

# Explanation for Business Results for the Nine Months Ended December 31, 2012

## 1. Summary of Consolidated Business Results

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

(Yen in 100 millions)

		Nine months ended December 31, 2011	Nine months ended December 31, 2012	Change	Change ratio (%)
<b>Ordinary income and expenses:</b>					
<b>Underwriting income:</b>	(1)	<b>28,495</b>	<b>27,065</b>	<b>(1,430)</b>	<b>(5.0)</b>
Net premiums written	(2)	19,232	19,768	536	2.8
Deposit premiums from policyholders	(3)	1,388	1,294	(93)	(6.7)
Life insurance premiums	(4)	3,128	4,894	1,765	56.4
Reversal of outstanding claims	(5)	-	588	588	-
Reversal of underwriting reserves	(6)	4,219	-	(4,219)	(100.0)
<b>Underwriting expenses:</b>	(7)	<b>24,932</b>	<b>24,774</b>	<b>(158)</b>	<b>(0.6)</b>
Net claims paid	(8)	14,588	13,034	(1,553)	(10.6)
Loss adjustment expenses	(9)	1,002	1,008	6	0.6
Commission and collection expenses	(10)	3,615	3,821	205	5.7
Maturity refunds to policyholders	(11)	2,929	3,072	143	4.9
Life insurance claims	(12)	1,335	1,526	190	14.3
Provision for outstanding claims	(13)	1,373	-	(1,373)	(100.0)
Provision for underwriting reserves	(14)	-	2,270	2,270	-
<b>Investment income:</b>	(15)	<b>1,442</b>	<b>3,731</b>	<b>2,288</b>	<b>158.6</b>
Interest and dividends received	(16)	1,523	1,484	(39)	(2.6)
Investment gains on money trusts	(17)	1	974	972	52,689.9
Gains on sale of securities	(18)	343	421	78	22.8
Gains on derivative transactions	(19)	19	32	13	69.4
Gains on investment in separate accounts	(20)	-	1,215	1,215	-
<b>Investment expenses:</b>	(21)	<b>2,812</b>	<b>782</b>	<b>(2,029)</b>	<b>(72.2)</b>
Investment losses on money trusts	(22)	28	0	(28)	(98.7)
Losses on sale of securities	(23)	160	76	(83)	(51.9)
Losses on devaluation of securities	(24)	750	613	(137)	(18.3)
Losses on investment in separate accounts	(25)	1,692	-	(1,692)	(100.0)
<b>Operating expenses and general and administrative expenses</b>	(26)	<b>3,801</b>	<b>3,718</b>	<b>(82)</b>	<b>(2.2)</b>
<b>Other ordinary income and expenses:</b>	(27)	<b>20</b>	<b>(67)</b>	<b>(87)</b>	<b>(435.5)</b>
Equity in earnings of affiliates	(28)	0	(26)	(27)	(3,093.1)
<b>Deferred expenses under Article 113 of the Insurance Business Act</b>	(29)	<b>(5)</b>	<b>(4)</b>	<b>0</b>	<b>-</b>
<b>Ordinary profit</b>	(30)	<b>(1,582)</b>	<b>1,458</b>	<b>3,040</b>	<b>-</b>
<b>Extraordinary income and losses:</b>					
<b>Extraordinary income</b>	(31)	<b>113</b>	<b>14</b>	<b>(98)</b>	<b>(86.9)</b>
<b>Extraordinary losses</b>	(32)	<b>160</b>	<b>34</b>	<b>(125)</b>	<b>(78.2)</b>
<b>Extraordinary income and losses</b>	(33)	<b>(46)</b>	<b>(20)</b>	<b>26</b>	<b>-</b>
<b>Income before income taxes</b>	(34)	<b>(1,628)</b>	<b>1,438</b>	<b>3,067</b>	<b>-</b>
<b>Income taxes</b>	(35)	<b>389</b>	<b>483</b>	<b>93</b>	<b>24.1</b>
<b>Income before minority interests</b>	(36)	<b>(2,017)</b>	<b>955</b>	<b>2,973</b>	<b>-</b>
<b>Minority interests</b>	(37)	<b>12</b>	<b>11</b>	<b>(0)</b>	<b>(0.2)</b>
<b>Net income</b>	(38)	<b>(2,029)</b>	<b>943</b>	<b>2,973</b>	<b>-</b>

(Notes)

- 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.
- For the Nine months ended December 31, 2012, Net claims paid( ) includes losses due to the floods in Thailand in the amount of 61.5 billion yen.

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

(Yen in 100 millions)

		Nine months ended December 31, 2011	Nine months ended December 31, 2012	Change	Change ratio (%)
Net premiums written <small>Note 1</small>	①	19,232	19,768	536	2.8
Mitsui Sumitomo Insurance <small>Note 1</small>	②	9,470	9,801	331	3.5
Aioi Nissay Dowa Insurance	③	8,082	8,295	212	2.6
Mitsui Direct General Insurance	④	250	257	7	2.8
Overseas insurance subsidiaries	⑤	1,430	1,412	(17)	(1.2)
Ordinary profit	⑥	(1,582)	1,458	3,040	-
Mitsui Sumitomo Insurance	⑦	(1,330)	851	2,182	-
Aioi Nissay Dowa Insurance	⑧	43	274	230	534.3
Net income	⑨	(2,029)	943	2,973	-
Mitsui Sumitomo Insurance	⑩	(1,166)	605	1,771	-
Aioi Nissay Dowa Insurance	⑪	(510)	147	658	-
Mitsui Direct General Insurance	⑫	3	4	1	61.8
Mitsui Sumitomo Aioi Life Insurance <small>Note 2</small>	⑬	(102)	20	122	-
Mitsui Sumitomo Primary Life Insurance	⑭	81	185	104	128.2
Overseas insurance subsidiaries	⑮	(71)	118	189	-
Others	⑯	1	0	(1)	(69.3)
Consolidation adjustment / Holding Company	⑰	(265)	(138)	127	-

(Notes)

- 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.
- 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 Nine months ended December 31, 2011 of Mitsui Sumitomo Aioi Life Insurance Co., Ltd. is the simple combination of Mitsui Sumitomo Kirameki Life Insurance Co., Ltd. and Aioi Life Insurance Co., Ltd.
- Figures in 10 through 16 are prior to consolidation adjustments (the Company's share of the subsidiaries' profits or losses).

## (3) Breakdown of Overseas Insurance Subsidiaries

(Yen in 100 millions)

		Nine months ended December 31, 2011	Nine months ended December 31, 2012	Change	Change ratio (%)
Net premiums written	①	1,430	1,412	(17)	(1.2)
Asia	②	669	690	21	3.2
Europe	③	383	374	(9)	(2.4)
Americas	④	223	207	(16)	(7.3)
Reinsurance	⑤	153	140	(13)	(8.6)
Net income	⑥	(71)	118	189	-
Asia	⑦	76	64	(12)	(16.6)
Europe	⑧	(89)	6	95	-
Americas	⑨	8	5	(2)	(32.9)
Reinsurance	⑩	(67)	41	109	-

**(4) Status of Domestic Life Insurance Subsidiaries**

(Yen in 100 millions)

		Nine months ended December 31, 2011	<b>Nine months ended December 31, 2012</b>	<b>Change</b>	<b>Change ratio (%)</b>	Year ended March 31, 2012
Amount of new policies				From the year-earlier period	From the year-earlier period	
Mitsui Sumitomo Aioi Life Insurance	①	23,714	<b>26,370</b>	<b>2,656</b>	<b>11.2</b>	32,770
Mitsui Sumitomo Primary Life Insurance	②	1,720	<b>3,316</b>	<b>1,595</b>	<b>92.8</b>	2,374
Amount of policies in force				From the previous year	From the previous year	
Mitsui Sumitomo Aioi Life Insurance	③	175,805	<b>194,098</b>	<b>13,473</b>	<b>7.5</b>	180,624
Mitsui Sumitomo Primary Life Insurance	④	28,852	<b>34,228</b>	<b>3,003</b>	<b>9.6</b>	31,225
Annualized premiums for policies in force				From the previous year	From the previous year	
Mitsui Sumitomo Aioi Life Insurance	⑤	2,906	<b>3,075</b>	<b>128</b>	<b>4.4</b>	2,947
Mitsui Sumitomo Primary Life Insurance	⑥	4,322	<b>4,493</b>	<b>103</b>	<b>2.4</b>	4,389

(Notes)

1. 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. Amount of new policies for the Year ended March 31, 2012 and for the Nine months ended December 31, 2011 of Mitsui Sumitomo Aioi Life Insurance Co., Ltd. are the simple combination of Mitsui Sumitomo Kirameki Life Insurance Co., Ltd. and Aioi Life Insurance Co., Ltd.

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

Figures below are presented exclusive of the GRR 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 )

		Nine months ended December 31, 2011	Nine months ended December 31, 2012	Change	Change ratio
( + ) Net premiums written	①	9,470	9,801	331	3.5
( - ) Net claims paid	②	7,302	6,620	(682)	(9.3)
( - ) Loss adjustment expenses	③	553	563	9	1.7
( - ) Commissions and collection expenses	④	1,661	1,712	51	3.1
( - ) Operating expenses and general administrative expenses for underwriting	⑤	1,473	1,452	(20)	(1.4)
Underwriting balance	⑥	(1,520)	(547)	973	-
( - ) Outstanding claims provision	⑦	1,363	(490)	(1,854)	(136.0)
( - ) Ordinary underwriting reserve	⑧	(876)	(11)	864	-
( - ) Catastrophe reserve provision	⑨	(395)	(552)	(156)	-
( + ) Other	⑩	(38)	84	122	-
Underwriting profit(losses)	⑪	(1,650)	591	2,242	-
( + ) Interest and dividends received	⑫	816	777	(39)	(4.8)
( - ) Transfer of investment income on deposit premium	⑬	359	333	(25)	(7.2)
Net interest and dividend income -	⑭	457	443	(13)	(2.9)
( + ) Net gains on sale of securities	⑮	123	256	132	107.3
( - ) Losses on devaluation of securities	⑯	157	348	191	121.9
( + ) Gains on derivative transactions	⑰	35	66	31	88.5
( + ) Other	⑱	(189)	(92)	97	-
Total investment income	⑲	269	326	56	20.9
( + ) Other ordinary expenses	⑳	50	(66)	(116)	(232.2)
Ordinary profit(losses)	㉑	(1,330)	851	2,182	-
( + ) Extraordinary income(losses)	㉒	3	1	(1)	(52.0)
Reserve for price fluctuation	㉓	32	7	(24)	(76.5)
Income(losses) before income taxes	㉔	(1,326)	853	2,180	-
( - ) Total income taxes	㉕	(160)	248	409	-
Net income(losses)	㉖	(1,166)	605	1,771	-

Ratios	Net loss ratio	㉗	83.0 %	73.3 %	(9.7) %
	Net expense ratio	㉘	33.1 %	32.3 %	(0.8) %
	Combined ratio	㉙	116.1 %	105.6 %	(10.5) %

(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

### (Reference) Excluding Compulsory Automobile Liability Insurance

	Net premiums written	⑳	8,391	8,620	229	2.7
Ratios	Net loss ratio	㉑	80.3 %	70.3 %	(10.0) %	
	Net expense ratio	㉒	34.5 %	34.0 %	(0.5) %	
	Combined ratio	㉓	114.8 %	104.3 %	(10.5) %	

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

	Net loss ratio	㉔	70.8 %	70.4 %	(0.4) %
--	----------------	---	--------	--------	---------

## (2) Net premiums written

(Yen in 100 millions)

	Net premiums written				Direct premiums written (excluding deposit premiums)			
	Nine months ended December 31, 2011		Nine months ended December 31, 2012		Nine months ended December 31, 2011		Nine months ended December 31, 2012	
	Amount	Change ratio	Amount	Change ratio	Amount	Change ratio	Amount	Change ratio
		%		%		%		%
Fire and allied	1,338	2.0	1,335	(0.2)	1,739	7.0	1,878	8.0
Marine	398	(2.8)	400	0.4	514	(0.8)	522	1.6
Personal accident	1,030	4.5	1,058	2.7	1,078	4.5	1,108	2.7
Voluntary automobile	4,276	2.6	4,433	3.7	4,285	2.8	4,452	3.9
Compulsory automobile liability	1,078	5.4	1,180	9.4	1,082	10.6	1,134	4.8
Other	1,347	1.4	1,393	3.4	1,443	1.5	1,508	4.5
Total	9,470	2.6	9,801	3.5	10,144	4.1	10,604	4.5

## (3) Net claims paid

(Yen in 100 millions)

	Nine months ended December 31, 2011			Nine months ended December 31, 2012			
	Amount	Change ratio	Net loss ratio	Amount	Change ratio	Net loss ratio	Change ratio
		%	%		%	%	%
Fire and allied	2,017	300.3	152.3	1,449	(28.2)	111.0	(41.3)
Marine	231	19.3	61.0	201	(12.8)	53.9	(7.1)
Personal accident	567	1.1	61.4	572	0.9	60.4	(1.0)
Voluntary automobile	2,787	0.5	72.9	2,706	(2.9)	68.2	(4.7)
Compulsory automobile liability	1,037	1.3	103.8	1,030	(0.6)	95.2	(8.6)
Other	660	(4.9)	52.4	659	(0.2)	50.3	(2.1)
Total	7,302	26.9	83.0	6,620	(9.3)	73.3	(9.7)

(Note)1. Net claims paid during Nine months ended December 31, 2011 include 100.0 billion yen paid for claims by the Great East Japan Earthquake (81.3 billion yen for Residential earthquake insurance and 18.7 billion yen for others).

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

## (Reference) Natural disasters during the year

(Yen in 100 millions)

	Nine months ended December 31, 2011			Nine months ended December 31, 2012		
	Incurred loss	Net claims paid	Outstanding claims	Incurred loss	Net claims paid	Outstanding claims
Fire and allied	235	181	54	239	210	29
Voluntary automobile	34	33	0	33	31	1
Other	24	13	10	23	12	11
Total	294	228	65	296	254	42

(Note) 1. The above figures are related to the natural disaster occurred in Japan during the fiscal year.

Net claims paid including claims related natural disasters occurred in Japan in previous years are the below: (unit:100 millions yen)

233 (Fire:184, Voluntary Auto:33, Other:15) during Nine months ended December 31, 2011

291 (Fire:241, Voluntary Auto:32, Other:17) during Nine months ended December 31, 2012

2. The above figures do not include the amount arising out of the Great East Japan Earthquake.

## (Reference) Natural disasters of flooding in Thailand

(Yen in 100 millions)

	Year ended March 31, 2012			Nine months ended December 31, 2012		
	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	(89)	517	(606)

(Note) 1. Outstanding claims for Nine months ended December 31, 2012 indicates increase/decrease in outstanding claims.

2. Incurred loss for Nine months ended December 31, 2012 includes changes with revaluation of foreign exchange.

## (4) Company expenses

&lt; Corporate expenses &gt;

(Yen in 100 millions)

		Nine months ended December 31, 2011			Nine months ended December 31, 2012		
		Amount	Change	Change ratio	Amount	Change	Change ratio
				%			%
Personnel expenses	①	1,191	(0)	(0.1)	1,176	(14)	(1.2)
Non personnel	②	812	(0)	(0.0)	812	(0)	(0.0)
Taxes and contributions	③	95	(6)	(6.1)	93	(1)	(1.8)
Total	④	2,099	(7)	(0.3)	2,083	(16)	(0.8)

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

&lt; Expenses for underwriting &gt;

(Yen in 100 millions)

		Nine months ended December 31, 2011			Nine months ended December 31, 2012		
		Amount	Change	Change ratio	Amount	Change	Change ratio
				%			%
Operating expenses and general administrative expenses	⑤	1,473	(9)	(0.6)	1,452	(20)	(1.4)
Commission and collection expenses	⑥	1,661	50	3.1	1,712	51	3.1
Total	⑦	3,134	41	1.3	3,164	30	1.0
Net company expense ratio	⑧	33.1 %	(0.4) %		32.3 %	(0.8) %	

( Mitsui Sumitomo Insurance Co., Ltd. )

(5) Catastrophe reserve

( Yen in 100 millions )

	As of March 31, 2012		As of December 31, 2012			
	Balance	Reserve ratio	Reversal	Provision	Balance	Reserve ratio
Fire and allied	1,343	74.5 %	663	120	800	45.2 %
Marine	647	122.1	-	15	662	124.1
Personal accident	665	47.8	55	32	643	45.6
Voluntary automobile	182	3.2	182	142	142	2.4
Other	1,346	76.0	25	64	1,384	74.5
<b>Total</b>	<b>4,185</b>	<b>37.3</b>	<b>927</b>	<b>375</b>	<b>3,633</b>	<b>31.6</b>

(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

Note that the reserve ratio for the third quarter are calculated after the net premiums written for the period are multiplied by 4/3.

(6) Balance of invested asset

( Yen in 100 millions )

	As of March 31, 2012	As of December 31, 2012	Change
Cash deposits and savings	4,538	4,219	(319)
Securities	37,842	37,781	(60)
Domestic bonds	16,002	16,494	492
Domestic equity	14,176	13,735	(441)
Foreign securities	7,294	7,277	(16)
Others	370	275	(95)
Loan investments	6,243	5,823	(420)
Lands and buildings	2,340	2,248	(92)
<b>Total</b>	<b>50,965</b>	<b>50,072</b>	<b>(892)</b>

( Reference )

Long-term assets	17,481	16,526	(955)
------------------	--------	--------	-------

(7) Breakdown of interest and dividends

( Yen in 100 millions )

	Nine months ended December 31, 2011	Nine month ended December 31, 2012	Change
Securities	648	620	(27)
Domestic bonds	212	196	(16)
Domestic equity	290	292	2
Foreign securities	133	113	(19)
Others	12	18	6
Loan investments	88	76	(12)
Lands and buildings	44	40	(4)
Other	34	39	5
<b>Total</b>	<b>816</b>	<b>777</b>	<b>(39)</b>

## (8) Securities

## Unrealized gains and losses on securities

(Yen in 100 millions)

As of December 31, 2012	Acquisition cost	Fair value	Difference	Change from
				March 31, 2012
Domestic bonds	15,897	16,494	597	26
Domestic equity	6,867	13,027	6,160	107
Foreign securities	2,330	2,441	111	100
Others	1,494	1,546	51	2
Total	26,589	33,510	6,921	236

(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 are about marketable securities of "Other securities (available for sale)".

2. Others include certificate of deposit represented as cash deposits and savings in the consolidated balance sheets.

Others also include beneficiary claims on loan trusts and commercial papers represented as monetary claims bought in the consolidated balance sheets.

## Gains and losses on sale of securities

(Yen in 100 millions)

	Nine months ended December 31, 2011 Gains and losses	Nine months ended December 31, 2012		
		Gains and losses	Gains	Losses
Domestic bonds	29	15	21	5
Domestic equity	165	241	251	9
Foreign securities	(71)	(0)	1	2
Others	0	-	-	-
Total	123	256	274	18

## Losses on devaluation of securities

(Yen in 100 millions)

	Nine months ended December 31, 2011	Nine months ended December 31, 2012	Change
Domestic bonds	25	0	(24)
Domestic equity	121	346	224
Foreign securities	10	1	(9)
Others	-	0	0
Total	157	348	191

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

#### (1) Profit and loss status

( Yen in 100 millions )

		Nine months ended December 31, 2011	Nine months ended December 31, 2012	Change	Change ratio
( + ) Net premiums written	①	8,082	8,295	212	2.6
( - ) Net claims paid	②	6,201	5,478	(722)	(11.7)
( - ) Loss adjustment expenses	③	395	387	(7)	(2.0)
( - ) Commissions and collection expenses	④	1,438	1,480	41	2.9
( - ) Operating expenses and general administrative expenses for underwriting	⑤	1,412	1,328	(84)	(6.0)
Underwriting balance	⑥	(1,365)	(380)	985	-
( - ) Outstanding claims provision	⑦	(50)	(127)	(76)	-
( - ) Ordinary underwriting reserve	⑧	(978)	(145)	832	-
( - ) Catastrophe reserve provision	⑨	(335)	(279)	55	-
( + ) Other	⑩	(73)	52	126	-
Underwriting profit(losses)	⑪	(75)	224	300	-
( + ) Interest and dividends received	⑫	452	450	(1)	(0.3)
( - ) Transfer of investment income on deposit premium	⑬	168	153	(14)	(8.8)
Net interest and dividend income	⑭	283	297	13	4.8
( + ) Net gains on sale of securities	⑮	82	70	(11)	(14.3)
( - ) Losses on devaluation of securities	⑯	224	163	(60)	(27.0)
( + ) Losses on derivative transactions	⑰	(16)	(18)	(1)	-
( + ) Other	⑱	(88)	(128)	(40)	-
Total investment income	⑲	36	56	20	57.3
( + ) Other ordinary expenses	⑳	82	(7)	(89)	(109.1)
Ordinary profit	㉑	43	274	230	534.3
( + ) Extraordinary income(losses)	㉒	28	(11)	(40)	(140.5)
Reserve for price fluctuation	㉓	46	4	(41)	(89.5)
Income before income taxes	㉔	71	262	190	266.3
( - ) Total income taxes	㉕	582	114	(467)	(80.2)
Net income(losses)	㉖	(510)	147	658	-

Ratios	Net loss ratio	㉗	81.6 %	70.7 %	(10.9) %
	Net expense ratio	㉘	35.3 %	33.9 %	(1.4) %
	Combined ratio	㉙	116.9 %	104.6 %	(12.3) %

(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

#### (Reference) Excluding Compulsory Automobile Liability Insurance

	Net premiums written	⑳	7,008	7,147	139	2.0
Ratios	Net loss ratio	㉑	79.1 %	67.3 %	(11.8) %	
	Net expense ratio	㉒	36.4 %	35.4 %	(1.0) %	
	Combined ratio	㉓	115.5 %	102.7 %	(12.8) %	

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

	Net loss ratio	㉔	70.0 %	67.3 %	(2.7) %
--	----------------	---	--------	--------	---------



## (2) Net premiums written

(Yen in 100 millions)

	Net premiums written				Direct premiums written (excluding deposit premiums)			
	Nine months ended December 31, 2011		Nine months ended December 31, 2012		Nine months ended December 31, 2011		Nine months ended December 31, 2012	
	Amount	Change ratio %	Amount	Change ratio %	Amount	Change ratio %	Amount	Change ratio %
Fire and allied	892	(14.8)	935	4.8	1,328	2.3	1,425	7.3
Marine	64	1.6	70	9.1	70	(5.4)	71	1.7
Personal accident	555	0.1	553	(0.4)	586	0.9	582	(0.8)
Voluntary automobile	4,746	(1.2)	4,839	2.0	4,650	(0.4)	4,749	2.1
Compulsory automobile liability	1,074	2.7	1,147	6.8	1,201	7.8	1,228	2.3
Other	748	(3.6)	749	0.0	1,013	(2.2)	968	(4.4)
Total	8,082	(2.5)	8,295	2.6	8,850	0.9	9,026	2.0

(Note) 1. Change ratio for Nine months ended December 31, 2011 is computed in comparison with the simple sum of results for the prior year 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)

	Nine months ended December 31, 2011			Nine months ended December 31, 2012			
	Amount	Change ratio %	Net loss ratio %	Amount	Change ratio %	Net loss ratio %	Change ratio %
Fire and allied	1,381	250.3	157.0	772	(44.1)	85.0	(72.0)
Marine	34	(9.7)	56.6	37	8.2	55.5	(1.1)
Personal accident	270	(2.4)	52.5	263	(2.5)	50.9	(1.6)
Voluntary automobile	3,051	0.3	69.5	2,986	(2.1)	66.6	(2.9)
Compulsory automobile liability	973	1.7	97.9	972	(0.1)	92.1	(5.8)
Other	489	(0.9)	68.8	445	(8.9)	62.4	(6.4)
Total	6,201	19.2	81.6	5,478	(11.7)	70.7	(10.9)

(Note) 1. Net claims paid during Nine months ended December 31, 2011 include 77.3 billion yen paid for claims by the Great East Japan Earthquake (64.6 billion yen for Residential earthquake insurance and 12.6 billion yen for others).  
2. Net loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100

## (Reference) Natural disasters during the year

(Yen in 100 millions)

	Nine months ended December 31, 2011			Nine months ended December 31, 2012		
	Incurred loss	Net claims paid	Outstanding claims	Incurred loss	Net claims paid	Outstanding claims
Fire and allied	162	139	22	177	160	16
Voluntary automobile	25	25	0	34	33	1
Other	7	4	2	7	5	1
Total	195	169	26	219	199	19

(Note) 1. The above figures are related to the natural disaster occurred in Japan during the fiscal year.  
Net claims paid including claims related natural disasters occurred in Japan in previous years are the below: (unit: 100 millions yen)  
178 (Fire: 147, Voluntary Auto: 25, Other: 5) during Nine months ended December 31, 2011  
216 (Fire: 175, Voluntary Auto: 33, Other: 7) during Nine months ended December 31, 2012  
2. The above figures do not include the amount arising out of the Great East Japan Earthquake.

## (Reference) Natural disasters of flooding in Thailand

(Yen in 100 millions)

	Year ended March 31, 2012			Nine months ended December 31, 2012		
	Incurred loss	Net claims paid	Outstanding claims	Incurred loss	Net claims paid	Outstanding claims
Incurred loss caused by flooding in Thailand	300	83	217	(23)	61	(84)

(Note) 1. Outstanding claims for Nine months ended December 31, 2012 indicates increase/decrease in outstanding claims.  
2. Incurred loss for Nine months ended December 31, 2012 includes changes with revaluation of foreign exchange.

## (4) Company expenses

&lt; Corporate expenses &gt;

(Yen in 100 millions)

		Nine months ended December 31, 2011			Nine months ended December 31, 2012		
		Amount	Change	Change ratio %	Amount	Change	Change ratio %
Personnel expenses	①	957	(58)	(5.7)	909	(48)	(5.0)
Non personnel	②	826	(24)	(2.9)	779	(47)	(5.8)
Taxes and contributions	③	86	(7)	(8.3)	82	(3)	(4.0)
Total	④	1,870	(90)	(4.6)	1,771	(99)	(5.3)

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

&lt; Expenses for underwriting &gt;

(Yen in 100 millions)

		Nine months ended December 31, 2011			Nine months ended December 31, 2012		
		Amount	Change	Change ratio %	Amount	Change	Change ratio %
Operating expenses and general administrative expenses	⑤	1,412	(49)	(3.4)	1,328	(84)	(6.0)
Commission and collection expenses	⑥	1,438	(48)	(3.3)	1,480	41	2.9
Total	⑦	2,851	(98)	(3.3)	2,809	(42)	(1.5)
Net company expense ratio	⑧	35.3 %	(0.3) %		33.9 %	(1.4) %	

( Aioi Nissay Dowa Insurance Co., Ltd. )

(5) Catastrophe reserve

( Yen in 100 millions )

	As of March 31, 2012		As of December 31, 2012			
	Balance	Reserve ratio	Reversal	Provision	Balance	Reserve ratio
Fire and allied	1,349	114.4 %	302	56	1,103	89.0 %
Marine	129	149.1	0	2	132	140.4
Personal accident	543	74.9	-	17	561	76.1
Voluntary automobile	203	3.2	203	156	156	2.4
Other	514	53.1	39	33	508	51.0
<b>Total</b>	<b>2,741</b>	<b>29.5</b>	<b>545</b>	<b>265</b>	<b>2,461</b>	<b>25.8</b>

(Note) Reserve ratio = (Balance of catastrophe reserve / (net premiums written (excluding Residential earthquake Insurance and CALI) ) ) × 100  
 Note that the reserve ratio for the third quarter is calculated after the net premiums written for the period are multiplied by 4/3.

(6) Balance of invested asset

( Yen in 100 millions )

	As of March 31, 2012	As of December 31, 2012	Change
Cash deposits and savings	1,479	962	(516)
Securities	20,666	21,308	641
Domestic bonds	7,468	8,148	679
Domestic equity	6,022	5,714	(308)
Foreign securities	6,379	6,693	314
Others	795	751	(44)
Loan investments	2,745	2,534	(210)
Lands and buildings	1,828	1,764	(64)
<b>Total</b>	<b>26,720</b>	<b>26,570</b>	<b>(149)</b>

( Reference )

Long-term assets	6,651	6,224	(427)
------------------	-------	-------	-------

(7) Breakdown of interest and dividends

( Yen in 100 millions )

	Nine months ended December 31, 2011	Nine months ended December 31, 2012	Change
Securities	363	377	13
Domestic bonds	75	69	(6)
Domestic equity	134	139	5
Foreign securities	142	149	7
Others	11	19	7
Loan investments	41	33	(8)
Lands and buildings	39	36	(3)
Other	6	3	(3)
<b>Total</b>	<b>452</b>	<b>450</b>	<b>(1)</b>

## ( 8 ) Securities

## Unrealized gains and losses on securities

( Yen in 100 millions )

As of December 31, 2012	Acquisition cost	Fair value	Difference	Change from March 31, 2012
Domestic bonds	7,931	8,148	217	19
Domestic equity	4,492	5,406	913	67
Foreign securities	6,266	6,255	(11)	335
Others	672	625	(46)	10
Total	19,363	20,435	1,072	433

( 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 are about marketable securities of "Other securities (available for sale)".

2. "Others" includes beneficiary claims on loan trusts represented as monetary claims bought in the balance sheets.

## Gains and losses on sale of securities

( Yen in 100 millions )

	Nine months ended December 31, 2011 Gains and losses	Nine months ended December 31, 2012		
		Gains and losses	Gains	Losses
Domestic bonds	50	31	32	0
Domestic equity	31	22	37	14
Foreign securities	9	17	38	20
Others	(8)	-	-	-
Total	82	70	107	36

## Losses on devaluation of securities

( Yen in 100 millions )

	Nine months ended December 31, 2011	Nine months ended December 31, 2012	
			Change
Domestic bonds	7	-	(7)
Domestic equity	193	156	(36)
Foreign securities	15	7	(8)
Others	8	-	(8)
Total	224	163	(60)

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

Consolidated

(Yen in millions)

Lines of Insurance	Nine months ended December 31, 2011			Nine months ended December 31, 2012		
	Amount	Share %	Change %	Amount	Share %	Change %
Fire and Allied	384,725	17.2	4.0	408,912	17.8	6.3
Marine	80,852	3.6	2.5	81,453	3.6	0.7
Personal Accident	277,985	12.5	(3.1)	271,387	11.8	(2.4)
Voluntary Automobile	969,159	43.4	0.8	996,801	43.5	2.9
Compulsory Automobile Liability	228,367	10.2	9.1	236,360	10.3	3.5
Other	293,240	13.1	1.6	298,324	13.0	1.7
<b>Total</b>	<b>2,234,330</b>	<b>100.0</b>	<b>1.8</b>	<b>2,293,239</b>	<b>100.0</b>	<b>2.6</b>
Deposit premiums from policyholders	138,800	6.2	(14.1)	129,456	5.6	(6.7)

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

Voluntary Automobile	971,613		1.2	997,395		2.7
<b>Total</b>	<b>2,236,784</b>		<b>2.0</b>	<b>2,293,833</b>		<b>2.6</b>

**Net Premiums Written by Lines of Insurance**

(Yen in millions)

Lines of Insurance	Nine months ended December 31, 2011			Nine months ended December 31, 2012		
	Amount	Share %	Change %	Amount	Share %	Change %
Fire and Allied	253,577	13.2	(4.6)	258,579	13.1	2.0
Marine	66,787	3.5	(1.6)	65,469	3.3	(2.0)
Personal Accident	164,559	8.6	3.5	167,274	8.5	1.6
Voluntary Automobile	975,476	50.8	0.5	1,002,753	50.7	2.8
Compulsory Automobile Liability	215,625	11.2	4.0	233,101	11.8	8.1
Other	244,749	12.7	(1.3)	249,120	12.6	1.8
<b>Total</b>	<b>1,920,775</b>	<b>100.0</b>	<b>0.1</b>	<b>1,976,298</b>	<b>100.0</b>	<b>2.9</b>

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

Voluntary Automobile	977,929		0.9	1,003,347		2.6
<b>Total</b>	<b>1,923,229</b>		<b>0.3</b>	<b>1,976,892</b>		<b>2.8</b>

**Net Claims Paid by Lines of Insurance**

(Yen in millions)

Lines of Insurance	Nine months ended December 31, 2011			Nine months ended December 31, 2012		
	Amount	Share %	Change %	Amount	Share %	Change %
Fire and Allied	351,532	24.1	244.9	237,738	18.2	(32.4)
Marine	35,261	2.4	16.8	31,382	2.4	(11.0)
Personal Accident	85,730	5.9	0.1	85,546	6.6	(0.2)
Voluntary Automobile	633,352	43.4	0.9	619,138	47.5	(2.2)
Compulsory Automobile Liability	201,380	13.8	1.6	200,649	15.4	(0.4)
Other	151,552	10.4	2.5	128,998	9.9	(14.9)
<b>Total</b>	<b>1,458,810</b>	<b>100.0</b>	<b>22.4</b>	<b>1,303,454</b>	<b>100.0</b>	<b>(10.6)</b>

(Note) Any figures are amounts after the off-set of intersegment transactions.

## Securities available for sale

(Yen in millions )

Items	As of March 31, 2012			As of December 31, 2012		
	Acquisition cost	Fair value	Difference	Acquisition cost	Fair value	Difference
Domestic Bonds	3,558,858	3,681,974	123,116	3,716,062	3,850,952	134,889
Domestic Stocks	1,325,292	1,917,345	592,053	1,225,649	1,844,072	618,422
Foreign Securities	1,232,832	1,239,740	6,907	1,197,472	1,250,952	53,480
Others	189,801	189,862	61	217,829	219,088	1,258
Total	6,306,785	7,028,923	722,137	6,357,014	7,165,066	808,051

As of March 31, 2012	As of December 31, 2012
<p>1. Securities (available for sale) for which are deemed to be extremely difficult to determine the fair value are not included in the above table.</p> <p>2. "Others" includes certificates of deposit represented as Cash, deposits and savings, commercial papers and beneficiary claims on loan trusts etc. represented as Monetary claims bought in the consolidated balance sheets.</p> <p>3. Impairment losses of securities (available for sale) with fair value amount to 26,109 million yen; 1,455 million yen for domestic bonds, 23,466 million yen for domestic stocks, 1,187 million yen for foreign securities.</p> <p>The Company and its domestic consolidated subsidiaries in principle recognize impairment losses on securities if the fair value is declined by more than 30% of their cost or amortized cost.</p>	<p>1. Securities (available for sale) for which are deemed to be extremely difficult to determine the fair value are not included in the above table.</p> <p>2. "Others" includes certificates of deposit represented as Cash, deposits and savings, commercial papers and beneficiary claims on loan trusts etc. represented as Monetary claims bought in the consolidated balance sheets.</p> <p>3. Impairment losses of securities (available for sale) with fair value amount to 57,268 million yen; 582 million yen for domestic bonds, 54,843 million yen for domestic stocks, 1,842 million yen for foreign securities.</p> <p>The Company and its domestic consolidated subsidiaries in principle recognize impairment losses on securities if the fair value is declined by more than 30% of their cost or amortized cost.</p>

**Non-Consolidated Statements of Income**

(Yen in millions)

Items	Nine months ended December 31, 2011	Nine months ended December 31, 2012
	Amount	Amount
<b>Ordinary income:</b>	<b>1,353,523</b>	<b>1,395,434</b>
<b>Underwriting income:</b>	<b>1,278,125</b>	<b>1,313,256</b>
Net premiums written	944,565	979,529
Deposit premiums from policyholders	100,813	94,669
Investment income on deposit premiums from policyholders	35,939	33,354
Reversal of outstanding claims	-	49,086
Reversal of underwriting reserves	196,731	152,505
<b>Investment income:</b>	<b>73,281</b>	<b>80,199</b>
Interest and dividends received	81,649	77,730
Investment gains on money trusts	130	54
Gains on sale of securities	22,948	27,456
Gains on derivative transactions	3,551	6,693
Transfer of investment income on deposit premiums from policyholders	(35,939)	(33,354)
<b>Other ordinary income</b>	<b>2,116</b>	<b>1,978</b>
<b>Ordinary expenses:</b>	<b>1,486,562</b>	<b>1,310,240</b>
<b>Underwriting expenses:</b>	<b>1,288,807</b>	<b>1,109,818</b>
Net claims paid	730,251	662,013
Loss adjustment expenses	55,396	56,335
Commission and collection expenses	166,121	171,223
Maturity refunds to policyholders	198,136	219,108
Provision for outstanding claims	136,339	-
<b>Investment expenses:</b>	<b>40,752</b>	<b>42,422</b>
Investment losses on money trusts	147	36
Losses on sale of securities	10,570	1,800
Losses on devaluation of securities	15,707	34,858
<b>Operating expenses and general and   administrative expenses</b>	<b>154,534</b>	<b>151,986</b>
<b>Other ordinary expenses:</b>	<b>2,469</b>	<b>6,012</b>
Interest paid	1,592	5,432
<b>Ordinary profit (loss)</b>	<b>(133,039)</b>	<b>85,193</b>
<b>Extraordinary income</b>	<b>3,745</b>	<b>1,630</b>
<b>Extraordinary losses</b>	<b>3,369</b>	<b>1,449</b>
<b>Income (loss) before income taxes</b>	<b>(132,663)</b>	<b>85,373</b>
<b>Income taxes</b>	<b>(16,047)</b>	<b>24,868</b>
<b>Net income (loss)</b>	<b>(116,615)</b>	<b>60,505</b>

**Solvency Margin Ratio (Non-Consolidated)**

(Yen in millions)

	As of March 31, 2012	As of December 31, 2012
(A) Total amount of solvency margin	1,656,380	1,688,986
Total net assets	445,809	495,116
Reserve for price fluctuation	2,639	1,875
Contingency reserve	-	-
Catastrophe reserve	429,083	374,655
General bad debts reserve	1,029	1,029
Net unrealized gains/losses on securities (Prior to tax effect deductions)	598,943	621,064
Net unrealized gains/losses on land	36,478	33,689
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	43,149
Others	76,303	98,514
(B) Total amount of risks	680,488	639,601
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
General insurance risk (R <sub>1</sub> )	107,837	108,506
Third sector insurance risk (R <sub>2</sub> )	-	-
Assumed interest risk (R <sub>3</sub> )	21,492	21,052
Asset management risk (R <sub>4</sub> )	470,525	466,708
Business administration risk (R <sub>5</sub> )	22,620	14,435
Catastrophe risk (R <sub>6</sub> )	154,171	125,483
(C) Solvency margin ratio [(A)/{(B)×1/2}]×100	486.8%	528.1%

(Note) Some risks as of December 31, 2012 such as Catastrophe risk(R<sub>6</sub>) are calculated using simplified methods.

**Non-Consolidated Statements of Income**

(Yen in millions)

Items	Nine months ended December 31, 2011	Nine months ended December 31, 2012
	Amount	Amount
<b>Ordinary income:</b>	<b>1,089,126</b>	<b>1,022,938</b>
<b>Underwriting income:</b>	<b>1,045,381</b>	<b>979,711</b>
Net premiums written	808,282	829,504
Deposit premiums from policyholders	37,987	34,786
Investment income on deposit premiums from policyholders	16,840	15,362
Reversal of outstanding claims	5,061	12,756
Reversal of underwriting reserves	175,496	84,949
<b>Investment income:</b>	<b>41,777</b>	<b>41,232</b>
Interest and dividends received	45,204	45,084
Investment gains on money trusts	0	0
Gains on sale of securities	13,355	10,749
Transfer of investment income on deposit premiums from policyholders	(16,840)	(15,362)
<b>Other ordinary income</b>	<b>1,967</b>	<b>1,994</b>
<b>Ordinary expenses:</b>	<b>1,084,803</b>	<b>995,516</b>
<b>Underwriting expenses:</b>	<b>903,672</b>	<b>824,483</b>
Net claims paid	620,126	547,851
Loss adjustment expenses	39,542	38,754
Commission and collection expenses	143,892	148,084
Maturity refunds to policyholders	94,817	88,169
<b>Investment expenses:</b>	<b>32,826</b>	<b>30,947</b>
Losses on sale of securities	5,085	3,664
Losses on devaluation of securities	22,446	16,390
Losses on derivative transactions	1,680	1,833
<b>Operating expenses and general and   administrative expenses</b>	<b>147,506</b>	<b>138,359</b>
<b>Other ordinary expenses:</b>	<b>796</b>	<b>1,725</b>
Interest paid	2	198
<b>Ordinary profit</b>	<b>4,323</b>	<b>27,422</b>
<b>Extraordinary income</b>	<b>5,283</b>	<b>811</b>
<b>Extraordinary losses</b>	<b>2,435</b>	<b>1,964</b>
<b>Income before income taxes</b>	<b>7,171</b>	<b>26,270</b>
<b>Income taxes</b>	<b>58,211</b>	<b>11,497</b>
<b>Net income (loss)</b>	<b>(51,039)</b>	<b>14,772</b>



**Solvency Margin Ratio (Non-Consolidated)**

(Yen in millions)

	As of March 31, 2012	As of December 31, 2012
(A) Total amount of solvency margin	758,104	830,780
Total net assets	359,526	368,699
Reserve for price fluctuation	1,798	1,305
Contingency reserve	693	693
Catastrophe reserve	281,338	253,990
General bad debts reserve	365	380
Net unrealized gains/losses on securities (Prior to tax effect deductions)	57,792	97,033
Net unrealized gains/losses on land	4,477	2,925
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	11,683
Others	63,786	67,434
(B) Total amount of risks	342,539	291,924
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
General insurance risk (R <sub>1</sub> )	101,167	101,235
Third sector insurance risk (R <sub>2</sub> )	-	-
Assumed interest risk (R <sub>3</sub> )	11,032	10,674
Asset management risk (R <sub>4</sub> )	171,111	163,564
Business administration risk (R <sub>5</sub> )	12,160	7,174
Catastrophe risk (R <sub>6</sub> )	122,024	83,236
(C) Solvency margin ratio [(A)/{(B)×1/2}]×100	442.6%	569.1%

(Note) Some risks as of December 31, 2012 such as Catastrophe risk(R<sub>6</sub>) are calculated using simplified methods.

**Non-Consolidated Statements of Income**

(Yen in millions)

Items	Nine months ended December 31, 2011	Nine months ended December 31, 2012
	Amount	Amount
<b>Ordinary income:</b>	<b>25,859</b>	<b>26,912</b>
<b>Underwriting income:</b>	<b>25,714</b>	<b>26,794</b>
Net premiums written	25,080	25,785
Investment income on deposit premiums from policyholders	10	10
Reversal of outstanding claims	-	243
Reversal of underwriting reserves	623	755
<b>Investment income:</b>	<b>144</b>	<b>116</b>
Interest and dividends received	154	126
Gains on sale of securities	0	-
Transfer of investment income on deposit premiums from policyholders	(10)	(10)
<b>Other ordinary income</b>	<b>0</b>	<b>2</b>
<b>Ordinary expenses:</b>	<b>25,426</b>	<b>26,210</b>
<b>Underwriting expenses:</b>	<b>20,165</b>	<b>21,129</b>
Net claims paid	17,924	19,224
Loss adjustment expenses	1,689	1,758
Commission and collection expenses	164	146
Provision for outstanding claims	386	-
<b>Investment expenses</b>	<b>-</b>	<b>-</b>
<b>Operating expenses and general and administrative expenses</b>	<b>5,258</b>	<b>5,080</b>
<b>Other ordinary expenses</b>	<b>2</b>	<b>0</b>
<b>Ordinary profit</b>	<b>433</b>	<b>701</b>
<b>Extraordinary income</b>	<b>-</b>	<b>-</b>
<b>Extraordinary losses</b>	<b>8</b>	<b>4</b>
<b>Income before income taxes</b>	<b>425</b>	<b>697</b>
<b>Income taxes - current</b>	<b>12</b>	<b>28</b>
<b>Total income taxes</b>	<b>12</b>	<b>28</b>
<b>Net income</b>	<b>413</b>	<b>668</b>

**Solvency Margin Ratio (Non-Consolidated)**

(Yen in millions)

	As of March 31, 2012	As of December 31, 2012
(A) Total amount of solvency margin	11,820	12,262
Total net assets	10,350	11,019
Reserve for price fluctuation	22	26
Contingency reserve	0	0
Catastrophe reserve	1,099	833
General bad debts reserve	1	1
Net unrealized gains/losses on securities (Prior to tax effect deductions)	346	381
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	5,569
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
General insurance risk (R <sub>1</sub> )	5,065	5,065
Third sector insurance risk (R <sub>2</sub> )	-	-
Assumed interest risk (R <sub>3</sub> )	0	0
Asset management risk (R <sub>4</sub> )	525	519
Business administration risk (R <sub>5</sub> )	176	176
Catastrophe risk (R <sub>6</sub> )	300	300
(C) Solvency margin ratio [(A)/{(B)×1/2}]×100	424.4%	440.3%

(Note) Some risks as of December 31, 2012 such as Assumed interest risk(R<sub>3</sub>) are calculated using simplified methods.

**Non-Consolidated Statements of Income**

(Yen in millions)

Items	Nine months ended December 31, 2011	Nine months ended December 31, 2012
	Amount (Simple Combination)	Amount
<b>Ordinary income:</b>	<b>307,891</b>	<b>334,548</b>
<b>Insurance premiums and others:</b>	<b>281,560</b>	<b>302,089</b>
Insurance premiums	281,237	301,557
<b>Investment income:</b>	<b>24,419</b>	<b>30,382</b>
Interest and dividends received	23,954	25,449
Gains on sale of securities	455	4,921
<b>Other ordinary income:</b>	<b>1,910</b>	<b>2,076</b>
Reversal of outstanding claims	1,463	-
<b>Ordinary expenses:</b>	<b>305,937</b>	<b>326,927</b>
<b>Insurance claims and others:</b>	<b>122,007</b>	<b>122,494</b>
Insurance claims	32,950	31,904
Annuity payments	4,702	6,475
Benefits	8,473	8,223
Surrender benefits	74,216	73,464
Other refunds	851	1,633
<b>Provision for underwriting reserves and others:</b>	<b>125,948</b>	<b>144,028</b>
Provision for outstanding claims	-	364
Provision for underwriting reserves	125,947	143,661
Provision of interest portion of reserves for dividends to policyholders	1	2
<b>Investment expenses:</b>	<b>2,644</b>	<b>2,238</b>
Interest paid	61	227
Losses on sale of securities	583	1,497
Losses on devaluation of securities	1,782	486
<b>Operating expenses</b>	<b>51,302</b>	<b>53,047</b>
<b>Other ordinary expenses</b>	<b>4,034</b>	<b>5,118</b>
<b>Ordinary profit</b>	<b>1,953</b>	<b>7,621</b>
<b>Extraordinary income</b>	<b>2</b>	<b>1</b>
<b>Extraordinary losses</b>	<b>10,300</b>	<b>329</b>
<b>Provision for reserve for dividends to policyholders</b>	<b>3,808</b>	<b>3,868</b>
<b>Income (loss) before income taxes</b>	<b>(12,153)</b>	<b>3,424</b>
<b>Income taxes</b>	<b>(1,927)</b>	<b>1,413</b>
<b>Net income (loss)</b>	<b>(10,225)</b>	<b>2,010</b>

**Results for the Nine Months Ended December 31, 2012****Amount of Policies in Force and New Policies**

## (1) Amount of policies in force

(Yen in millions)

	As of March 31, 2012		As of December 31, 2012	
	Number of policies (in thousands)	Amount	Number of policies (in thousands)	Amount
Individual Insurance	2,049	17,359,229	2,187	18,676,280
Individual Annuities	172	703,269	179	733,541
Group Insurance	—	4,996,365	—	5,054,621
Group Annuities	—	477	—	441

- (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)

	Nine months ended December 31, 2011 (Simple Combination)				Nine months ended December 31, 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	252	2,269,475	2,269,475	-	231	2,577,706	2,577,706	-
Individual Annuities	21	101,928	101,928	-	11	59,304	59,304	-
Group Insurance	—	20,840	20,840	—	—	691,598	691,598	—
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 December 31, 2012
Individual Insurance	255,164	266,134
Individual Annuities	39,562	41,421
Total:	294,726	307,555
Medical coverage, living benefits, etc.	51,956	54,055

## (2) Amount of new policies

(Yen in millions)

	Nine months ended December 31, 2011 (Simple Combination)	Nine months ended December 31, 2012
Individual Insurance	28,448	29,263
Individual Annuities	5,132	3,324
Total:	33,581	32,588
Medical coverage, living benefits, etc.	6,716	4,901

- (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)

	Nine months ended December 31, 2011 (Simple Combination)	Nine months ended December 31, 2012	Change
Fundamental revenues:	307,433	329,628	22,195
Insurance premiums and others	281,560	302,089	20,528
Fundamental expense	302,641	323,655	21,014
Fundamental profit	4,792	5,973	1,181
Capital gains (losses)	(1,770)	2,933	4,704
Non-recurring gains (losses)	(1,067)	(1,286)	(218)
Ordinary profit	1,953	7,621	5,668
Extraordinary income	2	1	(1)
Extraordinary losses	10,300	329	(9,970)
Provision for reserve for dividends to policyholders	3,808	3,868	60
Income taxes	(1,927)	1,413	3,341
Net income (loss)	(10,225)	2,010	12,236

**Solvency Margin Ratio (Non-Consolidated)**

(Yen in millions)

	As of March 31, 2012	As of December 31, 2012
(A) Total amount of solvency margin	223,803	238,652
Total capital	63,056	65,067
Reserve for price fluctuation	2,962	3,281
Contingency reserve	19,754	21,036
General bad debts reserve	37	35
Net unrealized gains/losses on securities×90%	51,144	59,060
Net unrealized gains/losses on land×85%	-	-
Excess of continued Zillmerized reserve (a)	109,878	118,320
Subordinated debt, etc. (b)	-	-
Amount excluded from the margin, out of (a) and (b)	(23,568)	(28,543)
Brought in capital	-	-
Deductions	-	-
Others	536	392
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	36,904	38,809
Insurance risk (R <sub>1</sub> )	12,655	13,391
Third sector insurance risk (R <sub>8</sub> )	4,229	4,631
Assumed interest risk (R <sub>2</sub> )	2,888	2,913
Minimum guarantee risk (R <sub>7</sub> )	-	-
Asset management risk (R <sub>3</sub> )	28,295	29,731
Business administration risk (R <sub>4</sub> )	1,442	1,520
(C) Solvency margin ratio [(A)/{(B)×1/2}]×100	1,212.8%	1,229.8%

**Non-Consolidated Statements of Income**

(Yen in millions)

Items	Nine months ended December 31, 2011	Nine months ended December 31, 2012
	Amount	Amount
<b>Ordinary income:</b>	<b>362,087</b>	<b>570,760</b>
<b>Insurance premiums and others:</b>	<b>176,836</b>	<b>349,989</b>
Insurance premiums	169,864	344,033
<b>Investment income:</b>	<b>243</b>	<b>219,424</b>
Interest and dividends received	243	245
Investment gains on money trusts	-	97,384
Gains on investment in separate accounts	-	121,570
<b>Other ordinary income:</b>	<b>185,007</b>	<b>1,346</b>
Reversal of underwriting reserves	181,854	-
<b>Ordinary expenses:</b>	<b>347,030</b>	<b>542,194</b>
<b>Insurance claims and others:</b>	<b>157,922</b>	<b>194,442</b>
Insurance claims	32,966	32,792
Annuity payments	30,527	32,499
Benefits	31,123	47,048
Surrender benefits	45,250	63,474
Other refunds	767	766
<b>Provision for underwriting reserves and others:</b>	<b>571</b>	<b>317,187</b>
Provision for outstanding claims	571	2,736
Provision for underwriting reserves	-	314,451
<b>Investment expenses:</b>	<b>172,597</b>	<b>438</b>
Interest paid	0	0
Investment losses on money trusts	2,657	-
Losses on investment in separate accounts	169,242	-
<b>Operating expenses</b>	<b>15,217</b>	<b>28,396</b>
<b>Other ordinary expenses</b>	<b>719</b>	<b>1,728</b>
<b>Ordinary profit</b>	<b>15,057</b>	<b>28,566</b>
<b>Extraordinary income</b>	<b>-</b>	<b>-</b>
<b>Extraordinary losses</b>	<b>489</b>	<b>662</b>
<b>Income before income taxes</b>	<b>14,568</b>	<b>27,903</b>
<b>Income taxes</b>	<b>6,440</b>	<b>9,355</b>
<b>Net income</b>	<b>8,127</b>	<b>18,547</b>

**Results for the Nine Months Ended December 31, 2012****Amount of Policies in Force and New Policies**

## (1) Amount of policies in force

(Yen in millions)

	As of March 31, 2012		As of December 31, 2012	
	Number of policies (in thousands)	Amount	Number of policies (in thousands)	Amount
Individual Insurance	11	122,251	55	378,351
Individual Annuities	434	3,000,286	430	3,044,492
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)

	Nine months ended December 31, 2011				Nine months ended December 31, 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	0	1,589	1,589	-	44	235,541	235,541	-
Individual Annuities	31	170,455	170,455	-	17	96,076	96,076	-
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 December 31, 2012
Individual Insurance	10,110	27,267
Individual Annuities	428,866	422,048
Total:	438,977	449,316
Medical coverage, living benefits, etc.	89	89

## (2) Amount of new policies

(Yen in millions)

	Nine months ended December 31, 2011	Nine months ended December 31, 2012
Individual Insurance	145	14,989
Individual Annuities	79,285	72,003
Total:	79,430	86,992
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)

	Nine months ended December 31, 2011	Nine months ended December 31, 2012	Change
Fundamental revenues:	385,349	559,511	174,162
Insurance premiums and others	176,836	349,989	173,152
Fundamental expense	364,793	536,243	171,450
Fundamental profit	20,556	23,268	2,712
Capital gains (losses)	(4,205)	11,248	15,454
Non-recurring gains (losses)	(1,293)	(5,951)	(4,657)
Ordinary profit	15,057	28,566	13,508
Extraordinary income	-	-	-
Extraordinary losses	489	662	173
Provision for reserve for dividends to policyholders	-	-	-
Income taxes	6,440	9,355	2,914
Net income	8,127	18,547	10,420

**Solvency Margin Ratio (Non-Consolidated)**

(Yen in millions)

	As of March 31, 2012	As of December 31, 2012
(A) Total amount of solvency margin	183,140	236,307
Total capital	60,185	78,733
Reserve for price fluctuation	1,912	2,572
Contingency reserve	29,236	35,187
General bad debts reserve	-	-
Net unrealized gains/losses on securities×90%	473	707
Net unrealized gains/losses on land×85%	-	-
Excess of continued Zillmerized reserve (a)	104,209	113,353
Subordinated debt, etc. (b)	-	-
Amount excluded from the margin, out of (a) and (b)	(12,876)	-
Brought in capital	-	-
Deductions	-	-
Others	-	5,753
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	47,226	63,596
Insurance risk (R <sub>1</sub> )	24	76
Third sector insurance risk (R <sub>8</sub> )	17	16
Assumed interest risk (R <sub>2</sub> )	9,866	14,612
Minimum guarantee risk (R <sub>7</sub> )	21,860	22,473
Asset management risk (R <sub>3</sub> )	14,123	25,261
Business administration risk (R <sub>4</sub> )	1,376	1,248
(C) Solvency margin ratio [(A)/{(B)×1/2}]×100	775.5%	743.1%