

Exposure to Credit Derivatives, etc.

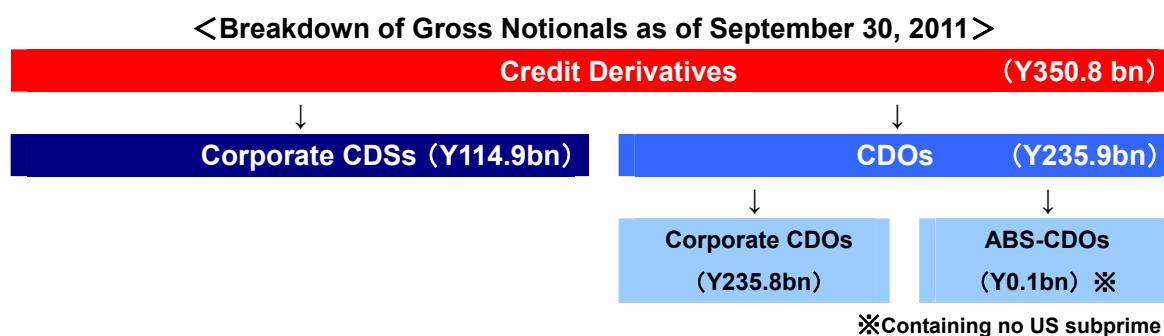
Following please find the exposure breakdown as of September 30, 2011.

(Presented in the order of Mitsui Sumitomo Insurance Co., Ltd. and Aioi Nissay Dowa Insurance Co., Ltd.)

Mitsui Sumitomo Insurance Co., Ltd.

◆Credit Derivatives

(1) The breakdown of outstanding notional amount as of September 30, 2011.



- The total notional amount is ¥350.8 billion. Of this total, the exposure to CDSs, where credit risks of companies have been individually underwritten, is ¥114.9 billion. The notional amount of CDO tranches underwritten is ¥235.9 billion.
- Of the ¥235.9 billion for CDO tranches, ¥235.8 billion is for corporate CDOs, and ¥0.1 billion is for ABS-CDOs.

(2) The outstanding notional amount by ratings

CDSs					(Y bn)	CDOs		(Y bn)
Rating	Notional amount (% of total)					Rating	Notional amount (% of total)	
	Domestic companies		Overseas companies				of which financial institutions	
AAA	10.7 (9.3%)	9.9 (8.8%)	0.7 (33.3%)	-	AAA	208.9	(88.5%)	
AA	79.1 (68.9%)	77.6 (69.0%)	1.5 (66.7%)	-	AA	15.4	(6.5%)	
A	24.0 (20.9%)	24.0 (21.3%)	-	(-)	A	0.1	(0.1%)	
BBB	1.0 (0.9%)	1.0 (0.9%)	-	(-)	BBB	3.8	(1.6%)	
BB or lower	-	-	-	(-)	BB or lower	7.6	(3.2%)	
Total	114.9 (100%)	112.6 (100%)	2.2 (100%)	-	Total	235.9	(100%)	

- As for the CDSs, the exposure to companies of “A” rating or higher accounts for 99% of the portfolio.
- As for the exposure for CDOs, 89% remains at “AAA” rating, and 95% “A” or above.

(3) Diversity of the “corporate CDSs” portfolio

- The number of companies, domestic and overseas, whose corporate risk is individually underwritten is 57.
- The average notional amount per company is ¥2.0 billion.

(4) The average subordination ratio for CDO tranches

- The average subordination ratio weighted by guaranteed amount is 18 %.

(5) The mark-to-market unrealized gains/losses booked for credit derivatives for the fiscal 2nd quarter cumulative period ending September 30, 2011

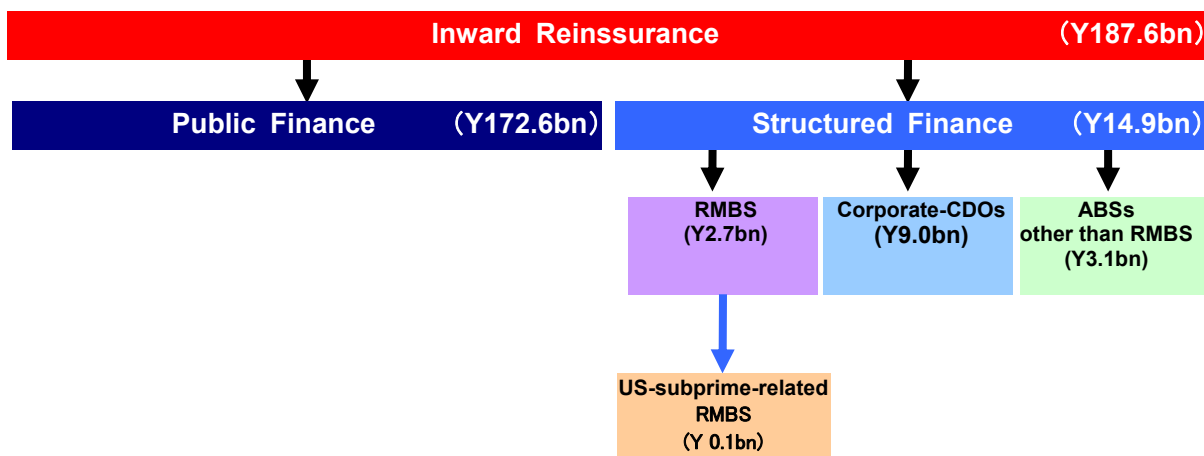
It's ¥3.4 billion in losses: ¥0.9 billion loss for CDSs and ¥2.4 billion loss for CDOs.

Mitsui Sumitomo Insurance Co., Ltd.

◆ Reinsurance Ceded from US Monolines

(1) The breakdown of outstanding reinsured par amount as of September 30, 2011

< Breakdown of Outstanding Guaranteed Balance as of September 30, 2011 >



- The total outstanding amount is ¥187.6 billion. Of this total, the exposure to “public finance” is ¥172.6 billion. The exposure to “structured finance” is ¥14.9 billion.
- Of the ¥14.9 billion for “structured finance”, ¥2.7 billion is for RMBSs, ¥9.0 billion is for Corporate-CDOs, and ¥3.1 billion is for ABSs in general.
- Of the ¥2.7 billion for RMBSs, ¥0.1 billion is for US-subprime related.

(2) The outstanding reinsured par amount by ratings

(Y bn)

Rating	Balance underwritten (% of total)	
AAA	12.5	(6.7%)
AA	66.6	(35.5%)
A	70.3	(37.5%)
BBB	32.0	(17.1%)
BB or lower	5.9	(3.2%)
Total	187.6	(100%)

- As exhibited above, 80% of the portfolio underwritten is rated “A” or higher, and 97% “BBB” or higher, maintaining a strong credit position as a whole.

(3) The amount of the loss incurred during the fiscal 2nd quarter cumulative period ending September 30, 2011 with regard to reinsurance ceded from US monolines

- ¥0.1 billion loss (i.e. total of payout and outstanding claims) was booked for the period.

Aioi Insurance Co., Ltd.

◆Credit Derivatives

(1) The breakdown of outstanding notional amount as of September 30, 2011.

(Y bn)

	Notional Amount	Change from previous QT
Credit Derivatives	2.0	-10.0
Corporate CDSs	2.0	-
CDOs	-	-10.0
Corporate CDOs	-	-10.0
ABS-CDOs	-	-

- The total notional amount is ¥2.0 billion. Of this total, the exposure to CDSs, where credit risks of companies have been individually underwritten, is ¥2.0 billion. The notional amount of CDO tranches underwritten is nil.
- The gross notionals under Credit Derivatives are all for credit risk of Japanese corporations and contain no US-subprime risks.

(2) The outstanding notional amount by ratings

CDSs

(Y bn)

Rating	Notional amount (% of total)			
			Domestic companies	Overseas companies
AAA	-	(-)	- (-)	- (-)
AA	-	(-)	- (-)	- (-)
A	2.0	(100%)	2.0 (100%)	- (-)
BBB	-	(-)	- (-)	- (-)
BB or lower	-	(-)	- (-)	- (-)
Total	2.0	(100%)	2.0 (100%)	- (-)

- The exposure is all for companies of “A” rating.

(3) The mark-to-market unrealized gains/losses booked for credit derivatives for the fiscal 2nd quarter cumulative period ending September 30, 2011

It's ¥0.0 billion in gains: ¥0.0 billion loss for CDSs and ¥0.0 billion gain for CDOs.

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