

**UNOFFICIAL TRANSLATION**

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May 18, 2012

**NKSJ Holdings, Inc.**

**Summary of Consolidated Financial Results for the fiscal year ended March 31, 2012  
[under Japanese GAAP]**

Company Name: **NKSJ Holdings, Inc.**  
 Listed on: Tokyo and Osaka Stock Exchange  
 Stock Code Number: 8630  
 URL: <http://www.nksj-hd.com/>  
 Representative: Kengo Sakurada, President  
 Contact: Kazuhisa Tamura, Manager, Accounting Department  
 Scheduled date to hold general meeting of stockholders: June 27, 2012  
 Scheduled date to file Securities Report: June 27, 2012  
 Scheduled date to start payment of dividends: June 28, 2012  
 Supplementary information for financial statements: Yes  
 Schedule for investor meeting (intended for institutional investors and analysts): Yes

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

**1. Consolidated Financial Results for the fiscal year ended March 31, 2012 (April 1, 2011 to March 31, 2012)**

**(1) Consolidated Results of Operations**

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

	Ordinary income		Ordinary profit		Net income	
	millions of yen	%	millions of yen	%	millions of yen	%
Year ended March 31, 2012	2,790,555	6.4	(51,815)	—	(92,262)	—
Year ended March 31, 2011	2,621,689	—	(6,437)	—	(12,918)	—

Note) Comprehensive income: Year ended March 31, 2012 (48,098) million yen — %  
 Year ended March 31, 2011 (143,120) million yen — %

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit to total assets	Ordinary profit to ordinary income
	yen	yen	%	%	%
Year ended March 31, 2012	(222.30)	—	(8.9)	(0.6)	(1.9)
Year ended March 31, 2011	(31.11)	—	(1.1)	(0.1)	(0.2)

Reference) Investment gains on the equity method: Year ended March 31, 2012 111 million yen  
 Year ended March 31, 2011 511 million yen

(NKSJ Holdings, Inc. carried out a reverse split of stocks to combine common stocks at a ratio of four shares to one share on October 1, 2011. Net income per share is calculated based on the assumption that the reverse split of stocks was executed at the beginning of the fiscal year ended March 31, 2011.)

**(2) Consolidated Financial Conditions**

	Total assets	Total net assets	Equity ratio	Total net assets per share
	millions of yen	millions of yen	%	yen
As of March 31, 2012	8,893,378	1,000,577	11.2	2,395.08
As of March 31, 2011	8,981,974	1,079,446	12.0	2,588.02

Reference) Equity capital: As of March 31, 2012 993,543 million yen  
 As of March 31, 2011 1,074,303 million yen

(NKSJ Holdings, Inc. carried out a reverse split of stocks to combine common stocks at a ratio of four shares to one share on October 1, 2011. Total net assets per share is calculated based on the assumption that the reverse split of stocks was executed at the beginning of the fiscal year ended March 31, 2011.)

**(3) Consolidated Cash Flows**

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
	millions of yen	millions of yen	millions of yen	millions of yen
Year ended March 31, 2012	(144,555)	198,896	(36,860)	415,489
Year ended March 31, 2011	(18,596)	38,768	(25,683)	398,912

## 2. Dividends

	Dividends per share					Total annual dividends	Dividend payout ratio (Consolidated)	Dividends on net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Annual			
	yen	yen	yen	yen	yen	millions of yen	%	%
Year ended March 31, 2011	—	—	—	20.00	20.00	33,208	—	2.9
Year ended March 31, 2012	—	—	—	80.00	80.00	33,186	—	3.2
Year ending March 31, 2013 (Forecast)	—	—	—	80.00	80.00		138.3	

(NKSJ Holdings, Inc. carried out a reverse split of stocks to combine common stocks at a ratio of four shares to one share on October 1, 2011. The amount of year-end dividend per share for the fiscal year ended March 31, 2011 represents the result of dividend payments made before the execution of the reverse split of stocks.)

## 3. Consolidated Forecasts for the fiscal year ending March 31, 2013 (April 1, 2012 to March 31, 2013)

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

	Ordinary income		Ordinary profit		Net income		Net income per share
	millions of yen	%	millions of yen	%	millions of yen	%	yen
Year ending March 31, 2013 (April 1, 2012 to March 31, 2013)	2,820,000	1.1	64,000	—	24,000	—	57.85

### (Notes)

(1) Changes in significant subsidiaries during the fiscal year ended March 31, 2012 (changes in specified subsidiaries resulting in changes in the scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimations, and retrospective restatements

- ① Changes in accounting policies due to revisions to accounting standards: Yes
- ② Changes in accounting policies due to reasons other than the above: None
- ③ Changes in accounting estimations: None
- ④ Retrospective restatements: None

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

① Total shares outstanding including treasury stock:

As of March 31, 2012 415,352,294 shares  
As of March 31, 2011 415,352,294 shares

② Treasury stock:

As of March 31, 2012 527,089 shares  
As of March 31, 2011 245,865 shares

③ Average number of shares outstanding:

Year ended March 31, 2012 415,026,077 shares  
Year ended March 31, 2011 415,154,592 shares

(NKSJ Holdings, Inc. carried out a reverse split of stocks to combine common stocks at a ratio of four shares to one share on October 1, 2011. Total shares outstanding including treasury stock, treasury stock and average number of shares outstanding are calculated based on the assumption that the reverse split of stocks was executed at the beginning of the fiscal year ended March 31, 2011.)

(Disclosure regarding the execution of the audit process)

This summary is outside the scope of the audit procedure which is required by Financial Instruments and Exchange Act, and the audit procedure of the consolidated financial statements has not been completed as of the date of the disclosure of this summary.

(Notes for using forecasted information etc.)

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

For assumptions underlying the forecasts and notes for using forecasted information, please refer to "Outlook for the fiscal year ending March 31, 2013" on page 3.

Please note that NKSJ Holdings, Inc. carried out a reverse split of stocks to combine common stocks at a ratio of four shares to one share on October 1, 2011.

## Contents

<b>1. Results of Operations</b> .....	2
(1) Analysis of Results of Operations .....	2
(2) Analysis of Financial Condition .....	3
(3) Basic Profit Distribution Policy and Dividends for the fiscal year ended March 31, 2012 and the fiscal year ending March 31, 2013 .....	4
<b>2. Management Policies</b> .....	5
(1) Basic Management Policies .....	5
(2) Financial Targets and Medium- and Long-term Corporate Management Strategies .....	5
(3) Pressing Issues Ahead .....	7
<b>3. Consolidated Financial Statements</b> .....	8
(1) Consolidated Balance Sheets .....	8
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income .....	10
(3) Consolidated Statements of Changes in Net Assets .....	13
(4) Consolidated Statements of Cash Flows .....	16
(5) Notes on Going-Concern Assumption .....	18
(6) Changes in Significant Accounting Policies for the Preparation of the Consolidated Financial Statements ..	18
(7) Additional Information .....	18
(8) Notes to the Consolidated Financial Statements .....	19
Segment information .....	19
Securities .....	26
Derivative transactions .....	29
Per share information .....	33
Significant subsequent events .....	33
<b>4. Other</b> .....	34
(1) Summary of Results of Operations (Consolidated) .....	34
(2) Premiums Written and Claims Paid by Business Lines (Consolidated) .....	35
(3) Life Insurance Business (Consolidated) .....	36
(4) Risk-monitored Loans (Consolidated) .....	37

## 1. Results of Operations

### (1) Analysis of Results of Operations

#### (Results of Operations)

During the fiscal year ended March 31, 2012, the Japanese economy experienced a sharp downturn centered on production and exports after the Great East Japan Earthquake, which struck in March 2011. However, economic conditions in Japan picked up with the resolution of supply-side constraints and an improvement in business and household economic sentiment. That said, the economic rebound was only gradual, hampered by slowing exports due to impact of the global economic slowdown caused by the onset of the European debt crisis, in addition to the yen's appreciation from the summer of 2011. Moreover, Japan's trade balance fell into deficit because of a large increase in energy-related imports coupled with lower exports. Consumer prices continued to decline overall, weighed down by a large decline in prices of durable goods and certain other items, although energy prices increased. Despite some signs of an upturn in employment conditions, the job market has remained challenging.

The property and casualty (P&C) insurance industry continued to face a difficult business environment, mainly due to a persistently high loss ratio in mainstay automobile insurance, as well as natural disasters in Japan and the flooding in Thailand.

Under these circumstances, the NKSJ Group's consolidated financial results for the year ended March 31, 2012 were as follows:

Ordinary income for the year ended March 31, 2012 was 2,790.5 billion yen, an increase of 168.8 billion yen year on year. This reflected underwriting income of 2,628.2 billion yen, investment income of 151.0 billion yen and other ordinary income of 11.2 billion yen. Meanwhile, ordinary expenses for the period were 2,842.3 billion yen, an increase of 214.2 billion yen year on year. This reflected underwriting expenses of 2,340.7 billion yen, investment expenses of 72.5 billion yen, operating, general and administrative expenses of 418.2 billion yen and 10.8 billion yen of other ordinary expenses.

As a result of the foregoing, NKSJ Holdings, Inc. (the "Company") reported an ordinary loss, calculated as ordinary income minus ordinary expenses, of 51.8 billion yen, a decrease of 45.3 billion yen compared with the ordinary profit (loss) for the previous fiscal year. The Company posted a net loss after extraordinary items, net of total income taxes and non-controlling interests, of 92.2 billion yen, a decrease of 79.3 billion yen compared with the net income (loss) for the previous fiscal year.

The main factors behind the increase in net loss were the 102.7 billion yen for net claims paid and provision for reserve for outstanding losses and claims relating to the flooding in Thailand, and recognition of a 37.2 billion yen loss due to reversal of deferred tax assets following the promulgation of a law relating to reduction of the corporate income tax rate.

Business results for each of the NKSJ Group's reportable segments were as follows:

#### (a) P&C insurance business

In the P&C insurance business, net premiums written amounted to 1,973.7 billion yen, an increase of 40.4 billion yen year on year. The P&C insurance business posted a net loss of 78.1 billion yen, a decrease of 70.3 billion yen compared with net income (loss) for the previous fiscal year.

(b) Life insurance business

In the life insurance business, life insurance premiums written amounted to 250.1 billion yen, an increase of 12.0 billion yen year on year. The life insurance business posted a net loss of 14.6 billion yen, a decrease of 10.6 billion yen compared with net income (loss) for the previous fiscal year.

(Outlook for the fiscal year ending March 31, 2013)

For the fiscal year ending March 31, 2013, the Company is forecasting consolidated ordinary income of 2,820.0 billion yen, ordinary profit of 64.0 billion yen and net income of 24.0 billion yen, based on the following assumptions:

- Assumptions for net premiums written are based on the Company's own projections based on extrapolation from past trends and other factors.
- Projections for net claims paid due to natural disasters, excluding the net claims paid by the Great East Japan Earthquake and the flooding in Thailand, are approximately 30.0 billion yen at Sompo Japan Insurance Inc. and approximately 20.0 billion yen at NIPPONKOA Insurance Co., Ltd., taking into account past trends.
- The Company assumes no major change in market interest rates, exchange rates and stock prices from their levels at March 31, 2012.

The above forecasts were prepared based on information available as of the date of this release. Accordingly, actual results may differ materially from projections depending on various factors.

(2) Analysis of Financial Condition

Total assets as of March 31, 2012 amounted to 8,893.3 billion yen on a consolidated basis, a decrease of 88.5 billion yen from March 31, 2011, mainly due to a net loss.

For the fiscal year ended March 31, 2012, cash flows from operating activities resulted in a net outflow of 144.5 billion yen, a decrease of 125.9 billion yen compared with the cash flows from operating activities for the previous fiscal year, mainly due to an increase of net claims paid.

Cash flows from investing activities resulted in a net inflow of 198.8 billion yen, an increase of 160.1 billion yen compared with the cash flows from investing activities for the previous fiscal year, mainly due to an increase of proceeds from sales and redemption of securities.

Cash flows from financing activities resulted in a net outflow of 36.8 billion yen, a decrease of 11.1 billion yen compared with the cash flows from financing activities for the previous fiscal year.

As a result, cash and cash equivalents at the end of the period were 415.4 billion yen, an increase of 16.5 billion yen.

Equity and fair-value equity ratios were as follows:

	As of March 31, 2011	As of March 31, 2012
Equity ratio	12.0%	11.2%
Fair-value equity ratio	10.0%	8.6%

Notes:

1. Equity ratio: shareholders' equity / total assets x 100
2. Fair-value equity ratio: market capitalization / total assets x 100
3. The NKSJ Group does not publish its "ratio of cash flow to interest-bearing debt" or "interest coverage ratio," based on the belief that these indicators are not appropriate measures of the NKSJ Group's actual financial position because its core business is insurance operations.

### (3) Basic Profit Distribution Policy and Dividends for the fiscal year ended March 31, 2012 and the fiscal year ending March 31, 2013

The Company's basic profit distribution policy is to return profits to shareholders primarily by paying a stable dividend, supplemented by the option of stock buybacks where warranted by the Company's capital conditions. At the same time, it strives to enhance capital efficiency through investments in growing business fields while ensuring financial soundness. Moreover, the Company has set a medium-term target for the total payout ratio\* of 50% of adjusted consolidated profit (excluding the domestic life insurance business).

The Company plans to pay year-end cash dividends per share of 80 yen to shareholders for the fiscal year ended March 31, 2012.

In line with its basic policy on returning profits to shareholders, the Company plans to pay annual dividends per share of 80 yen to shareholders for the fiscal year ending March 31, 2013. Furthermore, the Company has announced plans to fully merge Sompo Japan Insurance Inc. and NIPPONKOA Insurance Co., Ltd. into a single company in the first half of fiscal 2014. In the event of a revision in the medium-term outlook for business performance or capital conditions due to changes in business plans associated with the merger, or shifts in the business environment, market developments or other factors going forward, the Company may revise its basic policy on returning profits to shareholders.

\* Note: Total payout ratio = (total dividend + total stock buybacks) / adjusted consolidated profit (excluding the domestic life insurance business)

## 2. Management Policies

### (1) Basic Management Policies

The NKSJ Group's basic group management policies are as follows:

Recognizing its social responsibility and public mission in insurance and financial services, the NKSJ Group ("the Group") pursues sustained growth by executing management strategies for the entire Group through operations premised on building highly transparent governance systems and ensuring effective risk management and compliance. (No. 1 group for "Growth" and "Customers' Trust")

(a) The Group is enhancing management efficiency through collaboration in all areas of the Group's operations to ensure that the effects of the business integration are realized as soon as possible.

(b) Drawing on the solid financial foundation and human resources provided by the business integration, the Group is strategically investing resources in growth areas in the aim of bolstering earnings on a group-wide basis and enhancing the corporate value.

(c) The Group endeavors to enhance operational quality in all of the service processes and provide customers with absolute peace of mind and the highest quality services so as to strengthen the trust that customers place in us.

(d) Utilizing the Group's core business strengths in socially significant areas such as the environment, health and medical care, the Group is fulfilling corporate social responsibility and helping to build a sustainable society through active dialog with stakeholders.

(e) The Group actively undertakes human resource exchanges within the Group, effectively utilize know-how and work to invigorate the workforce to realize a vibrant and open group that grows together with its employees.

### (2) Financial Targets and Medium- and Long-term Corporate Management Strategies

#### (Basic Group Strategies)

The Group aims to further improve the Group's profit-earning capacity in the domestic P&C insurance business, which is a profit driver of the Group. Also, we are shifting management resources to promising areas such as domestic life insurance and overseas insurance businesses, and working to establish a more balanced business portfolio. Moreover, we are investing in growth businesses by utilizing enhanced profit expanded by multiple profit drivers. In this way, the Group aims to create a sustainable growth cycle.

#### (The Group's Financial Targets)

The Group is targeting adjusted consolidated profit of 160.0 billion yen (Note 1) for the fiscal year ending March 31, 2016 and adjusted consolidated ROE of 7% (Note 2) or more as the Group's management indicators. The entire Group will make a concerted effort to achieve these financial targets.

For the fiscal year ended March 31, 2012, adjusted consolidated profit amounted to 1.2 billion yen, while adjusted consolidated ROE stood at 0.1%. For the fiscal year ending March 31, 2013, the Group is forecasting adjusted

consolidated profit of 53.7 billion yen and adjusted consolidated ROE of 2.7%.

Adjusted profit results and targets by business types are as follows:

(Billions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ending March 31, 2013
Domestic P&C Insurance Business	(71.3)	(33.2)
Domestic Life Insurance Business	100.0	85.0
Overseas Insurance Business	(19.7)	6.3
Financial and Other Services Business	(7.6)	(4.3)

(Notes)

1: The calculation method for adjusted profit and definition of business are as follows.

Business Types	Definition of Business in the Calculation of Adjusted Profit	Calculation Method for Adjusted Profit
Domestic P&C Insurance Business	Total of Sompo Japan Insurance Inc. (on a non-consolidated basis) and NIPPONKOA Insurance Co., Ltd. (on a non-consolidated basis)	Net income for the period + Provisions for catastrophic loss reserve (after tax) + Provisions for reserve for price fluctuation (after tax) – Gains/losses on sales of securities and impairment losses on securities (after tax) – Extraordinary factors
Domestic Life Insurance Business	NKSJ Himawari Life Insurance, Inc.	Amount of increase in Embedded Value (EV) during the period – Capital transactions such as equity issuance – Changes in EV attributable to fluctuation of interest rates, etc.
Overseas Insurance Business	Overseas insurance subsidiaries	Net income for the period for financial accounting purposes
Financial and Other Services Business	Sonpo 24 Insurance Company Limited Saison Automobile and Fire Insurance Company, Limited Sompo Japan DIY Life Insurance Co., Ltd. Financial services businesses, Healthcare businesses and other services	Net income for the period for financial accounting purposes

2: The calculation method for the adjusted consolidated ROE is as follows.

<Adjusted consolidated ROE calculation method>

Adjusted consolidated profit / [consolidated net assets (excluding life insurance subsidiaries' net assets) + catastrophic loss reserve (after tax) + reserve for price fluctuation (after tax) + life insurance subsidiaries' EV]

\* All values in the denominator are the average of the fiscal-year beginning and ending balances.

### (3) Pressing Issues Ahead

Going forward, the outlook for the Japanese economy does not allow optimism, although progress with the earthquake restoration projects is expected to support a gradual upturn in economic conditions. In the P&C insurance industry, under difficult business environment, we continue to support for earthquake restoration, and we are required to build up a solid business foundation capable of responding to the multitude of risks faced by our society.

In May 2010, the Company announced the NKSJ Group 5-Year Medium-Term Management Plan that would start from fiscal year 2010 and end in fiscal year 2014. However, in consideration of the following changes in the business environment and the occurrence of the Great East Japan Earthquake, a new management plan ending in fiscal year 2015 was announced in September 2011.

In the newly formulated management plan, a policy is adopted to achieve structural reform for the Group to ensure profits for the domestic P&C insurance business even in a low-growth environment, while accelerating the growth strategy for the businesses such as domestic life insurance business and overseas insurance business.

With the aim of improving efficiency in the domestic P&C insurance business, the Company announced in March 2012 that Sompo Japan and NIPPONKOA would merge to form Sompo Japan Nipponkoa Insurance Inc. ("Sompo Japan Nipponkoa") by around the first half of fiscal year 2014, with Sompo Japan acting as the surviving entity. The merger is aimed at exploiting the strengths that have been cultivated by both companies as one company in order to maximize earnings power based on a solid business foundation.

Sompo Japan Nipponkoa will optimally combine the business resources of both companies under a robust corporate governance system, with a view to tackling the following "Five Challenges" with an emphasis on speed: "Striving to become Japan's Best / No.1 in terms of customer evaluations"; "Striving to become Japan's Best / No.1 in terms of employees' skills and the appeal of agencies"; "Striving to become Japan's Best / No.1 in terms of simplicity and speed"; "Striving to achieve the industry's highest level of business efficiency and profitability"; and "Striving to become a leading company in terms of CSR and the environment."

Although it will still be about two years before Sompo Japan Nipponkoa is launched, preparations are already underway in terms of the construction of a joint headquarters framework, sharing of sales and service centers, and system integration.

The NKSJ Group will continue providing customers with security and service of the highest quality through businesses including its domestic P&C insurance business, domestic life insurance business, and overseas insurance business as it works towards improving its corporate value.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2011	As of March 31, 2012
<b>Assets:</b>		
Cash and deposits	328,528	332,416
Call loans	78,399	76,300
Receivables under resale agreements	33,490	60,486
Receivables under securities borrowing transactions	30,370	—
Monetary receivables bought	32,273	28,952
Money trusts	67,861	37,091
Securities	6,431,235	6,317,507
Loans	691,294	654,039
Tangible fixed assets:	363,416	358,530
Land	195,746	194,742
Buildings	132,690	127,422
Leased assets	6,841	6,337
Construction in progress	2,028	4,993
Other tangible fixed assets	26,109	25,034
Intangible fixed assets:	53,438	55,311
Software	6,797	6,502
Goodwill	41,956	47,740
Other intangible fixed assets	4,684	1,067
Other assets	618,602	716,711
Deferred tax assets	258,966	232,285
Customers' liabilities for acceptances and guarantees	—	29,370
Allowance for possible credit losses	(5,903)	(5,619)
Allowance for possible investment losses	—	(3)
<b>Total assets</b>	<b>8,981,974</b>	<b>8,893,378</b>
<b>Liabilities:</b>		
Underwriting funds:	7,313,315	7,144,799
Reserve for outstanding losses and claims	1,009,329	1,022,435
Underwriting reserves	6,303,985	6,122,363
Corporate bonds	128,000	128,000
Other liabilities	305,559	430,895
Reserve for retirement benefits	104,793	107,983
Reserve for retirement benefits to directors	141	67
Reserve for bonus payments	22,624	22,839
Reserve for bonus payments to directors	—	143
Reserves under the special laws:	27,520	27,658
Reserve for price fluctuation	27,520	27,658
Deferred tax liabilities	572	1,043
Acceptances and guarantees	—	29,370
<b>Total liabilities</b>	<b>7,902,527</b>	<b>7,892,801</b>

(Millions of yen)

	As of March 31, 2011	As of March 31, 2012
Net assets:		
Shareholders' equity:		
Common stock	100,045	100,045
Capital surplus	438,555	438,562
Retained earnings	298,339	172,868
Treasury stock	(572)	(1,044)
Total shareholders' equity	836,367	710,431
Accumulated other comprehensive income:		
Unrealized gains on securities available for sale, net of tax	268,976	326,591
Deferred gains and losses on hedges	3,543	5,660
Foreign currency translation adjustments	(34,583)	(49,141)
Total accumulated other comprehensive income	237,936	283,111
Stock acquisition rights	2,349	2,409
Non-controlling interests	2,793	4,624
Total net assets	1,079,446	1,000,577
Total liabilities and net assets	8,981,974	8,893,378

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income  
 Consolidated Statements of Income

	(Millions of yen)	
	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)	Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)
Ordinary income:	2,621,689	2,790,555
Underwriting income:	2,480,715	2,628,200
Net premiums written	1,933,283	1,973,777
Deposits of premiums by policyholders	153,723	164,628
Interest and dividend income on deposits of premiums, etc.	60,088	55,932
Life insurance premiums written	238,178	250,193
Reversal of reserve for outstanding losses and claims	13,655	—
Reversal of underwriting reserves	76,033	180,372
Other underwriting income	5,752	3,294
Investment income:	129,136	151,083
Interest and dividend income	156,467	152,090
Investment gains on money trusts	1,220	333
Investment gains on trading securities	104	—
Gains on sales of securities	26,359	52,522
Gains on redemption of securities	698	1,011
Gains on derivatives	4,134	508
Investment gains on special account	—	353
Other investment income	238	196
Transfer of interest and dividend income on deposits of premiums, etc.	(60,088)	(55,932)
Other ordinary income:	11,837	11,271
Investment gains on the equity method	511	111
Other ordinary income	11,325	11,160
Ordinary expenses:	2,628,126	2,842,370
Underwriting expenses:	2,144,942	2,340,706
Net claims paid	1,244,450	1,472,664
Loss adjustment expenses	129,526	136,324
Net commissions and brokerage fees	353,193	366,545
Maturity refunds to policyholders	350,406	291,534
Dividends to policyholders	117	52
Life insurance claims paid and other payments	58,318	60,357
Provision for reserve for outstanding losses and claims	—	8,473
Other underwriting expenses	8,930	4,754
Investment expenses:	51,524	72,525
Investment losses on money trusts	968	364
Investment losses on trading securities	—	37
Losses on sales of securities	9,281	34,813
Impairment losses on securities	20,993	17,980
Losses on redemption of securities	3,320	2,289
Investment losses on special account	379	—
Other investment expenses	16,581	17,040
Operating, general and administrative expenses	419,925	418,273
Other ordinary expenses:	11,734	10,864
Interest paid	7,301	7,566
Provision for allowance for possible credit losses	—	31
Losses on bad debt	148	8
Provision for allowance for possible investment losses	—	3
Other ordinary expenses	4,284	3,253
Ordinary loss	(6,437)	(51,815)

(Millions of yen)

	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)	Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)
Extraordinary gains:	3,540	9,144
Gains on disposal of fixed assets	1,605	1,874
Gains on negative goodwill	149	—
Gains on step acquisitions	—	6,298
Other extraordinary gains	1,785	970
Extraordinary losses:	14,786	14,965
Losses on disposal of fixed assets	1,366	2,068
Impairment losses	1,118	992
Provision for reserves under the special laws:	9,028	137
Provision for reserve for price fluctuation	9,028	137
Other extraordinary losses	3,273	11,766
Loss before income taxes and non-controlling interests	(17,683)	(57,636)
Income taxes	3,240	2,544
Deferred income taxes	(7,623)	32,630
Total income taxes	(4,382)	35,174
Loss before non-controlling interests	(13,300)	(92,810)
Net loss attributable to non-controlling interests	(382)	(548)
Net loss	(12,918)	(92,262)

## Consolidated Statements of Comprehensive Income

	(Millions of yen)	
	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)	Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)
Loss before non-controlling interests	(13,300)	(92,810)
Other comprehensive income:		
Unrealized gains on securities available for sale, net of tax	(120,733)	57,739
Deferred gains and losses on hedges	3,543	2,117
Foreign currency translation adjustments	(12,233)	(13,944)
Share of other comprehensive income of affiliates accounted for under the equity method	(395)	(1,200)
Total other comprehensive income	(129,819)	44,712
Comprehensive income	(143,120)	(48,098)
(Comprehensive income attributable to)		
Comprehensive income attributable to shareholders of the parent	(142,660)	(47,125)
Comprehensive income attributable to non-controlling interests	(459)	(973)

## (3) Consolidated Statements of Changes in Net Assets

(Millions of yen)

	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)	Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)
Shareholders' equity:		
Common stock:		
Balance at the beginning of the period	70,000	100,045
Changes during the period:		
Issuance of new stocks - exercise of stock acquisition rights	45	—
Increase due to share exchange	30,000	—
Total changes during the period	30,045	—
Balance at the end of the period	100,045	100,045
Capital surplus:		
Balance at the beginning of the period	24,229	438,555
Changes during the period:		
Issuance of new stocks - exercise of stock acquisition rights	45	—
Disposal of treasury stock	31	6
Increase due to share exchange	414,248	—
Total changes during the period	414,325	6
Balance at the end of the period	438,555	438,562
Retained earnings:		
Balance at the beginning of the period	336,793	298,339
Changes during the period:		
Dividends	(25,700)	(33,208)
Net loss	(12,918)	(92,262)
Changes in the scope of consolidation	165	—
Total changes during the period	(38,454)	(125,470)
Balance at the end of the period	298,339	172,868
Treasury stock:		
Balance at the beginning of the period	—	(572)
Changes during the period:		
Acquisition of treasury stock	(769)	(924)
Disposal of treasury stock	196	452
Total changes during the period	(572)	(471)
Balance at the end of the period	(572)	(1,044)
Total shareholders' equity:		
Balance at the beginning of the period	431,023	836,367
Changes during the period:		
Issuance of new stocks - exercise of stock acquisition rights	91	—
Dividends	(25,700)	(33,208)
Net loss	(12,918)	(92,262)
Acquisition of treasury stock	(769)	(924)
Disposal of treasury stock	228	459
Changes in the scope of consolidation	165	—
Increase due to share exchange	444,248	—
Total changes during the period	405,344	(125,935)
Balance at the end of the period	836,367	710,431

(Millions of yen)

	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)	Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)
Accumulated other comprehensive income:		
Unrealized gains on securities available for sale, net of tax:		
Balance at the beginning of the period	389,352	268,976
Changes during the period:		
Net changes in items other than shareholders' equity	(120,376)	57,615
Total changes during the period	(120,376)	57,615
Balance at the end of the period	268,976	326,591
Deferred gains and losses on hedges:		
Balance at the beginning of the period	—	3,543
Changes during the period:		
Net changes in items other than shareholders' equity	3,543	2,117
Total changes during the period	3,543	2,117
Balance at the end of the period	3,543	5,660
Foreign currency translation adjustments:		
Balance at the beginning of the period	(21,674)	(34,583)
Changes during the period:		
Net changes in items other than shareholders' equity	(12,908)	(14,557)
Total changes during the period	(12,908)	(14,557)
Balance at the end of the period	(34,583)	(49,141)
Total accumulated other comprehensive income:		
Balance at the beginning of the period	367,678	237,936
Changes during the period:		
Net changes in items other than shareholders' equity	(129,741)	45,174
Total changes during the period	(129,741)	45,174
Balance at the end of the period	237,936	283,111
Stock acquisition rights:		
Balance at the beginning of the period	1,302	2,349
Changes during the period:		
Net changes in items other than shareholders' equity	1,046	60
Total changes during the period	1,046	60
Balance at the end of the period	2,349	2,409
Non-controlling interests:		
Balance at the beginning of the period	2,839	2,793
Changes during the period:		
Net changes in items other than shareholders' equity	(46)	1,831
Total changes during the period	(46)	1,831
Balance at the end of the period	2,793	4,624

(Millions of yen)

	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)	Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)
Total net assets:		
Balance at the beginning of the period	802,843	1,079,446
Changes during the period:		
Issuance of new stocks - exercise of stock acquisition rights	91	—
Dividends	(25,700)	(33,208)
Net loss	(12,918)	(92,262)
Acquisition of treasury stock	(769)	(924)
Disposal of treasury stock	228	459
Changes in the scope of consolidation	165	—
Increase due to share exchange	444,248	—
Net changes in items other than shareholders' equity	(128,742)	47,066
Total changes during the period	276,602	(78,868)
Balance at the end of the period	1,079,446	1,000,577

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)	Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)
Cash flows from operating activities:		
Loss before income taxes and non-controlling interests	(17,683)	(57,636)
Depreciation	20,132	21,040
Impairment losses	1,118	992
Amortization of goodwill	2,221	3,662
Gains on negative goodwill	(149)	—
Increase (decrease) in reserve for outstanding losses and claims	(23,560)	8,282
Increase (decrease) in underwriting reserves	(78,908)	(183,286)
Increase (decrease) in allowance for possible credit losses	(1,669)	(354)
Increase (decrease) in allowance for possible investment losses	—	3
Increase (decrease) in reserve for retirement benefits	1,227	1,145
Increase (decrease) in reserve for retirement benefits to directors	49	(74)
Increase (decrease) in reserve for bonus payments	105	(142)
Increase (decrease) in reserve for bonus payments to directors	(57)	143
Increase (decrease) in reserve for price fluctuation	9,028	137
Interest and dividend income	(156,467)	(152,090)
Losses (gains) on investment in securities	6,553	1,550
Interest expenses	7,301	7,566
Foreign exchange losses (gains)	6,767	12,575
Losses (gains) related to tangible fixed assets	(238)	(1,002)
Losses (gains) related to loans	56	131
Investment losses (gains) on the equity method	(511)	(111)
Decrease (increase) in other assets	44,787	(25,263)
Increase (decrease) in other liabilities	(1,199)	47,823
Others	20,151	15,616
Subtotal	(160,941)	(299,288)
Interest and dividend received	165,269	159,264
Interest paid	(7,173)	(7,168)
Income taxes refund (paid)	(15,750)	2,637
Cash flows from operating activities	(18,596)	(144,555)

(Millions of yen)

	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)	Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)
Cash flows from investing activities:		
Net decrease (increase) in deposits	25,600	(11,219)
Purchase of monetary receivables bought	(1,187)	—
Proceeds from sales and redemption of monetary receivables bought	10,282	3,723
Increase in money trusts	(1,874)	(807)
Decrease in money trusts	18,351	31,154
Purchase of securities	(858,423)	(1,027,133)
Proceeds from sales and redemption of securities	838,695	1,142,006
Loans made	(192,900)	(183,549)
Collection of loans	229,106	211,363
Net increase in receivables and payables under securities borrowing transactions	121	39,510
Others	15,280	13,165
Subtotal	83,050	218,214
Total of operating activities and investment transactions as above	64,453	73,659
Acquisition of tangible fixed assets	(13,324)	(14,359)
Proceeds from sales of tangible fixed assets	2,707	2,874
Acquisition of stocks of subsidiaries resulting in changes in the scope of consolidation	(28,410)	(5,191)
Others	(5,254)	(2,641)
Cash flows from investing activities	38,768	198,896
Cash flows from financing activities:		
Proceeds from issuance of stocks	0	—
Proceeds from sales of treasury stock	20	13
Acquisition of treasury stock	(769)	(924)
Dividends paid	(25,696)	(33,246)
Dividends paid to non-controlling shareholders	(5)	(3)
Others	768	(2,698)
Cash flows from financing activities	(25,683)	(36,860)
Effect of exchange rate changes on cash and cash equivalents	(2,584)	(3,033)
Net increase (decrease) in cash and cash equivalents	(8,095)	14,447
Cash and cash equivalents at the beginning of the period	262,844	398,912
Net increase in cash and cash equivalents due to share exchange	141,141	—
Net increase in cash and cash equivalents due to merger	3,022	2,129
Cash and cash equivalents at the end of the period	398,912	415,489

## (5) Notes on Going-Concern Assumption

None.

## (6) Changes in Significant Accounting Policies for the Preparation of the Consolidated Financial Statements

(Changes in scope of consolidation)

Berjaya Sampo Insurance Berhad, which had been an affiliate accounted for under the equity method, became a consolidated subsidiary during the fiscal year ended March 31, 2012 through additional acquisition of shares.

Sampo Japan Himawari Life Insurance Co., Ltd. and NIPPONKOA Life Insurance Company, Limited, which had been consolidated subsidiaries, were merged in October 2011 to form NKSJ Himawari Life Insurance, Inc. as a consolidated subsidiary.

Number of consolidated subsidiaries after the changes: 24 companies

Number of affiliates accounted for under the equity method after the changes: 5 companies

(Changes in accounting policies)

Effective from the fiscal year ended March 31, 2012, NKSJ Holdings, Inc. has applied Accounting Standards Board of Japan Statement No.2 "Accounting Standard for Earnings Per Share" (June 30, 2010), Accounting Standards Board of Japan Guidance No.4 "Guidance on Accounting Standard for Earnings Per Share" (June 30, 2010) and Accounting Standards Board of Japan Practical Issues Task Force No.9 "Practical Solution on Accounting for Earnings Per Share" (June 30, 2010).

NKSJ Holdings, Inc. carried out a reverse split of stocks on October 1, 2011. Total net assets per share and net loss per share are calculated based on the assumption that the reverse split of stocks was executed at the beginning of the fiscal year ended March 31, 2011.

Please note that the impact of changes in accounting policies is shown in "Per share information".

## (7) Additional Information

(Application of "Accounting Standard for Accounting Changes and Error Corrections", etc.)

Effective from the beginning of the fiscal year ended March 31, 2012, NKSJ Holdings, Inc. has applied Accounting Standards Board of Japan Statement No.24 "Accounting Standard for Accounting Changes and Error Corrections" (December 4, 2009) and Accounting Standards Board of Japan Guidance No.24 "Guidance on Accounting Standard for Accounting Changes and Error Corrections" (December 4, 2009).

(Impact of changes in the corporate tax rate)

"Act on Partial Amendment to the Income Tax Act, etc. in order to Create a Tax System Responding to Structural Changes of Economy and Society" (Act No. 114, 2011) and "Act on Special Measures Concerning Securing Financial Resources Necessary for the Implementation of Measures to recover from the Great East Japan Earthquake" (Act No. 117, 2011) were promulgated on December 2, 2011, and accordingly, the corporate income tax rate has been lowered and the special corporation tax for restoration has been imposed from the consolidated fiscal year beginning on or after April 1, 2012.

Accordingly, the effective statutory income tax rate used to calculate deferred tax assets and deferred tax liabilities will generally change from the 36.1% used previously, to 33.2% for temporary differences expected to be reversed in the fiscal years from the fiscal year beginning April 1, 2012 up to and including the fiscal year beginning April 1, 2014, and 30.7% for temporary differences expected to be reversed from the fiscal year beginning April 1, 2015 onwards. As a result of this change in the corporate tax rate, deferred tax assets (net of deferred tax liabilities) decreased by 28,389 million yen, underwriting reserves decreased by 16,262 million yen, deferred income taxes increased by 53,504 million yen, and net loss increased by 37,242 million yen.

## (8) Notes to the Consolidated Financial Statements

## (Segment information)

## [Segment information]

## 1. Summary of reportable segments

The reportable segment of NKSJ Holdings, Inc. (“NKSJ”) is the component of the NKSJ Group, for which discrete financial information is available and whose operating results are regularly reviewed by the board of directors to make decisions about resources to be allocated to the segment and assess its performance.

The respective group companies of NKSJ determine their comprehensive strategies for their operations as independent management unit and roll out their operations under the group-wide management policy of NKSJ.

Therefore, NKSJ is composed of business segments which consist of the respective group companies as a minimum component, and “Property and casualty insurance business” and “Life insurance business” are determined as the reportable segments. NKSJ and other operations which are not covered by the reportable segments are included in “Others”. The major companies which constitute each reportable segment and “Others” are listed below.

“Property and casualty insurance business” conducts underwriting of property and casualty insurance, investment and related activities. “Life insurance business” conducts underwriting of life insurance and investment activities.

	Major companies
Reportable segments	
Property and casualty insurance business	Sompo Japan Insurance Inc. NIPPONKOA Insurance Co., Ltd. Sonpo 24 Insurance Company Limited Saison Automobile and Fire Insurance Company, Limited Sompo Japan Insurance Company of America Sompo Japan Sigorta Anonim Sirketi Yasuda Seguros S.A.
Life insurance business	NKSJ Himawari Life Insurance, Inc. Sompo Japan DIY Life Insurance Co., Ltd.
Others	NKSJ Holdings, Inc. Sompo Japan DC Securities Co., Ltd. Healthcare Frontier Japan Inc. SOMPO JAPAN NIPPONKOA ASSET MANAGEMENT CO., LTD. Yasuda Enterprise Development Co., Ltd.

## 2. Calculation methods for the amount of sales, net income or loss, assets and other items by each reportable segment

The accounting methods of reportable business segments are those used in the preparation of the consolidated financial statements. Net income or loss attributable to the reportable segments is the amounts based on net income in the consolidated statements of income.

Income from internal transactions among segments is based on the price of transactions among third parties.

## 3. Information related to the amount of sales, net income or loss, assets and other items by each reportable segment

Fiscal year ended March 31, 2011 (April 1, 2010 to March 31, 2011)

(Millions of yen)

	Reportable segments			Others (Note 2)	Total	Adjustments (Note 3)	Carrying amount on the consolidated financial statements (Note 4)
	Property and casualty insurance business	Life insurance business	Total				
Sales: (Note 1)							
Sales from transactions with external customers	1,933,283	238,178	2,171,461	5,313	2,176,775	444,913	2,621,689
Sales from internal transactions among segments	—	—	—	3,109	3,109	(3,109)	—
Total	1,933,283	238,178	2,171,461	8,423	2,179,885	441,804	2,621,689
Segment income (loss)	(7,873)	(4,073)	(11,946)	(971)	(12,918)	—	(12,918)
Segment assets	7,233,827	1,740,175	8,974,003	7,971	8,981,974	—	8,981,974
Other items:							
Depreciation	18,464	1,405	19,870	262	20,132	—	20,132
Amortization of goodwill	349	1,872	2,221	0	2,221	—	2,221
Interest and dividend income	129,528	27,559	157,088	1	157,090	(622)	156,467
Interest paid	7,202	95	7,298	7	7,306	(4)	7,301
Investment gains (losses) on the equity method	509	—	509	2	511	—	511
Extraordinary gains:	3,547	—	3,547	—	3,547	(6)	3,540
Gains on negative goodwill	149	—	149	—	149	—	149
Extraordinary losses:	13,507	1,283	14,791	1	14,793	(6)	14,786
Impairment losses	1,118	—	1,118	—	1,118	—	1,118
Income tax expenses	(3,735)	(664)	(4,400)	17	(4,382)	—	(4,382)
Investment in affiliates accounted for under the equity method	20,271	—	20,271	1,166	21,437	—	21,437
Increase in tangible and intangible fixed assets	41,685	4,580	46,266	419	46,686	—	46,686

## Notes)

1. The definitions of sales are as follows.

Property and casualty insurance business:	Net premiums written
Life insurance business:	Life insurance premiums written
“Others” and carrying amount on the consolidated financial statements:	Ordinary income

2. “Others” is business segments which are not included in reportable segments. It includes other operations.

3. Adjustments of sales are as follows.

Ordinary income related to property and casualty insurance business and life insurance business excluding net premiums written and life insurance premiums written:	444,913	million yen
Elimination of internal transactions among segments:	(3,109)	million yen

4. Segment income or loss is adjusted to net loss in the consolidated statements of income.

Fiscal year ended March 31, 2012 (April 1, 2011 to March 31, 2012)

(Millions of yen)

	Reportable segments			Others (Note 2)	Total	Adjustments (Note 3)	Carrying amount on the consolidated financial statements (Note 4)
	Property and casualty insurance business	Life insurance business	Total				
Sales: (Note 1)							
Sales from transactions with external customers	1,973,777	250,193	2,223,971	5,865	2,229,837	560,718	2,790,555
Sales from internal transactions among segments	—	—	—	3,977	3,977	(3,977)	—
Total	1,973,777	250,193	2,223,971	9,843	2,233,815	556,740	2,790,555
Segment income (loss)	(78,175)	(14,687)	(92,862)	600	(92,262)	—	(92,262)
Segment assets	7,053,710	1,830,468	8,884,178	9,200	8,893,378	—	8,893,378
Other items:							
Depreciation	18,979	1,833	20,813	226	21,040	—	21,040
Amortization of goodwill	1,789	1,872	3,662	—	3,662	—	3,662
Interest and dividend income	122,838	29,958	152,796	0	152,797	(707)	152,090
Interest paid	7,461	103	7,565	2	7,568	(1)	7,566
Investment gains (losses) on the equity method	156	—	156	(45)	111	—	111
Extraordinary gains: (Note 5)	12,012	—	12,012	3	12,015	(2,871)	9,144
Extraordinary losses: (Note 6)	4,498	13,337	17,835	0	17,836	(2,871)	14,965
Impairment losses	992	—	992	—	992	—	992
Income tax expenses	35,951	(825)	35,126	48	35,174	—	35,174
Investment in affiliates accounted for under the equity method	16,576	—	16,576	1,108	17,684	—	17,684
Increase in tangible and intangible fixed assets	32,055	2,145	34,200	323	34,524	—	34,524

Notes)

1. The definitions of sales are as follows.

Property and casualty insurance business:

Net premiums written

Life insurance business:

Life insurance premiums written

"Others" and carrying amount on the consolidated financial statements:

Ordinary income

2. "Others" is business segments which are not included in reportable segments. It includes other operations.

3. Adjustments of sales are as follows.

Ordinary income related to property and casualty insurance business and life insurance

business excluding net premiums written and life insurance premiums written:

560,718 million yen

Elimination of internal transactions among segments:

(3,977) million yen

4. Segment income or loss is adjusted to net loss in the consolidated statements of income.

5. Extraordinary gains for property and casualty insurance business include 6,298 million yen of gains on step acquisitions.

6. Extraordinary gains for property and life insurance business include 11,766 million yen of merger cost.

[Related information]

Fiscal year ended March 31, 2011 (April 1, 2010 to March 31, 2011)

## 1. Information by products and services

## (1) Property and casualty insurance business

(Millions of yen)

	Fire and allied insurance	Marine insurance	Personal accident insurance	Voluntary automobile insurance	Compulsory automobile liability insurance	Others	Total
Sales from transactions with external customers	239,420	47,611	180,262	982,028	241,625	242,335	1,933,283

Note) Sales represent amounts of net premiums written.

## (2) Life insurance business

(Millions of yen)

	Individual insurance	Individual annuities	Group insurance	Group annuities	Total
Sales from transactions with external customers	215,929	10,780	11,468	—	238,178

Note) Sales represent amounts of life insurance premiums written.

## 2. Information by geographic area

## (1) Sales

Geographic information is omitted because sales (net premiums written and life insurance premiums written) from transactions with external customers attributed to Japan constitute more than 90 percent of sales (net premiums written and life insurance premiums written) in the consolidated statements of income.

## (2) Tangible fixed assets

Geographic information is omitted because tangible fixed assets located in Japan constitute more than 90 percent of tangible fixed assets in the consolidated balance sheets.

## 3. Information by major customers

None.

Fiscal year ended March 31, 2012 (April 1, 2011 to March 31, 2012)

1. Information by products and services

(1) Property and casualty insurance business

(Millions of yen)

	Fire and allied insurance	Marine insurance	Personal accident insurance	Voluntary automobile insurance	Compulsory automobile liability insurance	Others	Total
Sales from transactions with external customers	250,769	47,525	182,581	1,002,015	258,353	232,532	1,973,777

Note) Sales represent amounts of net premiums written.

(2) Life insurance business

(Millions of yen)

	Individual Insurance	Individual annuities	Group insurance	Group annuities	Total
Sales from transactions with external customers	227,141	11,501	11,550	—	250,193

Note) Sales represent amounts of life insurance premiums written.

2. Information by geographic area

(1) Sales

Geographic information is omitted because sales (net premiums written and life insurance premiums written) from transactions with external customers attributed to Japan constitute more than 90 percent of sales (net premiums written and life insurance premiums written) in the consolidated statements of income.

(2) Tangible fixed assets

Geographic information is omitted because tangible fixed assets located in Japan constitute more than 90 percent of tangible fixed assets in the consolidated balance sheets.

3. Information by major customers

None.

[Information related to impairment losses on fixed assets by reportable segments]

Fiscal year ended March 31, 2011 (April 1, 2010 to March 31, 2011)

(Millions of yen)

	Reportable segments			Others	Unallocated amounts and eliminations	Total
	Property and casualty insurance business	Life insurance business	Total			
Impairment losses	1,118	—	1,118	—	—	1,118

Fiscal year ended March 31, 2012 (April 1, 2011 to March 31, 2012)

(Millions of yen)

	Reportable segments			Others	Unallocated amounts and eliminations	Total
	Property and casualty insurance business	Life insurance business	Total			
Impairment losses	992	—	992	—	—	992

[Information related to amortization of goodwill and balance of goodwill by reportable segments]

Fiscal year ended March 31, 2011 (April 1, 2010 to March 31, 2011)

(Millions of yen)

	Reportable segments			Others	Unallocated amounts and eliminations	Total
	Property and casualty insurance business	Life insurance business	Total			
Amortization for the year ended March 31, 2011	349	1,872	2,221	0	—	2,221
Balance as of March 31, 2011	22,604	19,352	41,956	—	—	41,956

Fiscal year ended March 31, 2012 (April 1, 2011 to March 31, 2012)

(Millions of yen)

	Reportable segments			Others	Unallocated amounts and eliminations	Total
	Property and casualty insurance business	Life insurance business	Total			
Amortization for the year ended March 31, 2012	1,789	1,872	3,662	—	—	3,662
Balance as of March 31, 2012	30,260	17,480	47,740	—	—	47,740

[Information related to gains on negative goodwill by reportable segments]

Fiscal year ended March 31, 2011 (April 1, 2010 to March 31, 2011)

(Millions of yen)

	Reportable segments			Others	Unallocated amounts and eliminations	Total
	Property and casualty insurance business	Life insurance business	Total			
Gains on negative goodwill	149	—	149	—	—	149

Outline of events resulting in recognition of gains on negative goodwill

Property and casualty insurance business:

Sompo Japan Insurance Inc., which was defined as the acquirer, acquired NIPPONKOA Insurance Co., Ltd. through share exchange, and NKSJ Holdings, Inc. was established as a joint holding company as of April 1, 2010.

Fiscal year ended March 31, 2012 (April 1, 2011 to March 31, 2012)

None.

## (Securities)

## 1. Trading Securities

(Millions of yen)

	As of March 31, 2011		As of March 31, 2012	
	Carrying amount	Unrealized gains (losses) recognized in statements of income	Carrying amount	Unrealized gains (losses) recognized in statements of income
Trading securities	16,289	(517)	14,557	318

## 2. Bonds held to maturity

(Millions of yen)

		As of March 31, 2011			As of March 31, 2012		
		Carrying amount	Fair value	Unrealized gains (losses)	Carrying amount	Fair value	Unrealized gains (losses)
Securities whose fair value exceeds their carrying amount	Domestic bonds	995,987	1,028,399	32,411	1,142,287	1,210,414	68,127
	Foreign securities	35,918	36,481	562	24,878	25,548	670
	Subtotal	1,031,906	1,064,881	32,974	1,167,165	1,235,962	68,797
Securities whose fair value doesn't exceed their carrying amount	Domestic bonds	137,065	134,472	(2,592)	4,369	4,367	(2)
	Foreign securities	13,644	13,601	(42)	6,110	5,825	(284)
	Subtotal	150,709	148,074	(2,635)	10,480	10,193	(287)
Total		1,182,616	1,212,955	30,339	1,177,645	1,246,155	68,510

## 3. Policy reserve matching bonds

(Millions of yen)

		As of March 31, 2011			As of March 31, 2012		
		Carrying amount	Fair value	Unrealized gains (losses)	Carrying amount	Fair value	Unrealized gains (losses)
Securities whose fair value exceeds their carrying amount	Domestic bonds	10,397	10,653	256	—	—	—
Securities whose fair value doesn't exceed their carrying amount	Domestic bonds	6,489	6,392	(97)	—	—	—
Total		16,887	17,045	158	—	—	—

## 4. Securities available for sale

(Millions of yen)

		As of March 31, 2011			As of March 31, 2012		
		Carrying amount	Cost	Unrealized gains (losses)	Carrying amount	Cost	Unrealized gains (losses)
Securities whose carrying amount exceeds their cost	Domestic bonds	2,072,558	2,024,355	48,202	2,412,530	2,335,317	77,213
	Domestic stocks	1,048,158	549,193	498,965	992,640	514,384	478,256
	Foreign securities	427,681	395,039	32,641	591,536	551,010	40,525
	Others	54,348	50,963	3,385	47,662	44,281	3,381
	Subtotal	3,602,747	3,019,552	583,195	4,044,370	3,444,993	599,377
Securities whose carrying amount doesn't exceed their cost	Domestic bonds	354,765	360,520	(5,755)	126,342	129,135	(2,792)
	Domestic stocks	476,054	552,661	(76,607)	402,536	474,666	(72,130)
	Foreign securities	618,991	694,896	(75,905)	393,555	443,134	(49,578)
	Others	28,882	29,810	(928)	32,914	33,589	(674)
	Subtotal	1,478,692	1,637,889	(159,196)	955,348	1,080,525	(125,176)
Total		5,081,440	4,657,441	423,998	4,999,719	4,525,518	474,200

Notes)

As of March 31, 2011	As of March 31, 2012
1. Securities available for sale which are considered extremely difficult to figure out their fair value are not included in the above table.	1. Securities available for sale which are considered extremely difficult to figure out their fair value are not included in the above table.
2. Certificate of deposit classified as cash and deposits and beneficial interests in the loan trusts classified as monetary receivables bought in the consolidated balance sheet are included in "Others" above.	2. Certificate of deposit classified as cash and deposits and beneficial interests in the loan trusts classified as monetary receivables bought in the consolidated balance sheet are included in "Others" above.

## 5. Securities available for sale sold

(Millions of yen)

	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)			Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)		
	Proceeds from sales	Gains on sales	Losses on sales	Proceeds from sales	Gains on sales	Losses on sales
Domestic bonds	271,796	4,875	1,512	344,871	7,333	763
Domestic stocks	60,320	18,711	2,338	131,812	37,322	13,668
Foreign securities	88,613	2,481	5,018	325,639	7,627	20,185
Others	217	70	126	228	73	58
Total	420,947	26,138	8,995	802,552	52,355	34,675

## 6. Securities for which holding purposes are changed

Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)	Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)
	<p>For the fiscal year ended March 31, 2012, the holding purpose of securities which were previously classified as held to maturity (carrying amount: 86,371 million yen) changed to available for sale. This change is due to changes in classification policy of securities held to maturity, arising from the merger of domestic consolidated life insurance subsidiaries.</p> <p>As a result, compared to the amounts based on the previous classification, amount of securities increased by 1,029 million yen, deferred tax assets decreased by 317 million yen and unrealized gains on securities available for sale, net of tax increased by 712 million yen.</p>

## 7. Securities for which impairment losses are recognized

Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)	Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)
<p>For the fiscal year ended March 31, 2011, impairment losses on securities available for sale (excluding securities available for sale which are considered extremely difficult to figure out their fair value) amount to 20,124 million yen (domestic stocks: 19,731 million yen, foreign securities: 393 million yen), and impairment losses on securities available for sale which are considered extremely difficult to figure out their fair value amount to 381 million yen (domestic stocks: 333 million yen, foreign securities: 47 million yen). Basically, NKSJ Holdings, Inc. and its domestic consolidated subsidiaries recognize impairment losses on securities if fair value declines by 30% or more from their cost at the end of the fiscal year.</p>	<p>For the fiscal year ended March 31, 2012, impairment losses on securities available for sale (excluding securities available for sale which are considered extremely difficult to figure out their fair value) amount to 10,676 million yen (domestic bonds: 222 million yen, domestic stocks: 9,384 million yen, foreign securities: 891 million yen, others: 177 million yen), and impairment losses on securities available for sale which are considered extremely difficult to figure out their fair value amount to 368 million yen (domestic stocks: 348 million yen, others: 20 million yen). Of this amount, impairment losses on beneficial interests in the loan trusts, which are classified as other investment expenses in the consolidated statements of income, amount to 177 million yen.</p> <p>Basically, NKSJ Holdings, Inc. and its domestic consolidated subsidiaries recognize impairment losses on securities if fair value declines by 30% or more from their cost at the end of the fiscal year.</p>

## (Derivative Transactions)

## 1. Derivative transactions to which hedge accounting is not applied

## (1) Currency derivatives

(Millions of yen)

	As of March 31, 2011				As of March 31, 2012			
	Notional amount	Due after 1 year of notional amount	Fair value	Unrealized gains (losses)	Notional amount	Due after 1 year of notional amount	Fair value	Unrealized gains (losses)
Over-the-counter transactions:								
Forward foreign exchanges:								
Short:								
EUR	36,566	—	(1,187)	(1,187)	37,229	—	(1,043)	(1,043)
USD	10,243	—	(145)	(145)	17,253	—	(265)	(265)
GBP	183	—	(4)	(4)	243	—	0	0
Long:								
EUR	183	—	3	3	9,307	—	29	29
TRY	2,598	—	38	38	2,691	—	(5)	(5)
USD	7,398	—	73	73	2,368	—	(2)	(2)
Currency options:								
Short:								
Call:								
EUR	5,911	—	—	—	—	—	—	—
	6*	—*	(7)	(1)	—*	—*	—	—
Long:								
Put:								
EUR	5,300	—	—	—	—	—	—	—
	6*	—*	—	(6)	—*	—*	—	—
Total	—	—	(1,228)	(1,228)	—	—	(1,286)	(1,286)

Notes)

As of March 31, 2011	As of March 31, 2012
<p>1. Calculation methods for the fair value</p> <p>(1) Forward foreign exchanges</p> <p>The fair value is calculated using forward exchange rate.</p> <p>As for forward foreign exchanges between foreign currency and the other foreign currency, the fair value is calculated using forward exchange rate between the other foreign currency and yen on the transaction date of forward foreign exchanges.</p> <p>(2) Currency options</p> <p>The fair value is based on the price quoted by counterparties.</p> <p>2. Amounts with an asterisk (*) represent the amount of the option premiums.</p>	<p>Calculation methods for the fair value</p> <p>The fair value of forward foreign exchanges is calculated using forward exchange rate.</p> <p>As for forward foreign exchanges between foreign currency and the other foreign currency, the fair value is calculated using forward exchange rate between the other foreign currency and yen on the transaction date of forward foreign exchanges.</p>

## (2) Equity derivatives

(Millions of yen)

	As of March 31, 2011				As of March 31, 2012			
	Notional amount	Due after 1 year of notional amount	Fair value	Unrealized gains (losses)	Notional amount	Due after 1 year of notional amount	Fair value	Unrealized gains (losses)
Market transactions:								
Equity index futures:								
Short	6,546	—	(773)	(773)	39,379	—	137	137
Total	—	—	(773)	(773)	—	—	137	137

Notes)

As of March 31, 2011	As of March 31, 2012
Calculation methods for the fair value The fair value is based on the closing price at major exchanges.	Calculation methods for the fair value The fair value is based on the closing price at major exchanges.

## (3) Bond derivatives

(Millions of yen)

	As of March 31, 2011				As of March 31, 2012			
	Notional amount	Due after 1 year of notional amount	Fair value	Unrealized gains (losses)	Notional amount	Due after 1 year of notional amount	Fair value	Unrealized gains (losses)
Market transactions:								
Bond futures:								
Short	—	—	—	—	2,947	—	33	33
Long	1,730	—	(2)	(2)	315	—	(10)	(10)
Total	—	—	(2)	(2)	—	—	23	23

Notes)

As of March 31, 2011	As of March 31, 2012
Calculation methods for the fair value The fair value is based on the closing price at major exchanges.	Calculation methods for the fair value The fair value is based on the closing price at major exchanges.

## (4) Others

(Millions of yen)

	As of March 31, 2011				As of March 31, 2012			
	Notional amount	Due after 1 year of notional amount	Fair value	Unrealized gains (losses)	Notional amount	Due after 1 year of notional amount	Fair value	Unrealized gains (losses)
Over-the-counter transactions:								
Credit derivatives:								
Short	9,000	9,000	17	17	9,000	8,000	2	2
Long	1,000	—	(1)	(1)	—	—	—	—
Weather derivatives:								
Short	597	201			1,191	788		
	21*	7*	(9)	12	42*	27*	(72)	(29)
Earthquake derivatives:								
Short	3,560	10			4,370	10		
	103*	0*	(0)	103	133*	0*	(0)	133
Long	3,195	2,610			3,933	2,124		
	314*	234*	77	(236)	392*	265*	156	(235)
Total	—	—	83	(104)	—	—	86	(129)

Notes)

As of March 31, 2011	As of March 31, 2012
1. Calculation methods for the fair value (1) Credit derivatives The fair value is based on the price quoted by counterparties. (2) Weather derivatives The fair value is calculated based on the contract term and other elements of the contract. (3) Earthquake derivatives The fair value is calculated based on the contract term and other elements of the contract. 2. Amounts with an asterisk (*) represent the amount of the option premiums.	1. Calculation methods for the fair value (1) Credit derivatives The fair value is based on the price quoted by counterparties. (2) Weather derivatives The fair value is calculated based on the contract term and other elements of the contract. (3) Earthquake derivatives The fair value is calculated based on the contract term and other elements of the contract. 2. Amounts with an asterisk (*) represent the amount of the option premiums.

## 2. Derivative transactions to which hedge accounting is applied

## (1) Currency derivatives

(Millions of yen)

Methods for hedge accounting	Type	Main hedged items	As of March 31, 2011			As of March 31, 2012		
			Notional amount	Due after 1 year of notional amount	Fair value	Notional amount	Due after 1 year of notional amount	Fair value
Fair value hedge	Forward foreign exchanges:							
	Short:							
	USD	Securities available for sale	142,409	—	(2,094)	190,753	—	(7,808)
	EUR		115,637	—	(4,989)	110,178	—	(5,752)
	GBP		5,203	—	(113)	12,315	—	(628)
	CAD		7,899	—	(397)	9,050	—	(343)
	AUD		4,999	—	(473)	6,588	—	(31)
Total			—	—	(8,068)	—	—	(14,564)

Notes)

As of March 31, 2011	As of March 31, 2012
Calculation methods for the fair value The fair value is calculated using forward exchange rate.	Calculation methods for the fair value The fair value is calculated using forward exchange rate.

## (2) Interest rate derivatives

(Millions of yen)

Methods for hedge accounting	Type	Main hedged items	As of March 31, 2011			As of March 31, 2012		
			Notional amount	Due after 1 year of notional amount	Fair value	Notional amount	Due after 1 year of notional amount	Fair value
Deferred hedge	Interest rate swaps: Receipt fix / Payment float	Insurance liabilities	83,000	83,000	5,545	83,000	83,000	8,319
The exceptional treatment for certain interest rate swaps	Interest rate swaps: Payment fix / Receipt float	Borrowings	60	20	(0)	20	—	(0)
Total			—	—	5,545	—	—	8,319

Notes)

As of March 31, 2011	As of March 31, 2012
Calculation methods for the fair value The fair value is based on the price quoted by counterparties or the fair value calculated by discounting future cash flow to the present value.	Calculation methods for the fair value The fair value is based on the price quoted by counterparties or the fair value calculated by discounting future cash flow to the present value.

## (Per share information)

	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)	Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)
Total net assets per share	2,588.02 yen	2,395.08 yen
Net loss per share	(31.11) yen	(222.30) yen

## Notes)

1. Diluted net income per share for the fiscal year ended March 31, 2011 and 2012 are not shown due to net loss per share, although dilutive shares exist.

2. Calculation of net loss per share is based on the following figures.

(Millions of yen)

	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)	Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)
Net loss	(12,918)	(92,262)
Net loss not attributable to common stockholders	—	—
Net loss attributable to common stocks	(12,918)	(92,262)
Average number of common stocks outstanding	thousand shares 415,154	thousand shares 415,026

3. Calculation of total net assets per share is based on the following figures.

(Millions of yen)

	As of March 31, 2011	As of March 31, 2012
Total net assets	1,079,446	1,000,577
Amount to be deducted from total net assets:	5,142	7,034
Stock acquisition rights	2,349	2,409
Non-controlling interests	2,793	4,624
Total net assets attributable to common stocks	1,074,303	993,543
Number of common stocks used for calculation of total net assets per share	thousand shares 415,106	thousand shares 414,825

4. NKSJ Holdings, Inc. carried out a reverse split of stocks on October 1, 2011. Total net assets per share and net loss per share are calculated based on the assumption that the reverse split of stocks was executed at the beginning of the fiscal year ended March 31, 2011.

## (Changes in accounting policies)

Effective from the fiscal year ended March 31, 2012, NKSJ Holdings, Inc. has applied Accounting Standards Board of Japan Statement No.2 "Accounting Standard for Earnings Per Share" (June 30, 2010), Accounting Standards Board of Japan Guidance No.4 "Guidance on Accounting Standard for Earnings Per Share" (June 30, 2010) and Accounting Standards Board of Japan Practical Issues Task Force No.9 "Practical Solution on Accounting for Earnings Per Share" (June 30, 2010).

According to the application, total net assets per share and net loss per share are calculated as if the reverse split of stocks carried out on October 1, 2011 had been executed at the beginning of the fiscal year ended March 31, 2011.

Pro forma calculation of total net assets per share and net loss per share for the fiscal year ended March 31, 2011 if these revisions are not applied are as follows.

Total net assets per share	647.00 yen
Net loss per share	(7.77) yen

## (Significant subsequent events)

None.

## 4. Other

### (1) Summary of Results of Operations (Consolidated)

	(Millions of yen)			
	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)	Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)	Increase (Decrease)	Rate of change
Ordinary income and expenses:				%
Underwriting income:	2,480,715	2,628,200	147,484	5.9
Net premiums written	1,933,283	1,973,777	40,494	2.1
Deposits of premiums by policyholders	153,723	164,628	10,905	7.1
Life insurance premiums written	238,178	250,193	12,015	5.0
Underwriting expenses:	2,144,942	2,340,706	195,763	9.1
Net claims paid	1,244,450	1,472,664	228,213	18.3
Loss adjustment expenses	129,526	136,324	6,798	5.2
Net commissions and brokerage fees	353,193	366,545	13,351	3.8
Maturity refunds to policyholders	350,406	291,534	(58,872)	(16.8)
Life insurance claims paid and other payments	58,318	60,357	2,038	3.5
Investment income:	129,136	151,083	21,947	17.0
Interest and dividend income	156,467	152,090	(4,377)	(2.8)
Gains on sales of securities	26,359	52,522	26,162	99.3
Investment expenses:	51,524	72,525	21,001	40.8
Losses on sales of securities	9,281	34,813	25,532	275.1
Impairment losses on securities	20,993	17,980	(3,012)	(14.3)
Operating, general and administrative expenses	419,925	418,273	(1,651)	(0.4)
Other ordinary income and expenses:	102	407	304	296.4
Investment gains on the equity method	511	111	(400)	(78.2)
Ordinary loss	(6,437)	(51,815)	(45,377)	—
Extraordinary gains and losses:				
Extraordinary gains	3,540	9,144	5,603	158.3
Extraordinary losses	14,786	14,965	178	1.2
Net extraordinary gains (losses)	(11,246)	(5,820)	5,425	—
Loss before income taxes and non-controlling interests	(17,683)	(57,636)	(39,952)	—
Income taxes	3,240	2,544	(696)	(21.5)
Deferred income taxes	(7,623)	32,630	40,253	—
Total income taxes	(4,382)	35,174	39,557	—
Loss before non-controlling interests	(13,300)	(92,810)	(79,509)	—
Net loss attributable to non-controlling interests	(382)	(548)	(166)	—
Net loss	(12,918)	(92,262)	(79,343)	—

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

Direct premiums written (including deposits of premiums by policyholders)

(Millions of yen)

Business line	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)			Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	357,842	16.2	—	377,387	16.4	5.5
Marine insurance	56,864	2.6	—	57,965	2.5	1.9
Personal accident insurance	286,517	13.0	—	304,454	13.2	6.3
Voluntary automobile insurance	982,481	44.5	—	1,000,998	43.4	1.9
Compulsory automobile liability insurance	254,585	11.5	—	283,606	12.3	11.4
Others	271,789	12.3	—	283,314	12.3	4.2
Total	2,210,080	100.0	—	2,307,726	100.0	4.4
Deposits of premiums by policyholders	153,723	7.0	—	164,628	7.1	7.1

Net premiums written

(Millions of yen)

Business line	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)			Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	239,420	12.4	—	250,769	12.7	4.7
Marine insurance	47,611	2.5	—	47,525	2.4	(0.2)
Personal accident insurance	180,262	9.3	—	182,581	9.3	1.3
Voluntary automobile insurance	982,028	50.8	—	1,002,015	50.8	2.0
Compulsory automobile liability insurance	241,625	12.5	—	258,353	13.1	6.9
Others	242,335	12.5	—	232,532	11.8	(4.0)
Total	1,933,283	100.0	—	1,973,777	100.0	2.1

Net claims paid

(Millions of yen)

Business line	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)			Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)		
	Amount	% of total amount	Rate of change	Amount	% of total amount	Rate of change
Fire and allied insurance	97,420	7.8	—	339,209	23.0	248.2
Marine insurance	22,844	1.8	—	28,445	1.9	24.5
Personal accident insurance	100,566	8.1	—	102,236	6.9	1.7
Voluntary automobile insurance	625,461	50.3	—	637,274	43.3	1.9
Compulsory automobile liability insurance	227,136	18.3	—	228,864	15.5	0.8
Others	171,020	13.7	—	136,634	9.3	(20.1)
Total	1,244,450	100.0	—	1,472,664	100.0	18.3

Note to the above three tables:

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

## (3) Life Insurance Business (Consolidated)

## Life insurance premiums

(Millions of yen)

	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)		Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)	
	Amount	Rate of change	Amount	Rate of change
Life insurance premiums	238,178	— %	250,193	5.0 %

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

## Total amount of policies in force

(Millions of yen)

	As of March 31, 2011		As of March 31, 2012	
	Amount	Rate of change	Amount	Rate of change
Individual insurance	16,706,412	— %	18,126,477	8.5 %
Individual annuities	279,100	—	284,382	1.9
Group insurance	3,064,572	—	3,150,504	2.8
Group annuities	—	—	—	—

Notes)

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

## Total amount of new policies

(Millions of yen)

	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)			Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)		
	New policies + net increase by conversion	New policies	Net increase by conversion	New policies + net increase by conversion	New policies	Net increase by conversion
Individual insurance	3,110,448	3,110,448	—	2,989,989	2,989,989	—
Individual annuities	14,472	14,472	—	14,102	14,102	—
Group insurance	37,309	37,309	—	48,370	48,370	—
Group annuities	—	—	—	—	—	—

Notes)

- The above figures represent amounts before offsetting internal transactions among segments.
- Amount of "New policies + net increase by conversion" for "Individual annuities" represents the amount of annuity fund at the beginning of annuity payment.

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

(Millions of yen)

	Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)		Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)	
	Amount	Rate of change	Amount	Rate of change
Annualized premiums of new policies	38,367	— %	36,923	(3.8) %

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

## (4) Risk-monitored Loans (Consolidated)

(Millions of yen)

	As of March 31, 2011	As of March 31, 2012	Change
Loans to borrowers in bankruptcy	591	323	(268)
Overdue loans	2,210	2,076	(134)
Loans overdue for three months or more	1	—	(1)
Restructured loans	963	538	(425)
Total	3,767	2,937	(829)
Percent of risk-monitored loans to total loans	0.5%	0.4%	(0.1%)

## (Reference)

Total loans	691,294	654,039	(37,254)
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Note) The definitions of each loan are as follows.

## (1) Loans to borrowers in bankruptcy

Loans to borrowers in bankruptcy represent non-accrual loans which meet the events defined in Article 96-1-3 (the maximum amount transferable to allowance for possible credit losses) or Article 96-1-4 of the "Corporate Income Tax Law Enforcement Regulation" (Article 97 of 1965 Cabinet Order). Non-accrual loans are defined as loans (excluding the portion of the loans that were written off), on which accrued interest receivable is not recognized because repayments of principal or interest are overdue for considerable periods and therefore are regarded as uncollectible.

## (2) Overdue loans

Overdue loans represent non-accrual loans other than (a) loans to borrowers in bankruptcy or (b) loans on which grace on interest payments have been granted in order to assist or facilitate the restructuring of borrowers in financial difficulties.

## (3) Loans overdue for three months or more

Loans overdue for three months or more represent, among loans which are not included in loans to borrowers in bankruptcy or overdue loans, loans on which the payment of principal or interest has been delayed for three months or more from the date following the due date.

## (4) Restructured loans

Restructured loans represent, among loans which are not included in any of the above categories, loans on which favorable terms for the benefit of borrowers such as interest exemption or reduction, grace on interest payments, grace on principal repayments or forgiveness of debts have been granted in order to assist or facilitate the restructuring of borrowers in financial difficulties.