

UNOFFICIAL TRANSLATION

The formal press release document is in Japanese.

Financial Figures for the Interim Consolidated Fiscal Period Ended September 30, 2006

November 22, 2006

Sompo Japan Insurance Inc.

Interim Consolidated Balance Sheet

(Millions of yen)

Books closed Item	End of previous interim fiscal period (at September 30, 2005)		End of this interim fiscal period (at September 30, 2006)		Increase (decrease)	End of previous fiscal year (at March 31, 2006)	
	Amount	% of total	Amount	% of total		Amount	% of total
Assets:							
Cash and deposits	216,913	3.44	166,279	2.44	(50,633)	241,823	3.57
Call loans	20,000	0.32	86,000	1.26	66,000	55,000	0.81
Receivables under resale agreements	29,998	0.48	69,957	1.03	39,958	19,998	0.30
Monetary receivables bought	14,226	0.23	20,017	0.29	5,790	18,005	0.27
Money in trust	29,032	0.46	33,140	0.49	4,108	33,278	0.49
Securities	4,845,917	76.96	5,282,460	77.48	436,542	5,262,320	77.67
Loans	464,367	7.37	484,545	7.11	20,178	458,164	6.76
Property and equipment	234,568	3.73	-	-	-	230,409	3.40
Tangible fixed assets	-	-	226,807	3.33	-	-	-
Intangible fixed assets	-	-	29,423	0.43	-	-	-
Other assets	431,825	6.86	432,048	6.34	223	442,174	6.53
Deferred tax assets	3,711	0.06	5,952	0.09	2,241	5,832	0.09
Consolidated goodwill	29,649	0.47	-	-	-	28,713	0.42
Allowance for possible loan losses	(23,088)	(0.37)	(19,120)	(0.28)	3,968	(20,903)	(0.31)
Allowance for possible losses on investment securities	(130)	(0.00)	(4)	(0.00)	126	(4)	(0.00)
Total assets	6,296,990	100.00	6,817,508	100.00	520,517	6,774,812	100.00
Liabilities:							
Underwriting funds:	4,716,475	74.90	4,904,337	71.94	187,862	4,798,495	70.83
Reserve for outstanding losses and claims	651,755		723,352			695,167	
Underwriting reserves	4,064,720		4,180,985			4,103,327	
Other liabilities	221,625	3.52	225,164	3.30	3,538	232,963	3.44
Accrued severance benefits	88,845	1.41	93,407	1.37	4,562	91,089	1.34
Reserve for bonus payments	14,887	0.24	15,346	0.23	459	12,650	0.19
Price fluctuation reserve	20,817	0.33	27,302	0.40	6,485	24,057	0.36
Deferred tax liabilities	127,784	2.03	217,176	3.19	89,392	253,503	3.74
Total liabilities	5,190,435	82.43	5,482,735	80.42	292,299	5,412,760	79.90
Minority interests	409	0.01	-	-	-	469	0.01
Shareholders' equity:							
Common stock	70,000	1.11	-	-	-	70,000	1.03
Additional paid-in capital	24,232	0.38	-	-	-	24,229	0.36
Retained earnings	284,311	4.52	-	-	-	313,357	4.63
Unrealized gains on securities available for sale, net of tax	735,763	11.68	-	-	-	959,485	14.16
Foreign currency translation adjustments	(5,367)	(0.09)	-	-	-	(2,633)	(0.04)
Treasury stock	(2,794)	(0.04)	-	-	-	(2,857)	(0.04)
Total shareholders' equity	1,106,144	17.57	-	-	-	1,361,582	20.10
Total liabilities, minority interests and shareholders' equity	6,296,990	100.00	-	-	-	6,774,812	100.00
Net assets:							
Stockholders' equity:							
Common stock	-	-	70,000	1.03	-	-	-
Additional paid-in capital	-	-	24,230	0.36	-	-	-
Retained earnings	-	-	328,448	4.82	-	-	-
Treasury stock	-	-	(2,951)	(0.04)	-	-	-
Total shareholders' equity	-	-	419,727	6.16	-	-	-
Valuation and translation adjustments:							
Unrealized gains on securities available for sale, net of tax	-	-	916,791	13.45	-	-	-
Foreign currency translation adjustments	-	-	(2,420)	(0.04)	-	-	-
Total valuation and translation adjustments	-	-	914,370	13.41	-	-	-
Stock acquisition rights	-	-	152	0.00	-	-	-
Minority interests	-	-	522	0.01	-	-	-
Total net assets	-	-	1,334,773	19.58	-	-	-
Total liabilities and net assets	-	-	6,817,508	100.00	-	-	-

Interim Consolidated Statement of Income

(Millions of yen)

Item		Previous interim fiscal period (April 1, 2005 to September 30, 2005)		This interim fiscal period (April 1, 2006 to September 30, 2006)		Increase (decrease)	Summary of consolidated statement of income for the previous fiscal period (April 1, 2005 to March 31, 2006)	
		Amount	% of total	Amount	% of total		Amount	% of total
Ordinary income and expenses	Ordinary income:	954,189	100.00	957,053	100.00	2,863	1,931,473	100.00
	Underwriting income:	900,070	94.33	891,710	93.17	(8,359)	1,802,073	93.30
	Net premiums written	708,220		707,219			1,394,783	
	Deposits of premiums by policyholders	77,299		69,126			157,477	
	Interest and dividend income on deposits of premiums, etc.	21,829		22,405			45,685	
	Life insurance premiums written	87,527		91,639			196,508	
	Investment income:	50,502	5.29	59,425	6.21	8,922	116,518	6.03
	Interest and dividend income	51,538		60,535			110,321	
	Investment gain on money held in trust	1,066		1,534			2,808	
	Investment gain on securities for trading purposes	-		112			-	
	Realized gain on sales of securities	17,124		17,892			41,511	
	Transfer of interest and dividend income on deposits of premiums, etc.	(21,829)		(22,405)			(45,685)	
	Other ordinary income	3,616	0.38	5,917	0.62	2,300	12,881	0.67
	Ordinary expenses:	902,720	94.61	899,391	93.98	(3,328)	1,816,600	94.05
	Underwriting expenses:	770,810	80.78	761,485	79.57	(9,325)	1,559,857	80.76
	Net claims paid	379,513		388,966			791,268	
	Loss adjustment expenses	31,262		32,948			64,986	
	Net commissions and brokerage fees	128,251		124,586			253,748	
	Maturity refunds to policyholders	118,245		99,477			235,317	
	Life insurance claims paid	17,533		16,644			36,898	
Provision of reserve for outstanding losses and claims	6,408		28,035			46,827		
Provision of underwriting reserves	89,124		70,368			128,213		
Investment expenses:	3,907	0.41	9,923	1.04	6,016	7,465	0.39	
Investment loss on money held in trust	0		-			-		
Investment loss on securities for trading purposes	28		-			74		
Realized loss on sales of securities	265		940			617		
Devaluation loss on securities	1,570		2,491			317		
Operating, general and administrative expenses	126,715	13.28	127,602	13.33	886	246,465	12.76	
Other ordinary expenses:	1,286	0.13	380	0.04	(905)	2,811	0.15	
Interest paid	92		39			207		
Ordinary profit	51,469	5.39	57,662	6.02	6,192	114,873	5.95	
Special gains and losses	Special gains	12,290	1.29	114	0.01	(12,175)	12,817	0.66
	Special losses:	5,981	0.63	14,952	1.56	8,970	10,094	0.52
	Impairment loss	233		790			233	
	Provision for price fluctuation reserve	3,234		3,245			6,474	
Other special loss	2,513		10,916			3,386		
Income before income taxes and minority interests		57,778	6.06	42,823	4.47	(14,954)	117,596	6.09
Income taxes-current		2,873	0.30	27,767	2.90	24,893	21,462	1.11
Income taxes-deferred		16,360	1.71	(13,199)	(1.38)	(29,560)	28,691	1.49
Gain on minority interests		6	0.00	48	0.01	41	65	0.00
Net income		38,536	4.04	28,207	2.95	(10,329)	67,377	3.49

Note) Amounts less than the minimum unit are rounded down, whereas percentages are rounded to the nearest whole number.