

Explanation for Business Results for the Year Ended March 31, 2013

1. Summary of Consolidated Business Results

(1) Summary of Consolidated Results of Operations

(Yen in 100 millions)

		Year ended March 31, 2012	Year ended March 31, 2013	Change	Change ratio (%)
Ordinary income and expenses:					
Underwriting income:	(1)	34,532	35,107	574	1.7
Net premiums written	(2)	25,588	26,394	805	3.1
Deposit premiums from policyholders	(3)	1,720	1,639	(80)	(4.7)
Life insurance premiums	(4)	4,256	5,690	1,434	33.7
Reversal of outstanding claims	(5)	-	574	574	-
Reversal of underwriting reserves	(6)	2,264	-	(2,264)	(100.0)
Underwriting expenses:	(7)	32,653	35,748	3,094	9.5
Net claims paid	(8)	19,413	17,407	(2,005)	(10.3)
Loss adjustment expenses	(9)	1,352	1,355	2	0.2
Commission and collection expenses	(10)	4,794	5,105	311	6.5
Maturity refunds to policyholders	(11)	3,769	3,925	155	4.1
Life insurance claims	(12)	1,920	2,206	285	14.9
Provision for outstanding claims	(13)	1,338	-	(1,338)	(100.0)
Provision for underwriting reserves	(14)	-	5,690	5,690	-
Investment income:	(15)	3,016	7,977	4,960	164.4
Interest and dividends received	(16)	1,961	1,993	31	1.6
Investment gains on money trusts	(17)	511	1,839	1,328	259.4
Gains on sale of securities	(18)	571	848	277	48.5
Gains on derivative transactions	(19)	23	19	(3)	(15.6)
Gains on investment in separate accounts	(20)	443	3,737	3,294	743.0
Investment expenses:	(21)	728	659	(69)	(9.6)
Investment losses on money trusts	(22)	0	0	(0)	(29.9)
Losses on sale of securities	(23)	310	143	(166)	(53.7)
Losses on devaluation of securities	(24)	296	382	86	29.2
Operating expenses and general and administrative expenses	(25)	5,152	5,084	(68)	(1.3)
Other ordinary income and expenses:	(26)	16	(98)	(114)	(710.8)
Equity in earnings of affiliates	(27)	6	(37)	(43)	(664.7)
Deferred expenses under Article 113 of the Insurance Business Act	(28)	(7)	(7)	(0)	-
Ordinary profit	(29)	(962)	1,503	2,465	-
Extraordinary income and losses:					
Extraordinary income:	(30)	120	24	(95)	(79.6)
Extraordinary losses:	(31)	267	288	20	7.8
Provision for price fluctuation reserve	(32)	-	246	246	-
Merger-related expenses of domestic life insurance subsidiaries	(33)	101	-	(101)	(100.0)
Extraordinary income and losses	(34)	(147)	(263)	(116)	-
Income before income taxes	(35)	(1,109)	1,239	2,348	-
Income taxes - current	(36)	160	263	103	64.3
Income taxes - deferred	(37)	409	122	(287)	(70.2)
Total income taxes	(38)	570	386	(184)	(32.3)
Income before minority interests	(39)	(1,680)	853	2,533	-
Minority interests	(40)	14	16	2	15.5
Net income	(41)	(1,694)	836	2,530	-

(Notes)

1. Net premiums written exclude Good Result Return premiums of Mitsui Sumitomo Insurance's proprietary auto insurance product "Modorich", which contains a special clause related to premium adjustment and refund at maturity.

2. Incurred loss, which is a sum of Net claims paid and Net increase in outstanding claims, includes losses due to the floods in Thailand as below:

Year ended March 31, 2012

Net claims paid : 100.0billion yen
Net increase in outstanding claims : 173.4billion yen
Incurred loss : 273.5billion yen

Year ended March 31, 2013

Net claims paid : 85.6billion yen
Net increase in outstanding claims : (84.8)billion yen
Incurred loss : 0.8billion yen

(2) Breakdown by Companies (Net Premiums Written, Ordinary Profit, Net Income)

(Yen in 100 millions)

		Year ended March 31, 2012	Year ended March 31, 2013	Change	Change ratio (%)
Net premiums written <small>Note 1</small>	①	25,588	26,394	805	3.1
Mitsui Sumitomo Insurance <small>Note 1</small>	②	12,692	13,142	449	3.5
Aioi Nissay Dowa Insurance	③	10,746	11,032	286	2.7
Mitsui Direct General Insurance	④	343	352	9	2.8
Overseas insurance subsidiaries	⑤	1,807	1,861	54	3.0
Ordinary profit	⑥	(962)	1,503	2,465	-
Mitsui Sumitomo Insurance	⑦	(1,301)	653	1,955	-
Aioi Nissay Dowa Insurance	⑧	92	258	166	180.1
Net income	⑨	(1,694)	836	2,530	-
Mitsui Sumitomo Insurance	⑩	(1,306)	426	1,732	-
Aioi Nissay Dowa Insurance	⑪	(435)	188	624	-
Mitsui Direct General Insurance	⑫	3	3	(0)	(8.4)
Mitsui Sumitomo Aioi Life Insurance <small>Note 2</small>	⑬	(113)	4	118	-
Mitsui Sumitomo Primary Life Insurance	⑭	59	103	43	72.7
Overseas insurance subsidiaries	⑮	(67)	126	193	-
Others	⑯	(0)	0	1	-
Consolidation adjustment / Holding Company	⑰	165	(17)	(183)	(110.9)

(Notes)

1. Net premiums written exclude Good Result Return premiums of Mitsui Sumitomo Insurance's proprietary auto insurance product "ModoRich", which contains a special clause related to premium adjustment and refund at maturity.
2. Mitsui Sumitomo Kirameki Life Insurance Co., Ltd. and Aioi Life Insurance Co., Ltd. merged into Mitsui Sumitomo Aioi Life Insurance Co., Ltd. on October 1, 2011. The figure for the Year ended March 31, 2012 of Mitsui Sumitomo Aioi Life Insurance Co., Ltd. is the simple combination of those of Mitsui Sumitomo Kirameki Life Insurance Co., Ltd. and Aioi Life Insurance Co., Ltd.
3. The figures in item 10 through 16 are prior to consolidation adjustments but reflect the Company's share of the subsidiaries' profits or losses.

(3) Breakdown of Overseas Insurance Subsidiaries

(Yen in 100 millions)

		Year ended March 31, 2012	Year ended March 31, 2013	Change	Change ratio (%)
Net premiums written	①	1,807	1,861	54	3.0
Asia	②	864	919	55	6.4
Europe	③	479	508	28	5.9
Americas	④	294	278	(16)	(5.6)
Reinsurance	⑤	168	156	(12)	(7.5)
Net income	⑥	(67)	126	193	-
Asia	⑦	108	90	(17)	(16.6)
Europe	⑧	(128)	(16)	111	-
Americas	⑨	15	1	(14)	(92.1)
Reinsurance	⑩	(63)	51	114	-

(4) Status of Domestic Life Insurance Subsidiaries

(Yen in 100 millions)

		Year ended March 31, 2012	Year ended March 31, 2013	Change	Change ratio (%)
Amount of new policies					
Mitsui Sumitomo Aioi Life Insurance	①	32,770	37,105	4,334	13.2
Mitsui Sumitomo Primary Life Insurance	②	2,374	4,322	1,947	82.0
Amount of policies in force					
Mitsui Sumitomo Aioi Life Insurance	③	180,624	200,746	20,121	11.1
Mitsui Sumitomo Primary Life Insurance	④	31,225	36,614	5,389	17.3
Annualized premiums for policies in force					
Mitsui Sumitomo Aioi Life Insurance	⑤	2,960	3,197	237	8.0
Mitsui Sumitomo Primary Life Insurance	⑥	4,389	4,342	(47)	(1.1)

(Notes)

1. The above figures show the total of individual insurance and individual annuities.
2. Mitsui Sumitomo Kirameki Life Insurance Co., Ltd. and Aioi Life Insurance Co., Ltd. merged into Mitsui Sumitomo Aioi Life Insurance Co., Ltd. on October 1, 2011. The amounts of new policies for the Year ended March 31, 2012 of Mitsui Sumitomo Aioi Life Insurance Co., Ltd. is the simple combination of those of Mitsui Sumitomo Kirameki Life Insurance Co., Ltd. and Aioi Life Insurance Co., Ltd.

2. Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)

The figures below are presented exclusive of the Good Results Return premiums of the automobile insurance "ModoRich", which contains a special clause for premium adjustment and refund at maturity.

(1) Profit and loss status

(Yen in 100 millions)

		Year ended March 31, 2012	Year ended March 31, 2013	Change	Change ratio
(+) Net premiums written	①	12,692	13,142	449	3.5 %
(-) Net claims paid	②	10,007	8,874	(1,133)	(11.3)
(-) Loss adjustment expenses	③	760	763	2	0.4
(-) Commissions and collection expenses	④	2,214	2,286	72	3.3
(-) Operating expenses and general administrative expenses for underwriting	⑤	2,010	1,974	(36)	(1.8)
Underwriting balance	⑥	(2,300)	(756)	1,543	-
(-) Outstanding claims provision	⑦	1,212	(543)	(1,756)	(144.8)
(-) Ordinary underwriting reserve	⑧	(822)	238	1,061	-
(-) Catastrophe reserve provision	⑨	(997)	(178)	818	-
(+) Other	⑩	(6)	176	183	-
Underwriting profit/(loss)	⑪	(1,700)	(97)	1,603	-
(+) Interest and dividends received	⑫	1,023	1,018	(5)	(0.5)
(-) Transfer of investment income on deposit premium from policyholders	⑬	474	440	(33)	(7.1)
Net interest and dividend income ⑫—⑬	⑭	549	577	28	5.2
(+) Net gains on sale of securities	⑮	193	531	338	174.8
(-) Losses on devaluation of securities	⑯	392	283	(108)	(27.6)
(+) Losses on derivative transactions	⑰	52	68	16	30.4
(+) Other	⑱	(37)	(69)	(31)	-
Total investment income	⑲	365	825	459	125.6
(+) Other ordinary profit/(loss)	⑳	32	(74)	(107)	(327.3)
Ordinary profit/(loss)	㉑	(1,301)	653	1,955	-
(+) Extraordinary income/(loss)	㉒	(10)	(23)	(12)	-
Reserve for price fluctuation	㉓	27	(25)	(52)	(191.1)
Income before income taxes	㉔	(1,312)	630	1,943	-
(-) Total income taxes	㉕	(6)	203	210	-
Net income/(loss)	㉖	(1,306)	426	1,732	-

Ratios	Net loss ratio	⑳	84.8 %	73.3 %	(11.5) %	
	Net expense ratio	㉑	33.3 %	32.4 %	(0.9) %	
	Combined ratio	㉒	118.1 %	105.7 %	(12.4) %	
	Investment assets yield (income yield)	㉓	2.22 %	2.31 %	0.09 %	
	Investment yield (realized yield)	㉔	1.99 %	3.04 %	1.05 %	

Incurring Loss	㉕+㉖	㉗	11,220	8,331	(2,889)	(25.7)
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(Note) 1. Net loss ratio = ((Net claims paid + Loss adjustment expenses) / Net premiums written) × 100

2. Net expense ratio = ((Commissions and collection expenses + Operating expenses and general administrative expenses for underwriting) / Net premiums written) × 100

3. Combined ratio = Net loss ratio + Net expense ratio

4. The total yield of assets at the market price: 1.73% for Year ended March 31, 2012, and 9.45% for Year ended March 31, 2013

(Reference) Excluding Compulsory Automobile Liability Insurance

Net premiums written	㉘	11,231	11,570	339	3.0
Ratios	Net loss ratio	㉙	82.7 %	70.5 %	(12.2) %
	Net expense ratio	㉚	34.9 %	34.1 %	(0.8) %
	Combined ratio	㉛	117.6 %	104.6 %	(13.0) %

(Reference) Excluding residential earthquake insurance and Compulsory Automobile Liability Insurance

Net loss ratio	㉜	75.6 %	70.5 %	(5.1) %
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(2) Premiums written

(Yen in 100 millions)

	Net premiums written				Direct premiums written (excluding deposit premiums)			
	Year ended March 31, 2012		Year ended March 31, 2013		Year ended March 31, 2012		Year ended March 31, 2013	
	Amount	Change ratio	Amount	Change ratio	Amount	Change ratio	Amount	Change ratio
Fire and allied	1,826	1.3	1,878	2.9	2,329	6.9	2,520	8.2
Marine	530	(2.4)	537	1.3	673	(1.7)	694	3.1
Personal accident	1,393	4.7	1,429	2.6	1,461	4.5	1,499	2.6
Voluntary automobile	5,709	2.8	5,905	3.4	5,719	3.0	5,926	3.6
Compulsory automobile liability	1,461	8.0	1,572	7.5	1,458	11.7	1,543	5.8
Other	1,771	3.0	1,818	2.7	1,892	2.8	1,989	5.1
Total	12,692	3.1	13,142	3.5	13,535	4.4	14,173	4.7

(3) Net claims paid

(Yen in 100 millions)

	Year ended March 31, 2012			Year ended March 31, 2013			
	Amount	Change ratio	Net loss ratio	Amount	Change ratio	Net loss ratio	Change ratio
Fire and allied	2,922	324.9	162.0	1,967	(32.7)	107.2	(54.8)
Marine	329	27.7	65.6	260	(20.8)	51.9	(13.7)
Personal accident	751	1.8	60.2	759	1.0	59.2	(1.0)
Voluntary automobile	3,748	1.0	73.3	3,623	(3.3)	68.7	(4.6)
Compulsory automobile liability	1,354	0.6	101.1	1,360	0.4	94.4	(6.7)
Other	900	(1.9)	54.2	902	0.3	52.7	(1.5)
Total	10,007	30.7	84.8	8,874	(11.3)	73.3	(11.5)

(Note) 1. Net claims paid during Year ended March 31, 2012 include 109.0 billion yen paid for claims by the Great East Japan Earthquake (81.3 billion yen for Residential earthquake insurance and 27.7 billion yen for others).

2. Net loss ratio = ((Net claims paid + Loss adjustment expenses) / Net premiums written) × 100

(Reference) Incurred loss by natural disasters in Japan

(Yen in 100 millions)

	Year ended March 31, 2012			Year ended March 31, 2013		
	Incurred loss	Net claims paid	Outstanding claims	Incurred loss	Net claims paid	Outstanding claims
Fire and allied	262	235	26	250	234	15
Voluntary automobile	34	34	0	34	33	0
Other	32	20	12	22	15	6
Total	329	289	39	306	284	22

(Note) The above figures are related to the natural disasters occurred in Japan during the fiscal year.

Net claims paid including claims related to the natural disasters occurred in Japan in previous years, but excluding the Great East Japan Earthquake, are as follows:
(unit: 100 millions yen)

296 (Fire: 240, Voluntary Auto: 34, Other: 21) during Year ended March 31, 2012

324 (Fire: 268, Voluntary Auto: 33, Other: 22) during Year ended March 31, 2013

(Reference) Incurred loss by flooding in Thailand

(Yen in 100 millions)

	Year ended March 31, 2012			Year ended March 31, 2013		
	Incurred loss	Net claims paid	Outstanding claims	Incurred loss	Net claims paid	Outstanding claims
Incurred loss caused by flooding in Thailand	2,342	914	1,427	63	730	(666)

(Note) 1. Outstanding claims for Year ended March 31, 2013 indicate increase/decrease in outstanding claims.

2. Incurred loss for Year ended March 31, 2013 includes changes with revaluation of foreign exchange.

(4) Company expenses

< Corporate expenses >

(Yen in 100 millions)

		Year ended March 31, 2012			Year ended March 31, 2013		
		Amount	Change	Change ratio	Amount	Change	Change ratio
Personnel expenses	①	1,589	(3)	(0.2)	1,575	(14)	(0.9)
Non personnel	②	1,140	(15)	(1.4)	1,130	(10)	(0.9)
Taxes and contributions	③	135	0	0.2	123	(12)	(9.1)
Total	④	2,866	(18)	(0.7)	2,829	(36)	(1.3)

(Note) Corporate expenses = Loss adjustment expenses + Operating expenses and general administrative expenses

< Expenses for underwriting >

(Yen in 100 millions)

		Year ended March 31, 2012			Year ended March 31, 2013		
		Amount	Change	Change ratio	Amount	Change	Change ratio
Operating expenses and general administrative expenses	⑤	2,010	(15)	(0.7)	1,974	(36)	(1.8)
Commission and collection expenses	⑥	2,214	66	3.1	2,286	72	3.3
Total	⑦	4,225	51	1.2	4,260	35	0.8
Net company expense ratio	⑧	33.3 %	(0.6) %		32.4 %	(0.9) %	

(5) Outstanding claims

(Yen in 100 millions)

	Year ended March 31, 2012		Year ended March 31, 2013	
	Amount		Amount	
		Change		Change
Fire and allied	2,228	1,278	1,555	(672)
Marine	253	(13)	272	19
Personal accident	550	(22)	560	9
Voluntary automobile	2,476	(53)	2,487	14
Compulsory automobile liability	517	14	507	(10)
Other	961	9	1,056	96
Total	6,989	1,212	6,438	(543)

(Note) The total of the Changes for Year ended March, 2013 does not accord with the difference between Amounts in total for Year ended March, 2013 and those for Year ended March, 2012, since business transfer of the operation in Papua New Guinea took place during the fiscal year.

(6) Incurred loss and earned-incurred loss ratio

(Yen in 100 millions)

	Year ended March 31, 2012		Year ended March 31, 2013			
	Incurred loss	Earned- incurred loss ratio	Incurred loss	Change	Earned- incurred loss ratio	Change ratio
		%			%	%
Fire and allied	3,526	210.2	1,341	(2,185)	78.8	(131.4)
Marine	333	62.5	298	(35)	56.5	(6.0)
Personal accident	816	59.9	856	39	61.1	1.2
Voluntary automobile	4,129	73.0	4,070	(58)	69.8	(3.2)
Other	969	56.1	1,055	85	59.5	3.4
Total	9,776	89.2	7,621	(2,155)	67.8	(21.4)

(Note) Earned-incurred loss ratio is calculated using the methods below.

- Figures are exclusive of residential earthquake insurance and compulsory automobile liability insurance.
- Incurred loss = Net claims paid + Loss adjustment expenses + Change for outstanding claims
- Earned premiums are calculated considering unearned premiums and premium reserve etc
- Earned-incurred loss ratio = (Incurred loss / Earned premiums) x 100

(7) Underwriting reserve

(Yen in 100 millions)

		As of March 31, 2013				
		Total of underwriting reserve	Ordinary underwriting reserve	Reserve for refunds and dividends to policyholders	Catastrophe reserve	Contingency reserve
Fire and allied	Amount	8,780	5,444	2,225	1,110	-
	Change	(264)	176	(207)	(233)	-
Marine	Amount	892	224	-	667	-
	Change	74	53	-	20	-
Personal accident	Amount	15,157	1,090	13,415	650	-
	Change	(966)	27	(979)	(14)	-
Voluntary automobile	Amount	2,087	1,822	75	189	-
	Change	78	76	(4)	6	-
CALI	Amount	2,138	2,138	-	-	-
	Change	(163)	(163)	-	-	-
Other	Amount	4,322	2,294	639	1,388	-
	Change	73	67	(36)	42	-
Total	Amount	33,377	13,015	16,355	4,006	-
	Change	(1,168)	238	(1,228)	(178)	-

(Note) 1. Reserves for residential earthquake insurance and compulsory automobile liability insurance are included in ordinary underwriting reserve.
2. Changes in total of "Total of underwriting reserve" and "Ordinary underwriting reserve" do not accord with the difference between Amounts in total as of March 31, 2013 and those as of March 31, 2012 (not shown in the above table), since business transfer of the operation in Papua New Guinea took place during this fiscal year.

(8) Catastrophe reserve

(Yen in 100 millions)

	As of March 31, 2012		As of March 31, 2013			
	Balance	Reserve ratio	Reversal	Provision	Balance	Reserve ratio
		%				%
Fire and allied	1,343	74.5	901	668	1,110	59.4
Marine	647	122.1	-	20	667	124.4
Personal accident	665	47.8	59	44	650	45.5
Voluntary automobile	182	3.2	182	189	189	3.2
Other	1,346	76.0	39	81	1,388	76.3
Total	4,185	37.3	1,183	1,004	4,006	34.7

(Note) Reserve ratio = (Balance of catastrophe reserve / (net premiums written (excluding Residential earthquake Insurance, CALI and Good Result Return premiums of the auto insurance "ModoRich"))) × 100

(9) Balance of invested asset

(Yen in 100 millions)

	As of March 31, 2012	As of March 31, 2013	
			Change
Cash deposits and savings	4,538	4,001	(536)
Securities	37,842	41,179	3,336
Domestic bonds	16,002	17,151	1,149
Domestic equity	14,176	16,406	2,230
Foreign securities	7,294	7,388	94
Others	370	232	(137)
Loan investments	6,243	5,760	(483)
Lands and buildings	2,340	2,230	(109)
Total	50,965	53,172	2,207
(Reference)			
Long-term assets	17,481	16,257	(1,224)

(Reference) Breakdown of domestic bonds by issuer type

(Yen in 100 millions)

	As of March 31, 2012	As of March 31, 2013	
			Change
Government bonds	7,153	9,289	2,135
Municipal bonds	1,070	1,107	36
Corporate bonds	7,777	6,754	(1,022)
Public sector	2,366	2,167	(199)
Financial institutions	-	-	-
Corporations	5,410	4,587	(823)
Total	16,002	17,151	1,149

(10) Breakdown of interest and dividends

(Yen in 100 millions)

	Year ended March 31, 2012	Year ended March 31, 2013	
			Change
Securities	795	815	19
Domestic bonds	279	261	(17)
Domestic equity	299	302	2
Foreign securities	194	219	24
Others	21	32	10
Loan investments	115	99	(16)
Lands and buildings	58	53	(4)
Other	53	49	(3)
Total	1,023	1,018	(5)

(11) Securities

Unrealized gains and losses on securities

(Yen in 100 millions)

As of March 31, 2013	Acquisition cost	Fair value	Difference	Change from March 31, 2012
Domestic bonds	16,045	17,151	1,105	535
Domestic equity	7,124	15,701	8,576	2,523
Foreign securities	2,388	2,581	193	182
Others	1,071	1,147	76	26
Total	26,631	36,582	9,951	3,267

(Yen in 100 millions)

As of March 31, 2012	Acquisition cost	Fair value	Difference
Domestic bonds	15,431	16,002	570
Domestic equity	7,409	13,463	6,053
Foreign securities	3,016	3,027	10
Others	1,178	1,228	49
Total	27,036	33,721	6,684

(Note) 1. The above tables describe Securities available for sale with market values

2. "Others" include certificates of deposits that are shown as Cash, deposits and savings, and loan receivable trust beneficiary certificates and commercial papers that are shown as Monetary claims bought on the balance sheet.

Gains and losses on sale of securities

(Yen in 100 millions)

	Year ended March 31, 2012 Gains and losses	Year ended March 31, 2013		
		Gains and losses	Gains	Losses
Domestic bonds	126	15	23	7
Domestic equity	235	515	534	19
Foreign securities	(168)	1	3	2
Others	-	-	-	-
Total	193	531	561	29

Losses on devaluation of securities

(Yen in 100 millions)

	Year ended March 31, 2012	Year ended March 31, 2013	
			Change
Domestic bonds	8	-	(8)
Domestic equity	4	212	207
Foreign securities	378	71	(307)
Others	0	0	0
Total	392	283	(108)

3. Aioi Nissay Dowa Insurance Co., Ltd. (Non-consolidated)

(1) Profit and loss status

(Yen in 100 millions)

		Year ended March 31, 2012	Year ended March 31, 2013	Change	Change ratio
(+) Net premiums written	①	10,746	11,032	286	2.7 %
(-) Net claims paid	②	8,050	7,261	(788)	(9.8)
(-) Loss adjustment expenses	③	518	510	(8)	(1.6)
(-) Commissions and collection expenses	④	1,890	1,957	66	3.5
(-) Operating expenses and general administrative expenses for underwriting	⑤	1,886	1,802	(84)	(4.5)
Underwriting balance	⑥	(1,599)	(499)	1,100	-
(-) Outstanding claims provision	⑦	(6)	(91)	(84)	-
(-) Ordinary underwriting reserve	⑧	(1,034)	(129)	905	-
(-) Catastrophe reserve provision	⑨	(397)	(240)	156	-
(+) Other	⑩	(39)	104	144	-
Underwriting profit/(loss)	⑪	(200)	66	267	-
(+) Interest and dividends received	⑫	584	606	21	3.7
(-) Transfer of investment income on deposit premium from policyholders	⑬	222	203	(18)	(8.4)
Net interest and dividend income ⑫—⑬	⑭	362	402	40	11.1
(+) Net gains on sale of securities	⑮	138	72	(65)	(47.5)
(-) Losses on devaluation of securities	⑯	145	97	(48)	(33.0)
(+) Losses on derivative transactions	⑰	(28)	(29)	(0)	-
(+) Other	⑱	(121)	(150)	(28)	-
Total investment income	⑲	204	197	(6)	(3.3)
(+) Other ordinary profit/(loss)	⑳	88	(5)	(94)	(106.7)
Ordinary profit/(loss)	㉑	92	258	166	180.1
(+) Extraordinary income/(loss)	㉒	54	(16)	(71)	(129.8)
Reserve for price fluctuation	㉓	42	1	(40)	(95.9)
Income before income taxes	㉔	147	242	95	64.6
(-) Total income taxes	㉕	582	53	(529)	(90.8)
Net income/(loss)	㉖	(435)	188	624	-

Ratios	Net loss ratio	⑳	79.7 %	70.4 %	(9.3) %
	Net expense ratio	㉑	35.1 %	34.1 %	(1.0) %
	Combined ratio	㉒	114.8 %	104.5 %	(10.3) %
	Investment assets yield (income yield)	㉓	2.16 %	2.36 %	0.20 %
	Investment yield (realized yield)	㉔	1.85 %	1.81 %	(0.04) %

Incurring loss	⑳ + ㉑	㉒	8,043	7,170	(873)	(10.9)
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(Note) 1. Net loss ratio = ((Net claims paid + Loss adjustment expenses) / Net premiums written) × 100

2. Net expense ratio = ((Commissions and collection expenses + Operating expenses and general administrative expenses for underwriting) / Net premiums written) × 100

3. Combined ratio = Net loss ratio + Net expense ratio

4. The total yield of assets at the market price: 3.26% for year ended March 31, 2012, and 9.19% for year ended March 31, 2013

(Reference) Excluding Compulsory Automobile Liability Insurance

Net premiums written	㉓	9,296	9,503	207	2.2
Ratios	Net loss ratio	㉔	77.4 %	67.2 %	(10.2) %
	Net expense ratio	㉕	36.6 %	35.7 %	(0.9) %
	Combined ratio	㉖	114.0 %	102.9 %	(11.1) %

(Reference) Excluding residential earthquake insurance and Compulsory Automobile Liability Insurance

Net loss ratio	㉗	70.5 %	67.3 %	(3.2) %
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(2) Premiums written

(Yen in 100 millions)

	Net premiums written				Direct premiums written (excluding deposit premiums)			
	Year ended March 31, 2012		Year ended March 31, 2013		Year ended March 31, 2012		Year ended March 31, 2013	
	Amount	Change ratio %	Amount	Change ratio %	Amount	Change ratio %	Amount	Change ratio %
Fire and allied	1,197	(13.2)	1,263	5.5	1,803	4.1	1,905	5.7
Marine	86	0.6	95	10.2	92	(5.6)	96	4.1
Personal accident	726	(0.6)	719	(0.9)	766	0.1	756	(1.4)
Voluntary automobile	6,315	(1.0)	6,448	2.1	6,198	0.1	6,328	2.1
Compulsory automobile liability	1,450	4.9	1,528	5.4	1,611	8.8	1,672	3.8
Other	969	(4.6)	975	0.6	1,308	(2.9)	1,238	(5.4)
Total	10,746	(2.1)	11,032	2.7	11,781	1.4	11,996	1.8

(Note) 1. Change ratio for Year ended March 31, 2013 is computed in comparison with the simple sum of results for Year ended March 31, 2011 of Aioi Insurance Co., Ltd. and Nissay Dowa General Insurance Co., Ltd.

2. Same formula is applied to (3) Net claims paid and (4) Company expenses.

(3) Net claims paid

(Yen in 100 millions)

	Year ended March 31, 2012			Year ended March 31, 2013			
	Amount	Change ratio %	Net loss ratio %	Amount	Change ratio %	Net loss ratio %	Change ratio %
Fire and allied	1,647	209.6	140.0	994	(39.6)	81.1	(58.9)
Marine	44	(0.6)	54.7	46	3.2	50.5	(4.2)
Personal accident	356	(2.2)	52.5	350	(1.8)	51.8	(0.7)
Voluntary automobile	4,075	0.8	69.7	4,000	(1.8)	67.1	(2.6)
Compulsory automobile liability	1,273	1.2	95.0	1,282	0.8	90.4	(4.6)
Other	652	(4.5)	70.4	587	(10.0)	63.2	(7.2)
Total	8,050	16.2	79.7	7,261	(9.8)	70.4	(9.3)

(Note) 1. Net claims paid during Year ended March 31, 2012 include 80.5 billion yen paid for claims by the Great East Japan Earthquake (64.6 billion yen for Residential earthquake insurance and 15.8 billion yen for others).

2. Net loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100

(Reference) Incurred loss by natural disasters in Japan

(Yen in 100 millions)

	Year ended March 31, 2012			Year ended March 31, 2013		
	Incurred loss	Net claims paid	Outstanding claims	Incurred loss	Net claims paid	Outstanding claims
Fire and allied	184	169	14	181	172	9
Voluntary automobile	26	25	0	35	35	0
Other	10	6	3	7	6	1
Total	220	202	17	225	214	10

(Note) The above figures are related to the natural disasters occurred in Japan during the fiscal year.

Net claims paid including claims related to the natural disasters occurred in Japan in previous years, but excluding the Great East Japan Earthquake, are as follows (unit: 100 millions yen)

212 (Fire:178, Voluntary Auto:25, Other:8) during Year ended March 31, 2012

232 (Fire:189, Voluntary Auto:35, Other:8) during Year ended March 31, 2013

(Reference) Incurred loss by flooding in Thailand

(Yen in 100 millions)

	Year ended March 31, 2012			Year ended March 31, 2013		
	Incurred loss	Net claims paid	Outstanding claims	Incurred loss	Net claims paid	Outstanding claims
Incurred loss caused by flooding in Thailand	300	83	217	(57)	88	(146)

(Note) 1. Outstanding claims for Year ended March 31, 2013 indicate increase/decrease in outstanding claims.

2. Incurred loss for Year ended March 31, 2013 includes changes with revaluation of foreign exchange.

(4) Company expenses

< Corporate expenses >

(Yen in 100 millions)

		Year ended March 31, 2012			Year ended March 31, 2013		
		Amount	Change	Change ratio %	Amount	Change	Change ratio %
Personnel expenses	①	1,278	(66)	(4.9)	1,230	(48)	(3.8)
Non personnel	②	1,094	(46)	(4.1)	1,048	(45)	(4.1)
Taxes and contributions	③	115	(10)	(8.5)	109	(5)	(4.5)
Total	④	2,487	(123)	(4.7)	2,388	(98)	(4.0)

(Note) Corporate expenses = Loss adjustment expenses + Operating expenses and general administrative expenses

< Expenses for underwriting >

(Yen in 100 millions)

		Year ended March 31, 2012			Year ended March 31, 2013		
		Amount	Change	Change ratio %	Amount	Change	Change ratio %
Operating expenses and general administrative expenses	⑤	1,886	(69)	(3.5)	1,802	(84)	(4.5)
Commission and collection expenses	⑥	1,890	(64)	(3.3)	1,957	66	3.5
Total	⑦	3,776	(133)	(3.4)	3,759	(17)	(0.5)
Net company expense ratio	⑧	35.1 %	(0.5) %		34.1 %	(1.0) %	

(5) Outstanding claims

(Yen in 100 millions)

	Year ended March 31, 2012		Year ended March 31, 2013	
	Amount		Amount	
		Change		Change
Fire and allied	677	70	493	(184)
Marine	35	(10)	40	5
Personal accident	290	(22)	278	(12)
Voluntary automobile	2,734	42	2,814	79
Compulsory automobile liability	491	16	479	(11)
Other	594	(103)	625	31
Total	4,823	(6)	4,732	(91)

(6) Incurred loss and earned-incurred loss ratio

(Yen in 100 millions)

	Year ended March 31, 2012		Year ended March 31, 2013			
	Incurred loss	Earned- incurred loss ratio	Incurred loss	Change	Earned- incurred loss ratio	Change ratio
		%			%	%
Fire and allied	1,181	91.5	841	(339)	65.2	(26.3)
Marine	37	42.2	54	16	58.9	16.7
Personal accident	358	51.5	360	2	52.6	1.1
Voluntary automobile	4,445	69.9	4,406	(39)	68.8	(1.1)
Other	579	58.8	648	68	65.5	6.7
Total	6,602	70.1	6,310	(291)	66.7	(3.4)

(Note) Earned-incurred loss ratio is calculated using the methods below.

- Figures are exclusive of residential earthquake insurance and compulsory automobile liability insurance.
- Incurred loss = Net claims paid + Loss adjustment expenses + Change for outstanding claims
- Earned premiums are calculated considering unearned premiums and premium reserve etc.
- Earned-incurred loss ratio = Incurred loss / Earned premiums

(7) Underwriting reserve

(Yen in 100 millions)

		As of March 31, 2013				
		Total of underwriting reserve	Ordinary underwriting reserve	Reserve for refunds and dividends to policyholders	Catastrophe reserve	Contingency reserve
Fire and allied	Amount	7,105	4,856	1,149	1,096	2
	Change	(410)	(27)	(129)	(252)	0
Marine	Amount	167	33	-	133	-
	Change	3	0	-	3	-
Personal accident	Amount	5,989	628	4,790	566	3
	Change	(340)	34	(397)	22	0
Voluntary automobile	Amount	2,077	1,861	8	207	0
	Change	47	39	3	4	0
CALI	Amount	2,288	2,288	-	-	-
	Change	(169)	(169)	-	-	-
Other	Amount	1,863	1,191	175	496	0
	Change	(34)	(6)	(9)	(18)	(0)
Total	Amount	19,493	10,860	6,124	2,500	6
	Change	(903)	(129)	(532)	(240)	-

(Note) Reserves for residential earthquake insurance and compulsory automobile liability insurance are included in ordinary underwriting reserve.

(8) Catastrophe reserve

(Yen in 100 millions)

	As of March 31, 2012		As of March 31, 2013			
	Balance	Reserve ratio	Reversal	Provision	Balance	Reserve ratio
		%				%
Fire and allied	1,349	114.4	353	101	1,096	87.3
Marine	129	149.1	-	3	133	139.1
Personal accident	543	74.9	-	22	566	78.7
Voluntary automobile	203	3.2	203	207	207	3.2
Other	514	53.1	61	42	496	50.8
Total	2,741	29.5	618	377	2,500	26.3

(Note) Reserve ratio = (Balance of catastrophe reserve / (net premiums written (excluding Residential earthquake Insurance and CALI))) × 100

(9) Balance of invested asset

(Yen in 100 millions)

	As of March 31, 2012	As of March 31, 2013	Change
Cash deposits and savings	1,479	950	(528)
Securities	20,666	22,927	2,260
Domestic bonds	7,468	9,505	2,036
Domestic equity	6,022	6,620	597
Foreign securities	6,379	6,396	17
Others	795	405	(390)
Loan investments	2,745	2,466	(278)
Lands and buildings	1,828	1,755	(73)
Total	26,720	28,099	1,379

(Reference)

Long-term assets	6,651	6,114	(536)
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(Reference) Breakdown of domestic bonds by issuer type

(Yen in 100 millions)

	As of March 31, 2012	As of March 31, 2013	Change
Government bonds	4,747	7,132	2,384
Municipal bonds	368	326	(42)
Corporate bonds	2,352	2,046	(305)
Public sector	720	545	(174)
Financial institutions	43	42	(1)
Corporations	1,588	1,457	(130)
Total	7,468	9,505	2,036

(10) Breakdown of interest and dividends

(Yen in 100 millions)

	Year ended March 31, 2012	Year ended March 31, 2013	Change
Securities	469	508	38
Domestic bonds	97	94	(3)
Domestic equity	137	143	5
Foreign securities	209	217	7
Others	24	52	28
Loan investments	53	43	(9)
Lands and buildings	52	48	(4)
Other	8	5	(2)
Total	584	606	21

(11) Securities

Unrealized gains and losses on securities

(Yen in 100 millions)

As of March 31, 2013	Acquisition cost	Fair value	Difference	Change from March 31, 2012
Domestic bonds	9,121	9,505	383	185
Domestic equity	4,377	6,327	1,949	1,103
Foreign securities	5,738	5,961	223	569
Others	258	286	27	85
Total	19,496	22,080	2,584	1,945

(Yen in 100 millions)

As of March 31, 2012	Acquisition cost	Fair value	Difference
Domestic bonds	7,270	7,468	198
Domestic equity	4,858	5,704	845
Foreign securities	6,287	5,940	(346)
Others	714	656	(57)
Total	19,130	19,770	639

(Note) 1. The above tables describe Securities available for sale with market values

2. "Others" includes loan receivable trust beneficiary certificates that are shown as Monetary claims bought on the balance sheet.

Gains and losses on sale of securities

(Yen in 100 millions)

	Year ended March 31, 2012 Gains and losses	Year ended March 31, 2013		
		Gains and losses	Gains	Losses
Domestic bonds	51	38	39	0
Domestic equity	58	64	90	26
Foreign securities	38	(31)	103	135
Others	(11)	1	3	2
Total	138	72	238	165

Losses on devaluation of securities

(Yen in 100 millions)

	Year ended March 31, 2012	Year ended March 31, 2013	
			Change
Domestic bonds	-	-	-
Domestic equity	130	97	(33)
Foreign securities	12	0	(12)
Others	2	-	(2)
Total	145	97	(48)

4. Earnings forecast

(1) MS&AD Insurance Group Holdings, Inc. (Consolidated)

(Yen in 100 millions)

		Forecast for year ending March 31, 2014	Change from previous year
Net premiums written*	①	27,700	5.0 %
(Overseas non-life insurance subsidiaries)	②	(2,340)	(25.7 %)
Ordinary profit	③	1,910	406
Net income	④	1,250	413
Dividend per share (annual)	⑤	56.00 yen	2.00 yen

(Note) Operating revenue on a non-consolidated basis is forecast to increase by 16.6% year on year, to JPY43.3billion.

(2) Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)

(Yen in 100 millions)

		Forecast for year ending March 31, 2014	Change from previous year
Net premiums written*	⑥	13,510	2.8 %
Ordinary profit	⑦	1,100	446
Net income	⑧	750	323

(3) Aioi Nissay Dowa Insurance Co., Ltd. (Non-consolidated)

(Yen in 100 millions)

		Forecast for year ending March 31, 2014	Change from previous year
Net premiums written	⑨	11,460	3.9 %
Ordinary profit	⑩	430	171
Net income	⑪	300	111

* Figures are presented exclusive of the Good Results Return premiums of the automobile insurance “ModoRich”, which contains a special clause for premium adjustment and refund at maturity.

(Breakdown of earnings forecast)

Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)

(Yen in 100 millions)

	Results for the year ended March 31, 2013	Forecast for the year ending March 31, 2014
Gross premiums written (excl. deposit premiums)	14,173	14,575
Change ratio	4.7 %	2.8 %
Net premiums written	13,142	13,510
Change ratio	3.5 %	2.8 %
Net loss ratio	73.3 %	70.0 %
Net expense ratio	32.4 %	32.6 %
Combined ratio	105.7 %	102.6 %
Underwriting profit/(loss)	(97)	280
Net interest and dividends	577	520
Ordinary profit/(loss)	653	1,100
Net income/(loss)	426	750

Reference: excluding compulsory automobile liability insurance

	Results for the year ended March 31, 2013	Forecast for the year ending March 31, 2014
Net premiums written change ratio	3.0 %	1.9 %
Net loss ratio	70.5 %	67.9 %
Net expense ratio	34.1 %	34.7 %
Combined ratio	104.6 %	102.6 %

Forecast by line of business

(Yen in 100 millions)

	Net premiums written		Loss ratio	
		Change ratio		Change
Fire and allied	1,938	3.2 %	92.8 %	(14.4) %
Marine	555	3.3 %	50.0 %	(1.9) %
Personal accident	1,447	1.2 %	59.6 %	0.4 %
Voluntary automobile	6,011	1.8 %	67.7 %	(1.0) %
Compulsory automobile liability	1,720	9.4 %	84.5 %	(9.9) %
Other	1,839	1.1 %	54.2 %	1.5 %
Total	13,510	2.8 %	70.0 %	(3.3) %

Aioli Nissay Dowa Insurance Co., Ltd. (Non-consolidated)

(Yen in 100 millions)

	Results for the year ended March 31, 2013	Forecast for the year ending March 31, 2014
Gross premiums written (excl. deposit premiums)	11,996	12,330
Change ratio	1.8 %	2.8 %
Net premiums written	11,032	11,460
Change ratio	2.7 %	3.9 %
Net loss ratio	70.4 %	67.1 %
Net expense ratio	34.1 %	34.5 %
Combined ratio	104.5 %	101.6 %
Underwriting profit/(loss)	66	70
Net interest and dividends	402	353
Ordinary profit/(loss)	258	430
Net income/(loss)	188	300

Reference: excluding compulsory automobile liability insurance

	Results for the year ended March 31, 2013	Forecast for the year ending March 31, 2014
Net premiums written change ratio	2.2 %	3.5 %
Net loss ratio	67.2 %	64.2 %
Net expense ratio	35.7 %	36.4 %
Combined ratio	102.9 %	100.6 %

Forecast by line of business

(Yen in 100 millions)

	Net premiums written		Loss ratio	
		Change ratio		Change
Fire and allied	1,325	4.8 %	67.0 %	(14.1) %
Marine	110	14.7 %	50.0 %	(0.5) %
Personal accident	739	2.7 %	51.2 %	(0.6) %
Voluntary automobile	6,626	2.7 %	65.8 %	(1.3) %
Compulsory automobile Liability	1,620	6.0 %	85.1 %	(5.3) %
Other	1,040	6.6 %	61.2 %	(2.0) %
Total	11,460	3.9 %	67.1 %	(3.3) %

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

Consolidated

(Yen in millions)

Lines of Insurance	Year ended March 31, 2012			Year ended March 31, 2013		
	Amount	Share %	Change %	Amount	Share %	Change %
Fire and Allied	513,458	17.4	5.4	548,666	18.0	6.9
Marine	105,393	3.5	2.3	107,893	3.5	2.4
Personal Accident	358,440	12.1	(2.5)	352,446	11.6	(1.7)
Voluntary Automobile	1,291,429	43.7	1.1	1,327,991	43.5	2.8
Compulsory Automobile Liability	307,038	10.4	10.2	321,641	10.6	4.8
Other	380,999	12.9	2.9	391,322	12.8	2.7
Total	2,956,759	100.0	2.5	3,049,962	100.0	3.2
Deposit premiums from policyholders	172,021	5.8	(12.3)	163,936	5.4	(4.7)

<Excluding the GRR premiums of the automobile insurance "ModoRich">

Voluntary Automobile	1,294,722		1.5	1,328,395		2.6
Total	2,960,052		2.7	3,050,365		3.1

Net Premiums Written by Lines of Insurance

(Yen in millions)

Lines of Insurance	Year ended March 31, 2012			Year ended March 31, 2013		
	Amount	Share %	Change %	Amount	Share %	Change %
Fire and Allied	339,636	13.3	(4.2)	354,012	13.4	4.2
Marine	87,395	3.4	(2.3)	87,312	3.3	(0.1)
Personal Accident	219,520	8.6	3.2	222,865	8.4	1.5
Voluntary Automobile	1,299,499	50.9	0.6	1,337,106	50.7	2.9
Compulsory Automobile Liability	291,610	11.4	6.5	310,521	11.8	6.5
Other	317,890	12.4	(1.0)	327,197	12.4	2.9
Total	2,555,551	100.0	0.5	2,639,015	100.0	3.3

<Excluding the GRR premiums of the automobile insurance "ModoRich">

Voluntary Automobile	1,302,792		1.0	1,337,510		2.7
Total	2,558,844		0.7	2,639,419		3.1

Net Claims Paid by Lines of Insurance

(Yen in millions)

Lines of Insurance	Year ended March 31, 2012			Year ended March 31, 2013		
	Amount	Share %	Change %	Amount	Share %	Change %
Fire and Allied	473,309	24.4	244.6	315,906	18.2	(33.3)
Marine	48,802	2.5	22.5	40,490	2.3	(17.0)
Personal Accident	113,345	5.8	0.7	113,462	6.5	0.1
Voluntary Automobile	848,161	43.7	1.3	831,073	47.7	(2.0)
Compulsory Automobile Liability	263,206	13.6	0.9	264,802	15.2	0.6
Other	194,546	10.0	(2.0)	175,049	10.1	(10.0)
Total	1,941,371	100.0	22.4	1,740,784	100.0	(10.3)

(Note) The figures in the above tables are those after the off-set of intersegment transactions.

Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)

Non-Consolidated Balance Sheet

(Yen in millions)

Items	As of March 31, 2012	As of March 31, 2013
	Amount	Amount
(Assets)		
Cash, deposits and savings:	302,057	188,886
Cash on hand	(184)	(193)
Deposits in banks	(301,872)	(188,693)
Call loans	22,000	69,000
Receivables under resale agreements	41,680	48,545
Monetary claims bought	78,563	83,966
Money trusts	9,738	9,978
Investments in securities:	3,784,227	4,117,917
Government bonds	(715,385)	(928,961)
Municipal bonds	(107,084)	(110,703)
Corporate bonds	(777,734)	(675,448)
Stocks	(1,417,612)	(1,640,679)
Foreign securities	(729,400)	(738,873)
Other investments in securities	37,009	23,252
Loans:	624,350	576,032
Policy loans	(11,695)	(10,740)
General loans	(612,655)	(565,291)
Tangible fixed assets:	249,590	241,916
Land	(92,341)	(88,895)
Buildings	(141,725)	(134,195)
Construction in progress	(513)	(5,319)
Other tangible fixed assets	(15,009)	(13,506)
Intangible fixed assets:	22,199	43,316
Software	(8,006)	(8,069)
Other intangible fixed assets	(14,193)	(35,247)
Other assets:	431,135	487,529
Premiums receivable	(3,457)	(3,551)
Due from agents	(95,654)	(103,303)
Co-insurance business receivable	(9,972)	(8,733)
Reinsurance business receivable	(64,553)	(67,342)
Foreign reinsurance business receivable	(110,383)	(153,664)
Agent business receivable	(230)	(232)
Other receivables	(22,854)	(25,544)
Accrued income	(7,385)	(6,408)
Guarantee deposits	(18,492)	(18,119)
Deposits with the Japan Earthquake Reinsurance Company	(8,214)	(9,236)
Suspense payments	(54,595)	(39,544)
Assets related to derivative transactions	(32,996)	(50,360)
Other assets	(2,345)	(1,488)
Deferred tax assets	81,002	-
Customers' liabilities for acceptances and guarantees	5,737	39,825
Bad debts reserve	(5,468)	5,500
Total assets	5,646,816	5,901,413

Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)

(Yen in millions)

Items	As of March 31, 2012	As of March 31, 2013
	Amount	Amount
(Liabilities)		
Underwriting funds:	4,154,039	3,981,659
Outstanding claims	(698,949)	(643,869)
Underwriting reserves	(3,455,090)	(3,337,789)
Bond Issued	271,165	241,176
Other liabilities:	185,142	298,674
Co-insurance business payable	(11,656)	(11,690)
Reinsurance business payable	(45,628)	(50,603)
Foreign reinsurance business payable	(18,495)	(23,274)
Agent business payable	(11)	(24)
Payable under securities lending transactions	(-)	(50,000)
Income taxes payable	(4,355)	(4,652)
Guarantee money	(18,913)	(20,314)
Advance received	(69)	(108)
Other payables	(29,086)	(36,686)
Suspense receipts	(17,247)	(19,591)
Liabilities related to derivative transactions	(12,920)	(13,692)
Cash collateral received under derivative transactions	(19,174)	(60,839)
Lease obligations	(2,353)	(2,064)
Asset retirement obligations	(5,229)	(5,128)
Other liabilities	(1)	(1)
Reserve for pension and retirement benefits	83,957	87,390
Reserve for pension and retirement benefits for officers and operating officers	1,456	1,257
Accrued bonuses for employees	9,997	10,588
Reserve under the special law:	2,639	5,151
Reserve for price fluctuation	(2,639)	(5,151)
Deferred tax liabilities	-	43,610
Acceptances and guarantees	5,737	39,825
Total liabilities	4,714,135	4,709,334
(Net assets)		
Shareholders' equity:		
Common stock	139,595	139,595
Capital surplus:	93,107	93,107
Additional paid-in capital	(93,107)	(93,107)
Retained earnings:	224,305	244,565
Legal earned reserve	(46,487)	(46,487)
Other retained earnings:	(177,817)	(198,077)
Special reserve	((283,400))	((-))
Tax-exempted reserve for accelerated depreciation	((15,900))	((15,660))
Retained earnings brought forward	(((121,482)))	((182,416))
Total shareholders' equity	457,008	477,268
Valuation and translation adjustments:		
Unrealized gains on investments, net of tax	459,287	688,381
Deferred hedge gains (losses), net of tax	16,384	26,428
Total valuation and transaction adjustment	475,671	714,810
Total net assets	932,680	1,192,079
Total liabilities and net assets	5,646,816	5,901,413

Non-Consolidated Statements of Income

(Yen in millions)

Items	FY 2011	FY 2012
	Amount	Amount
Ordinary income:	1,832,703	1,792,884
Underwriting income:	1,715,890	1,661,287
Net premiums written	1,265,997	1,313,831
Deposit premiums from policyholders	124,053	119,925
Investment income on deposit premiums from policyholders	47,434	44,061
Reversal of outstanding claims	-	54,330
Reversal of underwriting reserves	277,326	116,824
Foreign exchange gains	978	12,253
Other underwriting income	99	60
Investment income:	113,537	127,798
Interest and dividends received	102,343	101,814
Investment gains on money trusts	141	290
Gains on sale of securities	41,896	56,176
Gains on redemption of securities	583	1,184
Gains on derivative transactions	5,285	6,894
Foreign exchange gains	9,754	4,627
Other investment income	966	872
Transfer of investment income on deposit premiums from policyholders	(47,434)	(44,061)
Other ordinary income	3,275	3,798
Ordinary expenses:	1,962,880	1,727,518
Underwriting expenses:	1,677,711	1,474,436
Net claims paid	1,000,737	887,436
Loss adjustment expenses	76,093	76,390
Commission and collection expenses	221,457	228,670
Maturity refunds to policyholders	256,214	280,598
Dividends to policyholders	1,423	839
Provision for outstanding claims	121,280	-
Other underwriting expenses	503	500
Investment expenses:	69,713	38,250
Investment losses on money trusts	18	48
Losses on sale of securities	22,542	2,988
Losses on devaluation of securities	39,206	28,382
Losses on redemption of securities	789	879
Other investment expenses	7,155	5,951
Operating expenses and general and administrative expenses	210,525	206,538
Other ordinary expenses:	4,930	8,293
Interest paid	2,365	7,128
Provision for bad debts reserve	-	263
Loss on bad debts	4	1
Other ordinary expenses	2,560	899
Ordinary profit/(loss)	(130,177)	65,366
Extraordinary income:	3,451	1,891
Gains on sale of fixed assets	694	1,891
Reversal of reserve under the special law:	2,756	-
Reversal of reserve for price fluctuation	2,756	-
Extraordinary losses:	4,521	4,204
Losses on sale of fixed assets	1,379	1,337
Impairment loss on fixed assets	3,141	355
Provision for reserve under the special law:	-	2,511
Provision for reserve for price fluctuation	-	2,511
Income/(loss) before income taxes	(131,246)	63,053
Income taxes - current	2,825	1,714
Income taxes - deferred	(3,465)	18,681
Total income taxes	(639)	20,395
Net income/(loss)	(130,607)	42,657

Solvency Margin Ratio (Non-Consolidated)

Insurance companies running their business in Japan calculate Non-consolidated solvency margin ratio pursuant to the provisions of Articles 86 and 87 of the Insurance Business Law Enforcement Regulations and Public Notice No. 50 issued by the Ministry of Finance, 1996.

While insurance companies set aside reserves to provide for payment of insurance claims should an insured event occur, they are also required to maintain sufficient funds to pay out in the event of a situation outside the normal range of expectations such as a major catastrophe or a significant drop in the value of the assets that they hold.

The Non-consolidated solvency margin ratio (item (C) in each table below) is an indicator of an insurer's ability to pay, which is calculated, as prescribed in the Insurance Business Law, based on its percentage holdings of capital and other reserves (i.e., the total Non-consolidated solvency margin as indicated by (A) in each table below) against the total Non-consolidated risk (item (B) in each table below), which indicates hazard beyond the normal range of expectations.

The Non-consolidated solvency margin ratio is one of the objective indicators used by the insurance regulatory authorities to supervise insurance companies. If this ratio is 200% or higher, the insurance company is judged to have the ability to satisfy claims and other payments.

(Yen in millions)

	As of March 31,2012	As of March 31,2013
(A) Total amount of solvency margin	1,656,380	1,958,579
Total net assets	445,809	462,870
Reserve for price fluctuation	2,639	5,151
Contingency reserve	-	-
Catastrophe reserve	429,083	412,208
General bad debts reserve	1,029	1,093
Net unrealized gains/(losses) on securities (Prior to tax effect deductions)	598,943	896,469
Net unrealized gains/(losses) on land	36,478	33,406
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	106,191	106,191
Amount excluded from the margin, out of (a) and (b)	-	-
Deductions	40,098	43,152
Others	76,303	84,341
(B) Total amount of risks	680,488	673,800
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
General insurance risk (R ₁)	107,837	111,582
Third sector insurance risk (R ₂)	-	-
Assumed interest risk (R ₃)	21,492	20,420
Asset management risk (R ₄)	470,525	499,540
Business administration risk (R ₅)	22,620	15,167
Catastrophe risk (R ₆)	154,171	126,834
(C) Solvency margin ratio	486.8%	581.3%
$[(A)/\{(B) \times 1/2\}] \times 100$		

Aioi Nissay Dowa Insurance Company, Limited(Non-consolidated)

Non-Consolidated Balance Sheet

(Yen in millions)

Items	As of March 31, 2012	As of March 31, 2013
	Amount	Amount
(Assets)		
Cash, deposits and savings:	144,758	92,013
Cash on hand	(43)	(48)
Deposits in banks	(144,715)	(91,965)
Monetary claims bought:	1,331	977
Money trusts	1,884	2,128
Investments in securities:	2,066,687	2,292,734
Government bonds	(474,785)	(713,239)
Municipal bonds	(36,855)	(32,607)
Corporate bonds	(235,252)	(204,661)
Stocks	(602,299)	(662,070)
Foreign securities	(637,923)	(639,643)
Other investments in securities	(79,570)	(40,510)
Loans:	274,508	246,684
Policy loans	(5,482)	(4,982)
General loans	(269,026)	(241,701)
Tangible fixed assets:	192,830	185,771
Land	(86,128)	(84,513)
Buildings	(96,749)	(90,988)
Lease asset	(20)	(110)
Construction in progress	(4)	(1,426)
Other tangible fixed assets	(9,926)	(8,732)
Intangible fixed assets:	12,958	29,971
Software	(1,810)	(2,124)
Other intangible fixed assets	(11,147)	(27,846)
Other assets:	274,633	280,099
Premiums receivable	(2,803)	(3,104)
Due from agents	(46,877)	(44,709)
Due from foreign agents	(1,235)	(2,779)
Co-insurance business receivable	(3,962)	(3,294)
Reinsurance business receivable	(62,563)	(57,831)
Foreign reinsurance business receivable	(38,195)	(36,474)
Other receivables	(21,112)	(35,916)
Accrued income	(8,875)	(8,962)
Guarantee deposits	(8,462)	(7,671)
Deposits with the Japan Earthquake Reinsurance Company	(5,757)	(6,452)
Suspense payments	(31,511)	(31,184)
Assets related to derivative transactions	(653)	(1,032)
Prepaid pension expense	(41,935)	(40,683)
Other assets	(687)	(-)
Deferred tax assets	170,834	106,449
Customers' liabilities for acceptances and guarantees	2,500	2,500
Bad debts reserve	(1,785)	(2,479)
Total assets	3,141,142	3,236,851

Aioi Nissay Dowa Insurance Company, Limited(Non-consolidated)

(Yen in millions)

Items	As of March 31, 2012	As of March 31, 2013
	Amount	Amount
(Liabilities)		
Underwriting funds:	2,521,967	2,422,522
Outstanding claims	(482,347)	(473,220)
Underwriting reserves	(2,039,620)	(1,949,302)
Bond Issued	-	50,000
Other liabilities:	180,533	182,421
Co-insurance business payable	(5,001)	(4,674)
Reinsurance business payable	(56,610)	(49,612)
Foreign reinsurance business payable	(19,473)	(25,097)
Borrowings	(28)	(25)
Income taxes payable	(2,470)	(2,630)
Guarantee money	(3,028)	(2,724)
Advance received	(25)	(51)
Other payables	(39,305)	(24,701)
Suspense receipts	(41,273)	(38,762)
Liabilities related to derivative transactions	(12,607)	(31,460)
Cash collateral received under derivative transactions	(-)	(1,939)
Lease obligations	(146)	(212)
Asset retirement obligations	(562)	(528)
Other liabilities	(0)	(0)
Reserve for pension and retirement benefits	18,136	19,313
Accrued bonuses for employees	6,128	6,064
Reserve under the special law:	1,798	1,624
Reserve for price fluctuation	(1,798)	(1,624)
Acceptances and guarantees	2,500	2,500
Total liabilities	2,731,064	2,684,446
(Net assets)		
Shareholders' equity:		
Common stock	100,005	100,005
Capital surplus:	81,210	81,210
Additional paid-in capital	(52,593)	(52,593)
Other capital surplus	(28,616)	(28,616)
Retained earnings:	183,911	191,575
Legal earned reserve	(40,797)	(43,037)
Other retained earnings:	(143,113)	(148,537)
Special reserve	((158,802))	((-))
Tax-exempted reserve for accelerated depreciation	((5,211))	((-))
Retained earnings brought forward	(((20,901)))	((148,537))
Total shareholders' equity	365,126	372,790
Valuation and translation adjustments:		
Unrealized gains on investments, net of tax	44,951	179,614
Total valuation and transaction adjustment	44,951	179,614
Total net assets	410,077	552,405
Total liabilities and net assets	3,141,142	3,236,851

Non-Consolidated Statements of Income

(Yen in millions)

Items	FY 2011	FY 2012
	Amount	Amount
Ordinary income:	1,405,650	1,342,714
Underwriting income:	1,346,628	1,273,889
Net premiums written	1,074,631	1,103,234
Deposit premiums from policyholders	47,967	44,010
Investment income on deposit premiums from policyholders	22,209	20,354
Reversal of outstanding claims	660	9,126
Reversal of underwriting reserves	199,257	90,318
Foreign exchange gains	-	1,474
Other underwriting income	1,901	5,370
Investment income:	56,292	66,085
Interest and dividends received	58,455	60,617
Investment gains on money trusts	-	0
Gains on sale of securities	19,883	23,810
Gains on redemption of securities	-	27
Foreign exchange gains	44	1,746
Other investment income	118	237
Transfer of investment income on deposit premiums from policyholders	(22,209)	(20,354)
Other ordinary income	2,729	2,739
Ordinary expenses:	1,396,416	1,316,854
Underwriting expenses:	1,169,683	1,086,669
Net claims paid	805,026	726,151
Loss adjustment expenses	51,847	51,005
Commission and collection expenses	189,074	195,767
Maturity refunds to policyholders	120,729	111,930
Dividends to policyholders	70	27
Foreign exchange losses	572	-
Other underwriting expenses	2,363	1,786
Investment expenses:	28,818	39,968
Losses on sale of securities	6,082	16,570
Losses on devaluation of securities	14,575	9,763
Losses on redemption of securities	1,669	7,732
Losses on derivative transactions	2,884	2,928
Other investment expenses	3,606	2,973
Operating expenses and general and administrative expenses	196,929	187,883
Other ordinary expenses:	985	2,333
Interest paid	2	387
Provision for bad debts reserve	-	917
Loss on bad debts	9	2
Other ordinary expenses	973	1,025
Ordinary profit	9,233	25,859
Extraordinary income:	9,075	676
Gains on sale of fixed assets	4,850	502
Reversal of reserve under the special law:	4,225	173
Reversal of reserve for price fluctuation	4,225	173
Extraordinary losses:	3,588	2,310
Losses on sale of fixed assets	1,901	1,604
Impairment loss on fixed assets	1,687	705
Income before income taxes	14,720	24,225
Income taxes - current	363	1,050
Income taxes - deferred	57,906	4,312
Total income taxes	58,270	5,362
Net income/(loss)	(43,549)	18,862

Solvency Margin Ratio (Non-Consolidated)

(Yen in millions)

	As of March 31, 2012	As of March 31, 2013
(A) Total amount of solvency margin	758,104	965,962
Total net assets	359,526	365,590
Reserve for price fluctuation	1,798	1,624
Contingency reserve	693	693
Catastrophe reserve	281,338	257,920
General bad debts reserve	365	379
Net unrealized gains/(losses) on securities (Prior to tax effect deductions)	57,792	233,054
Net unrealized gains/(losses) on land	4,477	2,719
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	-	50,000
Amount excluded from the margin, out of (a) and (b)	-	-
Deductions	11,673	11,403
Others	63,786	65,383
(B) Total amount of risks	342,539	297,599
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
General insurance risk (R ₁)	101,167	102,694
Third sector insurance risk (R ₂)	-	-
Assumed interest risk (R ₃)	11,032	10,421
Asset management risk (R ₄)	171,111	169,412
Business administration risk (R ₅)	12,160	7,314
Catastrophe risk (R ₆)	122,024	83,193
(C) Solvency margin ratio [(A)/{(B)×1/2}]×100	442.6%	649.1%

Mitsui Direct General Insurance Company, Limited(Non-consolidated)

Non-Consolidated Balance Sheet

(Yen in millions)

Items	As of March 31, 2012	As of March 31, 2013
	Amount	Amount
(Assets)		
Cash, deposits and savings:	3,024	3,541
Deposits in banks	(3,024)	(3,541)
Investments in securities:	34,649	33,674
Government bonds	(10,908)	(9,906)
Municipal bonds	(13,162)	(14,524)
Corporate bonds	(10,577)	(9,242)
Tangible fixed assets:	209	308
Buildings	(43)	(47)
Other tangible fixed assets	(166)	(261)
Intangible fixed assets:	1,458	1,960
Software	(1,453)	(1,957)
Other intangible fixed assets	(4)	(3)
Other assets:	5,812	6,115
Premiums receivable	(0)	(0)
Other receivables	(3,540)	(3,699)
Accrued income	(43)	(40)
Guarantee deposits	(298)	(303)
Suspense payments	(1,927)	(2,069)
Other assets	(2)	(2)
Bad debts reserve	(3)	(3)
Total assets	45,150	45,596
(Liabilities)		
Underwriting funds:	33,182	33,135
Outstanding claims	(13,835)	(13,593)
Underwriting reserves	(19,346)	(19,541)
Other liabilities:	1,054	1,092
Reinsurance business payable	(1)	(2)
Income taxes payable	(109)	(135)
Other payables	(918)	(926)
Suspense receipts	(15)	(16)
Asset retirement obligations	(10)	(12)
Accrued bonuses for employees	224	209
Reserve under the special law:	22	27
Reserve for price fluctuation	(22)	(27)
Deferred tax liabilities	51	51
Total liabilities	34,535	34,516
(Net assets)		
Shareholders' equity:		
Common stock	32,600	32,600
Capital surplus:	2,500	2,500
Additional paid-in capital	(2,500)	(2,500)
Retained earnings:	(24,749)	(24,286)
Other retained earnings:	(24,749)	(24,286)
Retained earnings brought forward	((24,749))	((24,286))
Total shareholders' equity	10,350	10,813
Valuation and translation adjustments:		
Unrealized gains on investments, net of tax	264	267
Total valuation and transaction adjustment	264	267
Total net assets	10,615	11,080
Total liabilities and net assets	45,150	45,596

Non-Consolidated Statements of Income

(Yen in millions)

Items	FY 2011	FY 2012
	Amount	Amount
Ordinary income:	34,596	35,734
Underwriting income:	34,378	35,529
Net premiums written	34,319	35,273
Investment income on deposit premiums from policyholders	13	14
Reversal of outstanding claims	44	241
Investment income:	216	200
Interest and dividends received	200	164
Gains on sale of securities	30	50
Transfer of investment income on deposit premiums from policyholders	(13)	(14)
Other ordinary income	1	4
Ordinary expenses:	34,132	35,207
Underwriting expenses:	27,015	28,107
Net claims paid	24,230	25,309
Loss adjustment expenses	2,321	2,404
Commission and collection expenses	220	198
Provision for underwriting reserves	241	194
Other underwriting expenses	0	0
Investment expenses	-	-
Operating expenses and general and administrative expenses	7,113	7,098
Other ordinary expenses:	4	2
Provision for bad debts reserve	3	-
Other ordinary expenses	1	2
Ordinary profit	463	526
Extraordinary income	-	-
Extraordinary losses:	10	24
Losses on sale of fixed assets	5	19
Provision for reserve under the special law:	4	4
Provision for reserve for price fluctuation	4	4
Income before income taxes	452	502
Income taxes - current	16	39
Income taxes - deferred	(68)	-
Total income taxes	(52)	39
Net income	505	462

Solvency Margin Ratio (Non-Consolidated)

(Yen in millions)

	As of March 31,2012	As of March 31,2013
(A) Total amount of solvency margin	11,820	12,324
Total net assets	10,350	10,813
Reserve for price fluctuation	22	27
Contingency reserve	0	0
Catastrophe reserve	1,099	1,133
General bad debts reserve	1	0
Net unrealized gains/(losses) on securities (Prior to tax effect deductions)	346	349
Net unrealized gains/(losses) on land	-	-
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	-	-
Amount excluded from the margin, out of (a) and (b)	-	-
Deductions	-	-
Others	-	-
(B) Total amount of risks	5,569	5,740
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
General insurance risk (R ₁)	5,065	5,233
Third sector insurance risk (R ₂)	-	-
Assumed interest risk (R ₃)	0	0
Asset management risk (R ₄)	525	511
Business administration risk (R ₅)	176	181
Catastrophe risk (R ₆)	300	300
(C) Solvency margin ratio [(A)/{(B)×1/2}]×100	424.4%	429.4%

Mitsui Sumitomo Aioi Life Insurance Company, Limited(Non-consolidated)

Mitsui Sumitomo Kirameki Life Insurance Co., Ltd. And Aioi Life Insurance Co., Ltd. merged into Mitsui Sumitomo Aioi Life Insurance Co., Ltd on October 1, 2011. The figures as of March 31, 2012 are the simple combination of Mitsui Sumitomo Kirameki Life Insurance Co., Ltd. and Aioi Life Insurance Co., Ltd.

Non-Consolidated Balance Sheet

(Yen in millions)

Items	As of March 31, 2012	As of March 31, 2013
	Amount	Amount
(Assets)		
Cash, deposits and savings:	24,855	23,815
Cash on hand	(0)	(0)
Deposits in banks	(24,855)	(23,814)
Call loans	952	707
Receivables under securiteis borrowing transaction	178,679	224,025
Investments in securities:	1,848,241	2,102,671
Government bonds	(1,202,378)	(1,310,930)
Municipal bonds	(66,835)	(93,959)
Corporate bonds	(534,347)	(635,852)
Stocks	(541)	(869)
Foreign securities	(43,125)	(59,824)
Other investments in securities	(1,013)	(1,235)
Loans:	46,325	47,656
General loans	(46,325)	(47,656)
Tangible fixed assets:	2,692	2,224
Buildings	(230)	(238)
Lease asset	(1,204)	(943)
Other tangible fixed assets	(1,258)	(1,042)
Intangible fixed assets:	3,026	3,297
Software	(3,026)	(2,798)
Other intangible fixed assets	-	498
Due from agents	180	274
Reinsurance business receivable	563	265
Other assets:	30,826	31,428
Other receivables	(23,533)	(24,123)
Prepaid expenses	(668)	(580)
Accrued income	(5,348)	(5,569)
Guarantee deposits	(961)	(970)
Suspense payments	(283)	(159)
Other assets	(31)	(24)
Deferred tax assets	415	-
Bad debts reserve	(96)	(102)
Total assets	2,136,662	2,436,264

Mitsui Sumitomo Aioi Life Insurance Company, Limited(Non-consolidated)

(Yen in millions)

Items	As of March 31, 2012	As of March 31, 2013
	Amount	Amount
(Liabilities)		
Underwriting funds:	1,837,729	2,045,655
Outstanding claims	(18,935)	(19,423)
Underwriting reserves	(1,812,538)	(2,019,481)
Dividends reserves	(6,255)	(6,750)
Agent business payable	4,527	5,854
Reinsurance business payable	215	213
Other liabilities:	187,555	234,383
Payables under securities lending transaction	(179,631)	(224,733)
Income taxes payable	(-)	(315)
Other payables	(202)	(192)
Accrued expenses payable	(4,699)	(5,722)
Advance received	(0)	(0)
Guarantee money	(133)	(131)
Lease obligations	(1,286)	(1,010)
Asset retirement obligations	(140)	(174)
Suspense receipts	(1,461)	(2,102)
Reserve for pension and retirement benefits	1,182	1,437
Reserve for pension and retirement benefits for officers and operating officers	69	59
Reserve under the special law:	2,962	3,406
Reserve for price fluctuation	(2,962)	(3,406)
Deferred tax liabilities	-	13,010
Total liabilities	2,034,241	2,304,020
(Net assets)		
Shareholders' equity:		
Common stock	35,500	35,500
Capital surplus:	43,688	43,688
Additional paid-in capital	(13,214)	(13,214)
Other capital surplus	(30,473)	(30,473)
Retained earnings:	(16,131)	(15,672)
Other retained earnings:	(16,131)	(15,672)
Retained earnings brought forward	((16,131))	((15,672))
Total shareholders' equity	63,056	63,515
Valuation and translation adjustments:		
Unrealized gains on investments, net of tax	39,364	68,727
Total valuation and transaction adjustment	39,364	68,727
Total net assets	102,421	132,243
Total liabilities and net assets	2,136,662	2,436,264

Non-Consolidated Statements of Income

(Yen in millions)

Items	FY 2011	FY 2012
	Amount (Simple Combination)	Amount
Ordinary income:	420,646	465,664
Insurance premiums and others:	385,684	422,189
Insurance premiums	384,790	421,387
Reinsurance income	893	801
Investment income:	33,102	40,427
Interest and dividends received:	32,227	34,238
Interest on deposits	0	0
Interest and dividends on securities	30,738	32,495
Interest on loans	1,374	1,400
Other interest and dividends	114	341
Gains on sale of securities	872	6,177
Gains on redemption of securities	1	11
Other ordinary income:	1,859	3,047
Receipts of annuities with special conditions	275	1,553
Receipts of deferred insurance claims	1,040	1,377
Reversal of outstanding claims	472	-
Other ordinary income	71	116
Ordinary expenses:	418,830	458,205
Insurance claims and others:	162,572	166,917
Insurance claims	43,263	43,551
Annuity payments	6,523	8,581
Benefits	11,958	12,065
Surrender benefits	98,444	99,504
Other refunds	1,239	2,078
Reinsurance premiums	1,141	1,137
Provision for underwriting reserves and others:	177,806	207,433
Provision for outstanding claims	1,158	488
Provision for underwriting reserves	176,645	206,942
Provision of interest portion of reserves for dividends to policyholders	2	2
Investment expenses:	2,156	2,851
Interest paid	123	302
Losses on sale of securities	1,239	2,511
Losses on devaluation of securities	555	-
Losses on redemption of securities	72	-
Foreign exchange losses	139	4
Provision for bad debts reserve	15	6
Other investment expenses	9	26
Operating expenses	69,815	73,563
Other ordinary expenses:	6,480	7,438
Payments of deferred insurance claims	772	835
Taxes	3,276	4,183
Depreciation	2,092	2,161
Provision for retirement benefits	317	255
Other ordinary expenses	20	2
Ordinary profit	1,816	7,459
Extraordinary income:	3	1
Gains on sale of fixed assets	3	1
Extraordinary losses:	10,755	457
Losses on sale of fixed assets	117	13
Provision for reserve under the special law:	447	444
Provision for reserve for price fluctuation	447	444
Other extraordinary losses	10,191	-
Provision for reserve for dividends to policyholders	4,835	5,822
Income/(loss) before income taxes	(13,771)	1,180
Income taxes - current	20	322
Income taxes - deferred	(2,396)	399
Total income taxes	(2,376)	721
Net income/(loss)	(11,395)	458

Results for the Year Ended March 31, 2013**Amount of Policies in Force and New Policies**

(1) Amount of policies in force

(Yen in millions)

	As of March 31, 2012		As of March 31, 2013	
	Number of policies (in thousands)	Amount	Number of policies (in thousands)	Amount
Individual Insurance	2,049	17,359,229	2,262	19,317,482
Individual Annuities	172	703,269	183	757,139
Group Insurance	—	4,996,365	—	5,165,629
Group Annuities	—	477	—	429

- (Notes) 1. The amount in individual annuities is the sum of (a) the funds to be held at the time annuity payments are to commence for an annuity for which payment has not yet commenced, and (b) the amount of policy reserve for an annuity for which payments have commenced.
2. The amount in group annuities indicates the policy reserve.

(2) Amount of new policies

(Yen in millions)

	FY 2011 (Simple Combination)				FY 2012			
	Number of policies (in thousands)	Amount	New policies	Net increase by conversion	Number of policies (in thousands)	Amount	New policies	Net increase by conversion
Individual Insurance	334	3,157,723	3,157,723	-	340	3,617,055	3,617,055	-
Individual Annuities	24	119,353	119,353	-	18	93,511	93,511	-
Group Insurance	—	38,211	38,211	—	—	710,988	710,988	—
Group Annuities	—	0	0	—	—	-	-	—

- (Notes) 1. The amount of individual annuities is the funds to be held at the time annuity payments are to commence.
2. The amount of group annuities represents the first time premium.

Annualized Premiums

(1) Amount of policies in force

(Yen in millions)

	As of March 31, 2012	As of March 31, 2013
Individual Insurance	256,438	277,088
Individual Annuities	39,562	42,614
Total:	296,000	319,703
Medical coverage, living benefits, etc.	51,959	55,196

(2) Amount of new policies

(Yen in millions)

	FY 2011 (Simple Combination)	FY 2012
Individual Insurance	38,613	45,070
Individual Annuities	6,058	5,156
Total:	44,672	50,226
Medical coverage, living benefits, etc.	8,471	6,998

- (Notes) 1. An annualized premium is the annual total of premiums that is obtained by multiplying the amount of a single payment with the number of payments per year in accordance with the premium payment method. An annualized premium for a single-payment policy is the premium divided by the number of years of coverage.
2. "Medical coverage, living benefits, etc." shows the portion of annualized premiums that corresponds to medical coverage benefits (for hospitalization, surgeries, etc.), living benefits (for specified diseases, nursing care, etc.), and premium waiver benefits (excluding those for disability, but including those for specified diseases, nursing care, etc.).

Summary of Non-Consolidated Results of Operations

(Yen in millions)

	FY 2011 (Simple Combination)	FY 2012	Change
Fundamental revenues:	419,773	459,486	39,712
Insurance premiums and others	385,684	422,189	36,504
Fundamental expense	415,664	453,638	37,974
Fundamental profit	4,109	5,847	1,738
Capital gains/(losses)	(782)	3,662	4,445
Non-recurring gains/(losses)	(1,510)	(2,050)	(540)
Ordinary profit	1,816	7,459	5,643
Extraordinary income	3	1	(2)
Extraordinary losses	10,755	457	(10,297)
Provision for reserve for dividends to policyholders	4,835	5,822	986
Total income taxes	(2,376)	721	3,098
Net income/(loss)	(11,395)	458	11,854

Solvency Margin Ratio (Non-Consolidated)

(Yen in millions)

	As of March 31, 2012	As of March 31, 2013
(A) Total amount of solvency margin	223,803	267,498
Total capital	63,056	63,515
Reserve for price fluctuation	2,962	3,406
Contingency reserve	19,754	21,800
General bad debts reserve	37	39
Net unrealized gains/(losses) on securities×90%	51,144	89,295
Net unrealized gains/(losses) on land×85%	-	-
Excess of continued Zillmerized reserve (a)	109,878	121,422
Subordinated debt, etc. (b)	-	-
Amount excluded from the margin, out of (a) and (b)	(23,568)	(32,340)
Brought in capital	-	-
Deductions	-	-
Others	536	359
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	36,904	40,845
Insurance risk (R ₁)	12,655	13,818
Third sector insurance risk (R ₈)	4,229	4,913
Assumed interest risk (R ₂)	2,888	2,922
Asset management risk (R ₃)	28,295	31,567
Minimum guarantee risk (R ₇)	-	-
Business administration risk (R ₄)	1,442	1,596
(C) Solvency margin ratio [(A)/{(B)×1/2}]×100	1,212.8%	1,309.8%

Mitsui Sumitomo Primary Life Insurance Company, Limited(Non-consolidated)

Non-Consolidated Balance Sheet

(Yen in millions)

Items	As of March 31, 2012	As of March 31, 2013
	Amount	Amount
(Assets)		
Cash, deposits and savings:	11,134	37,291
Deposits in banks	(11,134)	(37,291)
Call loans	4,271	30,002
Money trusts	646,932	886,301
Investments in securities:	(2,473,269)	(2,777,814)
Government bonds	(95,803)	(97,765)
Municipal bonds	(-)	(1,014)
Foreign securities	(-)	(31,539)
Other investments in securities	2,377,466	2,647,494
Loans:	689	529
Policy loans	(689)	(529)
Tangible fixed assets:	1,047	1,099
Buildings	(366)	(353)
Lease asset	(646)	(713)
Other tangible fixed assets	(34)	(32)
Intangible fixed assets:	2,181	4,042
Software	(2,034)	(3,929)
Lease asset	(147)	(112)
Reinsurance business receivable	1,174	90
Other assets:	3,501	5,489
Other receivables	(2,856)	(4,260)
Prepaid expenses	(28)	(-)
Accrued income	(76)	(540)
Guarantee deposits	(182)	(100)
Suspense payments	(357)	(587)
Deferred tax assets	10,440	22,914
Total assets	3,154,641	3,765,574
(Liabilities)		
Underwriting funds:	3,075,344	3,645,909
Outstanding claims	(7,978)	(12,942)
Underwriting reserves	(3,067,365)	(3,632,967)
Due to Agents	1,490	2,858
Reinsurance business payable	1,159	1,732
Other liabilities:	14,186	20,045
Income taxes payable	(8,317)	(12,829)
Other payables	(103)	(151)
Accrued expenses	(2,149)	(3,188)
Guarantee money	(617)	(1,041)
Lease obligations	(802)	(839)
Asset retirement obligations	(156)	(123)
Suspense receipts	(2,039)	(1,872)
Reserve under the special law:	1,912	23,743
Reserve for price fluctuation	(1,912)	(23,743)
Total liabilities	3,094,092	3,694,290
(Net assets)		
Shareholders' equity:		
Common stock	41,060	41,060
Capital surplus:	24,735	24,735
Additional paid-in capital	(24,735)	(24,735)
Retained earnings:	(5,609)	4,740
Other retained earnings:	(5,609)	(4,740)
Retained earnings brought forward	((5,609))	((4,740))
Total shareholders' equity	60,185	70,535
Valuation and translation adjustments:		
Unrealized gains on investments, net of tax	363	748
Total valuation and transaction adjustment	363	748
Total net assets	60,549	71,284
Total liabilities and net assets	3,154,641	3,765,574

Non-Consolidated Statements of Income

(Yen in millions)

Items	FY 2011	FY 2012
	Amount	Amount
Ordinary income:	344,227	1,016,638
Insurance premiums and others:	244,879	456,680
Insurance premiums	234,793	449,316
Reinsurance income	10,085	7,363
Investment income:	95,655	557,892
Interest and dividends received:	323	405
Interest on deposits	4	8
Interest and dividends on securities	300	364
Interest on loans	15	14
Other interest and dividends	3	18
Investment gains on money trusts	50,993	183,704
Foreign exchange gains	-	26
Gains on investment in separate accounts	44,338	373,755
Other ordinary income:	3,693	2,066
Receipts of annuities with special conditions	3,652	2,040
Other ordinary income	40	25
Ordinary expenses:	331,202	977,668
Insurance claims and others:	235,567	366,036
Insurance claims	46,439	46,625
Annuity payments	41,180	44,611
Benefits	53,518	73,158
Surrender benefits	70,207	176,167
Other refunds	1,015	960
Reinsurance premiums	23,207	24,514
Provision for underwriting reserves and others:	72,193	570,565
Provision for outstanding claims	1,219	4,963
Provision for underwriting reserves	70,974	565,602
Investment expenses:	858	579
Interest paid	0	0
Foreign exchange losses	497	-
Other investment expenses	360	578
Operating expenses	21,554	38,208
Other ordinary expenses:	1,027	2,278
Taxes	529	1,431
Depreciation	495	720
Other ordinary expenses	3	126
Ordinary profit	13,025	38,969
Extraordinary losses:	656	21,844
Losses on sale of fixed assets	4	12
Provision for reserve under the special law:	651	21,831
Provision for reserve for price fluctuation	651	21,831
Income before income taxes	12,369	17,125
Income taxes - current	8,612	19,421
Income taxes - deferred	(2,236)	(12,645)
Total income taxes	6,375	6,775
Net income	5,993	10,350

Results for the Year Ended March 31, 2013**Amount of Policies in Force and New Policies**

(1) Amount of policies in force

(Yen in millions)

	As of March 31, 2012		As of March 31, 2013	
	Number of policies (in thousands)	Amount	Number of policies (in thousands)	Amount
Individual Insurance	11	122,251	67	465,049
Individual Annuities	434	3,000,286	413	3,196,405
Group Insurance	—	-	—	-
Group Annuities	—	-	—	-

(Note) The amount in individual annuities is the sum of (a) the funds to be held at the time annuity payments are to commence (in the case of an individual variable annuity, insurance premium reserve) for an annuity for which payment has not yet commenced and (b) the amount of policy reserve for an annuity for which payments have commenced.

(2) Amount of new policies

(Yen in millions)

	FY 2011				FY 2012			
	Number of policies (in thousands)	Amount	New policies	Net increase by conversion	Number of policies (in thousands)	Amount	New policies	Net increase by conversion
Individual Insurance	2	13,002	13,002	-	59	316,715	316,715	-
Individual Annuities	40	224,439	224,439	-	20	115,487	115,487	-
Group Insurance	—	-	-	—	—	-	-	—
Group Annuities	—	-	-	—	—	-	-	—

(Note) The amount of individual annuities is the funds to be held at the time annuity payments are to commence (in the case of an individual variable annuity, insurance premium reserve at the time of enrollment).

Annualized Premiums

(1) Amount of policies in force

(Yen in millions)

	As of March 31, 2012	As of March 31, 2013
Individual Insurance	10,110	31,509
Individual Annuities	428,866	402,731
Total:	438,977	434,240
Medical coverage, living benefits, etc.	89	104

(2) Amount of new policies

(Yen in millions)

	FY 2011	FY 2012
Individual Insurance	949	20,382
Individual Annuities	106,281	86,867
Total:	107,230	107,250
Medical coverage, living benefits, etc.	-	-

(Notes) 1. An annualized premium is the annual total of premiums that is obtained by multiplying the amount of a single payment with the number of payments per year in accordance with the premium payment method. An annualized premium for a single-payment policy is the premium divided by the number of years of coverage.

2. "Medical coverage, living benefits, etc." shows the portion of annualized premiums that corresponds to medical coverage benefits (for hospitalization, surgeries, etc.), living benefits (for specified diseases, nursing care, etc.), and premium waiver benefits (excluding those for disability, but including those for specified diseases, nursing care, etc.).

Summary of Non-Consolidated Results of Operations

(Yen in millions)

	FY 2011	FY 2012	Change
Fundamental revenues:	345,714	998,099	652,384
Insurance premiums and others	244,879	456,680	211,801
Fundamental expense	317,703	960,182	642,479
Fundamental profit	28,011	37,916	9,905
Capital gains/(losses)	(1,984)	18,539	20,524
Non-recurring gains/(losses)	(13,001)	(17,486)	(4,485)
Ordinary profit	13,025	38,969	25,944
Extraordinary income	-	-	-
Extraordinary losses	656	21,844	21,187
Provision for reserve for dividends to policyholders	-	-	-
Total income taxes	6,375	6,775	399
Net income	5,993	10,350	4,356

Solvency Margin Ratio (Non-Consolidated)

(Yen in millions)

	As of March 31, 2012	As of March 31, 2013
(A) Total amount of solvency margin	183,140	267,510
Total capital	60,185	70,535
Reserve for price fluctuation	1,912	23,743
Contingency reserve	29,236	46,722
General bad debts reserve	-	-
Net unrealized gains/(losses) on securities×90%	473	973
Net unrealized gains/(losses) on land×85%	-	-
Excess of continued Zillmerized reserve (a)	104,209	123,427
Subordinated debt, etc. (b)	-	-
Amount excluded from the margin, out of (a) and (b)	(12,876)	-
Brought in capital	-	-
Deductions	-	-
Others	-	2,107
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	47,226	60,516
Insurance risk (R ₁)	24	53
Third sector insurance risk (R ₈)	17	16
Assumed interest risk (R ₂)	9,866	15,199
Asset management risk (R ₃)	14,123	22,753
Minimum guarantee risk (R ₇)	21,860	21,375
Business administration risk (R ₄)	1,376	1,187
(C) Solvency margin ratio [(A)/{(B)×1/2}]×100	775.5%	884.0%