interim income before taxes                             | 10,085  | 1.6   | 21,297  | 3.2   | 21,122 <sup>(1)</sup> | 1.7   |
| Income taxes  | 5,966   | 1.0   | 12,277  | 1.8   | 13,300                | 1.0   |
| Cumulative effect of prior years' deferred income taxes | (5,313) | (0.9) | (9,322) | (1.4) | (16,896)              | (1.3) |
| Interim net income                                      | 9,432   | 1.5   | 18,343  | 2.8   | 24,718 <sup>(2)</sup> | 1.9   |
| Balance at beginning of year                            | 14,381  |       | 31,304  |       | 31,304                |       |
| Reversal of voluntary reserves                          | 719     |       | 526     |       | 526                   |       |
| Interim unappropriated surplus                          | 24,534  |       | 50,174  |       | 56,549 <sup>(3)</sup> |       |

(1) This figure indicates income before taxes for fiscal year 2000

(2) This figure indicates net income for fiscal year 2000

(3) This figure indicates unappropriated surplus for fiscal year 2000

#### 4. Breakdown of Ordinary Profits etc. (Core Profit)

(Yen in Millions)

|  | Six-month period ended<br>September 30, 2001 | Six-month period ended<br>September 30, 2000 | Year ended<br>March 31, 2001 |
|--|--|--|------------------------------|
| Core profit A                                    | 41,516                                       | 54,458                                       | 114,236                      |
| Capital gains                                    | 20,203                                       | 15,847                                       | 37,183                       |
| Gains from monetary trusts                       | -  | 8,980  | -                            |
| Gains on investments in trading securities       | -  | -  | -                            |
| Gains on sale of securities                      | 13,188                                       | 6,922  | 37,183                       |
| Gains from derivatives                           | 7,014  | -  | -                            |
| Foreign exchange gains, net                      | -  | -  | -                            |
| Other capital gains                              | -  | -  | -                            |
| Capital losses                                   | 53,533                                       | 21,135                                       | 56,183                       |
| Losses from monetary trusts                      | 17,286                                       | 739  | 1,772                        |
| Losses on investments in trading securities      | 286  | -  | 3,364                        |
| Losses on sale of securities                     | 12,744                                       | 2,097  | 25,129                       |
| Losses from derivatives                          | 19,295                                       | 13,085                                       | 10,788                       |
| Foreign exchange losses, net                     | -  | (1,219)                                      | 12,506                       |
| Other capital losses                             | 3,920  | 6,432  | 2,620                        |
| Losses from monetary trusts                      | -  | -  | -                            |
| Total capital gains (losses) B                   | (33,329)                                     | (5,287)                                      | (18,999)                     |
| Core profit including capital gains (losses) A+B | 8,186  | 49,171                                       | 95,236                       |
| Other one-time gains                             | (376)  | -  | -                            |
| Income from reinsurance                          | -  | -  | -                            |
| Reversal of contingency reserve                  | (376)  | -  | -                            |

|   |       |         |          |
|---|-------|---------|----------|
| Other one-time gains                              | -     | -       | -        |
| Other one-time losses                             | 316   | 3,735   | 12,981   |
| Reinsurance premiums                              | -     | -       | -        |
| Provision for contingency reserve                 | -     | 498     | 7,300    |
| Provision for reserve for specific problem loans  | -     | 3,236   | 5,681    |
| Provision for reserve for specific overseas loans | -     | -       | -        |
| Write-off of loans                                | 316   | -       | -        |
| Other one-time losses                             | -     | -       | -        |
| Total other one-time gains (losses) C             | (692) | (3,735) | (12,981) |
| Ordinary profit A+B+C                             | 7,494 | 45,435  | 82,254   |

#### 5. Results of Investments of General Account Assets for the First Six Months of Fiscal Year 2001

Changes in stock prices, interest rates and exchange rates in Japan in the first six months of fiscal year 2001 and the Company's investment policy are provided.

##### *Outline of results of investment*

General account assets as of September 30, 2001 were ¥5,640.3 billion (¥5,651.9 billion as of March 31, 2001) and decreased ¥11.6 billion compared to those as of March 31, 2001 (figures provided in parentheses hereinafter are those as of March 31, 2001).

The Company continued to emphasize domestic bonds with the goal of maintaining stable returns, and due to the decline in stock prices decreased investments in domestic stocks and monetary trusts that invest in domestic stocks for risk management purposes. As a result of aggressive investment in foreign bonds accompanied by alternative investments and hedging of foreign exchange risk, the amount of foreign bonds held by the Company increased.

The principal asset portfolio as of March 31, 2001 was as follows: 46.7% (44.9%) domestic bonds, 5.9% (6.8%) domestic stocks, 9.2% (8.6%) foreign securities, and 19.8% (20.0%) loans.

Principal investment income and expenses were as follows: interest, dividends and income from real estate for rent were ¥67.1 billion, gains on sale of securities were ¥13.1 billion, net gains from derivatives were ¥7.0 billion, net losses from monetary trusts were ¥17.2 billion, losses on sale of securities were ¥12.7 billion, devaluation losses on securities were ¥19.2 billion, and net foreign exchange losses were ¥3.9 billion.

#### 6. Results of Investments (General Account)

##### (1) Asset portfolio

(Yen in 100 Millions, %)

|   | As of<br>September 30, 2001 |               | As of<br>September 30, 2000 |               | As of March 31,<br>2001 |               |
|---|-----------------------------|---------------|-----------------------------|---------------|-------------------------|---------------|
|   | Amount                      | % of<br>total | Amount                      | % of<br>total | Amount                  | % of<br>total |
| Cash, deposits and call loans                                 | 3,820                       | 6.8           | 1,834                       | 3.2           | 4,466                   | 7.9           |
| Account for bonds purchased<br>under repurchase<br>agreements | -                           | -             | -                           | -             | -                       | -             |
| Monetary claims purchased                                     | 269                         | 0.5           | -                           | -             | 277                     | 0.5           |
| Securities for sale   | -                           | -             | -                           | -             | -                       | -             |
| Monetary trusts   | 1,880                       | 3.3           | 3,247                       | 5.8           | 2,478                   | 4.4           |
| Securities  | 35,957                      | 63.7          | 36,727                      | 65.3          | 35,136                  | 62.2          |
| Domestic bonds  | 26,323                      | 46.7          | 24,776                      | 44.0          | 25,386                  | 44.9          |
| Domestic stocks   | 3,334                       | 5.9           | 4,418                       | 7.9           | 3,832                   | 6.8           |
| Foreign securities  | 5,226                       | 9.2           | 6,189                       | 11.0          | 4,831                   | 8.6           |
| Foreign bonds   | 3,296                       | 5.8           | 4,700                       | 8.4           | 3,003                   | 5.3           |
| Foreign stocks  | 1,929                       | 3.4           | 1,488                       | 2.6           | 1,828                   | 3.3           |
| Other securities  | 1,073                       | 1.9           | 1,344                       | 2.4           | 1,087                   | 1.9           |
| Loans   | 11,189                      | 19.8          | 11,513                      | 20.5          | 11,325                  | 20.0          |
| Real estate   | 1,726                       | 3.1           | 1,994                       | 3.5           | 1,742                   | 3.1           |
| Deferred tax assets   | 933                         | 1.7           | 407                         | 0.7           | 658                     | 1.1           |
| Other assets  | 760                         | 1.3           | 714                         | 1.3           | 610                     | 1.1           |
| Reserve for possible loan<br>losses                           | (136)                       | (0.2)         | (168)                       | (0.3)         | (177)                   | (0.3)         |
| Total   | 56,403                      | 100.0         | 56,271                      | 100.0         | 56,519                  | 100.0         |
| Assets in foreign currency                                    | 4,503                       | 8.0           | 5,656                       | 10.1          | 3,999                   | 7.1           |

Changes in the Company's assets for the first six months of fiscal years 2000 and 1999 and fiscal year 2000 are provided.

#### 7. Balance of Special Account Assets

(Yen in 100 Millions)

|                               | As of<br>September 30, 2001 | As of<br>September 30, 2000 | As of<br>March 31, 2001 |
|-------------------------------|-----------------------------|-----------------------------|-------------------------|
| Individual variable insurance | 301                         | 403                         | 348                     |
| Individual variable annuities | 138                         | -                           | 148                     |
| Group annuities               | 1,841                       | 1,988                       | 2,023                   |
| Total special account         | 2,280                       | 2,392                       | 2,520                   |

#### 8. Status of Problem Loans

(Yen in Millions, %)

|  | As of<br>September 30, 2001 | As of<br>September 30, 2000 | As of<br>March 31, 2001 |
|--|-----------------------------|-----------------------------|-------------------------|
| Loans to bankrupt companies ①                | 1,054                       | 1,102                       | 1,049                   |
| Past due loans ②                             | 13,475                      | 16,219                      | 15,719                  |
| Loans over due for three<br>months or more ③ | 339                         | 873                         | 363                     |
| Restructured loans ④                         | 8,246                       | 6,853                       | 8,315                   |
| Total ①+②+③+④                                | 23,116                      | 25,048                      | 25,447                  |
| (% of total loans)                           | 2.07                        | 2.18                        | 2.25                    |
| (% compared to ordinary loans)               | 2.19                        | 2.27                        | 2.36                    |

9. Status of Loans by Classification of Obligors

(Yen in Millions)

|  | As of<br>September 30, 2001 | As of<br>September 30, 2000 | As of<br>March 31, 2001 |
|--|-----------------------------|-----------------------------|-------------------------|
| Bankrupt or substantially<br>bankrupt obligors | 4,772                       | 4,017                       | 2,807                   |
| Intensive control obligors                     | 9,760                       | 14,678                      | 13,965                  |
| Watch obligors                                 | 8,600                       | 6,417                       | 8,694                   |
| Normal obligors                                | 1,237,291                   | 1,132,547                   | 1,172,973               |
| Total  | 1,260,425                   | 1,157,660                   | 1,198,440               |

10. Solvency Margin Ratio

(Yen in Millions)

|   | As of September 30, 2001 |
|---|--------------------------|
| Total solvency margin (A)                 | 406,020                  |
| Total risk (B)                            | 113,247                  |
| Solvency margin ratio                     | 717.0%                   |
| $\frac{(A)}{(1/2) \times (B)} \times 100$ |                          |

(Yen in Millions)

|   | As of March 31, 2001 |
|---|----------------------|
| Total solvency margin (A)                 | 475,459              |
| Total risk (B)                            | 125,510              |
| Solvency margin ratio                     | 757.6%               |
| $\frac{(A)}{(1/2) \times (B)} \times 100$ |                      |

Breakdowns of solvency margin and risk are mentioned.

(Summary English Translation)

02 APR -2 11 08 52

December 7, 2001

To Concerned Parties:

Daido Life Insurance Company

Obtaining Approval by the Commissioner of the Financial Services Agency  
for Organizational Changes (Demutualization)

Daido Life Insurance Company (President: Naoteru Miyato) would like to announce that on December 7, 2001 the Company obtained the approval of the Commissioner of the Financial Services Agency for demutualization under Article 93 of the Insurance Business Law.

Reorganization of the Company from a mutual life insurance company to a joint stock corporation will occur on April 1, 2002 pursuant to which the Company will become *Daido Seimei Hoken Kabushikigaisha*.

In addition, the Company applied to list its shares on the Tokyo Stock Exchange and the Osaka Securities Exchange on November 26, 2001.

<Reference: Description of the New Company>

- Corporate Name: *Daido Seimei Hoken Kabushikigaisha*
- Capital Amount: 75 billion yen
- Total number of shares to be issued by allotment to policyholders: 1.5 million (non-par value)

(Summary English Translation)

February 13, 2002

To Concerned Parties:

Daido Life Insurance Company

Announcement of Resolution of Board of Directors  
of Initial Public Offering and Private Placement

We would like to notify you that Daido Life Insurance Company (President: Naoteru Miyato) resolved at today's meeting of its Board of Directors to offer shares of the new Company after demutualization.

Additionally, upon receiving approval to list those shares on the Tokyo Stock Exchange and the Osaka Securities Exchange, we will announce a forecast of the Company's business results for fiscal year 2001 (from April 1, 2001 to March 31, 2002).

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February 13, 2002

To Concerned Parties:

2-1, Edobori 1-chome, Nishi-ku, Osaka  
Daido Life Insurance Company  
Representative Director and President Naoteru Miyato  
(Code number 8799)  
Place to contact: Public relations department  
(Tokyo) Kakimoto Hidehiko phone #: 03-3281-1148  
(Osaka) Tsukata Haruhisa phone #: 06-6447-6258

Announcement of Resolution of Board of Directors to Offer Shares

On April 1, 2002 the Company will convert to a joint stock corporation and it is expected that the common stock issued by the Company will be listed on the Tokyo Stock Exchange and the Osaka Securities Exchange on the same day. Based upon this, we hereby notify you of the following, which was determined at a meeting of the Board of Directors held on February 13, 2002 concerning the offering of certain of the shares representing (i) a portion of the fractional shares allotted to policyholders and (ii) whole shares allotted to policyholders who authorized the Company to sell such whole shares.

Description of Resolution

- (1) Number of shares to be sold: 598,215 shares of common stock

(Although it is proposed that 492,790 shares will be sold in Japan and 105,425 shares will be sold outside of Japan, the definitive number of shares to be sold in and outside Japan will be, within 598,215 shares, determined on March 15, 2002, in light of demand and other factors. Additionally, upon consideration of demand, Nomura Securities Co., Ltd. may sell up to 35,000 shares in Japan as the seller (hereinafter referred to as the "secondary distribution through over-allotment".)

- (2) Offer Price

Not yet determined. (The Offer Price of the shares will be determined on March 15, 2002 on the basis of a provisional price to be determined by the Board of Directors at a meeting to be held hereafter, in light of demand and other factors.)

- (3) Method of secondary distribution

Secondary distribution will be made concurrently in and outside of Japan.

1. Japanese secondary distribution

Offering in Japan through underwriting severally and jointly by purchase of the entire amount of the shares offered in Japan by Nomura Securities Co., Ltd., Daiwa Securities SMBC Co. Ltd., Nikko Salomon Smith Barney

Limited, KOKUSAI Securities Co., Ltd., UFJ Capital Markets Securities, Co., Ltd., Merrill Lynch Japan Securities Co., Ltd., Okasan Securities Co., Ltd., Cosmo Securities Co., Ltd., Shinko Securities Co., Ltd., Tokai Tokyo Securities Co., Ltd., The Asahi Retail Securities Co., Ltd., Takagi Securities Co., Ltd., Tokyo-Mitsubishi Securities Co., Ltd., Alps Securities Co., Ltd., Otsuka Securities Co., Ltd., The Tachibana Securities Co., Ltd., Niigata Securities Co., Ltd., and Meiko National Securities, Co., Ltd.

In addition, 297,000 shares of shares to be offered in Japan will be sold to investors designated by the Company (the "Selected Investors").

|  |   |
|--|---|
| (Subscription period)                          | From Wednesday, March 20, 2002<br>through Tuesday, March 26, 2002 |
| (Number of shares per unit<br>for application) | 1 share   |

2. International secondary distribution

Offering in overseas markets, principally in Europe (offering in the United States will be made only to qualified institutional buyers in accordance with Rule 144A under the Securities Act of 1933) through underwriting by purchase, severally but not jointly, of the entire amount of the shares offered overseas by the International Managers outside Japan. Nomura International plc is the Lead Manager and Merrill Lynch International is Co-lead Manager.

|   |         |
|---|---------|
| (Number of shares per unit for application) | 1 share |
|---|---------|

3. Secondary distribution through over-allotment

An additional offering in Japan of shares of the Company upon consideration of demand, besides 1. and 2. above, borrowed from UFJ Bank Limited (up to 25,000 shares) and Nomura Holdings, Inc. (up to 10,000 shares).

In the event that the Japanese secondary distribution or the International secondary distribution is cancelled, all of the Japanese secondary distribution, the International secondary distribution and secondary distribution through over-allotment will be cancelled.

(4) Delivery Date: Monday, April 1, 2002

(5) The Offer Price and any other undetermined matters necessary for the offering of the shares will be approved at a meeting of the Board of Directors to be held hereafter.

- (6) The completion of the Japanese secondary distribution and the secondary distribution through over-allotment shall be subject to the approval of the Osaka District Court (scheduled to be March 18, 2002) relating to the secondary distribution of shares representing the aggregate of portions of the Fractional Shares under the provisions of the Insurance Business Law and the effectiveness of registration under the Securities and Exchange Law of Japan. The completion of the International secondary distribution shall be subject to the court approval stated above.

*This press release is not an offer to sell or a solicitation of any offer to buy the securities of Daido Life Insurance Company ("the Company") in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933 and may not be offered or sold in the United States absent registration or an exemption from such registration requirement. If any public offering of securities is made in the United States, it will be by means of prospectus that may be obtained from the Company or any selling security holder that will contain detailed information about the Company and management, as well as financial statements. No public offering of securities will be made in the United States in connection with the above-mentioned transactions.*

February 13, 2002

To Concerned Parties:

2-1, Edobori 1-chome, Nishi-ku, Osaka  
Daido Life Insurance Company  
Representative Director and President Naoteru Miyato  
(Code number 8799)  
Place to contact: Public relations department  
(Tokyo) Kakimoto Hidehiko phone #: 03-3281-1148  
(Osaka) Tsukata Haruhisa phone #: 06-6447-9258

Forecast of the Company's Business Results  
for Fiscal Year 2001 (from April 1, 2001 to March 31, 2002)

The forecast of the Company's business results for fiscal year 2001 (from April 1, 2001 to March 31, 2002) is as follows:

**Consolidated Operating Results**

|                             | Ordinary revenue |        | Ordinary profit |        | Net income      |   |
|-----------------------------|------------------|--------|-----------------|--------|-----------------|---|
|                             | Yen in Millions  | %      | Yen in Millions | %      | Yen in Millions | % |
| Fiscal year 2001 (forecast) | 1,284,830        | 0.6    | 41,522          | (50.7) | 7,460           | - |
| Fiscal year 2000 (actual)   | 1,277,286        | (10.9) | 84,161          | 115.3  | (7,460)         | - |

**Operating Results**

|                             | Ordinary revenue |        | Ordinary profit |        | Net income      |   |
|-----------------------------|------------------|--------|-----------------|--------|-----------------|---|
|                             | Yen in Millions  | %      | Yen in Millions | %      | Yen in Millions | % |
| Fiscal year 2001 (forecast) | 1,275,946        | 0.5    | 40,517          | (51.3) | 7,587           | - |
| Fiscal year 2000 (actual)   | 1,269,183        | (11.0) | 84,161          | 138.2  | (8,531)         | - |

This press release is not an offer to sell or a solicitation of any offer to buy the securities of Daido Life Insurance Company (“the Company”) in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933 and may not be offered or sold in the United States absent registration or an exemption from such registration requirement. If any public offering of securities is made in the United States, it will be by means of prospectus that may be obtained from the Company or any selling security holder that will contain detailed information about the Company and management, as well as financial statements. No public offering of securities will be made in the United States in connection with the above-mentioned transactions.

(Summary English Translation)

02 APR -2 11 0: 51

March 4, 2002

To Concerned Parties:

Name of company: Daido Life Insurance Company  
Name of representative: Naoteru Miyato  
(Code number 8799)  
Place to contact: Public relations department  
(Tokyo) Kakimoto Hidehiko phone #: 03-3281-1148  
(Osaka) Tsukata Haruhisa phone #: 06-6447-6258

Notice of Determination of the Temporary Conditions to the Bookbuilding Process

On April 1, 2002, the Company will convert to a joint stock corporation, and it is expected that the common stock issued by the Company will be listed on the Tokyo stock Exchange and the Osaka Securities Exchange on the same day. Based upon this, at a meeting of the Board of Directors held on February 13, 2002, it was resolved to sell certain of the shares allotted to members (policyholders) of the Company upon demutualization, such shares representing (i) a portion of the fractional shares allotted to policyholders and (ii) whole shares allotted to policyholders who authorized the Company to sell such shares.

We would like to notify you that, in connection with this, at a meeting of the Board of Directors held on March 4, 2002, the provisional price was determined.

Provisional Price: ¥250,000 to ¥270,000 per share

Reasons for the determination and information relating to the share offering are provided.

This press release is not an offer to sell or a solicitation of any offer to buy the securities of Daido Life Insurance Company ("the Company") in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933 and may not be offered or sold in the United States absent registration or an exemption from such registration requirement. If any public offering of securities is made in the United States, it will be by means of prospectus that may be obtained from the Company or any selling security holder that will contain detailed information about the Company and management, as well as financial statements. No public offering of securities will be made in the United States in connection with the above-mentioned transactions.

(Summary English Translation)

March 18, 2002

To Concerned Parties:

Name of company: Daido Life Insurance Company  
Name of representative: Naoteru Miyato  
(Code number 8799)  
Place to contact: Public relations department  
(Tokyo) Kakimoto Hidehiko phone #: 03-3281-1148  
(Osaka) Tsukata Haruhisa phone #: 06-6447-6258

Notice of Determination of the Offering Prices and Numbers of Shares to be Sold  
in Initial Public Offering and Private Placement

We would like to notify you that the offering price and the numbers of shares to be sold in the offering of the shares upon the conversion of the Company to a joint stock corporation and the listing of its shares on the Tokyo Stock Exchange and the Osaka Securities Exchange were determined as follows:

1. Offering Price: ¥270,000 per share
2. Number of Shares to be Sold

|   |                |
|---|----------------|
| Number of shares to be sold in the domestic offering      | 527,790 shares |
| (1) Number of shares to be sold by eligible policyholders | 492,790 shares |
| (2) Number of shares to be sold through over-allotment    | 35,000 shares  |
| Number of shares to be sold in the international offering | 492,790 shares |

Reasons for the determination and information relating to the share offering are provided.

This press release is not an offer to sell or a solicitation of any offer to buy the securities of Daido Life Insurance Company ("the Company") in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933 and may not be offered or sold in the United States absent registration or an exemption from such registration requirement. If any public offering of securities is made in the United States, it will be by means of prospectus that may be obtained from the Company or any selling security holder that will contain detailed information about the Company and management, as well as financial statements. No public offering of securities will be made in the United States in connection with the above-mentioned transactions.

March 29, 2002  
Daido Life Insurance Company

## Notice of Daido Life Insurance Company's Share Purchase Programme

Daido Life Insurance Company will convert from a mutual company to a joint stock corporation and list its shares on the First Sections of the Tokyo Stock Exchange and Osaka Securities Exchange on April 1, 2002. Certain Japanese corporations having business and other relationships with Daido will, effective the same date, establish a partnership under the Civil Code of Japan for the purpose of regularly purchasing in Japan, and owning, Daido stock. The due date for applications for entry into the partnership was March 27, 2002. The following is a summary of such applications:

|   |                |
|---|----------------|
| <i>Number of partners:</i>                                | 41             |
| <i>Total amount to be contributed to the partnership:</i> | ¥19.28 billion |

Each of the partners will contribute cash to the partnership in multiple installments. If any of the partners fails to make all or a portion of its scheduled payment, the actual number of partners and amount of total contribution may be lower than those set forth above.

The cash contributed by the partners will be transferred to and held in a trust for the benefit of the partnership. A Japanese trust bank, as trustee, will use such cash to purchase stock of Daido directly from a brokerage firm on every trading day in Japan from April 3 to June 28, 2002 (such ending date is subject to extension, but in any event will be no later than September 20, 2002). In the event that such purchases of Daido stock are deemed by the trustee to have a significant effect on the market price of the stock, it may temporarily discontinue such purchases or adjust the number of stock to be purchased.

Daido is performing certain administrative functions with respect to the formation of the partnership. Daido does not and will not subsidize or otherwise contribute funds to the partnership in any way.