

[Translation]

SUMMARY OF FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2008

November 19, 2008

Name of Listed Company: **Mitsui Sumitomo Insurance Group Holdings, Inc.**
 Securities Code No.: 8725
 Stock Exchanges: Tokyo, Osaka, Nagoya
 URL: <http://www.msig.com>
 Representative: Toshiaki Egashira, President
 Contact: Junichi Imai, Assistant General Manager, Accounting Department
 Telephone : (03)-3297-6168
 Date of filing of Quarterly Financial Report: November 28, 2008
 Date of payment of interim dividends: December 11, 2008

(Note) Amounts are truncated.

1.Consolidated Business Results for the six months ended September 30, 2008 (April 1, 2008 to September 30, 2008)

(1) Results of Consolidated Operations (Yen in millions)

	Ordinary income	Ordinary profit	Net income
Six months ended September 30, 2008	1,038,846 - %	(5,268) - %	12,399 - %

Percent figures represent changes in comparison with the corresponding period of preceding fiscal year.

(Yen)

	Net income per share	Net income per share -Diluted
Six months ended September 30, 2008	29.43	-

(2) Consolidated Financial Conditions (Yen in millions)

	Total assets	Net assets	Net assets less minority interests to Total assets	Net assets less minority interests per share (Yen)
As of September 30, 2008	8,019,840	1,432,528	17.7 %	3,369.15

(Note) Net assets less minority interests: As of September 30, 2008: ¥1,418,981 million

2.Dividends

(Record Date)	Dividend per share (Yen)				Annual
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year- end	
Year ending March 31, 2009	-	27.00	-	-	54.00
Year ending March 31, 2009 (Forecast)	-	-	-	27.00	

(Note) Changes in the dividend per share forecast for the fiscal year ending March 31, 2009, during the second quarter : None

3.Forecast for the current period (April 1, 2008 to March 31, 2009)-Consolidated (Yen in millions)

	Ordinary income	Ordinary profit	Net income	Net income per share(Yen)
Year ending March 31, 2009	2,035,000 - %	9,000 - %	20,000 - %	47.48

Percent figures represent changes in comparison with the corresponding period of preceding fiscal year.

(Note) Changes in the forecast for the fiscal year ending March 31, 2009, during the second quarter : Yes

4. Other information

- (1) Significant changes in scope of consolidation during the period : None
- (2) Changes in accounting principle, procedure and presentation preparing the consolidated financial statements
1. Changes due to revision of accounting standard: Yes
 2. Changes due to other than above : None
- (3) The number of shares outstanding (Common stock)
1. The number of shares outstanding (including treasury stock)
As of September 30, 2008: 421,320,739 shares
 2. The number of treasury stock
As of September 30, 2008: 152,152 shares
 3. The average number of shares outstanding
For the six months ended September 30, 2008: 421,218,719 shares

(Reference) Summary of Non-consolidated Financial Results

Non-consolidated Business Results for the six months ended September 30, 2008 (April 1, 2008 to September 30, 2008)

(1) Results of Operations

	(Yen in millions)			
	Operating Income	Operating Profits	Ordinary Profits	Net Income
Six months ended September 30, 2008	18,883 - %	17,659 - %	16,892 - %	16,890 - %

Percent figures represent changes in comparison with the corresponding period of preceding fiscal year.

	(Yen)
	Net income per share
Six months ended September 30, 2008	40.10

(2) Financial Conditions

	(Yen in millions)			
	Total assets	Net assets	Net assets ratio	Net assets per share (Yen)
As of September 30, 2008	777,947	762,693	98.0 %	1,810.89

(Note) Net assets: As of September 30, 2008: ¥762,693 million

*Notification

- (1) The financial forecasts were based upon currently available information and contain many elements of uncertainty. Actual results may differ from the forecasts due to changes in the business environment.
- (2) The Company is a specified business company under "Cabinet Office Ordinance on Disclosure of Corporate Information, etc" Article 17-15 clause 2 and prepares the consolidated and non-consolidated financial statements for not the second quarter but the first half of the fiscal year.
- (3) There are no figures for the preceding fiscal year since the Company was incorporated on April 1, 2008.

Consolidated Balance Sheets

(Yen in millions)

Items	As of September 30, 2008
	Amount
(Assets)	
Cash deposits and savings	327,359
Call loans	26,100
Monetary claims bought	97,810
Money trusts	26,389
Investments in securities	5,891,357
Loans	819,154
Tangible fixed assets	266,001
Intangible fixed assets	82,014
Other assets	478,078
Deferred tax assets	11,410
Bad debts reserve	(5,836)
Total assets	8,019,840
(Liabilities)	
Underwriting funds:	6,012,936
Outstanding claims	880,856
Underwriting reserve	5,132,079
Bonds	99,992
Other liabilities	287,199
Reserve for pension and retirement benefits	81,155
Reserve for pension and retirement benefits for officers and operating officers	2,564
Accrued bonuses for employees	9,608
Reserve under the special law:	2,682
Reserve for price fluctuation	2,682
Deferred tax liabilities	91,173
Total liabilities	6,587,312
(Net assets)	
Shareholders' equity:	
Common stock	100,000
Capital surplus	132,700
Retained earnings	543,157
Treasury stock	(609)
Total shareholders' equity	775,248
Valuation and translation adjustments:	
Unrealized gains on investments, net of tax	639,967
Deferred hedge gains (losses), net of tax	(154)
Foreign currency translation adjustments	3,919
Total valuation and translation adjustments	643,733
Minority interests	13,547
Total net assets	1,432,528
Total liabilities and net assets	8,019,840

Consolidated Statements of Income

(Yen in millions)

Items	Six months ended September 30, 2008
	Amount
Ordinary income and expenses:	
Ordinary income:	1,038,846
Underwriting income:	946,979
Net premiums written	757,008
Deposit premiums from policyholders	94,411
Investment income on deposit premiums from policyholders	25,655
Life insurance premiums	69,403
Investment income:	89,408
Interest and dividends received	86,970
Investment gains on money trusts	23
Gains on sale of securities	14,707
Gains on derivative transactions	9,774
Transfer of investment income on deposit premiums from policyholders	(25,655)
Other ordinary income	2,458
Ordinary expenses:	1,044,114
Underwriting expenses:	827,413
Net claims paid	439,538
Loss adjustment expenses	40,990
Commission and collection expenses	126,387
Maturity refunds to policyholders	140,548
Life insurance claims	16,301
Provision for outstanding claims	49,467
Provision for underwriting reserve	13,022
Investment expenses:	60,730
Investment losses on money trusts	1,504
Losses on sale of securities	4,575
Losses on devaluation of securities	45,049
Operating expenses and general and administrative expenses	148,316
Other ordinary expenses:	7,654
Interest paid	705
Ordinary losses	(5,268)
Extraordinary income and losses:	
Extraordinary income:	28,264
Gains on sale of property and equipment	985
Reversal of reserve for price fluctuation	27,279
Extraordinary losses:	2,221
Losses on sale of property and equipment	1,559
Impairment loss	662
Income before income taxes	20,774
Income taxes - current	9,117
Refund of income taxes for prior periods	(7,307)
Income taxes - deferred	6,101
Minority Interests	464
Net income	12,399

Other Information

Since the Company was incorporated on April 1, 2008, figures for the preceding fiscal year represent those of Mitsui Sumitomo Insurance Company, Limited (Consolidated), one of consolidated subsidiaries of the Company.

Summary of Consolidated Results of Operations

(Yen in millions)

Items	Six months ended September 30, 2007	Six months ended September 30, 2008	Change	Change Ratio(%)
Ordinary Income and Expenses:				
Underwriting income:	1,005,197	946,979	(58,217)	(5.8)
Net premiums written	797,399	757,008	(40,390)	(5.1)
Deposit premiums from policyholders	101,448	94,411	(7,037)	(6.9)
Life insurance premiums	77,173	69,403	(7,769)	(10.1)
Underwriting expenses:	884,034	827,413	(56,621)	(6.4)
Net claims paid	428,243	439,538	11,294	2.6
Loss adjustment expenses	37,893	40,990	3,096	8.2
Commission and collection expenses	126,679	126,387	(291)	(0.2)
Maturity refunds to policyholders	145,884	140,548	(5,335)	(3.7)
Life insurance claims	14,481	16,301	1,820	12.6
Investment income:	73,865	89,408	15,542	21.0
Interest and dividends received	85,813	86,970	1,157	1.3
Gains on sale of securities	13,515	14,707	1,191	8.8
Investment expenses:	8,203	60,730	52,527	640.3
Losses on sale of securities	1,718	4,575	2,856	166.2
Losses on devaluation of securities	3,707	45,049	41,342	1,115.1
Operating expenses and general and administrative expenses	139,497	148,316	8,818	6.3
Other ordinary income and expenses	(1,058)	(5,195)	(4,136)	-
Ordinary profit and ordinary losses	46,268	(5,268)	(51,536)	(111.4)
Extraordinary Income and Losses:				
Extraordinary income	794	28,264	27,470	3,459.6
Extraordinary losses	3,444	2,221	(1,222)	(35.5)
Extraordinary income and losses	(2,650)	26,042	28,693	-
Income before income taxes	43,618	20,774	(22,843)	(52.4)
Income taxes - current	18,664	9,117	(9,546)	(51.1)
Refund of income taxes for prior periods	-	(7,307)	(7,307)	-
Income taxes - deferred	(5,918)	6,101	12,019	-
Minority interests	341	464	122	36.0
Net income	30,530	12,399	(18,131)	(59.4)

<Excluding the Good Result Return (GRR) premiums of the automobile insurance "ModoRich.">

Net premiums written	795,294	759,422	(35,871)	(4.5)
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Direct Premiums Written by Lines of Insurance
(including Deposit premiums from policyholders)

Consolidated

(Yen in millions)

Lines of Insurance	Six months ended September 30, 2007			Six months ended September 30, 2008		
	Amount	Share %	Change %	Amount	Share %	Change %
Fire	162,379	17.2	0.2	160,041	17.8	(1.4)
Marine	62,787	6.6	10.4	62,815	7.0	0.0
Personal Accident	155,773	16.5	(13.9)	146,937	16.4	(5.7)
Voluntary Automobile	319,818	33.9	4.2	310,210	34.6	(3.0)
Compulsory Automobile Liability	89,728	9.5	0.9	75,973	8.5	(15.3)
Other	153,839	16.3	11.1	141,101	15.7	(8.3)
Total	944,327	100.0	1.1	897,079	100.0	(5.0)
Deposit premiums from policyholders	101,448	10.7	(19.7)	94,411	10.5	(6.9)

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

Voluntary Automobile	317,713		3.3	312,624		(1.6)
Total	942,221		0.8	899,493		(4.5)

Net Premiums by Lines of Insurance

(Yen in millions)

Lines of Insurance	Six months ended September 30, 2007			Six months ended September 30, 2008		
	Amount	Share %	Change %	Amount	Share %	Change %
Fire	120,454	15.1	4.4	111,525	14.7	(7.4)
Marine	54,162	6.8	13.0	52,911	7.0	(2.3)
Personal Accident	72,541	9.1	(3.0)	72,011	9.5	(0.7)
Voluntary Automobile	314,651	39.5	4.3	306,366	40.5	(2.6)
Compulsory Automobile Liability	97,295	12.2	(0.2)	83,082	11.0	(14.6)
Other	138,294	17.3	10.8	131,110	17.3	(5.2)
Total	797,399	100.0	4.6	757,008	100.0	(5.1)

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

Voluntary Automobile	312,546		3.4	308,780		(1.2)
Total	795,294		4.3	759,422		(4.5)

Net Claims Paid by Lines of Insurance

(Yen in millions)

Lines of Insurance	Six months ended September 30, 2007			Six months ended September 30, 2008		
	Amount	Share %	Change %	Amount	Share %	Change %
Fire	48,980	11.4	(2.7)	46,754	10.6	(4.5)
Marine	21,854	5.1	21.1	20,731	4.7	(5.1)
Personal Accident	33,489	7.8	9.2	35,528	8.1	6.1
Voluntary Automobile	190,086	44.4	3.5	190,581	43.4	0.3
Compulsory Automobile Liability	67,507	15.8	(0.9)	69,592	15.8	3.1
Other	66,324	15.5	9.2	76,349	17.4	15.1
Total	428,243	100.0	4.1	439,538	100.0	2.6

Note: Any figures are amounts before the off-set of intersegment transactions.

Securities

(Yen in millions)

Items	As of September 30, 2008		
	Cost (Acquisition cost)	Fair value	Difference
Domestic Bonds	2,214,808	2,237,641	22,833
Domestic Stocks	753,058	1,767,963	1,014,905
Foreign Securities	1,209,836	1,178,758	(31,077)
Others	148,701	145,529	(3,172)
Total	4,326,404	5,329,893	1,003,488

Note

1. The table set above is a summary of marketable securities available for sale.
2. Others include beneficiary claims on loan trust represented as monetary claims bought in the consolidated balance sheet.
3. Impairment losses of marketable securities available for sale amount to 31,104 million yen. The Company and its domestic consolidated subsidiaries in principle recognize impairment losses on marketable securities if the fair value is declined by more than 30% of their cost or amortized cost.

Non-consolidated Statements of Income

(Yen in millions)

Items	Six months ended September 30, 2007	Six months ended September 30, 2008
	Amount	Amount
Ordinary income:	857,365	876,263
Underwriting income:	798,978	799,935
Net premiums written	668,626	640,062
Deposit premiums from policyholders	101,448	94,411
Investment income on deposit premiums from policyholders	28,787	25,648
Reversal of outstanding claims	-	1,808
Reversal of underwriting reserve	-	37,960
Investment income:	55,293	73,302
Interest and dividends received	70,420	72,990
Investment gains on money trusts	415	23
Gains on sale of securities	10,882	13,391
Transfer of investment income on deposit premiums from policyholders	(28,787)	(25,648)
Other ordinary income	3,093	3,025
Ordinary expenses:	816,302	841,009
Underwriting expenses:	703,242	672,606
Net claims paid	381,793	386,839
Loss adjustment expenses	34,959	37,906
Commission and collection expenses	106,739	106,869
Maturity refunds to policyholders	145,884	140,548
Provision for outstanding claims	15,577	-
Provision for underwriting reserve	18,116	-
Investment expenses:	7,164	55,266
Investment losses on money trusts	43	1,504
Losses on sale of securities	965	3,284
Losses on devaluation of securities	3,681	42,470
Operating expenses and general and administrative expenses	104,871	111,325
Other ordinary expenses:	1,023	1,811
Interest paid	439	721
Ordinary profit	41,062	35,253
Extraordinary income:	840	28,348
Extraordinary losses:	3,249	2,216
Income before income taxes	38,654	61,386
Income taxes - current	16,308	7,361
Refund of income taxes for prior periods	-	(7,307)
Income taxes - deferred	(5,742)	10,446
Net income	28,087	50,885

(Reference: Mitsui Direct General Insurance Co., Ltd.)

Non-consolidated Statements of Income

(Yen in millions)

Items	Six months ended September 30, 2007	Six months ended September 30, 2008
	Amount	Amount
Ordinary income:	12,765	14,320
Underwriting income:	12,680	14,230
Net premiums written	12,675	14,080
Deposit premiums from policyholders	-	-
Investment income on deposit premiums from policyholders	5	7
Reversal of underwriting reserve	-	141
Investment income:	83	89
Interest and dividends received	89	94
Investment gains on money trusts	-	-
Gains on sale of securities	-	2
Transfer of investment income on deposit premiums from policyholders	(5)	(7)
Other ordinary income	1	1
Ordinary expenses:	13,674	14,942
Underwriting expenses:	10,039	11,045
Net claims paid	6,707	7,992
Loss adjustment expenses	903	1,023
Commission and collection expenses	108	130
Maturity refunds to policyholders	-	-
Provision for outstanding claims	1,244	1,899
Provision for underwriting reserve	1,076	-
Investment expenses:	-	-
Investment losses on money trusts	-	-
Losses on sale of securities	-	-
Losses on devaluation of securities	-	-
Operating expenses and general and administrative expenses	3,614	3,882
Other ordinary expenses:	20	14
Interest paid	-	-
Ordinary losses	908	621
Extraordinary income:	-	-
Extraordinary losses:	5	3
Losses before income taxes	914	624
Income taxes - current	12	6
Income taxes - deferred	-	-
Net losses	926	631

Non-consolidated Statements of Income

(Yen in millions)

Items	Six months ended September 30, 2007	Six months ended September 30, 2008
	Amount	Amount
Ordinary income:	116,050	117,838
Insurance premiums and other:	107,170	108,748
Insurance premiums	107,139	108,467
Investment income:	7,980	8,909
Interest and dividends received	7,909	8,903
Gains on sale of securities	71	5
Other ordinary income	899	180
Ordinary expenses:	114,524	116,559
Insurance claims and other:	44,478	55,646
Insurance claims	11,880	13,312
Annuity payments	369	743
Benefits	2,262	2,527
Surrender benefits	29,192	38,304
Other refunds	469	454
Provision for underwriting reserve and other:	52,382	42,149
Provision for outstanding claims	-	945
Provision for underwriting reserve	52,382	41,204
Provision of interest portion of reserve for dividends to policyholders	0	0
Investment expenses:	10	46
Interest paid	4	1
Losses on sale of securities	-	44
Operating expenses:	16,511	17,449
Other ordinary expenses:	1,142	1,266
Ordinary profit	1,525	1,279
Extraordinary income:	-	14
Extraordinary losses:	98	111
Provision for reserve for dividends to policyholders	1,317	1,040
Income before income taxes	109	141
Income taxes - current	(24)	(61)
Income taxes - deferred	117	190
Net income	16	11

Non-consolidated Statements of Income

(Yen in millions)

Items	Six months ended September 30, 2007	Six months ended September 30, 2008
	Amount	Amount
Ordinary income:	375,682	324,675
Insurance premiums and other:	347,398	321,394
Insurance premiums	347,370	320,542
Investment income:	25,816	20
Interest and dividends received	9	20
Investment gains on money trusts	2,932	-
Gains on separate accounts	22,873	-
Other ordinary income	2,467	3,260
Ordinary expenses:	384,266	339,832
Insurance claims and other:	52,219	65,613
Insurance claims	11,209	14,525
Annuity payments	2,861	8,191
Benefits	348	8,389
Surrender benefits	29,294	24,198
Other refunds	1,183	1,124
Provision for underwriting reserve and other:	300,618	69,805
Provision for outstanding claims	1,264	1,307
Provision for underwriting reserve	299,354	68,498
Investment expenses:	95	173,224
Interest paid	30	38
Investment losses on money trusts	-	8,316
Losses on separate accounts	-	164,620
Operating expenses:	25,849	25,780
Other ordinary expenses:	5,483	5,407
Amortization of deferred assets under Article 113 of Insurance Business Law	4,247	4,247
Ordinary losses	8,584	15,157
Extraordinary income:	0	-
Extraordinary losses:	97	412
Losses before income taxes	8,681	15,569
Income taxes - current	1	3
Income taxes - deferred	(3,486)	(5,702)
Net losses	5,197	9,870

(Reference) Investment Conditions of Securitized Instruments and Our Exposure to the US Subprime Loan Losses

Managerial basis

1. Investment Conditions of Specific Securitized Instruments

Note: Information contained in this paragraph is in essence based on guidelines published by the Financial Stability Forum (FSF).

(Units: 100 mil yen)

Category	As of September 30, 2008		As of March 31, 2008	
	Amount of investments and loans Notes 1 (Amount in Consolidated Balance Sheet)	Valuation Difference Note 2 (Unrealized loss/gain)	Amount of investments and loans Notes 1 (Amount in Consolidated Balance Sheet)	Valuation Difference Note 2 (Unrealized loss/gain)
(1)RMBS Note 3	1,447	6	1,417	26
Japan	1,406	7	1,389	26
Overseas	40	△ 0	28	△ 0
(2)ABS-CDO Note 4	2	△ 0	4	△ 0
AAA	—	—	—	—
AA	2	△ 0	4	△ 0
A	—	—	—	—
BBB or below	—	—	—	—
(3)CDO Note 4	144	△ 4	158	△ 2
CLO	142	△ 3	152	△ 1
AAA	142	△ 3	152	△ 1
AA	—	—	—	—
A	—	—	—	—
BBB or below	—	—	—	—
CBO	0	△ 0	4	△ 0
AAA	—	—	2	△ 0
AA	—	—	1	△ 0
A	—	—	—	—
BBB or below	0	△ 0	0	△ 0
Synthetic CDO	2	△ 1	1	△ 0
AAA	—	—	—	—
AA	1	△ 0	1	△ 0
A	—	—	—	—
BBB or below	0	△ 1	—	—
(4)CMBS	171	△ 5	187	△ 1
Japan	171	△ 5	187	△ 1
Overseas	—	—	—	—
(5)ABCP	104	—	83	—
Portion composed by Mitsui Sumitomo Insurance Group	39	—	—	—
(6)SIV instruments	—	—	—	—
Portion composed by Mitsui Sumitomo Insurance Group	—	—	—	—
(7)LBO Loan	137	Note 5 —	114	Note 5 —
Japan	137	—	114	—
Overseas	—	—	—	—

(Note 1) The above investments appear in the consolidated balance sheet as monetary claims bought, investments in securities, and loans.

There are no US subprime loan instruments in the Investments/loans amount.

(Note 2) There are no items in the investments/loans above that were handled as impairment (a write off) for the period.

(Note 3) The entire amount of RMBS backed investments for both Japan and overseas are rated AAA.

(Note 4) There are no hedge transactions in ABS-CDO and CDO instruments.

(Note 5) Loans are recognized at the book values, so for the LBO loans the valuation differences are not shown, but the bad debts reserve for these loans as of September 30, 2008 amounted to 0.2 billion yen.

(Note 6) The figures of Mitsui Sumitomo MetLife Insurance Co., Ltd., accounted for under the equity method, are not included in the above table.

[Glossary]

- ◆Synthetic CDO: Synthetic Collateralized Debt Obligations
- ◆ABCP: Asset-Backed Commercial Paper
- ◆ABS: Asset-Backed Securities
- ◆ABS-CDO: CDOs backed by asset-backed securities
- ◆CBO: Collateralized Bond Obligation
- ◆CDO: Collateralized Debt Obligation
- ◆CLO: Collateralized Loan Obligation
- ◆CMBS: Commercial Mortgage-Backed Securities
- ◆LBO Loan: Leveraged Buyout Loan
- ◆RMBS: Residential Mortgage-Backed Securities
- ◆SIV: Structured Investment Vehicle

2. Exposure to U.S. Subprime Loans

Breakdown of U.S. Subprime related exposure:

(Units: billion yen)

		As of September 30, 2008		As of March 31, 2008	
		Outstanding (Notional) Par Amount	Exposure to U.S. Subprime Loans	Outstanding (Notional) Par Amount	Exposure to U.S. Subprime Loans
Credit derivatives	ABS-CDO	11.1	— ^{Note 1}	11.8	—
Financial guarantee reinsurance	ABS-CDO	5.7	0.8 ^{Note 2}	5.6	0.9
	RMBS	1.0	1.0	1.2	1.2
Total			1.8		2.1

(Note 1) ABS CDO referred here partially contains RMBSs backed by U.S. subprime loans (SPL-RMBS:6.6 billion yen) in its underlying assets (pool of ABS). Even if all the SPL-RMBSs defaulted with no recovery (i.e., 100% loss), we would not be obligated to pay claim because there is a subordinated tranche (deductible) of 11.1 billion yen below the tranche we have underwritten, which exceeds outstanding par amount of the SPL-RMBSs (6.6 billion yen). Therefore our exposure to U.S. Subprime Loans is zero as described in the precedent table.

(Note 2) Likewise, outstanding par amount of all the SPL-RMBSs contained in underlying assets of ABS CDOs referred here in excess of the amount of subordination (deductible), which is the amount we would be obligated to pay in the event all the SPL-RMBSs defaulted with no recovery, is 0.8 billion yen.