

UNOFFICIAL TRANSLATION

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November 19, 2010

NKSJ Holdings, Inc.

**Summary of Consolidated Financial Results for the six months ended September 30, 2010
[under Japanese GAAP]**

Company Name: **NKSJ Holdings, Inc.**
 Listed on: Tokyo and Osaka Stock Exchange
 Stock Code Number: 8630
 URL: <http://www.nksj-hd.com/>
 Representative Director: Masatoshi Sato, President & CEO
 Contact: Kazuhisa Tamura, Manager, Accounting Department
 Scheduled date to file Quarterly Securities Report: November 26, 2010
 Scheduled date to start payment of dividends: _____
 Supplementary information for quarterly financial statements: Yes
 Schedule for quarterly investor meeting: Yes (for institutional investors and analysts)

Note) Any amounts less than one million yen are rounded down, unless otherwise noted.

1. Consolidated Financial Results for the six months ended September 30, 2010 (April 1 to September 30, 2010)

(1) Consolidated Results of Operations

Note) The percentages are changes from corresponding period of previous fiscal year.

	Ordinary income		Ordinary profit		Net income	
	millions of yen	%	millions of yen	%	millions of yen	%
Six months ended September 30, 2010	1,329,799	—	38,888	—	24,116	—
Six months ended September 30, 2009	—	—	—	—	—	—

	Net income per share	Diluted net income per share
	yen	yen
Six months ended September 30, 2010	14.52	14.50
Six months ended September 30, 2009	—	—

(2) Consolidated Financial Conditions

	Total assets	Total net assets	Equity ratio	Total net assets per share
	millions of yen	millions of yen	%	yen
As of September 30, 2010	9,026,824	1,122,876	12.4	673.01
As of March 31, 2010	—	—	—	—

Reference) Equity capital: As of September 30, 2010 1,117,540 million yen
 As of March 31, 2010 — million yen

2. Dividends

	Dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Annual
	yen	yen	yen	yen	yen
Fiscal year ended March 31, 2010	—	—	—	—	—
Fiscal year ending March 31, 2011	—	—	—	—	—
Fiscal year ending March 31, 2011 (Forecast)	—	—	—	20.00	20.00

Note) Revision to the forecasts for dividends during the second quarter: None

3. Consolidated Forecasts for the fiscal year ending March 31, 2011 (April 1, 2010 to March 31, 2011)

Note) The percentages are changes from corresponding period of previous fiscal year.

	Ordinary income		Ordinary profit		Net income		Net income per share
	millions of yen	%	millions of yen	%	millions of yen	%	yen
Fiscal year ending March 31, 2011 (April 1, 2010 to March 31, 2011)	2,625,000	—	48,000	—	25,000	—	15.05

Note) Revision to the forecasts for the fiscal year during the second quarter: Yes

4. Other

Note) Please refer to "Other Information" on page 3 for details.

(1) Changes in significant subsidiaries during the six months ended September 30, 2010: None

Note) The above shows changes in specified subsidiaries resulting in the change in the scope of consolidation during the six months ended September 30, 2010.

(2) Changes in accounting policies, procedures and methods of presentation

① Changes due to revisions to accounting standards: None

② Changes due to other reasons: None

Note) The above shows changes which are shown in "Changes in significant accounting policies for the preparation of the interim consolidated financial statements".

(3) Number of shares outstanding (Common stock) :

① Total shares outstanding including treasury stock:

As of September 30, 2010 1,661,409,178 shares

As of March 31, 2010 — shares

② Treasury stock:

As of September 30, 2010 907,549 shares

As of March 31, 2010 — shares

③ Average number of shares outstanding:

For the six months ended September 30, 2010 1,660,781,785 shares

For the six months ended September 30, 2009 — shares

(Summary of Non-consolidated Financial Results)

1. Non-consolidated Financial Results for the six months ended September 30, 2010 (April 1 to September 30, 2010)

(1) Non-consolidated Results of Operations

Note) The percentages are changes from corresponding period of previous fiscal year.

	Operating income		Operating profit		Ordinary profit		Net income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
Six months ended September 30, 2010	2,423	—	1,187	—	478	—	476	—
Six months ended September 30, 2009	—	—	—	—	—	—	—	—

	Net income per share
	yen
Six months ended September 30, 2010	0.28
Six months ended September 30, 2009	—

(2) Non-consolidated Financial Conditions

	Total assets	Total net assets	Equity ratio	Total net assets per share
	millions of yen	millions of yen	%	yen
As of September 30, 2010	881,652	879,217	99.5	528.06
As of March 31, 2010	—	—	—	—

Reference) Equity capital: As of September 30, 2010 876,854 million yen
As of March 31, 2010 — million yen

(Disclosure regarding the execution of the interim audit process)

This summary is outside the scope of the interim audit procedure which is required by "Financial Instruments and Exchange Act". The interim audit process of the interim consolidated financial statements and the interim non-consolidated financial statements was not completed as of the date of the disclosure of this summary.

(Notes for using forecasted information etc.)

The forecasts included in this document are based on the currently available information and certain assumptions that we believe reasonable. Accordingly, the actual results may differ materially from those projected herein depending on various factors.

For assumptions underlying the forecasts and notes for using forecasted information, please refer to "Qualitative information related to the consolidated forecasts" on page 2 and "Note Regarding Forward-looking Statements" on page 21.

Non-consolidated forecasts for the fiscal year ending March 31, 2011 (April 1, 2010 to March 31, 2011) are not disclosed.

NKSJ Holdings, Inc. prepares the interim consolidated financial statements and the interim non-consolidated financial statements for the six months ended September 30, 2010, since it conducts business defined in the provision of Article 17-15 Paragraph 2 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc.

NKSJ Holdings, Inc. was established on April 1, 2010 as a holding company of Sompo Japan Insurance Inc. and NIPPONKOA Insurance Co., Ltd. This consolidated fiscal year is the first period, so there are no results for the fiscal year ended March 31, 2010 and the six months ended September 30, 2009.

Contents

1. Qualitative Information related to the Consolidated Financial Results for the six months ended September 30, 2010	2
(1) Qualitative information related to the consolidated results of operations	2
(2) Qualitative information related to the consolidated financial conditions	2
(3) Qualitative information related to the consolidated forecasts	2
2. Other Information	3
(1) Summary of changes in significant subsidiaries	3
(2) Summary of changes in accounting policies, procedures and methods of presentation	3
3. Interim Consolidated Financial Statements	4
(1) Interim Consolidated Balance Sheets	4
(2) Interim Consolidated Statements of Income	5
(3) Interim Consolidated Statements of Changes in Net Assets	6
(4) Notes on Going-Concern Assumption	9
(5) Securities	9
(6) Derivatives Transactions	10
4. Interim Financial Statements (Non-consolidated)	13
(1) Interim Balance Sheets (Non-consolidated)	13
(2) Interim Statements of Income (Non-consolidated)	14
(3) Interim Statements of Changes in Net Assets (Non-consolidated)	15
(4) Notes on Going-Concern Assumption	17
5. Supplementary Information	18
(1) Summary of Results of Operations	18
(2) Premiums Written and Claims Paid by Lines of Business (Consolidated)	19
(3) Life Insurance Business (Consolidated)	20
Note Regarding Forward-looking Statements	21

1. Qualitative Information related to the Consolidated Financial Results for the six months ended September 30, 2010

(1) Qualitative information related to the consolidated results of operations

During the six months ended September 30, 2010, the Japanese economy continued facing severe difficulties, with high unemployment rate and growing risk of an economic downturn due to fluctuations in exchange rates and stock prices, even though corporate earnings and consumer spending improved because of recovery in overseas economies, mainly in Asia, and the effect of various fiscal stimulus measures.

Under such conditions, the consolidated results of operations for the six months ended September 30, 2010 are as follows.

1,261.3 billion yen of underwriting income, 63.2 billion yen of investment income and 5.1 billion yen of other ordinary income resulted in 1,329.7 billion yen of ordinary income. In contrast, 1,048.0 billion yen of underwriting expenses, 24.9 billion yen of investment expenses, 212.0 billion yen of operating, general and administrative expenses and 5.9 billion yen of other ordinary expenses resulted in 1,290.9 billion yen of ordinary expenses.

As a result, ordinary profit amounted to 38.8 billion yen. Net income after extraordinary items, net of total income taxes and non-controlling interests, resulted in 24.1 billion yen.

The information by reportable segments for the six months ended September 30, 2010 was as follows.

(a) Property and casualty insurance business

In property and casualty insurance business, net premiums written amounted to 987.8 billion yen and net income amounted to 27.6 billion yen.

(b) Life insurance business

In life insurance business, life insurance premiums written amounted to 108.9 billion yen and net loss amounted to 2.3 billion yen.

(2) Qualitative information related to the consolidated financial conditions

As of September 30, 2010, the total assets amounted to 9,026.8 billion yen and the total net assets amounted to 1,122.8 billion yen.

(3) Qualitative information related to the consolidated forecasts

We forecast 2,625.0 billion yen of consolidated ordinary income, 48.0 billion yen of consolidated ordinary profit and 25.0 billion yen of consolidated net profit for the fiscal year ending March 31, 2011. Our assumptions relating to insurance underwriting are based on an extrapolation from past trends, while we have allowed for 11.5 billion yen in net claims paid due to natural disasters. Our forecasts relating to asset investment performance assume that market interest rates, exchange rates and stock prices remain at or near their levels as of end-September 2010.

2. Other Information

(1) Summary of changes in significant subsidiaries

None.

(2) Summary of changes in accounting policies, procedures and methods of presentation

NKSJ Holdings, Inc. is a sole parent company of Sompo Japan Insurance Inc. and NIPPONKOA Insurance Co., Ltd. established through share exchange on April 1, 2010. This consolidated fiscal year is the first period, so there is no change in accounting policies, procedures and methods of presentation.

3. Interim Consolidated Financial Statements

(1) Interim Consolidated Balance Sheets

	(Millions of yen)
	As of September 30, 2010
Assets:	
Cash and deposits	270,872
Call loans	98,497
Receivables under resale agreements	82,982
Receivables under securities borrowing transactions	27,146
Monetary receivables bought	37,253
Money trusts	84,648
Securities	6,511,189
Loans	713,053
Tangible fixed assets	362,176
Intangible fixed assets	31,566
Other assets	571,200
Deferred tax assets	242,078
Allowance for possible loan losses	(5,839)
Total assets	9,026,824
Liabilities:	
Underwriting funds:	7,352,175
Reserve for outstanding losses and claims	993,986
Underwriting reserves	6,358,188
Bonds	128,000
Other liabilities	269,655
Reserve for retirement benefits	106,503
Reserve for retirement benefits to directors	113
Reserve for bonus payments	25,510
Reserves under the special laws:	21,336
Reserve for price fluctuation	21,336
Deferred tax liabilities	654
Total liabilities	7,903,947
Net assets:	
Shareholders' equity:	
Common stock	100,045
Capital surplus	438,555
Retained earnings	335,209
Treasury stock	(527)
Total shareholders' equity	873,282
Valuation and translation adjustments:	
Unrealized gains on securities available for sale, net of tax	266,889
Deferred gains on hedges	5,330
Foreign currency translation adjustments	(27,962)
Total valuation and translation adjustments	244,258
Stock acquisition rights	2,362
Non-controlling interests	2,973
Total net assets	1,122,876
Total liabilities and net assets	9,026,824

(2) Interim Consolidated Statements of Income

	(Millions of yen)
	Six months ended September 30, 2010 (April 1 to September 30, 2010)
Ordinary income:	1,329,799
Underwriting income:	1,261,384
Net premiums written	987,832
Deposits of premiums by policyholders	79,398
Interest and dividend income on deposits of premiums, etc.	30,061
Life insurance premiums written	108,905
Reversal of reserve for outstanding losses and claims	35,643
Reversal of underwriting reserves	16,454
Investment income:	63,222
Interest and dividend income	78,453
Investment gains on money trusts	896
Investment gains on trading securities	67
Gains on sales of securities	5,839
Transfer of interest and dividend income on deposits of premiums, etc.	(30,061)
Other ordinary income	5,191
Ordinary expenses:	1,290,910
Underwriting expenses:	1,048,058
Net claims paid	607,279
Loss adjustment expenses	65,449
Net commissions and brokerage fees	176,065
Maturity refunds to policyholders	165,853
Life insurance claims paid	28,735
Investment expenses:	24,913
Investment losses on money trusts	581
Losses on sales of securities	2,201
Impairment losses on securities	6,827
Operating, general and administrative expenses	212,008
Other ordinary expenses:	5,929
Interest paid	3,619
Ordinary profit	<u>38,888</u>
Extraordinary gains:	2,015
Gains on disposal of fixed assets	79
Gains on negative goodwill	149
Other extraordinary gains	1,785
Extraordinary losses:	4,923
Losses on disposal of fixed assets	324
Impairment losses	662
Provision for reserves under the special laws:	2,843
Provision for reserve for price fluctuation	2,843
Other extraordinary losses	1,093
Income before income taxes and non-controlling interests	<u>35,980</u>
Income taxes	2,793
Deferred income taxes	9,250
Total income taxes	<u>12,043</u>
Income before non-controlling interests	<u>23,936</u>
Non-controlling interests	(180)
Net income	<u>24,116</u>

(3) Interim Consolidated Statements of Changes in Net Assets

	(Millions of yen)
	Six months ended September 30, 2010 (April 1 to September 30, 2010)
Shareholders' equity:	
Common stock:	
Balance at the beginning of the period	70,000
Changes during the period	
Issuance of new stocks - exercise of stock acquisition rights	45
Increase due to share exchange	30,000
Total changes during the period	<u>30,045</u>
Balance at the end of the period	<u>100,045</u>
Capital surplus:	
Balance at the beginning of the period	24,229
Changes during the period	
Issuance of new stocks - exercise of stock acquisition rights	45
Disposal of treasury stock	31
Increase due to share exchange	414,248
Total changes during the period	<u>414,325</u>
Balance at the end of the period	<u>438,555</u>
Retained earnings:	
Balance at the beginning of the period	336,793
Changes during the period	
Dividends	(25,700)
Net income	24,116
Total changes during the period	<u>(1,584)</u>
Balance at the end of the period	<u>335,209</u>
Treasury stock:	
Balance at the beginning of the period	—
Changes during the period	
Acquisition of treasury stock	(708)
Disposal of treasury stock	180
Total changes during the period	<u>(527)</u>
Balance at the end of the period	<u>(527)</u>
Total shareholders' equity:	
Balance at the beginning of the period	431,023
Changes during the period	
Issuance of new stocks - exercise of stock acquisition rights	91
Dividends	(25,700)
Net income	24,116
Acquisition of treasury stock	(708)
Disposal of treasury stock	212
Increase due to share exchange	444,248
Total changes during the period	<u>442,259</u>
Balance at the end of the period	<u>873,282</u>

	(Millions of yen)
	Six months ended September 30, 2010 (April 1 to September 30, 2010)
Valuation and translation adjustments:	
Unrealized gains on securities available for sale, net of tax:	
Balance at the beginning of the period	389,352
Changes during the period	
Net changes in items other than shareholders' equity	(122,463)
Total changes during the period	(122,463)
Balance at the end of the period	266,889
Deferred gains on hedges	
Balance at the beginning of the period	—
Changes during the period	
Net changes in items other than shareholders' equity	5,330
Total changes during the period	5,330
Balance at the end of the period	5,330
Foreign currency translation adjustments:	
Balance at the beginning of the period	(21,674)
Changes during the period	
Net changes in items other than shareholders' equity	(6,287)
Total changes during the period	(6,287)
Balance at the end of the period	(27,962)
Total valuation and translation adjustments:	
Balance at the beginning of the period	367,678
Changes during the period	
Net changes in items other than shareholders' equity	(123,420)
Total changes during the period	(123,420)
Balance at the end of the period	244,258
Stock acquisition rights:	
Balance at the beginning of the period	1,302
Changes during the period	
Net changes in items other than shareholders' equity	1,059
Total changes during the period	1,059
Balance at the end of the period	2,362
Non-controlling interests:	
Balance at the beginning of the period	2,839
Changes during the period	
Net changes in items other than shareholders' equity	133
Total changes during the period	133
Balance at the end of the period	2,973

	(Millions of yen)
	Six months ended September 30, 2010 (April 1 to September 30, 2010)
Total net assets:	
Balance at the beginning of the period	802,843
Changes during the period	
Issuance of new stocks - exercise of stock acquisition rights	91
Dividends	(25,700)
Net income	24,116
Acquisition of treasury stock	(708)
Disposal of treasury stock	212
Increase due to share exchange	444,248
Net changes in items other than shareholders' equity	(122,226)
Total changes during the period	<u>320,032</u>
Balance at the end of the period	<u>1,122,876</u>

(4) Notes on Going-Concern Assumption
None.

(5) Securities

As of September 30, 2010

1. Bonds held to maturity

(Millions of yen)

		Carrying amount on balance sheet	Fair value	Unrealized gains (losses)
Securities whose fair value exceeds their carrying amount on balance sheet	Domestic bonds	1,074,635	1,153,057	78,421
	Foreign securities	46,701	47,441	740
	Subtotal	1,121,337	1,200,499	79,161
Securities whose fair value doesn't exceed their carrying amount on balance sheet	Domestic bonds	2,291	2,227	(64)
	Foreign securities	24,336	24,203	(133)
	Subtotal	26,628	26,430	(197)
Total		1,147,965	1,226,930	78,964

2. Policy reserve matching bonds

(Millions of yen)

		Carrying amount on balance sheet	Fair value	Unrealized gains (losses)
Securities whose fair value exceeds their carrying amount on balance sheet	Domestic bonds	12,079	12,872	792
Securities whose fair value doesn't exceed their carrying amount on balance sheet	Domestic bonds	—	—	—
Total		12,079	12,872	792

3. Securities available for sale

(Millions of yen)

		Carrying amount on balance sheet	Cost	Unrealized gains (losses)
Securities whose carrying amount on balance sheet exceeds their cost	Domestic bonds	2,486,904	2,390,706	96,197
	Domestic stocks	913,245	463,232	450,012
	Foreign securities	524,338	487,609	36,728
	Others	69,030	64,353	4,677
	Subtotal	3,993,518	3,405,901	587,617
Securities whose carrying amount on balance sheet doesn't exceed their cost	Domestic bonds	55,228	55,943	(715)
	Domestic stocks	576,687	675,493	(98,806)
	Foreign securities	540,011	607,468	(67,457)
	Others	34,100	35,298	(1,198)
	Subtotal	1,206,027	1,374,204	(168,177)
Total		5,199,546	4,780,106	419,439

Notes)

- Securities available for sale, which are considered extremely difficult to figure out their fair value are not included in the above table.
- Certificate of deposit, which are classified as cash and deposits and beneficial interests in the loan trusts, which are classified as monetary receivables bought in the interim consolidated balance sheet, are included in "Others" above.
- Impairment losses on securities available for sale which have readily determinable fair value amount to 6,401 million yen (domestic stocks: 5,123 million yen, foreign securities: 1,277 million yen). Impairment losses on securities available for sale which are considered extremely difficult to figure out their fair value amount to 413 million yen (domestic stocks: 317 million yen, foreign securities: 47 million yen, others: 48 million yen). NKSJ Holdings, Inc. and its domestic consolidated subsidiaries recognize impairment losses on securities available for sale which have readily determinable fair value if fair value declines by 30% or more of their cost as of the interim balance sheet date, as a rule.

(6) Derivatives Transactions

As of September 30, 2010

1. Currency derivatives

(Millions of yen)

	Notional amount	Due after 1 year of notional amount	Fair value	Unrealized gains (losses)
Over-the-counter transactions:				
Forward foreign exchanges:				
Short				
EUR	66,892	—	(3,062)	(3,062)
USD	29,161	—	760	760
Long				
TRY	19,956	—	281	281
USD	19,389	—	(53)	(53)
Total	---	---	(2,073)	(2,073)

Notes)

- Information on currency derivatives transactions other than the above-mentioned transactions is omitted because of no transactions.
- Calculation methods for the fair value
The fair value is calculated using forward exchange rate.
As for forward foreign exchanges transactions between foreign currency and the other foreign currency, the fair value is calculated using forward exchange rate of the other foreign currency and yen on the day of forward foreign exchanges transactions.
- Derivatives transactions to which hedge accounting is applied are excluded.

2. Interest rate derivatives

(Millions of yen)

	Notional amount	Due after 1 year of notional amount	Fair value	Unrealized gains (losses)
Over-the-counter transactions:				
Interest rate swaps:				
Receive fix / Pay float	15,000	—	63	63
Total	---	---	63	63

Notes)

- Information on interest rate derivatives transactions other than the above-mentioned transactions is omitted because of no transactions.
- Calculation methods for the fair value
The fair value is calculated by discounting future cash flow to the present value.
- Derivatives transactions to which hedge accounting is applied are excluded.

3. Equity derivatives

(Millions of yen)

	Notional amount	Due after 1 year of notional amount	Fair value	Unrealized gains (losses)
Market transactions:				
Equity index futures:				
Short	5,209	—	14	14
Equity index options:				
Short				
Call	5,417	—		
205*		—*	(6)	199
Long				
Put	4,400	—		
205*		—*	406	201
Total	—	—	414	414

Notes)

- Information on equity derivatives transactions other than the above-mentioned transactions is omitted because of no transactions.
- Calculation methods for the fair value
 - Equity index futures
The fair value is based on the closing price at major exchanges.
 - Equity index options
The fair value is based on the closing price at major exchanges.
- Amounts with an asterisk (*) represent the amount of the option premiums.

4. Bond derivatives

(Millions of yen)

	Notional amount	Due after 1 year of notional amount	Fair value	Unrealized gains (losses)
Market transactions:				
Bond futures:				
Long	1,500	—	3	3
Total	—	—	3	3

Notes)

- Information on bond derivatives transactions other than the above-mentioned transactions is omitted because of no transactions.
- Calculation methods for the fair value
The fair value is based on the closing price at major exchanges.

5. Commodity derivatives

None.

6. Others

(Millions of yen)

	Notional amount	Due after 1 year of notional amount	Fair value	Unrealized gains (losses)
Over-the-counter transactions:				
Credit derivatives:				
Short	7,000	7,000	18	18
Long	3,000	1,000	3	3
Weather derivatives:				
Short	480	—		
	28*	—*	(14)	13
Earthquake derivatives:				
Short	5,000	1,050		
	141*	21*	(24)	116
Long	3,555	3,033		
	366*	290*	138	(227)
Total	—	—	121	(75)

Notes)

1. Calculation methods for the fair value

(1) Credit derivatives

The fair value is based on the price quoted by counterparties.

(2) Weather derivatives

The fair value is calculated based on the contract term and the element of the contract.

(3) Earthquake derivatives

The fair value is calculated based on the contract term and the element of the contract.

2. Amounts with an asterisk (*) represent the amount of the option premiums.

4. Interim Financial Statements (Non-consolidated)**(1) Interim Balance Sheets (Non-consolidated)**

(Millions of yen)	
As of September 30, 2010	
Assets:	
Current assets:	
Cash and bank deposits	2,269
Accounts receivable	240
Total current assets	<u>2,509</u>
Fixed assets:	
Tangible fixed assets	275
Investments and other assets:	
Investments in subsidiaries and affiliates	878,799
Others	67
Total investments and other assets	<u>878,866</u>
Total fixed assets	<u>879,142</u>
Total assets	<u>881,652</u>
Liabilities:	
Current liabilities:	
Short-term borrowings	2,200
Income taxes payable	7
Reserve for bonus payments	104
Others	123
Total current liabilities	<u>2,435</u>
Total liabilities	<u>2,435</u>
Net assets:	
Shareholders' equity:	
Common stock	100,045
Capital surplus:	
Capital reserves	25,045
Other capital surplus	751,814
Total capital surplus	<u>776,859</u>
Retained earnings:	
Other retained earnings:	
Retained earnings carried forward	476
Total retained earnings	<u>476</u>
Treasury stock	<u>(527)</u>
Total shareholders' equity	<u>876,854</u>
Stock acquisition rights	<u>2,362</u>
Total net assets	<u>879,217</u>
Total liabilities and net assets	<u>881,652</u>

(2) Interim Statements of Income (Non-consolidated)

	(Millions of yen)
	Six months ended September 30, 2010 (April 1 to September 30, 2010)
Operating income:	
Dividends received from subsidiaries and affiliates	1,200
Fees received from subsidiaries and affiliates	1,223
Total operating income	<u>2,423</u>
Operating expenses:	
Operating, general and administrative expenses	1,235
Total operating expenses	<u>1,235</u>
Operating profit	<u>1,187</u>
Non-operating income	0
Non-operating expenses:	
Amortization of establishment costs	704
Others	4
Total non-operating expenses	<u>709</u>
Ordinary profit	<u>478</u>
Income before income taxes	<u>478</u>
Income taxes	1
Total income taxes	<u>1</u>
Net income	<u>476</u>

(3) Interim Statements of Changes in Net Assets (Non-consolidated)

	(Millions of yen)
	Six months ended September 30, 2010 (April 1 to September 30, 2010)
Shareholders' equity:	
Common stock:	
Balance at the beginning of the period	—
Changes during the period	
Issuance of new stocks - exercise of stock acquisition rights	45
Increase due to share exchange	100,000
Total changes during the period	100,045
Balance at the end of the period	100,045
Capital surplus:	
Capital reserves	
Balance at the beginning of the period	—
Changes during the period	
Issuance of new stocks - exercise of stock acquisition rights	45
Increase due to share exchange	25,000
Total changes during the period	25,045
Balance at the end of the period	25,045
Other capital surplus:	
Balance at the beginning of the period	—
Changes during the period	
Disposal of treasury stock	31
Increase due to share exchange	751,782
Total changes during the period	751,814
Balance at the end of the period	751,814
Retained earnings:	
Other retained earnings:	
Retained earnings carried forward:	
Balance at the beginning of the period	—
Changes during the period	
Net income	476
Total changes during the period	476
Balance at the end of the period	476
Treasury stock:	
Balance at the beginning of the period	—
Changes during the period	
Acquisition of treasury stock	(708)
Disposal of treasury stock	180
Total changes during the period	(527)
Balance at the end of the period	(527)

	(Millions of yen)
	Six months ended September 30, 2010 (April 1 to September 30, 2010)
Total shareholders' equity:	
Balance at the beginning of the period	—
Changes during the period	
Issuance of new stocks - exercise of stock acquisition rights	91
Net income	476
Acquisition of treasury stock	(708)
Disposal of treasury stock	212
Increase due to share exchange	876,782
Total changes during the period	<u>876,854</u>
Balance at the end of the period	<u>876,854</u>
Stock acquisition rights:	
Balance at the beginning of the period	—
Changes during the period	
Net changes in items other than shareholders' equity	2,362
Total changes during the period	<u>2,362</u>
Balance at the end of the period	<u>2,362</u>
Total net assets:	
Balance at the beginning of the period	—
Changes during the period	
Issuance of new stocks - exercise of stock acquisition rights	91
Net income	476
Acquisition of treasury stock	(708)
Disposal of treasury stock	212
Increase due to share exchange	876,782
Net changes in items other than shareholders' equity	2,362
Total changes during the period	<u>879,217</u>
Balance at the end of the period	<u>879,217</u>

(4) Notes on Going-Concern Assumption
None.

5. Supplementary Information

(1) Summary of Results of Operations

(Millions of yen)

	Six months ended September 30, 2010 (April 1 to September 30, 2010)
Ordinary income and expenses:	
Underwriting income:	1,261,384
Net premiums written	987,832
Deposits of premiums by policyholders	79,398
Life insurance premiums written	108,905
Underwriting expenses:	1,048,058
Net claims paid	607,279
Loss adjustment expenses	65,449
Net commissions and brokerage fees	176,065
Maturity refunds to policyholders	165,853
Life insurance claims paid	28,735
Investment income:	63,222
Interest and dividend income	78,453
Gains on sales of securities	5,839
Investment expenses:	24,913
Losses on sales of securities	2,201
Impairment losses on securities	6,827
Operating, general and administrative expenses	212,008
Other ordinary income and expenses	(737)
Ordinary profit	38,888
Extraordinary gains and losses:	
Extraordinary gains	2,015
Extraordinary losses	4,923
Net extraordinary losses	(2,908)
Income before income taxes and non-controlling interests	35,980
Income taxes	2,793
Deferred income taxes	9,250
Total income taxes	12,043
Income before non-controlling interests	23,936
Non-controlling interests	(180)
Net income	24,116

(2) Premiums Written and Claims Paid by Lines of Business (Consolidated)

Direct premiums written (including deposits of premiums by policyholders)

(Millions of yen)

Business line	Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	% of total amount	Rate of change
Fire and allied insurance	175,867	15.5	—
Marine insurance	29,665	2.6	—
Personal accident insurance	151,217	13.4	—
Voluntary automobile insurance	491,237	43.4	—
Compulsory automobile liability insurance	130,407	11.5	—
Others	153,474	13.6	—
Total	1,131,870	100.0	—
Deposits of premiums by policyholders	79,398	7.0	—

Net premiums written

(Millions of yen)

Business line	Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	% of total amount	Rate of change
Fire and allied insurance	114,169	11.6	—
Marine insurance	23,893	2.4	—
Personal accident insurance	96,874	9.8	—
Voluntary automobile insurance	490,656	49.7	—
Compulsory automobile liability insurance	124,069	12.6	—
Others	138,170	14.0	—
Total	987,832	100.0	—

Net claims paid

(Millions of yen)

Business line	Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	% of total amount	Rate of change
Fire and allied insurance	48,136	7.9	—
Marine insurance	11,798	1.9	—
Personal accident insurance	50,343	8.3	—
Voluntary automobile insurance	299,816	49.4	—
Compulsory automobile liability insurance	114,290	18.8	—
Others	82,893	13.7	—
Total	607,279	100.0	—

Note to the above three tables:

The above figures represent amounts before offsetting internal transactions among consolidated segments.

(3) Life Insurance Business (Consolidated)

Life insurance premiums

(Millions of yen)

	Six months ended September 30, 2010 (April 1 to September 30, 2010)	
	Amount	Rate of change
Life insurance premiums	108,905	— %

Note) The above figures represent amounts before offsetting internal transactions among consolidated segments.

Total amount of policies in force

(Millions of yen)

	As of September 30, 2010	
	Amount	Rate of change
Individual insurance	15,902,856	— %
Individual annuities	277,171	—
Group insurance	3,024,206	—
Group annuities	—	—

Notes)

1. The above figures represent amounts before offsetting internal transactions among consolidated segments.
2. Amount of "Individual annuities" represents the sum of annuity fund at the beginning of annuity payment of contracts before the beginning of annuity payment and policy reserves for the contracts after the beginning of annuity payment.

Total amount of new policies

(Millions of yen)

	Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Net increase by new policies and conversion	New policies	Net increase by conversion
Individual insurance	1,536,763	1,536,763	—
Individual annuities	6,580	6,580	—
Group insurance	17,702	17,702	—
Group annuities	—	—	—

Notes)

1. The above figures represent amounts before offsetting internal transactions among consolidated segments.
2. Amount of "Net increase by new policies and conversion" for "Individual annuities" represents the amount of annuity fund at the beginning of annuity payment.

Annualized premiums of new policies (individual insurance and individual annuities)

(Millions of yen)

	Six months ended September 30, 2010 (April 1 to September 30, 2010)	
	Amount	Rate of change
Annualized premiums of new policies	18,031	— %

Note) The above figures represent amounts before offsetting internal transactions among consolidated segments.

Note Regarding Forward-looking Statements

This document includes “forward-looking statements” that reflect the information in relation to the NKSJ Holdings, Inc. (“NKSJ”). To the extent that statements in this document do not relate to historical or current facts, they constitute forward-looking statements. These forward-looking statements are based on the current assumptions and beliefs of NKSJ in light of the information currently available to NKSJ, and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause the actual results, performance, achievements or financial position of NKSJ, as the case may be, to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. NKSJ does not undertake or will not undertake any obligation to publicly update any forward-looking statements after the date of this document. Investors are advised to consult any further disclosures by NKSJ in their subsequent domestic filings in Japan and filings with, or submissions to, the U.S. Securities Exchange Commission pursuant to the U.S. Securities Exchange Act of 1934.

The risks, uncertainties and other factors referred to above include, but are not limited to, those below. The risks, uncertainties and other factors are also referred to in our domestic Quarterly Securities Reports.

- (1) Effects of deterioration of economic and business conditions in Japan
- (2) Risk of intensification of competition in the property and casualty insurance business
- (3) Changes to laws, regulations, and systems
- (4) Natural catastrophe risks related to insurance products
- (5) Occurrence of losses exceeding projection
- (6) Reinsurance risk
- (7) Effects of declining stock price
- (8) Effects of fluctuation in interest rate
- (9) Credit risk
- (10) Effects of fluctuation in foreign exchange rate
- (11) Liquidity risk
- (12) Life insurance business risks
- (13) Overseas business risk
- (14) Non-insurance business risk
- (15) Credit rating downgrade
- (16) Business interruption risk in case of natural disasters, etc.
- (17) Information security risk
- (18) Reputational risk
- (19) System integration risk
- (20) Risk of failure to adequately realize business integration synergies
- (21) Risks related to merger of life insurance subsidiaries
- (22) Other risks