



ANNUAL REPORT
2010

Year Ended March 20, 2010

CO-OP 共済

Japan CO-OP Insurance Consumers' Co-operative Federation

Principle of CO-OP Insurance

Through CO-OP Insurance and the mutual assistance of CO-OP members, we are aiming to enrich society, promote cooperative activities, develop CO-OP and improve the lifestyles of members based on covering economic loss caused by the various risks in members' lives.

- 1** We will offer insurance products that suit members' needs with more reasonable premiums and better coverage.
- 2** We will promote communication between members and CO-OP employees, and encourage a spirit of mutual aid among members.
- 3** We will offer members the opportunity to learn about insurance and acquire the ability to select the insurance that suits them most.
- 4** We will increase the social credibility of cooperative business by the stable management of the insurance and the expansion of the insured.
- 5** We will positively face the problems of aging, health and welfare, and conduct activities to contribute to society, such as social welfare activities.

ANNUAL REPORT 2010

Year Ended March 20, 2010

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Financial Highlights

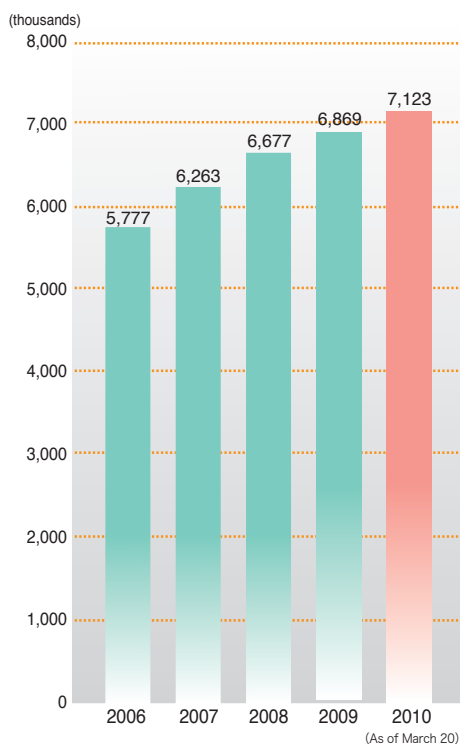
For the years ended March 20,	Millions of yen*1		Millions of U.S. dollars*2
	2009	2010	2010
Ordinary income	¥1,994	¥142,335	\$1,572
Ordinary expenses	1,674	109,410	1,208
Ordinary surplus	320	32,924	363
Net surplus	156	4,014	33
As of March 20,			
Total assets	28,390	179,102	1,979
Total liabilities	5,833	109,992	1,215
Total capital	22,556	69,110	763
Number of policies (total)	6,869,745	7,123,182	—
Number of policies (direct insurance total)	6,447,924	6,694,884	—
Amount insured (direct insurance total) (¥ billions / \$ billions)	¥9,598	¥10,139	\$112
Solvency margin (%)	—	983.5	—

1. Yen Amounts are rounded down to the nearest ¥ 1 million.

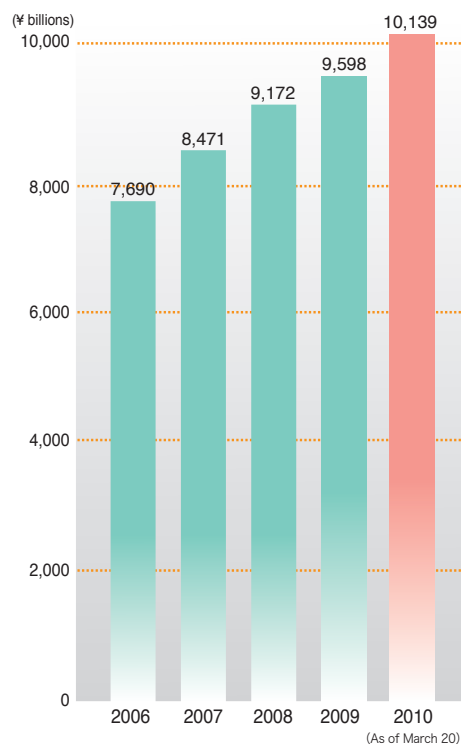
2. U.S. dollar amounts are converted, for convenience only, at ¥ 90.50 = US\$1.00, the rate prevailing on March 19, 2010, and rounded down to the nearest \$1 million.

3. Our business for the 2009 started between March 1st ended March 20th 2009, as CO-OP Insurance business was divided from JCCU in 2009.

Number of Policies (all total)



Amount Insured



Message from the President

The Japan CO-OP Insurance Consumers' Co-operative Federation (JCIF) started business operations in fiscal 2009, taking over the mutual insurance business operated by the Japanese Consumers' Co-operative Union (JCCU) and member co-ops. During that auspicious year, the total number of policyholders of the five CO-OP Insurance products continued to rise, exceeding seven million in November 2009. Notably, the number of policyholders for the term life insurance policy, CO-OP Insurance *i-Plus*, now in its 10th year, topped one million. I believe that our remarkable performance can be attributed to the support and cooperation extended to us by all our stakeholders including the members and officials of member co-ops. I would like to take this opportunity to express my heartfelt respect and gratitude for your contribution.

Looking at the CO-OP Insurance business in fiscal 2009, total premium income for CO-OP Insurance *Tasukeai* and *i-Plus* policies increased steadily to reach 143.5 billion yen, up 5.0% from the previous fiscal year. Total payment of insurance claims for CO-OP Insurance *Tasukeai* and *i-Plus* amounted to 55.0 billion yen, up 6.9% from the previous fiscal year, with the number of claims payments climbing 9.0% to 1.15 million. We are pleased to have been of service to our policyholders.

In view of our expanded policyholder base, we continued our efforts to improve our insurance product portfolio during fiscal 2009. In September 2009, we launched a new type of CO-OP Insurance *i-Plus* called Gold 80 Medical Insurance, which provides generous coverage of in-patient treatment with a reasonable premium. CO-OP Insurance *Tasukeai* was also boosted with the addition of Junior 18 1900-yen Course in March 2010, which has less stringent declaration requirements to provide higher coverage for children who are receiving out-patient medical treatment or taking medicine. The new *Tasukeai* had attracted as many as over 5,900 policyholders by May 2010.

Our efforts to promote the mutual insurance business included establishing new Regional Promotion Departments in five regions nationwide as a framework for providing member co-ops with more finely tuned support; increasing the number of CO-OP Insurance sales promotion staff; setting up a mutual insurance counter at co-op stores; and reinforcing our education and training programs.



We also provided our policyholders with ongoing guidance to help them avoid missing out on claims payments.

Fiscal 2010 is the year in which JCIF kicks off its three-year plan—the JCIF Medium-term Business Plan 2010-2012. Product development is currently underway to introduce a much-called-for permanent life insurance product in September 2011. In addition, we will endeavor to refine our services to ensure prompt and accurate claims payments, push down the ratio of operational expenses by streamlining operations and realigning our cost structure, strengthen our member co-ops' capacity to promote sales, and reinforce frameworks for strict compliance and risk management. Furthermore, we will be holding discussions to review the long-term visions of CO-OP Insurance and examine the kinds of social contribution activities we should carry out, with the aim of pursuing business operations unique to co-ops.

JCIF will undertake continued efforts to become the first-choice provider of mutual insurance that serves as the centerpiece of livelihood security for co-op member households. We humbly ask for your continued support and encouragement in the years to come.

A handwritten signature in black ink that reads "Tomomi Yano". The signature is written in a cursive, flowing style.

Tomomi Yano
President

Japan CO-OP Insurance Consumers'
Co-operative Federation (JCIF)





Co-op, JCIF and CO-OP Insurance

Co-op is the Largest Consumer Organization in Japan

Co-op was established based on the Consumers' Livelihood Co-operative Society Law (Co-op Law), which came into effect in 1948. Co-op is an organization wherein Co-op members are free to join or cancel their membership. The organization aims to enhance the everyday lifestyles of members through co-operation. Members paying into the organization make up the organization's principle operations.

Co-ops are comprised of retail Co-ops (regional Co-ops, institutional Co-ops, school teachers' Co-ops and university Co-ops), health Co-ops, insurance Co-ops and housing Co-ops.

These organizations base their operations on close ties to the lifestyle of members and make up Japan's largest consumer organization.

JCIF is the Federation for Exclusively Providing Mutual Insurance Products

JCIF (Japan CO-OP Insurance Co-operative Consumers' Federation) was established in November 5, 2008.

Under the revised Co-op Law adopted last year, mutual insurance organizations exceeding a certain size are prohibited from engaging in subsidiary business such as those in the retail field.

Up until FY2008, the JCCU and Co-ops offering direct mutual insurance* (Co-ops that were writing direct "Tasukeai" insurance policies) were also simultaneously engaged in retail activities such as operating stores, cooperative purchasing and operating home delivery services. To avoid conflict with the newly revised Co-op Law, it was decided to jointly establish a new organization, the JCIF, to exclusively provide mutual insurance products.

**Direct mutual insurance: a type of mutual insurance in which the insurer is directly responsible for paying claims to policyholders.*

JCCU is the Association for Co-ops in Japan

JCCU (Japanese Consumers' Co-operative Union) was established when Co-ops united in March 20, 1951 in order to realize a better lifestyle for its members.

JCCU positions its product supply business and CO-OP Insurance business as its cornerstone operations until FY2008. Under the revised Co-op Law adopted last year, Co-op Insurance business was transferred to JCIF. For the product supply business JCCU works to improve and develop CO-OP brand products in order to supply the nationwide network of Member Co-ops with better products. While aligning itself with Member Co-ops, JCCU works to ensure the safety of food products from the perspective of consumers.

Furthermore JCCU ensures the rights of consumers and is undertaking environmental and social welfare activities.

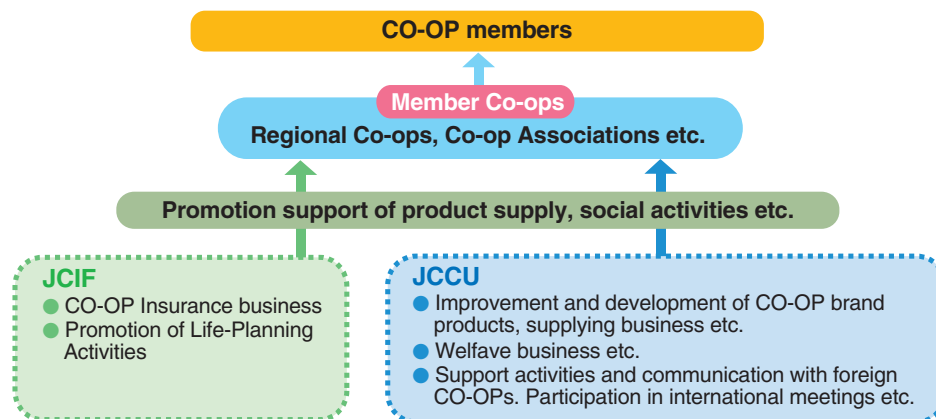


JCIF, Co-op and JCCU

Our organization is a union of 164 consumer cooperative societies from across the nation. Although each member Co-op is an independent legal entity, each provides CO-OP insurance to its members in cooperation with the union.

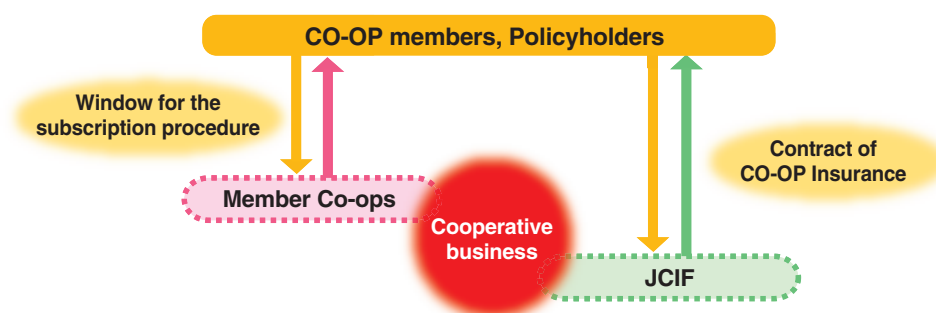
The JCIF has been established to take over and exclusively conduct all mutual insurance business previously conducted by our Member Co-ops.

This new organization will have close relationships with purchasing, services and other CO-OP businesses, making it the most useful and comprehensive in terms of providing for the day-to-day needs of individual members.



Roles of Member Co-ops and JCIF

The JCIF will work to enhance our relationship with Member Co-ops by fulfilling the requirements of our specified role and acting cooperatively to achieve our common goals.



Member Co-op Window for CO-OP Insurance

Each member Co-op acts as a service window for the subscription procedure and also provides information about CO-OP insurance. In addition, each member Co-op works to support its members by offering insurance products tailored to a range of needs.

JCIF (Japan CO-OP Insurance Consumers' Co-operative Federation)

The JCIF develops products tailored to the needs of its members and others.

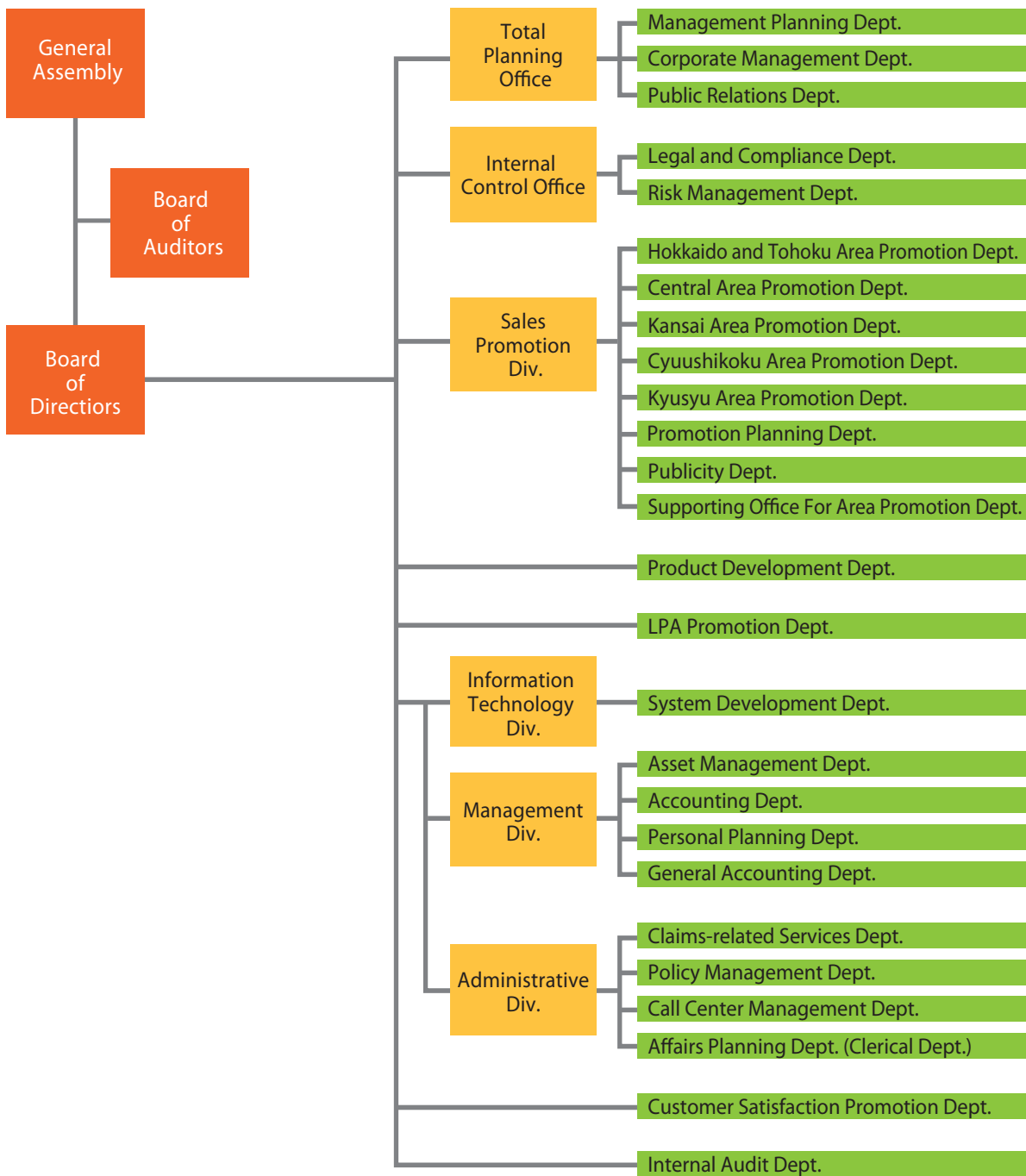
As well as developing insurance products, the union receives premiums, undertakes procedures related to the payment of insurance claims and provides administrative support services to Member Co-ops. It also provides consulting services and responds to complaints.

Each of the three unions of consumer cooperative societies which jointly constitute an insurance group has the dual roles of Member Co-op and JCIF.



Structure of JCIF

As of March 21, 2010



Types of CO-OP Insurance

CO-OP Insurance *Tasukeai* —Medical Insurance



This insurance provides comprehensive coverage for outpatient care due to accident, hospitalization, surgery, death, disability, family members' death of the insured, and damage to residences caused by fire or other perils. It is designed to meet the Co-op members' demands for coverage that is essential to their daily lives at a reasonable premium.

There are four plans for women, for children, mainly to cover medical, and uniform medical and death cover.

CO-OP Insurance *i.-Plus* —Term Life Insurance up



This insurance simply provides cover for death, which can be added cancer, hospitalization, and surgery of the insured. The maximum sum insured is ¥20 million in death benefits for a reasonable premium. Added coverage is available by combining *i.-Plus* with *Tasukeai*. The contract term is 10 years and the premium varies according to the age and sex of the insured.

Coverage may be extended until the member reaches the age of 85.

CO-OP Fire Insurance



This insurance provides coverage against damage to residences caused by a wide range of perils including fire, lightning, explosion, aircraft or vehicle crashes into residences, windstorm and flood, flooding from a third party residence, unexpected damage from a third party and earthquakes etc.

CO-OP Insurance *New i.i.* — Life Insurance



Basic plan that provides cover for death with the rebate plan can be matched up with medical cover and women's health cover. The contract term is renewable after five years with the option of a rebate after the five years. Coverage may be extended until the member reaches the age of 80.

● CO-OP Insurance *i.i.* was stopped offer.

Direct and Indirect Insurance Products Offered

CO-OP Insurance offers direct and indirect insurance products. Direct insurance products are offered by JCIF and Member Co-ops approved by the Ministry of Health, Labour and Welfare or local government bodies. CO-OP Insurance direct insurance products are *Tasukeai* and *i.-Plus*.

For insurance not covered by direct insurance products, CO-OP Insurance forms alliances with ZENROSAI* and property and casualty insurance firms to offer indirect insurance products.

CO-OP Fire Insurance and CO-OP Life Insurance *New i.i.* are offered as indirect insurance products.

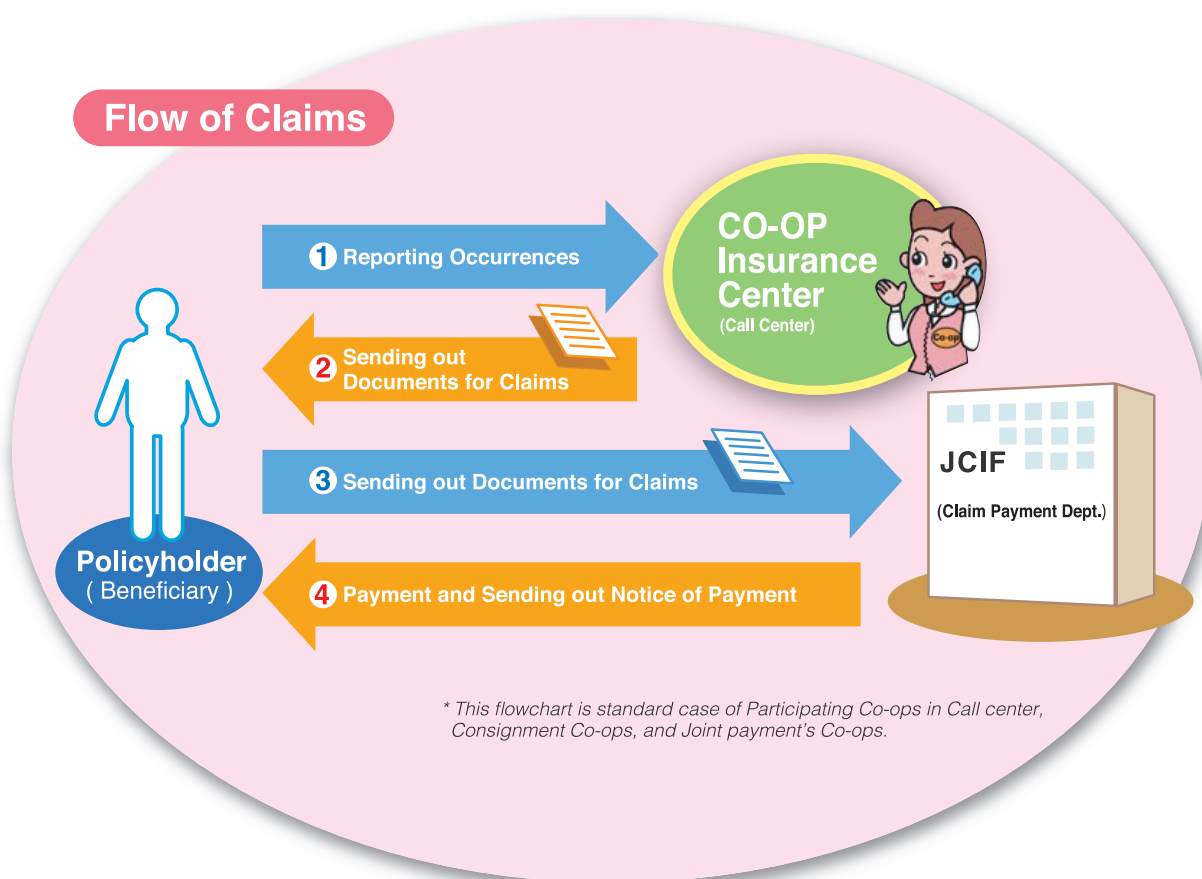
* ZENROSAI is Japan's largest workers and consumers insurance cooperative organization recognized by the Co-op Law. ZENROSAI is a member organization of JCIF. ZENROSAI and JCIF work together to provide a full line-up of CO-OP Insurance.

Payment of Claims

Payment of Claims

Payment of claims, excluding that for CO-OP Fire Insurance, is made by JCIF via Member Co-ops or the CO-OP Insurance Center. (Payment of claims for CO-OP Fire Insurance is made by ZENROSAI.) Upon receiving a claim request, we check the contract details and ask the policyholder for details about the request and then send the necessary materials. CO-OP Insurance values swift and efficient payment procedures from the viewpoint of policyholders. For example, basic information is printed on payment claims documents in advance, and some procedures are simplified depending on the claim details and amount.

CO-OP Insurance shortens the time from the reception of a claims request to payment in order to enhance policyholder satisfaction.



Relief Money to Victims of Devastating Disasters

In the CO-OP Insurance plans, *Tasukeai*, *i.-Plus* and *i.i.* policyholders receive Relief Money in accordance with the CO-OP Insurance Regulations on Devastating Disaster Relief Money. These regulations were made with the aim of providing a token of our sympathy to victims of devastating disasters. CO-OP Insurance offers special assistance in accordance with the magnitude of a natural disaster. In the event of a devastating disaster occurring wherein policyholder are eligible for claim payment and Relief Money, Member Co-ops across the country cooperate in order to ensure swift and certain payment so that the burden on policyholder may be alleviated even slightly.



Risk Management and Compliance System

Risk Management System

In pursuing sound management of the mutual insurance business, JCIF makes efforts to identify risks and implement proper risk management. Risks associated with the mutual insurance business include the following: Product development risks; Insurance underwriting risks (risks stemming from fluctuations in the rate of occurrence of insured accidents against the forecasts made at the time of setting the premium); Asset management risks (risk of suffering a loss in the value of assets held, due to fluctuations in interest rates, stock prices, foreign exchange rates and deterioration of the financial position of banks of deposit or bond issuers); Office work risks; and System risks, etc.

● Product Development Risks and Insurance Underwriting Risks

Product development risks and insurance underwriting risks are risks that stem from fluctuations in the incidence rate of accidents covered beyond the forecasts made at the time of setting the premium. We manage these risks with due consideration for business stability. For example, we make efforts to achieve an appropriate level of benefit payment rate by identifying, examining, analyzing and regularly monitoring these risks, as well as verifying them when developing and reviewing products.

● Asset Management Risks

Asset management risks are the risks of suffering a loss in the value of assets held due to fluctuations in interest rates, stock prices, foreign exchange rates, etc. or deterioration in the financial position of financial institutions with which we conduct transactions.

We ensure appropriate management of these risks based on a set of rules including the Rules for Asset Management and the Regulations for Managing Asset Management Risks, which we established in accordance with the Ordinance for Enforcement of the Consumer Cooperatives Act. Under this system, we confirm the status of asset management execution, risks, etc. on a regular basis at board meetings etc. In addition, we carry out sound asset management that best suits the nature of each fund and debt, focusing on safety, profitability and liquidity.

● Office Work Risks and System Risks

Office work risks are the risks of suffering a loss due to officers or staff executing inaccurate administrative work, causing an accident, or committing a fraud.

System risks are the risks of suffering a loss due to flaws in our computer system including failure and malfunction, or fraudulent use of our computers.

With respect to office work risks and system risks, we conduct analysis and assessment, identify significant risks, and take protective measures. In addition, to prevent accidents in the office and in system development and operations, we have in place the Rules of Conduct for Prevention of Serious Accidents, the Information Security Policy and the Rules for Reporting Operational Accidents.

Policy on Solicitation

Based on the Law on Sales of Financial Products, JCIF has established the following CO-OP Insurance Solicitation Policy. These guidelines are posted visibly at the JCIF and at Member Co-ops handling CO-OP Insurance. CO-OP Insurance sales personnel carry the guidelines in an all out effort to bolster compliance.

CO-OP Insurance Solicitation Policy

Notification to all members

Based on the Law on Sales of Financial Products, we have established the following CO-OP Insurance Solicitation Policy.

1. When offering CO-OP Insurance, every effort will be made to comply with the Co-op Law, the Law on Sales of Financial Products and the Consumer Contract Act to provide services in an appropriate method.
2. When offering CO-OP Insurance, every effort will be made to ensure members fully understand product content and other important information.
3. When offering CO-OP Insurance, every effort will be made to respect the wishes of members, not take up excessive amounts of members' time or space.
4. When a claim is made, every effort will be made to ensure swift settlement.
5. Recognizing the importance of protection of privacy, contract information will be managed stringently and appropriately.
6. Every effort will be made to gather member opinions and reflect these on future CO-OP Insurance development and in offering CO-OP Insurance.

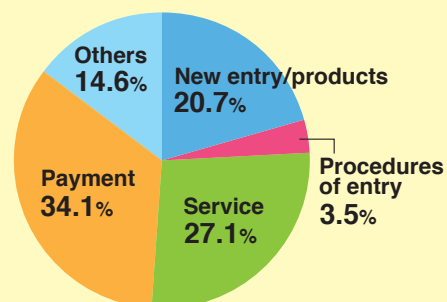
Business Operations Based on Policyholder Feedback

(1) The consultation center receives complaints and opinions by telephone

CO-OP Insurance, when developing products and paying claims, is making improvements based on policyholder feedback. In order to receive more feedback and reflect the opinions in our business, we established the consultation center, which is dedicated to handling complaints, opinions, and requests in 2006.

● Complaints we received at the consultation center in FY2009

We had 5,212 complaints and requests in fiscal 2009. Viewing the opinions we received as representing the voice of our policyholders, we are striving to improve the problems.



(2) Improvement efforts resulting from complaints and opinions we receive

We have introduced the management system to unify the management of complaints and opinions we receive so that related departments can share and swiftly resolve any issues. In addition, we report all complaints and opinions to all departments once a week.

Activities

Life-Planning Activities

Life-Planning activities enable Co-op members to learn about money matters in their lives. In the principle topic of Revising Coverage, members gain the capability to independently select insurance that is really necessary.

As an integral part of Life-Planning activities, JCIF is training members and Co-op staff to be Life-Plan-Advisor (LPA). Participants of LPA courses learn about life planning, insurance, taxation and finance in comprehensive lectures held by JCIF in order to become LPA. As of March 20, 2010 there are 2,446 advisors active at Member Coops across Japan.

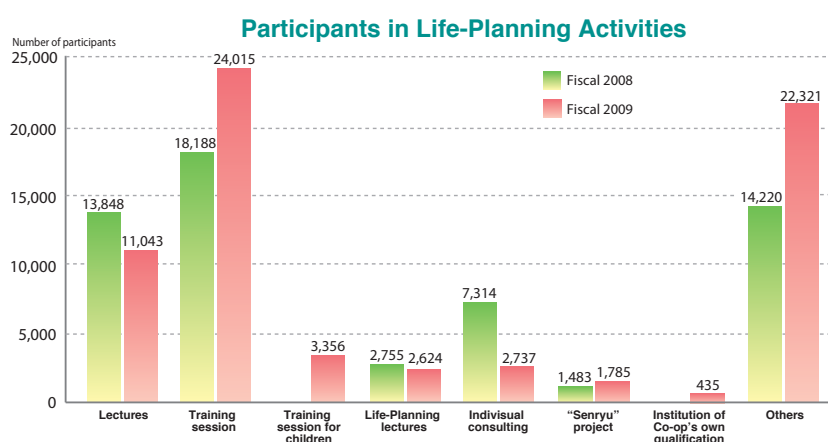


Co-op carries out the following Life-Planning activities:

- Lectures on Revising Coverage
- Training sessions on revising lifestyles
- Life-planning lectures
- Individual consulting
- Life-Planning Humorous poem "Senryu"

● Developments in Life-Planning Activities

Life-Planning activities have now become firmly established as Co-op activities. In fiscal 2009, more than 68,000 people in total participated in the activities, principally in revision of coverage.



Health Improvement Activities

A fundamental issue for Co-op Insurance activities is the improvement of the health and welfare of people. From the position of assisting members and policy holders to improve their health, JCIF has installed automatic blood pressure measuring devices at Co-op stores and offers free health consultations by phone.

(1) Automatic Blood Pressure Measuring Devices Installed

JCIF has installed automatic blood pressure measuring devices at more than 251 Co-op stores throughout Japan. Since managing blood pressure is paramount for preventing all lifestyle-related illness, it is essential to consistently measure blood pressure from day to day. Members are welcome to test their blood pressure level while shopping, making the devices very useful for managing their day to day health.

(2) CO-OP Insurance Health Call Center

JCIF offers a free phone consultation service made available to *Tasukeai*, *i.-Plus* and *New i.i.* policyholders. JCIF contracts specialist counselors including doctors and nurses from governmental corporation to give advice on health, treatment and care-giving as well as instruction on which medical facility to use. During fiscal 2009 the call center fielded 56,501 calls for advice.



Welfare Activities



Since 1996, CO-OP Insurance has been assisting Co-ops all over Japan to carry out their welfare activities through the Co-op Welfare Activity Organization. A variety of activities are carried out including Child-rearing support, Communication center activities, activities to foster communication through dinners and meal deliveries and activities for helping lifestyles. These activities have led to alliances being formed with other organizations and local government bodies to create regional networks.

In fiscal 2009, JCIF contributed a total of ¥22.75 million in assistance for 62 welfare activities of 39 Member Co-ops.

Breakdown of fiscal 2009

(As of March 20, 2010)

Application by activities	Activities	Amount application
Child-reading support	24	¥9,677,100
Communication center activities	8	2,604,560
Activities to foster communication through dinners and meal deliveries	13	4,515,000
Other welfare and volunteer activities	17	5,954,210
Total	62	¥22,750,870

Environmental Activities

JCIF took out the certification of ISO14001 on 2009 September 16th. We build the environmental management by contriving ways to extract the factor of effect to the environment.



Topics of FY2009

● 1day Eco-Life

More than 200 people who are our employees and their family have achieved more than 1,000 kg reduction in CO₂ emissions, in part by saving energy at home.

● Turning off of lights project

We approved to the gist to the turning off of light campaign which the environmental ministry lectures, executel its project on December 25th, 2009. We did the light down of our office at 19:15. We could control the electrical amount used of approximately 540 kwh.

● Reuse the tool

We collected the office work supplies which have not been used in the desk to reuse.

Total of the collection was 200,000 yen worth.

Green purchase ratio of the office work supplies fixture to January 2010 was 60.0%

● Removal of fluorescent light

We removed the fluorescent tube which does not have hindrance in business for cutting electricity use. We could be controlled the electrical amount used of approximately 900kwh per a month.



Fiscal 2009 CO-OP Insurance Business Overview

Overview of the financial results of the CO-OP Insurance business is as follows:

End of year policyholders totaled 7,123,182

When broken down by product, *Tasukeai* policyholders increased 1.4% from the previous year to 5,676,134, *i.-Plus* policyholders increased 19.7% to 1,018,750, *CO-OP Fire Insurance* policyholders increased 2.6% to 382,262, *i.i.* policyholders decreased 34.9% to 22,243 and CO-OP Insurance *New-i.i.* policyholders increased 56.1% to 23,793.

Insurance in force totaled ¥10,139 billions

CO-OP Insurance Group has total policies of ¥10,139 billions of direct insurance in force, an increase of 5.6% on the previous year.

Premiums totaled ¥143 billions

CO-OP Insurance Group has total premiums of ¥143 billions, an increase of 4.9% on the previous year.

1,157,790 payments made

CO-OP Insurance Group made a total of 1,157,790 payments, an increase of 8.9% on the previous year.

¥55,499 million in payments made

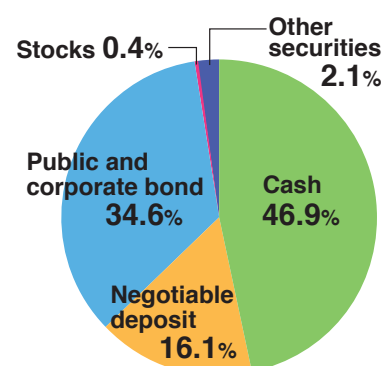
CO-OP Insurance Group has made a total of ¥55,499 millions in payments for insurance claims, an increase of 6.9% on the previous year.

* Refer to Page 6, about direct and indirect insurance.

Asset Management

Investment Assets

As of March 20,	Millions of yen*1			Thousands of U.S. dollars*2
	2009	2010	composition ratio(%)	2010
Cash	¥4,626	¥65,645	46.9%	\$725,351
Negotiable deposit	—	22,500	16.1%	248,618
Public and corporate bond	—	48,395	34.6%	534,751
Stocks	—	499	0.4%	5,513
Other securities	—	2,894	2.1%	31,977
Total	¥4,626	¥139,935	100.0%	\$1,546,220



*1. Yen Amounts are rounded down to the nearest ¥ 1 million.

*2. U.S. dollar amounts are converted, for convenience only, at ¥ 90.50 = US\$1.00, the rate prevailing on March 19, 2010, and rounded down to the nearest \$1 thousand.

*3. Money held in trust are transferable warranty deposits.

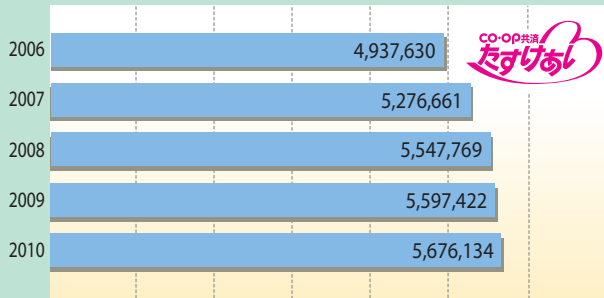
*4. A portion of foreign securities in foreign currencies are hedged.

*5. Other securities are consist of investment trusts in which volatilities are suppressed.



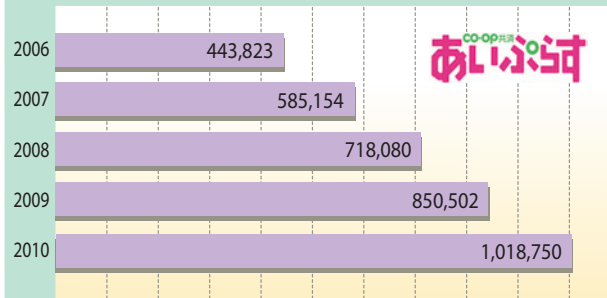
Sectral CO-OP Insurance Business Overview

CO-OP Insurance *Tasukeai*



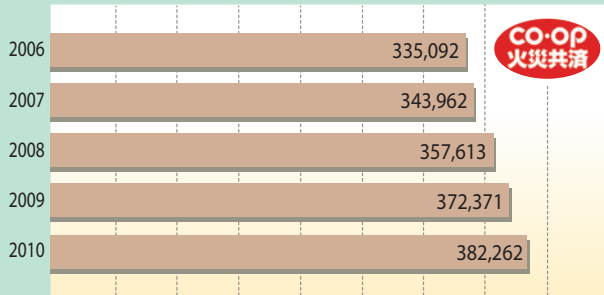
As of March 20,	2009	2010
Number of Policies	5,597,422	5,676,134
Premium Income (¥ millions)	¥107,214	¥109,448
Claims Paid (¥ millions)	¥43,996	¥45,895

CO-OP Insurance *i.-Plus*



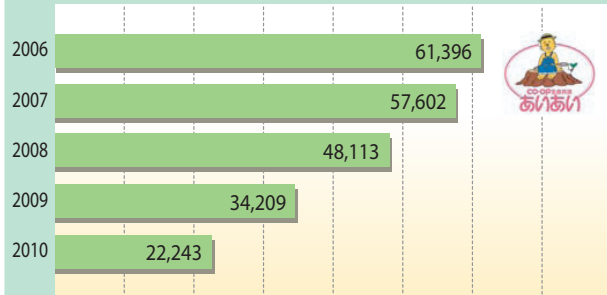
As of March 20,	2009	2010
Number of Policies	850,502	1,018,750
Premium Income (¥ millions)	¥29,512	¥34,128
Claims Paid (¥ millions)	¥7,898	¥9,604

CO-OP Fire Insurance



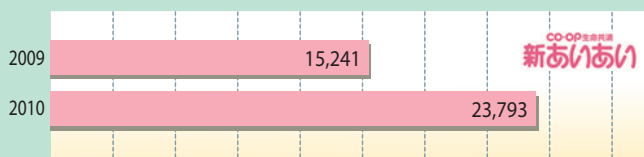
As of March 20,	2009	2010
Number of Policies	372,371	382,262
Premium Income (¥ millions)	¥5,869	¥6,157
Claims Paid (¥ millions)	¥1,130	¥1,024

CO-OP Insurance *i.i.*



As of March 20,	2009	2010
Number of Policies	34,209	22,243
Premium Income (¥ millions)	¥5,329	¥3,651
Claims Paid (¥ millions)	¥6,313	¥6,016

CO-OP Insurance *New i.i.*



As of March 20,	2009	2010
Number of Policies	15,241	23,793
Premium Income (¥ millions)	¥1,765	¥2,962
Claims Paid (¥ millions)	¥111	¥304



Balance Sheet

As of March 20,

	Millions of yen*1		Thousands of U.S. dollars*2
	2009	2010	2010
Assets			
Cash and time deposits	¥4,626	¥64,463	\$712,298
Money trust		11,596	128,132
Securities		63,875	705,801
Lones		19	209
Reinsurance account		151	1,668
Subcontracting account	1,553	6,969	77,005
Other mutual insurance assets	62	379	4,187
Other assets	1,116	2,133	23,569
Fixed assets for business use	20,006	23,613	260,917
Investment in affiliates etc.	3	159	1,756
Deferred tax assets	358	5,304	58,607
Deferred assets	664	436	4,817
Total Assets	¥28,390	¥179,102	\$1,979,027
Liabilities			
Policy reserves	¥3,530	¥98,026	\$1,083,160
Reinsurance account		179	1,977
Subcontracting account	948	3,081	34,044
Contract account		413	4,563
Outstanding outlays	417	1,083	11,966
Other liabilities	925	6,265	69,226
Allowance	11	641	7,082
Price fluctuation reserves		300	3,314
Total Liabilities	¥5,833	¥109,992	\$1,215,381
Capital			
Membership Capital	¥22,556	¥67,519	\$746,066
Others		1,590	17,569
Total Capital	¥22,556	¥69,110	\$763,646
Total Liabilities and Capital	¥28,390	¥179,102	\$1,979,027

*1. Yen Amounts are rounded down to the nearest ¥1 million.

*2. U.S. dollar amounts are converted, for convenience only, at ¥90.50 = US\$1.00, the rate prevailing on March 19, 2010, and rounded down to the nearest \$1 thousand.

*3. Our business for the 2009 started between March 1st ended March 20th, 2009, as CO-OP Insurance business was divided from JCCU in 2009.

Total assets of JCCU and JCIF for the 2009 is ¥152,783 millions.

Total liabilities of JCCU and JCIF for the 2009 is ¥74,791 millions.



Income Statement

For the years ended March 20,

	Millions of yen*1		Thousands of U.S. dollars*2
	2009	2010	2010
Ordinary Income:			
Premium and other income	¥1,553	¥138,613	\$1,531,635
Reversal of allowance for reserve of insurance policy	410	2,586	28,574
Investment income	5	898	9,922
Other ordinary income	24	237	2,618
Total ordinary income	¥1,994	¥142,335	\$1,572,762
Ordinary Expenses:			
Claims paid	¥654	¥56,873	\$628,430
Provisions for policy reserves	40	11,829	130,707
Investment expenses	—	122	1,348
Operating expenses	916	40,298	445,281
Other ordinary expenses	62	287	3,171
Total ordinary expenses	¥1,674	¥109,410	\$1,208,950
Ordinary Surplus	¥320	¥32,924	\$363,801
Extraordinary Profit and Loss:			
Extraordinary income	—	¥5	\$55
Extraordinary loss	—	300	3,314
Surplus before taxes	¥320	32,629	360,541
Corporate and other taxes	522	4,375	48,342
Adjustment of corporate and other taxes	-358	-1,930	-21,325
Transfer to reserve for claim rebate	—	26,169	289,160
Net surplus	¥156	¥4,014	\$44,353
Net surplus for the period	—	¥124	\$1,370
Unappropriated surplus for the period	¥156	¥4,139	\$45,734

*1. Yen Amounts are rounded down to the nearest ¥1 million.

*2. U.S. dollar amounts are converted, for convenience only, at ¥90.50 = US\$1.00, the rate prevailing on March 19, 2010, and rounded down to the nearest \$1 thousand.

*3. Our business for the 2009 started between March 1st ended March 20th, 2009, as CO-OP Insurance business was divided from JCCU in 2009.

Total ordinary income of JCCU and JCIF for the 2009 is ¥106,735 millions.

Total ordinary expenses of JCCU and JCIF for the 2009 is ¥86,584 millions.



Solvency Margin Ratio and others

Solvency Margin Ratio* ³	Millions of yen* ¹		Thousands of U.S. dollars* ²
	(As of March 20)		2010
Total solvency margin* ⁴ ①	¥95,299		\$1,053,027
Total risks ②	19,379		214,132
Solvency margin ratio = ① ÷ (② × 1/2) × 100	983.5%		983.5%

*1. Yen Amounts are rounded down to the nearest ¥ 1 million.

*2. U.S. dollar amounts are converted, for convenience only, at ¥ 90.50 = US\$1.00, the rate prevailing on March 19, 2010, and rounded down to the nearest \$1 thousand.

*3. The above ratio is calculated on the basis of the solvency margin ratio described in the Countermeasures for Individual Issues related to the Protection of cooperative insurance contractors, which was put together at Consumer's cooperative insurance round-table conference composed of members from Japan Cooperative Insurance Association Incorporated.

*4. The total solvency margin is limited to what can be divided in the CO-OP Insurance enterprise.

*5. Our business for the 2009 started between March 1st ended March 20th, 2009, as CO-OP Insurance business was divided from JCCU in 2009. We did not work out the ratio of 2009.

Breakdown of Basic Profit	Millions of yen* ¹		Thousands of U.S. dollars* ²
	(As of March 20)		2010
Basic profit* ⁴	¥356	¥37,185	\$410,8832
Investment profit* ³	0	335	3,701
Mortality profit* ³	766	36,029	398,110
Expense profit* ³	-410	55	607

*1. Yen Amounts are rounded down to the nearest ¥ 1 million.

*2. U.S. dollar amounts are converted, for convenience only, at ¥ 90.50 = US\$1.00, the rate prevailing on March 19, 2010, and rounded down to the nearest \$1 thousand.

*3. Definitions are as follows:

Investment profit : Differential between the projected investment return (expected yield) and the actual investment return.

Mortality profit : Differential between the projected insurance payment (expected mortality rate) and actual claims for payment.

Expense profit : Differential between the projected operational expenses (projected operational expense ratio) and actual operational expenses.

*4. Basic profit is calculated by excluding capital gain/loss, such as sales gain or loss on marketable securities, and extraordinary gain/loss, such as provision for contingency reserves, from recurring surplus. It is the index that shows the basic period income generated from the mutual aid enterprise.

Equity Capital Ratio	Millions of yen* ¹		Thousands of U.S. dollars* ²
	(As of March 20)		2010
① Equity capital	¥22,556	¥69,110	\$763,646
② Contingency reserves	35	15,682	173,281
Revised equity capital [= ①+②]	22,592	84,792	936,928
③ Total assets	28,390	179,102	1,979,027
Equity capital ratio* ³ [= ①/③]	79.5%	38.6%	38.6%
Revised equity capital ratio*⁴ [= (①+②)/③]	79.6%	47.3%	47.3%

*1. Yen Amounts are rounded down to the nearest ¥ 1 million.

*2. U.S. dollar amounts are converted, for convenience only, at ¥ 90.50 = US\$1.00, the rate prevailing on March 19, 2010, and rounded down to the nearest \$1 thousand.

*3. Equity capital ratio = Equity capital ÷ Total assets

*4. Revised equity capital ratio = Revised equity capital ÷ Total assets



Cooperation with Other Associations

● National Federation of Workers and Consumers Insurance Cooperatives (ZENROSAI)

ZENROSAI, a JCIF member, is the largest federation among the mutual insurance cooperatives approved by the Co-op Law. JCIF works with ZENROSAI to reinforce the CO-OP insurance business.

● Japan Reinsurance Federation of Consumers' Cooperatives (SAIKYOSAIREN)

JCIF focuses on risk reduction by ceding a portion of its directly underwritten mutual insurance to NIHON SAIKYOSAIREN reinsurance.

** Reinsurance means a transfer of a portion or all of the mutual insurance liability underwritten by a direct insurer to a re-insurer. In accordance with a reinsurance policy, the direct insurer pays a reinsurance premium, and the re-insurer shall pay the benefits in the case of accident occurrence.*

● Japan Cooperative Insurance Association Incorporated (JCIA)

Founded in 1992, JCIA has conducted the following activities with the purpose of “contributing to stable lives and improved welfare for local farmers, foresters, fishermen and other workers in addition to focusing on sound development of mutual insurance business by the co-operative associations.”

1. Provide members with necessary information and hold JCIA seminar etc.
2. Promote public relations and consulting to enhance the social recognition of cooperative insurance business.
3. Publish the “Kyosai to Hoken”(Cooperative and Commercial Insurance) in Japanese, the “JCIA Newsletter” in English and the “Fact Book” in English and Japanese.
4. Provide training for officers and staff of cooperative insurers.
5. Foster cooperation and relationships with overseas cooperative insurers and organizations.
6. Promote research through the “Research Committee on Cooperative Insurance Theory”.

JCIF focuses on the alliance with JCIA, making efforts to help reinforce the societal roles of mutual insurance associations.

● International Cooperative and Mutual Insurance Federation (ICMIF)

Inaugurated in 1922 as the Insurance Committee of the International Co-operative Alliance (ICA), it has served as a base for today's ICMIF. Over 216 organizations with approximately one-third of the membership in Europe, a further third in the Americas and the remainder representing Asia and Oceania, Africa and the Middle East were members of the ICMIF by 2009. To benefit the development of mutual insurance associations, ICMIF has conducted various researches, studies and development, working as an intermediary for reinsurance transactions between the members or non-members. JCIF joined ICMIF on March 21, 2009.



Profile of JCIF

Name	JCIF (Japan CO-OP Insurance Consumers' Co-operative Federation)
Head office	1-5-2 Irifune, Urayasu, Chiba 279-8588 Japan
Established	November 5th, 2008
Number of Member Co-ops	164 (as of March 21st, 2009)
Detail of operations	CO-OP Insurance Business / Promotion of Life-Planning Activities





日本コープ共済生活協同組合連合会

Japan CO-OP Insurance Consumers' Co-operative Federation

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