

**UNOFFICIAL TRANSLATION**

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Summary of Consolidated Financial Results  
for the six months ended September 30, 2010

Supplementary Information

November 19, 2010

NKSJ Holdings, Inc.

( Stock code number : 8630 )

## Summary of Consolidated Financial Results for the six months ended September 30, 2010

## Supplementary Information Contents

## 1. Overview of Consolidated Financial Results for the six months ended September 30, 2010

**NKSJ Holdings, Inc.**

<b>Overview of Consolidated Financial Results for the six months ended September 30, 2010</b> .....	3
<b>Summary of Results of Operations by Lines of Business Segments</b> .....	3

**Sompo Japan Insurance Inc. (Non-consolidated)**

<b>Overview of Financial Results for the six months ended September 30, 2010</b> .....	4
Summary of Results of Operations .....	4
Premiums Written and Claims Paid by Lines of Business .....	5
Net Incurred Loss related to Natural Disasters (which occurred in the period) .....	6
Breakdown of Operating, General and Administrative Expenses and Loss Adjustment Expenses .....	6
Reserve for Outstanding Losses and Claims .....	6
Ordinary Underwriting Reserves .....	6
Catastrophic Loss Reserve .....	6

**NIPPONKOA Insurance Co., Ltd. (Non-consolidated)**

<b>Overview of Financial Results for the six months ended September 30, 2010</b> .....	7
Summary of Results of Operations .....	7
Premiums Written and Claims Paid by Lines of Business .....	8
Net Incurred Loss related to Natural Disasters (which occurred in the period) .....	9
Breakdown of Operating, General and Administrative Expenses and Loss Adjustment Expenses .....	9
Reserve for Outstanding Losses and Claims .....	9
Ordinary Underwriting Reserves .....	9
Catastrophic Loss Reserve .....	9

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

NKSJ Holdings, Inc. (Consolidated) .....	10
Sompo Japan Insurance Inc. (Non-consolidated) .....	10
NIPPONKOA Insurance Co., Ltd. (Non-consolidated) .....	10

## 3. Overview of Business Results of Principal Consolidated Subsidiaries

<b>Sompo Japan Insurance Inc. (Non-consolidated)</b> .....	11
Interim Balance Sheets .....	11
Interim Statements of Income .....	12
Premiums Written and Claims Paid by Lines of Business .....	13
Solvency Margin Ratio .....	14
Exposure to Structured Finance (As of September 30, 2010) .....	15
<b>NIPPONKOA Insurance Co., Ltd. (Non-consolidated)</b> .....	19
Interim Balance Sheets .....	19
Interim Statements of Income .....	20
Premiums Written and Claims Paid by Lines of Business .....	21
Solvency Margin Ratio .....	22
Investments in the securitized paper and subprime loans (As of September 30, 2010) .....	23

<b>SONPO 24 Insurance Co., Ltd. (Non-Consolidated)</b> .....	24
Interim Balance Sheets .....	24
Interim Statements of Income .....	25
Premiums Written and Claims Paid by Lines of Business .....	26
Solvency Margin Ratio .....	27
<b>Saison Automobile and Fire Insurance Company, Limited (Non-consolidated)</b> .....	28
Interim Balance Sheets .....	28
Interim Statements of Income .....	29
Premiums Written and Claims Paid by Lines of Business .....	30
Solvency Margin Ratio .....	31
<b>Sompo Japan Himawari Life Insurance Co., Ltd. (Non-consolidated)</b> .....	32
Interim Balance Sheets .....	32
Interim Statements of Income .....	33
Major Business Results	
(Total amount of policies in force and total amount of new policies, Annualized premiums) .....	34
Solvency Margin Ratio .....	35
<b>NIPPONKOA Life Insurance Co., Ltd. (Non-consolidated)</b> .....	36
Interim Balance Sheets .....	36
Interim Statements of Income .....	37
Major Business Results	
(Total amount of policies in force and total amount of new policies, Annualized premiums) .....	38
Solvency Margin Ratio .....	39
<b>Sompo Japan DIY Life Insurance Co., Ltd. (Non-consolidated)</b> .....	40
Interim Balance Sheets .....	40
Interim Statements of Income .....	41
Major Business Results	
(Total amount of policies in force and total amount of new policies, Annualized premiums) .....	42
Solvency Margin Ratio .....	43
<b>Supplementary Explanation</b> .....	44
Calculation of ratios .....	44
Solvency margin ratio .....	44
<b>4. Supplementary Data about Financial Results for the six months ended September 30, 2010 at Press Conference</b>	
Sompo Japan Insurance Inc. (Non-consolidated) .....	45
NIPPONKOA Insurance Co., Ltd. (Non-consolidated) .....	48
Sompo Japan Insurance Inc. and NIPPONKOA Insurance Co., Ltd. (Combined) .....	51
<b>Note Regarding Forward-looking Statements</b> .....	52

## 1. Overview of Consolidated Financial Results for the six months ended September 30, 2010

NKSJ Holdings, Inc.

Overview of Consolidated Financial Results for the six months ended September 30, 2010

(Millions of yen)

		Six months ended September 30, 2010 (April 1 to September 30, 2010)
Ordinary income:	①	1,329,799
Net premiums written	②	987,832
Life insurance premiums written	③	108,905
Ordinary profit	④	38,888
Net income	⑤	24,116

(Millions of yen)

		Ordinary profit	Net income
Sompo Japan Insurance Inc. (Consolidated)	⑥	22,216	15,355
+			
NIPPONKOA Insurance Co., Ltd. (Consolidated)	⑦	20,444	12,910
+			
Consolidation adjustment	⑧	(3,772)	(4,148)
=			
NKSJ Holdings, Inc. (Consolidated)	⑨	38,888	24,116

Note) The transaction related to the establishment of NKSJ Holdings, Inc. is accounted for under the purchase method as accounting methods for business combination.  
The major component of the above "Consolidation adjustment" is the amount of adjustments due to the application of the purchase method.

### Summary of Results of Operations by Lines of Business Segments

(Millions of yen)

		Property and casualty insurance business				Life insurance business	Others	Total
		Domestic property and casualty insurance business		Overseas property and casualty insurance business				
		Sompo Japan	NIPPONKOA					
Net premiums written	⑩	972,875	643,682	316,583	14,957	—	—	987,832
Life insurance premiums written	⑪	—	—	—	—	108,905	—	108,905
Ordinary profit	⑫	41,929	25,331	17,584	496	(2,369)	(1,167)	38,888
Net income	⑬	27,467	17,230	11,064	149	(2,379)	(1,121)	24,116

Note) Ordinary profit and net income represent amounts after consolidation adjustments.

## Sompo Japan Insurance Inc. (Non-consolidated)

## Overview of Financial Results for the six months ended September 30, 2010

## Summary of Results of Operations

(Millions of yen)

		Six months ended September 30, 2009 (April 1 to September 30, 2009)	Six months ended September 30, 2010 (April 1 to September 30, 2010)	Increase (Decrease)	Rate of change
Ordinary income and expenses:					
Underwriting income and expenses:					
Direct premiums written (including deposits of premiums by policyholders)	①	727,313	737,131	9,817	1.3 %
Direct premiums written	②	673,086	677,684	4,598	0.7
(+) Net premiums written	③	641,665	643,682	2,017	0.3
(-) Net claims paid	④	440,894	399,085	(41,808)	(9.5)
(-) Loss adjustment expenses	⑤	38,347	46,843	8,496	22.2
(-) Net commissions and brokerage fees	⑥	107,227	107,566	339	0.3
(+) Deposits of premiums by policyholders	⑦	54,227	59,446	5,218	9.6
(+) Interest and dividend income on deposits of premiums, etc.	⑧	21,141	19,612	(1,529)	(7.2)
(-) Maturity refunds and dividends to policyholders	⑨	74,707	109,736	35,029	46.9
(-) Provision for reserve for outstanding losses and claims	⑩	(72,297)	(33,344)	38,953	—
(-) Provision for underwriting reserves	⑪	(10,780)	(31,319)	(20,538)	—
(+) Other underwriting income and expenses	⑫	(7,102)	(682)	6,420	—
Gross underwriting margin	⑬	131,834	123,491	(8,342)	(6.3)
Operating, general and administrative expenses related to underwriting	⑭	111,925	107,074	(4,850)	(4.3)
Other income and expenses	⑮	(1,701)	(2,243)	(542)	—
Underwriting profit	⑯	18,207	14,173	(4,034)	(22.2)
Investment income and expenses:					
(+) Interest and dividend income	⑰	46,319	43,199	(3,120)	(6.7)
(+) Investment gains and losses on money trusts	⑱	(1,262)	(414)	848	—
(+) Gains and losses on sales of securities	⑲	1,216	1,456	240	19.8
(-) Impairment losses on securities	⑳	4,148	3,789	(359)	(8.7)
(+) Transfer of interest and dividend income on deposits of premiums, etc.	㉑	(21,141)	(19,612)	1,529	—
(+) Gains and losses on derivatives	㉒	7,329	7,044	(284)	(3.9)
(+) Other investment income and expenses	㉓	(9,066)	(12,750)	(3,684)	—
Gross investment margin	㉔	19,245	15,133	(4,112)	(21.4)
(-) Operating, general and administrative expenses	㉕	118,006	112,706	(5,299)	(4.5)
(+) Other ordinary income and expenses	㉖	(934)	(813)	121	—
Ordinary profit	㉗	32,138	25,105	(7,033)	(21.9)
Extraordinary gains and losses:					
(+) Extraordinary gains	㉘	15,205	3,129	(12,075)	(79.4)
(-) Extraordinary losses	㉙	3,156	2,392	(763)	(24.2)
Net extraordinary gains	㉚	12,049	737	(11,312)	(93.9)
Income before income taxes	㉛	44,188	25,842	(18,345)	(41.5)
(-) Income taxes	㉜	257	218	(39)	(15.1)
(-) Refunded income taxes for prior period	㉝	(733)	—	733	—
(-) Deferred income taxes	㉞	13,948	7,309	(6,638)	(47.6)
Total income taxes	㉟	13,472	7,528	(5,944)	(44.1)
Net income	㊱	30,715	18,313	(12,401)	(40.4)

Underwriting result:					
(+) Net premiums written	⑳	641,665	643,682	2,017	0.3
(-) Net claims paid	㉑	440,894	399,085	(41,808)	(9.5)
(-) Loss adjustment expenses	㉒	38,347	46,843	8,496	22.2
(-) Operating expenses:	㉓	219,152	214,641	(4,511)	(2.1)
Net commissions and brokerage fees	㉔	107,227	107,566	339	0.3
Operating, general and administrative expenses related to underwriting	㉕	111,925	107,074	(4,850)	(4.3)
Underwriting result	㉖	(56,728)	(16,887)	39,840	—
Ratios:					
Net loss ratio	(%) ㉗	74.7	69.3	(5.4)	
Net expense ratio	(%) ㉘	34.2	33.3	(0.8)	
Underwriting result ratio	(%) ㉙	(8.8)	(2.6)	6.2	

## Sompo Japan Insurance Inc. (Non-consolidated)

## Premiums Written and Claims Paid by Lines of Business

## Direct premiums written (excluding deposits of premiums by policyholders)

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	85,962	12.8 %	(1.3) %	83,312	12.3 %	(3.1) %
Marine insurance	14,498	2.2	(26.7)	16,095	2.4	11.0
Personal accident insurance	68,055	10.1	(1.5)	68,042	10.0	(0.0)
Voluntary automobile insurance	321,841	47.8	(2.7)	319,815	47.2	(0.6)
Compulsory automobile liability insurance	88,480	13.1	(16.5)	90,794	13.4	2.6
Others	94,248	14.0	(0.1)	99,624	14.7	5.7
Total	673,086	100.0	(4.8)	677,684	100.0	0.7
Deposits of premiums by policyholders	54,227	—	(26.7)	59,446	—	9.6

## Net premiums written

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	67,676	10.5 %	(3.2) %	67,519	10.5 %	(0.2) %
Marine insurance	12,167	1.9	(27.5)	12,939	2.0	6.3
Personal accident insurance	67,482	10.5	(1.6)	67,788	10.5	0.5
Voluntary automobile insurance	322,609	50.3	(2.1)	319,777	49.7	(0.9)
Compulsory automobile liability insurance	82,320	12.8	(18.3)	85,466	13.3	3.8
Others	89,407	13.9	0.1	90,191	14.0	0.9
Total	641,665	100.0	(4.9)	643,682	100.0	0.3

## Net claims paid

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	Rate of change	Net loss ratio	Amount	Rate of change	Net loss ratio
Fire and allied insurance	28,980	1.5 %	44.5 %	27,943	(3.6) %	43.3 %
Marine insurance	6,320	(12.6)	56.5	7,448	17.8	61.2
Personal accident insurance	33,179	0.1	54.3	34,190	3.0	55.8
Voluntary automobile insurance	194,223	(2.0)	67.6	190,544	(1.9)	69.4
Compulsory automobile liability insurance	77,744	(4.7)	101.8	78,071	0.4	98.8
Others	100,444	139.0	116.1	60,887	(39.4)	71.8
Total	440,894	12.8	74.7	399,085	(9.5)	69.3

## Sompo Japan Insurance Inc. (Non-consolidated)

## Net Incurred Loss related to Natural Disasters (which occurred in the period)

(Millions of yen)

	Six months ended September 30, 2009			Six months ended September 30, 2010		
	Net claims paid	Reserve for outstanding losses and claims	Net incurred loss	Net claims paid	Reserve for outstanding losses and claims	Net incurred loss
Fire and allied insurance	1,210	300	1,511	1,046	385	1,432
Voluntary automobile insurance	1,252	130	1,383	260	56	316
Others	66	44	110	97	14	111
Total	2,529	475	3,005	1,404	456	1,860

Notes)

1. This table represents net claims paid and reserve for outstanding losses and claims related to natural disasters which occurred in the period.

2. Net incurred loss = Net claims paid + Reserve for outstanding losses and claims

"Reserve for outstanding losses and claims" represents amounts deducting reinsurance recoverable on unpaid loss from direct insurance reserve for outstanding losses and claims.

## Breakdown of Operating, General and Administrative Expenses and Loss Adjustment Expenses

(Millions of yen)

	Six months ended September 30, 2009			Six months ended September 30, 2010		
	Amount	Increase (Decrease)	Rate of change	Amount	Increase (Decrease)	Rate of change
Personnel expenses	82,420	(1,993)	(2.4)	89,881	7,461	9.1
Non-personnel expenses	66,181	(3,211)	(4.6)	61,784	(4,397)	(6.6)
Others	7,751	(436)	(5.3)	7,884	132	1.7
Total	156,353	(5,641)	(3.5)	159,550	3,196	2.0

## Reserve for Outstanding Losses and Claims

(Millions of yen)

	Six months ended September 30, 2009		Six months ended September 30, 2010	
	Balance	Change	Balance	Change
Fire and allied insurance	25,641	(6,962)	25,359	(973)
Marine insurance	12,244	(407)	11,103	(729)
Personal accident insurance	49,219	(1,417)	54,333	691
Voluntary automobile insurance	298,650	4,073	305,687	3,628
Compulsory automobile liability insurance	55,775	(1,543)	55,210	(608)
Others	244,708	(66,040)	202,763	(35,353)
Total	686,240	(72,297)	654,456	(33,344)

Notes)

1. "Balance" of financial guarantee insurance is included in "Others".

Six months ended September 30, 2009: 75,127 million yen

Six months ended September 30, 2010: 47,260 million yen

2. "Change" of financial guarantee insurance is included in "Others".

Six months ended September 30, 2009: (65,055) million yen

Six months ended September 30, 2010: (33,404) million yen

## Ordinary Underwriting Reserves

(Millions of yen)

	Six months ended September 30, 2009		Six months ended September 30, 2010	
	Balance	Change	Balance	Change
Fire and allied insurance	493,842	(6,806)	489,156	(5,365)
Marine insurance	10,477	557	9,412	636
Personal accident insurance	79,480	7,066	83,576	6,784
Voluntary automobile insurance	188,585	(1,825)	185,107	1,555
Compulsory automobile liability insurance	405,704	(19,324)	367,201	(19,413)
Others	200,715	11,350	206,951	13,214
Total	1,378,806	(8,981)	1,341,405	(2,588)

Note)

This table excludes reserve for maturity refunds and reserve for dividends to policyholders of savings-type insurance and includes underwriting reserves of household earthquake and compulsory automobile liability insurance.

## Catastrophic Loss Reserve

(Millions of yen)

	Six months ended September 30, 2009				Six months ended September 30, 2010				Year ended March 31, 2010	
	Reversal	Provision	Balance	Balance ratio	Reversal	Provision	Balance	Balance ratio	Balance	Balance ratio
Fire and allied insurance	—	9,388	138,939	105.1	—	9,554	158,079	119.9	148,525	105.4
Marine insurance	—	454	25,795	106.0	280	474	26,425	102.1	26,231	110.5
Personal accident insurance	159	2,112	89,638	66.4	946	2,125	85,766	63.3	84,587	67.5
Voluntary automobile insurance	33,938	19,611	33,182	5.1	31,552	19,472	26,528	4.1	38,609	6.0
Others	1,168	6,072	92,605	51.8	741	6,113	102,105	56.6	96,733	60.2
Total	35,265	37,639	380,162	34.1	33,521	37,740	398,906	35.8	394,687	36.2

Note)

Balance ratio = Balance of catastrophic loss reserve / Net premiums written (excluding household earthquake and compulsory automobile liability insurance) × 100  
As for the interim fiscal year, net premiums written are doubled for the calculation of balance ratio.

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## Overview of Financial Results for the six months ended September 30, 2010

## Summary of Results of Operations

(Millions of yen)

		Six months ended September 30, 2009 (April 1 to September 30, 2009)	Six months ended September 30, 2010 (April 1 to September 30, 2010)	Increase (Decrease)	Rate of change
Ordinary income and expenses:					
Underwriting income and expenses:					
Direct premiums written (including deposits of premiums by policyholders)	(1)	353,205	353,189	(15)	(0.0) %
Direct premiums written	(2)	335,424	333,562	(1,862)	(0.6)
(+) Net premiums written	(3)	319,749	316,583	(3,165)	(1.0)
(-) Net claims paid	(4)	194,075	194,837	762	0.4
(-) Loss adjustment expenses	(5)	17,577	17,628	51	0.3
(-) Net commissions and brokerage fees	(6)	54,069	52,746	(1,323)	(2.4)
(+) Deposits of premiums by policyholders	(7)	17,780	19,627	1,846	10.4
(+) Interest and dividend income on deposits of premiums, etc.	(8)	11,575	10,419	(1,155)	(10.0)
(-) Maturity refunds and dividends to policyholders	(9)	58,508	55,661	(2,847)	(4.9)
(-) Reversal of reserve for outstanding losses and claims	(10)	(10,649)	(4,031)	6,617	-
(-) Reversal of underwriting reserves	(11)	(43,664)	(42,272)	1,391	-
(+) Other underwriting income and expenses	(12)	(217)	(1,039)	(822)	-
Gross underwriting margin	(13)	78,970	71,021	(7,949)	(10.1)
Operating, general and administrative expenses related to underwriting	(14)	59,015	59,118	103	0.2
Other income and expenses	(15)	(1,382)	(796)	586	-
Underwriting profit	(16)	18,573	11,107	(7,466)	(40.2)
Investment income and expenses:					
(+) Interest and dividend income	(17)	22,722	21,644	(1,077)	(4.7)
(+) Investment gains and losses on money trusts	(18)	530	471	(58)	(11.1)
(+) Gains and losses on sales of securities	(19)	5,130	1,784	(3,345)	(65.2)
(-) Impairment losses on securities	(20)	363	1,177	813	223.5
(+) Transfer of interest and dividend income on deposits of premiums, etc.	(21)	(11,575)	(10,419)	1,155	-
(+) Gains and losses on derivatives	(22)	1,147	997	(150)	(13.1)
(+) Other investment income and expenses	(23)	(3,324)	(1,961)	1,363	-
Gross investment margin	(24)	14,266	11,339	(2,927)	(20.5)
(-) Operating, general and administrative expenses	(25)	62,080	62,153	73	0.1
(+) Other ordinary income and expenses	(26)	25	338	313	1,243.0
Ordinary profit	(27)	31,182	20,546	(10,636)	(34.1)
Extraordinary gains and losses:					
(+) Extraordinary gains	(28)	169	600	431	254.9
(-) Extraordinary losses	(29)	3,809	2,204	(1,605)	(42.1)
Net extraordinary losses	(30)	(3,640)	(1,603)	2,036	-
Income before income taxes	(31)	27,541	18,942	(8,599)	(31.2)
(-) Income taxes	(32)	6,475	1,244	(5,231)	(80.8)
(-) Refunded income taxes for prior period	(33)	-	-	-	-
(-) Deferred income taxes	(34)	2,569	4,548	1,978	77.0
Total income taxes	(35)	9,045	5,793	(3,252)	(36.0)
Net income	(36)	18,496	13,148	(5,347)	(28.9)

Underwriting result:					
(+) Net premiums written	(37)	319,749	316,583	(3,165)	(1.0)
(-) Net claims paid	(38)	194,075	194,837	762	0.4
(-) Loss adjustment expenses	(39)	17,577	17,628	51	0.3
(-) Operating expenses:	(40)	113,084	111,864	(1,219)	(1.1)
Net commissions and brokerage fees	(41)	54,069	52,746	(1,323)	(2.4)
Operating, general and administrative expenses related to underwriting	(42)	59,015	59,118	103	0.2
Underwriting result	(43)	(4,987)	(7,747)	(2,759)	-
Ratios:					
Net loss ratio	(%) (44)	66.2	67.1	0.9	
Net expense ratio	(%) (45)	35.4	35.3	(0.1)	
Underwriting result ratio	(%) (46)	(1.6)	(2.4)	(0.8)	



## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## Premiums Written and Claims Paid by Lines of Business

## Direct premiums written (excluding deposits of premiums by policyholders)

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	55,255	16.5 %	(5.0) %	55,550	16.7 %	0.5 %
Marine insurance	6,859	2.0	(30.4)	7,410	2.2	8.0
Personal accident insurance	27,236	8.1	(5.5)	26,810	8.0	(1.6)
Voluntary automobile insurance	160,714	47.9	(1.8)	158,024	47.4	(1.7)
Compulsory automobile liability insurance	38,816	11.6	(15.1)	39,452	11.8	1.6
Others	46,542	13.9	(3.7)	46,314	13.9	(0.5)
Total	335,424	100.0	(5.4)	333,562	100.0	(0.6)
Deposits of premiums by policyholders	17,780	—	(52.7)	19,627	—	10.4

## Net premiums written

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	43,771	13.7 %	(5.5) %	42,394	13.4 %	(3.1) %
Marine insurance	6,646	2.1	(28.3)	6,948	2.2	4.5
Personal accident insurance	27,583	8.6	(5.0)	27,340	8.6	(0.9)
Voluntary automobile insurance	160,451	50.2	(1.9)	157,942	49.9	(1.6)
Compulsory automobile liability insurance	37,132	11.6	(18.1)	38,280	12.1	3.1
Others	44,164	13.8	(3.4)	43,679	13.8	(1.1)
Total	319,749	100.0	(5.7)	316,583	100.0	(1.0)

## Net claims paid

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	Rate of change	Net loss ratio	Amount	Rate of change	Net loss ratio
Fire and allied insurance	20,526	5.4 %	50.5 %	19,076	(7.1) %	48.6 %
Marine insurance	3,398	3.8	53.4	2,930	(13.7)	44.1
Personal accident insurance	15,323	(6.3)	60.8	15,230	(0.6)	60.7
Voluntary automobile insurance	97,268	0.4	66.4	101,635	4.5	70.5
Compulsory automobile liability insurance	35,612	(4.9)	103.1	35,912	0.8	100.9
Others	21,945	(9.3)	55.2	20,051	(8.6)	51.0
Total	194,075	(1.8)	66.2	194,837	0.4	67.1

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## Net Incurred Loss related to Natural Disasters (which occurred in the period)

(Millions of yen)

	Six months ended September 30, 2009			Six months ended September 30, 2010		
	Net claims paid	Reserve for outstanding losses and claims	Net incurred loss	Net claims paid	Reserve for outstanding losses and claims	Net incurred loss
Fire and allied insurance	1,426	810	2,236	1,312	413	1,725
Voluntary automobile insurance	564	58	623	124	17	141
Others	157	95	253	119	352	471
Total	2,148	964	3,113	1,557	782	2,339

Notes)

1. This table represents net claims paid and reserve for outstanding losses and claims related to natural disasters which occurred in the period.

2. Net incurred loss = Net claims paid + Reserve for outstanding losses and claims

"Reserve for outstanding losses and claims" represents amounts deducting reinsurance recoverable on unpaid loss from direct insurance reserve for outstanding losses and claims.

## Breakdown of Operating, General and Administrative Expenses and Loss Adjustment Expenses

(Millions of yen)

	Six months ended September 30, 2009			Six months ended September 30, 2010		
	Amount	Increase (Decrease)	Rate of change	Amount	Increase (Decrease)	Rate of change
Personnel expenses	42,587	1,178	2.8	44,369	1,781	4.2
Non-personnel expenses	33,122	(784)	(2.3)	31,469	(1,653)	(5.0)
Others	3,947	(179)	(4.3)	3,943	(3)	(0.1)
Total	79,657	214	0.3	79,782	124	0.2

## Reserve for Outstanding Losses and Claims

(Millions of yen)

	Six months ended September 30, 2009		Six months ended September 30, 2010	
	Balance	Change	Balance	Change
Fire and allied insurance	22,628	(4,382)	20,443	(1,768)
Marine insurance	8,111	(467)	5,262	(1,176)
Personal accident insurance	20,398	(1,708)	18,171	(1,092)
Voluntary automobile insurance	134,642	(5,138)	131,684	1,048
Compulsory automobile liability insurance	25,639	(663)	25,526	(190)
Others	60,956	1,711	62,752	(851)
Total	272,377	(10,649)	263,840	(4,031)

## Ordinary Underwriting Reserves

(Millions of yen)

	Six months ended September 30, 2009		Six months ended September 30, 2010	
	Balance	Change	Balance	Change
Fire and allied insurance	356,610	(4,627)	358,455	(4,232)
Marine insurance	5,339	(516)	4,797	787
Personal accident insurance	30,521	1,842	31,041	2,144
Voluntary automobile insurance	91,896	(2,058)	91,586	(109)
Compulsory automobile liability insurance	186,223	(8,960)	168,363	(8,763)
Others	82,480	3,273	80,254	2,889
Total	753,071	(11,047)	734,499	(7,284)

Note)

This table excludes reserve for maturity refunds and reserve for dividends to policyholders of savings-type insurance and includes underwriting reserves of household earthquake and compulsory automobile liability insurance.

## Catastrophic Loss Reserve

(Millions of yen)

	Six months ended September 30, 2009				Six months ended September 30, 2010				Year ended March 31, 2010	
	Reversal	Provision	Balance	Balance ratio	Reversal	Provision	Balance	Balance ratio	Balance	Balance ratio
Fire and allied insurance	—	2,963	117,544	137.7	—	2,865	124,003	150.2	121,138	128.4
Marine insurance	—	305	18,941	142.5	301	307	19,035	137.0	19,028	141.1
Personal accident insurance	1,851	862	24,659	44.7	1,890	855	19,981	36.5	21,016	41.5
Voluntary automobile insurance	16,142	11,070	17,285	5.4	21,861	10,889	10,936	3.5	21,909	6.9
Others	294	2,119	50,200	56.8	394	2,107	53,214	60.9	51,501	64.6
Total	18,288	17,322	228,632	40.6	24,448	17,025	227,170	41.0	234,593	42.1

Note)

Balance ratio = Balance of catastrophic loss reserve / Net premiums written (excluding household earthquake and compulsory automobile liability insurance) × 100  
As for the interim fiscal year, net premiums written are doubled for the calculation of balance ratio.

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

NKSJ Holdings, Inc. (Consolidated)

(Yen in hundred millions)

	Fiscal year ended March 31, 2010 Result	Fiscal year ending March 31, 2011 Original forecast (A)	Fiscal year ending March 31, 2011 Revised forecast (B)	Increase (Decrease) (B)-(A)
Full-year				
Ordinary income:	—	26,420	26,250	(170)
Net premiums written	—	19,620	19,520	(100)
Life insurance premiums written	—	1,820	2,060	240
Ordinary profit	—	480	480	—
Net income	—	250	250	—
Dividends per share	— yen	20 yen	20 yen	— yen

Fiscal year ending March 31, 2011

Revised forecast

	Ordinary profit	Net income
Sompo Japan Insurance Inc. (Consolidated)	430	220
+		
NIPPONKOA Insurance Co., Ltd. (Consolidated)	220	130
+		
Consolidation adjustment	(170)	(100)
=		
NKSJ Holdings, Inc. (Consolidated)	480	250

&lt; Note to consolidation adjustment &gt;

The transaction related to the establishment of NKSJ Holdings, Inc. is accounted for under the purchase method as accounting methods for business combination. The major component of the "Consolidation adjustment" of the consolidated forecasts for the fiscal year ending March 31, 2011 is the amount of adjustments due to the application of the purchase method.

Note) Sompo Japan Insurance Inc. (Consolidated) includes Sompo Japan Nipponkoa Asset Management Co., Ltd.

Sompo Japan Insurance Inc. (Non-consolidated)

(Yen in hundred millions)

	Fiscal year ended March 31, 2010 Result	Fiscal year ending March 31, 2011 Original forecast (A)	Fiscal year ending March 31, 2011 Revised forecast (B)	Increase (Decrease) (B)-(A)
Full-year				
Net premiums written	12,588	12,680	12,650	(30)
(excluding compulsory automobile liability insurance)	10,941	11,045	10,965	(80)
Net loss ratio	73.9%	72.9%	70.8%	(2.2%)
(excluding financial guarantee insurance and compulsory automobile liability insurance)	63.9%	64.0%	63.5%	(0.5%)
Net expense ratio	34.1%	33.1%	33.2%	0.1%
(excluding compulsory automobile liability insurance)	35.2%	34.2%	34.4%	0.2%
Combined ratio	107.9%	106.1%	104.0%	(2.1%)
(excluding financial guarantee insurance and compulsory automobile liability insurance)	99.1%	98.3%	98.0%	(0.3%)
Underwriting profit	(25)	(140)	60	200
Investment income and expenses	652	590	540	(50)
Ordinary profit	503	315	470	155
Net income	427	170	270	100

Note) Net claims paid of financial guarantee insurance is excluded from the figures of net loss ratio and combined ratio, but net premiums written and loss adjustment expenses of it are not excluded.

NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

(Yen in hundred millions)

	Fiscal year ended March 31, 2010 Result	Fiscal year ending March 31, 2011 Original forecast (A)	Fiscal year ending March 31, 2011 Revised forecast (B)	Increase (Decrease) (B)-(A)
Full-year				
Net premiums written	6,333	6,350	6,340	(10)
(excluding compulsory automobile liability insurance)	5,591	5,601	5,594	(7)
Net loss ratio	69.4%	67.5%	69.0%	1.5%
(excluding compulsory automobile liability insurance)	65.0%	62.8%	64.4%	1.6%
Net expense ratio	35.8%	35.6%	35.6%	—
(excluding compulsory automobile liability insurance)	37.3%	37.1%	37.0%	(0.1%)
Combined ratio	105.2%	103.2%	104.6%	1.4%
(excluding compulsory automobile liability insurance)	102.2%	99.9%	101.5%	1.6%
Underwriting profit	22	(20)	(60)	(40)
Investment income and expenses	312	320	320	—
Ordinary profit	293	250	220	(30)
Net income	131	150	130	(20)

### 3. Overview of Business Results of Principal Consolidated Subsidiaries

#### Sompo Japan Insurance Inc. (Non-consolidated)

#### Interim Balance Sheets

(Millions of yen)			
	As of September 30, 2010	As of March 31, 2010	Increase (Decrease)
	Amount	Amount	
<b>Assets:</b>			
Cash and deposits	73,594	118,455	(44,860)
Call loans	57,800	46,800	11,000
Receivables under resale agreements	82,982	61,489	21,492
Monetary receivables bought	33,459	34,585	(1,126)
Money trusts	6,170	6,773	(603)
Securities	3,418,123	3,525,735	(107,612)
Loans	468,196	476,173	(7,976)
Tangible fixed assets	210,865	212,244	(1,379)
Intangible fixed assets	96	758	(662)
Other assets	354,294	437,671	(83,377)
Deferred tax assets	163,130	121,347	41,782
Allowance for possible loan losses	(3,549)	(5,068)	1,519
Allowance for possible investment losses	(7,907)	(7,734)	(172)
<b>Total assets</b>	<b>4,857,255</b>	<b>5,029,232</b>	<b>(171,976)</b>
<b>Liabilities:</b>			
Underwriting funds:	3,732,921	3,797,586	(64,664)
Reserve for outstanding losses and claims	654,456	687,801	(33,344)
Underwriting reserves	3,078,465	3,109,784	(31,319)
Bonds	128,000	128,000	—
Other liabilities	161,779	181,855	(20,075)
Reserve for retirement benefits	79,011	76,741	2,269
Reserve for bonus payments	17,365	13,405	3,959
Reserves under the special laws:	12,621	11,462	1,159
Reserve for price fluctuation	12,621	11,462	1,159
<b>Total liabilities</b>	<b>4,131,699</b>	<b>4,209,051</b>	<b>(77,351)</b>
<b>Net assets:</b>			
Shareholders' equity:			
Common stock	70,000	70,000	—
Capital surplus	24,229	24,229	—
Retained earnings	336,337	338,304	(1,967)
Total shareholders' equity	430,567	432,534	(1,967)
Valuation and translation adjustments:			
Unrealized gains on securities available for sale, net of tax	294,988	386,343	(91,355)
Total valuation and translation adjustments	294,988	386,343	(91,355)
Stock acquisition rights	—	1,302	(1,302)
<b>Total net assets</b>	<b>725,555</b>	<b>820,181</b>	<b>(94,625)</b>
<b>Total liabilities and net assets</b>	<b>4,857,255</b>	<b>5,029,232</b>	<b>(171,976)</b>

## Sompo Japan Insurance Inc. (Non-consolidated)

## Interim Statements of Income

(Millions of yen)

	Six months ended September 30, 2009 (April 1 to September 30, 2009)	Six months ended September 30, 2010 (April 1 to September 30, 2010)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	841,828	827,255	(14,573)	(1.7) %
Underwriting income:	800,641	790,050	(10,591)	(1.3)
Net premiums written	641,665	643,682	2,017	0.3
Deposits of premiums by policyholders	54,227	59,446	5,218	9.6
Interest and dividend income on deposits of premiums, etc.	21,141	19,612	(1,529)	(7.2)
Reversal of reserve for outstanding losses and claims	72,297	33,344	(38,953)	(53.9)
Reversal of underwriting reserves	10,780	31,319	20,538	190.5
Investment income:	37,523	33,840	(3,682)	(9.8)
Interest and dividend income	46,319	43,199	(3,120)	(6.7)
Investment gains on money trusts	0	0	0	3,591.6
Investment gains on trading securities	77	62	(14)	(18.8)
Gains on sales of securities	4,622	3,066	(1,556)	(33.7)
Transfer of interest and dividend income on deposits of premiums, etc.	(21,141)	(19,612)	1,529	—
Other ordinary income	3,663	3,363	(299)	(8.2)
Ordinary expenses:	809,690	802,150	(7,540)	(0.9)
Underwriting expenses:	668,807	666,558	(2,248)	(0.3)
Net claims paid	440,894	399,085	(41,808)	(9.5)
Loss adjustment expenses	38,347	46,843	8,496	22.2
Net commissions and brokerage fees	107,227	107,566	339	0.3
Maturity refunds to policyholders	74,646	109,687	35,041	46.9
Investment expenses:	18,277	18,707	429	2.4
Investment losses on money trusts	1,262	414	(847)	(67.1)
Losses on sales of securities	3,406	1,609	(1,797)	(52.8)
Impairment losses on securities	4,148	3,789	(359)	(8.7)
Operating, general and administrative expenses	118,006	112,706	(5,299)	(4.5)
Other ordinary expenses:	4,598	4,177	(421)	(9.2)
Interest paid	2,492	3,552	1,059	42.5
Ordinary profit	32,138	25,105	(7,033)	(21.9)
Extraordinary gains:	15,205	3,129	(12,075)	(79.4)
Gains on disposal of fixed assets	191	40	(150)	(78.7)
Other extraordinary gains	15,013	3,088	(11,925)	(79.4)
Extraordinary losses:	3,156	2,392	(763)	(24.2)
Losses on disposal of fixed assets	287	206	(81)	(28.3)
Impairment losses	—	259	259	—
Provision for reserves under the special laws:	2,868	1,159	(1,709)	(59.6)
Provision for reserve for price fluctuation	2,868	1,159	(1,709)	(59.6)
Other extraordinary losses	—	767	767	—
Income before income taxes	44,188	25,842	(18,345)	(41.5)
Income taxes	257	218	(39)	(15.1)
Refunded income taxes for prior period	(733)	—	733	—
Deferred income taxes	13,948	7,309	(6,638)	(47.6)
Total income taxes	13,472	7,528	(5,944)	(44.1)
Net income	30,715	18,313	(12,401)	(40.4)
Underwriting result:				
Net premiums written (+)	641,665	643,682	2,017	0.3
Net claims paid (—)	440,894	399,085	(41,808)	(9.5)
Loss adjustment expenses (—)	38,347	46,843	8,496	22.2
Operating expenses: (—)	219,152	214,641	(4,511)	(2.1)
Net commissions and brokerage fees	107,227	107,566	339	0.3
Operating, general and administrative expenses related to underwriting	111,925	107,074	(4,850)	(4.3)
Underwriting result	(56,728)	(16,887)	39,840	—
Underwriting profit	18,207	14,173	(4,034)	(22.2)
Ratios:				
Net loss ratio (%)	74.7	69.3	(5.4)	
Net expense ratio (%)	34.2	33.3	(0.8)	
Underwriting result ratio (%)	(8.8)	(2.6)	6.2	

## Sompo Japan Insurance Inc. (Non-consolidated)

## Premiums Written and Claims Paid by Lines of Business

Direct premiums written (excluding deposits of premiums by policyholders)

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	85,962	12.8 %	(1.3) %	83,312	12.3 %	(3.1) %
Marine insurance	14,498	2.2	(26.7)	16,095	2.4	11.0
Personal accident insurance	68,055	10.1	(1.5)	68,042	10.0	(0.0)
Voluntary automobile insurance	321,841	47.8	(2.7)	319,815	47.2	(0.6)
Compulsory automobile liability insurance	88,480	13.1	(16.5)	90,794	13.4	2.6
Others	94,248	14.0	(0.1)	99,624	14.7	5.7
Total	673,086	100.0	(4.8)	677,684	100.0	0.7
Deposits of premiums by policyholders	54,227	—	(26.7)	59,446	—	9.6

## Net premiums written

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	67,676	10.5 %	(3.2) %	67,519	10.5 %	(0.2) %
Marine insurance	12,167	1.9	(27.5)	12,939	2.0	6.3
Personal accident insurance	67,482	10.5	(1.6)	67,788	10.5	0.5
Voluntary automobile insurance	322,609	50.3	(2.1)	319,777	49.7	(0.9)
Compulsory automobile liability insurance	82,320	12.8	(18.3)	85,466	13.3	3.8
Others	89,407	13.9	0.1	90,191	14.0	0.9
Total	641,665	100.0	(4.9)	643,682	100.0	0.3

## Net claims paid

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	Rate of change	Net loss ratio	Amount	Rate of change	Net loss ratio
Fire and allied insurance	28,980	1.5 %	44.5 %	27,943	(3.6) %	43.3 %
Marine insurance	6,320	(12.6)	56.5	7,448	17.8	61.2
Personal accident insurance	33,179	0.1	54.3	34,190	3.0	55.8
Voluntary automobile insurance	194,223	(2.0)	67.6	190,544	(1.9)	69.4
Compulsory automobile liability insurance	77,744	(4.7)	101.8	78,071	0.4	98.8
Others	100,444	139.0	116.1	60,887	(39.4)	71.8
Total	440,894	12.8	74.7	399,085	(9.5)	69.3

## Sompo Japan Insurance Inc. (Non-consolidated)

## Solvency Margin Ratio

(Millions of yen)

	As of September 30, 2010	As of March 31, 2010
(A) Total Solvency Margin	1,511,968	1,671,429
Capital and funds, etc.	428,908	414,156
Reserve for price fluctuation	12,621	11,462
Contingency reserve	611	611
Catastrophic loss reserve	472,834	466,702
General allowance for possible loan losses	279	992
Unrealized gains on securities (before tax effect deductions)	424,689	536,605
Net unrealized gains and losses on real estate	30,249	52,252
Excess amount of reserve for maturity refunds	—	—
Subordinated debt, etc.	128,000	128,000
Deductions	157,460	101,616
Others	171,234	162,261
(B) Total Risks	401,197	417,827
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
Underwriting risk ( $R_1$ )	83,977	83,975
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance ( $R_2$ )	—	—
Guaranteed interest rate risk ( $R_3$ )	5,332	5,368
Investment risk ( $R_4$ )	168,651	185,633
Business management risk ( $R_5$ )	9,136	9,493
Major catastrophe risk ( $R_6$ )	198,869	199,686
(C) Solvency Margin Ratio		
$[(A) / \{(B) \times 1/2\}] \times 100$	753.7 %	800.0 %

Note) The above figures are calculated based on Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Law and the provisions of Notification No. 50 of the Ministry of Finance (1996).

## Exposure to Structured Finance

### As of September 30, 2010

November 19, 2010

**SOMPO JAPAN INSURANCE INC.**

### Summary of Financial Guarantee Insurance

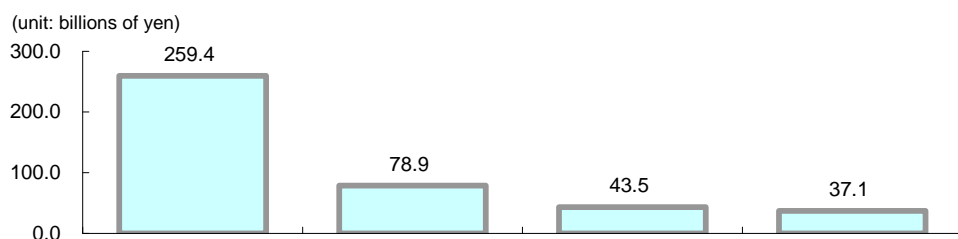
**Gains/Losses for  
FY2010 1H  
(Overall financial guarantee)**
12.6 billion yen gain

※Primarily due to some recovery from the past fiscal year's loss payment for ABS-CDO guarantee.

Overall financial guarantee (Gains/Losses)	(Unit: billions of yen)				
	FY2007	FY2008	FY2009	FY2009 1H	FY2010 1H
Loss payment (*1)	0.1	(37.9)	(63.8)	(59.2)	(18.5)
Provision/Reversal of Loss Reserves (*2)	(30.0)	(109.9)	55.7	60.4	31.1
<b>Gains/Losses</b>	<b>(29.9)</b>	<b>(147.9)</b>	<b>(8.0)</b>	<b>1.1</b>	<b>12.6</b>

\*1 Including commutation. \*2 Including gains/losses of exchange hedge transaction.

**Net exposure  
to ABS-CDOs**

 Net exposure to ABS-CDOs (after deduction of loss reserves) reduced to 37.1 billion yen. (Decreased by 6.4 billion yen since March 31, 2010)


ABS-CDOs (Insured Amount)	(Unit: billions of yen)			
	3/31/2008	3/31/2009	3/31/2010	9/30/2010
Total of Insured Amount	289.4	218.0	123.1	91.0
Outstanding Loss Reserves	(30.0)	(139.0)	(79.5)	(53.9)
<b>Insured Amount Net of Loss Reserves</b>	<b>259.4</b>	<b>78.9</b>	<b>43.5</b>	<b>37.1</b>



## &lt;Appendix 1&gt; Financial Guarantee Insurance

(As of September 30, 2010, Unit: billions of yen, USD/JPY=83.82)

Categories		Insured Amount					Gains/Losses for FY2010 1H <sup>(*)9</sup>
		Direct Insurance <sup>(*)6</sup>	Treaty Reinsurance <sup>(*)7</sup>	Total	Outstanding Loss Reserve <sup>(*)8</sup>	Insured Amount Net of Loss Reserves	
CDOs	ABS CDOs (backed by pools of asset backed securities) <sup>(*)1</sup>	90.5	0.5	91.0	53.9	37.1	13.0
	Corporate CDOs (backed by pools of single corporate credits) <sup>(*)2</sup>	140.4	1.1	141.6	-	141.6	-
	<b>CDOs Total</b>	<b>231.0</b>	<b>1.6</b>	<b>232.6</b>	<b>53.9</b>	<b>178.7</b>	<b>13.0</b>
ABS	RMBS <sup>(*)3</sup>						
	Global RMBS	-	9.8	9.8	0.5	9.2	(0.2)
	Domestic RMBS	34.0	-	34.0	-	34.0	-
	<b>RMBS Total</b>	<b>34.0</b>	<b>9.8</b>	<b>43.9</b>	<b>0.5</b>	<b>43.3</b>	<b>(0.2)</b>
	CMBS <sup>(*)4</sup>	-	-	-	-	-	-
	Other ABS						
	Global ABS <sup>(*)5</sup>	3.0	22.8	25.8	0.5	25.3	0.0
Domestic ABS	7.5	-	7.5	-	7.5	-	
<b>Other ABS Total</b>	<b>10.5</b>	<b>22.8</b>	<b>33.3</b>	<b>0.5</b>	<b>32.8</b>	<b>0.0</b>	
<b>ABS Total</b>	<b>44.6</b>	<b>32.7</b>	<b>77.3</b>	<b>1.1</b>	<b>76.2</b>	<b>-</b>	
<b>Public Finance</b>		-	169.1	169.1	0.1	168.9	(0.1)
<b>Total</b>		<b>275.6</b>	<b>203.4</b>	<b>479.1</b>	<b>55.2</b>	<b>423.8</b>	<b>12.6</b>

\*1 ABS CDOs (backed by pools of asset backed securities): The securities backed by securitized assets such as the RMBS, CDOs and CLOs.

\*2 Corporate CDOs (backed by pools of single corporate credits): The securities backed by assets such as corporate bonds, loans and CDS.

\*3 RMBS: Asset Backed Securities where underlying assets are residential mortgages. 93% of RMBS are rated investment grade (BBB or above) including AAA ratings for 79%.

\*4 CMBS: Asset-backed securities where underlying assets are commercial mortgage loans.

\*5 5% of global ABS are U.S. consumer loan-related ABS, while others are mainly related to corporate credit (e.g., leasing receivables).

\*6 "Direct Insurance" includes facultative reinsurance policies and 8.5 billion yen of Direct Insurance to cover U.S. monoline guaranteed notes.

\*7 "Treaty Reinsurance" is a portfolio-based reinsurance where certain parts of policies underwritten by a primary insurer are ceded automatically to the reinsurer, Sompo Japan, in accordance with the conditions agreed by the primary insurer and the reinsurer.

\*8 Recoverable reserve for the transaction which was terminated by claim payment is not included in "Outstanding Loss Reserve".

\*9 Total amount of 12.6 billion yen gain is comprised of 18.5 billion yen of loss payment offset by 33.4 billion yen of reversal of loss reserve and 2.2 billion yen losses of foreign exchange hedge transaction for loss reserve. Financial Guarantee Insurance is not supposed to book mark-to-market unrealized gains/losses through income statement as it is an insurance policy.

## &lt;Appendix 2&gt; List of Guarantee for ABS CDOs (Excl. Treaty Reinsurance)

(As of September 30, 2010, Unit: billions of yen, USD/JPY=83.82)

Policy No. (*)1	Issue Rating (*)2 (S&P/MDY)	Fiscal Year Issued	Insured Amount (*)3	Sub- ordination Ratio (*)4	Distribution of underlying assets rating						Ratio of subprime RMBS
					AAA	AA	A	BBB	Below BBB	Default (*)5	
Guarantee for CDO①	AA/Caa3	2003	8.3	17%	29%	8%	5%	19%	39%	5.5%	0%
Guarantee for CDO② (*6)	AAA/Aa3	2004	5.1	55%	32%	34%	0%	0%	34%	24.0%	0%
	AAA/Aa3	2004	10.0	31%							
Guarantee for CDO⑦	CCC+/C	2006	16.7	9%	2%	13%	5%	7%	73%	0.0%	30%
Guarantee for CDO⑨	-/C	2006	25.1	23%	2%	6%	3%	4%	86%	23.3%	8%
Guarantee for CDO⑪	CC/Caa1	2004	25.1	19%	5%	14%	20%	14%	47%	16.2%	-
Total of ABS CDOs			90.5	22%	8%	13%	5%	7%	67%	11.8%	-
Insured Amount Net of Loss Reserves			36.6								

\*1 Previously listed Guarantee for CDO③, ④, ⑤, ⑥, ⑧, ⑩ and ⑫ have been excluded from above as they have been terminated due to the commutation or the full redemption of tranches guaranteed by us.

\*2 Issue ratings are as of October 31, 2010.

\*3 Insured amount is amount of principal insured, and some policies also insure interest payments. If a principal/interest shortfall occurs, Sompo Japan will become liable for the guarantee obligation.

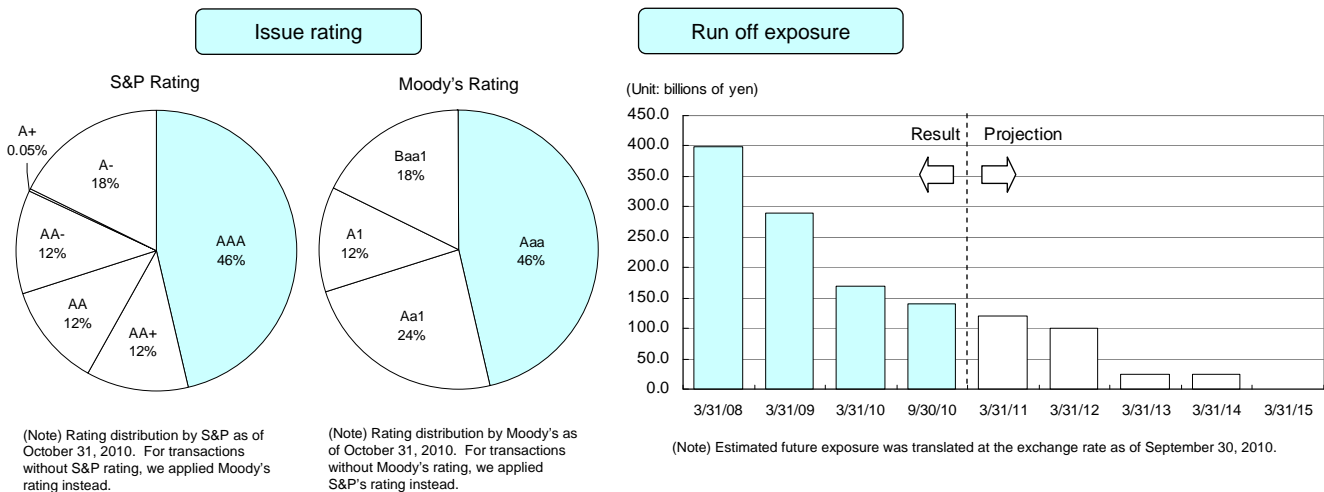
\*4 Subordination Ratio is a ratio of portions subordinated to our guaranteed tranche for the underlying assets. A redemption of senior tranche results in an increase of Subordination Ratio.

\*5 Default of underlying assets is determined by the default definition of each transaction through detailed scrutiny and the default amount is determined based on adjustment by recovery.

\*6 Guarantee for CDO② insures different two classes of the same CDO.

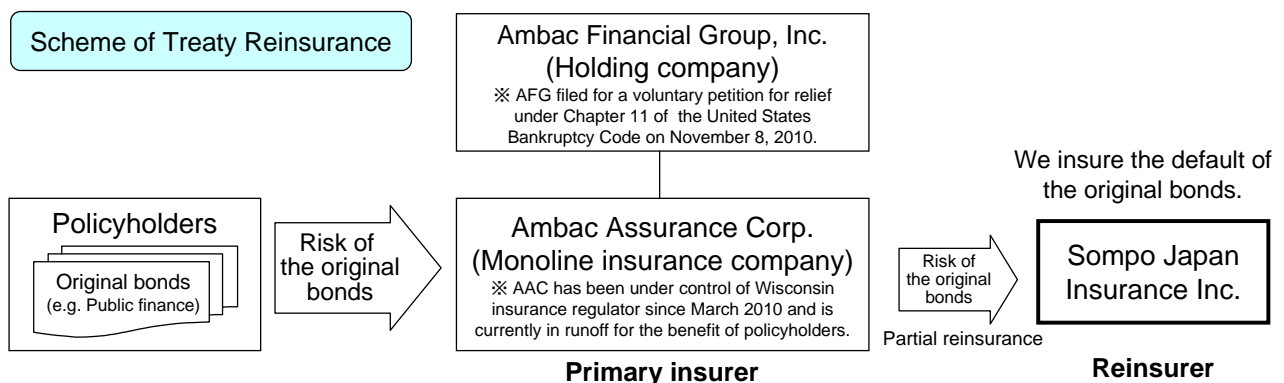
<Appendix 3> Summary of Guarantee for Corporate CDOs (Excl. Treaty Reinsurance)

- The total outstanding of insured corporate CDO (direct underwriting) amounted to 140.4 billion yen as of September 30, 2010. As a result of overall scrutiny of the individual contracts, there are no losses expected at this point.
- Average residual period of all direct underwritten corporate CDO guarantees is approximately 2.1 years. Approximately 82% of our exposure or 115.0 billion yen is to be redeemed by the end of FY2012.
- Each corporate CDO is well diversified with approximately 150 reference corporations. Thus a potential impact by default of one reference company would be limited.
- We don't see any concentration to particular sector or corporation. For example, exposure to financial institutions which is the largest sector in the reference corporations accounts for around 13%.



<Appendix 4> Summary of Treaty Reinsurance

- We underwrite the treaty reinsurance from Ambac Assurance Corp. ("AAC"), U.S. monoline insurance company, as the primary insurer. The total insured amount of the treaty reinsurance amounted to 203.4 billion yen as of September 30, 2010. Approximately 83% of the treaty reinsurance or 169.1 billion yen is classified as financial guarantee insurance for public finance including general obligation bonds of U.S. municipals and bonds issued by public utility companies such as electric power and railroad. Insured amount of each reinsurance is small and reinsurance portfolio is well diversified. Loss reserves are booked appropriately for the reinsurance policies where claim payments are expected.
- Under this reinsurance contract, we will become liable for claim payment only when the original bonds default, for example, do not make regularly scheduled payment of principal or interest. Reinsurance is not an exposure to the primary insurer. Furthermore, Ambac Financial Group, Inc. ("AFG"), which is holding company of AAC, filed for a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code on November 8, 2010. This will have no influence on the reinsurance agreement between the primary insurer and us.



## &lt;Appendix 5&gt; Structured Finance Exposure in Our Investment Portfolio

(As of September 30, 2010, Unit: billions of yen, USD/JPY=83.82)

Categories		Outstanding Balance	Gains/Losses for FY 2010 1H		
			Gains/Losses Charged to P/L	Unrealized Gains/Losses	Total
<b>CDOs</b>	ABS CDOs (backed by pools of asset backed securities) (*1)	0.0	0.0	-	0.0
	Corporate CDOs (backed by pools of single corporate credits) (*2)	-	-	-	-
	<b>CDOs Total</b>	0.0	0.0	-	0.0
<b>ABS</b>	RMBS (*3)				
	Global RMBS	1.9	-	(0.4)	(0.4)
	Domestic RMBS	28.6	-	1.3	1.3
	<b>RMBS Total</b>	30.6	-	0.8	0.8
	CMBS				
	Global CMBS	0.8	-	(0.2)	(0.2)
	Domestic CMBS	12.0	-	(0.3)	(0.3)
	<b>CMBS Total</b>	12.8	-	(0.5)	(0.5)
	Other ABS				
	Global ABS	0.7	-	(0.1)	(0.1)
Domestic ABS	-	-	-	-	
<b>Other ABS Total</b>	0.7	-	(0.1)	(0.1)	
<b>ABS Total</b>	44.3	-	0.0	0.0	
<b>Investment in SIV</b>	-	-	-	-	
<b>Leveraged Finance</b> (*4)	1.8	-	-	-	
<b>Total</b>	<b>46.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	
<b>Reference: Hedge funds (U.S. subprime loans related exposure)</b>	1.0	Net of the long position and the short position			

\*1 Global transactions only (Below BBB).

\*2 Excluding public finance CLO.

\*3 Excluding RMBS issued by government sponsored enterprises. Most of the RMBS are rated investment grade (BBB or above), and 82% are rated AAA. Exposure to U.S. housing related government-sponsored enterprises (GSEs)'s RMBS and Agency Bonds amounted to 61.8 billion yen (Increased by 0.4 billion yen since March 31, 2010). No impairment losses were recognized for the 1st half of the fiscal year ended March 31, 2011.

\*4 Leveraged Finance: Finance where funding are provided for corporate mergers and acquisitions, mainly based on cash flows of acquired companies. Domestic transactions only.

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## Interim Balance Sheets

(Millions of yen)

	As of September 30, 2010	As of March 31, 2010	Increase (Decrease)
	Amount	Amount	
<b>Assets:</b>			
Cash and deposits	90,069	80,793	9,275
Call loans	40,000	50,000	(10,000)
Monetary receivables bought	3,794	6,129	(2,334)
Money trusts	56,792	56,752	40
Securities	1,746,517	1,822,848	(76,331)
Loans	212,653	227,417	(14,764)
Tangible fixed assets	127,902	130,437	(2,535)
Intangible fixed assets	529	534	(4)
Other assets	158,196	159,263	(1,067)
Deferred tax assets	73,915	60,392	13,522
Allowance for possible loan losses	(2,173)	(2,106)	(66)
<b>Total assets</b>	<b>2,508,197</b>	<b>2,592,464</b>	<b>(84,267)</b>
<b>Liabilities:</b>			
Underwriting funds:	2,012,985	2,059,290	(46,304)
Reserve for outstanding losses and claims	263,840	267,872	(4,031)
Underwriting reserves	1,749,145	1,791,418	(42,272)
Other liabilities	54,142	65,184	(11,041)
Reserve for retirement benefits	23,640	22,583	1,056
Reserve for bonus payments	5,780	6,078	(297)
Reserve for bonus payments to directors	—	41	(41)
Reserves under the special laws:	7,183	5,643	1,540
Reserve for price fluctuation	7,183	5,643	1,540
<b>Total liabilities</b>	<b>2,103,732</b>	<b>2,158,821</b>	<b>(55,088)</b>
<b>Net assets:</b>			
Shareholders' equity:			
Common stock	91,249	91,249	—
Capital surplus	46,702	46,702	—
Retained earnings	123,731	117,202	6,529
Total shareholders' equity	261,682	255,153	6,529
Valuation and translation adjustments:			
Unrealized gains on securities available for sale, net of tax	137,451	175,808	(38,357)
Deferred gains or losses on hedges	5,330	2,115	3,214
Total valuation and translation adjustments	142,781	177,924	(35,142)
Stock acquisition rights	—	565	(565)
<b>Total net assets</b>	<b>404,464</b>	<b>433,642</b>	<b>(29,178)</b>
<b>Total liabilities and net assets</b>	<b>2,508,197</b>	<b>2,592,464</b>	<b>(84,267)</b>

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## Interim Statements of Income

(Millions of yen)

	Six months ended September 30, 2009 (April 1 to September 30, 2009)	Six months ended September 30, 2010 (April 1 to September 30, 2010)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	423,767	412,305	(11,461)	(2.7) %
Underwriting income:	403,425	392,950	(10,474)	(2.6)
Net premiums written	319,749	316,583	(3,165)	(1.0)
Deposits of premiums by policyholders	17,780	19,627	1,846	10.4
Interest and dividend income on deposits of premiums, etc.	11,575	10,419	(1,155)	(10.0)
Reversal of reserve for outstanding losses and claims	10,649	4,031	(6,617)	(62.1)
Reversal of underwriting reserves	43,664	42,272	(1,391)	(3.2)
Investment income:	19,662	18,613	(1,049)	(5.3)
Interest and dividend income	22,722	21,644	(1,077)	(4.7)
Investment gains on money trusts	732	609	(122)	(16.8)
Gains on sales of securities	6,627	5,712	(914)	(13.8)
Transfer of interest and dividend income on deposits of premiums, etc.	(11,575)	(10,419)	1,155	—
Other ordinary income	678	741	62	9.2
Ordinary expenses:	392,584	391,759	(825)	(0.2)
Underwriting expenses:	324,454	321,928	(2,525)	(0.8)
Net claims paid	194,075	194,837	762	0.4
Loss adjustment expenses	17,577	17,628	51	0.3
Net commissions and brokerage fees	54,069	52,746	(1,323)	(2.4)
Maturity refunds to policyholders	58,503	55,646	(2,856)	(4.9)
Investment expenses:	5,395	7,273	1,877	34.8
Investment losses on money trusts	202	138	(63)	(31.6)
Losses on sales of securities	1,496	3,928	2,431	162.5
Impairment losses on securities	363	1,177	813	223.5
Operating, general and administrative expenses	62,080	62,153	73	0.1
Other ordinary expenses:	653	402	(250)	(38.4)
Interest paid	27	16	(10)	(39.0)
Ordinary profit	31,182	20,546	(10,636)	(34.1)
Extraordinary gains:	169	600	431	254.9
Gains on disposal of fixed assets	169	35	(133)	(79.1)
Other extraordinary gains	—	565	565	—
Extraordinary losses:	3,809	2,204	(1,605)	(42.1)
Losses on disposal of fixed assets	106	98	(7)	(6.9)
Impairment losses	68	402	334	489.5
Provision for reserves under the special laws:	1,293	1,540	246	19.1
Provision for reserve for price fluctuation	1,293	1,540	246	19.1
Other extraordinary losses	2,341	162	(2,179)	(93.1)
Income before income taxes	27,541	18,942	(8,599)	(31.2)
Income taxes	6,475	1,244	(5,231)	(80.8)
Deferred income taxes	2,569	4,548	1,978	77.0
Total income taxes	9,045	5,793	(3,252)	(36.0)
Net income	18,496	13,148	(5,347)	(28.9)
Underwriting result:				
Net premiums written (+)	319,749	316,583	(3,165)	(1.0)
Net claims paid (—)	194,075	194,837	762	0.4
Loss adjustment expenses (—)	17,577	17,628	51	0.3
Operating expenses: (—)	113,084	111,864	(1,219)	(1.1)
Net commissions and brokerage fees	54,069	52,746	(1,323)	(2.4)
Operating, general and administrative expenses related to underwriting	59,015	59,118	103	0.2
Underwriting result	(4,987)	(7,747)	(2,759)	—
Underwriting profit	18,573	11,107	(7,466)	(40.2)
Ratios:				
Net loss ratio (%)	66.2	67.1	0.9	
Net expense ratio (%)	35.4	35.3	(0.1)	
Underwriting result ratio (%)	(1.6)	(2.4)	(0.8)	

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## Premiums Written and Claims Paid by Lines of Business

Direct premiums written (excluding deposits of premiums by policyholders)

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	55,255	16.5 %	(5.0) %	55,550	16.7 %	0.5 %
Marine insurance	6,859	2.0	(30.4)	7,410	2.2	8.0
Personal accident insurance	27,236	8.1	(5.5)	26,810	8.0	(1.6)
Voluntary automobile insurance	160,714	47.9	(1.8)	158,024	47.4	(1.7)
Compulsory automobile liability insurance	38,816	11.6	(15.1)	39,452	11.8	1.6
Others	46,542	13.9	(3.7)	46,314	13.9	(0.5)
Total	335,424	100.0	(5.4)	333,562	100.0	(0.6)
Deposits of premiums by policyholders	17,780	—	(52.7)	19,627	—	10.4

## Net premiums written

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	43,771	13.7 %	(5.5) %	42,394	13.4 %	(3.1) %
Marine insurance	6,646	2.1	(28.3)	6,948	2.2	4.5
Personal accident insurance	27,583	8.6	(5.0)	27,340	8.6	(0.9)
Voluntary automobile insurance	160,451	50.2	(1.9)	157,942	49.9	(1.6)
Compulsory automobile liability insurance	37,132	11.6	(18.1)	38,280	12.1	3.1
Others	44,164	13.8	(3.4)	43,679	13.8	(1.1)
Total	319,749	100.0	(5.7)	316,583	100.0	(1.0)

## Net claims paid

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	Rate of change	Net loss ratio	Amount	Rate of change	Net loss ratio
Fire and allied insurance	20,526	5.4 %	50.5 %	19,076	(7.1) %	48.6 %
Marine insurance	3,398	3.8	53.4	2,930	(13.7)	44.1
Personal accident insurance	15,323	(6.3)	60.8	15,230	(0.6)	60.7
Voluntary automobile insurance	97,268	0.4	66.4	101,635	4.5	70.5
Compulsory automobile liability insurance	35,612	(4.9)	103.1	35,912	0.8	100.9
Others	21,945	(9.3)	55.2	20,051	(8.6)	51.0
Total	194,075	(1.8)	66.2	194,837	0.4	67.1

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## Solvency Margin Ratio

(Millions of yen)

	As of September 30, 2010	As of March 31, 2010
(A) Total Solvency Margin	800,633	840,210
Capital and funds, etc.	261,007	249,698
Reserve for price fluctuation	7,183	5,643
Contingency reserve	13	12
Catastrophic loss reserve	279,573	285,675
General allowance for possible loan losses	154	40
Unrealized gains on securities (before tax effect deductions)	189,711	242,132
Net unrealized gains and losses on real estate	23,551	24,275
Excess amount of reserve for maturity refunds	—	—
Subordinated debt, etc.	—	—
Deductions	13,269	13,269
Others	52,707	46,002
(B) Total Risks	228,494	226,293
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
Underwriting risk ( $R_1$ )	39,282	39,271
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance ( $R_2$ )	1	1
Guaranteed interest rate risk ( $R_3$ )	3,055	3,088
Investment risk ( $R_4$ )	77,583	85,444
Business management risk ( $R_5$ )	5,072	7,492
Major catastrophe risk ( $R_6$ )	133,722	121,948
(C) Solvency Margin Ratio		
$[(A) / \{(B) \times 1/2\}] \times 100$	700.7 %	742.5 %

Note) The above figures are calculated based on Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Law and the provisions of Notification No. 50 of the Ministry of Finance (1996).

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

**Investments in the securitized paper and subprime loans (As of September 30, 2010)**

Investments by NIPPONKOA in the securitized paper, as of September 30, 2010, are as follows.

## 1. SPEs (Special Purpose Entities)

None.

## 2. CDOs (Collateralized Debt Obligations)

(Billions of yen)

	As of September 30, 2010			(Reference) As of March 31, 2010		
	Fair value	Unrealized gains or losses	Impairment losses	Fair value	Unrealized gains or losses	Impairment losses
CDOs	8.4	0.1	-	7.8	0.1	-
Rated	8.0	-	-	7.2	-	-
Non-rated	0.4	0.1	-	0.6	0.1	-

(Notes)

- (1) NIPPONKOA recognized impairment on securities whose fair value is determinable as of the balance sheet date if the fair value declined by 30% or more from carrying value. Also 30% rule is applied to the securities in the table below.
- (2) Out of the rated CDOs, 12% is rated AAA, 13% is rated AA, 63% is rated A, and 12% is rated BB.
- (3) All of the underlying collateral pool for CDOs are assets supported by the corporate credits.
- (4) 95% of the CDOs is domestic and 5% is overseas.
- (5) The ratios for categorizations of the rated CDOs and categorizations of the CDOs by region are calculated using the fair value.
- (6) Other than the figures in the table above, related to CDOs, NIPPONKOA recorded 0.7 billion yen of gains on derivative financial instruments.

## 3. Other subprime/Alt-A exposure

None.

## 4. CMBS (Commercial Mortgage-Backed Security)

(Billions of yen)

	As of September 30, 2010			(Reference) As of March 31, 2010		
	Fair value	Unrealized gains or losses	Impairment losses	Fair value	Unrealized gains or losses	Impairment losses
CMBS	6.4	(0.3)	-	8.8	(0.3)	(0.1)
Domestic	6.4	(0.3)	-	8.8	(0.3)	(0.1)
Foreign	-	-	-	-	-	-

(Note) Amount in impairment losses includes the loss on evaluation of securities and other investment expenses.

## 5. Leveraged finance

None.

## 6. CDS (Credit Default Swap)

NIPPONKOA does not hold CDS that reference the securitized paper including CDOs. NIPPONKOA holds CDS that reference a single credit of a firm (7.0 billion yen of short commitment notional value, 0.0 billion yen of fair value, 0.0 billion yen of valuation gain).

## [Definitions of securitized assets]

- SPEs: Special Purpose Entities. A general term of special purpose entities including SIV (Structured Investment Vehicle) that are specialized in investment of securitized papers.
- CDOs: Collateralized Debt Obligations. A securitized notes, which was supported, by asset pool of number of underlying debt securities and loans.
- Alt-A: A type of U.S. mortgage. Alt-A (Mezzanine) is placed in the middle of prime loan, a loan for borrowers with higher credit score, and subprime loan, a loan for borrowers with lower credit score.
- CMBS: Commercial Mortgage-Backed Security. An instrument that securitized the mortgage loans for commercial real estate.
- CDS: Credit Default Swap. A swap contract involving trading of credits, which reference the creditworthiness of a corporate or securitized paper, called a reference credit (entity).



## SONPO 24 Insurance Co., Ltd. (Non-consolidated)

## Interim Balance Sheets

(Millions of yen)

	As of September 30, 2010	As of March 31, 2010	Increase (Decrease)
	Amount	Amount	
<b>Assets:</b>			
Cash and deposits	2,002	1,851	150
Securities	15,907	15,618	288
Tangible fixed assets	167	182	(15)
Other assets	631	810	(179)
<b>Total assets</b>	<b>18,708</b>	<b>18,463</b>	<b>245</b>
<b>Liabilities:</b>			
Underwriting funds:	8,757	8,538	218
Reserve for outstanding losses and claims	2,645	2,333	312
Underwriting reserves	6,111	6,204	(93)
Other liabilities	1,311	1,443	(132)
Reserve for retirement benefits	90	79	11
Reserve for bonus payments	82	92	(10)
Reserves under the special laws:	21	20	1
Reserve for price fluctuation	21	20	1
Deferred tax liabilities	87	18	68
<b>Total liabilities</b>	<b>10,350</b>	<b>10,193</b>	<b>156</b>
<b>Net assets:</b>			
Shareholders' equity:			
Common stock	19,000	19,000	—
Capital surplus	19,000	19,000	—
Retained earnings	(29,795)	(29,763)	(32)
<b>Total shareholders' equity</b>	<b>8,204</b>	<b>8,236</b>	<b>(32)</b>
Valuation and translation adjustments:			
Unrealized gains on securities available for sale, net of tax	154	32	121
<b>Total valuation and translation adjustments</b>	<b>154</b>	<b>32</b>	<b>121</b>
<b>Total net assets</b>	<b>8,358</b>	<b>8,269</b>	<b>88</b>
<b>Total liabilities and net assets</b>	<b>18,708</b>	<b>18,463</b>	<b>245</b>

## SONPO 24 Insurance Co., Ltd. (Non-consolidated)

## Interim Statements of Income

(Millions of yen)

	Six months ended September 30, 2009 (April 1 to September 30, 2009)	Six months ended September 30, 2010 (April 1 to September 30, 2010)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	4,756	5,298	542	11.4 %
Underwriting income:	4,708	5,223	514	10.9
Net premiums written	4,703	5,124	421	9.0
Interest and dividend income on deposits of premiums, etc.	5	4	(0)	(15.9)
Reversal of underwriting reserves	—	93	93	—
Investment income:	47	75	28	60.2
Interest and dividend income	52	49	(2)	(5.4)
Gains on sales of securities	—	30	30	—
Transfer of interest and dividend income on deposits of premiums, etc.	(5)	(4)	0	—
Other ordinary income	0	0	(0)	(6.3)
Ordinary expenses:	4,813	5,327	514	10.7
Underwriting expenses:	3,384	4,021	636	18.8
Net claims paid	2,525	3,065	539	21.4
Loss adjustment expenses	300	315	14	4.7
Net commissions and brokerage fees	308	328	19	6.4
Provision for reserve for outstanding losses and claims	51	312	260	506.4
Provision for underwriting reserves	197	—	(197)	(100.0)
Operating, general and administrative expenses	1,429	1,306	(122)	(8.6)
Other ordinary expenses:	0	0	(0)	(94.4)
Ordinary loss	(57)	(28)	28	—
Extraordinary losses:	5	2	(3)	(59.2)
Losses on disposal of fixed assets	0	0	(0)	(16.2)
Provision for reserves under the special laws:	1	1	0	0.5
Provision for reserve for price fluctuation	1	1	0	0.5
Other extraordinary losses	2	—	(2)	(100.0)
Loss before income taxes	(62)	(30)	31	—
Income taxes	1	1	—	—
Total income taxes	1	1	—	—
Net loss	(64)	(32)	31	—
Underwriting result:				
Net premiums written (+)	4,703	5,124	421	9.0
Net claims paid (—)	2,525	3,065	539	21.4
Loss adjustment expenses (—)	300	315	14	4.7
Operating expenses: (—)	1,737	1,633	(104)	(6.0)
Net commissions and brokerage fees	308	328	19	6.4
Operating, general and administrative expenses related to underwriting	1,429	1,305	(123)	(8.7)
Underwriting result	139	111	(27)	(20.1)
Underwriting profit	(104)	(103)	1	—
Ratios:				
Net loss ratio (%)	60.1	66.0	5.9	
Net expense ratio (%)	36.9	31.9	(5.0)	
Underwriting result ratio (%)	3.0	2.2	(0.8)	

## SONPO 24 Insurance Co., Ltd. (Non-consolidated)

## Premiums Written and Claims Paid by Lines of Business

Direct premiums written (excluding deposits of premiums by policyholders)

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	—	— %	— %	—	— %	— %
Marine insurance	—	—	—	—	—	—
Personal accident insurance	—	—	—	—	—	—
Voluntary automobile insurance	4,663	100.0	19.5	5,081	100.0	9.0
Compulsory automobile liability insurance	—	—	—	—	—	—
Others	—	—	—	—	—	—
Total	4,663	100.0	19.5	5,081	100.0	9.0
Deposits of premiums by policyholders	—	—	—	—	—	—

## Net premiums written

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	—	— %	— %	—	— %	— %
Marine insurance	—	—	—	—	—	—
Personal accident insurance	—	—	—	—	—	—
Voluntary automobile insurance	4,623	98.3	19.7	5,037	98.3	9.0
Compulsory automobile liability insurance	79	1.7	(11.9)	87	1.7	9.8
Others	—	—	—	—	—	—
Total	4,703	100.0	19.0	5,124	100.0	9.0

## Net claims paid

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	Rate of change	Net loss ratio	Amount	Rate of change	Net loss ratio
Fire and allied insurance	—	— %	— %	—	— %	— %
Marine insurance	—	—	—	—	—	—
Personal accident insurance	—	—	—	—	—	—
Voluntary automobile insurance	2,436	3.9	59.2	2,964	21.7	65.1
Compulsory automobile liability insurance	89	5.7	112.1	100	13.0	115.4
Others	—	—	—	—	—	—
Total	2,525	4.0	60.1	3,065	21.4	66.0

## SONPO 24 Insurance Co., Ltd. (Non-consolidated)

## Solvency Margin Ratio

(Millions of yen)

	As of September 30, 2010	As of March 31, 2010
(A) Total Solvency Margin	8,605	8,616
Capital and funds, etc.	8,204	8,236
Reserve for price fluctuation	21	20
Contingency reserve	—	—
Catastrophic loss reserve	161	312
General allowance for possible loan losses	—	—
Unrealized gains on securities (before tax effect deductions)	217	46
Net unrealized gains and losses on real estate	—	—
Excess amount of reserve for maturity refunds	—	—
Subordinated debt, etc.	—	—
Deductions	—	—
Others	—	—
(B) Total Risks	928	895
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
Underwriting risk ( $R_1$ )	775	734
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance ( $R_2$ )	—	—
Guaranteed interest rate risk ( $R_3$ )	—	—
Investment risk ( $R_4$ )	157	193
Business management risk ( $R_5$ )	31	30
Major catastrophe risk ( $R_6$ )	105	104
(C) Solvency Margin Ratio		
$[(A) / \{(B) \times 1/2\}] \times 100$	1,854.2 %	1,924.8 %

Note) The above figures are calculated based on Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Law and the provisions of Notification No. 50 of the Ministry of Finance (1996).

## Saison Automobile and Fire Insurance Company, Limited (Non-consolidated)

## Interim Balance Sheets

(Millions of yen)

	As of September 30, 2010	As of March 31, 2010	Increase (Decrease)
	Amount	Amount	
<b>Assets:</b>			
Cash and deposits	6,080	10,796	(4,716)
Money trusts	1,288	1,316	(27)
Securities	22,828	19,223	3,605
Loans	16	20	(4)
Tangible fixed assets	461	171	290
Intangible fixed assets	1,465	897	567
Other assets	2,154	1,917	237
Allowance for possible loan losses	(0)	(0)	—
<b>Total assets</b>	<b>34,295</b>	<b>34,342</b>	<b>(47)</b>
<b>Liabilities:</b>			
Underwriting funds:	20,081	19,359	721
Reserve for outstanding losses and claims	5,116	4,946	169
Underwriting reserves	14,965	14,413	551
Other liabilities	1,649	1,431	218
Reserve for retirement benefits	267	364	(96)
Reserve for retirement benefits to directors	38	34	3
Reserve for bonus payments	218	206	12
Reserves under the special laws:	4	14	(10)
Reserve for price fluctuation	4	14	(10)
Deferred tax liabilities	104	100	4
<b>Total liabilities</b>	<b>22,363</b>	<b>21,510</b>	<b>853</b>
<b>Net assets:</b>			
Shareholders' equity:			
Common stock	8,610	8,610	—
Capital surplus	6,848	6,848	—
Retained earnings	(3,783)	(2,925)	(858)
Total shareholders' equity	11,674	12,532	(858)
Valuation and translation adjustments:			
Unrealized gains on securities available for sale, net of tax	256	299	(42)
Total valuation and translation adjustments	256	299	(42)
<b>Total net assets</b>	<b>11,931</b>	<b>12,831</b>	<b>(900)</b>
<b>Total liabilities and net assets</b>	<b>34,295</b>	<b>34,342</b>	<b>(47)</b>

## Saison Automobile and Fire Insurance Company, Limited (Non-consolidated)

## Interim Statements of Income

(Millions of yen)

	Six months ended September 30, 2009 (April 1 to September 30, 2009)	Six months ended September 30, 2010 (April 1 to September 30, 2010)	Increase (Decrease)	Rate of change
	Amount	Amount		
Ordinary income:	8,081	8,124	42	0.5 %
Underwriting income:	7,759	7,834	74	1.0
Net premiums written	6,969	7,483	514	7.4
Deposits of premiums by policyholders	380	324	(56)	(14.8)
Interest and dividend income on deposits of premiums, etc.	31	25	(5)	(18.1)
Reversal of reserve for outstanding losses and claims	377	—	(377)	(100.0)
Investment income:	214	184	(30)	(14.3)
Interest and dividend income	161	155	(5)	(3.7)
Investment gains on money trusts	48	—	(48)	(100.0)
Investment gains on trading securities	3	0	(3)	(78.9)
Gains on sales of securities	32	52	20	64.0
Transfer of interest and dividend income on deposits of premiums, etc.	(31)	(25)	5	—
Other ordinary income	107	106	(1)	(1.3)
Ordinary expenses:	7,911	8,980	1,068	13.5
Underwriting expenses:	5,636	6,404	767	13.6
Net claims paid	3,729	3,784	54	1.5
Loss adjustment expenses	366	479	112	30.8
Net commissions and brokerage fees	887	896	8	1.0
Maturity refunds to policyholders	463	519	55	12.0
Provision for reserve for outstanding losses and claims	—	169	169	—
Provision for underwriting reserves	184	551	367	199.9
Investment expenses:	98	98	(0)	(0.9)
Investment losses on money trusts	—	27	27	—
Losses on sales of securities	76	—	(76)	(100.0)
Operating, general and administrative expenses	2,069	2,472	402	19.5
Other ordinary expenses:	106	5	(101)	(95.2)
Interest paid	2	2	0	21.6
Ordinary profit (loss)	169	(855)	(1,025)	(604.9)
Extraordinary gains:	4	10	6	159.2
Reversal of reserves under the special laws:	4	10	6	159.2
Reversal of reserve for price fluctuation	4	10	6	159.2
Extraordinary losses:	0	2	1	200.5
Losses on disposal of fixed assets	0	2	1	691.4
Impairment losses	0	—	(0)	(100.0)
Income (loss) before income taxes	172	(847)	(1,020)	(590.4)
Income taxes	10	10	—	—
Total income taxes	10	10	—	—
Net income (loss)	162	(858)	(1,020)	(629.5)
Underwriting result:				
Net premiums written (+)	6,969	7,483	514	7.4
Net claims paid (—)	3,729	3,784	54	1.5
Loss adjustment expenses (—)	366	479	112	30.8
Operating expenses: (—)	2,807	3,225	418	14.9
Net commissions and brokerage fees	887	896	8	1.0
Operating, general and administrative expenses related to underwriting	1,919	2,328	409	21.3
Underwriting result	65	(5)	(71)	(108.3)
Underwriting profit	247	(859)	(1,107)	(446.6)
Ratios:				
Net loss ratio (%)	58.8	57.0	(1.8)	
Net expense ratio (%)	40.3	43.1	2.8	
Underwriting result ratio (%)	0.9	(0.1)	(1.0)	

## Saison Automobile and Fire Insurance Company, Limited (Non-consolidated)

## Premiums Written and Claims Paid by Lines of Business

Direct premiums written (excluding deposits of premiums by policyholders)

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	1,059	13.5 %	79.7 %	1,699	19.7 %	60.4 %
Marine insurance	0	0.0	6.2	0	0.0	46.0
Personal accident insurance	1,866	23.7	25.4	2,143	24.8	14.9
Voluntary automobile insurance	4,374	55.6	(4.7)	4,191	48.5	(4.2)
Compulsory automobile liability insurance	166	2.1	(20.8)	160	1.9	(4.1)
Others	393	5.0	(11.1)	438	5.1	11.3
Total	7,861	100.0	7.4	8,634	100.0	9.8
Deposits of premiums by policyholders	380	—	(3.6)	324	—	(14.8)

## Net premiums written

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	771	11.1 %	79.3 %	1,275	17.0 %	65.3 %
Marine insurance	13	0.2	(39.9)	9	0.1	(31.3)
Personal accident insurance	1,252	18.0	11.0	1,379	18.4	10.1
Voluntary automobile insurance	4,343	62.3	(4.7)	4,161	55.6	(4.2)
Compulsory automobile liability insurance	208	3.0	(15.1)	235	3.2	12.9
Others	379	5.4	(11.8)	422	5.6	11.3
Total	6,969	100.0	2.3	7,483	100.0	7.4

## Net claims paid

(Millions of yen)

Business line	Six months ended September 30, 2009 (April 1 to September 30, 2009)			Six months ended September 30, 2010 (April 1 to September 30, 2010)		
	Amount	Rate of change	Net loss ratio	Amount	Rate of change	Net loss ratio
Fire and allied insurance	74	(48.2) %	10.5 %	143	92.5 %	12.4 %
Marine insurance	10	(2.9)	78.5	10	(4.4)	108.0
Personal accident insurance	716	22.2	62.2	790	10.3	64.7
Voluntary automobile insurance	2,659	4.0	67.5	2,574	(3.2)	69.9
Compulsory automobile liability insurance	195	(5.6)	101.5	205	5.0	93.7
Others	72	(17.1)	21.6	60	(17.5)	17.9
Total	3,729	3.8	58.8	3,784	1.5	57.0

## Saison Automobile and Fire Insurance Company, Limited (Non-consolidated)

## Solvency Margin Ratio

(Millions of yen)

	As of September 30, 2010	As of March 31, 2010
(A) Total Solvency Margin	13,609	15,333
Capital and funds, etc.	10,231	11,658
Reserve for price fluctuation	4	14
Contingency reserve	8	8
Catastrophic loss reserve	3,037	3,291
General allowance for possible loan losses	0	0
Unrealized gains on securities (before tax effect deductions)	325	359
Net unrealized gains and losses on real estate	—	—
Excess amount of reserve for maturity refunds	—	—
Subordinated debt, etc.	—	—
Deductions	—	—
Others	2	2
(B) Total Risks	1,661	1,653
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
Underwriting risk ( $R_1$ )	841	838
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance ( $R_2$ )	—	—
Guaranteed interest rate risk ( $R_3$ )	6	6
Investment risk ( $R_4$ )	516	530
Business management risk ( $R_5$ )	59	59
Major catastrophe risk ( $R_6$ )	611	598
(C) Solvency Margin Ratio		
$[(A) / \{(B) \times 1/2\}] \times 100$	1,638.3 %	1,854.7 %

Note) The above figures are calculated based on Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Law and the provisions of Notification No. 50 of the Ministry of Finance (1996).



## Sompo Japan Himawari Life Insurance Co., Ltd. (Non-consolidated)

## Interim Balance Sheets

(Millions of yen)

	As of September 30, 2010	As of March 31, 2010	Increase (Decrease)
	Amount	Amount	
<b>Assets:</b>			
Cash and deposits	36,646	32,988	3,657
Securities:	1,057,808	1,030,306	27,502
Government bonds	609,410	560,887	48,522
Municipal bonds	69,924	70,489	(564)
Corporate bonds	310,542	310,212	329
Domestic stocks	4,679	5,140	(460)
Foreign securities	63,251	83,576	(20,324)
Loans:	17,601	17,162	438
Policy loans	17,601	17,162	438
Tangible fixed assets	1,224	1,197	26
Intangible fixed assets	4,620	4,625	(5)
Agency accounts receivable	142	174	(31)
Reinsurance accounts receivable	969	1,206	(237)
Other assets	19,515	21,401	(1,886)
Deferred tax assets	12,267	13,164	(897)
Allowance for possible loan losses	(35)	(94)	59
<b>Total assets</b>	<b>1,150,759</b>	<b>1,122,133</b>	<b>28,626</b>
<b>Liabilities:</b>			
Policy reserves:	1,083,639	1,054,852	28,786
Reserve for outstanding claims	20,591	20,155	435
Policy reserves	1,061,058	1,032,371	28,687
Reserve for dividends to policyholders	1,989	2,325	(336)
Agency accounts payable	1,428	1,591	(163)
Reinsurance accounts payable	1,155	1,205	(49)
Other liabilities	5,817	7,564	(1,746)
Reserve for retirement benefits	804	663	141
Reserve for retirement benefits to directors	61	45	15
Reserves under the special laws:	904	794	110
Reserve for price fluctuation	904	794	110
<b>Total liabilities</b>	<b>1,093,810</b>	<b>1,066,716</b>	<b>27,093</b>
<b>Net assets:</b>			
Shareholders' equity:			
Common stock	17,250	17,250	—
Capital surplus	10,000	10,000	—
Retained earnings	25,983	27,283	(1,300)
Total shareholders' equity	53,233	54,533	(1,300)
Valuation and translation adjustments:			
Unrealized gains on securities available for sale, net of tax	3,716	882	2,833
Total valuation and translation adjustments	3,716	882	2,833
<b>Total net assets</b>	<b>56,949</b>	<b>55,416</b>	<b>1,532</b>
<b>Total liabilities and net assets</b>	<b>1,150,759</b>	<b>1,122,133</b>	<b>28,626</b>

## Sompo Japan Himawari Life Insurance Co., Ltd. (Non-consolidated)

## Interim Statements of Income

(Millions of yen)

	Six months ended September 30, 2009	Six months ended September 30, 2010	Increase (Decrease)	Rate of change
	(April 1 to September 30, 2009)	(April 1 to September 30, 2010)		
	Amount	Amount		
Ordinary income:	125,424	129,656	4,232	3.4 %
Insurance premiums and other:	114,050	119,876	5,825	5.1
Insurance premiums	112,610	118,347	5,737	5.1
Investment income:	11,356	9,711	(1,644)	(14.5)
Interest and dividend income	8,955	9,413	457	5.1
Gains on sales of securities	895	297	(597)	(66.7)
Investment gains on special account	1,505	—	(1,505)	(100.0)
Other ordinary income	18	69	51	281.3
Ordinary expenses:	123,768	130,186	6,417	5.2
Insurance claims and other:	77,273	69,805	(7,468)	(9.7)
Insurance claims	11,002	11,225	222	2.0
Annuity payments	421	512	91	21.7
Insurance benefits	10,202	11,124	921	9.0
Surrender benefits	52,495	44,154	(8,340)	(15.9)
Other refunds	676	482	(194)	(28.7)
Provision for policy reserves and other:	17,318	29,122	11,804	68.2
Provision for reserve for outstanding claims	1,692	435	(1,257)	(74.3)
Provision for policy reserves	15,625	28,687	13,061	83.6
Provision for interest portion of reserve for dividends to policyholders	0	0	0	72.7
Investment expenses:	944	1,088	144	15.3
Interest paid	16	28	11	71.4
Losses on sales of securities	—	83	83	—
Impairment losses on securities	716	—	(716)	(100.0)
Losses on derivatives	173	26	(147)	(84.9)
Investment losses on special account	—	935	935	—
Operating, general and administrative expenses	27,418	28,901	1,482	5.4
Other ordinary expenses	813	1,267	454	55.9
Ordinary profit (loss)	1,655	(529)	(2,185)	(132.0)
Extraordinary gains:	2	5	3	127.4
Other extraordinary gains	2	5	3	127.4
Extraordinary losses:	91	390	299	328.0
Losses on disposal of fixed assets	5	15	9	156.3
Provision for reserves under the special laws:	85	110	24	29.2
Provision for reserve for price fluctuation	85	110	24	29.2
Other extraordinary losses	—	264	264	—
Provision for reserve for dividends to policyholders	660	799	139	21.1
Income (loss) before income taxes	907	(1,713)	(2,621)	(289.0)
Income taxes	1,414	297	(1,117)	(79.0)
Deferred income taxes	(949)	(710)	238	—
Total income taxes	465	(413)	(878)	(188.8)
Net income (loss)	441	(1,300)	(1,742)	(394.5)

## Sampo Japan Himawari Life Insurance Co., Ltd. (Non-consolidated)

## Major Business Results

## Total amount of policies in force and total amount of new policies

## Total amount of policies in force

(Number in thousands, Yen in hundred millions, %)

	As of September 30, 2010				As of March 31, 2010			
	Number		Amount		Number		Amount	
		Rate of change		Rate of change		Rate of change		Rate of change
Individual insurance	1,819	105.0	109,680	105.4	1,732	109.9	104,049	110.1
Individual annuities	15	99.6	798	99.5	15	98.2	801	98.5
Group insurance	—	—	18,580	101.1	—	—	18,379	92.0
Group annuities	—	—	—	—	—	—	—	—

Note) 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

(Number in thousands, Yen in hundred millions, %)

	Six months ended September 30, 2009 (April 1 to September 30, 2009)				Six months ended September 30, 2010 (April 1 to September 30, 2010)			
	Number		Amount		Number		Amount	
		Rate of change		Rate of change		Rate of change		Rate of change
Individual insurance	159	169.4	10,519	135.4	159	100.1	11,268	107.1
Individual annuities	0	105.9	9	97.2	0	117.3	10	108.7
Group insurance	—	—	331	634.0	—	—	93	28.2
Group annuities	—	—	—	—	—	—	—	—

Note) Amount of "Individual annuities" represents the amount of annuity fund at the beginning of annuity payment.

## Annualized premiums

## Policies in force

(Millions of yen, %)

	As of September 30, 2010		As of March 31, 2010	
		Rate of change		Rate of change
Individual insurance	193,896	100.6	192,742	98.1
Individual annuities	3,519	102.3	3,439	98.9
Total	197,416	100.6	196,181	98.2
Medical and survival benefits	75,345	103.4	72,864	106.1

## New policies

(Millions of yen, %)

	Six months ended September 30, 2009 (April 1 to September 30, 2009)		Six months ended September 30, 2010 (April 1 to September 30, 2010)	
		Rate of change		Rate of change
Individual insurance	12,260	123.6	12,606	102.8
Individual annuities	39	93.4	43	109.7
Total	12,299	123.4	12,650	102.9
Medical and survival benefits	6,076	161.6	5,691	93.7

Notes)

- Annualized premiums are calculated by using multipliers for various premium payment terms to the premium per payment. In single premium contracts, the amount is calculated by dividing the premium by the duration of the policy.
- Annualized premiums for medical and survival benefits include (a) premium related to medical benefits such as hospitalization and surgery benefits, (b) premium related to survival benefits such as specific illness and nursing benefits, and (c) premium related to premium waiver benefits, in which disability cause is excluded but causes such as specific illness and nursing care are included.

## Sompo Japan Himawari Life Insurance Co., Ltd. (Non-consolidated)

## Solvency Margin Ratio

	(Millions of yen)	
	As of September 30, 2010	As of March 31, 2010
(A) Total Solvency Margin	162,496	157,431
Capital, etc.	53,239	54,533
Reserve for price fluctuation	904	794
Contingency reserve	15,931	15,355
General allowance for possible loan losses	13	18
Unrealized gains on securities (90% of gain or 100% of loss)	5,242	1,245
Net unrealized gains and losses on real estate (85% of gain or 100% of loss)	—	—
Policy reserves in excess of surrender values	71,588	69,171
Brought in capital, etc.	—	—
Subordinated debt, etc.	—	—
Deductions	—	—
Others	15,576	16,312
(B) Total Risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	13,395	12,915
Underwriting risk ( $R_1$ )	6,743	6,382
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance ( $R_8$ )	3,712	3,516
Guaranteed interest rate risk ( $R_2$ )	3,200	3,188
Investment risk ( $R_3$ )	4,243	4,223
Business management risk ( $R_4$ )	364	352
Guaranteed minimum benefit risk ( $R_7$ )	332	322
(C) Solvency Margin Ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	2,426.1 %	2,437.9 %

## Notes)

1. The above figures are calculated based on Articles 86, 87, 161, 162 and 190 of the Ordinance for Enforcement of the Insurance Business Law and the provisions of Notification No. 50 of the Ministry of Finance (1996). "Policy reserves in excess of surrender values" is calculated based on the provisions of Article 1 Paragraph 3-1 of Notification No. 50 of the Ministry of Finance.
2. Guaranteed minimum benefit risk is calculated by the standard method.

## NIPPONKOA Life Insurance Co., Ltd. (Non-consolidated)

## Interim Balance Sheets

(Millions of yen)

	As of September 30, 2010	As of March 31, 2010	Increase (Decrease)
	Amount	Amount	
<b>Assets:</b>			
Cash and deposits	19,310	14,371	4,938
Call loans	697	478	219
Receivables under securities borrowing transactions	27,146	25,382	1,763
Money trusts	20,365	19,916	448
Securities:	396,442	378,612	17,829
Government bonds	260,952	243,074	17,877
Municipal bonds	52,308	52,132	175
Corporate bonds	76,133	75,571	561
Domestic stocks	6,084	6,892	(807)
Foreign securities	964	941	23
Loans:	14,419	13,763	655
Policy loans	14,419	13,763	655
Tangible fixed assets	187	178	9
Intangible fixed assets	970	240	730
Agency accounts receivable	21	24	(2)
Reinsurance accounts receivable	230	183	47
Other assets	8,549	8,911	(362)
Deferred tax assets	6,290	6,931	(641)
Allowance for possible loan losses	(7)	(7)	0
<b>Total assets</b>	<b>494,625</b>	<b>468,988</b>	<b>25,636</b>
<b>Liabilities:</b>			
Policy reserves:	435,044	411,682	23,361
Reserve for outstanding claims	2,751	2,998	(247)
Policy reserves	430,861	407,193	23,668
Reserve for dividends to policyholders	1,431	1,491	(59)
Agency accounts payable	789	804	(15)
Reinsurance accounts payable	123	113	9
Other liabilities	30,172	30,000	172
Reserve for retirement benefits	343	300	42
Reserve for bonus payments to directors	—	15	(15)
Reserves under the special laws:	584	542	42
Reserve for price fluctuation	584	542	42
<b>Total liabilities</b>	<b>467,056</b>	<b>443,459</b>	<b>23,596</b>
<b>Net assets:</b>			
Shareholders' equity:			
Common stock	20,000	20,000	—
Retained earnings	1,505	1,564	(59)
Total shareholders' equity	21,505	21,564	(59)
Valuation and translation adjustments:			
Unrealized gains on securities available for sale, net of tax	6,063	3,964	2,098
Total valuation and translation adjustments	6,063	3,964	2,098
<b>Total net assets</b>	<b>27,568</b>	<b>25,528</b>	<b>2,039</b>
<b>Total liabilities and net assets</b>	<b>494,625</b>	<b>468,988</b>	<b>25,636</b>

## NIPPONKOA Life Insurance Co., Ltd. (Non-consolidated)

## Interim Statements of Income

(Millions of yen)

	Six months ended September 30, 2009	Six months ended September 30, 2010	Increase (Decrease)	Rate of change
	(April 1 to September 30, 2009)	(April 1 to September 30, 2010)		
	Amount	Amount		
Ordinary income:	49,162	53,689	4,527	9.2 %
Insurance premiums and other:	44,315	48,443	4,127	9.3
Insurance premiums	44,230	48,033	3,803	8.6
Investment income:	4,344	4,632	288	6.6
Interest and dividend income	3,890	4,402	511	13.2
Investment gains on money trusts	380	230	(149)	(39.4)
Gains on sales of securities	73	—	(73)	(100.0)
Other ordinary income:	502	613	111	22.1
Reversal of reserve for outstanding claims	—	247	247	—
Ordinary expenses:	48,282	53,101	4,819	10.0
Insurance claims and other:	18,998	19,797	799	4.2
Insurance claims	4,317	5,398	1,080	25.0
Annuity payments	196	241	44	22.7
Insurance benefits	1,457	1,806	349	24.0
Surrender benefits	12,657	11,957	(700)	(5.5)
Other refunds	112	118	6	5.4
Provision for policy reserves and other:	20,168	23,668	3,499	17.4
Provision for reserve for outstanding claims	95	—	(95)	(100.0)
Provision for policy reserves	20,072	23,668	3,595	17.9
Provision for interest portion of reserve for dividends to policyholders	0	0	0	26.2
Investment expenses:	38	21	(17)	(44.8)
Interest paid	35	18	(17)	(47.3)
Operating, general and administrative expenses	8,582	9,147	565	6.6
Other ordinary expenses	493	465	(28)	(5.7)
Ordinary profit	880	587	(292)	(33.2)
Extraordinary gains:	—	0	0	—
Reversal of allowance for possible loan losses	—	0	0	—
Extraordinary losses:	47	102	55	116.6
Losses on disposal of fixed assets	8	0	(7)	(92.8)
Provision for reserves under the special laws:	39	42	2	7.0
Provision for reserve for price fluctuation	39	42	2	7.0
Other extraordinary losses	—	60	60	—
Provision for reserve for dividends to policyholders	515	537	22	4.3
Income (loss) before income taxes	317	(51)	(369)	(116.4)
Income taxes	351	555	204	58.1
Deferred income taxes	(219)	(548)	(328)	—
Total income taxes	131	7	(124)	(94.6)
Net income (loss)	185	(59)	(244)	(131.8)

## NIPPONKOA Life Insurance Co., Ltd. (Non-consolidated)

## Major Business Results

## Total amount of policies in force and total amount of new policies

## Total amount of policies in force

(Number in thousands, Yen in hundred millions, %)

	As of September 30, 2010				As of March 31, 2010			
	Number		Amount		Number		Amount	
		Rate of change		Rate of change		Rate of change		Rate of change
Individual insurance	585	105.4	41,423	103.4	555	111.1	40,044	105.1
Individual annuities	53	99.8	1,973	100.1	53	96.3	1,971	96.3
Group insurance	—	—	11,272	102.0	—	—	11,052	109.9
Group annuities	—	—	—	—	—	—	—	—

Note) 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

(Number in thousands, Yen in hundred millions, %)

	Six months ended September 30, 2009 (April 1 to September 30, 2009)				Six months ended September 30, 2010 (April 1 to September 30, 2010)			
	Number		Amount		Number		Amount	
		Rate of change		Rate of change		Rate of change		Rate of change
Individual insurance	46	120.9	3,149	108.0	51	110.4	3,810	121.0
Individual annuities	0	92.8	27	86.9	1	210.5	55	201.2
Group insurance	—	—	240	165.2	—	—	63	26.2
Group annuities	—	—	—	—	—	—	—	—

Note) Amount of "Individual annuities" represents the amount of annuity fund at the beginning of annuity payment.

## Annualized premiums

## Policies in force

(Millions of yen, %)

	As of September 30, 2010		As of March 31, 2010	
		Rate of change		Rate of change
Individual insurance	59,761	103.5	57,758	105.3
Individual annuities	11,974	100.1	11,966	96.5
Total	71,736	102.9	69,725	103.6
Medical and survival benefits	14,215	104.4	13,610	111.6

## New policies

(Millions of yen, %)

	Six months ended September 30, 2009 (April 1 to September 30, 2009)		Six months ended September 30, 2010 (April 1 to September 30, 2010)	
		Rate of change		Rate of change
Individual insurance	4,300	103.0	4,952	115.2
Individual annuities	164	96.0	303	185.0
Total	4,464	102.7	5,255	117.7
Medical and survival benefits	1,214	110.0	1,171	96.4

Notes)

- Annualized premiums are calculated by using multipliers for various premium payment terms to the premium per payment. In single premium contracts, the amount is calculated by dividing the premium by the duration of the policy.
- Annualized premiums for medical and survival benefits include (a) premium related to medical benefits such as hospitalization and surgery benefits and (b) premium related to survival benefits such as specific illness.

## NIPPONKOA Life Insurance Co., Ltd. (Non-consolidated)

## Solvency Margin Ratio

	(Millions of yen)	
	As of September 30, 2010	As of March 31, 2010
(A) Total Solvency Margin	63,354	60,078
Capital, etc.	20,943	21,564
Reserve for price fluctuation	584	542
Contingency reserve	5,078	4,859
General allowance for possible loan losses	—	—
Unrealized gains on securities (90% of gain or 100% of loss)	8,552	5,592
Net unrealized gains and losses on real estate (85% of gain or 100% of loss)	—	—
Policy reserves in excess of surrender values	26,710	25,993
Brought in capital, etc.	—	—
Subordinated debt, etc.	—	—
Deductions	—	—
Others	1,485	1,527
(B) Total Risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	4,560	4,368
Underwriting risk ( $R_1$ )	3,020	2,930
Underwriting risk for third-sector insurance products including accident and sickness insurance ( $R_8$ )	1,042	970
Guaranteed interest rate risk ( $R_2$ )	169	164
Investment risk ( $R_3$ )	1,629	1,538
Business management risk ( $R_4$ )	117	112
Guaranteed minimum benefit risk ( $R_7$ )	—	—
(C) Solvency Margin Ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	2,778.6 %	2,750.4 %

Note) The above figures are calculated based on Articles 86, 87, 161, 162 and 190 of the Ordinance for Enforcement of the Insurance Business Law and the provisions of Notification No. 50 of the Ministry of Finance (1996). "Policy reserves in excess of surrender values" is calculated based on the provisions of Article 1 Paragraph 3-1 of Notification No. 50 of the Ministry of Finance.



## Sompo Japan DIY Life Insurance Co., Ltd. (Non-consolidated)

## Interim Balance Sheets

(Millions of yen)

	As of September 30, 2010	As of March 31, 2010	Increase (Decrease)
	Amount	Amount	
<b>Assets:</b>			
Cash and deposits	216	182	33
Securities:	5,033	5,407	(373)
Government bonds	2,396	2,690	(293)
Domestic stocks	866	950	(84)
Tangible fixed assets	68	80	(12)
Intangible fixed assets	—	0	(0)
Agency accounts receivable	0	0	0
Reinsurance accounts receivable	28	21	6
Other assets	862	456	406
Allowance for possible loan losses	—	(0)	0
<b>Total assets</b>	<b>6,209</b>	<b>6,149</b>	<b>59</b>
<b>Liabilities:</b>			
Policy reserves:	1,095	1,041	54
Reserve for outstanding claims	194	141	53
Policy reserves	900	899	0
Agency accounts payable	3	3	0
Reinsurance accounts payable	33	32	1
Other liabilities	350	342	8
Reserve for retirement benefits	22	20	2
Reserves under the special laws:	16	15	0
Reserve for price fluctuation	16	15	0
Deferred tax liabilities	195	225	(30)
<b>Total liabilities</b>	<b>1,717</b>	<b>1,680</b>	<b>37</b>
<b>Net assets:</b>			
Shareholders' equity:			
Common stock	10,100	10,100	—
Capital surplus	2,100	2,100	—
Retained earnings	(8,052)	(8,128)	75
Total shareholders' equity	4,147	4,071	75
Valuation and translation adjustments:			
Unrealized gains on securities available for sale, net of tax	344	397	(53)
Total valuation and translation adjustments	344	397	(53)
<b>Total net assets</b>	<b>4,491</b>	<b>4,468</b>	<b>22</b>
<b>Total liabilities and net assets</b>	<b>6,209</b>	<b>6,149</b>	<b>59</b>

## Sompo Japan DIY Life Insurance Co., Ltd. (Non-consolidated)

## Interim Statements of Income

(Millions of yen)

	Six months ended September 30, 2009	Six months ended September 30, 2010	Increase (Decrease)	Rate of change
	(April 1 to September 30, 2009)	(April 1 to September 30, 2010)		
	Amount	Amount		
Ordinary income:	1,835	1,928	93	5.1 %
Insurance premiums and other:	1,812	1,912	100	5.6
Insurance premiums	1,773	1,824	50	2.9
Investment income:	23	15	(7)	(33.0)
Interest and dividend income	23	15	(7)	(33.0)
Other ordinary income	0	0	(0)	(44.3)
Ordinary expenses:	2,130	1,850	(280)	(13.2)
Insurance claims and other:	590	488	(101)	(17.2)
Insurance claims	405	307	(98)	(24.3)
Insurance benefits	100	102	2	2.3
Other refunds	0	2	1	290.4
Provision for policy reserves and other:	110	54	(55)	(50.5)
Provision for reserve for outstanding claims	98	53	(44)	(45.2)
Provision for policy reserves	11	0	(11)	(94.7)
Investment expenses:	0	0	(0)	(27.3)
Interest paid	0	0	(0)	(27.3)
Operating, general and administrative expenses	1,394	1,279	(115)	(8.3)
Other ordinary expenses	34	27	(7)	(20.2)
Ordinary profit (loss)	(294)	78	373	—
Extraordinary losses:	8	0	(8)	(92.4)
Provision for reserves under the special laws:	0	0	(0)	(10.6)
Provision for reserve for price fluctuation	0	0	(0)	(10.6)
Other extraordinary losses	8	—	(8)	(100.0)
Income (loss) before income taxes	(303)	77	381	—
Income taxes	1	1	—	—
Total income taxes	1	1	—	—
Net income (loss)	(305)	75	381	—

## Sampo Japan DIY Life Insurance Co., Ltd. (Non-consolidated)

## Major Business Results

## Total amount of policies in force and total amount of new policies

## Total amount of policies in force

(Number in thousands, Yen in hundred millions, %)

	As of September 30, 2010				As of March 31, 2010			
	Number		Amount		Number		Amount	
		Rate of change		Rate of change		Rate of change		Rate of change
Individual insurance	46	99.2	7,924	98.6	46	101.1	8,039	99.7
Individual annuities	—	—	—	—	—	—	—	—
Group insurance	—	—	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—	—	—

## Total amount of new policies

(Number in thousands, Yen in hundred millions, %)

	Six months ended September 30, 2009 (April 1 to September 30, 2009)				Six months ended September 30, 2010 (April 1 to September 30, 2010)			
	Number		Amount		Number		Amount	
		Rate of change		Rate of change		Rate of change		Rate of change
Individual insurance	2	106.8	417	102.7	1	71.8	288	69.2
Individual annuities	—	—	—	—	—	—	—	—
Group insurance	—	—	—	—	—	—	—	—
Group annuities	—	—	—	—	—	—	—	—

## Annualized premiums

## Policies in force

(Millions of yen, %)

	As of September 30, 2010		As of March 31, 2010	
		Rate of change		Rate of change
Individual insurance	3,677	100.8	3,650	103.2
Individual annuities	—	—	—	—
Total	3,677	100.8	3,650	103.2
Medical and survival benefits	872	101.1	863	104.6

## New policies

(Millions of yen, %)

	Six months ended September 30, 2009 (April 1 to September 30, 2009)		Six months ended September 30, 2010 (April 1 to September 30, 2010)	
		Rate of change		Rate of change
Individual insurance	170	107.5	125	73.6
Individual annuities	—	—	—	—
Total	170	107.5	125	73.6
Medical and survival benefits	52	115.3	36	69.8

## Notes)

- Annualized premiums are calculated by using multipliers for various premium payment terms to the premium per payment. In single premium contracts, the amount is calculated by dividing the premium by the duration of the policy.
- Annualized premiums for medical and survival benefits include (a) premium related to medical benefits such as hospitalization and surgery benefits, (b) premium related to survival benefits such as specific illness and nursing benefits, and (c) premium related to premium waiver benefits, in which disability cause is excluded but causes such as specific illness and nursing care are included.

## Sompo Japan DIY Life Insurance Co., Ltd. (Non-consolidated)

## Solvency Margin Ratio

	(Millions of yen)	
	As of September 30, 2010	As of March 31, 2010
(A) Total Solvency Margin	5,194	5,199
Capital, etc.	4,147	4,071
Reserve for price fluctuation	16	15
Contingency reserve	545	551
General allowance for possible loan losses	—	—
Unrealized gains on securities (90% of gain or 100% of loss)	485	560
Net unrealized gains and losses on real estate (85% of gain or 100% of loss)	—	—
Policy reserves in excess of surrender values	—	—
Brought in capital, etc.	—	—
Subordinated debt, etc.	—	—
Deductions	—	—
Others	—	—
(B) Total Risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	574	582
Underwriting risk ( $R_1$ )	448	454
Underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance ( $R_8$ )	95	95
Guaranteed interest rate risk ( $R_2$ )	0	0
Investment risk ( $R_3$ )	110	118
Business management risk ( $R_4$ )	19	20
Guaranteed minimum benefit risk ( $R_7$ )	—	—
(C) Solvency Margin Ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	1,808.8 %	1,785.9 %

Note) The above figures are calculated based on Articles 86, 87, 161, 162 and 190 of the Ordinance for Enforcement of the Insurance Business Law and the provisions of Notification No. 50 of the Ministry of Finance (1996). "Policy reserves in excess of surrender values" is calculated based on the provisions of Article 1 Paragraph 3-1 of Notification No. 50 of the Ministry of Finance.

## Supplementary Explanation

### < Calculation of ratios >

- Underwriting profit = Underwriting income – Underwriting expenses - Operating, general and administrative expenses related to underwriting + Other income and expenses\*

\*Other income and expenses include, but not limited to, income tax expenses for compulsory automobile liability insurance.

- Net loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100
- Net expense ratio = (Net commissions and brokerage fees + Operating, general and administrative expenses related to underwriting) / Net premiums written × 100
- Underwriting result ratio = (Net premiums written - Net claims paid - Loss adjustment expenses - Operating expenses) / Net premiums written × 100

### < Solvency margin ratio >

- In addition to reserves to cover payments for claims, benefits and maturity refunds, etc., it is necessary for insurance companies to maintain sufficient solvency in order to cover against risks which may exceed their normal estimates, i.e. the occurrence of major catastrophes, the fluctuation in mortality rate due to significant changes in key environmental factors and a big decline in value of assets held by insurance companies, etc.

- Solvency margin ratio: (C), which is calculated in accordance with the Insurance Business Law, is the ratio of "solvency margin of insurance companies by means of their capital, reserves, etc." (total solvency margin: (A)) to "risks which will exceed their normal estimates" (total risks: (B)).

- "Risks which will exceed their normal estimates" are composed of risks described below.

<1> Underwriting risk, underwriting risk for third-sector insurance products including accident, sickness and nursing-care insurance:

Risks of occurrence of insurance claims in excess of normal estimates (excluding risks relating to major catastrophes)

<2> Guaranteed interest rate risk:

Risks of invested assets failing to yield assumed interest rates due to the aggravation of investment conditions than expected

<3> Investment risk:

Risks of retained securities and other assets fluctuating in prices in excess of normal estimates

<4> Business management risk:

Risks beyond normal estimates arising from business management (That does not fall under other categories.)

<5> Major catastrophe risk:

Risks of the occurrence of major catastrophic losses in excess of normal estimates (risks such as the Great Kanto Earthquake or Isewan typhoon)

<6> Guaranteed minimum benefit risk:

Risks of special account assets fluctuating in prices in excess of normal estimates

- "Solvency margin of insurance companies by means of their capital, reserves, etc." (total solvency margin) is the sum of total net assets (excluding planned outflows), certain reserves (reserve for price fluctuation, contingency reserve and catastrophic loss reserve, etc.) and parts of net unrealized gains and losses on real estate, etc.

- Solvency margin ratio is one of the indicators for the regulatory authorities to monitor financial soundness of insurance companies. Solvency margin ratio exceeding 200% would indicate adequate capability to meet payments of possible insurance claims.

#### 4. Supplementary Data about Financial Results for the six months ended September 30, 2010 at Press Conference

##### Sompo Japan Insurance Inc. (Non-consolidated)

###### (1) Key figures

(Yen in hundred millions)

	Six months ended September 30, 2009	Year ended March 31, 2010	Six months ended September 30, 2010	Increase (Decrease)	
				(C) - (B)	(C) - (A)
	(A)	(B)	(C)	(C) - (B)	(C) - (A)
① Net premiums written	6,416	12,588	6,436	—	20
Rate of change	(4.9%)	(2.4%)	0.3%	2.8%	5.2%
② Total assets	50,086	50,292	48,572	(1,719)	(1,513)
③ Net loss ratio	74.7%	73.9%	69.3%	(4.6%)	(5.4%)
④ Net expense ratio	34.2%	34.1%	33.3%	(0.7%)	(0.8%)
⑤ Combined ratio	108.8%	107.9%	102.6%	(5.3%)	(6.2%)
Underwriting result ratio	(8.8%)	(7.9%)	(2.6%)	5.3%	6.2%
⑥ Voluntary automobile insurance					
• Net premiums written	3,226	6,402	3,197	—	(28)
Rate of change	(2.1%)	(2.1%)	(0.9%)	1.2%	1.2%
• Underwriting result ratio	(2.2%)	(4.8%)	(2.7%)	2.1%	(0.4%)
• Net loss ratio	67.6%	70.6%	69.4%	(1.2%)	1.8%
• Net expense ratio	34.7%	34.3%	33.3%	(0.9%)	(1.4%)
⑦ Fire and allied insurance					
• Net premiums written	676	1,441	675	—	(1)
Rate of change	(3.2%)	(0.6%)	(0.2%)	0.4%	3.0%
• Underwriting result ratio	12.4%	13.0%	12.2%	(0.8%)	(0.2%)
• Net loss ratio	44.5%	44.2%	43.3%	(0.9%)	(1.2%)
• Net expense ratio	43.1%	42.8%	44.5%	1.7%	1.4%
⑧ Number of employees	17,481	17,294	19,027	1,733	1,546
⑨ Number of agencies	47,336	46,294	45,533	(761)	(1,803)

###### <Reference> Consolidated figures of NKSJ Holdings, Inc.

(Yen in hundred millions)

	Six months ended September 30, 2009	Year ended March 31, 2010	Six months ended September 30, 2010	Increase (Decrease)	
				(C) - (B)	(C) - (A)
	(A)	(B)	(C)	(C) - (B)	(C) - (A)
① Ordinary income			13,297	—	—
② Net premiums written			9,878	—	—
Rate of change			—	—	—
③ Life insurance premiums written			1,089	—	—
Rate of change			—	—	—
④ Ordinary profit			388	—	—
⑤ Net income			241	—	—

###### Notes)

1. Net loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100
2. Net expense ratio = (Net commissions and brokerage fees + Operating, general and administrative expenses related to underwriting) / Net premiums written × 100
3. Combined ratio = Net loss ratio + Net expense ratio
4. Underwriting result ratio = 100 - Combined ratio
5. Items with % within "Increase (Decrease)" represent change from the year ended March 31, 2010 and the six months ended September 30, 2009, respectively.

## Sompo Japan Insurance Inc. (Non-consolidated)

## (2) Other figures

## ① Non-performing loans

## Risk-monitored loans

(Yen in hundred millions)

	As of September 30, 2009	As of March 31, 2010	As of September 30, 2010
Loans to borrowers in bankruptcy	8	8	6
Overdue loans	22	20	16
Loans overdue for three months or more	—	—	—
Restructured loans	7	11	4
Total	38	40	27
Percent of total loans	0.8%	0.9%	0.6%

(Reference) Total loans	4,823	4,761	4,681
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## Results of self-assessment

(Yen in hundred millions)

	As of September 30, 2009	As of March 31, 2010	As of September 30, 2010
No category	47,938	48,472	46,457
Category II	587	616	486
Category III	99	97	93
Category IV	171	148	56
Subtotal (Category II-IV)	857	862	637
Total	48,796	49,334	47,094

Note)

The above figures represent amounts before recognition of impairment losses. Impairment losses on securities are included in "Category IV".

## ② Impairment losses on securities

(Yen in hundred millions)

	Six months ended September 30, 2009	Year ended March 31, 2010	Six months ended September 30, 2010
Domestic bonds	—	—	—
Domestic stocks	39	25	27
Foreign securities	1	3	10
Others	0	0	—
Total	41	28	37

## Impairment rules applied

Impairment losses on securities which have readily determinable fair value are recognized if fair value declines by 30% or more of their cost (historical cost or amortized cost).

## ③ Impairment losses on fixed assets

(Yen in hundred millions)

	Six months ended September 30, 2009	Year ended March 31, 2010	Six months ended September 30, 2010
Land	—	3	2
Buildings	—	0	0
Others	—	—	—
Total	—	3	2

## ④ Unrealized gains and losses on securities

(Yen in hundred millions)

	As of September 30, 2009	As of March 31, 2010	As of September 30, 2010
Domestic bonds	361	320	654
Domestic stocks	5,041	5,800	4,249
Foreign securities	(369)	(198)	(384)
Others	30	40	37
Total	5,064	5,963	4,556

Notes)

1. Unrealized gains and losses on monetary receivables bought are included in "Others".

2. Besides the above, unrealized gains and losses on trust assets in money trust other than trading purposes or held to maturity amount to 0.0 billion yen for the six months ended September 30, 2009, 0.0 billion yen for the year ended March 31, 2010, and (0.1) billion yen for the six months ended September 30, 2010.

## Sompo Japan Insurance Inc. (Non-consolidated)

## ⑤ Underwriting of third-sector insurance products

(Number in hundreds)

	Six months ended September 30, 2010		Breakdown of number	
	Number	Increase (Decrease)	Sompo Japan Insurance Inc.	Subsidiaries
Number of policies	5,426	166	4,318	1,107

Notes)

1. This table represents total and respective number of policies of Sompo Japan Insurance Inc. and its subsidiaries from April 1 to September 30, 2010.
2. The above numbers represent the cumulative sales of policies of medical insurance and cancer insurance.

## ⑥ Claims by natural disasters

(Yen in hundred millions)

	Six months ended September 30, 2009	Year ended March 31, 2010	Six months ended September 30, 2010
Direct claims paid a	32	130	14
Net claims paid b	25	116	14
Unpaid claims c	4	15	4
Net incurred loss b + c	30	132	18

Notes)

1. This table represents paid and unpaid claims related to natural disasters which occurred in the period.
2. Amounts of unpaid claims are calculated by deducting reinsurance recoverable on unpaid loss from direct insurance reserve for outstanding losses and claims.

## ⑦ Catastrophic loss reserve

(Yen in hundred millions, %)

Business line	Six months ended September 30, 2009			Year ended March 31, 2010			Six months ended September 30, 2010		
	Balance	Balance ratio	Provision	Balance	Balance ratio	Provision	Balance	Balance ratio	Provision
Fire and allied insurance	1,389	105.1	93	1,485	105.4	189	1,580	119.9	95
Marine insurance	257	106.0	4	262	110.5	8	264	102.1	4
Personal accident insurance	896	66.4	21	845	67.5	39	857	63.3	21
Voluntary automobile insurance	331	5.1	196	386	6.0	386	265	4.1	194
Others	926	51.8	60	967	60.2	108	1,021	56.6	61
Total	3,801	34.1	376	3,946	36.2	732	3,989	35.8	377

Notes)

1. Balance ratio = Balance of catastrophic loss reserve / Net premiums written (excluding household earthquake and compulsory automobile liability insurance) × 100  
As for the interim fiscal year, net premiums written are doubled for the calculation of balance ratio.
2. Provision represents gross amounts before excluding reversal.

## ⑧ Reinsurance assumed

(Yen in hundred millions)

Business line	Six months ended September 30, 2009		Six months ended September 30, 2010	
	Reinsurance premiums assumed	Reinsurance claims assumed	Reinsurance premiums assumed	Reinsurance claims assumed
Fire and allied insurance	97	40	114	29
Marine insurance	35	26	25	19
Personal accident insurance	4	3	6	3
Voluntary automobile insurance	22	8	12	10
Compulsory automobile liability insurance	539	777	565	780
Others	74	92	68	255
Total	774	949	792	1,098

## ⑨ Reinsurance ceded

(Yen in hundred millions)

Business line	Six months ended September 30, 2009		Six months ended September 30, 2010	
	Reinsurance premiums ceded	Reinsurance claims ceded	Reinsurance premiums ceded	Reinsurance claims ceded
Fire and allied insurance	280	37	272	10
Marine insurance	59	33	57	74
Personal accident insurance	10	9	8	7
Voluntary automobile insurance	14	8	13	9
Compulsory automobile liability insurance	601	844	618	871
Others	122	67	162	24
Total	1,088	1,001	1,132	997



## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## (1) Key figures

(Yen in hundred millions)

	Six months ended September 30, 2009	Year ended March 31, 2010	Six months ended September 30, 2010	Increase (Decrease)	Increase (Decrease)
				(C) - (B)	(C) - (A)
	(A)	(B)	(C)		
① Net premiums written	3,197	6,333	3,165	—	(31)
Rate of change	(5.7%)	(3.1%)	(1.0%)	2.1%	4.7%
② Total assets	26,348	25,924	25,081	(842)	(1,266)
③ Net loss ratio	66.2%	69.4%	67.1%	(2.3%)	0.9%
④ Net expense ratio	35.4%	35.8%	35.3%	(0.5%)	(0.1%)
⑤ Combined ratio	101.6%	105.2%	102.4%	(2.8%)	0.8%
Underwriting result ratio	(1.6%)	(5.2%)	(2.4%)	2.8%	(0.8%)
⑥ Voluntary automobile insurance					
• Net premiums written	1,604	3,187	1,579	—	(25)
Rate of change	(1.9%)	(2.0%)	(1.6%)	0.4%	0.3%
• Underwriting result ratio	1.8%	(2.4%)	(2.5%)	(0.1%)	(4.3%)
• Net loss ratio	66.4%	71.0%	70.5%	(0.5%)	4.1%
• Net expense ratio	31.8%	31.4%	32.0%	0.6%	0.2%
⑦ Fire and allied insurance					
• Net premiums written	437	965	423	—	(13)
Rate of change	(5.5%)	0.8%	(3.1%)	(3.9%)	2.4%
• Underwriting result ratio	5.9%	7.7%	7.8%	0.1%	1.9%
• Net loss ratio	50.5%	48.1%	48.6%	0.5%	(1.9%)
• Net expense ratio	43.6%	44.2%	43.6%	(0.6%)	—%
⑧ Number of employees	8,292	8,257	9,962	1,705	1,670
⑨ Number of agencies	29,055	28,520	27,972	(548)	(1,083)

## Notes)

1. Net loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100
2. Net expense ratio = (Net commissions and brokerage fees + Operating, general and administrative expenses related to underwriting) / Net premiums written × 100
3. Combined ratio = Net loss ratio + Net expense ratio
4. Underwriting result ratio = 100 - Combined ratio
5. Items with % within "Increase (Decrease)" represent change from the year ended March 31, 2010 and the six months ended September 30, 2009, respectively.
6. Number of employees does not include numbers of agent trainees nor in-house agents but includes numbers of employees who are loaned from other companies.

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## (2) Other figures

## ① Non-performing loans

## Risk-monitored loans

(Yen in hundred millions)

	As of September 30, 2009	As of March 31, 2010	As of September 30, 2010
Loans to borrowers in bankruptcy	0	0	0
Overdue loans	14	11	11
Loans overdue for three months or more	0	—	—
Restructured loans	4	5	3
Total	19	17	15
Percent of total loans	0.9%	0.8%	0.7%

(Reference) Total loans	2,324	2,274	2,126
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## Results of self-assessment

(Yen in hundred millions)

	As of September 30, 2009	As of March 31, 2010	As of September 30, 2010
No category	26,234	25,850	24,264
Category II	115	74	80
Category III	149	17	16
Category IV	7	155	15
Subtotal (Category II-IV)	272	247	112
Total	26,507	26,097	24,376

Note)

Total represents the amount before amortized or provisioned, however the amount of Category III and IV are fully amortized and/or provisioned.

## ② Impairment losses on securities

(Yen in hundred millions)

	Six months ended September 30, 2009	Year ended March 31, 2010	Six months ended September 30, 2010
Domestic bonds	—	—	—
Domestic stocks	1	12	8
Foreign securities	1	0	2
Others	—	8	0
Total	3	21	11

## Impairment rules applied

NIPPONKOA recognized impairment on securities whose fair value is determinable as of the balance sheet date if the fair value declined by 30% or more from carrying value.

## ③ Impairment losses on fixed assets

(Yen in hundred millions)

	Six months ended September 30, 2009	Year ended March 31, 2010	Six months ended September 30, 2010
Land	0	0	3
Buildings	0	2	0
Others	—	—	0
Total	0	2	4

## ④ Unrealized gains and losses on securities

(Yen in hundred millions)

	As of September 30, 2009	As of March 31, 2010	As of September 30, 2010
Domestic bonds	142	124	301
Domestic stocks	2,481	2,718	1,944
Foreign securities	(264)	(112)	(60)
Others	3	5	4
Total	2,362	2,735	2,190

Note)

The above numbers represent difference between costs and book values for securities available for sale, which have readily determinable fair value.

## NIPPONKOA Insurance Co., Ltd. (Non-consolidated)

## ⑤ Underwriting of third-sector insurance products

(Number in hundreds)

	Six months ended September 30, 2010		Breakdown of number	
	Number	Increase (Decrease)	NIPPONKOA Insurance Co., Ltd.	Subsidiaries
Number of policies	564	(9)	319	244

Notes)

1. This table represents cumulative total and respective number of policies of NIPPONKOA Insurance Co., Ltd. and its subsidiaries from April 1, 2010 to September 31, 2010.
2. The above numbers includes policies of medical insurance and cancer insurance, but excludes policies of accident insurance and nursing-care insurance.

## ⑥ Claims by natural disasters

(Yen in hundred millions)

	Six months ended September 30, 2009	Year ended March 31, 2010	Six months ended September 30, 2010
Direct claims paid	23	114	15
Net claims paid	21	108	15
Unpaid claims	9	22	7

Notes)

1. This table represents paid and unpaid claims related to natural disasters which occurred in the period.
2. "Unpaid claims" represents amounts deducting reinsurance recoverable on unpaid loss from direct insurance reserve for outstanding losses and claims.
3. Claims by natural disasters include claims caused by earthquakes.

## ⑦ Catastrophic loss reserve

(Yen in hundred millions, %)

Business line	Six months ended September 30, 2009			Year ended March 31, 2010			Six months ended September 30, 2010		
	Balance	Balance ratio	Provision	Balance	Balance ratio	Provision	Balance	Balance ratio	Provision
Fire and allied insurance	1,175	137.7	29	1,211	128.4	65	1,240	150.2	28
Marine insurance	189	142.5	3	190	141.1	6	190	137.0	3
Personal accident insurance	246	44.7	8	210	41.5	15	199	36.5	8
Voluntary automobile insurance	172	5.4	110	219	6.9	219	109	3.5	108
Others	502	56.8	21	515	64.6	38	532	60.9	21
Total	2,286	40.6	173	2,345	42.1	345	2,271	41.0	170

Notes)

1. Balance ratio = Balance of catastrophic loss reserve / Net premiums written (excluding household earthquake and compulsory automobile liability insurance) × 100  
As for the interim fiscal year, net premiums written is doubled for the calculation of balance ratio.
2. Provision represents gross amounts.

## ⑧ Reinsurance assumed

(Yen in hundred millions)

Business line	Six months ended September 30, 2009		Six months ended September 30, 2010	
	Reinsurance premiums assumed	Reinsurance claims assumed	Reinsurance premiums assumed	Reinsurance claims assumed
Fire and allied insurance	24	8	21	6
Marine insurance	13	8	9	8
Personal accident insurance	10	7	13	7
Voluntary automobile insurance	12	9	13	8
Compulsory automobile liability insurance	249	356	258	359
Others	13	12	14	2
Total	324	401	331	393

## ⑨ Reinsurance ceded

(Yen in hundred millions)

Business line	Six months ended September 30, 2009		Six months ended September 30, 2010	
	Reinsurance premiums ceded	Reinsurance claims ceded	Reinsurance premiums ceded	Reinsurance claims ceded
Fire and allied insurance	139	31	153	12
Marine insurance	15	9	13	13
Personal accident insurance	7	2	7	2
Voluntary automobile insurance	15	11	14	8
Compulsory automobile liability insurance	266	374	270	379
Others	37	15	41	7
Total	480	444	501	425

[Supplementary Information]

## Sompo Japan Insurance Inc. and NIPPONKOA Insurance Co., Ltd. (Combined)

(Yen in hundred millions)

	Six months ended September 30, 2009	Year ended March 31, 2010	Six months ended September 30, 2010	Increase (Decrease)	
				(C) - (B)	(C) - (A)
	(A)	(B)	(C)		
① Net premiums written	9,614	18,922	9,602	—	(11)
Rate of change	(5.2%)	(2.7%)	(0.1%)	2.5%	5.1%
② Total assets	76,435	76,216	73,654	(2,562)	(2,780)
③ Net loss ratio	71.9%	72.4%	68.6%	(3.8%)	(3.3%)
④ Net expense ratio	34.6%	34.6%	34.0%	(0.6%)	(0.6%)
⑤ Combined ratio	106.4%	107.0%	102.6%	(4.5%)	(3.9%)
Underwriting result ratio	(6.4%)	(7.0%)	(2.6%)	4.5%	3.9%
⑥ Voluntary automobile insurance					
• Net premiums written	4,830	9,590	4,777	—	(53)
Rate of change	(2.0%)	(2.1%)	(1.1%)	0.9%	0.9%
• Underwriting result ratio	(0.9%)	(4.0%)	(2.6%)	1.4%	(1.7%)
• Net loss ratio	67.2%	70.7%	69.7%	(1.0%)	2.6%
• Net expense ratio	33.7%	33.3%	32.9%	(0.4%)	(0.8%)
⑦ Fire and allied insurance					
• Net premiums written	1,114	2,407	1,099	—	(15)
Rate of change	(4.1%)	(0.1%)	(1.4%)	(1.3%)	2.7%
• Underwriting result ratio	9.9%	10.9%	10.5%	(0.4%)	0.7%
• Net loss ratio	46.9%	45.8%	45.3%	(0.4%)	(1.5%)
• Net expense ratio	43.3%	43.4%	44.1%	0.8%	0.9%
⑧ Number of employees	25,773	25,551	28,989	3,438	3,216
⑨ Number of agencies	76,391	74,814	73,505	(1,309)	(2,886)

## Notes)

1. Net loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100
2. Net expense ratio = (Net commissions and brokerage fees + Operating, general and administrative expenses related to underwriting) / Net premiums written × 100
3. Combined ratio = Net loss ratio + Net expense ratio
4. Underwriting result ratio = 100 - Combined ratio
5. Items with % within "Increase (Decrease)" represent change from the year ended March 31, 2010 and the six months ended September 30, 2009, respectively.

## 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