

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2010

* This is an unofficial English translation of the press release announced on August 10, 2009.

* All amounts are truncated, and all ratios are rounded.

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1. Consolidated Business Results for the First Quarter of the Fiscal Year Ending March 31, 2010

(1) Consolidated Financial Results

	Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
First Quarter FY2009	257,308	-5.1	17,214	358.7	10,574	334.3
First Quarter FY2008	271,149	-	3,752	-	2,434	-

Ratios show changes from the previous first quarter.

	Net Income Per Share		Diluted Net Income Per Share	
	Yen	Yen	Yen	Yen
First Quarter FY2009	14.40	-	14.39	-
First Quarter FY2008	3.31	-	-	-

Diluted net income per share for the first quarter of FY2009 is omitted since there is no residual securities.

(2) Consolidated Financial Positions

	Total Assets	Net Assets	Equity Ratio	Net Assets Per Share
	Millions of Yen	Millions of Yen	%	Yen
First Quarter FY2009	2,847,306	324,648	11.4	441.95
FY2008	2,804,162	266,868	9.5	363.24

(Reference) Equity: 324,454 million yen (As of June 30, 2009), 266,670 million yen (As of March 31, 2009)

2. Dividend Per Share

	(Yen)				
	First Quarter	First Half	Third Quarter	Year End	Full Year
FY2008	-	-	-	10.00	10.00
FY2009	-	-	-	-	-
FY2009 (Forecast)	-	-	-	10.00	10.00

Note: No adjustment in dividend forecast in this quarter.

3. Consolidated Business Results Forecast for the Fiscal Year Ending March 31, 2010

	Operating Income		Ordinary Income		Net Income		Net Income Per Share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
Second Quarter FY2009	520,000	-3.2	7,000	-39.0	3,000	-47.9	4.08
Full Year FY2009	1,030,000	-4.2	20,000	-	8,000	-	10.89

Ratios show changes from the previous periods.

Note: No adjustment in consolidated business results forecast in this quarter.

4. Others

(1) Changes in significant subsidiaries during the period

(Changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Adoption of simple and easy methods, and special accounting treatments for quarterly financial statements: None

(3) Changes in accounting principle, procedure, and treatment in preparing quarterly financial statements

a. Changes with revisions of accounting standards: None

b. Other changes: None

(4) The number of shares issued (Common stocks)

a. The total number of the shares issued including treasury stocks: 756,201,411 (As of June 30, 2009), 756,201,411 (As of March 31, 2009)

b. The number of treasury stocks: 22,059,141 (As of June 30, 2009), 22,067,931 (As of March 31, 2009)

c. The average number of shares: 734,143,072 (As of June 30, 2009), 734,445,307 (As of June 30, 2008)

Cautionary Statement with Respect to Forward-Looking Statement and Other Significant Information

This report, based on currently available information, contains forward-looking statements about future performance and plans of Aioi Insurance Co., Ltd. and its subsidiaries. These statements do not guarantee future performance and involve known and unknown risks, uncertainties, and other factors that may cause actual results, performance, achievements, or financial positions to be materially different from any future results, performance, achievements, or financial positions. Please refer to 3. Consolidated Business Results Forecast on page 3 for the details.

Qualitative Information and Financial Statements

1. Consolidated Financial Results

The Japanese economy was still in a severe condition, such as reduced business investment resulting from deterioration in earnings, due to the impact of the worldwide business recession during this quarter ended June 30, 2009. While there were signs of bottoming out after inventory adjustment progressed mainly in the manufacturing industry, the uncertain future of the economy negatively influenced consumer spending and stagnated the Japanese economy. Under these difficult conditions, we expanded our business to be a steadily growing company based on support from all stakeholders by realizing best quality and high profitability.

a. Non-Life Insurance Business

The non-life insurance industry was still in a severe condition mainly due to the rapid decline in new car sales, the low rate of new housing starts, and the aging society. However, during the first quarter ended June 30, 2009, we positively worked on a quality improvement activity to offer appropriate and comprehensible insurance products to our customers. As a result, renewal ratios of auto insurance products steadily increased.

With regard to environmental contributions based on the the Aioi Insurance Environmental Declaration announced in April 2009, we contribute to the protection of the environment through our insurance products and services. In addition, we offer support to our customers who contribute to the protection of the environment. We specifically offer 15% discount from an auto insurance premium for Toyota's eco-friendly hybrid car remodeled in May 2009.

With regard to overseas business, Aioi Motor and General Insurance Company of Europe Limited (hereinafter "AMaGIC") and a Toyota's finance business subsidiary, Toyota Financial Service Corporation, together worked on F&I business, which offers both financial services and auto insurance services to Toyota users, to strengthen our operation base for increasing premiums written and operating income.

As a result, net premiums written decreased by 6.2% to 203.1 billion yen as compared to the first quarter of the previous fiscal year. Operating income was 243.8 billion yen, and ordinary income was 16.2 billion yen .

b. Life Insurance Business

Aioi Life Insurance launched a new product, Luna Medical, which combines a variable-interest life insurance policy with a comprehensive women's medical rider that also makes the policy non-refundable on cancellation, to focus on the needs of women in June 2009. This product especially covers cancers and diseases peculiar to women, and Aioi Life Insurance donates money to a specified nonprofit corporation, Cancer Ribbonz, in proportion to the number of new contracts to support women who are cancer patients.

With regard to overseas business, Aioi Life Insurance of Europe AG, a subsidiary of AMaGIC, underwrites credit life insurances of Toyota users in overseas.

As a result, life insurance premiums increased by 2.6% to 17.5 billion yen as compared to the previous first quarter. Operating income was 19.6 billion yen, and ordinary income was 0.9 billion yen.

As a final result, consolidated operating income decreased by 13.8 billion yen (5.1%) to 257.3 billion yen, consolidated ordinary income increased by 13.4 billion yen (358.7%) to 17.2 billion yen, and consolidated net income increased by 8.1 billion yen to 10.5 billion yen as compared to the previous first quarter.

2. Consolidated Financial Positions

Total assets as of June 30, 2009 increased by 43.1 billion yen to 2,847.3 billion yen as compared with the end of the previous fiscal year, and net assets was 324.6 billion yen. As a result, equity ratio was 11.4% at the end of this quarter.

3. Consolidated Business Results Forecast

As for consolidated business results forecast for fiscal 2009, operating income is 1,030.0 billion yen, ordinary income is 20.0 billion yen, and net income is 8.0 billion yen. There is no change from the business results forecast announced on May 20, 2009.

4. Others

(1) Changes in significant subsidiaries during the period

(Changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Adoption of simple and easy methods for the accounting treatments and special accounting treatments for quarterly consolidated financial statements: None

(3) Changes in accounting principle, procedure, and treatment in preparing quarterly financial statements : None

5. Consolidated Quarterly Financial Statements

(1) Consolidated Quarterly Balance Sheet

	(Millions of Yen)	
	1Q FY2009	FY2008
	As of June 30, 2009	As of March 31, 2009
Assets		
Cash and deposits	172,503	175,202
Receivables under resale agreements	3,798	3,298
Monetary receivables purchased	18,057	19,535
Money held in trust	7,330	6,718
Securities	1,732,732	1,642,053
Loans receivables	354,678	360,819
Property, plant and equipment	151,325	150,333
Intangible assets	8,724	9,045
Other assets	237,951	240,800
Deferred tax assets	159,124	195,635
Customers' liabilities for acceptances and guarantees	3,000	3,000
Allowance for doubtful accounts	-1,919	-2,280
Total assets	2,847,306	2,804,162
Liabilities		
Reserve for insurance policy liabilities	2,372,959	2,368,818
Outstanding claims	313,906	313,809
Policy reserve and other	2,059,052	2,055,008
Other liabilities	123,487	138,870
Provision for retirement benefits	20,844	20,111
Provision for directors' retirement benefits	57	51
Provision for bonuses	247	4,712
Reserves under the special laws	2,061	1,729
Reserve for price fluctuation	2,061	1,729
Acceptances and guarantees	3,000	3,000
Total liabilities	2,522,658	2,537,293
Net assets		
Shareholders' equity		
Capital stock	100,005	100,005
Capital surplus	44,097	44,092
Retained earnings	170,627	167,394
Treasury stock	-7,944	-7,946
Total shareholders' equity	306,785	303,545
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	20,749	-33,506
Foreign currency translation adjustment	-3,080	-3,368
Total valuation and translation adjustments	17,669	-36,875
Subscription rights to shares	112	104
Minority interests	80	93
Total net assets	324,648	266,868
Total liabilities and net assets	2,847,306	2,804,162

(2) Consolidated Quarterly Statements of Income

	(Millions of Yen)	
	1Q FY2008	1Q FY2009
	From April 1, 2008	From April 1, 2009
	to June 30, 2008	to June 30, 2009
Operating income	271,149	257,308
Underwriting income	254,522	237,286
Net premiums written	216,516	203,197
Premiums of saving-type insurance	12,371	11,186
Investment income from saving type insurance	5,660	4,942
Life insurance premiums	17,101	17,542
Reversal of reserve for outstanding claims	-	294
Investment income	15,457	19,245
Interest and dividends income	15,865	15,479
Gain from money held in trust	12	660
Gain on trading securities	6	-
Gain on sales of securities	4,147	1,793
Net derivative financial instruments gain	-	5,616
Income credited to saving type insurance	-5,660	-4,942
Other operating income	1,170	776
Operating expenses	267,396	240,093
Underwriting expenses	218,684	197,534
Net loss paid	118,054	119,255
Loss adjustment expenses	10,037	9,677
Commissions and collection fees	42,671	39,458
Maturity refunds to policyholders	19,379	20,631
Life insurance claims paid	3,321	3,903
Provision of outstanding claims	1,676	-
Provision of policy reserve and other	23,099	3,906
Investment expenses	7,765	2,425
Loss on sales of securities	393	829
Loss on valuation of securities	1,546	1,296
Net derivative financial instruments loss	5,761	-
Sales and administrative expenses	40,674	40,026
Other operating expenses	272	106
Interest expenses	14	10
Ordinary income	3,752	17,214
Extraordinary income	385	21
Extraordinary loss	560	715
Provision of reserves under the special laws	334	331
Provision of reserve for price fluctuation	334	331
Other	226	384
Income before income taxes and minority interests	3,576	16,519
Income taxes-current	5,572	93
Income taxes-deferred	-4,426	5,866
Total income taxes		5,959
Minority interests in loss	-3	-14
Net income	2,434	10,574

(3) Consolidated Quarterly Statements of Cash Flows

(Millions of Yen)

	1Q FY2008 From April 1, 2008 to June 30, 2008	1Q FY2009 From April 1, 2009 to June 30, 2009
Net cash provided by (used in) operating activities		
Loss before income taxes and minority interests	3,576	16,519
Depreciation and amortization	2,840	2,889
Impairment loss	118	0
Increase (decrease) in outstanding claims	1,676	-294
Increase (decrease) in policy reserve and other	23,099	3,906
Increase (decrease) in allowance for doubtful accounts	-270	-370
Increase (decrease) in provision for retirement benefits	96	733
Increase (decrease) in provision for directors' retirement benefits	-1,197	5
Increase (decrease) in provision for bonuses	-4,416	-4,464
Increase (decrease) in reserve for price fluctuation	334	331
Interest and dividends income	-15,865	-15,479
Loss (gain) related to securities	-2,217	451
Interest expenses	14	10
Foreign exchange losses (gains)	-1,045	-577
Loss (gain) related to property, plant and equipment	-276	56
Decrease (increase) in other investing and financing activities assets	6,535	7,236
Increase (decrease) in other investing and financing activities liabilities	-13,341	-1,989
Other, net	3,283	-4,902
Subtotal	2,944	4,062
Interest and dividends income received	10,314	11,120
Interest expenses paid	-13	-9
Income taxes paid	-463	-1,195
Net cash provided by (used in) operating activities	12,781	13,978
Net cash provided by (used in) investing activities		
Net increase (decrease) in cash and deposits	-2,071	-450
Proceeds from sales and redemption of monetary receivables purchased	4,442	1,568
Increase in money held in trust	-11	-0
Purchase of short-term investment securities	-108,099	-81,098
Proceeds from sales and redemption of securities	78,132	66,593
Payments of loans receivable	-22,916	-14,831
Collection of loans receivable	20,512	20,969
Other, net	-3	78
Total of net cash provided by (used in) investment transactions	-30,015	-7,170
Total of net cash provided by (used in) operating activities and investment transactions	-17,234	6,808
Purchase of property, plant and equipment	-2,905	-3,309
Proceeds from sales of property, plant and equipment	653	18
Other, net	-125	-198
Net cash provided by (used in) investing activities	-32,392	-10,660
Net cash provided by (used in) financing activities		
Proceeds from disposal of treasury stock	1	0
Purchase of treasury stock	-8	-6
Cash dividends paid	-7,344	-7,341
Other, net	-90	-129
Net cash provided by (used in) financing activities	-7,441	-7,477
Effect of exchange rate change on cash and cash equivalents	-1,955	520
Net increase (decrease) in cash and cash equivalents	-29,008	-3,638
Cash and cash equivalents at beginning of period	127,841	163,919
Cash and cash equivalents at end of period	98,833	160,280

(4) Note related to the premise of a going concern

None

(5) Segment Information

a. Segment Information by Class of Business

First Quarter FY2008 (From April 1, 2008 to June 30, 2008)

(Millions of Yen)

	Non-Life Insurance	Life Insurance	Total	Elimination	Consolidated
Operating Income	252,418	19,070	271,489	-340	271,149
Ordinary Income	3,475	276	3,752	0	3,752

Notes:

(i) Segments are classified based on characteristics of operation of the parent company and its consolidated subsidiaries

(ii) Major operations of each segment

Non-life insurance: Underwriting property, casualty insurance, and investing activities

Life insurance: Underwriting life insurance and investing activities

First Quarter FY2009 (From April 1, 2009 to June 30, 2009)

(Millions of Yen)

	Non-Life Insurance	Life Insurance	Total	Elimination	Consolidated
Operating Income	243,815	19,690	263,506	-6,198	257,308
Ordinary Income	16,280	933	17,213	0	17,214

Notes:

(i) Segments are classified based on characteristics of operation of the parent company and its consolidated subsidiaries

(ii) Major operations of each segment

Non-life insurance: Underwriting property, casualty insurance, and investing activities

Life insurance: Underwriting life insurance and investing activities

b. Segment Information by Location

First Quarter FY2008 (From April 1, 2008 to June 30, 2008)

Segment information by location is omitted, since domestic sales and assets constitute more than 90% of the aggregated amount of operating income and assets of all segments.

First Quarter FY2009 (From April 1, 2009 to June 30, 2009)

Segment information by location is omitted, since domestic sales and assets constitute more than 90% of the aggregated amount of operating income and assets of all segments.

c. Overseas Sales

First Quarter FY2008 (From April 1, 2008 to June 30, 2008)

Information of overseas sales is omitted, since overseas operating income constitute less than 10% of consolidated operating income.

First Quarter FY2009 (From April 1, 2009 to June 30, 2009)

Information of overseas sales is omitted, since overseas operating income constitute less than 10% of consolidated operating income.

(6) Note if the amount of shareholders' equity significantly changed

None

6. Other Information

Summary of Consolidated Statements of Income

(Millions of Yen)

Fiscal Year	FY2008	FY2009		Rate of Change
Item	From April 1, 2008 to June 30, 2008	From April 1, 2009 to June 30, 2009	Change	%
Underwriting income	254,522	237,286	-17,235	-6.8
Net premiums written	216,516	203,197	-13,319	-6.2
Premiums of saving-type insurance	12,371	11,186	-1,184	-9.6
Life insurance premiums	17,101	17,542	440	2.6
Reversal of reserve for outstanding claims	-	294	294	-
Underwriting expenses	218,684	197,534	-21,149	-9.7
Net loss paid	118,054	119,255	1,201	1.0
Loss adjustment expenses	10,037	9,677	-359	-3.6
Commissions and collection fees	42,671	39,458	-3,212	-7.5
Maturity refunds to policyholders	19,379	20,631	1,252	6.5
Life insurance claims paid	3,321	3,903	581	17.5
Provision of outstanding claims	1,676	-	-1,676	-100.0
Provision of policy reserve and other	23,099	3,906	-19,193	-83.1
Investment income	15,457	19,245	3,788	24.5
Interest and dividends income	15,865	15,479	-385	-2.4
Gain on sales of securities	4,147	1,793	-2,354	-56.8
Net derivative financial instruments gain	-	5,616	5,616	-
Investment expenses	7,765	2,425	-5,339	-68.8
Loss on sales of securities	393	829	436	110.9
Loss on valuation of securities	1,546	1,296	-250	-16.2
Net derivative financial instruments loss	5,761	-	-5,761	-100.0
Sales and administrative expenses	40,674	40,026	-648	-1.6
Other operating income and expenses	897	669	-227	-25.4
Ordinary income	3,752	17,214	13,461	358.7
Extraordinary income	385	21	-363	-94.4
Extraordinary loss	560	715	154	27.6
Extraordinary income and loss	-175	-694	-518	-
Income before income taxes and minority interests	3,576	16,519	12,943	361.9
Income taxes-current	5,572	93	-5,478	-98.3
Income taxes-deferred	-4,426	5,866	10,292	-
Total income taxes	1,145	5,959	4,814	420.4
Minority interests in loss	-3	-14	-11	-
Net income	2,434	10,574	8,139	334.3

Consolidated Premiums and Losses by Class

Direct Premium Written by Class of Business

(Millions of Yen)

	First Quarter FY2008 From April 1, 2008 to June 30, 2008			First Quarter FY2009 From April 1, 2009 to June 30, 2009		
	Amount	Proportion	Change	Amount	Proportion	Change
Fire and Allied Lines	33,342	13.4	0.4	32,726	14.2	-1.8
Marine	1,558	0.6	7.1	1,264	0.5	-18.8
Personal Accident	21,333	8.5	-9.7	20,179	8.8	-5.4
Voluntary Automobile	126,516	50.6	-0.9	122,983	53.4	-2.8
Compulsory Automobile Liability	44,093	17.7	0.4	31,230	13.6	-29.2
Other	23,067	9.2	5.4	21,885	9.5	-5.1
Total	249,913	100.0	-0.7	230,270	100.0	-7.9
(Including premiums of saving-type insurance)	12,371	5.0	-13.5	11,186	4.9	-9.6

Net Premiums Written by Class of Business

(Millions of Yen)

	First Quarter FY2008 From April 1, 2008 to June 30, 2008			First Quarter FY2009 From April 1, 2009 to June 30, 2009		
	Amount	Proportion	Change	Amount	Proportion	Change
Fire and Allied Lines	21,785	10.1	0.2	21,347	10.5	-2.0
Marine	1,394	0.6	4.1	853	0.4	-38.8
Personal Accident	11,975	5.5	-7.2	11,612	5.7	-3.0
Voluntary Automobile	126,809	58.6	-0.7	123,495	60.8	-2.6
Compulsory Automobile Liability	33,545	15.5	-1.1	24,898	12.3	-25.8
Other	21,008	9.7	-0.1	20,991	10.3	-0.1
Total	216,518	100.0	-1.0	203,199	100.0	-6.2

Net Loss Paid by Class of Business

(Millions of Yen)

	First Quarter FY2008 From April 1, 2008 to June 30, 2008			First Quarter FY2009 From April 1, 2009 to June 30, 2009		
	Amount	Proportion	Change	Amount	Proportion	Change
Fire and Allied Lines	7,605	6.4	-9.8	8,020	6.7	5.5
Marine	720	0.6	-40.7	567	0.5	-21.2
Personal Accident	4,984	4.2	12.3	5,164	4.3	3.6
Voluntary Automobile	66,183	56.1	-4.6	69,472	58.3	5.0
Compulsory Automobile Liability	24,791	21.0	2.6	24,430	20.5	-1.5
Other	13,768	11.7	2.4	11,600	9.7	-15.7
Total	118,054	100.0	-2.5	119,255	100.0	1.0

Note: The figures in the above tables are after offsetting of internal transactions among segments.

Consolidated Securities

1. Marketable Bonds Held to Maturity

None

2. Marketable Bonds Earmarked for Underwriting Reserves

(Millions of Yen)

	First Quarter FY2009 (As of June 30, 2009)			FY2008 (As of March 31, 2009)		
	Balance Sheet Amount	Fair Value	Difference	Balance Sheet Amount	Fair Value	Difference
Bonds	304,827	313,895	9,067	299,974	309,108	9,133
Foreign Securities	3,197	3,360	162	3,253	3,497	244
Total	308,025	317,256	9,230	303,227	312,605	9,377

3. Marketable Securities for Available for Sale

(Millions of Yen)

	First Quarter FY2009 (As of June 30, 2009)			FY2008 (As of March 31, 2009)		
	Cost	Balance Sheet Amount	Difference	Cost	Balance Sheet Amount	Difference
Bonds	617,198	627,429	10,230	610,967	618,938	7,971
Equity Securities	268,196	322,849	54,652	269,329	269,305	-23
Foreign Securities	363,601	336,172	-27,428	349,833	309,365	-40,468
Other Securities	115,427	110,697	-4,730	136,422	116,720	-19,701
Total	1,364,424	1,397,148	32,724	1,366,552	1,314,330	-52,221

First Quarter FY2009 (As of June 30, 2009)	FY2008 (As of March 31, 2009)
Other securities include beneficiary right of loan receivables, which are classified as monetary receivables purchased in the consolidated quarterly balance sheets.	Other securities include beneficiary right of loan receivables, which are classified as monetary receivables purchased in the consolidated balance sheets.

4. Impairment Loss on Available-for-Sale Securities

First Quarter FY2009 (As of June 30, 2009)	FY2008 (As of March 31, 2009)
The parent company recognized 1,296 million yen as impairment loss for available-for-sale securities. The parent company and its domestic subsidiaries basically revaluated marketable securities available for sale when fair value of the securities as of the end of this period declined by more than 30% compared to their cost.	The parent company recognized 62,461 million yen as impairment loss. The parent company and its domestic subsidiaries basically revaluated marketable securities available for sale when fair value of the securities as of the end of this period declined by more than 30% compared to their cost.

Consolidated Derivative Transaction

(Millions of Yen)

		First Quarter FY2009 (As of June 30, 2009)			FY2008 (As of March 31, 2009)		
		Contract Amount	Fair Value	Valuation Gains and Losses	Contract Amount	Fair Value	Valuation Gains and Losses
Foreign Exchange	Forward						
	Selling	29,142	28,932	209	-	-	-
	Buying	44,589	44,713	123	45,622	46,555	933
Interest Rate	Interest Rate Swaps	3,500	140	140	3,500	156	156
Others	Credit Derivatives						
	Selling	85,385	-25,690	-25,690	85,811	-31,435	-31,435
Total		-	-	-25,215	-	-	-30,345

Summary of Non-Consolidated Statements of Income

(Millions of Yen)

Fiscal Year	FY2008 From April 1, 2008 to June 30, 2008	FY2009 From April 1, 2009 to June 30, 2009	Change	Rate of Change
Item				%
Direct net premiums including Premiums for saving-type insurance	240,388	222,465	-17,922	-7.5
Direct net premiums	228,017	211,279	-16,738	-7.3
Underwriting income	230,000	221,968	-8,032	-3.5
Net premiums written	209,138	197,188	-11,950	-5.7
Premiums for saving-type insurance	12,371	11,186	-1,184	-9.6
Reversal of reserve for outstanding claims	-	407	407	-
Reversal of reserve for policy reserve and other	-	8,166	8,166	-
Underwriting expenses	194,316	183,409	-10,906	-5.6
Net loss paid	114,907	116,568	1,660	1.4
Loss adjustment expenses	9,878	9,511	-366	-3.7
Commissions and collection fees	38,888	36,038	-2,850	-7.3
Maturity refunds to policyholders	19,379	20,631	1,252	6.5
Provision of outstanding claims	1,735	-	-1,735	-100.0
Provision of policy reserve and other	9,105	-	-9,105	-100.0
Investment income	13,296	17,227	3,931	29.6
Interest and dividends income	13,831	13,403	-428	-3.1
Gain on sales of securities	4,146	1,790	-2,355	-56.8
Net derivative financial instruments gain	-	5,616	5,616	-
Investment expenses	7,763	2,425	-5,338	-68.8
Loss on sales of securities	393	829	435	110.8
Loss on valuation of securities	1,546	1,296	-250	-16.2
Net derivative financial instruments loss	5,761	-	-5,761	-100.0
Sales and administrative expenses	37,582	36,678	-903	-2.4
Sales and administrative expenses for underwriting	35,318	34,384	-934	-2.6
Other operating income and expenses	929	455	-473	-51.0
Ordinary income	4,563	17,137	12,573	275.5
Underwriting profit and loss	-657	3,723	4,381	-
Extraordinary income	385	21	-363	-94.4
Extraordinary loss	540	694	154	28.5
Extraordinary income and loss	-155	-673	-517	-
Income before income taxes and minority interests	4,408	16,463	12,055	273.5
Income taxes-current	5,551	85	-5,466	-98.5
Income taxes-deferred	-4,601	5,508	10,110	-
Total income taxes	949	5,593	4,644	489.3
Net income	3,459	10,869	7,410	214.2
Loss ratio (%)	59.7	63.9		
Expense ratio (%)	35.5	35.7		

Notes:

1. Underwriting profit = Underwriting income – (Underwriting expenses + Sales and administrative expenses for underwriting) ± Other revenue and spending *1
2. Loss ratio = (Net loss paid + Loss adjustment expenses) / Net premiums written x 100
3. Expense ratio = (Commissions and collection fees + Sales and administrative expenses for underwriting) / Net premiums written x 100
4. The above table is a summary of non-consolidated statements of income based on a regulation for quarterly financial reporting issued by the Financial Services Agency but is not required to disclose by a law.

*1 Other revenue and spending is the equivalent amount of income taxes related to compulsory automobile liability insurance and others.

Non-Consolidated Premiums and Losses by Class

Direct Premium Written by Class of Business

(Millions of Yen)

	First Quarter FY2008 From April 1, 2008 to June 30, 2008			First Quarter FY2009 From April 1, 2009 to June 30, 2009		
	Amount	Proportion	Change	Amount	Proportion	Change
Fire and Allied Lines	29,470	12.9%	1.1%	29,039	13.8%	-1.5%
Marine	1,558	0.7	7.1	1,003	0.5	-35.6
Personal Accident	12,861	5.6	-4.8	12,522	5.9	-2.6
Voluntary Automobile	118,469	52.0	-1.6	116,473	55.1	-1.7
Compulsory Automobile Liability	44,093	19.3	0.4	31,230	14.8	-29.2
Other	21,564	9.5	6.1	21,009	9.9	-2.6
Total	228,017	100.0	-0.3	211,279	100.0	-7.3
(Including premiums of saving-type insurance)	240,388		-1.1	222,465		-7.5

Net Premiums Written by Class of Business

(Millions of Yen)

	First Quarter FY2008 From April 1, 2008 to June 30, 2008			First Quarter FY2009 From April 1, 2009 to June 30, 2009		
	Amount	Proportion	Change	Amount	Proportion	Change
Fire and Allied Lines	21,794	10.4%	0.4%	21,294	10.8%	-2.3%
Marine	1,403	0.7	3.9	860	0.4	-38.7
Personal Accident	11,971	5.7	-7.2	11,608	5.9	-3.0
Voluntary Automobile	120,276	57.5	-1.2	118,203	60.0	-1.7
Compulsory Automobile Liability	33,545	16.1	-1.1	24,898	12.6	-25.8
Other	20,146	9.6	0.0	20,322	10.3	0.9
Total	209,138	100.0	-1.3	197,188	100.0	-5.7

Net Loss Paid by Class of Business

(Millions of Yen)

	First Quarter FY2008 From April 1, 2008 to June 30, 2008			First Quarter FY2009 From April 1, 2009 to June 30, 2009		
	Amount	Change	Loss Ratio	Amount	Change	Loss Ratio
Fire and Allied Lines	7,593	-9.9%	36.7%	8,004	5.4%	39.7%
Marine	727	-40.2	54.2	571	-21.4	68.8
Personal Accident	4,983	12.3	45.3	5,163	3.6	48.0
Voluntary Automobile	63,186	-4.4	57.3	66,936	5.9	61.7
Compulsory Automobile Liability	24,791	2.6	81.3	24,430	-1.5	106.2
Other	13,625	3.0	71.5	11,462	-15.9	59.7
Total	114,907	-2.3	59.7	116,568	1.4	63.9

Note: Loss ratio = (Net loss paid + Loss adjustment expenses) / Net premiums written x 100

Non-Consolidated Solvency Margin Ratio

(Millions of Yen)

	First Quarter FY2009 (As of June 30, 2009)	FY2008 (As of March 31, 2009)
Total Amount (A)	721,610	625,050
Capital Stock, Funds, and Other	328,459	319,409
Price Fluctuation Reserve	1,573	1,262
Contingency Fund	517	517
CAT Reserve including Earthquake Insurance	282,943	282,361
Allowance for Bad Debt	390	390
90% of Net Unrealized Gain on Available-for-Sale Securities (100% in the case of the minus)	26,977	-54,810
85% of Unrealized Gain and Loss on Land	14,423	14,529
Deductions	24,250	24,250
Other	90,577	85,639
Total Risk (B)		
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$	177,081	173,420
General Insurance Risk (R ₁)	45,981	45,991
Third Sector Insurance Risk (R ₂)	-	-
Projected Interest Risk (R ₃)	2,370	2,385
Asset Management Risk (R ₄)	82,346	77,619
Business Management Risk (R ₅)	4,144	4,061
Catastrophe Risk (R ₆)	76,545	77,076
Solvency Margin Ratio (C)		
$[(A)/\{(B) \times 1/2\}] \times 100$ (%)	815.0	720.8

Note: The above figures are calculated based on provisions in Article 86 and 87 of Ordinance for Enforcement of Insurance Business Law and Notification No.50 issued by the Ministry of Finance in 1996.

The solvency margin ratio as of June 30, 2009 was simply calculated using figures of a part of catastrophe risk as of March 31, 2009.

<Solvency Margin Ratio>

Non-life insurance company keeps reserves for payments of insurance claims, maturity repayments, and other purposes. Furthermore, the company needs to maintain sufficient ability to pay under the extraordinary situations, such as catastrophes, significant decline of assets value, and other unexpected situations.

Solvency margin ratio (C) is calculated based on the Insurance Business Law and relevant ordinance as an index of ability to pay. The ratio is the total amount (A) of money divided by the half of the total risk (B) and multiplied by 100.

Total risk includes the following risks.

- General Insurance Risk

Risks of payments of insurance claims in excess of expectations, calculated based on statistics of the past loss ratios by class of business excluding catastrophe risk

- Third Sector Insurance Risk

Risks of payments of third sector insurance claims in excess of expectations, which calculated based on statistics of the past loss ratios by class of business excluding catastrophe risk

- Projected Interest Risk

Risks arising from actual yields in investment being lower than expected yields, which are estimated when premiums of the insurance are calculated

- Asset Management Risk

Risks of retained securities and other assets fluctuating in prices in excess of expectations

- Business Management Risk

Risks arising from excess of expectations in connection with business management and excluding the other risks

- Catastrophe Risk

Risks arising from catastrophes, such as the Great Kanto Earthquake, the Ise Bay Typhoon, and other big disasters

The total amount of solvency margin is the total amount of net assets of a non-life insurance company excluding dividends and others, reserves such as reserve for price fluctuation, catastrophe reserve and other reserves, and a part of unrealized gain on land.

Solvency margin ratio is an objective index used by Financial Service Agency to control insurance companies. If the ratio is 200% or more, the ability to pay is considered enough.

Investment Conditions of Securitized Products

We invested in securitized products, such as marketable securities and credit derivatives. The booked amount of marketable securities was 35.5 billion yen, and the notional amount of credit derivatives was 85.3 billion yen as of June 30, 2009. ABS-CDOs in credit derivative transactions partially contained subprime-related loans, but marketable securities did not contain any subprime-related loans.

1. Investment Conditions of Marketable Securities (As of June 30, 2009)

	Booked Amount		Fair Value		Unrealized Profit and Loss		Profit and Loss for First Quarter FY2009
		Change from March 31, 2009		Change from March 31, 2009		Change from March 31, 2009	
Total Amount of Securitized Products	355	-29	340	-27	-14	1	-3

(100 Millions of Yen)

(1) Special Purpose Entity (SPE)

There was no SPE structured by our company. We did not supplement liquidity in SPEs.

	Booked Amount		Fair Value		Unrealized Profit and Loss		Profit and Loss for First Quarter FY2009
		Change from March 31, 2009		Change from March 31, 2009		Change from March 31, 2009	
Total Amount	1	-1	1	-2	-0	-0	-1
ABCP	-	-	-	-	-	-	-
Bond Issued by SIV *1	1	-1	1	-2	-0	-0	-1
Other	-	-	-	-	-	-	-

(100 Millions of Yen)

*1 We held subordinated bonds issued by Structured Investment Vehicles (SIVs). More than 50% of pledged assets for the bonds as collaterals kept AAA ratings, and about 70% of the assets kept A and above ratings. More than 60% of the bonds were Residential Mortgage Backed Securities (RMBSs) and Commercial Mortgage Backed Securities (CMBSs). RMBSs did not contain subprime-related exposure but partially contained Alt-A exposure. Percentages of pledged assets by country were about 62% for the U.S. and about 34% for Europe. The average remaining period of pledged assets was 3.6 years.

(2) Collateralized Debt Obligation

We held Collateralized Loan Obligations (CLOs), one of Collateralized Debt Obligations (CDOs), but these CLOs did not contain subprime-related exposure and Alt-A exposure.

	Booked Amount		Fair Value		Unrealized Profit and Loss		Profit and Loss for First Quarter FY2009
		Change from March 31, 2009		Change from March 31, 2009		Change from March 31, 2009	
Total Amount	2	-2	2	-2	-0	-0	-1
CLO *2	2	-2	2	-2	-0	-0	-1
Other	-	-	-	-	-	-	-

(100 Millions of Yen)

*2 We held overseas equities.

(3) Other Securitized Product

The below chart shows the amounts of other marketable securities. Subprime-related exposure and Alt-A exposure are not included.

	Booked Amount		Fair Value		Unrealized Profit and Loss		Profit and Loss for First Quarter FY2009
		Change from March 31, 2009		Change from March 31, 2009		Change from March 31, 2009	
Total Amount	351	-25	336	-22	-14	2	-
CMBS	37	-0	37	-0	-0	0	-
RMBS	223	-15	224	-13	0	1	-
ABS and Other	89	-9	75	-8	-14	0	-

(100 Millions of Yen)

Overseas exposures in the above chart are as follows:

	Booked Amount		Fair Value		Unrealized Profit and Loss		Profit and Loss for First Quarter FY2009
		Change from March 31, 2009		Change from March 31, 2009		Change from March 31, 2009	
Total Amount	80	-0	65	0	-14	0	-
CMBS	-	-	-	-	-	-	-
RMBS	-	-	-	-	-	-	-
ABS and Other	80	-0	65	0	-14	0	-

(100 Millions of Yen)

2. Investment Conditions of Credit Derivative Transaction (As of June 30, 2009)

We held ABS-CDOs and Corporate CDOs. These ABS-CDOs contained subprime-related exposure and Alt-A exposure, but Corporate CDOs did not contain these exposures. We traded exchange hedges but did not trade any other hedges as of June 30, 2009.

	Notional Amount		Evaluation Profit and Loss		Outstanding Exposure		Profit and Loss for First Quarter FY2009
		Change from March 31, 2009		Change from March 31, 2009		Change from March 31, 2009	
Total Amount	853	-4	-256	57	596	53	57
ABS-CDO *3	243	-4	-242	1	1	-2	1
Corporate CDO *4	350	-	-11	47	338	47	47
CDS	260	-	-2	8	257	8	8

(100 Millions of Yen)

Currency hedge loss (Exchange contract) —-3

Subprime related profit and loss (Total) —-2

*3 The loss on ABS-CDOs including currency hedges (subprime-related loss) for this period was 2.0 billion yen. The ratings of ABS-CDOs, which partially contained subprime-related loans, were CC and below due to conditions of underlying assets and tranches. Almost half of underlying assets of these ABS-CDOs were RMBSs, and the other underlying assets were CMBSs, credit card receivables, leasing receivables, and student loans.

*4 All Corporate CDOs kept AAA ratings. Underlying assets of Corporate CDOs were all domestic CDSs.

Overseas exposures in the above chart are as follows:

	Notional Amount		Evaluation Profit and Loss		Outstanding Exposure		Profit and Loss for First Quarter FY2009
		Change from March 31, 2009		Change from March 31, 2009		Change from March 31, 2009	
Total Amount	243	-4	-242	1	1	-2	1
ABS-CDO	243	-4	-242	1	1	-2	1
Corporate CDO	-	-	-	-	-	-	-
CDS	-	-	-	-	-	-	-

(100 Millions of Yen)

3. Other Conditions (As of June 30, 2009)

We did not implement leveraged finance deals and did not underwrite financial guarantee insurances and reinsurances of monoline insurers. In addition, we did not hold a bond and a securitized product such as RMBS and other securities issued by housing enterprise sponsored by the U.S. government. The consolidated subsidiaries did not hold securitized products.

Note: Page 15 and 16 are based on a guideline issued by the Financial Stability Forum held on April 2008. These pages include contents based on information from outside financial institutions which have business relationships with us.

AIOI INSURANCE COMPANY, LIMITED

References of Non-Consolidated Financial Results for the First Quarter of Fiscal 2009

1. Direct Premiums and Losses by Class
2. Inwards Reinsurance Premiums and Claims by Class
3. Net Operating Expenses
4. Catastrophe Reserves
5. Total Assets and Managed Assets
6. Investment Income and Expense
7. Investments in Securities

1. Direct Premiums and Losses by Class

(1) Direct Premiums Written by Class of Business

(Millions of Yen)

	1Q FY2008		1Q FY2009		FY2008	
		Change (%)		Change (%)		Change (%)
Fire and Allied Lines	29,470	1.1	29,039	-1.5	122,262	4.1
Marine	1,558	7.1	1,003	-35.6	5,006	-9.8
Personal Accident	12,861	-4.8	12,522	-2.6	49,511	-2.1
Voluntary Automobile	118,469	-1.6	116,473	-1.7	458,827	-1.7
Compulsory Automobile Liability	44,093	0.4	31,230	-29.2	132,713	-15.8
Other	21,564	6.1	21,009	-2.6	75,906	2.7
Total	228,017	-0.3	211,279	-7.3	844,227	-3.2

(2) Net Premiums Written by Class of Business

(Millions of Yen)

	1Q FY2008		1Q FY2009		FY2008	
		Change (%)		Change (%)		Change (%)
Fire and Allied Lines	21,794	0.4	21,294	-2.3	102,746	2.4
Marine	1,403	3.9	860	-38.7	5,589	-13.2
Personal Accident	11,971	-7.2	11,608	-3.0	46,015	-3.9
Voluntary Automobile	120,276	-1.2	118,203	-1.7	466,823	-1.3
Compulsory Automobile Liability	33,545	-1.1	24,898	-25.8	119,731	-19.9
Other	20,146	0.0	20,322	0.9	75,787	1.2
Total	209,138	-1.3	197,188	-5.7	816,693	-4.1

(3) Net Loss Paid by Class of Business

(Millions of Yen)

	1Q FY2008			1Q FY2009			FY2008		
		Net Loss Ratio (%)*	Change (%)		Net Loss Ratio (%)*	Change (%)		Net Loss Ratio (%)*	Change (%)
Fire and Allied Lines	7,593	36.7	-3.7	8,004	39.7	3.0	35,102	35.9	-1.4
Marine	727	54.2	-39.0	571	68.8	14.6	3,446	64.3	6.6
Personal Accident	4,983	45.3	7.6	5,163	48.0	2.7	21,466	50.0	4.3
Voluntary Automobile	63,186	57.3	-1.4	66,936	61.7	4.4	279,434	64.8	1.5
Compulsory Automobile Liability	24,791	81.3	4.0	24,430	106.2	24.9	100,283	90.2	17.9
Other	13,625	71.5	2.5	11,462	59.7	-11.8	53,816	74.7	-5.3
Total	114,907	59.7	0.0	116,568	63.9	4.2	493,549	65.0	2.8

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

2. Inwards Reinsurance Premiums and Claims by Class

(1) Net Inwards Reinsurance Premiums by Class of Business

(Millions of Yen)

	1Q FY2008		1Q FY2009		FY2008	
		Change (%)		Change (%)		Change (%)
Fire and Allied Lines	1,876	5.9	2,025	8.0	9,298	-2.2
Marine	504	31.3	396	-21.5	2,223	-5.9
Personal Accident	51	-78.7	77	50.6	134	-81.9
Voluntary Automobile	3,517	10.4	3,383	-3.8	13,260	14.9
Compulsory Automobile Liability	19,250	-18.3	14,615	-24.1	76,380	-30.9
Other	1,278	-48.2	1,673	30.9	6,605	-21.2
Total	26,478	-16.3	22,171	-16.3	107,902	-24.6

(2) Net Inwards Reinsurance Claims by Class of Business

(Millions of Yen)

	1Q FY2008		1Q FY2009		FY2008	
		Loss Ratio (%)*		Loss Ratio (%)*		Loss Ratio (%)*
Fire and Allied Lines	664	35.4	733	36.2	4,499	48.4
Marine	403	79.9	265	67.1	1,996	89.8
Personal Accident	67	132.7	61	79.8	356	265.7
Voluntary Automobile	1,676	47.7	1,944	57.5	7,988	60.2
Compulsory Automobile Liability	24,791	128.8	24,430	167.2	100,283	131.3
Other	4,130	323.2	2,495	149.1	12,589	190.6
Total	31,734	119.9	29,931	135.0	127,714	118.4

* Loss ratio = Net inwards reinsurance premiums / Net inwards reinsurance claims x 100

3. Net Operating Expenses

(Millions of Yen)

		1Q FY2008		1Q FY2009			
		Change (%)	% of Premiums	Change (%)	% of Premiums		
Loss Adjustment	Labor Cost	23,256	2.6	11.1	24,252	4.3	12.3
Expenses + Sales and Administrative Expenses	Non-Personal Expenses	20,483	16.6	9.8	18,195	-11.2	9.2
	Tax and Other	3,721	-1.3	1.8	3,742	0.6	1.9
	Total	47,461	7.9	22.7	46,190	-2.7	23.4
Sales and Administrative Expenses for Underwriting		35,318	7.8	16.9	34,384	-2.6	17.4
Commissions and Collection Fees		38,888	1.6	18.6	36,038	-7.3	18.3
Total (Net Operating Expenses)		74,207	4.5	35.5	70,422	-5.1	35.7

		FY2008		
		Change (%)	% of Premiums	
Loss Adjustment	Labor Cost	91,661	2.8	11.2
Expenses + Sales and Administrative Expenses	Non-Personal Expenses	82,140	1.6	10.1
	Tax and Other	9,687	2.0	1.2
	Total	183,489	2.2	22.5
Sales and Administrative Expenses for Underwriting		138,311	1.4	16.9
Commissions and Collection Fees		144,132	-2.0	17.6
Total (Net Operating Expenses)		282,444	-0.4	34.6

4. Catastrophe Reserves

(Millions of Yen)

	1Q FY2008		1Q FY2009			
	Amount	Reserve Ratio (%)*	Amount	Reserve Ratio (%)*	Change from 1Q FY2008	Change from FY2008
Fire and Allied Lines	91,608	107.5	99,179	119.3	7,571	1,249
Marine	4,263	76.0	4,462	129.7	199	37
Personal Accident	33,236	69.4	34,643	74.6	1,406	342
Voluntary Automobile	96,568	20.1	74,863	15.8	-21,705	-2,045
Other	24,506	30.4	27,184	33.4	2,677	338
Total	250,183	35.7	240,332	35.0	-9,850	-78

	FY2008	
	Amount	Reserve Ratio (%)*
Fire and Allied Lines	97,930	97.0
Marine	4,424	79.2
Personal Accident	34,300	74.5
Voluntary Automobile	76,908	16.5
Other	26,846	35.4
Total	240,410	34.6

* Reserve ratio = Balance of catastrophe reserve / Net premiums written (excluding dwelling EQ + CALI) × 100

Note: Reserve ratios for first quarters are calculated after net premiums written (excluding dwelling EQ + CALI) quadruplicated.

5. Total Assets and Managed Assets

(Millions of Yen)

	FY2008	1Q FY2009	
			Change
Cash and Deposits	155,529	141,754	-13,775
Monetary Receivables Purchased	19,535	18,057	-1,478
Money Held in Trust	6,718	7,330	611
Securities	1,314,157	1,403,435	89,278
Bonds	535,419	541,410	5,991
Equity Securities	342,257	395,570	53,313
Foreign Securities	334,496	369,184	34,688
Other Securities	101,984	97,269	-4,714
Loans Receivables	349,470	343,249	-6,221
Property, Plant and Equipment	149,165	150,150	984
Intangible Assets	6,048	5,664	-384
Other Assets	226,121	221,968	-4,152
Deferred Tax Assets	192,140	156,023	-36,116
Customers' Liabilities for Acceptances and Guarantees	3,000	3,000	-
Allowance for Doubtful Accounts	-2,127	-1,812	315
Total Assets	2,419,760	2,448,822	29,061
Managed Assets	1,984,192	2,053,933	69,740
(Reference)			
Long-Lived Assets	546,941	540,612	-6,328

6. Investment Income and Expense

(Millions of Yen)

	1Q FY2008	1Q FY2009	Change		FY2008
Interest and Dividends Income	13,831	13,403	-428		42,982
Gain and Loss on Sales of Securities	3,752	961	-2,791		43,994
Loss on Valuation of Securities	-1,546	-1,296	250		-62,461
Gain and Loss on Derivatives*	-5,761	5,616	11,377		-11,832
Other Investment Gains and Losses	916	1,059	142		-26,425
Investment Income on Premiums for Maturity of Refundable Portion of Long-Term and Other Insurance	-5,660	-4,942	718		-20,213
Investment Income and Loss	5,532	14,801	9,269		-33,956

* Valuation profit and loss of derivative transaction at the end of the period are included.

(References) Investment and Dividends Income

(Millions of Yen)

	1Q FY2008	1Q FY2009	Change		FY2008
Securities	10,355	10,040	-314		29,645
Bonds	2,832	2,021	-810		10,282
Equity Securities	4,750	3,393	-1,356		9,439
Foreign Securities	2,693	2,549	-143		9,129
Other Securities	78	2,075	1,997		794
Loans	1,670	1,713	42		6,783
Land and Buildings	1,274	1,301	27		5,201
Others	532	348	-184		1,350
Total	13,831	13,403	-428		42,982

7. Investments in Securities

(1) Unrealized Profit and Loss on Securities

(Millions of Yen)

1Q FY2009	Cost	Fair Value	Unrealized Gains and Losses	
				Change
Bonds	531,463	539,377	7,914	2,217
Equity Securities	267,941	322,403	54,461	54,604
Foreign Securities	361,676	334,263	-27,413	13,040
Others	115,327	110,596	-4,731	14,969
Total	1,276,409	1,306,640	30,231	84,830

FY2008	Cost	Fair Value	Unrealized Gains and Losses
Bonds	529,602	535,299	5,697
Equity Securities	269,074	268,931	-142
Foreign Securities	347,231	306,777	-40,453
Others	136,322	116,621	-19,700
Total	1,282,230	1,227,631	-54,599

Notes: 1. Other available-for-sale securities, which are fairly valued on the market, are listed in the above tables.

2. Monetary receivables purchased is included in others.

(2) Gain and Loss on Sales of Securities

(Millions of Yen)

	1Q FY2008	1Q FY2009	Change		FY2008
Bonds	2,031	61	-1,970		6,508
Equity Securities	92	377	285		46,517
Foreign Securities	111	1,329	1,217		-10,548
Others	1,517	-806	-2,323		1,517
Total	3,752	961	-2,791		43,994

(3) Loss on Valuation of Securities by Impairment

(Millions of Yen)

	1Q FY2008	1Q FY2009	Change		FY2008
Bonds	-	-	-		485
Equity Securities	729	978	248		25,441
Foreign Securities	487	317	-169		24,880
Others	329	-	-329		11,654
Total	1,546	1,296	-250		62,461