

[ Translation ]

**SUMMARY OF INTERIM FINANCIAL STATEMENT**  
**FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2002**  
**(Non-consolidated)**

November 22, 2002

Name of Listed Company: Mitsui Sumitomo Insurance Company, Limited (the "Company")

Securities Code No.: 8752

Stock Exchange(s) Where the Company's Shares are Listed (Section):

The Company's shares are listed on the First section of each of Tokyo Stock Exchange, Osaka Securities Exchange and Nagoya Stock Exchange.

Headquarters: Tokyo (URL <http://www.ms-ins.com>)

Representative: Hiroyuki Uemura, President & Director

Any inquiry relating hereto (Name and position of the person in charge):

Hiroyuki Takahashi, Manager of Financial Accounting Group, Accounting Department

Telephone Number: (03)-3297-6648

Direction of Resolution of the Board of Directors

to approve Interim Settlement of Accounts: November 22, 2002

Interim Dividends : Yes or (No)

Unit share system : (Yes) or No (Unit of shares for one vote : 1,000 shares)

1. Business results for the six months ended September 30, 2002

(from April 1, 2002 to September 30, 2002)

\* The Company has been merged on October 1, 2001. For the purpose of easy comparison with the result for the six months ended September 30, 2002, results for the six months ended September 30, 2001 are the total figure of former Sumitomo Marine and Fire Insurance Co., Ltd. and former Mitsui Marine and Fire Insurance Co., Ltd. Results for Fiscal 2001 are the total figure of former Sumitomo Marine and Fire Insurance Co., Ltd.'s six months ended September 30, 2001 and Mitsui Sumitomo Insurance Co., Ltd.'s year ended March 31, 2002. The same applies to hereunder.

However, "Net income per share", "Average number of shares in issue during the business term", "Shareholders' equity per share", and "Number of shares in issue at the end of the term" are each company's figures.

\*The amount which respectively represent less than the relevant unit are discarded, and the ratios are rounded to the nearest one-tenth, with five one-hundredths or more considered to be a full tenth. The same applies hereunder.

(1) Results of operations\*

(Millions of Yen)

	Net premiums written	Ordinary profit	Net income	Net income per share
Six months ended September 30, 2002	*( 626,742) *(2.8%) 619,580 0.6%	44,951 71.0%	29,927 116.7%	Yen 20.50
Six months ended September 30, 2001	*( 609,541) *(2.7%) 615,651 2.7%	26,294 -2.2%	13,813 -25.0%	Sumitomo Marine : Yen 10.80 Mitsui Marine : Yen 8.78
Year ended March 31, 2002	*(1,175,662) *(1.2%) 1,187,204 1.2%	62,635 11.0%	23,607 -13.0%	Yen 14.74

(Notes) 1. The average number of shares in issue during the business term:

Six months ended September 30, 2002:	1,459,740,627 shares
Six months ended September 30, 2001: Sumitomo Marine	663,000,418 shares
Mitsui Marine	757,216,064 shares
Year ended March 31, 2002:	1,115,620,523 shares

2. Change of accounting method: Yes or **No**
3. Percent figures of "Net premiums written", "Ordinary profit" and "Net income" represent increase or decrease in comparison with the settlement of account for the previous term.

\* For the purpose of easy comparison with other non-life insurance companies, "Net premiums written" in parenthesis exclude Good Result Return premiums ("GRR premiums") of the Company's unique Automobile Insurance product "ModoRich", which contains a special clause of premium adjustment and refund at maturity. Since GRR premiums are included in the provision for Underwriting Reserve, the amount of "Ordinary profit" and "Net income" remain unchanged.

## (2) Dividends

(Yen)

	Interim dividend per share	Annual aggregate dividend per share (Term-end)
Six months ended September 30, 2002	-	-
Six months ended September 30, 2001	-	-
Year ended March 31, 2002	-	7.50

## (3) Financial Conditions

(Millions of Yen)

	Total assets	Shareholders' equity	Ratio of shareholders' equity to total assets	Shareholders' equity per share
As at September 30, 2002	6,197,514	1,141,665	18.4%	Yen 782.19
As at September 30, 2001	6,806,571	1,200,440	17.6%	Sumitomo Marine :Yen 881.73 Mitsui Marine :Yen 813.30
As at March 31, 2002	6,897,755	1,262,507	18.3%	Yen 864.74

(Notes) 1. The number of shares issued :

As at September 30, 2002:	1,459,566,948 shares
As at September 30, 2001: Sumitomo Marine	663,000,418 shares
Mitsui Marine	757,216,064 shares
As at March 31, 2002:	1,459,972,121 shares

2. The number of treasury stock :

As at September 30, 2002:	20,327,057 shares
As at March 31, 2002:	19,921,884 shares

## 2. Forecast of this business year (from April 1, 2002 to March 31, 2003)

(Millions of Yen)

	Net premiums written	Ordinary profit	Net income	Annual aggregate dividend per share	
				Year-end	
For the business year ending March 31, 2003	*(1,256,000) 1,242,000	66,000	32,000	Yen 7.50	Yen 7.50

(Reference) Net income per share expected for the business year ending March 31, 2003: Yen 21.92

\* For the purpose of easy comparison with other non-life insurance companies, "Net premiums written" in parenthesis exclude Good Result Return premiums ("GRR premiums") of the Company's unique Automobile Insurance product "ModoRich", which contains a special clause of premium adjustment and refund at maturity.

<Operating Results Forecast for the year ending March 31, 2003>

Major prerequisites of the business outlook for the following business year shall be as follows:

- Net premiums written is estimated based on the development of past business results, reflecting effects of abolition of ceded reinsurance of compulsory automobile liability insurance by the government from April 2002 (a factor of increase in income) and the change of organization in which branches located in U.S. are changed into subsidiaries of the Company in the first half of the business year (a factor of decrease in income).
- With regard to net claims paid, payment due to natural calamity is estimated to be Yen6.0 billion, predicting from the past business results.
- With regard to outlook for asset management, it is assumed that there will be no substantial fluctuation in market interest rate, foreign exchange rate or stock prices on and after September 30, 2002.

## Summary of statement of operations

\*Including the refundable premium of the automobile insurance "ModoRich."

(Millions of Yen)

	Six months ended September 30, 2001	Six months ended September 30, 2002	Change	Change Ratio(%)	FY2001
<b>Direct Premiums Written (including Deposit premiums from policyholders)</b>	<b>827,974</b>	<b>822,048</b>	<b>-5,925</b>	<b>-0.7</b>	<b>1,590,288</b>
Direct premiums written	671,060	674,297	3,237	0.5	1,293,557
<b>Ordinary Income and Expenses:</b>					
<b>Underwriting income</b>	<b>829,191</b>	<b>804,735</b>	<b>-24,456</b>	<b>-2.9</b>	<b>1,687,961</b>
Net premiums written	615,651	619,580	3,929	0.6	1,187,204
Deposit premiums from policyholders	156,914	147,750	-9,163	-5.8	296,730
<b>Underwriting expenses</b>	<b>708,203</b>	<b>672,989</b>	<b>-35,213</b>	<b>-5.0</b>	<b>1,457,451</b>
Net claims paid	305,614	295,341	-10,273	-3.4	623,216
Loss adjustment expenses	29,235	29,194	-40	-0.1	56,853
Commission and collection expenses	106,229	109,320	3,090	2.9	207,580
Maturity refunds to policyholders	241,973	228,626	-13,347	-5.5	523,145
<b>Investment income</b>	<b>55,564</b>	<b>44,267</b>	<b>-11,296</b>	<b>-20.3</b>	<b>102,652</b>
Interest and dividends received	68,382	59,884	-8,498	-12.4	129,222
Gain on sales of securities	19,556	15,066	-4,489	-23.0	37,922
<b>Investment expenses</b>	<b>28,550</b>	<b>21,729</b>	<b>-6,821</b>	<b>-23.9</b>	<b>36,422</b>
Loss on sales of securities	659	1,085	425	64.5	2,845
Loss on valuation of securities	21,263	9,913	-11,350	-53.4	27,125
<b>Operating expenses and general and administrative expenses</b>	<b>122,054</b>	<b>109,400</b>	<b>-12,654</b>	<b>-10.4</b>	<b>234,929</b>
Those related to underwriting insurance	114,202	101,998	-12,203	-10.7	219,808
Other ordinary income and expenses	346	67	-279	-80.7	825
<b>Ordinary profit</b>	<b>26,294</b>	<b>44,951</b>	<b>18,657</b>	<b>71.0</b>	<b>62,635</b>
Underwriting profit	6,388	29,371	22,983	359.8	10,228
<b>Extraordinary Income and Losses:</b>					
Extraordinary income	13,761	3,287	-10,474	-76.1	12,361
Extraordinary losses	22,172	3,509	-18,663	-84.2	42,739
<b>Extraordinary income and losses</b>	<b>-8,410</b>	<b>-221</b>	<b>8,189</b>	<b>-</b>	<b>-30,377</b>
Income before income taxes	17,883	44,729	26,846	150.1	32,257
Income taxes-current	19,740	22,021	2,281	11.6	16,797
Income taxes-deferred	-15,670	-7,219	8,451	-	-8,148
<b>Net income</b>	<b>13,813</b>	<b>29,927</b>	<b>16,114</b>	<b>116.7</b>	<b>23,607</b>
Unappropriated retained earnings brought forward from the previous year	16,942	21,827	4,885	28.8	16,942
Reversal of reserve for special depreciation	143	-	-143	-100.0	143
Reversal of reserve for overseas investment loss	0	-	-0	-100.0	0
Reversal of reserve for reduction of acquisition cost of fixed assets	4	-	-4	-100.0	4
Provision for reserve for reduction of acquisition cost of fixed assets	60	-	-60	-100.0	60
Adjustment due to merger	-	-	-	-	-40
<b>Unappropriated retained earnings at ending</b>	<b>30,842</b>	<b>51,755</b>	<b>20,912</b>	<b>67.8</b>	<b>40,597</b>
<b>Ratios:</b>					
*Net loss ratio	54.4%	52.4%	-	-	57.3%
*Net operating expense ratio	35.8%	34.1%	-	-	36.0%

Note: Underwriting profit = Underwriting income - (Underwriting expenses+ Operating expenses and general and administrative expenses related to underwriting insurance)±other income and expenses

Other income and expenses consist mainly of Income Taxes of Compulsory Automobile Liability.

\*Net loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written x 100

\*Net operating expense ratio = (Commission and collection expenses + Operating expenses and general and administrative expenses related to underwriting insurance) / Net premiums written x 100

**Direct Premiums Written by Lines of Insurance**  
(including Deposit premiums from policyholders)

Including the refundable premium of the automobile insurance "ModoRich."

(Millions of Yen)

Lines of Insurance	Six months ended September 30, 2001			Six months ended September 30, 2002			FY2001		
	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)
Fire	127,994	-9.1	15.4	130,070	1.6	15.8	255,832	-5.5	16.1
Marine	28,843	5.1	3.5	30,039	4.1	3.7	58,534	5.3	3.7
Personal Accident	180,921	-21.7	21.8	173,797	-3.9	21.1	340,154	-16.0	21.4
Voluntary Automobile	302,812	2.5	36.6	293,844	-3.0	35.7	594,059	1.2	37.3
Compulsory Automobile Liability	84,113	1.1	10.2	100,954	20.0	12.3	149,910	0.1	9.4
Other	103,289	2.4	12.5	93,342	-9.6	11.4	191,796	-0.6	12.1
<b>Total</b>	<b>827,974</b>	<b>-5.8</b>	<b>100.0</b>	<b>822,048</b>	<b>-0.7</b>	<b>100.0</b>	<b>1,590,288</b>	<b>-4.2</b>	<b>100.0</b>
(Deposit premiums from policyholders)	(156,914)	(-27.7)	(19.0)	(147,750)	(-5.8)	(18.0)	(296,730)	(-20.5)	(18.7)

**Net Premiums Written by Lines of Insurance**

(Millions of Yen)

Lines of Insurance	Six months ended September 30, 2001			Six months ended September 30, 2002			FY2001		
	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)
Fire	85,566	4.8	13.9	81,330	-5.0	13.1	161,572	-1.6	13.6
Marine	24,945	9.5	4.0	24,600	-1.4	4.0	49,827	6.1	4.2
Personal Accident	66,313	-6.6	10.8	65,380	-1.4	10.6	124,225	-5.0	10.5
Voluntary Automobile	301,463	2.6	49.0	292,445	-3.0	47.2	591,705	1.3	49.8
Compulsory Automobile Liability	47,461	2.4	7.7	70,625	48.8	11.4	90,513	3.2	7.6
Other	89,899	7.3	14.6	85,198	-5.2	13.7	169,361	6.1	14.3
<b>Total</b>	<b>615,651</b>	<b>2.7</b>	<b>100.0</b>	<b>619,580</b>	<b>0.6</b>	<b>100.0</b>	<b>1,187,204</b>	<b>1.2</b>	<b>100.0</b>

**Net Claims Paid by Lines of Insurance**

(Millions of Yen)

Lines of Insurance	Six months ended September 30, 2001			Six months ended September 30, 2002				FY2001		
	Amount	Change (%)	Loss Ratio (%)	Amount	Change (%)	Loss Ratio (%)	Change in L/R (%)	Amount	Change (%)	Loss Ratio (%)
Fire	24,522	-10.0	31.2	23,521	-4.1	31.1	-0.1	49,422	-12.7	32.8
Marine	15,400	34.6	66.3	10,914	-29.1	47.5	-18.8	28,282	13.5	60.1
Personal Accident	25,727	-2.1	41.9	24,654	-4.2	41.0	-0.9	51,324	-5.6	44.2
Voluntary Automobile	162,661	4.2	59.2	159,234	-2.1	60.2	1.0	334,919	0.1	62.0
Compulsory Automobile Liability	28,032	-1.1	69.1	30,004	7.0	49.6	-19.5	56,479	-0.3	74.4
Other	49,270	12.1	58.6	47,011	-4.6	58.2	-0.4	102,788	8.8	63.9
<b>Total</b>	<b>305,614</b>	<b>4.2</b>	<b>54.4</b>	<b>295,341</b>	<b>-3.4</b>	<b>52.4</b>	<b>-2.0</b>	<b>623,216</b>	<b>0.3</b>	<b>57.3</b>

Note: Net Loss Ratio = (Net claims paid + Loss adjustment expense) / Net premiums written x 100

## Balance Sheets

(Million Yen, %)

Item	As at September 30, 2001		As at September 30, 2002		Change	FY2001	
	Amount	Share	Amount	Share		Amount	Share
<b>(Assets)</b>							
Cash deposits and savings	400,548	5.89	301,681	4.87	-98,866	342,694	4.97
Call loans	-	-	10,000	0.16	10,000	-	-
Monetary claims bought	28,737	0.42	44,058	0.71	15,321	17,774	0.26
Money trusts	40,549	0.60	38,411	0.62	-2,138	38,416	0.56
Investments in securities	4,409,796	64.79	4,391,294	70.85	-18,501	4,556,189	66.05
Loans	802,689	11.79	724,973	11.70	-77,716	757,797	10.98
Property and equipment	329,511	4.84	294,989	4.76	-34,522	306,376	4.44
Other assets	343,104	5.04	356,163	5.75	13,058	334,717	4.85
Customers' liabilities under acceptances and guarantees	476,088	6.99	59,641	0.96	-416,446	569,505	8.26
Bad debts reserve	-24,332	-0.36	-23,685	-0.38	646	-25,707	-0.37
Reserve for loss on investments	-120	-0.00	-13	-0.00	107	-8	-0.00
<b>Total assets</b>	<b>6,806,571</b>	<b>100.00</b>	<b>6,197,514</b>	<b>100.00</b>	<b>-609,057</b>	<b>6,897,755</b>	<b>100.00</b>
<b>(Liabilities)</b>							
<b>Underwriting funds:</b>	<b>4,602,961</b>	<b>67.62</b>	<b>4,518,314</b>	<b>72.90</b>	<b>-84,647</b>	<b>4,512,929</b>	<b>65.43</b>
Outstanding claims	( 384,525 )		( 401,167 )		( 16,641 )	( 405,463 )	
Underwriting reserve	( 4,218,435 )		( 4,117,147 )		( -101,288 )	( 4,107,466 )	
Convertible bonds	104,957	1.54	85,098	1.37	-19,859	85,098	1.23
Other liabilities	172,714	2.54	167,767	2.71	-4,946	150,437	2.18
Reserve for employees' retirement and severance benefits	156,637	2.30	159,717	2.58	3,080	163,190	2.37
Accrued bonuses for employees	8,016	0.12	8,022	0.13	6	10,685	0.15
Reserve for losses on sale of loans	2,701	0.04	1,659	0.03	-1,041	1,619	0.02
Reserve for loss on valuation of real estate	1,220	0.02	1,220	0.02	-	1,220	0.02
Reserve under the special law:	18,106	0.27	20,292	0.33	2,185	20,429	0.30
Reserve for price fluctuation	( 18,106 )		( 20,292 )		( 2,185 )	( 20,429 )	
Deferred tax liabilities	62,728	0.92	34,114	0.55	-28,614	120,132	1.74
Liabilities under acceptances and guarantees	476,088	6.99	59,641	0.96	-416,446	569,505	8.26
<b>Total Liabilities</b>	<b>5,606,131</b>	<b>82.36</b>	<b>5,055,848</b>	<b>81.58</b>	<b>-550,282</b>	<b>5,635,248</b>	<b>81.70</b>
<b>(Shareholders' Equity)</b>							
Common stock	128,473	1.89	128,476	2.07	2	128,476	1.86
Capital surplus:	81,989	1.21	81,991	1.32	2	81,991	1.19
Additional paid-in capital	( 81,989 )		( 81,991 )		( 2 )	( 81,991 )	
Retained earnings:	422,063	6.20	402,871	6.50	-19,191	383,977	5.57
Legal earned reserve	( 36,040 )		( 38,340 )		( 2,300 )	( 36,040 )	
Appropriated retained earnings	( 355,179 )		( 312,775 )		( -42,404 )	( 307,339 )	
Unappropriated retained earnings	( 30,842 )		( 51,755 )		( 20,912 )	( 40,597 )	
Unrealized gains on investments	567,913	8.34	540,183	8.72	-27,730	679,664	9.85
Treasury stock	-	-	-11,857	-0.19	-11,857	-11,603	-0.17
<b>Total shareholders' equity</b>	<b>1,200,440</b>	<b>17.64</b>	<b>1,141,665</b>	<b>18.42</b>	<b>-58,774</b>	<b>1,262,507</b>	<b>18.30</b>
<b>Total liabilities and shareholders' equity</b>	<b>6,806,571</b>	<b>100.00</b>	<b>6,197,514</b>	<b>100.00</b>	<b>-609,057</b>	<b>6,897,755</b>	<b>100.00</b>

## Income Statements

(Million Yen)

	Six months ended September 30, 2001	Six months ended September 30, 2002	Change	FY2001
<b>Ordinary income and expenses:</b>				
<b>Ordinary income:</b>	<b>887,152</b>	<b>850,856</b>	<b>-36,295</b>	<b>1,794,599</b>
<b>Underwriting income:</b>	<b>829,191</b>	<b>804,735</b>	<b>-24,456</b>	<b>1,687,961</b>
Net premiums written	( 615,651 )	( 619,580 )	( 3,929 )	( 1,187,204 )
Deposit premiums from policyholders	( 156,914 )	( 147,750 )	( -9,163 )	( 296,730 )
Investment income on deposits by policyholders ,etc	( 34,824 )	( 33,062 )	( -1,761 )	( 71,226 )
Reversal of outstanding claims	( - )	( 4,296 )	( 4,296 )	( - )
Reversal of underwriting reserve	( 21,786 )	( - )	( -21,786 )	( 132,243 )
<b>Investment income:</b>	<b>55,564</b>	<b>44,267</b>	<b>-11,296</b>	<b>102,652</b>
Interest and dividends received	( 68,382 )	( 59,884 )	( -8,498 )	( 129,222 )
Gain on sales of securities	( 19,556 )	( 15,066 )	( -4,489 )	( 37,922 )
Transfer to investment income on deposits by policyholders ,etc	( -34,824 )	( -33,062 )	( 1,761 )	( -71,226 )
<b>Other ordinary income</b>	<b>2,396</b>	<b>1,853</b>	<b>-543</b>	<b>3,986</b>
<b>Ordinary expenses:</b>	<b>860,858</b>	<b>805,905</b>	<b>-54,953</b>	<b>1,731,964</b>
<b>Underwriting expenses:</b>	<b>708,203</b>	<b>672,989</b>	<b>-35,213</b>	<b>1,457,451</b>
Net claims paid	( 305,614 )	( 295,341 )	( -10,273 )	( 623,216 )
Loss adjustment expenses	( 29,235 )	( 29,194 )	( -40 )	( 56,853 )
Commision and collection expenses	( 106,229 )	( 109,320 )	( 3,090 )	( 207,580 )
Maturity refunds to policyholders	( 241,973 )	( 228,626 )	( -13,347 )	( 523,145 )
Provision for outstanding claims	( 3,095 )	( - )	( -3,095 )	( 24,759 )
Provision for underwriting reserves	( 20,799 )	( 9,680 )	( -11,118 )	( 20,799 )
<b>Investment expenses:</b>	<b>28,550</b>	<b>21,729</b>	<b>-6,821</b>	<b>36,422</b>
Loss on sales of securities	( 659 )	( 1,085 )	( 425 )	( 2,845 )
Loss on valuation of securities	( 21,263 )	( 9,913 )	( -11,350 )	( 27,125 )
<b>Operating expenses and general and   administrative expenses</b>	<b>122,054</b>	<b>109,400</b>	<b>-12,654</b>	<b>234,929</b>
<b>Other ordinary expenses:</b>	<b>2,049</b>	<b>1,786</b>	<b>-263</b>	<b>3,160</b>
<b>Ordinary profit</b>	<b>26,294</b>	<b>44,951</b>	<b>18,657</b>	<b>62,635</b>
<b>Extraordinary income and losses:</b>				
<b>Extraordinary income:</b>	<b>13,761</b>	<b>3,287</b>	<b>-10,474</b>	<b>12,361</b>
Reversal of reserve under the special law:	( 1,859 )	( 137 )	( -1,722 )	( 1,859 )
Reversal of price fluctuation reserve	(( 1,859 ))	(( 137 ))	(( -1,722 ))	(( 1,859 ))
Other extraordinary income	( 11,902 )	( 3,150 )	( -8,752 )	( 10,502 )
<b>Extraordinary losses:</b>	<b>22,172</b>	<b>3,509</b>	<b>-18,663</b>	<b>42,739</b>
Provision for reserve under the special law	( 389 )	( - )	( -389 )	( 2,712 )
Provision for price fluctuation reserve	(( 389 ))	(( - ))	(( -389 ))	(( 2,712 ))
Other extraordinary losses	( 21,783 )	( 3,509 )	( -18,274 )	( 40,026 )
Income before income taxes	17,883	44,729	26,846	32,257
Income taxes-current	19,740	22,021	2,281	16,797
Income taxes-deferred	-15,670	-7,219	8,451	-8,148
<b>Net income</b>	<b>13,813</b>	<b>29,927</b>	<b>16,114</b>	<b>23,607</b>
Unappropriated retained earnings brought forward from the previous year	16,942	21,827	4,885	16,942
Reversal of reserve for special depreciation	143	-	-143	143
Reversal of reserve for overseas investment loss	0	-	-0	0
Reversal of reserve for reduction of acquisition cost of fixed assets	4	-	-4	4
Provision for reserve for reduction of acquisition cost of fixed assets	60	-	-60	60
Adjustment due to merger	-	-	-	-40
<b>Unappropriated retained earnings at ending</b>	<b>30,842</b>	<b>51,755</b>	<b>20,912</b>	<b>40,597</b>

## Summary of statement of operations

\*Excluding the refundable premium of the automobile insurance "ModoRich."

( Millions of Yen)

	Six months ended September 30, 2001	Six months ended September 30, 2002	Change	Change Ratio(%)	FY2001
<b>Direct Premiums Written (including Deposit premiums from policyholders)</b>	<b>821,864</b>	<b>829,210</b>	<b>7,345</b>	<b>0.9</b>	<b>1,578,745</b>
Direct premiums written	664,950	681,459	16,508	2.5	1,282,014
<b>Ordinary Income and Expenses:</b>					
<b>Underwriting income</b>	<b>823,081</b>	<b>811,896</b>	<b>-11,184</b>	<b>-1.4</b>	<b>1,681,851</b>
Net premiums written	609,541	626,742	17,201	2.8	1,175,662
Deposit premiums from policyholders	156,914	147,750	-9,163	-5.8	296,730
<b>Underwriting expenses</b>	<b>702,093</b>	<b>680,151</b>	<b>-21,942</b>	<b>-3.1</b>	<b>1,451,341</b>
Net claims paid	305,614	295,341	-10,273	-3.4	623,216
Loss adjustment expenses	29,235	29,194	-40	-0.1	56,853
Commission and collection expenses	106,229	109,320	3,090	2.9	207,580
Maturity refunds to policyholders	241,973	228,626	-13,347	-5.5	523,145
<b>Investment income</b>	<b>55,564</b>	<b>44,267</b>	<b>-11,296</b>	<b>-20.3</b>	<b>102,652</b>
Interest and dividends received	68,382	59,884	-8,498	-12.4	129,222
Gain on sales of securities	19,556	15,066	-4,489	-23.0	37,922
<b>Investment expenses</b>	<b>28,550</b>	<b>21,729</b>	<b>-6,821</b>	<b>-23.9</b>	<b>36,422</b>
Loss on sales of securities	659	1,085	425	64.5	2,845
Loss on valuation of securities	21,263	9,913	-11,350	-53.4	27,125
<b>Operating expenses and general and administrative expenses</b>	<b>122,054</b>	<b>109,400</b>	<b>-12,654</b>	<b>-10.4</b>	<b>234,929</b>
Those related to underwriting insurance	114,202	101,998	-12,203	-10.7	219,808
Other ordinary income and expenses	346	67	-279	-80.7	825
<b>Ordinary profit</b>	<b>26,294</b>	<b>44,951</b>	<b>18,657</b>	<b>71.0</b>	<b>62,635</b>
Underwriting profit	6,388	29,371	22,983	359.8	10,228
<b>Extraordinary Income and Losses:</b>					
Extraordinary income	13,761	3,287	-10,474	-76.1	12,361
Extraordinary losses	22,172	3,509	-18,663	-84.2	42,739
<b>Extraordinary income and losses</b>	<b>-8,410</b>	<b>-221</b>	<b>8,189</b>	<b>-</b>	<b>-30,377</b>
Income before income taxes	17,883	44,729	26,846	150.1	32,257
Income taxes-current	19,740	22,021	2,281	11.6	16,797
Income taxes-deferred	-15,670	-7,219	8,451	-	-8,148
<b>Net income</b>	<b>13,813</b>	<b>29,927</b>	<b>16,114</b>	<b>116.7</b>	<b>23,607</b>
Unappropriated retained earnings brought forward from the previous year	16,942	21,827	4,885	28.8	16,942
Reversal of reserve for special depreciation	143	-	-143	-100.0	143
Reversal of reserve for overseas investment loss	0	-	-0	-100.0	0
Reversal of reserve for reduction of acquisition cost of fixed assets	4	-	-4	-100.0	4
Provision for reserve for reduction of acquisition cost of fixed assets	60	-	-60	-100.0	60
Adjustment due to merger	-	-	-	-	-40
<b>Unappropriated retained earnings at ending</b>	<b>30,842</b>	<b>51,755</b>	<b>20,912</b>	<b>67.8</b>	<b>40,597</b>
<b>Ratios:</b>					
*Net loss ratio	54.9%	51.8%	-	-	57.8%
*Net operating expense ratio	36.2%	33.7%	-	-	36.4%

Note: Underwriting profit = Underwriting income - (Underwriting expenses+ Operating expenses and general and administrative expenses related to underwriting insurance)±other income and expenses

Other income and expenses consist mainly of Income Taxes of Compulsory Automobile Liability.

\*Net loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written x 100

\*Net operating expense ratio = (Commission and collection expenses + Operating expenses and general and administrative expenses related to underwriting insurance) / Net premiums written x 100

**Direct Premiums Written by Lines of Insurance  
(including Deposit premiums from policyholders)**

Excluding the refundable premium of  
the automobile insurance "ModoRich."

(Millions of Yen)

Lines of Insurance	Six months ended September 30, 2001			Six months ended September 30, 2002			FY2001		
	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)
Fire	127,994	-9.1	15.6	130,070	1.6	15.7	255,832	-5.5	16.2
Marine	28,843	5.1	3.5	30,039	4.1	3.6	58,534	5.3	3.7
Personal Accident	180,921	-21.7	22.0	173,797	-3.9	21.0	340,154	-16.0	21.5
Voluntary Automobile	296,702	2.5	36.1	301,006	1.5	36.3	582,516	1.3	36.9
Compulsory Automobile Liability	84,113	1.1	10.2	100,954	20.0	12.2	149,910	0.1	9.5
Other	103,289	2.4	12.6	93,342	-9.6	11.2	191,796	-0.6	12.2
<b>Total</b>	<b>821,864</b>	<b>-5.9</b>	<b>100.0</b>	<b>829,210</b>	<b>0.9</b>	<b>100.0</b>	<b>1,578,745</b>	<b>-4.2</b>	<b>100.0</b>
(Deposit premiums from policyholders)	(156,914)	(-27.7)	(19.1)	(147,750)	(-5.8)	(17.8)	(296,730)	(-20.5)	(18.8)

**Net Premiums Written by Lines of Insurance**

(Millions of Yen)

Lines of Insurance	Six months ended September 30, 2001			Six months ended September 30, 2002			FY2001		
	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)
Fire	85,566	4.8	14.0	81,330	-5.0	13.0	161,572	-1.6	13.7
Marine	24,945	9.5	4.1	24,600	-1.4	3.9	49,827	6.1	4.2
Personal Accident	66,313	-6.6	10.9	65,380	-1.4	10.4	124,225	-5.0	10.6
Voluntary Automobile	295,353	2.6	48.5	299,606	1.4	47.8	580,162	1.4	49.4
Compulsory Automobile Liability	47,461	2.4	7.8	70,625	48.8	11.3	90,513	3.2	7.7
Other	89,899	7.3	14.7	85,198	-5.2	13.6	169,361	6.1	14.4
<b>Total</b>	<b>609,541</b>	<b>2.7</b>	<b>100.0</b>	<b>626,742</b>	<b>2.8</b>	<b>100.0</b>	<b>1,175,662</b>	<b>1.2</b>	<b>100.0</b>

**Net Claims Paid by Lines of Insurance**

(Millions of Yen)

Lines of Insurance	Six months ended September 30, 2001			Six months ended September 30, 2002				FY2001		
	Amount	Change (%)	Loss Ratio (%)	Amount	Change (%)	Loss Ratio (%)	Change in L/R (%)	Amount	Change (%)	Loss Ratio (%)
Fire	24,522	-10.0	31.2	23,521	-4.1	31.1	-0.1	49,422	-12.7	32.8
Marine	15,400	34.6	66.3	10,914	-29.1	47.5	-18.8	28,282	13.5	60.1
Personal Accident	25,727	-2.1	41.9	24,654	-4.2	41.0	-0.9	51,324	-5.6	44.2
Voluntary Automobile	162,661	4.2	60.4	159,234	-2.1	58.8	-1.6	334,919	0.1	63.2
Compulsory Automobile Liability	28,032	-1.1	69.1	30,004	7.0	49.6	-19.5	56,479	-0.3	74.4
Other	49,270	12.1	58.6	47,011	-4.6	58.2	-0.4	102,788	8.8	63.9
<b>Total</b>	<b>305,614</b>	<b>4.2</b>	<b>54.9</b>	<b>295,341</b>	<b>-3.4</b>	<b>51.8</b>	<b>-3.1</b>	<b>623,216</b>	<b>0.3</b>	<b>57.8</b>

Note: 1. Net Loss Ratio = (Net claims paid + Loss adjustment expense) / Net premiums written x 100

2. Refundable premium of the automobile insurance "ModoRich";

Six months ended September 30, 2001

Six months ended September 30, 2002

Year ended March 31, 2002

6,109 million yen

-7,161 million yen

11,542 million yen

## Summary of statement of operations

\*Excluding the refundable premium of the automobile insurance "ModoRich" and the effect of abolition of reinsurance to government related to "CALI (Compulsory Automobile Liability Insurance)."

Millions of Yen)

	Six months ended September 30, 2001	Six months ended September 30, 2002	Change	Change Ratio(%)	FY2001
<b>Direct Premiums Written (including Deposit premiums from policyholders)</b>	<b>821,864</b>	<b>829,210</b>	<b>7,345</b>	<b>0.9</b>	<b>1,578,745</b>
Direct premiums written	664,950	681,459	16,508	2.5	1,282,014
<b>Ordinary Income and Expenses:</b>					
<b>Underwriting income</b>	<b>823,081</b>	<b>795,054</b>	<b>-28,027</b>	<b>-3.4</b>	<b>1,681,851</b>
Net premiums written	609,541	606,233	-3,307	-0.5	1,175,662
Deposit premiums from policyholders	156,914	147,750	-9,163	-5.8	296,730
<b>Underwriting expenses</b>	<b>702,093</b>	<b>663,308</b>	<b>-38,784</b>	<b>-5.5</b>	<b>1,451,341</b>
Net claims paid	305,614	295,341	-10,273	-3.4	623,216
Loss adjustment expenses	29,235	29,194	-40	-0.1	56,853
Commission and collection expenses	106,229	109,320	3,090	2.9	207,580
Maturity refunds to policyholders	241,973	228,626	-13,347	-5.5	523,145
<b>Investment income</b>	<b>55,564</b>	<b>44,267</b>	<b>-11,296</b>	<b>-20.3</b>	<b>102,652</b>
Interest and dividends received	68,382	59,884	-8,498	-12.4	129,222
Gain on sales of securities	19,556	15,066	-4,489	-23.0	37,922
<b>Investment expenses</b>	<b>28,550</b>	<b>21,729</b>	<b>-6,821</b>	<b>-23.9</b>	<b>36,422</b>
Loss on sales of securities	659	1,085	425	64.5	2,845
Loss on valuation of securities	21,263	9,913	-11,350	-53.4	27,125
<b>Operating expenses and general and administrative expenses</b>	<b>122,054</b>	<b>109,400</b>	<b>-12,654</b>	<b>-10.4</b>	<b>234,929</b>
Those related to underwriting insurance	114,202	101,998	-12,203	-10.7	219,808
Other ordinary income and expenses	346	67	-279	-80.7	825
<b>Ordinary profit</b>	<b>26,294</b>	<b>44,951</b>	<b>18,657</b>	<b>71.0</b>	<b>62,635</b>
Underwriting profit	6,388	29,371	22,983	359.8	10,228
<b>Extraordinary Income and Losses:</b>					
Extraordinary income	13,761	3,287	-10,474	-76.1	12,361
Extraordinary losses	22,172	3,509	-18,663	-84.2	42,739
<b>Extraordinary income and losses</b>	<b>-8,410</b>	<b>-221</b>	<b>8,189</b>	<b>-</b>	<b>-30,377</b>
Income before income taxes	17,883	44,729	26,846	150.1	32,257
Income taxes-current	19,740	22,021	2,281	11.6	16,797
Income taxes-deferred	-15,670	-7,219	8,451	-	-8,148
<b>Net income</b>	<b>13,813</b>	<b>29,927</b>	<b>16,114</b>	<b>116.7</b>	<b>23,607</b>
Unappropriated retained earnings brought forward from the previous year	16,942	21,827	4,885	28.8	16,942
Reversal of reserve for special depreciation	143	-	-143	-100.0	143
Reversal of reserve for overseas investment loss	0	-	0	-100.0	0
Reversal of reserve for reduction of acquisition cost of fixed assets	4	-	-4	-100.0	4
Provision for reserve for reduction of acquisition cost of fixed assets	60	-	-60	-100.0	60
Adjustment due to merger	-	-	-	-	-40
<b>Unappropriated retained earnings at ending</b>	<b>30,842</b>	<b>51,755</b>	<b>20,912</b>	<b>67.8</b>	<b>40,597</b>
<b>Ratios:</b>					
*Net loss ratio	54.9%	53.5%	-	-	57.8%
*Net operating expense ratio	36.2%	34.9%	-	-	36.4%

Note: Underwriting profit = Underwriting income - (Underwriting expenses+ Operating expenses and general and administrative expenses related to underwriting insurance)±other income and expenses

Other income and expenses consist mainly of Income Taxes of Compulsory Automobile Liability.

\*Net loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written x 100

\*Net operating expense ratio = (Commission and collection expenses + Operating expenses and general and administrative expenses related to underwriting insurance) / Net premiums written x 100

**Direct Premiums Written by Lines of Insurance  
(including Deposit premiums from policyholders)**

Excluding the refundable premium of the automobile insurance "ModoRich" and the effect of abolition of reinsurance to government related to "CALI (Compulsory Automobile Liability Insurance)."

(Millions of Yen)

Lines of Insurance	Six months ended September 30, 2001			Six months ended September 30, 2002			FY2001		
	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)
Fire	127,994	-9.1	15.6	130,070	1.6	15.7	255,832	-5.5	16.2
Marine	28,843	5.1	3.5	30,039	4.1	3.6	58,534	5.3	3.7
Personal Accident	180,921	-21.7	22.0	173,797	-3.9	21.0	340,154	-16.0	21.5
Voluntary Automobile	296,702	2.5	36.1	301,006	1.5	36.3	582,516	1.3	36.9
Compulsory Automobile Liability	84,113	1.1	10.2	100,954	20.0	12.2	149,910	0.1	9.5
Other	103,289	2.4	12.6	93,342	-9.6	11.2	191,796	-0.6	12.2
<b>Total</b> (Deposit premiums from policyholders)	<b>821,864</b> (156,914)	<b>-5.9</b> (-27.7)	<b>100.0</b> (19.1)	<b>829,210</b> (147,750)	<b>0.9</b> (-5.8)	<b>100.0</b> (17.8)	<b>1,578,745</b> (296,730)	<b>-4.2</b> (-20.5)	<b>100.0</b> (18.8)

**Net Premiums Written by Lines of Insurance**

(Millions of Yen)

Lines of Insurance	Six months ended September 30, 2001			Six months ended September 30, 2002			FY2001		
	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)
Fire	85,566	4.8	14.0	81,330	-5.0	13.4	161,572	-1.6	13.7
Marine	24,945	9.5	4.1	24,600	-1.4	4.1	49,827	6.1	4.2
Personal Accident	66,313	-6.6	10.9	65,380	-1.4	10.8	124,225	-5.0	10.6
Voluntary Automobile	295,353	2.6	48.5	299,606	1.4	49.4	580,162	1.4	49.4
Compulsory Automobile Liability	47,461	2.4	7.8	50,116	5.6	8.3	90,513	3.2	7.7
Other	89,899	7.3	14.7	85,198	-5.2	14.0	169,361	6.1	14.4
<b>Total</b>	<b>609,541</b>	<b>2.7</b>	<b>100.0</b>	<b>606,233</b>	<b>-0.5</b>	<b>100.0</b>	<b>1,175,662</b>	<b>1.2</b>	<b>100.0</b>

**Net Claims Paid by Lines of Insurance**

(Millions of Yen)

Lines of Insurance	Six months ended September 30, 2001			Six months ended September 30, 2002				FY2001		
	Amount	Change (%)	Loss Ratio (%)	Amount	Change (%)	Loss Ratio (%)	Change in L/R (%)	Amount	Change (%)	Loss Ratio (%)
Fire	24,522	-10.0	31.2	23,521	-4.1	31.1	-0.1	49,422	-12.7	32.8
Marine	15,400	34.6	66.3	10,914	-29.1	47.5	-18.8	28,282	13.5	60.1
Personal Accident	25,727	-2.1	41.9	24,654	-4.2	41.0	-0.9	51,324	-5.6	44.2
Voluntary Automobile	162,661	4.2	60.4	159,234	-2.1	58.8	-1.6	334,919	0.1	63.2
Compulsory Automobile Liability	28,032	-1.1	69.1	30,004	7.0	69.9	0.8	56,479	-0.3	74.4
Other	49,270	12.1	58.6	47,011	-4.6	58.2	-0.4	102,788	8.8	63.9
<b>Total</b>	<b>305,614</b>	<b>4.2</b>	<b>54.9</b>	<b>295,341</b>	<b>-3.4</b>	<b>53.5</b>	<b>-1.4</b>	<b>623,216</b>	<b>0.3</b>	<b>57.8</b>

Note: 1. Net Loss Ratio = (Net claims paid + Loss adjustment expense) / Net premiums written x 100

2. Refundable premium of the automobile insurance "ModoRich";

Six months ended September 30, 2001

Six months ended September 30, 2002

Year ended March 31, 2002

6,109 million yen

-7,161 million yen

11,542 million yen

3. Increase in premium income due to the abolition of reinsurance to government related to CALI