



NIPPONKOA INSURANCE CO., LTD.

~ FY2008 Financial Results and FY2009 Corporate Strategy ~

May 28, 2009



Part I: Financial Results

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FY2008 Financial Summary

Billions of yen

		FY2007	FY2008	Change	FY2008 E (as of last Nov.)
Net Premiums Written		688.8	653.4	-35.4	660.0
Excluding CALI (Compulsory Automobile Liability Insurance)	Net Premiums Written	586.1	572.4	-13.6	576.9
	Loss Ratio ^{*1}	63.1 %	62.4 %	-0.7 %	62.5 %
	Expense Ratio	37.8 %	36.6 %	-1.2 %	37.2 %
	Underwriting Balance	-5.4	5.4	10.8	2.0
Underwriting Profit		-14.0	5.4	19.4	-10.0
Ordinary Profit ^{*2}		16.7	-2.8	-19.6	14.0
Net Income		7.8	10.1	2.2	9.0
Adjusted Income ^{*3}		5.5	12.6	7.0	16.0
Adjusted ROE ^{*4}		1.1 %	2.6 %	1.5 %	3.1 %
Consolidated Ordinary Profit		17.7	-3.0	-20.7	14.0
Consolidated Net Income		8.9	9.9	0.9	9.0
Consolidated Adjusted Income ^{*5}		9.8	15.2	5.4	18.5
Consolidated Adjusted ROE ^{*6}		1.6 %	2.6 %	1.0 %	3.0 %

Note1) Net Paid Losses from Natural Disasters: FY 2007 8.6 Bln yen (of which 5.5 Bln yen incurred that year), FY2008 8.2 Bln yen (of which 5.3 Bln yen incurred that year), FY2008E 9.0 Bln yen

2) Net Realized Gain on Securities: FY 2007 23.4 Bln yen, FY 2008 22.6 Bln yen, FY2008E 22.0 Bln yen, Revaluation Loss on Securities: FY2007 9.6 Bln yen, FY 2008 35.9 Bln yen, FY2008E 10.0 Bln yen

3) Adjusted Income: (Underwriting Profit + Provision for Catastrophe Reserve + Net Interest & Dividends + Provision for Reserve for Price Fluctuations - Extraordinary Gains and Losses) x (1 - Effective Tax Rate)

4) Adjusted ROE: Adjusted Income: ÷ Adjusted Shareholders' Equity ※ Adjusted Shareholders' Equity = Net Assets - Net Unrealized Gain/Loss on Securities - Subscription Rights to Shares + Catastrophe Reserve + Reserve for Price Fluctuations

5) Consolidated Adjusted Income: Unconsolidated Adjusted Income + SONPO24/Overseas Subsidiaries' Accounting Net Income + Adjusted Increase in NIPPONKOA Life Insurance EV

6) Consolidated Adjusted ROE: Consolidated Adjusted Income ÷ Consolidated Adjusted Shareholders' Equity ※ Consolidated Adjusted Shareholders' Equity = Adjusted Shareholders' Equity + SONPO24/Overseas Subsidiaries' Accounting Net Assets + NIPPONKOA Life Insurance EV

Analysis of YoY Changes (Underwriting)

Billions of yen

+) Net Premiums Written

Change	-35.4 (688.8→653.4) -5.2%
---------------	--

Voluntary Automobile

-6.1 (331.2→325.1) -1.9%

Unit Price :
-0.5%
Number of Insured Vehicles :
-1.9%

Fire*1

-0.0 (95.8→95.8) -0.1%

Others*2

-29.2 (261.7→232.4) -11.2%

Note 1: Gross premiums written +1.4%

Note 2: Marine -2.5 Bln yen, Personal Accident -3.4 Bln yen, Compulsory Automobile Liability -21.8 Bln yen, Other -1.3 Bln yen

-) Net Losses Paid

Change	-13.5 (414.2→400.7) -3.3%
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Voluntary Automobile

-8.7 (207.2→198.5) -4.2%

Own Vehicle Damage:
+0.3 Bln
Bodily Injury Liability:
-3.3 Bln
Property damage:
-3.8 Bln

Fire*3

-0.8 (42.9→42.1) -1.9%

Others*4

-3.9 (164.0→160.1) -2.4%

Note 3: Natural disasters (fire insurance only, including losses that occurred in prior years: -0.3 Bln yen (8.6 Bln→8.2 Bln yen)

Note 4: Marine -0.9 Bln yen, Personal Accident +1.1 Bln yen, Compulsory Automobile Liability -1.4 Bln yen, Other -2.7 Bln yen

-) Underwriting Costs & Expenses (incl. Loss Adj. Expenses)

Change	-12.4 (276.8→264.4)
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Net Commissions & Brokerage Expenses

-6.7 (117.1→110.3)

Company Expenses for Underwriting*5

-5.6 (159.7→154.0)

Changes in Company Expenses (Incl. those other than for underwriting)

- Personnel Expenses -3.7 Bln yen
...revision of retirement allowance plan, etc.
- Non-personnel Expenses, etc. -1.7 Bln yen
...reduction of system expenses, etc.

Note 5: Company Expenses for Underwriting = Loss Adjustment Exegeses + Operating & Administrative Expenses for Underwriting

Underwriting Balance

Change	-9.5 (-2.2→-11.7)
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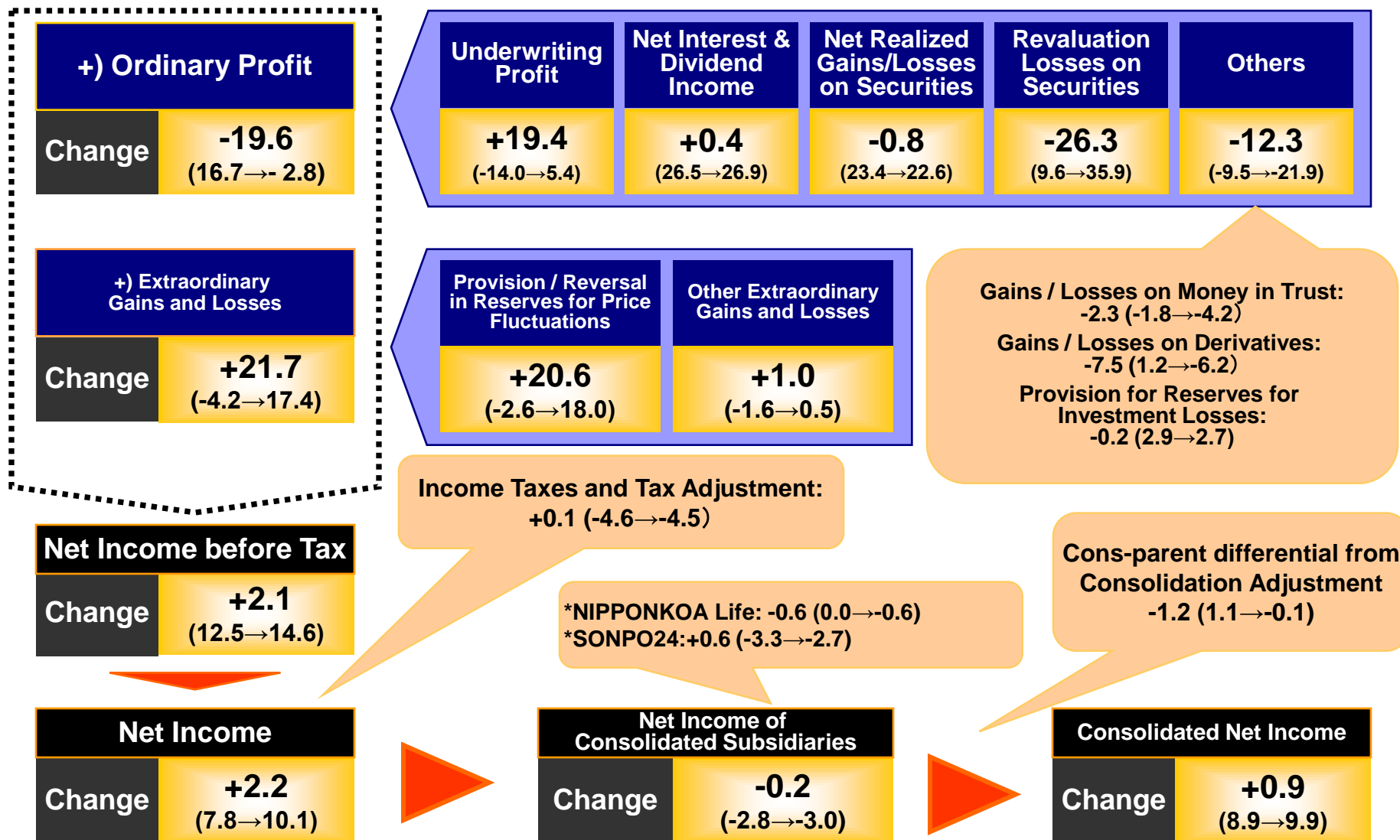
Provision / Reversal of Loss Reserve and Underwriting Reserve, etc.

Underwriting Profit

Change	+19.4 (-14.0→5.4)
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Analysis of YoY Changes (Others)

Billions of yen



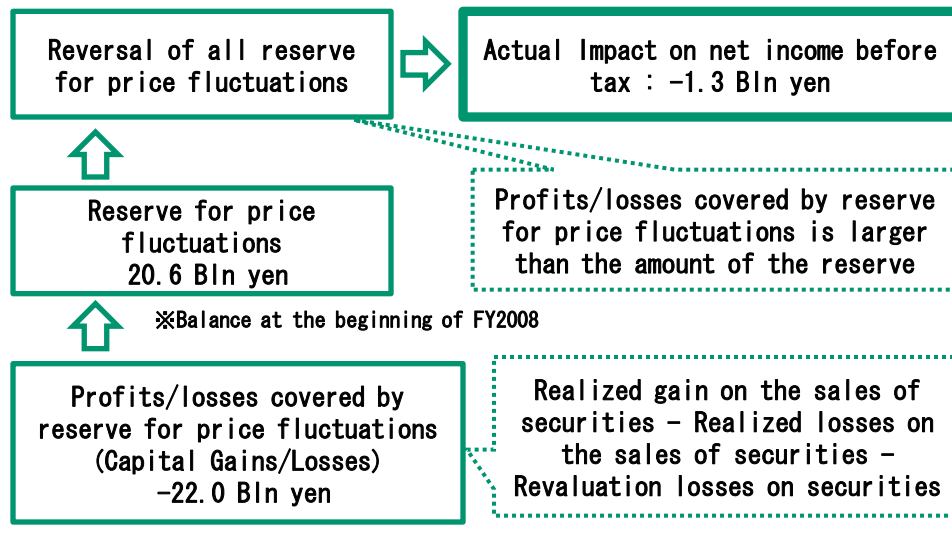
Main Points for the FY2008 Financial Results

◆ Increase of Revaluation Losses on Securities

<Breakdown of revaluation losses> Billions of yen

	FY2007	FY2008	Change
Nikkei 225 (Yen)	12,525	8,109	-4,416
FX(Yen/USD) (Yen)	100.19	98.23	-1.96
Domestic Stock	4.5	18.5	14.0
Domestic Mutual Fund	-	4.5	4.5
Sub Total (Domestic)	4.5	23.0	18.5
Foreign Bond	-	4.5	4.5
International Mutual Fund	1.1	5.0	3.9
Other Foreign Investment	-	0.3	0.3
CDO	3.9	2.9	-1.0
Sub Total (Foreign)	5.1	12.9	7.8
Total	9.6	35.9	26.3

◆ Offsetting Investment Loss by Reversal of Reserve for Price Fluctuations



(Reference) Structured Products Exposure

1. Collateralized Debt Obligation (CDO)

Millions of yen

	As of March 2009			(Reference) As of March 2008		
	Fair Value	Unrealized Gain	Write-down	Fair Value	Unrealized Gain	Write-down
CDO	8,274	-247	-6,574	16,028	-2,066	-3,971
With Ratings	6,401	-247	-3,638	10,289	-1,313	-2,896
Without Ratings	1,872	-	-2,935	5,738	-752	-1,075

- Note:
1. CDO Ratings:AAA,61%;AA,33%;A,6%
 2. 76% of CDOs are corporate-based assets
 3. CDO Geographics:domestic,44%;overseas,56%
 4. CDO does not include hedge trading
 5. Write-down includes revaluation losses and losses on derivatives

2. Commercial Mortgage-Backed Securities (CMBS)

Millions of yen

	As of March 2009			(Reference) As of March 2008		
	Fair Value	Unrealized Gain	Write-down	Fair Value	Unrealized Gain	Write-down
CMBS	13,162	-414	-	21,032	-73	-
Domestic	13,162	-414	-	21,032	-73	-
Overseas	-	-	-	-	-	-

3. Credit Default Swap (CDS)

Millions of yen

	As of March 2009			(Reference) As of March 2008		
	Notional Amount	Fair Value	Revaluation	Notional Amount	Fair Value	Revaluation
CDS	7,000	-398	-398	13,000	-26	-26
CDS	6,000	-360	-360	-	-	-
CLN	1,000	-38	-38	13,000	-26	-26

- Note:
1. CLN is a credit linked note related to the credit of a single corporation.
 2. Referred corporate-individual credit for CDS and CLN

4. Others

We do not hold any SPEs, Leveraged Finance, financial secured, fixed income or structured finance product secured by mono-line, and other sub-prime or Alt-A exposures.

5. Subprime-related Investments in 1-4

Millions of yen

	As of March 2009			(Reference) As of March 2008		
	Fair Value	Unrealized Gain	Write-down	Fair Value	Unrealized Gain	Write-down
CDO	-	-	-	889	-111	-



Section II FY2009 Corporate Strategy

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Summary of the Previous Medium-Term Business Plan (1)

Billions of yen		FY2006	FY2007	FY2008	FY2008 E (as of last Nov.)
Net Premiums Written		703.3	688.8	653.4	660.0
Loss Ratio ^{*1}		65.5 %	65.4 %	66.7 %	66.9 %
Expense Ratio		35.5 %	34.9 %	35.1 %	35.4 %
Excluding CALI (Compulsory Automobile Liability Insurance)	Net Premiums Written	599.6	586.1	572.4	576.9
	Loss Ratio ^{*1}	63.1 %	63.1 %	62.4 %	62.5 %
	Expense Ratio	38.3 %	37.8 %	36.6 %	37.2 %
	Underwriting Balance	-8.5	-5.4	5.4	2.0
Underwriting Profit		-35.7	-14.0	5.4	-10.0
Ordinary Profit ^{*2*3}		24.5	16.7	-2.8	14.0
Net Income		13.4	7.8	10.1	9.0
Adjusted ROE (Previous Version ^{*4})		4.7 %	2.9 %	4.0 %	3.5 %
Consolidated Ordinary Profit		28.1	17.7	-3.0	14.0
Consolidated Net Income		15.8	8.9	9.9	9.0
Consolidated Adj. ROE (Previous Version^{*4})		5.6 %	3.3 %	4.0 %	3.5 %

- Note 1) Net Paid losses from natural disasters: FY2006 23.0 Bln yen (of which 15.0 Bln yen incurred in that period), FY2007 8.6 Bln yen (of which 5.5 Bln yen incurred in that period), FY2008 8.2 Bln yen (of which 5.3 Bln yen incurred in that period)
- 2) Net realized gain on securities: FY2006 47.0 Bln yen, FY2007 23.4 Bln yen, FY2008 22.6 Bln yen
- 3) Loss from revaluation on securities: FY2006 1.8 Bln yen, FY2007 9.6 Bln yen, FY2008 35.9 Bln yen
- 4) In calculating "Adj. ROE (Previous Version)", net unrealized gain on available-for-sale securities is excluded from shareholders' equity

Summary of the Previous Medium-Term Business Plan (2)

Fundamental concepts for the final year of the previous medium-term business plan

Reforming business structure to be able to continually generate underwriting profit

High-Priority Action 1 : Lower and Stabilize Loss Ratio

- Strengthen underwriting discipline
- Make proper and timely claim payments

High-Priority Action 2 : Improvement in Expense Ratio

- Promote reforming operational procedures
- Drastically revise procurement costs
- Strengthen earnings, and make system investments for quality improvement

High-Priority Action 3: Quality Improvement

- Promote Quality Improvement Act
- Produce comprehensible products

Upper : Loss ratio (Excl. CALI) <%> Lower : Loss ratio for auto insurance <%>				
FY2005	FY2006	FY2007	FY2008	FY2008 Change
60.3	63.1	63.1	62.4	-0.7
66.1	67.0	68.4	66.9	-1.5

Upper : Expenses (Company expenses + Commissions) <Bln yen> Lower : Expense ratio (Excl. CALI) <%>				
FY2005	FY2006	FY2007	FY2008	FY2008 Change
294.7	291.6	283.0	270.4	-12.6
38.7	38.3	37.8	36.6	-1.2

- Further actions to establish basic quality and accomplish standard quality
- Product revision of auto insurance (from Sep. 2006 and Dec. 2008)
- Consolidation of personal lines products and special clauses (Before product / special clauses consolidation → as of Mar. 2009)
Number of products Approx. 90 → Approx. 50
Number of special clauses Approx. 2,260 → Approx. 1,150

(Fundamental concepts at the beginning of the plan)
- Scale expansion
- Expense ratio improvement

(Change in business environment)
- Prolonged economic stagnation
- Financial crisis
- Sluggish share prices

(The last fiscal year)
- Prioritize underwriting profits

Net underwriting balance (excl. CALI) (FY2008)
5.4 Bln yen
(Plan : 2.0 Bln yen)

Overview of the New Medium-Term Business Plan

Medium-Term Vision (Aspiration)

- Provide security and safety, which are friendly to the society and environment, through our core insurance business

Three main points of new medium-term business plan

● Contribution to Society

- Environmental efforts (provide carbon-offsetting products / accidental handling, promote eco-safety driving, etc.)
- Exercise CSR (Corporate Social Responsibility) as an “Eco First” company



Contribute to both the global environment and our revenue opportunities through the insurance business and other new business areas compatible with the insurance business

● Quality Improvement

- Provide best claims-handling service (24-hours-a-day, 365-days-a-year handling service, etc.)
- Improve sales quality (improve quality of agencies, propose a broad range of non-life and life insurance based on risk management)
- Enhance product/operational quality (offer easy-to-understand products, simplify procedures, etc.)



Prove customers security and safety by improving quality in every step of the process from product development to claim payments

● Profitability Improvement

- Strengthen underwriting activities and prevent accidents (improve qualities of policies in force, improve measures to prevent accidents, etc.)
- Improve profitability of business units (conduct profitability analysis by products / channels, establish and execute improvement plan quickly)
- Reduce operating expenses (reform business process, continue review of procurement practice, promote streamlining in sales process, etc.)
- Restructure asset management portfolio (reduce relationship stocks, etc.)
- Pursue stable revenue from our international business and capture growth opportunities (increase insurance business of Japanese corporations overseas, enhance Asian business operations, etc.)



Enhance revenue base to achieve sustainable growth by improving underwriting profitability and increasing competitiveness

Key Financial Targets for FY2009

1. NIPPONKOA Insurance (Non-consolidated)

Billions of yen

Item	FY2008 (A)	FY2009 (E)	Change
Net Premiums Written	653.4	645.0	-8.4
Net Premiums Written (excl. CALI)	572.4	569.1	-3.3
Loss Ratio (excl. CALI)	62.4%	61.9%	-0.5%
Expense Ratio (excl. CALI)	36.6%	37.7%	+1.1%
Underwriting Balance (excl. CALI)	5.4	2.5	-2.9
Underwriting Profit	5.4	-4.0	-9.4
Ordinary Profit	-2.8	22.0	+24.8
Net Income	10.1	13.0	+2.8
Adjusted Income ※1	12.6	17.0	+4.3
Adjusted ROE ※2	2.6%	3.4%	+0.8%

[Assumptions for the plans]

Paid losses from natural disaster : 13.0 Bln yen
Gains on the sale of securities : 15.0 Bln yen

- *1 Adjusted Income (Non-consolidated) = (Underwriting Profit + Provision for Catastrophe Reserve + Net Interest/Dividend + Provision for Reserve for Price Fluctuations – Special Factors) x (1- Effective Tax Rate)
* Negative for reversal of reserves
- *2 Adjusted ROE (Non-consolidated) = Adjusted Income / Adjusted Shareholders' Equity
- Adjusted Shareholders' Equity (Non-consolidated) = Net Assets – Net Unrealized Gain on Available-for-sale Securities – Subscription Rights to Shares + Catastrophe Reserve + Reserve for Price Fluctuations

- *3 Adjusted Income (Consolidated) = Non-consolidated Adjusted Income + SONPO24/Overseas Subsidiaries' Financial Accounting Net Income + Adjusted Increase in NIPPONKOA Life EV
- Adjusted Increase in EV excludes impacts from asset management, impacts from change of risk based discounted rate and the amount of capital increase/reduction when it happens
- *4 Revised ROE (Consolidated) = Adjusted Income (Consolidated) / Adjusted Shareholders' Equity (Consolidated)
- Adjusted Shareholders' Equity (Consolidated) = Adjusted Shareholders' Equity (Non-consolidated) + SONPO24/Overseas Subsidiaries' Financial Accounting Net Assets + NIPPONKOA Life EV

2. NIPPONKOA Insurance (Consolidated)

Billions of yen

Item	FY2008 (A)	FY2009 (E)	Change
Ordinary Profit	-3.0	22.0	+25.0
Net Income	9.9	13.0	+3.0
Adjusted Income ※3	15.2	22.0	+6.7
Adjusted ROE ※4	2.6%	3.6%	+1.0%

Group Strategy (1) – NIPPONKOA Life Insurance –

Expansion of Scale



Increase in Corporate Value and Profitability



Contribution to Group Profit

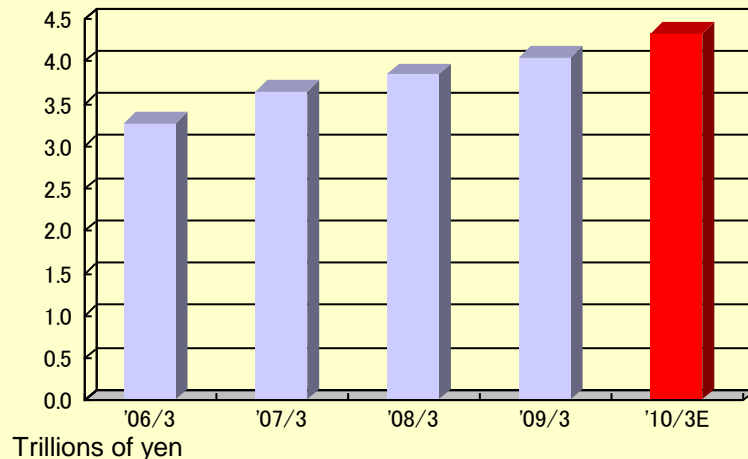
Financial Targets

Item	FY2008 (A)	FY2009 (E)	Change
Policies in Force (Individual)	4,014.1	4,320.0	+305.9
EV	85.9	94.0	+8.1
EV Increase (Adjusted) ※	5.0	5.5	+0.4

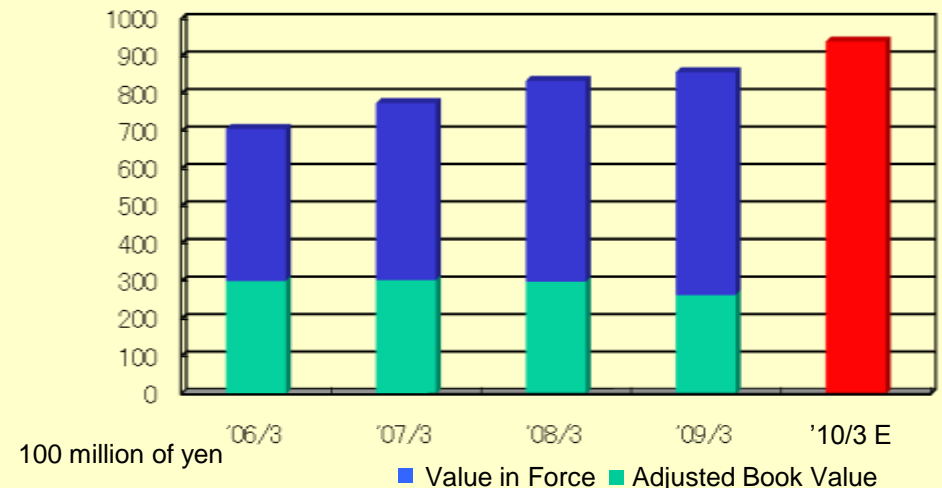
EV increase of FY2009 accounts for approx. 25% of consolidated adjusted income

※ Excluding impacts from asset management, impacts from change of risk based discounted rate and the amount of capital increase/reduction when it happens

Amount of Policies in Force (Individual)



Embedded Value (EV)



※ Total number is shown for FY2009

Group Strategy (2) – SONPO24 –

Steady Growth of Net Premiums Written

Business model with high growth potential

- ★The intermediary agency method is best suited for sales at financial institutions
- ★Financial institutions are important channels as intermediary agencies, as well as life insurers for SONPO24 to increase revenue

Decrease in Expenses

Significant cut of expenses through revision of business processes

- ★Promoting contracts through the internet
- ★Streamlining organizations and promoting optimal allocation of human resources
- ★Developing internal IT systems, etc.



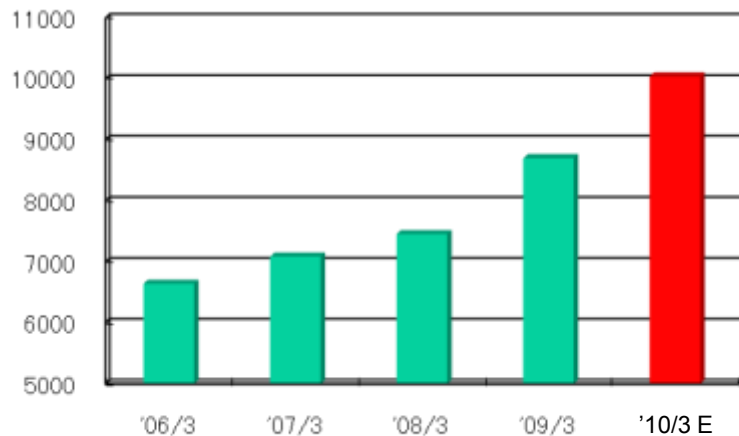
Contribution to our group profit by moving into the black promptly (Planning to move into the black in FY2010)

Financial Target

Item	FY2008 (A)	FY2009 (E)	Change	percentage change
Net Premiums Written	8.7 Bln yen	10.0 Bln yen	+1.3 Bln yen	+14.9%

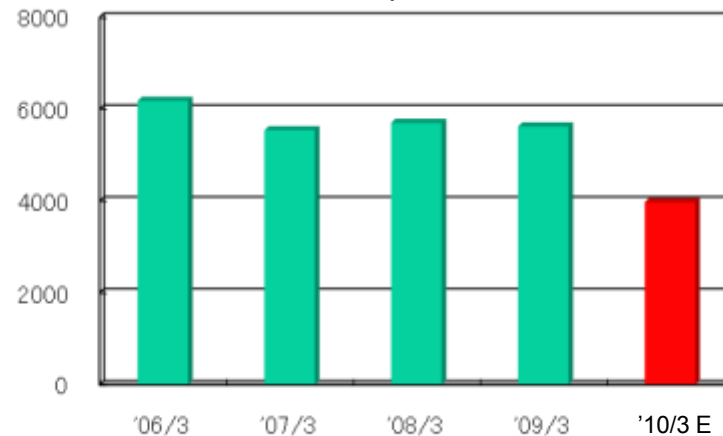
Millions of Yen

Net Premiums Written



Millions of Yen

Expenses



Alliance Strategy

Alliance with Zurich Insurance

Alliance area
Domestic commercial lines

Details under discussion

Alliance with Major Life Insurance Companies

Sales
(As of Mar. 2009)
26.6 Bln yen



TAIYO-LIFE
7,619 sales people
(As of end of Mar. 2008)

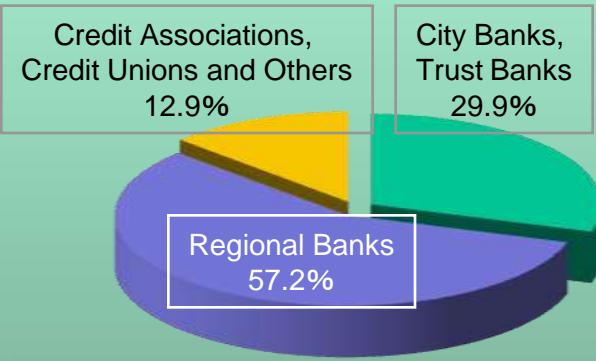
MEIJI YASUDA
31,215 sales people
(As of end of Mar. 2008)

Asahi Mutual Life Insurance
14,282 sales people
(As of end of Mar. 2008)

SONPO 24 INSURANCE CO., LTD.

Alliance with Financial Institutions

Sales: 42.3 Bln yen
(As of Mar. 2009)



City Banks, Trust Banks
Number of institutions: 4
(As of end of Mar. 2009)

Regional Banks
Number of institutions: 58
(As of end of Mar. 2009)

**Credit Associations
Credit Unions and Others**
Number of institutions: 109
(As of end of Mar. 2009)

City Banks, Trust Banks
Number of institutions: 2
(As of end of Mar. 2009)

Regional Banks
Number of institutions: 18
(As of end of Mar. 2009)

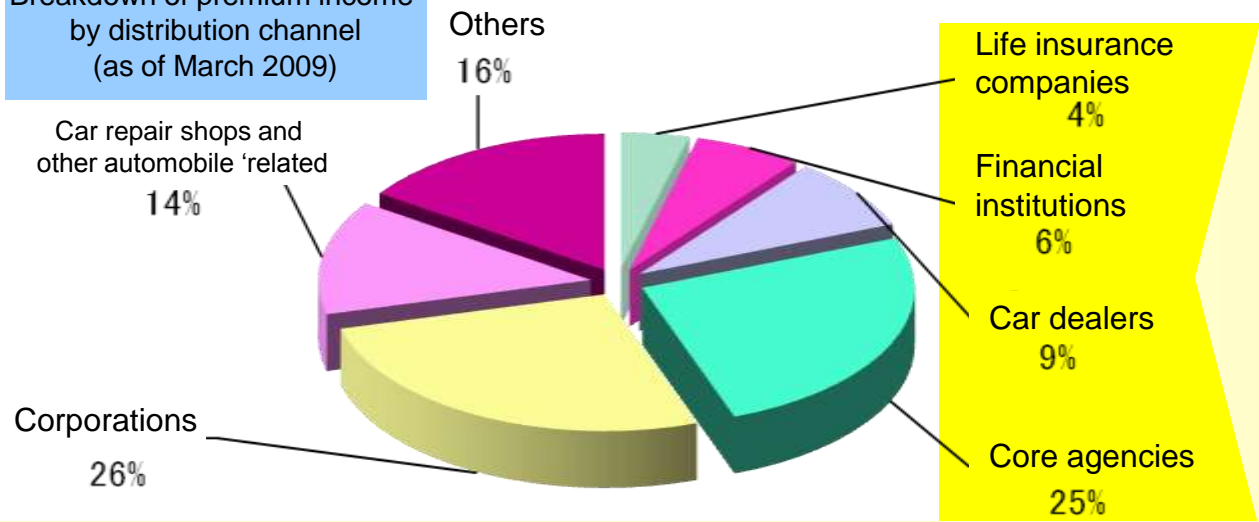
**Credit Associations
Credit Unions and Others**
Number of institutions: 21
(As of end of Mar. 2009)



Distribution Channel Strategy

Improving Agencies' Sales Capability and Profitability

Breakdown of premium income by distribution channel (as of March 2009)

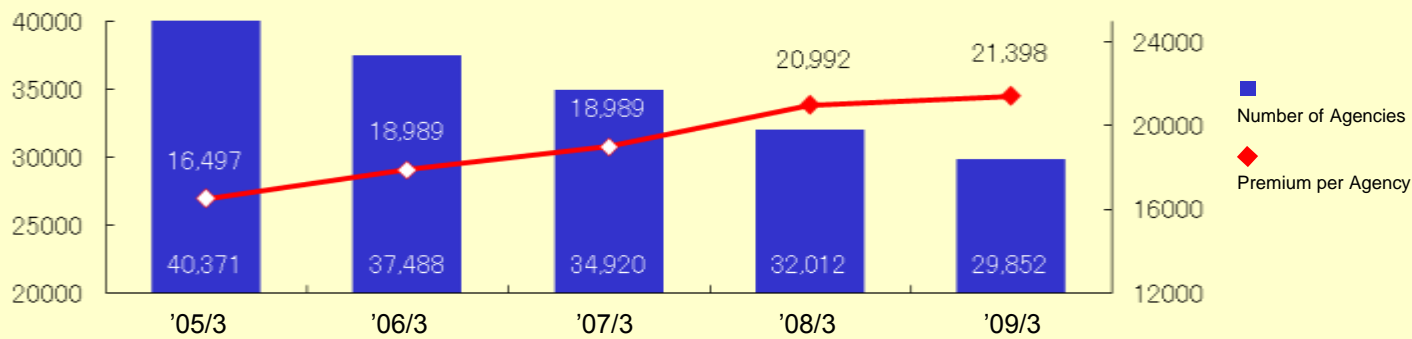


Channels we focus on

- are efficient
- have high growth potential
- fit to our strengths

Number of agencies

We have been promoting efficiency by expanding agencies

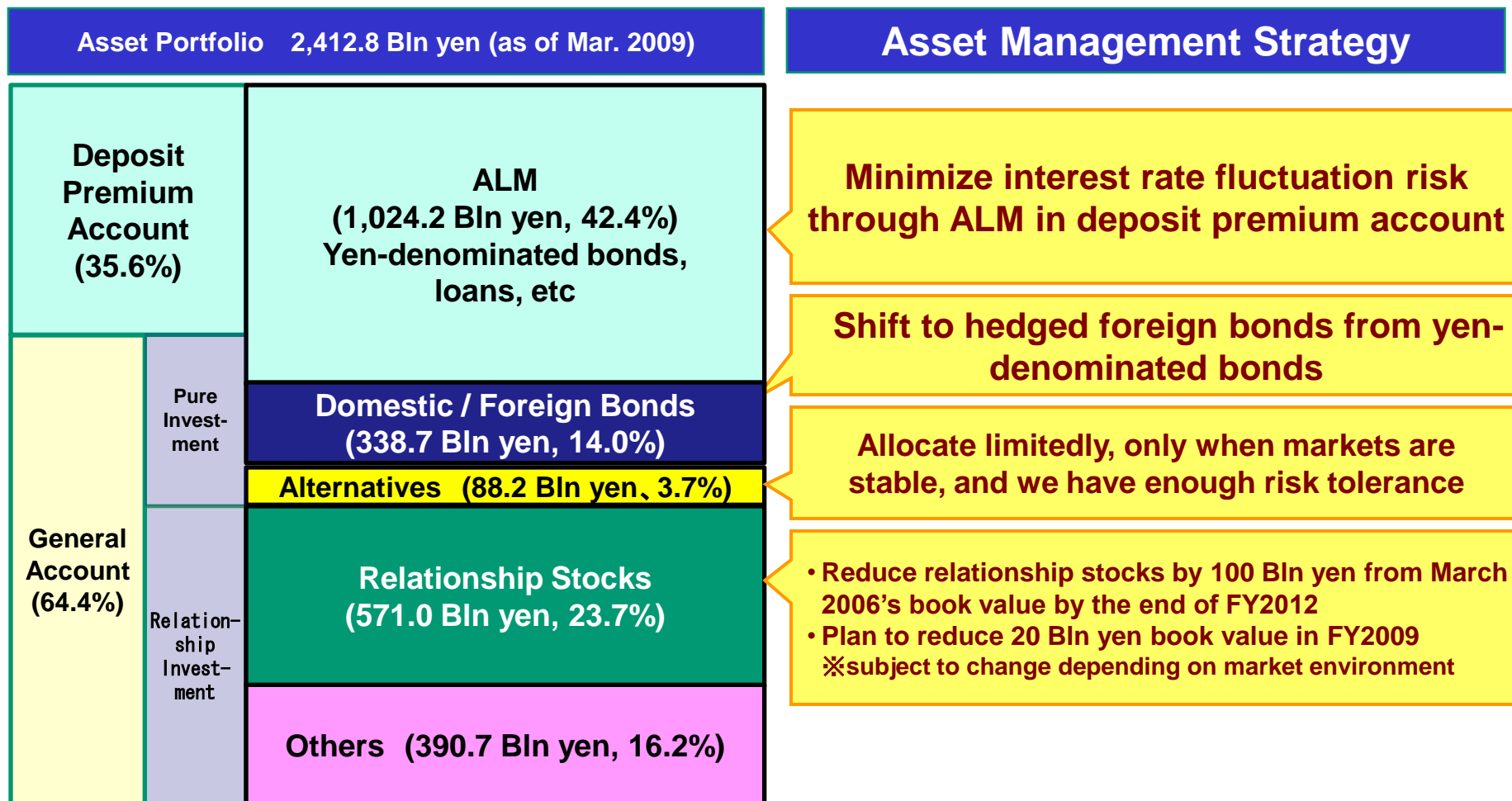


Note: Number of agencies is indicated by scale on the left hand side. Premium per agency is indicated by scale on the right hand side (Unit is thousand yen. Premium is sales-performance base).



Asset Management Strategy

We will remain focused on a sound and solid investment strategy and improve our asset portfolio quality



*1 () Asset balance amount, component percentage, on the market value basis

*2 Other major components: cash and deposit (72.1 Bln yen), loans (74.1 Bln yen), real estate (116.9 Bln yen), etc.



Products and Services Strategy

Allocate management resources to measures contributing to
“Profitability Improvement” and “Product Quality Improvement”

Profitability Improvement

To maximize our profit . . .

○ Pricing strategy

- Pricing based on “loss data” and “correlation between price and sales quantity”

Profits per contract × Number of contracts ⇒ Maximize profits

○ Strengthen underwriting discipline and expand scale

- Measures for agencies and policies with unfavorable loss ratios, utilization of information on accidents
- Suspension of unprofitable lines

Product Quality Improvement

To pursue “easy to understand” . . .

○ “Easy to understand / sell” products

- Consolidation of products and special clauses
- Simplification of standard clauses

Offer simple and “easy to understand” products

○ Simplify / standardize contract procedures

- Improvement of support function for customers and agencies related to contract procedure

Improve risk consulting service

- Offer customers our loss control know-how and disaster prevention advice
- Improve advantageous services

Improvement of profitability and service quality



Shareholder Returns

Provide shareholder return through overall judgment of soundness in shareholders' capital, profit levels and stock performance

Basic Dividend Policy

- Stable dividend payment

Basic Share Buyback Policy

- Flexible share buybacks and capital efficiency improvement

Share Buybacks

Cumulative 120.96 million shares repurchased as of May 31, 2009, of which 57 million shares were retired

Jan 2000	: 10 million shares	Dec 2004 – Jan 2005	: 10 million shares
Apr 2000	: 10 million shares	Oct 2005 – Feb 2006	: 10 million shares
Nov 2001 – Feb 2002	: 10 million shares	Dec 2006	: 6.96 million shares
Feb 2003	: 10 million shares	Jul 2007	: 34 million shares
Jan 2004 – Mar 2004	: 10 million shares	Oct 2008	: 10 million shares

[Indexes related to shareholder returns]

Total Payout on Equity
:
(Dividend+Share Buybacks) ÷ Net Asset

Ratio of Total Payout to Net Asset

	FY2005	FY2006	FY2007	FY2008(E)
Dividend per Share	7.5	7.5	7.5	8.0
Dividend Payout Ratio	46.0%	44.8%	73.6%	60.0%
Total Payout Ratio	118.1%	97.0%	553.3%	126.5%
Dividend on Equity	0.8%	0.8%	0.9%	1.4%
Total Payout on Equity	2.0%	1.7%	8.0%	3.7%

Improvements in Corporate Governance Structure

Streamlined Management

- ◆ Quick decision making
- ◆ Efficient management
- ◆ Strict auditing

Directors

11

Including 4 outside directors

Executive Officers

25

Auditors

5

Including 3 outside auditors

※Expected on and after June 25, 2009

Proactive Reforms of Governance System

- ◆ Well-defined management responsibilities
- ◆ Greater transparency
- ◆ Interest alignment with shareholders

FY1999

Introduction of executive officer system

FY2000

Shortening of director's terms
(from 2 years to 1 year)

FY2004

Abolishment of retirement allowance and introduction of stock options
(for directors and executive officers)

FY2006

Establishment of Nominations and Remuneration Committee

Business Integration with Sompo Japan

Agreement for Business Integration (March 13, 2009)

NIPPONKOA and Sompo Japan agreed to establish a joint holding company through joint stock transfer for business integration

※Subject to approval at the shareholders' meeting and approval of relevant authorities

Outline of the Memorandum of Understanding

- Make all the value judgments from the “customers’ perspective” and pursue the best business practice
- Place emphasis on speed to quickly realize the effects of the growth strategy, business integration and business alliance
- Establish equal and friendly relationships with any corporation and financial group as an independent new group, while understanding that the parties will continue to operate under the joint holding company
- Abide by the spirit of equality between the parties
- Expeditiously and aggressively implement measures to boost the corporate value of the new group

The New Group’s Aspiration (Vision)

- Provide the highest-quality security and service
- Focus on business in Japan
- Provide a broad range of solutions friendly to the society and the environment
- Maximize shareholder value
- Establish a free, vigorous, open and energetic corporate culture
- Stay independent from the influence of any corporate or financial group



Schedule

- Announcement of Stock Transfer Ratio July 2009 (tentative)
- Establishment of a Joint Holding Company April 1, 2010 (planned)



Supplemental Data for FY2008 Financial Results

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Breakdown of Income & Losses

Millions of Yen

			2008/3		2009/3		Change	
				excl. CALI		excl. CALI		excl. CALI
Underwriting		(+) Net premiums written	688,892	586,116	653,400	572,461	- 35,492	- 13,654
		(-) Net losses paid	414,298	339,250	400,790	327,192	- 13,508	- 12,058
		(-) Loss adj. exp, Net operating exp.	276,863	252,304	264,409	239,854	- 12,453	- 12,450
		(+) Underwriting balance	- 2,268	- 5,439	- 11,799	5,414	- 9,531	+ 10,853
		(-) Increase in loss reserves	16,856	17,494	- 1,684	- 963	- 18,540	- 18,458
		(-) Increase in underwriting reserves	6,768	- 3,389	- 17,738	- 5,210	- 24,507	- 1,820
		(-) Increase in catastrophe reserves & contingency reserves	- 6,453	- 6,453	5,369	5,369	+ 11,823	+ 11,823
		(+) Other balance	5,398	- 950	3,192	- 772	- 2,206	+ 178
		(+) Underwriting profit :A	- 14,042	- 14,042	5,445	5,445	+ 19,488	+ 19,488
		(+) Miscellaneous income related to underwriting :B	- 372		711		1,083	
Investment, etc.		(+) Interest & dividend income	53,009		51,124		- 1,885	
		(-) Investment income on deposit premium	26,486		24,143		- 2,342	
		(+) Net interest & dividend income	26,523		26,980		+ 456	
		(+) Gain/losses on sale of securities	23,499		22,647		- 852	
		(-) Revaluation losses on securities	9,617		35,983		+ 26,365	
		(+) Redemption profit from securities	1,335		- 398		- 1,734	
		(+) Investment income from money in trust	- 1,839		- 4,235		- 2,396	
		(+) Revaluation gain/losses on derivatives	1,239		- 6,298		- 7,538	
		(+) Other investment income/losses*	- 4,634		- 7,004		- 2,370	
		(+) Investment profit :C	36,506		- 4,293		- 40,800	
	(-) Administrative expenses on investments, etc. :D	6,226		6,054		- 171		
	(+) Other ordinary income/loss :E	903		1,340		+ 436		
Ordinary profit (A+B+C-D+E) :P			16,769		- 2,851		- 19,620	
	(+) Extraordinary gains/losses :F	- 4,256		17,481		+ 21,737		
	(-) Income taxes (including deferred tax) :G	4,635		4,518		- 117		
Net income (P+F-G)			7,877		10,111		+ 2,234	
Net income (consolidated)			8,991		9,971		+ 979	

Note: Other investment income/losses = « Gain on foreign exchange » - «Provision for reserves for investment losses» + « Other investment income »

Premium Income

■ Net Premiums Written by Line

Millions of Yen

	2008/3	2009/3	Change
Fire	95,880	95,828	- 52 - 0.1%
Marine	19,193	16,593	- 2,599 - 13.5%
Personal accident	56,306	52,859	- 3,447 - 6.1%
Voluntary automobile	331,294	325,120	- 6,173 - 1.9%
CALI (compulsory automobile liability)	102,776	80,938	- 21,837 - 21.2%
Other	83,440	82,058	- 1,381 - 1.7%
All lines	688,892	653,400	- 35,492 - 5.2%
All lines except CALI	586,116	572,461	- 13,654 - 2.3%

(Major Factors of the Change)

→	Direct premiums written (except savings-type): +1.6 Bln yen Direct premiums written (Savings-type): -0.5 Bln yen; Earthquake: +0.6 Bln yen Reinsurance premiums: -0.3 Bln yen; Reinsurance paid losses: +1.4 Bln yen
→	Hull: +0.1 Bln yen; Cargo: -2.7 Bln yen
→	Except savings-type products: -2.9 Bln yen Savings-type products: -0.5 Bln yen
→	Number of insured vehicles: Nonfleet: -1.2%; Fleet: -5.6%; Total: -1.9% Premium per vehicle*1: Nonfleet: -1.0%; Fleet +2.2%; Total -0.5%
Notes: Figures for premium per vehicle for voluntary automobile are on a sales-performance basis.	
→	General liability: +1.7 Bln yen; Construction: +0.1 Bln yen; Mobile property : -2.0 Bln yen; Transportation: -0.4 Bln yen; Burglary: -0.2 Bln yen

Paid Losses

■ Net Losses Paid / Loss Ratio by Line Millions of Yen

	2008/3	2009/3	Change % Change
Fire	42,967 48.8%	42,165 47.9%	- 801 - 0.9%
Marine	7,811 41.8%	6,908 42.9%	- 903 + 1.1%
Personal accident	31,198 60.8%	32,363 66.9%	+ 1,165 + 6.1%
Voluntary automobile	207,235 68.4%	198,511 66.9%	- 8,723 - 1.5%
CALI (compulsory automobile liability)	75,047 78.5%	73,597 97.3%	- 1,450 + 18.8%
Other	50,038 65.0%	47,243 62.7%	- 2,795 - 2.3%
All lines	414,298 65.4%	400,790 66.7%	- 13,508 + 1.3%
All lines except CALI	339,250 63.1%	327,192 62.4%	- 12,058 - 0.7%

(Major Factors of the Change)

→ Losses from natural disasters: -0.3 Bln yen (8.6 Bln yen→8.2 Bln yen, including losses occurred before the previous year)

→ Hull: +0.1 Bln yen, Cargo: -1.0 Bln yen

→ Except savings-type products: +1.1 Bln yen
Savings-type products: slight increase

→ Own vehicle damage: +0.3 Bln yen; Casualty insurance: -3.8 Bln yen
Bodily injury liability: -3.3 Bln yen; Personal injury liability: +1.6 Bln yen
Passenger injury liability: -2.8 Bln yen; Own car accident: -0.1 Bln yen

→ General liability: -2.0 Bln yen; Movable property: -0.3 Bln yen
Workers' compensation: -0.2 Bln yen; Burglary: -0.2 Bln yen, etc.

Expense

■ Expenses

Millions of Yen

	Amount		Change in Amount	Expense Ratio	
	2008/3	2009/3		2008/3	2009/3
Personnel expenses	87,011	83,250	- 3,760	12.6%	12.7%
Non-personnel expenses, etc.	78,936	76,835	- 2,100	11.5%	11.8%
Company expenses	165,947	160,086	- 5,861	24.1%	24.5%

Main factors for the change

→	Revision of retirement benefit plan
→	Decrease of IT system expenses, etc.

	All Lines				
	Amount		Change in Amount	Expense Ratio	
	2008/3	2009/3		2008/3	2009/3
Company expenses on underwriting	159,721	154,031	- 5,689	23.2%	23.6%
Net commissions & brokerage	117,141	110,378	- 6,763	17.0%	16.9%
Operating and admin exp. on underwriting *1	123,349	118,718	- 4,631	17.9%	18.2%
Operating expenses	240,491	229,096	- 11,394	34.9%	35.1%
Operating expenses and Loss adj. expenses	276,863	264,409	- 12,453	40.2%	40.5%

All Lines except CALI		
Amount	Expense Ratio	Change in Amount
135,606	23.7%	- 5,190
104,247	18.2%	- 7,259
105,471	18.4%	- 4,565
209,718	36.6%	- 11,825
239,854	41.9%	- 12,450

Notes: 1) Operating & admin expenses on underwriting = « Company expenses on underwriting » - « Loss adjustment expenses »

■ Reserve for retirement benefits

Millions of Yen

	2008/3	2009/3
(Retirement benefit obligations)	(- 130,913)	(- 70,979)
(Plan assets)	(91,319)	(44,268)
(1) Unfunded portion of retirement benefit obligations	- 39,593	- 26,710
(2) Unrecognized prior service cost	3,358	2,658
(3) Unrecognized actuarial difference	- 6,762	- 9,554
(4) Net obligations : (1)- (2)- (3)	- 36,189	- 19,813
(5) Prepaid pension expense	---	1,894
Reserve for retirement benefits : (4)- (5)	- 36,189	- 21,708

■ Expense for retirement benefit

Millions of Yen

	2008/3	2009/3
Service cost	5,061	1,921
Interest expense	2,452	1,315
Expected investment income	- 1,338	- 408
Amortization of prior service cost	- 1,510	- 700
Amortization of actuarial difference	2,437	730
Sub-total	7,103	2,858
Defined contribution pension fund	---	2,127
Total	7,103	4,986

Underwriting Reserve

■ Breakdown of Underwriting Reserve

Millions of Yen

	2008/3				2009/3				Change			
	Reserve for outstanding claims	Premium Reserve	Catastrophe Reserve	Contingency Reserve	Reserve for outstanding claims	Premium Reserve	Catastrophe Reserve	Contingency Reserve	Reserve for outstanding claims	Premium Reserve	Catastrophe Reserve	Contingency Reserve
Fire	28,808	361,900	107,994	---	27,010	361,237	114,580	---	- 1,798	- 662	+ 6,586	---
Marine	8,440	7,757	17,887	---	8,579	5,856	18,636	---	+ 138	-1,901	+ 748	---
Personal accident	20,995	30,067	30,744	16	22,107	28,679	25,648	13	+ 1,111	-1,388	- 5,095	- 3
Voluntary automobile	138,181	93,354	22,755	---	139,781	93,954	22,357	---	+ 1,600	+ 600	- 398	---
CALI (Compulsory auto.)	27,024	207,712	---	---	26,303	195,183	---	---	- 720	-12,528	---	---
Other	61,260	81,065	44,844	---	59,245	79,206	48,375	---	- 2,014	-1,858	+ 3,531	---
All lines	284,711	781,858	224,225	16	283,027	764,119	229,598	13	- 1,684	-17,738	+ 5,372	- 3
All lines except CALI	257,687	574,145	224,225	16	256,723	568,935	229,598	13	- 963	-5,210	+ 5,372	- 3
Long-lived assets	1,016,682				901,338				- 115,343			
Reserve as stated on B/S	2,022,782				1,895,069				- 127,712			

■ Reserve for Price Fluctuations

Millions of Yen

	2008/3	2009/3	Change
Reserve for Price Fluctuations	20,660	2,581	- 18,079

Asset Management

■ Breakdown of Interest & Dividend Income

Millions of Yen

FY2008	Income	Income Yield	
			Prev. Year
Deposits	218	0.28%	(0.47%)
Call loans	84	0.36%	(0.49%)
Receivables under resale agreement	49	0.52%	(0.57%)
Monetary receivables bought	327	0.81%	(0.99%)
Securities	43,378	2.41%	(2.38%)
Loans	4,741	2.15%	(2.08%)
Land & buildings	1,755	1.47%	(1.52%)
Sub-total*	50,556	2.19%	(2.19%)
Others	568		
Total	51,124		

* Interest income of "Money in trust" is included in calculating income yield of sub-total.

■ Breakdown of Investment Yield

Millions of Yen

FY2008	Realization Basis			Mark-to-market Basis		
	Amount	Yield		Amount	Yield	
			Prev. Year			Prev. Year
Deposits	- 352	- 0.45%	(- 0.47%)	- 352	- 0.45%	(- 0.47%)
Call loans	84	0.36%	(0.49%)	84	0.36%	(0.49%)
Receivables under resale agreement	49	0.52%	(0.57%)	49	0.52%	(0.57%)
Monetary receivables bought	327	0.81%	(0.99%)	57	0.14%	(0.80%)
Money in trust	- 4,235	- 9.66%	(- 4.01%)	- 4,235	- 9.43%	(- 3.72%)
Securities	19,559	1.08%	(2.98%)	- 274,352	- 12.23%	(- 9.07%)
Loans	4,743	2.15%	(2.08%)	4,740	2.15%	(2.09%)
Land & buildings	1,755	1.47%	(1.52%)	1,755	1.47%	(1.52%)
Derivatives	- 2,659			331		
Others	578			578		
Total	19,850	0.85%	(2.59%)	- 271,343	- 9.76%	(- 7.30%)

■ Interest & Dividend Income on Securities

FY2008	Amount (Millions of Yen)	Income Yield	
			Prev. Year
Domestic bonds	12,435	1.33%	(1.17%)
Domestic equities	15,157	3.42%	(3.40%)
Foreign securities	11,472	2.93%	(3.68%)
Others	4,313	14.28%	(12.08%)
Total	43,378	2.41%	(2.38%)

■ Capital Gains/Losses on Securities

Millions of Yen

FY2008	Gain on Sale	Loss on Sale	Revaluation Loss	Net Gain
	(a)	(b)	(c)	(a-b-c)
Domestic bonds	2,783	62	---	2,721
Domestic equities	25,574	1,120	18,520	5,934
Foreign securities	3,119	7,046	12,917	- 16,844
Others	---	601	4,545	- 5,146
Total	31,477	8,830	35,983	- 13,336
change	+ 4,363	+ 5,215	+ 26,365	- 27,218

Self-assessment of Assets

■ Assets for Assessment

Millions of Yen

As of March, 2009	Unclassified	Class. II	Class. III	Class. IV	Total
Deposits	92,379	---	---	---	92,379
Call loans	15,000	---	---	---	15,000
Receivables under resale agreements	29,996	---	---	---	29,996
Monetary receivables bought	41,300	---	---	---	41,300
Money in trust	38,547	---	---	---	38,547
Securities	1,833,819	2,235	12,926	35,983	1,884,965
Loans	225,644	3,710	308	32	229,695
Policy loans	6,399	---	---	---	6,399
General loans	219,245	3,710	308	32	223,296
Specified borrowers	219,227	3,710	308	32	223,278
Normal	(219,154)	---	---	---	(219,154)
Caution required	(73)	(2,344)	---	---	(2,417)
Potentially bankrupt	---	(856)	(274)	---	(1,131)
De facto bankrupt	---	(500)	(33)	(29)	(563)
Bankrupt	---	(8)	---	(2)	(11)
Unspecified borrowers	17	---	---	---	17
Tangible fixed asset	128,611	714	---	259	129,585
Intangible fixed asset	1,097	---	---	95	1,193
Other	153,553	1,256	1,479	246	156,536
Deferred tax assets	103,865	---	---	---	103,865
Total	2,663,816	7,917	14,714	36,616	2,723,065

Note: Regarding assets for assessment, the asset balance shown above is before depreciation/reserves. Therefore, the total balance is greater than the amount stated on the balance sheet by 36,338 million yen, which represents the amount for depreciation/reserves. However, the amount of impairment loss, etc., on real & mobile property (336 million yen) recorded during the period has been reflected. For the self-assessed assets, classification III and classification IV are fully written-off or provisioned.

■ Risk-Monitored Loans

Millions of Yen

As of March, 2009	Amount of claims
Loans in bankruptcy	11
Overdue loans	1,695
Loans overdue for 3 months or more	---
Restructured loans	191
Total risk-monitored loans	1,897
Bad-loan ratio	0.8%
Total coverage ratio	96.7%

Note: Total coverage ratio is the percentage of the sum of collaterals, guarantee, provisions, etc. extended to the risk-monitored loan.

NIPPONKOA Life

■ Principal Indicators

Millions of Yen

	2008/3	2009/3	Change
Premium & other receipts	83,424	86,948	+ 3,523
Investment income	7,907	9,448	+ 1,541
Basic profit	464	- 1,302	- 1,766
Ordinary profit	1,275	112	- 1,163
Net income/loss	---	- 619	- 619

■ Individual Life Insurance (including pensions) Millions of Yen

	2008/3	2009/3	Change
Amount of business in force	3,847,200	4,014,107	+ 166,907

Millions of Yen

	2008/3	2009/3	Change
Amount of new business	614,684	601,770	- 12,914

■ Embedded Value

Billions of Yen

	2008/3	2009/3	Change
Embedded Value	83.5	85.9	+2.4
Adjusted book value	(30.0)	(26.4)	(-3.5)
Existing business value	(53.5)	(59.4)	(+5.9)
EV of new business	2.9	1.3	-1.6

■ Profit and Loss

Millions of Yen

	2008/3	2009/3	Change
(+) Income from insurance premiums :a1	83,424	86,948	+ 3,523
(-) Insurance claims and other payments :a2	31,175	35,190	+ 4,014
(-) Operating expenses :a3	15,566	17,371	+ 1,805
(-) Provision for outstanding claims :a4	421	- 351	- 773
(-) Provision for policy reserves :a5	42,440	44,020	+ 1,579
(+) Net interest & dividend income :a6	6,627	7,583	+ 956
(+) Other ordinary income and expenses :a7	17	397	+ 379
Basic profit :A	464	- 1,302	- 1,766
(+) Gains/losses on the sale of securities :b1	1,148	1,728	+ 579
(-) Devaluation losses on securities :b2	---	---	---
(-) Other capital gain / loss :b3	---	---	---
Capital gain :B	1,148	1,728	+ 579
(-) Provision for contingency reserves :c1	334	313	- 21
(+) Other nonrecurrent item :c2	- 3	---	+ 3
Nonrecurrent item :C	- 338	- 313	+ 24
Ordinary profit (A+B+C) :P	1,275	112	- 1,163
(+) Extraordinary gain / loss :D	- 69	- 74	- 4
(-) Provision for reserves for policyholder dividends :E	1,148	928	- 219
(-) Income taxes (including deferred tax) :F	56	- 271	- 328
Net Income(P+D-E-F)	---	- 619	- 619

SONPO24

■ Principal Indicators

	2008/3	2009/3	Change
Number of contacts	172,466	207,564	35,098
Loss ratio	72.9%	66.4%	- 6.5%
Expense ratio	65.4%	54.8%	- 10.6%
Solvency margin ratio	3,271.3%	2,232.6%	- 1,038.7%

■ Profit and Loss

Millions of Yen

	2008/3	2009/3	Change
(+) Net premiums written	(7,458)	(8,703)	(+ 1,244)
(-) Net losses paid	(4,613)	(4,915)	(+ 302)
(-) Loss adj. exp. underwriting costs & exp.	(5,702)	(5,627)	(- 74)
(+) Underwriting balance :a1	- 2,856	- 1,840	+ 1,016
(-) Increase in reserves for outstanding claims :a2	334	90	- 243
(-) Increase in premium reserves :a3	288	913	+ 624
(+) Other balances :a4	12	10	- 1
(+) Underwriting profit :A	- 3,467	- 2,832	+ 634
(+) Investment profit :B	99	107	+ 8
(+) Other ordinary income/loss :C	7	13	+ 5
Ordinary profit (A+B+C) :D	- 3,360	- 2,711	+ 648
(+) Extraordinary gains/losses :E	- 23	- 56	- 32
(-) Income taxes (including deferred tax) :F	10	10	---
Net income (D+E-F)	- 3,394	- 2,778	+ 616

FY2009 Forecast

■ Principal Indicators

	2009/3		2010 / 3E	
	Amount	excl. CALI	Amount	excl. CALI
Net premiums written	653.4	572.4	645.0	569.1
Loss ratio	66.7%	62.4%	67.2%	61.9%
Expense ratio	35.1%	36.6%	36.2%	37.7%
Underwriting balance	- 11.7	5.4	- 22.0	2.5
Underwriting profit	5.4		- 4.0	
Interest & dividend income	51.1		41.8	
Net interest & dividend income	26.9		19.8	
Ordinary profit	- 2.8		22.0	
Net income	10.1		13.0	

■ Expenses

	2009/3		2010 / 3E	
	Amount	Expense ratio	Amount	Expense ratio
Personnel expenses	83.2	12.7%	86.6	13.4%
Non-personnel expenses, etc.	76.8	11.8%	81.6	12.7%
Total expenses	160.0	24.5%	168.2	26.1%
Of which expenses on underwriting	154.0	23.6%	161.8	25.1%

Net commissions & brokerage	110.3	16.9%	108.4	16.8%
Operating & admin exp. on underwriting *	118.7	18.2%	125.0	19.4%
Expenses relating to underwriting	229.0	35.1%	233.4	36.2%

* Operating & admin expenses on underwriting = (Company expenses on underwriting) – (Loss adjustment expenses)

■ Net Premiums Written by Product Line

	2009/3		2010 / 3E	
	Amount	% Change	Amount	% Change
Fire	95.8	- 0.1%	96.2	+ 0.4%
Marine	16.5	- 13.5%	15.2	- 7.8%
Personal accident	52.8	- 6.1%	51.1	- 3.1%
Voluntary auto.	325.1	- 1.9%	323.1	- 0.6%
CALI	80.9	- 21.2%	75.8	- 6.2%
Other	82.0	- 1.7%	83.2	+ 1.5%
All lines	653.4	- 5.2%	645.0	- 1.3%
All lines excl. CALI	572.4	- 2.3%	569.1	- 0.6%

■ Net Losses paid by Product Line

	2009/3		2010 / 3E	
	Amount	Loss ratio	Amount	Loss ratio
Fire	42.1	47.9%	44.9	50.8%
Marine	6.9	42.9%	7.1	48.0%
Personal accident	32.3	66.9%	29.2	63.7%
Voluntary auto.	198.5	66.9%	190.0	64.8%
CALI	73.5	97.3%	75.7	107.3%
Other	47.2	62.7%	49.5	64.9%
All lines	400.7	66.7%	396.7	67.2%
All lines excl. CALI	327.1	62.4%	320.9	61.9%

Principal Indicators (1)

■ NIPPONKOA Insurance Non-consolidated

Millions of Yen

		2000/3	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2007/3	2008/3	2009/3
Direct premiums written (excl. deposit premiums on savings-type policies)	Fire	136,199	131,350	129,915	129,360	132,473	131,199	130,141	128,314	119,385	121,107
	Marine	19,510	19,383	18,254	16,783	16,815	17,712	18,887	20,407	20,397	17,739
	Personal accident	70,710	67,607	63,864	68,102	64,962	61,464	59,139	58,569	55,540	52,289
	Voluntary auto.	356,131	356,930	352,844	349,730	342,561	342,846	337,209	335,323	331,213	325,312
	CALI (Compulsory auto)	96,983	98,160	96,544	116,231	115,059	111,258	105,160	105,598	99,471	82,384
	Other	80,844	82,370	81,218	80,828	82,301	83,709	83,773	85,340	86,831	87,004
	All lines	760,379	755,803	742,642	761,036	754,174	748,191	734,311	733,554	712,839	685,837
	All lines excl. CALI	663,396	657,643	646,098	644,805	639,114	636,932	629,151	627,955	613,368	603,453
Net premiums written	Fire	119,342	113,052	111,869	113,823	113,802	109,010	106,088	104,351	95,880	95,828
	Marine	16,961	16,927	15,624	15,802	15,880	16,722	17,990	19,241	19,193	16,593
	Personal accident	70,603	67,353	63,808	67,044	64,163	61,955	59,756	59,293	56,306	52,859
	Voluntary auto.	354,837	357,417	353,531	350,608	343,629	343,828	338,116	335,636	331,294	325,120
	CALI (Compulsory auto)	55,630	56,172	55,309	97,745	114,214	112,674	107,218	103,735	102,776	80,938
	Other	76,483	76,893	75,921	76,209	76,880	78,665	79,148	81,112	83,440	82,058
	All lines	693,859	687,817	676,065	721,234	728,570	722,858	708,319	703,371	688,892	653,400
	All lines excl. CALI	638,228	631,644	620,755	623,488	614,355	610,183	601,101	599,635	586,116	572,461
Loss ratio	Fire	42.3%	43.7%	38.1%	36.3%	34.6%	85.5%	46.5%	56.2%	48.8%	47.9%
	Marine	55.0%	50.0%	53.3%	45.4%	49.5%	41.2%	48.6%	43.2%	41.8%	42.9%
	Personal accident	46.2%	49.4%	45.6%	44.6%	42.3%	42.7%	47.2%	54.1%	60.8%	66.9%
	Voluntary auto.	63.4%	66.4%	64.1%	62.6%	60.2%	62.1%	66.1%	67.0%	68.4%	66.9%
	CALI (Compulsory auto)	75.3%	77.9%	78.5%	45.7%	48.5%	64.6%	75.8%	79.2%	78.5%	97.3%
	Other	69.0%	67.2%	72.7%	72.6%	68.6%	68.0%	66.9%	67.2%	65.0%	62.7%
	All lines	59.4%	61.6%	59.9%	55.2%	53.4%	64.5%	62.7%	65.5%	65.4%	66.7%
	All lines excl. CALI	58.0%	60.2%	58.3%	56.7%	54.4%	64.5%	60.3%	63.1%	63.1%	62.4%
Expense ratio	38.8%	37.5%	37.4%	35.4%	35.5%	34.4%	35.7%	35.5%	34.9%	35.1%	
Total Company expenses		180,282	170,892	169,798	169,020	173,607	167,206	170,873	169,212	165,947	160,086

Note: Figures before the merger are sum of Nippon Fire, Koa Fire and Taiyo Fire



Principal Indicators (2)

■ NIPPONKOA Insurance Non-consolidated

Millions of Yen

	2000/3	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2007/3	2008/3	2009/3
Underwriting balance, excl. CALI	20,271	13,017	24,456	33,954	41,318	- 12,737	5,724	- 8,538	- 5,439	5,414
Ratio to net premiums written	3.2%	2.1%	3.9%	5.4%	6.7%	- 2.1%	1.0%	- 1.4%	- 0.9%	0.9%
Underwriting balance, all lines	12,618	5,740	17,856	68,014	80,837	8,077	11,230	- 6,542	- 2,268	- 11,799
Ratio to net premiums written	1.8%	0.8%	2.6%	9.4%	11.1%	1.1%	1.6%	- 0.9%	- 0.3%	- 1.8%
Underwriting profit	18,805	17,075	14,767	8,378	11,744	- 35,962	1,108	- 35,747	- 14,042	5,445
Interest & dividend income	76,746	63,003	56,432	49,523	47,118	47,462	51,279	56,693	53,009	51,124
Net interest & dividend income	24,681	20,237	18,792	16,560	15,626	17,456	23,041	29,286	26,523	26,980
Ordinary profit	48,564	47,652	- 29,656	- 36,721	45,797	22,534	26,798	24,538	16,769	- 2,851
Net income	11,897	13,997	- 19,062	- 28,637	15,885	14,559	13,273	13,425	7,877	10,111

■ Life Insurance Subsidiary (NIPPONKOA Life)

Amount of business in force (billions of yen) - individual insurance & individual annuity	1,562.7	1,900.6	2,112.3	2,452.9	2,662.7	2,914.8	3,266.4	3,648.1	3,847.2	4,014.1
Ordinary profit	- 346	717	133	2,818	1,263	896	1,104	1,413	1,275	112
Net income	- 552	87	- 4,040	1,340	25	189	63	31	---	- 619

■ SONPO24

Premium income	---	0	1,083	3,562	5,962	6,383	6,644	7,090	7,458	8,703
Ordinary profit	- 53	- 1,463	- 4,545	- 3,940	- 3,701	- 3,183	- 3,384	- 2,944	- 3,360	- 2,711
Net income	- 53	- 1,467	- 4,556	- 3,951	- 3,715	- 3,199	- 3,400	- 2,958	- 3,394	- 2,778

■ Consolidated

Net income	11,835	14,409	- 22,722	- 25,890	19,319	13,467	10,670	15,872	8,991	9,971
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Note: Figures before the merger are sum of Nippon Fire, Koa Fire and Taiyo Fire

Note: SONPO24 has been consolidated since 2H FY2004

Sales Performance by Distribution Channel

Upper Row: Sales Performance (Millions of Yen)

Lower Row: % Change

■ Sales Performance, excl. Savings-Type Policies

As of March, 2009		Fire		Marine	Personal Accident	Voluntary Auto	CALI (Compulsory Automobile)	Transit	Others	Total	Proportion
	Number of agencies		Long-Term Products								
Financial institutions	701	22,752	10,505	304	3,759	9,375	405	384	5,337	42,316	6.4%
		- 3.2%	- 12.3%	- 21.5%	- 3.5%	- 2.1%	- 24.7%	- 3.5%	- 0.4%	- 3.1%	
Life insurance companies (Alliance partners)	2	3,309	948	---	5,144	17,253	64	16	851	26,637	4.0%
		+ 3.5%	+ 5.1%	---	- 4.6%	- 2.7%	- 14.9%	+ 24.6%	+ 3.1%	- 2.2%	
Corporation & transportation affiliated agencies	2,698	35,126	4,018	11,968	18,624	55,761	8,224	9,219	35,051	173,974	26.4%
		+ 6.0%	+ 22.7%	-14.1%	- 0.4%	- 1.1%	- 25.7%	- 5.5%	+ 4.0%	- 1.5%	
Car dealers, car repair shops and other automobile related	15,444	3,063	716	123	1,658	80,589	57,923	214	1,994	145,563	22.1%
		+ 4.7%	+ 14.2%	+ 7.0%	- 8.1%	- 1.0%	- 25.2%	- 5.3%	+ 1.3%	-12.2%	
General agencies, etc	11,377	46,991	12,489	4,175	17,899	160,729	9,556	2,316	27,918	269,583	41.0%
		+ 1.6%	+ 7.6%	-7.5%	- 4.6%	- 2.7%	- 25.7%	- 3.7%	+ 0.7%	- 2.9%	
Of which "Core Agencies"	2,128	25,709	6,453	302	10,538	110,387	5,310	1,028	14,383	167,658	25.5%
		+ 0.7%	+ 5.9%	-17.8%	- 5.8%	- 2.6%	- 25.3%	- 0.6%	+ 1.2%	- 3.0%	
Total	29,852	111,240	28,675	16,570	47,083	323,707	76,173	12,149	71,151	658,073	100.0%
		+ 2.1%	+ 1.0%	-12.6%	- 3.0%	- 2.0%	- 25.3%	- 5.1%	+ 2.3%	- 4.8%	

Sales performance analysis on voluntary automobile

Proportion of volume

% change in number of insured vehicles

% change in unit price (premium per vehicle)

Nonfleet

83 %

- 1.2 %

- 1.0 %

Fleet

17 %

- 5.6 %

+ 2.2 %

Total

100 %

- 1.9 %

- 0.5 %



Asset Breakdown by Investment Category

(Market value basis, Millions of Yen)

As of March, 2009	Deposit Premium Account	General Account			Total	
		Pure investment	Others		Proportion	
Securities	648,918	596,707	603,355	1,200,063	1,848,982	76.6%
Domestic stocks	---	30,000	571,039	601,039	601,039	24.9%
Yen-denominated securities	642,603	331,118	18,688	349,807	992,411	41.1%
(Bonds)	(633,205)	(286,632)	(1,514)	(288,147)	(921,352)	(38.2%)
(Others)	(9,398)	(44,486)	(17,173)	(61,660)	(71,058)	(2.9%)
Foreign securities (foreign currency denominated)	6,314	235,589	13,627	249,216	255,531	10.6%
(Bonds)	(6,314)	(216,699)	---	(216,699)	(223,014)	(9.2%)
(Others)	---	(18,889)	(13,627)	(32,516)	(32,516)	(1.3%)
Monetary receivables bought	9,365	31,934	---	31,934	41,300	1.7%
Cash in trust	---	38,497	50	38,547	38,547	1.6%
Loans	155,537	---	74,157	74,157	229,695	9.5%
Deposits	17,754	2,452	72,172	74,624	92,379	3.8%
Call loans	27,996	16,999	---	16,999	44,996	1.9%
Real estate (Land & buildings)	---	---	116,993	116,993	116,993	4.8%
Total Investment Assets	859,572	686,592	866,730	1,553,323	2,412,896	100.0%
Change from end of FY2008	- 116,839	- 22,945	- 266,303	- 289,248	- 406,088	

Equity / Loan Portfolio by Industry

■ Breakdown of the equity portfolio by industry

Millions of Yen

As of March, 2009	Number of shares (in thousands)	Mark-to-market Value	
			Proportion
Financials & Insurance	292,509	219,922	36.6%
Chemicals	71,993	96,252	16.0%
Commerce	89,242	45,985	7.7%
Electric machinery	80,150	40,716	6.8%
Transportation vehicles	78,815	39,017	6.5%
Transportation (Land & Air)	96,724	36,031	6.0%
Foods	49,609	31,818	5.3%
Machinery	38,795	20,171	3.4%
Utilities (Electricity & Gas)	4,918	10,792	1.8%
Construction	18,093	7,692	1.3%
Others	157,897	52,638	8.8%
Total	978,749	601,039	100.0%



Note: "Chemicals" includes medicines. Wholesale and retail are shown under the "Commerce" caption. "Financials & Insurance" includes banking, insurance and other financial services.

Note: "Services, etc." includes restaurants/lodging, medical/welfare, education, hybrid services, and miscellaneous services (i.e., services not classified into other categories).

■ Breakdown of the loan portfolio by industry

Millions of Yen

As of March, 2009		
		Proportion
Financials and Insurance	98,982	43.1%
Real estate and rental	15,607	6.8%
Manufacturing	7,134	3.1%
Commerce (Wholesale & Retail)	4,046	1.8%
Construction	1,675	0.7%
Transportation and mail	1,370	0.6%
Utilities (Electricity, Gas, etc.)	1,091	0.5%
Services, etc.	691	0.3%
Communication	---	---
Agriculture, Forestry and Fisheries	---	---
Others	92,207	40.1%
	<i>Of which, Personal finance, Housing loans</i>	
	38,201	16.6%
Sub-total	222,809	97.0%
Public corporations	469	0.2%
Public bodies	17	0.0%
Policy loans	6,399	2.8%
Total	229,695	100.0%

※Japan Standard Industry Classification has changed in the fiscal year



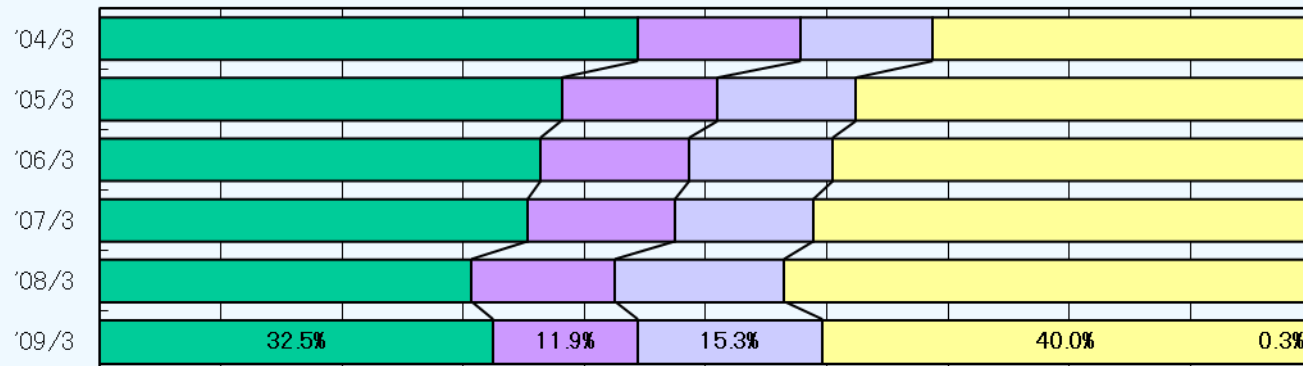
Stock Related Data

Shareholder Breakdown

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

(Number of shares issued as of March, 2009 (incl. treasury stocks): 816,743 thousand)

* Individuals includes treasury stocks



■ Financial Institutions ■ Corporations ■ Individuals ■ Non-residents ■ Others

Major Shareholders

(As of March, 2009)

1. State Street Bank & Trust Co.	8.8%	6. Mellon bank Treaty Clients Omnibus	2.7%
2. NIPPONKOA (treasury stock)	7.9%	7. The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2.7%
3. Longleaf Partners Funds	7.8%	8. Japan Trustee Services Bank, Ltd.	2.7%
4. Nippon Express Co., Ltd.	4.4%	9. The Joyo Bank, Ltd.	2.4%
5. Japan Trustee Services Bank, LTD	4.2%	10. Taiyo Life Insurance Co.	2.2%

NIPPONKOA INSURANCE CO., LTD.

Investor Relations, Corporate Planning Dept.

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SOMPO JAPAN INSURANCE INC. (“SOMPO JAPAN”) and NIPPONKOA Insurance Co., Ltd. (“NIPPONKOA”) may file a registration statement on Form F-4 (“Form F-4”) with the U.S. Securities and Exchange Commission (the “SEC”) in connection with their proposed business combination. The Form F-4 (if filed) will contain a prospectus and other documents. If a Form F-4 is filed and declared effective, the prospectus contained in the Form F-4 will be mailed to U.S. shareholders of SOMPO JAPAN and NIPPONKOA prior to their respective shareholders’ meetings at which the proposed business combination will be voted upon. The Form F-4 and prospectus (if the Form F-4 is filed) will contain important information about SOMPO JAPAN and NIPPONKOA, the proposed business combination and related matters. U.S. shareholders of SOMPO JAPAN and NIPPONKOA are urged to read the Form F-4, the prospectus and other documents that may be filed with the SEC in connection with the proposed business combination carefully before they make any decision at the respective shareholders’ meeting with respect to the proposed business combination. Any documents filed with the SEC in connection with the proposed business combination will be made available when filed, free of charge, on the SEC’s web site at www.sec.gov. Such documents may also be obtained free of charge by directing a request to the contact information indicated above.

Note Regarding Forward-looking Statements

This document includes “forward-looking statements” that reflect the plans and expectations of SOMPO JAPAN and NIPPONKOA in relation to, and the benefits resulting from, their proposed business combination and business alliance described above. 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 SOMPO JAPAN and NIPPONKOA in light of the information currently available to them, 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 SOMPO JAPAN and NIPPONKOA (or the post-business combination group) to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. SOMPO JAPAN and NIPPONKOA undertake no obligation to publicly update any forward-looking statements after the date of this document. Investors are advised to consult any further disclosures by SOMPO JAPAN and NIPPONKOA (or the post-business combination group) in their subsequent domestic filings in Japan and filings with the SEC. The risks, uncertainties and other factors referred to above include, but are not limited to: (1) economic and business conditions in and outside Japan; (2) the regulatory outlook of the Japanese insurance industry; (3) occurrence of losses the type or magnitude of which could not be foreseen at the time of writing the insurance policies covering such losses; (4) the price and availability of reinsurance; (5) the performance of the two companies’ (or the post-business combination group’s) investments; (6) the two companies’ being unable to reach a mutually satisfactory agreement on the detailed terms of the proposed business combination or otherwise unable to complete it; and (7) difficulties in realizing the synergies and benefits of the post-business combination group.