

Explanation for Business Results for the Three Months Ended June 30, 2011

1. Summary of Consolidated Business Results

(1) Summary of Consolidated Results of Operations

(Yen in 100 millions)

		Three months ended June 30, 2010	Three months ended June 30, 2011	Change	Change ratio (%)
Ordinary income and expenses:					
Underwriting income:	①	7,966	9,561	1,594	20.0
Net premiums written	②	6,534	6,490	(43)	(0.7)
Deposit premiums from policyholders	③	600	481	(119)	(19.8)
Life insurance premiums	④	537	921	384	71.5
Reversal of outstanding claims	⑤	58	-	(58)	(100.0)
Reversal of underwriting reserves	⑥	51	1,492	1,440	2,784.6
Underwriting expenses:	⑦	6,670	8,019	1,348	20.2
Net claims paid	⑧	3,905	4,183	277	7.1
Loss adjustment expenses	⑨	330	335	5	1.7
Commission and collection expenses	⑩	1,201	1,242	40	3.4
Maturity refunds to policyholders	⑪	1,051	887	(164)	(15.6)
Life insurance claims	⑫	133	417	284	212.9
Provision for outstanding claims	⑬	-	924	924	-
Investment income:	⑭	550	659	108	19.8
Interest and dividends received	⑮	600	601	1	0.2
Gains on sale of securities	⑯	73	47	(25)	(34.8)
Gains on derivative transactions	⑰	28	17	(10)	(38.7)
Investment expenses:	⑱	153	377	224	146.5
Losses on sale of securities	⑲	8	31	22	253.9
Losses on devaluation of securities	⑳	90	109	18	20.8
Losses on investment in separate accounts	㉑	-	217	217	-
Operating expenses and general and administrative expenses	㉒	1,256	1,278	21	1.7
Other ordinary income and expenses:	㉓	35	(15)	(50)	(142.8)
Net income and losses from equity method investments	㉔	17	(1)	(19)	(109.9)
Deferred expenses under Article 113 of the Insurance Business Act	㉕	-	(1)	(1)	-
Ordinary profit	㉖	472	533	61	12.9
Extraordinary income and losses:					
Extraordinary income:	㉗	176	73	(102)	(58.2)
Gain on negative goodwill	㉘	135	33	(102)	(75.5)
Extraordinary losses	㉙	151	61	(90)	(59.7)
Extraordinary income and losses	㉚	24	12	(11)	(48.6)
Income before income taxes	㉛	496	545	49	9.9
Income taxes	㉜	79	159	80	102.0
Income before minority interests	㉝	417	386	(31)	(7.6)
Minority interests	㉞	3	4	1	28.1
Net income	㉟	413	381	(32)	(7.9)

(Notes)

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

2. For the three months ended June 30, 2011, net claims paid() and Life insurance claims() include losses due to the Great East Japan Earthquake as below:

Net claims paid() : 36.6 billion yen; 27.8 billion yen for Earthquake Insurance on Dwelling Risks(*), 8.8 billion yen for the others
Life insurance claims() : 0.9 billion yen

(*):Earthquake insurance under "the Law concerning Earthquake Insurance"

Claims for Earthquake Insurance on Dwelling Risks represents our group's portion of insurance liability retroceded to the private non-life insurers. This amount is based on the notification received from Japan Earthquake Reinsurance Co., Ltd. by the end of 1st quarter and includes the claims relating to other earthquakes than the Great East Japan Earthquake.

3. Extraordinary losses include below:

Three months ended June 30, 2010: Business-integration-related expenses 12.1 billion yen

Three months ended June 30, 2011: Merger-related expenses of domestic life insurance subsidiaries 1.5billion yen

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

(Yen in 100 millions)

		Three months ended June 30, 2010	Three months ended June 30, 2011	Change	Change ratio (%)
Net premiums written <small>Note 1</small>	①	6,534	6,490	(43)	(0.7)
Mitsui Sumitomo Insurance	②	3,124	3,179	55	1.8
Aioi Nissay Dowa Insurance <small>Note 2</small>	③	2,783	2,704	(79)	(2.9)
Mitsui Direct General Insurance	④	81	86	5	6.1
Overseas insurance subsidiaries	⑤	544	520	(23)	(4.4)
Ordinary profit	⑥	472	533	61	12.9
Mitsui Sumitomo Insurance	⑦	269	268	(0)	(0.2)
Aioi Nissay Dowa Insurance <small>Note 2</small>	⑧	74	211	137	185.3
Net income (loss)	⑨	431	381	(32)	(7.9)
Mitsui Sumitomo Insurance	⑩	192	186	(5)	(2.9)
Aioi Nissay Dowa Insurance <small>Note 2</small>	⑪	(2)	162	164	-
Mitsui Direct General Insurance	⑫	6	7	0	14.3
Mitsui Sumitomo Kirameki Life Insurance	⑬	0	0	0	701.5
Aioi Life Insurance	⑭	0	(7)	(8)	(1,798.8)
Mitsui Sumitomo Primary Life Insurance <small>Note 3</small>	⑮	16	44	27	170.1
Overseas insurance subsidiaries	⑯	47	17	(30)	(63.7)
Others	⑰	0	(0)	(1)	(161.9)
Consolidation adjustment / Holding Company	⑱	151	(30)	(181)	(119.8)

(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.
- Aioi Insurance Co., Ltd. and Nissay Dowa General Insurance Co., Ltd. merged into Aioi Nissay Dowa Insurance Co., Ltd. on October 1, 2010. Figures for the three months ended June 30, 2010 of Aioi Nissay Dowa Insurance Co., Ltd. are the simple combination of Aioi Insurance Co., Ltd. and Nissay Dowa General Insurance Co., Ltd..
- Mitsui Sumitomo Primary Life Insurance Company, Ltd., formerly an affiliate accounted for using the equity method, became a wholly-owned consolidated subsidiary of the Company on April 1, 2011. Figure for the three months ended June 30, 2010 is an equity in earning of affiliate (the Company's share: 50%).
- Figures in 10 through 17 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)

		Three months ended June 30, 2010	Three months ended June 30, 2011	Change	Change ratio (%)
Net premiums written	①	544	520	(23)	(4.4)
Asia	②	198	239	41	20.7
Europe	③	180	127	(52)	(29.3)
Americas	④	77	75	(2)	(3.1)
Reinsurance	⑤	87	78	(9)	(11.0)
Net income (loss)	⑥	47	17	(30)	(63.7)
Asia	⑦	20	17	(3)	(16.9)
Europe	⑧	0	(6)	(6)	(59,757.0)
Americas	⑨	6	4	(2)	(31.9)
Reinsurance	⑩	20	2	(17)	(87.3)

(4) Status of Domestic Life Insurance Subsidiaries

(Yen in 100 millions)

		Three months ended June 30, 2010	Three months ended June 30, 2011	Change	Change ratio (%)	Year ended March 31, 2011
Amount of new policies				From the year-earlier period	From the year-earlier period	
Mitsui Sumitomo Kirameki Life Insurance	①	3,763	4,290	527	14.0	17,986
Aioi Life Insurance	②	2,310	2,509	199	8.6	10,445
Subtotal amount	③	6,073	6,800	726	12.0	28,431
Mitsui Sumitomo Primary Life Insurance	④	572	555	(16)	(2.9)	2,537
Amount of policies in force				From the previous year	From the previous year	
Mitsui Sumitomo Kirameki Life Insurance	⑤	95,577	103,061	1,680	1.7	101,381
Aioi Life Insurance	⑥	59,411	64,113	1,165	1.9	62,947
Subtotal amount	⑦	154,988	167,174	2,845	1.7	164,329
Mitsui Sumitomo Primary Life Insurance	⑧	28,862	30,620	(210)	(0.7)	30,830
Annualized premiums for policies in force				From the previous year	From the previous year	
Mitsui Sumitomo Kirameki Life Insurance	⑨	1,939	2,030	16	0.8	2,013
Aioi Life Insurance	⑩	742	777	11	1.5	766
Subtotal amount	⑪	2,682	2,808	28	1.0	2,780
Mitsui Sumitomo Primary Life Insurance	⑫	4,842	4,363	8	0.2	4,355

(Note) Above figures show the total of individual insurance and individual annuities.

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)

		Three months ended June 30, 2010	Three months ended June 30, 2011	Change	Change ratio
(+) Net premiums written	①	3,124	3,179	55	1.8
(-) Net claims paid	②	1,940	2,071	131	6.8
(-) Loss adjustment expenses	③	179	191	11	6.2
(-) Commissions and collection expenses	④	555	575	19	3.6
(-) Operating expenses and general administrative expenses for underwriting	⑤	506	496	(10)	(2.0)
Underwriting balance	⑥	(57)	(154)	(97)	-
(-) Outstanding claims provision	⑦	(92)	556	649	-
(-) Ordinary underwriting reserve	⑧	(10)	(690)	(679)	-
(-) Catastrophe reserve provision	⑨	(74)	(73)	0	-
(+) Other	⑩	10	15	4	41.3
Underwriting profit	⑪	130	67	(63)	(48.6)
(+) Interest and dividends received	⑫	336	353	16	4.9
(-) Transfer of investment income on deposit premium	⑬	129	119	(10)	(7.9)
Net interest and dividend income -	⑭	206	233	26	12.9
(+) Net gains/losses on sale of securities	⑮	39	5	(33)	(85.9)
(-) Losses on devaluation of securities	⑯	67	16	(51)	(76.1)
(+) Gains/losses on derivative transactions	⑰	19	20	1	8.0
(+) Other	⑱	(52)	(22)	29	-
Total investment income	⑲	146	221	75	51.6
(+) Other ordinary expenses	⑳	(7)	(20)	(12)	-
Ordinary profit	㉑	269	268	(0)	(0.2)
(+) Extraordinary gains/losses	㉒	(10)	(17)	(6)	-
Reserve for price fluctuation	㉓	20	3	(16)	(81.1)
Integration-related expenses	㉔	(7)	-	7	-
Income before income taxes	㉕	258	251	(7)	(2.8)
(-) Total income taxes	㉖	65	64	(1)	(2.3)
Net income	㉗	192	186	(5)	(2.9)

Ratios	Net loss ratio	㉘	67.9 %	71.2 %	3.3 %
	Net expense ratio	㉙	34.0 %	33.7 %	(0.3) %
	Combined ratio	㉚	101.9 %	104.9 %	3.0 %

(Note) 1. Net loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100

2. Net expense ratio = (Commission and collection expenses, and 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	㉛	2,809	2,877	68	2.4
Ratios	Net loss ratio	㉜	62.6 %	66.1 %	3.5 %	
	Net expense ratio	㉝	34.9 %	34.5 %	(0.4) %	
	Combined ratio	㉞	97.5 %	100.6 %	3.1 %	

(Reference) Excluding Residential Earthquake Insurance and Compulsory Automobile Liability Insurance

	Net loss ratio	㉟	62.8 %	60.9 %	(1.9) %
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(2) Premiums written

(Yen in 100 millions)

	Net premiums written				Direct premiums written (excluding deposit premiums)			
	Three months ended June 30, 2010		Three months ended June 30, 2011		Three months ended June 30, 2010		Three months ended June 30, 2011	
	Amount	Change ratio	Amount	Change ratio	Amount	Change ratio	Amount	Change ratio
		%		%		%		%
Fire and allied	410	4.4	432	5.2	537	1.3	578	7.7
Marine	140	4.2	139	(0.4)	188	0.8	191	2.0
Personal accident	357	3.3	367	2.7	372	3.5	385	3.6
Voluntary automobile	1,410	3.1	1,441	2.2	1,411	2.8	1,445	2.4
Compulsory automobile liability	315	3.4	302	(4.2)	339	4.3	352	3.9
Other	489	(2.6)	497	1.5	527	(0.8)	531	0.7
Total	3,124	2.4	3,179	1.8	3,376	2.1	3,485	3.2

(3) Net claims paid

(Yen in 100 millions)

	Three months ended June 30, 2010			Three months ended June 30, 2011			
	Amount	Change ratio	Net loss ratio	Amount	Change ratio	Net loss ratio	Change ratio
		%	%		%	%	%
Fire and allied	166	2.5	42.9	371	122.8	88.2	45.3
Marine	69	11.8	53.0	82	18.7	62.3	9.3
Personal accident	186	5.0	57.8	186	0.1	56.8	(1.0)
Voluntary automobile	899	5.8	71.1	903	0.4	70.4	(0.7)
Compulsory automobile liability	336	0.6	115.0	333	(0.9)	119.4	4.4
Other	281	(5.4)	60.6	194	(30.8)	42.4	(18.2)
Total	1,940	2.9	67.9	2,071	6.8	71.2	3.3

(Note)1. Net claims paid during three months ended June 30, 2011 include 22.5 billion yen paid for claims by the Great East Japan Earthquake (15.5 billion yen for Residential earthquake insurance and 6.9 billion yen for others).

Claims amount for Residential earthquake insurance was reported by Japan Earthquake Reinsurance Co. by June 30, 2011.

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

(4) Company expenses

< Corporate expenses >

(Yen in 100 millions)

		Three months ended June 30, 2010			Three months ended June 30, 2011		
		Amount	Change	Change ratio	Amount	Change	Change ratio
				%			%
Personnel expenses	①	421	24	6.2	421	0	0.1
Non personnel	②	257	(25)	(9.1)	255	(1)	(0.7)
Taxes and contributions	③	35	0	0.6	33	(2)	(6.8)
Total	④	714	(0)	(0.1)	710	(3)	(0.6)

(Note) Corporate expenses = Loss adjustment expense, and Operating expenses and general administration expenses

< Expenses for underwriting >

(Yen in 100 millions)

		Three months ended June 30, 2010			Three months ended June 30, 2011		
		Amount	Change	Change ratio	Amount	Change	Change ratio
				%			%
Operating expenses and general administrative expenses	⑤	506	(1)	(0.3)	496	(10)	(2.0)
Commission and collection expenses	⑥	555	24	4.5	575	19	3.6
Total	⑦	1,062	22	2.2	1,071	9	0.9
Net company expense ratio	⑧	34.0 %	(0.1) %		33.7 %	(0.3) %	

(Mitsui Sumitomo Insurance Co., Ltd.)

(5) Catastrophe reserve

(Yen in 100 millions)

	As of March 31, 2011		As of June 30, 2011			
	Balance	Reserve ratio	Reversal	Provision	Balance	Reserve ratio
		%				%
Fire and allied	2,328	131.8	-	38	2,366	140.3
Marine	644	118.6	11	5	638	114.1
Personal accident	695	52.2	6	11	699	47.6
Voluntary automobile	177	3.2	177	46	46	0.8
Other	1,337	77.8	3	25	1,358	68.3
Total	5,183	47.5	200	126	5,109	44.5

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

In case of the 1st quarter, reserve ratio as of June 30, 2011 is calculated with four times of net written premium of three months ended June 30, 2011.

(6) Balance of invested asset

(Yen in 100 millions)

	As of March 31, 2011	As of June 30, 2011	
			Change
Cash deposits and savings	3,528	3,219	(308)
Securities	41,003	40,137	(866)
Domestic bonds	16,975	16,987	12
Domestic equity	15,097	14,455	(641)
Foreign securities	8,528	8,297	(231)
Others	402	396	(5)
Loan investments	6,872	6,770	(102)
Lands and Buildings	2,093	2,054	(39)
Total	53,498	52,180	(1,317)
(Reference)			
Long-term assets	18,402	18,246	(155)

(7) Breakdown of interest and dividends

(Yen in 100 millions)

	Three months ended June 30, 2010	Three months ended June 30, 2011	
			change
Securities	274	294	19
Domestic bonds	73	71	(1)
Domestic equity	150	161	10
Foreign securities	49	60	10
Others	0	0	0
Loan investments	32	31	(1)
Lands and buildings	17	15	(2)
Other	11	12	1
Total	336	353	16

(8) Securities

Unrealized gains and losses on securities

(Yen in 100 millions)

As of June 30, 2011	Acquisition cost	Fair value	Difference	Change from
				March 31, 2011
Domestic bonds	16,433	16,971	538	141
Domestic equity	7,542	13,730	6,187	(322)
Foreign securities	4,701	4,599	(101)	(31)
Others	1,855	1,892	37	4
Total	30,532	37,194	6,662	(207)

(Yen in 100 millions)

As of March 31, 2011	Acquisition cost	Fair value	Difference
Domestic bonds	16,562	16,959	396
Domestic equity	7,559	14,069	6,510
Foreign securities	4,932	4,862	(70)
Others	1,638	1,671	33
Total	30,693	37,563	6,869

(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)

	Three months ended June 30, 2010 Gains and losses	Three months ended June 30, 2011		
		Gains and losses	Gains	Losses
Domestic bonds	1	4	5	0
Domestic equity	26	6	7	0
Foreign securities	11	(6)	3	9
Others	0	-	-	-
Total	39	5	16	10

Losses on devaluation of securities

(Yen in 100 millions)

	Three months ended June 30, 2010	Three months ended June 30, 2011	
			Change
Domestic bonds	-	0	0
Domestic equity	55	14	(41)
Foreign securities	11	1	(10)
Others	-	-	-
Total	67	16	(51)

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

Aioi Nissay Dowa Insurance Co., Ltd. is the combined company formed through the merger of Aioi Insurance Co., Ltd. and Nissay Dowa General Insurance Co., Ltd. on October 1, 2010. Results of the year ended March 31, 2011 or before represent simple aggregate of the results of Aioi Insurance Co., Ltd and Nissay Dowa General Insurance Co., Ltd. in this material.

(1) Profit and loss status

(Yen in 100 millions)

		Three months ended June 30, 2010	Three months ended June 30, 2011	Change	Change ratio
(+) Net premiums written	①	2,783	2,704	(79)	(2.9)
(-) Net claims paid	②	1,679	1,804	125	7.4
(-) Loss adjustment expenses	③	134	127	(7)	(5.4)
(-) Commissions and collection expenses	④	516	500	(16)	(3.2)
(-) Operating expenses and general administrative expenses for underwriting	⑤	470	480	9	2.0
Underwriting balance	⑥	(17)	(207)	(190)	-
(-) Outstanding claims provision	⑦	2	353	351	15,017.5
(-) Ordinary underwriting reserve	⑧	6	(647)	(654)	(9,598.5)
(-) Catastrophe reserve provision	⑨	(55)	(67)	(11)	-
(+) Other	⑩	6	16	9	162.0
Underwriting profit	⑪	35	169	133	376.7
(+) Interest and dividends received	⑫	184	178	(5)	(3.0)
(-) Transfer of investment income on deposit premium	⑬	61	54	(6)	(11.3)
Net interest and dividend income -	⑭	122	123	1	1.2
(+) Net gains/losses on sale of securities	⑮	38	18	(19)	(50.7)
(-) Losses on devaluation of securities	⑯	79	55	(23)	(29.9)
(+) Gains/losses on derivative transactions	⑰	10	(2)	(12)	(125.3)
(+) Other	⑱	(35)	(22)	13	-
Total investment income	⑲	55	62	6	11.5
(+) Other ordinary expenses	⑳	(17)	(20)	(2)	-
Ordinary profit	㉑	74	211	137	185.3
(+) Extraordinary gains/losses	㉒	(94)	24	118	-
Reserve for price fluctuation	㉓	20	33	12	62.6
Integration-related expenses	㉔	(107)	-	107	-
Income before income taxes	㉕	(20)	235	255	-
(-) Total income taxes	㉖	(18)	72	90	-
Net income	㉗	(2)	162	164	-

Ratios	Net loss ratio	㉘	65.1 %	71.4 %	6.3 %
	Net expense ratio	㉙	35.5 %	36.3 %	0.8 %
	Combined ratio	㉚	100.6 %	107.7 %	7.1 %

(Note) 1. Net loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100

2. Net expense ratio = (Commission and collection expenses, and 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	㉛	2,452	2,395	(57)	(2.3)
Ratios	Net loss ratio	㉜	60.0 %	66.6 %	6.6 %	
	Net expense ratio	㉝	35.9 %	36.5 %	0.6 %	
	Combined ratio	㉞	95.9 %	103.1 %	7.2 %	

(Reference) Excluding Residential Earthquake Insurance and Compulsory Automobile Liability Insurance

	Net loss ratio	㉟	60.2 %	61.7 %	1.5 %	
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(2) Premiums written

(Yen in 100 millions)

	Net premiums written				Direct premiums written (excluding deposit premiums)			
	Three months ended June 30, 2010		Three months ended June 30, 2011		Three months ended June 30, 2010		Three months ended June 30, 2011	
	Amount	Change ratio	Amount	Change ratio	Amount	Change ratio	Amount	Change ratio
		%		%		%		%
Fire and allied	309	(0.9)	284	(8.1)	419	(5.2)	427	1.9
Marine	20	10.2	22	8.8	27	12.3	25	(6.4)
Personal accident	189	(1.5)	191	1.0	200	(2.4)	203	1.5
Voluntary automobile	1,649	3.5	1,617	(1.9)	1,594	1.1	1,574	(1.2)
Compulsory automobile liability	331	4.3	308	(6.7)	411	2.0	397	(3.3)
Other	283	(7.2)	279	(1.6)	381	0.7	380	(0.4)
Total	2,783	1.6	2,704	(2.9)	3,034	0.1	3,009	(0.8)

(3) Net claims paid

(Yen in 100 millions)

	Three months ended June 30, 2010			Three months ended June 30, 2011			
	Amount	Change ratio	Net loss ratio	Amount	Change ratio	Net loss ratio	Change ratio
		%	%		%	%	%
Fire and allied	134	11.4	45.4	282	110.4	101.4	56.0
Marine	13	(9.4)	70.3	14	7.5	68.6	(1.7)
Personal accident	91	(1.0)	51.9	89	(1.8)	50.4	(1.5)
Voluntary automobile	982	6.7	64.5	951	(3.2)	63.7	(0.8)
Compulsory automobile liability	313	0.7	103.4	311	(0.6)	108.7	5.3
Other	144	(16.7)	54.0	154	7.4	58.8	4.8
Total	1,679	2.9	65.1	1,804	7.4	71.4	6.3

(Note)1.Net claims paid during three months ended June 30, 2011 include 14.1 billion yen paid for claims by the Great East Japan Earthquake (12.3 billion yen for Residential earthquake insurance and 1.8 billion yen for others).

Claims amount for Residential earthquake insurance was reported by Japan Earthquake Reinsurance Co. by June 30, 2011.

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

(4) Company expenses

< Corporate expenses >

(Yen in 100 millions)

		Three months ended June 30, 2010			Three months ended June 30, 2011		
		Amount	Change	Change ratio	Amount	Change	Change ratio
				%			%
Personnel expenses	①	330	6	2.1	323	(6)	(1.9)
Non personnel	②	275	8	3.0	274	(0)	(0.3)
Taxes and contributions	③	31	(14)	(31.6)	30	(1)	(3.9)
Total	④	637	0	0.0	629	(8)	(1.3)

(Note) Corporate expenses = Loss adjustment expense, and Operating expenses and general administration expenses

< Expenses for underwriting >

(Yen in 100 millions)

		Three months ended June 30, 2010			Three months ended June 30, 2011		
		Amount	Change	Change ratio	Amount	Change	Change ratio
				%			%
Operating expenses and general administrative expenses	⑤	470	1	0.3	480	9	2.0
Commission and collection expenses	⑥	516	19	4.0	500	(16)	(3.2)
Total	⑦	987	21	2.2	980	(7)	(0.7)
Net company expense ratio	⑧	35.5 %	0.2 %		36.3 %	0.8 %	

(5) Catastrophe reserve

(Yen in 100 millions)

	As of March 31, 2011		As of June 30, 2011			
	Balance	Reserve ratio	Reversal	Provision	Balance	Reserve ratio
		%				%
Fire and allied	1,688	125.1	0	16	1,704	154.3
Marine	127	147.7	2	0	124	140.1
Personal accident	520	71.3	0	6	526	68.7
Voluntary automobile	263	4.1	145	52	170	2.6
Other	538	53.0	6	12	545	48.8
Total	3,138	32.8	155	87	3,071	32.2

(Note) Reserve ratio = balance of catastrophe reserve / (net premiums written (ex.Residential earthquake Insurance and CALI)) X 100

In case of the 1st quarter, reserve ratio as of June 30, 2011 is calculated with four times of net written premium of three months ended June 30, 2011.

(6) Balance of invested asset

(Yen in 100 millions)

	As of March 31, 2011	As of June 30, 2011	
			Change
Cash deposits and savings	2,515	1,826	(688)
Securities	20,332	20,711	378
Domestic bonds	6,509	7,212	703
Domestic equity	6,626	6,529	(96)
Foreign securities	6,352	6,135	(216)
Others	845	833	(11)
Loan investments	3,251	3,154	(97)
Lands and Buildings	1,894	1,870	(24)
Total	27,994	27,563	(430)

(Reference)

Long-term assets	7,211	7,100	(111)
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(7) Breakdown of interest and dividends

(Yen in 100 millions)

	Three months ended June 30, 2010	Three months ended June 30, 2011	
			change
Securities	151	147	(3)
Domestic bonds	27	25	(2)
Domestic equity	69	75	5
Foreign securities	52	46	(6)
Others	1	0	(0)
Loan investments	16	14	(2)
Lands and buildings	13	13	(0)
Other	2	3	0
Total	184	178	(5)

(8) Securities

Unrealized gains and losses on securities

(Yen in 100 millions)

As of June 30, 2011	Acquisition cost	Fair value	Difference	Change from
				March 31, 2011
Domestic bonds	7,031	7,212	181	55
Domestic equity	5,029	5,767	737	(39)
Foreign securities	6,248	5,697	(550)	26
Others	748	675	(73)	(4)
Total	19,058	19,352	294	38

(Yen in 100 millions)

As of March 31, 2011	Acquisition cost	Fair value	Difference
Domestic bonds	6,383	6,509	125
Domestic equity	5,087	5,863	776
Foreign securities	6,491	5,913	(577)
Others	749	681	(68)
Total	18,712	18,968	255

(Note) 1. The above tables are about marketable securities of "Other securities (available for sale)".

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

Gains and losses on sale of securities

(Yen in 100 millions)

	Three months ended June 30, 2010 Gains and losses	Three months ended June 30, 2011		
		Gains and losses	Gains	Losses
Domestic bonds	25	1	1	0
Domestic equity	3	13	13	-
Foreign securities	4	4	38	34
Others	4	-	-	-
Total	38	18	53	34

Losses on devaluation of securities

(Yen in 100 millions)

	Three months ended June 30, 2010	Three months ended June 30, 2011	
			Change
Domestic bonds	0	-	(0)
Domestic equity	79	55	(23)
Foreign securities	0	-	(0)
Others	-	0	0
Total	79	55	(23)

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

Consolidated

(Yen in millions)

Lines of Insurance	Three months ended June 30, 2010			Three months ended June 30, 2011		
	Amount	Share %	Change % (Note 2)	Amount	Share %	Change %
Fire and Allied	125,708	16.2	0.6	128,642	16.7	2.3
Marine	29,166	3.8	0.1	29,301	3.8	0.5
Personal Accident	105,359	13.6	12.2	98,031	12.7	(7.0)
Voluntary Automobile	328,744	42.5	2.7	329,952	42.7	0.4
Compulsory Automobile Liability	75,081	9.7	3.0	75,053	9.7	(0.0)
Other	110,148	14.2	(0.6)	111,614	14.4	1.3
Total	774,210	100.0	3.0	772,595	100.0	(0.2)
Deposit premiums from policyholders	60,036	7.8	21.3	48,122	6.2	(19.8)

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

Voluntary Automobile	328,364		2.2	330,386		0.6
Total	773,829		2.8	773,029		(0.1)

Net Premiums Written by Lines of Insurance

(Yen in millions)

Lines of Insurance	Three months ended June 30, 2010			Three months ended June 30, 2011		
	Amount	Share %	Change % (Note 2)	Amount	Share %	Change %
Fire and Allied	83,736	12.8	3.7	83,118	12.8	(0.7)
Marine	23,716	3.6	8.9	23,552	3.6	(0.7)
Personal Accident	56,518	8.7	2.2	58,030	9.0	2.7
Voluntary Automobile	332,028	50.8	4.2	332,483	51.3	0.1
Compulsory Automobile Liability	64,728	9.9	3.9	61,162	9.4	(5.5)
Other	93,112	14.2	(2.7)	90,312	13.9	(3.0)
Total	653,841	100.0	3.1	648,658	100.0	(0.8)

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

Voluntary Automobile	331,648		3.7	332,917		0.4
Total	653,460		2.8	649,092		(0.7)

Net Claims Paid by Lines of Insurance

(Yen in millions)

Lines of Insurance	Three months ended June 30, 2010			Three months ended June 30, 2011		
	Amount	Share %	Change % (Note 2)	Amount	Share %	Change %
Fire and Allied	34,638	8.9	1.8	69,436	16.6	100.5
Marine	10,932	2.8	6.6	12,822	3.1	17.3
Personal Accident	28,355	7.2	3.0	28,161	6.7	(0.7)
Voluntary Automobile	202,952	52.0	6.8	201,768	48.2	(0.6)
Compulsory Automobile Liability	65,071	16.7	0.7	64,613	15.5	(0.7)
Other	48,621	12.4	(42.2)	41,522	9.9	(14.6)
Total	390,571	100.0	(4.8)	418,325	100.0	7.1

(Notes)

1. Any figures are amounts after the off-set of intersegment transactions.
2. Figures are comparisons with the simple combination of the prior year results of Mitsui Sumitomo Insurance Group Holdings, Inc. (Consolidated), Aioi Insurance Co., Ltd. (Consolidated) and Nissay Dowa General Insurance Co., Ltd. (Non-Consolidated).

Securities available for sale

(Excluding securities for which it is deemed to be extremely difficult to determine the fair value)

(Yen in millions)

Items	As of March 31, 2011			As of June 30, 2011		
	Acquisition cost	Fair value	Difference	Acquisition cost	Fair value	Difference
Domestic Bonds	3,030,595	3,096,505	65,909	3,182,293	3,274,062	91,768
Domestic Stocks	1,381,274	1,993,909	612,635	1,369,650	1,950,303	580,653
Foreign Securities	1,447,761	1,420,181	(27,580)	1,434,378	1,406,040	(28,337)
Others	239,129	236,869	(2,259)	260,760	258,507	(2,253)
Total	6,098,760	6,747,465	648,704	6,247,082	6,888,912	641,830

As of March 31, 2011	As of June 30, 2011
<p>1. Others include certificate of deposit represented as cash deposits and savings, commercial papers and beneficiary claims on loan trusts represented as monetary claims bought in the consolidated balance sheets.</p> <p>2. Impairment losses of securities available for sale amount to 18,822 million yen; 472 million yen for domestic bonds, 17,174 million yen for domestic stocks, 1,175 million yen for foreign securities, 0 million yen for others.</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. Others include certificate of deposit represented as cash deposits and savings, commercial papers and beneficiary claims on loan trusts represented as monetary claims bought in the consolidated balance sheets.</p> <p>2. Impairment losses of securities available for sale amount to 10,426 million yen; 5 million yen for domestic bonds, 10,049 million yen for domestic stocks, 371 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	Three months ended June 30, 2010	Three months ended June 30, 2011
	Amount	Amount
Ordinary income:	435,743	486,414
Underwriting income:	407,534	458,032
Net premiums written	312,834	317,544
Deposit premiums from policyholders	43,515	36,166
Investment income on deposit premiums from policyholders	12,979	11,958
Reversal of outstanding claims	9,284	-
Reversal of underwriting reserves	28,889	92,343
Investment income:	27,390	27,695
Interest and dividends received	33,669	35,313
Investment gains on money trusts	16	47
Gains on sale of securities	4,129	1,648
Gains on derivative transactions	1,928	2,081
Transfer of investment income on deposit premiums from policyholders	(12,979)	(11,958)
Other ordinary income	818	686
Ordinary expenses:	408,833	459,562
Underwriting expenses:	344,073	402,013
Net claims paid	194,045	207,196
Loss adjustment expenses	17,982	19,106
Commission and collection expenses	55,569	57,557
Maturity refunds to policyholders	75,319	61,634
Provision for outstanding claims	-	55,695
Investment expenses:	10,792	3,733
Investment losses on money trusts	227	26
Losses on sale of securities	206	1,095
Losses on devaluation of securities	6,728	1,610
Operating expenses and general and administrative expenses	53,474	51,953
Other ordinary expenses:	492	1,862
Interest paid	414	525
Ordinary profit	26,909	26,852
Extraordinary income	2,356	735
Extraordinary losses	3,440	2,474
Income before income taxes	25,826	25,112
Income taxes	6,585	6,434
Net income	19,240	18,678

Solvency Margin Ratio

(Yen in millions)

	As of March 31, 2011	As of June 30, 2011
(A) Total amount of solvency margin	1,999,806	1,932,207
Total net assets	593,235	611,884
Reserve for price fluctuation	5,396	5,013
Contingency reserve	-	-
Catastrophe reserve	598,062	520,849
General bad debts reserve	1,180	1,259
Net unrealized gains/losses on securities (Prior to tax effect deductions)	611,738	593,020
Net unrealized gains/losses on land	45,496	45,273
Excess of policyholders' contract deposits	-	-
Subordinated debts, etc.	-	-
Deductions	35,083	35,096
Others	179,780	190,003
(B) Total amount of risks	520,222	455,292
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
General insurance risk (R ₁)	72,699	72,639
Third sector insurance risk (R ₂)	-	-
Assumed interest risk (R ₃)	6,220	6,168
Asset management risk (R ₄)	276,000	267,016
Business administration risk (R ₅)	11,445	10,165
Catastrophe risk (R ₆)	217,343	162,449
(C) Solvency margin ratio [(A)/(B)×1/2]×100	768.8%	848.7%

(Note) Solvency margin ratio as of June 30, 2011 is calculated partially using simplified methods such as catastrophe risk part of which data is as of March 31, 2011.

(Reference)

Solvency Margin Ratio calculated under the revised standard scheduled to be applied from March 31, 2012

(Yen in millions)

	As of March 31, 2011	As of June 30, 2011
(A) Total amount of solvency margin	1,999,806	1,932,207
Total net assets	593,235	611,884
Reserve for price fluctuation	5,396	5,013
Contingency reserve	-	-
Catastrophe reserve	598,062	520,849
General bad debts reserve	1,180	1,259
Net unrealized gains/losses on securities (Prior to tax effect deductions)	611,738	593,020
Net unrealized gains/losses on land	45,496	45,273
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	-	-
Amount excluded from the margin out of (a) and (b)	-	-
Deductions	35,083	35,096
Others	179,780	190,003
(B) Total amount of risks	747,903	672,781
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
General insurance risk (R ₁)	104,152	103,915
Third sector insurance risk (R ₂)	-	-
Assumed interest risk (R ₃)	22,378	22,177
Asset management risk (R ₄)	475,684	457,361
Business administration risk (R ₅)	16,495	15,011
Catastrophe risk (R ₆)	222,571	167,101
(C) Solvency margin ratio [(A)/(B)×1/2]×100	534.7%	574.3%

(Note) Solvency margin ratio as of June 30, 2011 is calculated partially using simplified methods such as catastrophe risk part of which data is as of March 31, 2011.

Non-Consolidated Statements of Income

(Yen in millions)

Items	Three months ended June 30, 2010	Three months ended June 30, 2011
	Amount	Amount
Ordinary income:	337,898	389,270
Underwriting income:	317,064	370,962
Net premiums written	278,396	270,442
Deposit premiums from policyholders	16,520	11,956
Investment income on deposit premiums from policyholders	6,163	5,466
Reversal of outstanding claims	1,918	-
Reversal of underwriting reserves	13,029	82,564
Investment income:	19,663	17,767
Interest and dividends received	18,402	17,847
Investment gains on money trusts	0	0
Gains on sale of securities	5,596	5,374
Gains on derivative transactions	1,642	-
Transfer of investment income on deposit premiums from policyholders	(6,163)	(5,466)
Other ordinary income	1,170	541
Ordinary expenses:	330,493	368,146
Underwriting expenses:	268,305	307,320
Net claims paid	167,911	180,416
Loss adjustment expenses	13,452	12,732
Commission and collection expenses	51,663	50,025
Maturity refunds to policyholders	29,824	27,067
Provision for outstanding claims	2,152	35,391
Investment expenses:	11,741	9,711
Losses on trading securities	1	-
Losses on sale of securities	1,790	3,496
Losses on devaluation of securities	7,919	5,553
Losses on derivative transactions	607	262
Operating expenses and general and administrative expenses	50,295	50,180
Other ordinary expenses:	150	933
Interest paid	0	0
Ordinary profit	7,404	21,124
Extraordinary income	2,242	3,612
Extraordinary losses	11,653	1,208
Income (loss) before income taxes	(2,006)	23,528
Income taxes	(1,803)	7,264
Net income (loss)	(202)	16,264

Solvency Margin Ratio

(Yen in millions)

	As of March 31, 2011	As of June 30, 2011
(A) Total amount of solvency margin	953,479	916,770
Total net assets	454,696	470,766
Reserve for price fluctuation	6,023	2,682
Contingency reserve	693	693
Catastrophe reserve	376,115	313,839
General bad debts reserve	468	507
Net unrealized gains/losses on securities (Prior to tax effect deductions)	23,068	26,512
Net unrealized gains/losses on land	12,396	12,782
Excess of policyholders' contract deposits	-	-
Subordinated debts, etc.	-	-
Deductions	31,326	31,000
Others	111,342	119,986
(B) Total amount of risks	279,763	264,742
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
General insurance risk (R ₁)	67,336	67,344
Third sector insurance risk (R ₂)	-	-
Assumed interest risk (R ₃)	3,146	3,096
Asset management risk (R ₄)	108,785	105,310
Business administration risk (R ₅)	6,439	6,134
Catastrophe risk (R ₆)	142,698	130,985
(C) Solvency margin ratio [(A)/(B)×1/2]×100	681.6%	692.5%

(Note) Solvency margin ratio as of June 30, 2011 is calculated partially using simplified methods such as catastrophe risk part of which data is as of March 31, 2011.

(Reference)

Solvency Margin Ratio calculated under the revised standard scheduled to be applied from March 31, 2012

(Yen in millions)

	As of March 31, 2011	As of June 30, 2011
(A) Total amount of solvency margin	953,479	916,770
Total net assets	454,696	470,766
Reserve for price fluctuation	6,023	2,682
Contingency reserve	693	693
Catastrophe reserve	376,115	313,839
General bad debts reserve	468	507
Net unrealized gains/losses on securities (Prior to tax effect deductions)	23,068	26,512
Net unrealized gains/losses on land	12,396	12,782
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	-	-
Amount excluded from the margin out of (a) and (b)	-	-
Deductions	31,326	31,000
Others	111,342	119,986
(B) Total amount of risks	374,833	356,236
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
General insurance risk (R ₁)	99,063	99,170
Third sector insurance risk (R ₂)	-	-
Assumed interest risk (R ₃)	11,681	11,500
Asset management risk (R ₄)	188,438	181,279
Business administration risk (R ₅)	8,837	8,458
Catastrophe risk (R ₆)	142,698	130,985
(C) Solvency margin ratio [(A)/(B)×1/2]×100	508.7%	514.6%

(Note) Solvency margin ratio as of June 30, 2011 is calculated partially using simplified methods such as catastrophe risk part of which data is as of March 31, 2011.

Non-Consolidated Statements of Income

(Yen in millions)

Items	Three months ended June 30, 2010	Three months ended June 30, 2011
	Amount	Amount
Ordinary income:	9,052	9,329
Underwriting income:	8,998	9,282
Net premiums written	8,176	8,677
Investment income on deposit premiums from policyholders	3	3
Reversal of outstanding claims	16	156
Reversal of underwriting reserves	802	445
Investment income:	53	47
Interest and dividends received	56	50
Transfer of investment income on deposit premiums from policyholders	(3)	(3)
Other ordinary income	0	0
Ordinary expenses:	8,102	8,242
Underwriting expenses:	6,275	6,391
Net claims paid	5,689	5,798
Loss adjustment expenses	520	531
Commission and collection expenses	64	60
Investment expenses	-	-
Operating expenses and general and administrative expenses	1,827	1,850
Other ordinary expenses	0	0
Ordinary profit	949	1,087
Extraordinary income	0	-
Extraordinary losses	3	5
Income before income taxes	946	1,082
Income taxes - current	3	4
Total income taxes	3	4
Net income	943	1,078

Solvency Margin Ratio

(Yen in millions)

	As of March 31, 2011	As of June 30, 2011
(A) Total amount of solvency margin	11,105	11,531
Total net assets	9,845	10,923
Reserve for price fluctuation	17	19
Contingency reserve	0	0
Catastrophe reserve	1,058	289
General bad debts reserve	0	0
Net unrealized gains/losses on securities (Prior to tax effect deductions)	184	300
Net unrealized gains/losses on land	-	-
Excess of policyholders' contract deposits	-	-
Subordinated debts, etc.	-	-
Deductions	-	-
Others	-	-
(B) Total amount of risks	3,470	3,470
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
General insurance risk (R ₁)	3,054	3,054
Third sector insurance risk (R ₂)	-	-
Assumed interest risk (R ₃)	0	0
Asset management risk (R ₄)	227	232
Business administration risk (R ₅)	107	107
Catastrophe risk (R ₆)	300	300
(C) Solvency margin ratio [(A)/(B)×1/2]×100	640.0%	664.5%

(Note) Solvency margin ratio as of June 30, 2011 is calculated partially using simplified methods as for Assumed interest risk(R₃) etc.

(Reference)

Solvency Margin Ratio calculated under the revised standard scheduled to be applied from March 31, 2012

(Yen in millions)

	As of March 31, 2011	As of June 30, 2011
(A) Total amount of solvency margin	11,105	11,531
Total net assets	9,845	10,923
Reserve for price fluctuation	17	19
Contingency reserve	0	0
Catastrophe reserve	1,058	289
General bad debts reserve	0	0
Net unrealized gains/losses on securities (Prior to tax effect deductions)	184	300
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	5,295	5,297
$\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$		
General insurance risk (R ₁)	4,799	4,799
Third sector insurance risk (R ₂)	-	-
Assumed interest risk (R ₃)	0	0
Asset management risk (R ₄)	515	533
Business administration risk (R ₅)	168	168
Catastrophe risk (R ₆)	300	300
(C) Solvency margin ratio [(A)/(B)×1/2]×100	419.4%	435.3%

(Note) Solvency margin ratio as of June 30, 2011 is calculated partially using simplified methods as for Assumed interest risk(R₃) etc.

Non-Consolidated Statements of Income

(Yen in millions)

Items	Three months ended June 30, 2010	Three months ended June 30, 2011
	Amount	Amount
Ordinary income:	60,427	67,001
Insurance premiums and other:	54,606	60,906
Insurance premiums	54,589	60,896
Investment income:	5,210	5,439
Interest and dividends received	5,158	5,429
Gains on sale of securities	51	1
Other ordinary income:	610	655
Reversal of outstanding claims	543	627
Ordinary expenses:	58,994	65,257
Insurance claims and other:	30,569	28,978
Insurance claims	7,212	6,606
Annuity payments	856	1,019
Benefits	1,543	1,691
Surrender benefits	20,482	19,351
Other refunds	368	206
Provision for underwriting reserves and other:	17,379	24,413
Provision for underwriting reserves	17,379	24,413
Provision of interest portion of reserves for dividends to policyholders	0	0
Investment expenses:	165	190
Interest paid	6	5
Losses on sale of securities	-	185
Losses on devaluation of securities	128	-
Operating expenses	10,032	10,748
Other ordinary expenses	846	926
Ordinary profit	1,432	1,744
Extraordinary income	1	1
Extraordinary losses	450	767
Provision for reserve for dividends to policyholders	821	810
Income before income taxes	162	168
Income taxes	153	92
Net income	9	76

Results for the Three Months Ended June 30, 2011**Amount of Policies in Force and New Policies**

(1) Amount of policies in force

(Yen in millions)

	As of March 31, 2011		As of June 30, 2011	
	Number of policies (in thousands)	Amount	Number of policies (in thousands)	Amount
Individual Insurance	1,280	9,810,772	1,314	9,973,508
Individual Annuities	71	327,368	73	332,653
Group Insurance	-	2,444,411	-	2,420,915
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 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)

	Three months ended June 30, 2010				Three months ended June 30, 2011			
	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	54	366,765	366,765	-	55	417,248	417,248	-
Individual Annuities	1	9,560	9,560	-	2	11,806	11,806	-
Group Insurance	-	10,416	10,416	-	-	4,807	4,807	-
Group Annuities	-	-	-	-	-	-	-	-

(Note) The amount of individual annuities is the funds to be held at the time annuity payments are to commence.

Annualized Premiums

(1) Amount of policies in force

(Yen in millions)

	As of March 31, 2011	As of June 30, 2011
Individual Insurance	181,604	182,939
Individual Annuities	19,718	20,083
Total	201,322	203,022
Medical coverage, living benefits, etc.	39,651	40,804

(2) Amount of new policies

(Yen in millions)

	Three months ended June 30, 2010	Three months ended June 30, 2011
Individual Insurance	6,089	6,479
Individual Annuities	529	663
Total	6,618	7,143
Medical coverage, living benefits, etc.	2,045	1,868

(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)

	Three months ended June 30, 2010	Three months ended June 30, 2011	Change
Fundamental revenues:	60,375	66,993	6,617
Insurance premiums and other	54,606	60,906	6,299
Fundamental expense	58,643	64,908	6,264
Fundamental profit	1,731	2,084	353
Capital gains (losses)	(77)	(184)	(106)
Non-recurring gains (losses)	(222)	(156)	65
Ordinary profit	1,432	1,744	311
Extraordinary income	1	1	0
Extraordinary losses	450	767	317
Provision for reserve for dividends to policyholders	821	810	(11)
Income taxes	153	92	(61)
Net income	9	76	66

Solvency Margin Ratio

(Yen in millions)

	As of March 31, 2011	As of June 30, 2011
(A) Total amount of solvency margin	133,423	137,924
Total capital	43,760	43,836
Reserve for price fluctuation	1,858	1,924
Contingency reserve	10,538	10,701
General bad debts reserve	19	18
Net unrealized gains/losses on securities×90%	12,918	15,736
Net unrealized gains/losses on land×85%	-	-
Excess of continued Zillmerized reserve	63,178	64,546
Brought in capital	-	-
Subordinated debt, etc.	-	-
Deductions	-	-
Others	1,148	1,159
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	12,545	12,745
Insurance risk (R ₁)	6,825	6,901
Third sector insurance risk (R ₈)	2,181	2,247
Assumed interest risk (R ₂)	507	512
Asset management risk (R ₃)	7,475	7,600
Business administration risk (R ₄)	509	517
Minimum guarantee risk (R ₇)	-	-
(C) Solvency margin ratio [(A)/{(B)×1/2}]×100	2,127.0%	2,164.2%

(Reference)

Solvency Margin Ratio calculated under the revised standard scheduled to be applied from March 31, 2012

(Yen in millions)

	As of March 31, 2011	As of June 30, 2011
(A) Total amount of solvency margin	125,594	129,042
Total capital	43,760	43,836
Reserve for price fluctuation	1,858	1,924
Contingency reserve	10,538	10,701
General bad debts reserve	19	18
Net unrealized gains/losses on securities×90%	12,918	15,736
Net unrealized gains/losses on land×85%	-	-
Excess of continued Zillmerized reserve (a)	63,178	64,546
Subordinated debt, etc. (b)	-	-
Amount excluded from the margin out of (a) and (b)	(6,850)	(7,903)
Brought in capital	-	-
Deductions	-	-
Others	170	180
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	19,673	19,996
Insurance risk (R ₁)	6,825	6,901
Third sector insurance risk (R ₈)	2,181	2,247
Assumed interest risk (R ₂)	1,930	1,942
Asset management risk (R ₃)	14,689	14,954
Business administration risk (R ₄)	768	781
Minimum guarantee risk (R ₇)	-	-
(C) Solvency margin ratio [(A)/{(B)×1/2}]×100	1,276.8%	1,290.6%

Non-Consolidated Statements of Income

(Yen in millions)

Items	Three months ended June 30, 2010	Three months ended June 30, 2011
	Amount	Amount
Ordinary income:	28,374	31,306
Insurance premiums and other:	26,027	28,141
Insurance premiums	25,618	28,066
Investment income:	2,312	2,542
Interest and dividends received	2,279	2,423
Gains on sale of securities	33	119
Other ordinary income:	34	623
Reversal of outstanding claims	-	559
Ordinary expenses:	27,468	31,232
Insurance claims and other:	10,029	11,596
Insurance claims	2,997	3,648
Annuity payments	209	287
Benefits	908	1,238
Surrender benefits	5,503	6,142
Other refunds	69	85
Provision for underwriting reserves and other:	12,157	13,538
Provision for outstanding claims	380	-
Provision for underwriting reserves	11,777	13,537
Provision of interest portion of reserves for dividends to policyholders	0	0
Investment expenses:	184	89
Interest paid	0	7
Losses on sale of securities	-	2
Losses on derivative transactions	1	-
Operating expenses	4,772	5,642
Other ordinary expenses	324	366
Ordinary profit	905	74
Extraordinary income	-	-
Extraordinary losses	134	846
Provision for reserve for dividends to policyholders	710	400
Income (loss) before income taxes	61	(1,171)
Income taxes	16	(407)
Net income (loss)	45	(764)

Results for the Three Months Ended June 30, 2011**Amount of Policies in Force and New Policies**

(1) Amount of policies in force

(Yen in millions)

	As of March 31, 2011		As of June 30, 2011	
	Number of policies (in thousands)	Amount	Number of policies (in thousands)	Amount
Individual Insurance	556	5,998,376	570	6,101,365
Individual Annuities	83	296,420	86	309,968
Group Insurance	-	2,428,535	-	2,466,452
Group Annuities	-	459	-	448

(Note) 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) Amount of new policies

(Yen in millions)

	Three months ended June 30, 2010				Three months ended June 30, 2011			
	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	20	221,987	221,987	-	22	233,876	233,876	-
Individual Annuities	2	9,055	9,055	-	4	17,094	17,094	-
Group Insurance	-	1,636	1,636	-	-	3,606	3,606	-
Group Annuities	-	-	-	-	-	0	0	-

(Note) The amount of individual annuities is the funds to be held at the time annuity payments are to commence.

Annualized Premiums

(1) Amount of policies in force

(Yen in millions)

	As of March 31, 2011	As of June 30, 2011
Individual Insurance	60,140	60,608
Individual Annuities	16,539	17,188
Total	76,680	77,797
Medical coverage, living benefits, etc.	7,280	7,292

(2) Amount of new policies

(Yen in millions)

	Three months ended June 30, 2010	Three months ended June 30, 2011
Individual Insurance	1,768	1,944
Individual Annuities	522	886
Total	2,291	2,830
Medical coverage, living benefits, etc.	117	104

(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)

	Three months ended June 30, 2010	Three months ended June 30, 2011	Change
Fundamental revenues:	28,341	31,187	2,846
Insurance premiums and other	26,027	28,141	2,114
Fundamental expense	27,295	31,097	3,801
Fundamental profit	1,045	89	(955)
Capital gains (losses)	43	121	78
Non-recurring gains (losses)	(182)	(137)	45
Ordinary profit	905	74	(831)
Extraordinary income	-	-	-
Extraordinary losses	134	846	711
Provision for reserve for dividends to policyholders	710	400	(310)
Income taxes	16	(407)	(423)
Net income	45	(764)	(809)

Solvency Margin Ratio

(Yen in millions)

	As of March 31, 2011	As of June 30, 2011
(A) Total amount of solvency margin	77,149	79,688
Total capital	30,691	29,926
Reserve for price fluctuation	656	682
Contingency reserve	7,703	7,840
General bad debts reserve	0	0
Net unrealized gains/losses on securities×90%	3,207	5,158
Net unrealized gains/losses on land×85%	-	-
Excess of continued Zillmerized reserve	33,439	34,383
Brought in capital	-	-
Subordinated debt, etc.	-	-
Deductions	-	-
Others	1,452	1,697
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	7,896	8,529
Insurance risk (R ₁)	4,893	4,956
Third sector insurance risk (R ₈)	1,173	1,654
Assumed interest risk (R ₂)	239	242
Asset management risk (R ₃)	4,469	4,586
Business administration risk (R ₄)	215	343
Minimum guarantee risk (R ₇)	-	-
(C) Solvency margin ratio [(A)/{(B)×1/2}]×100	1,954.1%	1,868.5%

(Reference)

Solvency Margin Ratio calculated under the revised standard scheduled to be applied from March 31, 2012

(Yen in millions)

	As of March 31, 2011	As of June 30, 2011
(A) Total amount of solvency margin	75,953	78,492
Total capital	30,691	29,926
Reserve for price fluctuation	656	682
Contingency reserve	7,703	7,840
General bad debts reserve	0	0
Net unrealized gains/losses on securities×90%	3,207	5,158
Net unrealized gains/losses on land×85%	-	-
Excess of continued Zillmerized reserve (a)	33,439	34,383
Subordinated debt, etc. (b)	-	-
Amount excluded from the margin out of (a) and (b)	-	-
Brought in capital	-	-
Deductions	-	-
Others	256	501
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	10,367	10,985
Insurance risk (R ₁)	4,893	4,956
Third sector insurance risk (R ₈)	1,173	1,654
Assumed interest risk (R ₂)	910	915
Asset management risk (R ₃)	7,144	7,294
Business administration risk (R ₄)	282	444
Minimum guarantee risk (R ₇)	-	-
(C) Solvency margin ratio [(A)/{(B)×1/2}]×100	1,465.2%	1,429.0%

Non-Consolidated Statements of Income

(Yen in millions)

Items	Three months ended June 30, 2010	Three months ended June 30, 2011
	Amount	Amount
Ordinary income:	304,307	89,093
Insurance premiums and other:	57,482	56,378
Insurance premiums	55,978	54,541
Investment income:	3	12,756
Interest and dividends received	3	104
Investment gains on money trusts	-	12,651
Other ordinary income:	246,821	19,958
Reversal of outstanding claims	20	24
Reversal of underwriting reserves	245,668	18,661
Ordinary expenses:	298,980	82,003
Insurance claims and other:	51,676	54,787
Insurance claims	9,487	10,101
Annuity payments	8,903	9,778
Benefits	7,836	9,269
Surrender benefits	18,864	19,513
Other refunds	664	206
Investment expenses:	242,005	22,014
Interest paid	11	0
Investment losses on money trusts	31,989	-
Losses on investment in separate accounts	209,653	21,780
Operating expenses	5,031	4,977
Other ordinary expenses	267	224
Ordinary profit	5,327	7,090
Extraordinary income	-	-
Extraordinary losses	184	149
Income before income taxes	5,142	6,940
Income taxes	1,867	2,517
Net income	3,275	4,423

Results for the Three Months Ended June 30, 2011**Amount of Policies in Force and New Policies**

(1) Amount of policies in force

(Yen in millions)

	As of March 31, 2011		As of June 30, 2011	
	Number of policies (in thousands)	Amount	Number of policies (in thousands)	Amount
Individual Insurance	9	113,737	9	112,394
Individual Annuities	416	2,969,304	421	2,949,616
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)

	Three months ended June 30, 2010				Three months ended June 30, 2011			
	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	242	242	-	0	366	366	-
Individual Annuities	10	56,999	56,999	-	9	55,233	55,233	-
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, 2011	As of June 30, 2011
Individual Insurance	9,557	9,446
Individual Annuities	426,018	426,947
Total	435,575	436,394
Medical coverage, living benefits, etc.	90	89

(2) Amount of new policies

(Yen in millions)

	Three months ended June 30, 2010	Three months ended June 30, 2011
Individual Insurance	24	31
Individual Annuities	26,207	24,539
Total	26,231	24,571
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.).

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

Summary of Non-consolidated Results of Operations

(Yen in millions)

	Three months ended June 30, 2010	Three months ended June 30, 2011	Change
Fundamental revenues:	310,373	89,731	(220,642)
Insurance premiums and other	57,482	56,378	(1,104)
Fundamental expense	303,100	81,868	(221,231)
Fundamental profit	7,273	7,862	589
Capital gains (losses)	(1,386)	(215)	1,170
Non-recurring gains (losses)	(559)	(556)	2
Ordinary profit	5,327	7,090	1,763
Extraordinary income	-	-	-
Extraordinary losses	184	149	(34)
Provision for reserve for dividends to policyholders	-	-	-
Income taxes	1,867	2,517	650
Net income	3,275	4,423	1,147

Solvency Margin Ratio

(Yen in millions)

	As of March 31, 2011	As of June 30, 2011
(A) Total amount of solvency margin	182,069	184,389
Total capital	54,191	58,614
Reserve for price fluctuation	1,260	1,409
Contingency reserve	16,234	16,791
General bad debts reserve	-	-
Net unrealized gains/losses on securities×90% (100% in case of negative value)	138	259
Net unrealized gains/losses on land×85%	-	-
Excess of continued Zillmerized reserve	110,243	107,313
Brought in capital	-	-
Subordinated debt, etc.	-	-
Deductions	-	-
Others	-	-
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	35,474	36,485
Insurance risk (R ₁)	28	29
Third sector insurance risk (R ₈)	18	18
Assumed interest risk (R ₂)	3,102	3,155
Asset management risk (R ₃)	11,160	11,967
Business administration risk (R ₄)	1,034	1,064
Minimum guarantee risk (R ₇)	20,176	20,298
(C) Solvency margin ratio [(A)/{(B)×1/2}]×100	1,026.4%	1,010.7%

(Reference)

Solvency Margin Ratio calculated under the revised standard scheduled to be applied from March 31, 2012

(Yen in millions)

	As of March 31, 2011	As of June 30, 2011
(A) Total amount of solvency margin	143,513	153,892
Total capital	54,191	58,614
Reserve for price fluctuation	1,260	1,409
Contingency reserve	16,234	16,791
General bad debts reserve	-	-
Net unrealized gains/losses on securities×90%	138	259
Net unrealized gains/losses on land×85%	-	-
Excess of continued Zillmerized reserve (a)	110,243	107,313
Subordinated debt, etc. (b)	-	-
Amount excluded from the margin out of (a) and (b)	(38,556)	(30,497)
Brought in capital	-	-
Deductions	-	-
Others	-	-
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	42,720	44,325
Insurance risk (R ₁)	28	29
Third sector insurance risk (R ₈)	18	18
Assumed interest risk (R ₂)	8,854	9,125
Asset management risk (R ₃)	12,428	13,600
Business administration risk (R ₄)	1,245	1,292
Minimum guarantee risk (R ₇)	20,191	20,308
(C) Solvency margin ratio [(A)/{(B)×1/2}]×100	671.8%	694.3%