

[Translation]

**SUMMARY OF FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2007**



November 20, 2007

Name of Listed Company: **Mitsui Sumitomo Insurance Company, Limited**
 Securities Code No.: 8752
 Stock Exchanges: Tokyo, Osaka, Nagoya
 URL: http://www.ms-ins.com
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Date of filing of Interim Financial Report: December 20, 2007
 Date of payment of interim dividends: December 13, 2007

(Note) Amounts are truncated, and ratios are rounded.

1. Consolidated Business Results for the six months ended September 30, 2007 (April 1, 2007 to September 30, 2007)

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

	Ordinary income		Ordinary profit		Net income	
For the six months ended September 30, 2007	1,081,892	1.1 %	46,268	(11.5) %	30,530	(12.2) %
For the six months ended September 30, 2006	1,069,639	0.8 %	52,253	(27.8) %	34,784	3.4 %
For the year ended March 31, 2007	2,117,072	—	91,684	—	60,796	—

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

	Net income per share (Yen)	Net income per share -Diluted
For the six months ended September 30, 2007	21.63	—
For the six months ended September 30, 2006	24.48	—
For the year ended March 31, 2007	42.82	—

(Note) Equity in net gains(losses) of affiliates: ¥(2,101) million for the six months ended September 30, 2007
 ¥(1,403) million for the six months ended September 30, 2006
 ¥(2,677) million for the year ended March 31, 2007

(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, 2007	9,164,435	2,203,287	23.9 %	1,551.36
As of September 30, 2006	8,554,309	1,980,834	23.1 %	1,389.65
As of March 31, 2007	9,011,652	2,182,877	24.1 %	1,536.71

(Note) Net assets less minority interests: As of September 30, 2007: ¥2,188,908 million
 As of September 30, 2006: ¥1,973,920 million
 As of March 31, 2007: ¥2,168,615 million

(3) Consolidated Cash Flows (Yen in millions)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
For the six months ended September 30, 2007	126,281	(139,219)	(12,671)	345,326
For the six months ended September 30, 2006	129,626	(188,924)	(14,547)	313,284
For the year ended March 31, 2007	227,417	(220,522)	(37,358)	365,350

2. Dividends

	Dividend per share (Yen)		
	Interim	Year- end	Annual
Year ended March 31, 2007	6.00	8.00	14.00
Year ending March 31, 2008	7.00	8.00	15.00
Year ending March 31, 2008 (Forecast)			

3. Forecast for the current period (April 1, 2007 to March 31, 2008)-Consolidated (Yen in millions)

	Ordinary income	Ordinary profit	Net income	Net income per share (Yen)
Year ending March 31, 2008	2,130,000 0.6 %	83,500 (8.9) %	52,000 (14.5) %	36.85

Percent figures represent changes from the preceding fiscal year.

4. Other information

(1) Change in consolidated subsidiaries: None

(2) Change in accounting principle, procedure and presentation preparing the consolidated financial statements

1. Change due to revision of accounting standard: Yes

2. Change due to other than above: Yes

(3) The number of shares outstanding (Common stock)

1. The number of shares outstanding (including treasury stock)

As of September 30, 2007: 1,513,184,880 shares

As of September 30, 2006: 1,513,184,880 shares

As of March 31, 2007: 1,513,184,880 shares

2. The number of treasury stock

As of September 30, 2007: 102,227,675 shares

As of September 30, 2006: 92,750,586 shares

As of March 31, 2007: 101,982,776 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Business Results for the six months ended September 30, 2007

(April 1, 2007 to September 30, 2007)

(1) Results of Operations

(Yen in millions)

	Net premiums written	Ordinary profit	Net income	Net income per share (Yen)
For the six months ended September 30, 2007	* 666,521 * 0.0 % 668,626 0.4 %	41,062 (16.4) %	28,087 (17.1) %	19.90
For the six months ended September 30, 2006	* 666,246 * (1.2) % 665,694 (0.9) %	49,096 (31.0) %	33,877 (3.1) %	23.84
For the year ended March 31, 2007	* 1,324,432 — 1,325,011 —	80,158 —	55,352 —	38.98

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

* For the purpose of easy comparison with other non-life insurance companies, "Net premiums written" in upper column exclude Good Result Return premiums ("GRR premiums") of the Company's unique Automobile Insurance product "ModoRich", which contains a special clause of premium adjustment and refund at maturity. Since GRR premiums are included in the provision for Underwriting Reserve, the amounts of "Ordinary profit" and "Net income" remain unchanged.

(2) Financial Conditions

(Yen in millions)

	Total assets	Net assets	Net assets ratio	Net assets per share (Yen)
As of September 30, 2007	7,781,993	2,136,334	27.5 %	1,514.10
As of September 30, 2006	7,410,910	1,949,670	26.3 %	1,372.58
As of March 31, 2007	7,744,782	2,127,884	27.5 %	1,507.85

(Note) Net assets: As of September 30, 2007: ¥2,136,334 million
As of September 30, 2006: ¥1,949,670 million
As of March 31, 2007: ¥2,127,884 million

2. Forecast of the current period (April 1, 2007 to March 31, 2008)

(Yen in millions)

	Net premiums written	Ordinary profit	Net income	Net income per share (Yen)
Year ending March 31, 2008	* 1,320,000 * (0.3) % 1,325,000 (0.0) %	78,000 (2.7) %	50,500 (8.8) %	35.79

Percent figures represent changes from the preceding fiscal year.

* For the purpose of easy comparison with other non-life insurance companies, "Net premiums written" in upper column exclude Good Result Return premiums ("GRR premiums") of the Company's unique Automobile Insurance product "ModoRich", which contains a special clause of premium adjustment and refund at maturity. Since GRR premiums are included in the provision for Underwriting Reserve, the amounts of "Ordinary profit" and "Net income" remain unchanged.

- The forecasted values above were calculated based upon currently available information and contain many elements of uncertainty. Actual results may differ from the above forecasted values due to changes in the business environment.
- Considering business results for the six months and business outlook, the Company revised the forecast of current period in the last "SUMMARY OF FINANCIAL STATEMENTS".
- With regard to assumptions of the business forecasts, please refer to "1-2. Forecasts for the fiscal year ending March 31, 2008" on page 4.
- The Company revised the forecast for dividend. Please refer to "3. Basic profit distribution policies and dividends for the fiscal year ending March 31, 2008" on page 5 for all the specific details.

Results of Operations

1. Results of operations for the six months ended September 30, 2007

1-1. Results of operations

Ordinary income was ¥1,081.8 billion, an increase of ¥12.2 billion, and ordinary expenses were ¥1,035.6 billion, an increase of ¥18.2 billion compared with the same period of the previous fiscal year respectively. As a result, the Company recorded ordinary profit of ¥46.2 billion, a decrease of ¥5.9 billion, and net income after tax and deduction of minority interests was ¥30.5 billion, a decrease of ¥4.2 billion.

Property and casualty insurance business segment

Net premiums written were ¥797.3 billion, an increase of ¥35.2 billion compared with the same period of the previous fiscal year. The major reason of this increase was the performance of Mitsui Direct General Insurance Company, Limited, being newly included in the consolidation, and the business expansion of the subsidiaries in Europe.

Ordinary income which is composed of underwriting income and investment income was ¥998.5 billion, an increase of ¥12.5 billion compared with the same period of the previous fiscal year due mainly to an increase of interest and dividends received. On the other hand, ordinary expenses was ¥949.8 billion, an increase of ¥17.1 billion compared with the same period of the previous fiscal year. The major reason of increase was the amount in connection with Mitsui Direct General Insurance Company, Limited, which was newly included in the consolidation, nevertheless the amount of provision for outstanding claims of natural disasters at the Company was decreased. As a result, ordinary profit was ¥48.6 billion, a decrease of ¥4.5 billion compared with the same period of the previous fiscal year.

Life insurance business segment

Ordinary income in Life insurance business was ¥86.0 billion, an increase of ¥0.4 billion compared with the same period of the previous fiscal year, because life insurance premiums were ¥77.1 billion, a decrease of ¥1.3 billion compared with the same period of the previous fiscal year. This decrease of life insurance premiums were the result of an increase in the number of cancellation of life insurance policies at the subsidiary, Mitsui Sumitomo Kirameki Life Insurance Company, Limited. Ordinary expenses were ¥88.4 billion, an increase of ¥1.8 billion compared with the same period of the previous fiscal year, which includes the proportionate share of loss of the affiliated company, Mitsui Sumitomo MetLife Insurance Co., Ltd. As a result, ordinary loss was ¥2.3 billion, an increase of ¥1.3 billion compared with the same period of the previous fiscal year.

Geographic segment

Ordinary income was ¥954.2 billion in Japan, ¥43.0 billion in Asia (excepting Japan), ¥24.8 billion in the Americas and ¥63.0 billion in Europe, and the Company recorded ordinary profit of ¥38.0 billion in Japan, ¥6.4 billion in Asia,

¥4.9 billion in the Americas and ordinary loss of ¥1.2 billion in Europe. 88 percent of ordinary income and 79 percent of ordinary profit, before elimination of internal transaction, was earned in Japan.

1-2. Forecasts for the fiscal year ending March 31, 2008

The Company has the following earning forecasts for the fiscal year ending March 31, 2008.

Consolidated ordinary income	¥ 2,130.0 billion
Consolidated ordinary profit	¥ 83.5 billion
Consolidated net income	¥ 52.0 billion

Note:

1) The above forecasts were estimated based on the below assumptions.

* Net premiums written were estimated based on the tendency of the past operating performance.

* Incurred loss of natural disasters at the Company was estimated ¥9.0 billion for this fiscal year.

* Investment environment, such as interest rate, foreign exchange rate and stock exchange market, will have no remarkable fluctuation during this fiscal year.

2) The above forecasts may differ materially from the actual results due to various reasons, including changes in the business environment.

2. Financial condition

2-1. Analysis of Assets, Liabilities, Net Assets and Cash Flows

Total assets as of September 30, 2007 increased ¥152.7 billion to ¥9,164.4 billion, and total net assets increased ¥20.4 billion to ¥2,203.2 billion, compared with the end of the previous fiscal year.

Net cash provided by operating activities was ¥126.2 billion, a decrease of ¥3.3 billion compared with the same period of the previous fiscal year due to an increase of paid loss. Net cash used in investment activities was ¥139.2 billion, an increase of ¥49.7 billion by reason of an increase in cash received under securities lending transaction. Net cash used in financing activities was ¥12.6 billion, an increase of ¥1.8 billion by reason of decrease of cash dividends paid. As a result, cash and cash equivalents at the end of the period was ¥345.3 billion, a decrease of ¥20.0 billion compared with the end of the previous fiscal year.

2-2. Cash Flow Indices

	Sep. 2005	Sep. 2006	Sep. 2007	Mar. 2006	Mar. 2007
Net Assets Ratio	21.3%	23.1%	23.9%	23.6%	24.1%
Net Assets Ratio based on Market Value	25.0%	26.1%	22.3%	28.2%	24.8%

Note:

1. Net Assets Ratio: Total Net Assets / Total Assets

2. Net Assets Ratio based on Market Value: Total market Value of outstanding shares / Total Assets

3. Total market value of outstanding shares has been calculated based on the number of outstanding shares including treasury stocks.

4. "Interest-bearing Debt to Cash Flow Ratio" and "Interest Coverage Ratio" are not disclosed, because major business of the Company is insurance.

3. Basic profit distribution policies and dividends for the fiscal year ending March 31, 2008

The Company considers the allocation of earnings to shareholders and makes it a basic policy to distribute appropriate and stable dividends while taking business environment and long-term business plan into consideration. On the other hand, it is necessary to retain the adequate surpluses for solvency so that the Company develops soundly on a long term basis.

Based on the above, the Company will allocate the fund of 40 percent of Group Core Profit to dividends and acquisition of treasury stocks with the tendency to increase dividends in the medium and long term perspective. For this fiscal year, the Company plans to increase total dividends for the fiscal year ending March 31, 2008 by ¥1.00 per share compared with previous fiscal year, for a total of ¥15.00 per share.

Note: Group Core Profit

Group Core Profit equals consolidated net income minus capital gains and losses on stocks (buying and selling gains and losses, etc), minus evaluation gains and losses on credit derivatives, minus other special gains and losses, minus consolidated net income of life insurance subsidiaries, plus profit before the provision of additional policy reserve for standard underwriting reserve at Mitsui Sumitomo Kirameki Life Insurance Company, Limited, plus equity in earnings under U.S. GAAP of Mitsui Sumitomo MetLife Insurance Co., Ltd. and certain other items. (All profits are on an after-tax basis)

Summary of Consolidated Results of Operations

(Yen in millions)

Item	For the six months ended September 30, 2006	For the six months ended September 30, 2007	Change	Change Ratio(%)	FY2006
Ordinary Income and Expenses:					
Underwriting income:	998,764	1,005,197	6,433	0.6	1,947,162
Net premiums written	762,168	797,399	35,230	4.6	1,492,808
Deposit premiums from policyholders	126,262	101,448	(24,813)	(19.7)	224,676
Life insurance premiums	78,568	77,173	(1,394)	(1.8)	165,363
Underwriting expenses:	877,533	884,034	6,501	0.7	1,738,755
Net claims paid	411,522	428,243	16,721	4.1	846,445
Loss adjustment expenses	32,140	37,893	5,753	17.9	69,968
Commission and collection expenses	130,465	126,679	(3,786)	(2.9)	257,658
Maturity refunds to policyholders	175,661	145,884	(29,776)	(17.0)	340,660
Life insurance claims	10,185	14,481	4,295	42.2	24,849
Investment income:	68,584	73,865	5,281	7.7	165,224
Interest and dividends received	77,146	85,813	8,666	11.2	179,081
Gain on sales of securities	13,881	13,515	(365)	(2.6)	32,815
Investment expenses:	7,423	8,203	780	10.5	16,692
Loss on sales of securities	2,837	1,718	(1,118)	(39.4)	6,018
Loss on valuation of securities	2,857	3,707	850	29.8	6,038
Operating expenses and general and administrative expenses	129,092	139,497	10,405	8.1	262,989
Other ordinary income and expenses	(1,045)	(1,058)	(12)	-	(2,265)
Ordinary profit	52,253	46,268	(5,985)	(11.5)	91,684
Extraordinary Income and Losses:					
Extraordinary income	2,886	794	(2,092)	(72.5)	4,303
Extraordinary losses	5,025	3,444	(1,580)	(31.5)	8,074
Extraordinary income and losses	(2,138)	(2,650)	(511)	-	(3,770)
Income before income taxes	50,114	43,618	(6,496)	(13.0)	87,913
Income taxes - current	23,531	18,664	(4,867)	(20.7)	43,664
Income taxes - deferred	(8,799)	(5,918)	2,881	-	(17,529)
Minority interests	599	341	(257)	(43.0)	983
Net income	34,784	30,530	(4,253)	(12.2)	60,796

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

Net premiums written	762,720	795,294	32,573	4.3	1,492,229
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**Direct Premiums Written by Lines of Insurance
(including Deposit premiums from policyholders)**

Consolidated

(Yen in millions)

Lines of Insurance	For the six months ended September 30, 2006			For the six months ended September 30, 2007			FY2006		
	Amount	Change %	Share %	Amount	Change %	Share %	Amount	Change %	Share %
Fire	162,088	1.0	17.3	162,379	0.2	17.2	301,692	(0.8)	16.7
Marine	56,891	17.5	6.1	62,787	10.4	6.6	113,005	11.4	6.3
Personal Accident	180,823	(1.8)	19.4	155,773	(13.9)	16.5	327,518	(4.1)	18.1
Voluntary Automobile	306,886	4.5	32.9	319,818	4.2	33.9	611,148	2.6	33.8
Compulsory Automobile Liability	88,925	(2.2)	9.5	89,728	0.9	9.5	176,826	(2.7)	9.8
Other	138,411	5.7	14.8	153,839	11.1	16.3	276,517	2.7	15.3
Total	934,028	2.8	100.0	944,327	1.1	100.0	1,806,708	0.7	100.0
Deposit premiums from policyholders	126,262	(10.6)	13.5	101,448	(19.7)	10.7	224,676	(10.0)	12.4

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

Voluntary Automobile	307,438	3.8		317,713	3.3		610,568	1.5	
Total	934,579	2.6		942,221	0.8		1,806,129	0.4	

Net Premiums by Lines of Insurance

(Yen in millions)

Lines of Insurance	For the six months ended September 30, 2006			For the six months ended September 30, 2007			FY2006		
	Amount	Change %	Share %	Amount	Change %	Share %	Amount	Change %	Share %
Fire	115,365	3.4	15.1	120,454	4.4	15.1	208,951	1.2	14.0
Marine	47,916	15.0	6.3	54,162	13.0	6.8	95,486	12.6	6.4
Personal Accident	74,753	2.3	9.8	72,541	(3.0)	9.1	139,531	(2.6)	9.3
Voluntary Automobile	301,823	3.0	39.6	314,651	4.3	39.5	601,353	1.9	40.3
Compulsory Automobile Liability	97,454	(0.6)	12.8	97,295	(0.2)	12.2	192,087	(0.7)	12.9
Other	124,855	5.2	16.4	138,294	10.8	17.3	255,398	3.9	17.1
Total	762,168	3.6	100.0	797,399	4.6	100.0	1,492,808	2.0	100.0

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

Voluntary Automobile	302,375	2.3		312,546	3.4		600,774	0.8	
Total	762,720	3.3		795,294	4.3		1,492,229	1.5	

Net Claims Paid by Lines of Insurance

(Yen in millions)

Lines of Insurance	For the six months ended September 30, 2006			For the six months ended September 30, 2007			FY2006		
	Amount	Change %	Share %	Amount	Change %	Share %	Amount	Change %	Share %
Fire	50,321	9.8	12.2	48,980	(2.7)	11.4	100,229	13.6	11.9
Marine	18,042	15.4	4.4	21,854	21.1	5.1	38,684	10.0	4.6
Personal Accident	30,654	15.9	7.4	33,489	9.2	7.8	62,908	12.2	7.4
Voluntary Automobile	183,632	5.5	44.6	190,086	3.5	44.4	375,298	3.0	44.3
Compulsory Automobile Liability	68,110	6.6	16.6	67,507	(0.9)	15.8	134,908	3.4	15.9
Other	60,762	12.4	14.8	66,324	9.2	15.5	134,415	13.2	15.9
Total	411,522	8.3	100.0	428,243	4.1	100.0	846,445	6.7	100.0

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

Consolidated Balance Sheets

(Yen in millions, %)

Item	As of September 30, 2006		As of September 30, 2007		Change	As of March 31, 2007	
	Amount	Share	Amount	Share		Amount	Share
(Assets)							
Cash deposits and savings	287,729	3.36	351,614	3.84	63,884	345,330	3.83
Call loans	28,600	0.33	21,500	0.24	(7,100)	41,600	0.46
Monetary claims bought	86,436	1.01	92,506	1.01	6,070	84,349	0.94
Money trusts	55,254	0.65	59,022	0.64	3,768	57,138	0.64
Investments in securities	6,587,977	77.01	7,045,429	76.88	457,452	6,949,578	77.12
Loans	790,817	9.24	795,448	8.68	4,630	768,084	8.52
Tangible fixed assets	254,482	2.98	257,601	2.81	3,119	261,267	2.90
Intangible fixed assets	70,770	0.83	93,048	1.02	22,278	87,955	0.98
Other assets	395,585	4.62	448,466	4.89	52,880	418,167	4.64
Deferred tax assets	4,685	0.06	5,422	0.06	737	4,802	0.05
Customers' liabilities under acceptances and guarantees	1,581	0.02	1,296	0.01	(284)	1,237	0.01
Reserve for bad debts	(9,609)	(0.11)	(6,921)	(0.08)	2,688	(7,859)	(0.09)
Total assets	8,554,309	100.00	9,164,435	100.00	610,125	9,011,652	100.00
(Liabilities)							
Underwriting funds:	5,697,329	66.60	5,976,428	65.21	279,098	5,815,878	64.54
Outstanding claims	768,959		862,727		93,767	820,714	
Underwriting reserves	4,928,370		5,113,700		185,330	4,995,163	
Debentures	99,997	1.17	99,999	1.09	1	99,998	1.11
Other liabilities	233,144	2.73	252,998	2.76	19,853	271,795	3.02
Reserve for employees' retirement and severance benefits	82,352	0.96	80,029	0.88	(2,323)	81,540	0.90
Reserve for pension and retirement benefits for officers and operating officers	-	-	2,944	0.03	2,944	-	-
Accrued bonuses for employees	8,829	0.10	9,454	0.10	624	13,468	0.15
Reserve under the special law:	25,185	0.29	28,323	0.31	3,137	26,707	0.30
Reserve for price fluctuation	25,185		28,323		3,137	26,707	
Deferred tax liabilities	425,053	4.97	509,672	5.56	84,618	518,149	5.75
Liabilities under acceptances and guarantees	1,581	0.02	1,296	0.02	(284)	1,237	0.01
Total liabilities	6,573,475	76.84	6,961,147	75.96	387,672	6,828,775	75.78
(Net assets)							
Shareholders' equity:							
Common stock	139,595	1.63	139,595	1.52	-	139,595	1.55
Capital surplus	93,134	1.09	93,149	1.02	14	93,138	1.03
Retained earnings	599,027	7.00	632,593	6.90	33,566	613,352	6.80
Treasury stock	(77,600)	(0.90)	(91,524)	(1.00)	(13,923)	(91,142)	(1.01)
Total shareholders' equity	754,157	8.82	773,813	8.44	19,656	754,943	8.37
Valuation and translation adjustments:							
Unrealized gains on investments, net of tax	1,219,614	14.26	1,395,223	15.22	175,609	1,402,879	15.57
Deferred hedge gains(losses), net of tax	(4,221)	(0.05)	(4,994)	(0.05)	(772)	(4,577)	(0.05)
Foreign currency translation adjustments	4,370	0.05	24,864	0.27	20,494	15,368	0.17
Total valuation and translation adjustments	1,219,763	14.26	1,415,094	15.44	195,331	1,413,671	15.69
Minority interests	6,914	0.08	14,379	0.16	7,465	14,261	0.16
Total net assets	1,980,834	23.16	2,203,287	24.04	222,453	2,182,877	24.22
Total liabilities and net assets	8,554,309	100.00	9,164,435	100.00	610,125	9,011,652	100.00

Consolidated Statements of Income

(Yen in millions, %)

Item	For the six months ended September 30, 2006		For the six months ended September 30, 2007		Change	FY2006	
	Amount	Share	Amount	Share		Amount	Share
Ordinary income and expenses:							
Ordinary income:	1,069,639	100.00	1,081,892	100.00	12,252	2,117,072	100.00
Underwriting income:	998,764	93.37	1,005,197	92.91	6,433	1,947,162	91.97
Net premiums written	762,168		797,399		35,230	1,492,808	
Deposit premiums from policyholders	126,262		101,448		(24,813)	224,676	
Investment income on deposits by policyholders ,etc	28,403		28,793		389	57,322	
Life insurance premiums	78,568		77,173		(1,394)	165,363	
Investment income:	68,584	6.41	73,865	6.83	5,281	165,224	7.81
Interest and dividends received	77,146		85,813		8,666	179,081	
Investment gain on money trusts	605		419		(186)	952	
Gain on sales of securities	13,881		13,515		(365)	32,815	
Transfer to investment income on deposits by policyholders ,etc	(28,403)		(28,793)		(389)	(57,322)	
Other ordinary income	2,291	0.22	2,829	0.26	538	4,685	0.22
Ordinary expenses:	1,017,386	95.11	1,035,624	95.72	18,237	2,025,388	95.67
Underwriting expenses:	877,533	82.04	884,034	81.71	6,501	1,738,755	82.13
Net claims paid	411,522		428,243		16,721	846,445	
Loss adjustment expenses	32,140		37,893		5,753	69,968	
Commission and collection expenses	130,465		126,679		(3,786)	257,658	
Maturity refunds to policyholders	175,661		145,884		(29,776)	340,660	
Life insurance claims	10,185		14,481		4,295	24,849	
Provision for outstanding claims	41,378		31,972		(9,405)	75,783	
Provision for underwriting reserves	74,413		98,333		23,919	121,044	
Investment expenses:	7,423	0.69	8,203	0.76	780	16,692	0.79
Investment loss on money trusts	-		47		47	-	
Loss on sales of securities	2,837		1,718		(1,118)	6,018	
Loss on valuation of securities	2,857		3,707		850	6,038	
Operating expenses and general and administrative expenses	129,092	12.07	139,497	12.89	10,405	262,989	12.42
Other ordinary expenses:	3,337	0.31	3,887	0.36	550	6,951	0.33
Interest paid	367		543		175	829	
Ordinary profit	52,253	4.89	46,268	4.28	(5,985)	91,684	4.33
Extraordinary income and losses:							
Extraordinary income:	2,886	0.27	794	0.07	(2,092)	4,303	0.20
Extraordinary losses:	5,025	0.47	3,444	0.32	(1,580)	8,074	0.38
Provision for reserve under the special law	1,648		1,616		(31)	3,167	
Provision for price fluctuation reserve	1,648		1,616		(31)	3,167	
Other extraordinary losses	3,377		1,828		(1,548)	4,907	
Income before income taxes	50,114	4.69	43,618	4.03	(6,496)	87,913	4.15
Income taxes - current	23,531	2.20	18,664	1.73	(4,867)	43,664	2.06
Income taxes - deferred	(8,799)	(0.82)	(5,918)	(0.55)	2,881	(17,529)	(0.83)
Minority Interests	599	0.06	341	0.03	(257)	983	0.05
Net income	34,784	3.25	30,530	2.82	(4,253)	60,796	2.87

Consolidated Statement of Changes in Net Assets

Six months ended September 30, 2006

(Yen in millions)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2006	139,595	93,127	577,028	(77,321)	732,429
Changes for the six months					
Dividends from surplus(Note)			(12,785)		(12,785)
Net income			34,784		34,784
Acquisition of treasury stock				(290)	(290)
Disposal of treasury stock		7		11	19
Net changes in items other than shareholders' equity					
Total changes for the six months	-	7	21,998	(278)	21,727
Balance as of September 30, 2006	139,595	93,134	599,027	(77,600)	754,157

	Valuation and translation adjustments			Minority interests	Total net assets
	Unrealized gains on investments, net of tax	Deferred hedge gains(losses), net of tax	Foreign currency translation adjustments		
Balance as of March 31, 2006	1,291,051	-	3,988	7,221	2,034,690
Changes for the six months					
Dividends from surplus(Note)					(12,785)
Net income					34,784
Acquisition of treasury stock					(290)
Disposal of treasury stock					19
Net changes in items other than shareholders' equity	(71,436)	(4,221)	381	(307)	(75,584)
Total changes for the six months	(71,436)	(4,221)	381	(307)	(53,856)
Balance as of September 30, 2006	1,219,614	(4,221)	4,370	6,914	1,980,834

(Note) This figure is the item about appropriation of profit approved at the ordinary general meeting of shareholders held in June 2006.

Consolidated Statement of Changes in Net Assets

Six months ended September 30, 2007

(Yen in millions)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2007	139,595	93,138	613,352	(91,142)	754,943
Changes for the six months					
Dividends from surplus			(11,289)		(11,289)
Net income			30,530		30,530
Acquisition of treasury stock				(400)	(400)
Disposal of treasury stock		10		19	29
Net changes in items other than shareholders' equity					
Total changes for the six months	-	10	19,241	(381)	18,869
Balance as of September 30, 2007	139,595	93,149	632,593	(91,524)	773,813

	Valuation and translation adjustments			Minority interests	Total net assets
	Unrealized gains on investments, net of tax	Deferred hedge gains(losses), net of tax	Foreign currency translation adjustments		
Balance as of March 31, 2007	1,402,879	(4,577)	15,368	14,261	2,182,877
Changes for the six months					
Dividends from surplus					(11,289)
Net income					30,530
Acquisition of treasury stock					(400)
Disposal of treasury stock					29
Net changes in items other than shareholders' equity	(7,655)	(416)	9,495	117	1,540
Total changes for the six months	(7,655)	(416)	9,495	117	20,410
Balance as of September 30, 2007	1,395,223	(4,994)	24,864	14,379	2,203,287

Consolidated Statement of Changes in Net Assets

Year ended March 31, 2007

(Yen in millions)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2006	139,595	93,127	577,028	(77,321)	732,429
Changes in the period					
Dividends from surplus(Note)			(12,785)		(12,785)
Dividends from surplus			(8,522)		(8,522)
Net income			60,796		60,796
Acquisition of treasury stock				(13,839)	(13,839)
Disposal of treasury stock		11		18	30
Change in interest in the consolidated subsidiaries			(3,164)		(3,164)
Net changes in items other than stockholders' equity					
Total changes in the period	-	11	36,323	(13,820)	22,514
Balance as of March 31, 2007	139,595	93,138	613,352	(91,142)	754,943

	Valuation and translation adjustments			Minority interests	Total net assets
	Unrealized gains on investments, net of tax	Deferred hedge gains(losses), net of tax	Foreign currency translation adjustments		
Balance as of March 31, 2006	1,291,051	-	3,988	7,221	2,034,690
Changes in the period					
Dividends from surplus(Note)					(12,785)
Dividends from surplus					(8,522)
Net income					60,796
Acquisition of treasury stock					(13,839)
Disposal of treasury stock					30
Change in interest in the consolidated subsidiaries					(3,164)
Net changes in items other than stockholders' equity	111,828	(4,577)	11,379	7,040	125,671
Total changes in the period	111,828	(4,577)	11,379	7,040	148,186
Balance as of March 31, 2007	1,402,879	(4,577)	15,368	14,261	2,182,877

(Note) This figure is the item about appropriation of profit approved at the ordinary general meeting of shareholders held in June 2006.

Consolidated Statements of Cash Flows

(Yen in millions)

Item	For the six months ended September 30, 2006	For the six months ended September 30, 2007	Change	FY2006
I. Cash flows from operating activities:				
Income before income taxes	50,114	43,618	(6,496)	87,913
Depreciation	7,929	9,224	1,295	16,631
Impairment loss on fixed assets	439	137	(301)	491
Amortization of goodwill	999	1,321	321	2,052
Amortization of negative goodwill	(9)	(5)	3	(8)
Increase(decrease) in outstanding claims	41,378	31,972	(9,405)	75,783
Increase(decrease) in underwriting reserve	73,383	97,151	23,767	118,445
Increase(decrease) in bad debts reserve	(2,497)	(173)	2,323	(5,018)
Increase(decrease) in reserve for employees' retirement and severance benefits	(69)	1,150	1,220	(983)
Increase(decrease) in reserve for pension and retirement benefits for officers and operating officers	-	(156)	(156)	-
Increase(decrease) in accrued bonuses for employees	(4,720)	(4,081)	639	(343)
Increase(decrease) in reserve for price fluctuation	1,648	1,616	(31)	3,167
Interest and dividend income	(77,146)	(85,813)	(8,666)	(179,081)
Losses(gains) on investment in securities	(13,159)	(9,900)	3,259	(28,730)
Interest expenses	367	543	175	829
Foreign exchange losses(gains)	1,051	802	(249)	1,526
Losses(gains) on disposal of tangible fixed assets	(371)	35	406	(266)
Equity in losses(gains) of affiliates	1,403	2,101	698	2,677
Decrease(increase) in other assets	(7,713)	(16,739)	(9,026)	(13,621)
Increase(decrease) in other liabilities	5,836	(13,776)	(19,613)	14,853
Others	1,425	930	(495)	7,295
Subtotal	80,290	59,958	(20,331)	103,614
Interest and dividends received	78,297	86,409	8,112	176,459
Interest paid	(363)	(418)	(55)	(795)
Income tax paid	(28,596)	(19,668)	8,928	(51,861)
Net cash provided by operating activities	129,626	126,281	(3,345)	227,417
II. Cash flows from investing activities:				
Net increase(decrease) in deposit at banks	(652)	(5,689)	(5,037)	(5,410)
Purchase of monetary claims bought	(15,149)	(6,421)	8,728	(22,323)
Proceeds from sales and redemption of monetary claims bought	1,293	990	(303)	2,299
Purchase of money trusts	-	(5,066)	(5,066)	(15,000)
Proceeds from sales of money trusts	50	700	649	14,179
Purchase of securities	(462,928)	(438,607)	24,320	(918,030)
Proceeds from sales and redemption of securities	353,449	345,824	(7,625)	764,441
Investment in loans	(138,209)	(125,436)	12,773	(260,617)
Collection of loans	124,616	98,061	(26,555)	267,783
Increase(decrease) in cash received under securities lending transactions	(49,705)	5,251	54,956	(20,429)
Others	1,204	767	(436)	(1,444)
II ① Subtotal	(186,030)	(129,625)	56,404	(194,551)
(I + II ①)	(56,403)	(3,344)	(53,059)	(32,865)
Acquisition of tangible fixed assets	(4,712)	(9,531)	(4,818)	(23,848)
Proceeds from sales of tangible fixed assets	1,817	1,455	(362)	5,193
Cash paid on acquisition, net of cash and cash equivalents acquired	-	-	-	(7,337)
Others	0	(1,518)	(1,519)	21
Net cash used in investing activities	(188,924)	(139,219)	49,705	(220,522)
III. Cash flows from financing activities:				
Repayment of debt	(300)	-	300	(300)
Proceeds from stocks issued to minority shareholders	84	-	(84)	84
Acquisition of treasury stock	(290)	(400)	(110)	(13,839)
Cash dividends paid	(12,785)	(11,289)	1,495	(21,308)
Cash dividends paid to minority shareholders	(1,031)	(700)	330	(1,207)
Others	(225)	(280)	(55)	(787)
Net cash used in financing activities	(14,547)	(12,671)	1,876	(37,358)
IV. Effect of exchange rate changes on cash and cash equivalents	950	5,585	4,635	9,634
V. Net change in cash and cash equivalents	(72,895)	(20,024)	52,871	(20,829)
VI. Cash and cash equivalents at beginning of the period	386,179	365,350	(20,829)	386,179
VII. Cash and cash equivalents at end of the period	313,284	345,326	32,041	365,350

Securities

1. Marketable securities held to maturity

(Yen in Millions)

Items	As of September 30, 2006			As of September 30, 2007			As of March 31, 2007		
	Amortized cost	Fair value	Difference	Amortized cost	Fair value	Difference	Amortized cost	Fair value	Difference
Domestic Bonds	299,765	299,132	(633)	406,108	405,679	(429)	375,510	376,589	1,078
Foreign Securities	7,900	7,827	(73)	5,563	5,542	(21)	8,215	8,196	(18)
Total	307,665	306,959	(706)	411,672	411,221	(450)	383,726	384,786	1,060

2. Marketable securities earmarked for policy reserve

(Yen in Millions)

Items	As of September 30, 2006			As of September 30, 2007			As of March 31, 2007		
	Amortized cost	Fair value	Difference	Amortized cost	Fair value	Difference	Amortized cost	Fair value	Difference
Domestic Bonds	2,273	2,296	22	3,985	4,035	50	3,181	3,214	33

3. Marketable securities available for sale

(Yen in Millions)

Items	As of September 30, 2006			As of September 30, 2007			As of March 31, 2007		
	Acquisition cost	Fair value	Difference	Acquisition cost	Fair value	Difference	Acquisition cost	Fair value	Difference
Domestic Bonds	2,245,529	2,252,009	6,479	2,221,311	2,233,022	11,711	2,221,350	2,236,076	14,726
Domestic Stocks	752,379	2,561,668	1,809,288	757,240	2,826,450	2,069,210	754,670	2,834,713	2,080,042
Foreign Securities	1,134,701	1,211,500	76,798	1,212,375	1,298,375	85,999	1,134,902	1,218,396	83,493
Others	70,170	82,617	12,447	152,629	164,938	12,308	147,686	159,720	12,034
Total	4,202,780	6,107,794	1,905,014	4,343,557	6,522,786	2,179,229	4,258,609	6,448,906	2,190,296

As of September 30, 2006	As of September 30, 2007	As of March 31, 2007
<p>1. Others include beneficiary claims on loan trusts represented as monetary claims bought in consolidated balance sheets.</p> <p>2. Impairment losses of marketable securities available for sale amount to 950 million yen. Parent company and its domestic consolidated subsidiaries recognize impairment losses on marketable securities if the fair value is declined by more than 50% of their cost or amortized cost, or more than 30% except the fair value is expected to be recovered.</p>	<p>1. Others include beneficiary claims on loan trusts represented as monetary claims bought in consolidated balance sheets.</p> <p>2. Impairment losses of marketable securities available for sale amount to 2,001 million yen. Parent 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.</p>	<p>1. Others include beneficiary claims on loan trusts represented as monetary claims bought in consolidated balance sheets.</p> <p>2. Impairment losses of marketable securities available for sale amount to 3,005 million yen. Parent company and its domestic consolidated subsidiaries recognize impairment losses on marketable securities if the fair value is declined by more than 50% of their cost or amortized cost, or more than 30% except the fair value is expected to be recovered.</p>

4. Securities for which fair value is not available

(Yen in Millions)

As of September 30, 2006	As of September 30, 2007	As of March 31, 2007
<p>(1) Securities held to maturity</p> <p>Foreign Securities 2,882</p> <p>Others 44,651</p> <p>Note: Others include certificate of deposit which are represented as cash deposits and savings, and commercial paper which are represented as monetary claims bought in consolidated balance sheets.</p> <p>(2) Securities earmarked for policy reserve Not applicable</p> <p>(3) Securities available for sale</p> <p>Domestic Bonds 4,182</p> <p>Domestic Stocks 76,417</p> <p>Foreign Securities 33,596</p> <p>Others 68,161</p> <p>Note: Others include beneficiary claims on loan trusts represented as monetary claims bought in consolidated balance sheets.</p>	<p>(1) Securities held to maturity</p> <p>Foreign Securities 4,593</p> <p>Others 45,390</p> <p>Note: Others include certificate of deposit which are represented as cash deposits and savings, and commercial paper which are represented as monetary claims bought in consolidated balance sheets.</p> <p>(2) Securities earmarked for policy reserve Not applicable</p> <p>(3) Securities available for sale</p> <p>Domestic Bonds 5,080</p> <p>Domestic Stocks 72,967</p> <p>Foreign Securities 47,748</p> <p>Others 12,465</p> <p>Note: Others include beneficiary claims on loan trusts represented as monetary claims bought in consolidated balance sheets.</p>	<p>(1) Securities held to maturity</p> <p>Foreign Securities 510</p> <p>Others 44,226</p> <p>Note: Others include certificate of deposit which are represented as cash deposits and savings, and commercial paper which are represented as monetary claims bought in consolidated balance sheets.</p> <p>(2) Securities earmarked for policy reserve Not applicable</p> <p>(3) Securities available for sale</p> <p>Domestic Bonds 5,381</p> <p>Domestic Stocks 75,144</p> <p>Foreign Securities 53,430</p> <p>Others 12,217</p> <p>Note: Others include beneficiary claims on loan trusts represented as monetary claims bought in consolidated balance sheets.</p>

Summary of Non-consolidated Results of Operations

(Yen in millions)

Items	Six months ended September 30, 2006	Six months ended September 30, 2007	Increase (decrease)	Change %	Year ended March 31,2007
Direct Premiums Written (including Deposit premiums from policyholders)	814,290	795,973	(18,317)	(2.2)	1,592,753
Direct premiums written	688,027	694,524	6,496	0.9	1,368,077
Ordinary Income and Expenses:					
Underwriting income	820,447	798,978	(21,469)	(2.6)	1,607,507
Net premiums written	665,694	668,626	2,932	0.4	1,325,011
Deposit premiums from policyholders	126,262	101,448	(24,813)	(19.7)	224,676
Underwriting expenses	721,276	703,242	(18,033)	(2.5)	1,447,997
Net claims paid	372,221	381,793	9,571	2.6	771,012
Loss adjustment expenses	30,111	34,959	4,847	16.1	65,363
Commission and collection expenses	107,877	106,739	(1,138)	(1.1)	213,074
Maturity refunds to policyholders	175,661	145,884	(29,776)	(17.0)	340,660
Investment income	55,741	55,293	(447)	(0.8)	134,707
Interest and dividends received	65,450	70,420	4,969	7.6	151,243
Gains on sale of securities	13,267	10,882	(2,384)	(18.0)	30,893
Investment expenses	5,095	7,164	2,068	40.6	10,589
Losses on sale of securities	2,114	965	(1,149)	(54.3)	3,559
Losses on devaluation of securities	2,149	3,681	1,531	71.3	4,131
Operating expenses and general and administrative expenses	102,807	104,871	2,063	2.0	207,479
Those related to underwriting insurance	95,907	98,330	2,422	2.5	194,696
Other ordinary income and expenses	2,087	2,070	(17)	(0.8)	4,009
Ordinary profit	49,096	41,062	(8,033)	(16.4)	80,158
Underwriting profit(loss)	3,895	(1,391)	(5,286)	(135.7)	(34,723)
Extraordinary Income and Losses:					
Extraordinary income	2,777	840	(1,936)	(69.7)	3,689
Extraordinary losses	4,844	3,249	(1,595)	(32.9)	7,873
Extraordinary income and losses	(2,067)	(2,408)	(340)	-	(4,184)
Income before income taxes	47,028	38,654	(8,374)	(17.8)	75,974
Income taxes-current	22,100	16,308	(5,791)	(26.2)	37,786
Income taxes-deferred	(8,949)	(5,742)	3,206	-	(17,165)
Net income	33,877	28,087	(5,789)	(17.1)	55,352
Ratios:					
Net loss ratio	60.4%	62.3%			63.1%
Net expense ratio	30.6%	30.7%			30.8%

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

Direct premiums written (including Deposit premiums from policyholders)	814,842	793,867	(20,974)	(2.6)	1,592,174
Direct premiums written	688,579	692,419	3,839	0.6	1,367,498
Net premiums written	666,246	666,521	275	0.0	1,324,432
Net loss ratio	60.4%	62.5%			63.1%
Net expense ratio	30.6%	30.8%			30.8%

Note: 1. Underwriting profit(loss) = Underwriting income - (Underwriting expenses + Operating expenses and general administrative expenses related to underwriting insurance) ± other income and expenses

Other income and expenses consist mainly of Income Taxes of Compulsory Automobile Liability.

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

3. Net expense ratio = (Commission and collection expenses + Operating expenses and general and administrative expenses related to underwriting insurance) / Net premiums written x 100

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

(Yen in millions)

Lines of Insurance	Six months ended September 30, 2006			Six months ended September 30, 2007			Year ended March 31, 2007		
	Amount	Change %	Share %	Amount	Change %	Share %	Amount	Change %	Share %
Fire	104,858	(2.5)	15.3	108,471	3.4	15.6	217,070	(1.8)	15.9
Marine	39,900	10.4	5.8	44,055	10.4	6.3	80,570	8.2	5.9
Personal Accident	74,537	0.8	10.8	71,156	(4.5)	10.3	139,550	(3.2)	10.2
Voluntary Automobile	282,196	(0.6)	41.0	280,283	(0.7)	40.4	563,893	(0.2)	41.2
Compulsory Automobile Liability	88,925	(2.2)	12.9	89,728	0.9	12.9	176,826	(2.7)	12.9
Other	97,608	0.8	14.2	100,829	3.3	14.5	190,166	0.3	13.9
Total	688,027	(0.2)	100.0	694,524	0.9	100.0	1,368,077	(0.6)	100.0
(Deposit premiums from policyholders)	126,262	(10.6)	/	101,448	(19.7)	/	224,676	(10.0)	/

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

Voluntary Automobile	282,748	(1.3)	/	278,177	(1.6)	/	563,314	(1.3)	/
Total	688,579	(0.5)	/	692,419	0.6	/	1,367,498	(1.0)	/

Net Premiums by Lines of Insurance

(Yen in millions)

Lines of Insurance	Six months ended September 30, 2006			Six months ended September 30, 2007			Year ended March 31, 2007		
	Amount	Change %	Share %	Amount	Change %	Share %	Amount	Change %	Share %
Fire	85,143	(5.4)	12.8	88,425	3.9	13.2	178,919	(2.3)	13.5
Marine	34,206	6.6	5.1	36,869	7.8	5.5	70,217	6.3	5.3
Personal Accident	71,893	0.5	10.8	68,512	(4.7)	10.3	133,847	(3.5)	10.1
Voluntary Automobile	282,196	(0.5)	42.4	280,006	(0.8)	41.9	563,606	(0.2)	42.5
Compulsory Automobile Liability	97,454	(0.6)	14.6	97,181	(0.3)	14.5	192,087	(0.7)	14.5
Other	94,799	(1.6)	14.3	97,630	3.0	14.6	186,334	(0.0)	14.1
Total	665,694	(0.9)	100.0	668,626	0.4	100.0	1,325,011	(0.6)	100.0

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

Voluntary Automobile	282,747	(1.3)	/	277,900	(1.7)	/	563,026	(1.3)	/
Total	666,246	(1.2)	/	666,521	0.0	/	1,324,432	(1.0)	/

Net Claims Paid by Lines of Insurance

(Yen in millions)

Lines of Insurance	Six months ended September 30, 2006			Six months ended September 30, 2007				Year ended March 31, 2007		
	Amount	Change %	Net Loss Ratio %	Amount	Change %	Net Loss Ratio %	Change in L/R %	Amount	Change %	Net Loss Ratio %
Fire	35,511	(9.2)	43.2	38,145	7.4	45.5	2.3	84,848	7.9	49.5
Marine	14,575	7.9	44.9	17,965	23.3	51.4	6.5	31,367	3.4	47.0
Personal Accident	29,499	13.8	44.1	31,750	7.6	51.8	7.7	60,749	12.3	50.3
Voluntary Automobile	174,005	2.7	67.9	171,821	(1.3)	68.3	0.4	354,941	1.4	69.4
Compulsory Automobile Liability	68,110	6.6	75.6	67,432	(1.0)	75.1	(0.5)	134,908	3.4	76.0
Other	50,520	2.6	56.1	54,677	8.2	59.2	3.1	104,196	8.2	59.1
Total	372,221	3.1	60.4	381,793	2.6	62.3	1.9	771,012	4.2	63.1

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

Voluntary Automobile	174,005	2.7	67.8	171,821	(1.3)	68.8	1.0	354,941	1.4	69.5
Total	372,221	3.1	60.4	381,793	2.6	62.5	2.1	771,012	4.2	63.1

Note: Net Loss Ratio = (net claims paid + loss adjustment expenses)/net premiums written × 100

Non-consolidated Balance Sheets

(Yen in millions, %)

Items	As of September 30,2006		As of September 30,2007		Increase (decrease)	As of March 31,2007	
	Amount	Share	Amount	Share		Amount	Share
(Assets)							
Cash deposits and savings	149,352	2.02	164,962	2.12	15,610	174,005	2.25
Call loans	28,600	0.39	21,500	0.28	(7,100)	41,600	0.54
Monetary claims bought	77,377	1.04	85,328	1.10	7,950	75,368	0.97
Money trusts	54,760	0.74	58,954	0.76	4,194	56,598	0.73
Investments in securities	5,801,348	78.28	6,115,243	78.58	313,894	6,098,553	78.74
Loans	769,855	10.39	772,719	9.93	2,864	746,188	9.63
Tangible fixed assets	237,208	3.20	241,447	3.10	4,238	241,385	3.12
Intangible fixed assets	3,075	0.04	3,548	0.04	473	3,064	0.04
Other assets	286,999	3.87	314,215	4.04	27,215	304,525	3.93
Customers' liabilities under acceptances and guarantees	10,157	0.14	9,251	0.12	(906)	9,275	0.12
Bad debts reserve	(7,823)	(0.11)	(5,177)	(0.07)	2,646	(5,782)	(0.07)
Total assets	7,410,910	100.00	7,781,993	100.00	371,083	7,744,782	100.00
(Liabilities)							
Underwriting funds:							
Outstanding claims	4,639,195	62.60	4,695,272	60.33	56,076	4,661,578	60.19
Underwriting reserve	4,062,795		4,080,538		17,742	4,062,421	
Bonds issued	99,997	1.35	99,999	1.28	1	99,998	1.29
Other liabilities	174,387	2.35	217,165	2.79	42,777	212,215	2.74
Reserve for pension and retirement benefits	79,564	1.07	77,480	1.00	(2,084)	78,813	1.02
Reserve for pension and retirement benefits for officers and operating officers	-	-	2,832	0.04	2,832	-	-
Accrued bonuses for employees	8,034	0.11	8,179	0.11	145	10,805	0.14
Reserve under the special law:							
Reserve for price fluctuation	24,262	0.33	27,291	0.35	3,028	25,774	0.33
Reserve for price fluctuation	24,262		27,291		3,028	25,774	
Deferred tax liabilities	425,640	5.74	508,187	6.53	82,547	518,437	6.69
Liabilities under acceptances and guarantees	10,157	0.14	9,251	0.12	(906)	9,275	0.12
Total liabilities	5,461,240	73.69	5,645,659	72.55	184,418	5,616,897	72.52
(Net assets)							
Shareholders' equity:							
Common stock	139,595	1.88	139,595	1.79	-	139,595	1.80
Capital surplus:							
Additional paid-in capital	93,107		93,107		-	93,107	
Other capital surplus	26		41		14	31	
Total capital surplus	93,134	1.26	93,149	1.20	14	93,138	1.20
Retained earnings:							
Legal earned reserve	46,487		46,487		-	46,487	
Other retained earnings:							
Special reserve	535,729		565,480		29,750	548,681	
Reserve for dividends	148,400		183,400		35,000	148,400	
Reserve for dividends	77,200		77,200		-	77,200	
Special reserve for policyholders	193,900		193,900		-	193,900	
Reserve for overseas investment loss	0		0		(0)	0	
Reserve for special depreciation	141		73		(68)	73	
Reserve for deferral of gains on sale of property	2,135		2,175		39	2,175	
Reserve for deferral of anticipated gains on sale of property	-		744		744	744	
Unappropriated retained earnings	113,952		107,987		(5,965)	126,189	
Total retained earnings	582,217	7.86	611,968	7.86	29,750	595,169	7.69
Treasury stock	(77,600)	(1.05)	(91,524)	(1.17)	(13,923)	(91,142)	(1.17)
Total shareholders' equity	737,347	9.95	753,188	9.68	15,840	736,761	9.52
Valuation and translation adjustments							
Unrealized gains on investments, net of tax	1,216,543	16.42	1,388,139	17.84	171,595	1,395,700	18.02
Deferred hedge gains(losses),net of tax	(4,221)	(0.06)	(4,994)	(0.07)	(772)	(4,577)	(0.06)
Total valuation and translation adjustments	1,212,322	16.36	1,383,145	17.77	170,823	1,391,123	17.96
Total net assets	1,949,670	26.31	2,136,334	27.45	186,664	2,127,884	27.48
Total liabilities and net assets	7,410,910	100.00	7,781,993	100.00	371,083	7,744,782	100.00

Non-consolidated Statements of Income

(Yen in millions)

Items	Six months ended September 30, 2006	Six months ended September 30, 2007	Increase (decrease)	Year ended March 31, 2007
Ordinary income:	879,040	857,365	(21,674)	1,748,280
Underwriting income:	820,447	798,978	(21,469)	1,607,507
Net premiums written	665,694	668,626	2,932	1,325,011
Deposit premiums from policyholders	126,262	101,448	(24,813)	224,676
Investment income on deposit premiums from policyholders	28,403	28,787	384	57,322
Reversal of underwriting reserve	-	-	-	10
Investment income:	55,741	55,293	(447)	134,707
Interest and dividends received	65,450	70,420	4,969	151,243
Investment gains on money trusts	605	415	(190)	952
Gains on sale of securities	13,267	10,882	(2,384)	30,893
Transfer of investment income on deposit premiums from policyholders	(28,403)	(28,787)	(384)	(57,322)
Other ordinary income	2,851	3,093	242	6,065
Ordinary expenses:	829,944	816,302	(13,641)	1,668,122
Underwriting expenses:	721,276	703,242	(18,033)	1,447,997
Net claims paid	372,221	381,793	9,571	771,012
Loss adjustment expenses	30,111	34,959	4,847	65,363
Commission and collection expenses	107,877	106,739	(1,138)	213,074
Maturity refunds to policyholders	175,661	145,884	(29,776)	340,660
Provision for outstanding claims	34,802	15,577	(19,225)	57,558
Provision for underwriting reserve	362	18,116	17,753	-
Investment expenses:	5,095	7,164	2,068	10,589
Investment losses on money trusts	-	43	43	-
Losses on sale of securities	2,114	965	(1,149)	3,559
Losses on valuation of securities	2,149	3,681	1,531	4,131
Operating expenses and general and administrative expenses	102,807	104,871	2,063	207,479
Other ordinary expenses:	763	1,023	259	2,055
Interest expenses	367	439	72	769
Ordinary profit	49,096	41,062	(8,033)	80,158
Extraordinary income:	2,777	840	(1,936)	3,689
Extraordinary losses:	4,844	3,249	(1,595)	7,873
Provision for reserve under the special law:	1,472	1,517	45	2,983
Provision for price fluctuation reserve	1,472	1,517	45	2,983
Other extraordinary losses	3,372	1,731	(1,640)	4,889
Income before income taxes	47,028	38,654	(8,374)	75,974
Income taxes-current	22,100	16,308	(5,791)	37,786
Income taxes-deferred	(8,949)	(5,742)	3,206	(17,165)
Net income	33,877	28,087	(5,789)	55,352

Non-consolidated Statement of Changes in Net Assets

Six months ended September 30, 2006

(Yen in millions)

	Shareholders' equity													
	Common stock	Capital surplus			Retained earnings								Treasury stock	Total shareholders' equity
		Additional paid-in capital	Other capital surplus	Legal earned reserve	Other retained earnings									
					Special reserve	Reserve for dividends	Special reserve for policyholders	Reserve for overseas investment loss	Reserve for special depreciation	Reserve for deferral of gains on sale of property	Unappropriated retained earnings			
Balance as of March 31, 2006	139,595	93,107	19	46,487	126,400	73,200	175,900	0	488	1,229	137,420	(77,321)	716,526	
Changes in the six months														
Provision for special reserve and others (Note)					22,000	4,000	18,000			943	(44,943)		—	
Reversal of reserve for special depreciation and others (Note)									(231)	(20)	251		—	
Reversal of reserve for special depreciation and others								(0)	(115)	(16)	132		—	
Dividends from surplus (Note)											(12,785)		(12,785)	
Net income											33,877		33,877	
Acquisition of treasury stock												(290)	(290)	
Disposal of treasury stock			7									11	19	
Net changes in items other than shareholders' equity														
Total changes in the six months	—	—	7	—	22,000	4,000	18,000	(0)	(346)	906	(23,467)	(278)	20,821	
Balance as of September 30, 2006	139,595	93,107	26	46,487	148,400	77,200	193,900	0	141	2,135	113,952	(77,600)	737,347	

	Valuation and translation adjustments		Total net assets
	Unrealized gains on investments, net of tax	Deferred hedge gains(losses), net of tax	
Balance as of March 31, 2006	1,289,897	—	2,006,423
Changes in the six months			
Provision for special reserve and others (Note)			—
Reversal of reserve for special depreciation and others (Note)			—
Reversal of reserve for special depreciation and others			—
Dividends from surplus (Note)			(12,785)
Net income			33,877
Acquisition of treasury stock			(290)
Disposal of treasury stock			19
Net changes in items other than shareholders' equity	(73,353)	(4,221)	(77,575)
Total changes in the six months	(73,353)	(4,221)	(56,753)
Balance as of September 30, 2006	1,216,543	(4,221)	1,949,670

(Note) This figure is the item about appropriation of profit approved at the ordinary general meeting of shareholders held in June 2006.

Six months ended September 30, 2007

(Yen in millions)

	Shareholders' equity														
	Common stock	Capital surplus			Retained earnings									Treasury stock	Total shareholders' equity
		Additional paid-in capital	Other capital surplus	Legal earned reserve	Other retained earnings										
					Special reserve	Reserve for dividends	Special reserve for policyholders	Reserve for overseas investment loss	Reserve for special depreciation	Reserve for deferral of gains on sale of property	Reserve for deferral of anticipated gains on sale of property	Unappropriated retained earnings			
Balance as of March 31,2007	139,595	93,107	31	46,487	148,400	77,200	193,900	0	73	2,175	744	126,189	(91,142)	736,761	
Changes in the six months															
Provision for special reserve					35,000							(35,000)		—	
Dividends from surplus												(11,289)		(11,289)	
Net income												28,087		28,087	
Acquisition of treasury stock													(400)	(400)	
Disposal of treasury stock			10										19	29	
Net changes in items other than shareholders' equity															
Total changes in the six months	—	—	10	—	35,000	—	—	—	—	—	—	(18,201)	(381)	16,427	
Balance as of September 30,2007	139,595	93,107	41	46,487	183,400	77,200	193,900	0	73	2,175	744	107,987	(91,524)	753,188	

	Valuation and translation adjustments		Total net assets
	Unrealized gains on investments, net of tax	Deferred hedge gains(losses), net of tax	
Balance as of March 31,2007	1,395,700	(4,577)	2,127,884
Changes in the six months			
Provision for special reserve			—
Dividends from surplus			(11,289)
Net income			28,087
Acquisition of treasury stock			(400)
Disposal of treasury stock			29
Net changes in items other than shareholders' equity	(7,560)	(416)	(7,977)
Total changes in the six months	(7,560)	(416)	8,449
Balance as of September 30,2007	1,388,139	(4,994)	2,136,334

Year ended March 31, 2007

(Yen in millions)

	Shareholders' equity													Treasury stock	Total shareholders' equity
	Common stock	Capital surplus			Retained earnings										
		Additional paid-in capital	Other capital surplus	Legal earned reserve	Other retained earnings										
					Special reserve	Reserve for dividends	Special reserve for policyholders	Reserve for overseas investment loss	Reserve for special depreciation	Reserve for deferral of gains on sale of property	Reserve for deferral of anticipated gains on sale of property	Unappropriated retained earnings			
Balance as of March 31, 2006	139,595	93,107	19	46,487	126,400	73,200	175,900	0	488	1,229	—	137,420	(77,321)	716,526	
Changes in the period															
Provision for special reserve and others (Note)					22,000	4,000	18,000			943		(44,943)		—	
Reversal of reserve for special depreciation and others (Note)									(231)	(20)		251		—	
Provision for reserve for deferral of anticipated gains on sale of property and others										53	744	(798)		—	
Reversal of reserve for special depreciation and others								(0)	(183)	(30)		214		—	
Dividends from surplus (Note)												(12,785)		(12,785)	
Dividends from surplus												(8,522)		(8,522)	
Net income												55,352		55,352	
Acquisition of treasury stock													(13,839)	(13,839)	
Disposal of treasury stock				11									18	30	
Net changes in items other than shareholders' equity															
Total changes in the period	—	—	11	—	22,000	4,000	18,000	(0)	(415)	946	744	(11,231)	(13,820)	20,235	
Balance as of March 31, 2007	139,595	93,107	31	46,487	148,400	77,200	193,900	0	73	2,175	744	126,189	(91,142)	736,761	

	Valuation and translation adjustments		Total net assets
	Unrealized gains on investments, net of tax	Deferred hedge gains(losses), net of tax	
Balance as of March 31, 2006	1,289,897	—	2,006,423
Changes in the period			
Provision for special reserve and others (Note)			—
Reversal of reserve for special depreciation and others (Note)			—
Provision for reserve for deferral of anticipated gains on sale of property and others			—
Reversal of reserve for special depreciation and others			—
Dividends from surplus (Note)			(12,785)
Dividends from surplus			(8,522)
Net income			55,352
Acquisition of treasury stock			(13,839)
Disposal of treasury stock			30
Net changes in items other than shareholders' equity	105,802	(4,577)	101,225
Total changes in the period	105,802	(4,577)	121,460
Balance as of March 31, 2007	1,395,700	(4,577)	2,127,884

(Note) This figure is the item about appropriation of profit approved at the ordinary general meeting of shareholders held in June 2006.