

[Translation]

## CONSOLIDATED FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED JUNE 30, 2007



August 22, 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>  
Representative: Toshiaki Egashira, President  
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(Note) Amounts are truncated, and ratios are rounded.

### 1. Consolidated Financial Results for the first quarter ended June 30, 2007 (From April 1, 2007 to June 30, 2007)

#### (1) Results of Operations

(Yen in millions)

	Ordinary income	Ordinary profit	Net income
For the first quarter ended June 30, 2007	548,018	31,794	23,457
For the year ended March 31, 2007	2,117,072	91,684	60,796

(Yen)

	Net income per share	Net income per share -Diluted
For the first quarter ended June 30, 2007	16.62	-
For the year ended March 31, 2007	42.82	-

(Note) It is started to disclose quarterly financial results from this quarter.

#### (2) Financial Conditions

(Yen in millions)

	Total assets	Net assets	Equity ratio	Net assets per share (Yen)
As of June 30, 2007	9,205,750	2,295,167	24.8 %	1,616.23
As of March 31, 2007	9,011,652	2,182,877	24.1 %	1,536.71

(Note) It is started to disclose quarterly financial results from this quarter.

## **2.Forecast of the current period (From April 1, 2007 to March 31, 2008)-Consolidated**

Figures in the forecast of the current period have not changed from those disclosed on May 23, 2007.

## **3.Other information**

(1) Significant changes in scope of consolidation during the period: None

(2) Adoption of simplified accounting methods: Yes

(3) Changes in accounting methods during the period: Yes

#### 4. Consolidated Financial Statements

##### Summary of Consolidated Results of Operations

(Yen in millions)

Items	Three months ended June 30, 2007	(Reference) Year ended March 31,2007
<b>Ordinary Income and Expenses:</b>		
<b>Underwriting income:</b>	<b>497,592</b>	<b>1,947,162</b>
Net premiums written	399,170	1,492,808
Deposit premiums from policyholders	45,448	224,676
Life insurance premiums	37,487	165,363
<b>Underwriting expenses:</b>	<b>442,582</b>	<b>1,738,755</b>
Net claims paid	210,310	846,445
Loss adjustment expenses	18,933	69,968
Commission and collection expenses	65,205	257,658
Maturity refunds to policyholders	70,330	340,660
Life insurance claims	7,167	24,849
<b>Investment income:</b>	<b>49,312</b>	<b>165,224</b>
Interest and dividends received	53,838	179,081
Gains on sale of securities	5,601	32,815
<b>Investment expenses:</b>	<b>2,353</b>	<b>16,692</b>
Losses on sale of securities	554	6,018
Losses on devaluation of securities	825	6,038
<b>Operating expenses and general and administrative expenses</b>	<b>70,158</b>	<b>262,989</b>
<b>Other ordinary income and expenses</b>	<b>(16)</b>	<b>(2,265)</b>
<b>Ordinary profit</b>	<b>31,794</b>	<b>91,684</b>
<b>Extraordinary Income and Losses:</b>		
Extraordinary income	243	4,303
Extraordinary losses	1,311	8,074
<b>Extraordinary income and losses</b>	<b>(1,067)</b>	<b>(3,770)</b>
Income before income taxes	30,727	87,913
Income taxes - current	7,044	43,664
Income taxes - deferred	-	(17,529)
Minority interests	225	983
<b>Net income</b>	<b>23,457</b>	<b>60,796</b>

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

* Net premiums written	398,344	1,492,229
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\* For the purpose of easy comparison with other non-life insurance companies,"Net premiums written" as shown excludes 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.

Note:1. It is started to disclose quarterly financial results from this quarter.

2. Since a simplified method is used for calculating the tax expense for this quarter, the amount of deferred income tax expense is included in "Income taxes-current".

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

**Consolidated**

(Yen in millions)

Lines of Insurance	Three months ended June 30, 2006			Three months ended June 30, 2007			(Reference) Year ended March 31, 2007		
	Amount	Change %	Share %	Amount	Change %	Share %	Amount	Change %	Share %
Fire	81,936	8.5	16.9	84,673	3.3	17.8	301,692	(0.8)	16.7
Marine	28,942	22.7	6.0	33,399	15.4	7.0	113,005	11.4	6.3
Personal Accident	96,499	0.9	20.0	72,841	(24.5)	15.3	327,518	(4.1)	18.1
Voluntary Automobile	157,964	4.2	32.7	164,609	4.2	34.6	611,148	2.6	33.8
Compulsory Automobile Liability	46,507	1.4	9.6	45,911	(1.3)	9.6	176,826	(2.7)	9.8
Other	71,646	8.1	14.8	74,614	4.1	15.7	276,517	2.7	15.3
<b>Total</b>	<b>483,497</b>	<b>5.4</b>	<b>100.0</b>	<b>476,050</b>	<b>(1.5)</b>	<b>100.0</b>	<b>1,806,708</b>	<b>0.7</b>	<b>100.0</b>
Deposit premiums from policyholders	67,525	(5.9)	14.0	61,150	(9.4)	12.8	224,676	(10.0)	12.4

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

Voluntary Automobile	158,766	4.2		163,784	3.2		610,568	1.5	
<b>Total</b>	<b>484,299</b>	<b>5.5</b>		<b>475,225</b>	<b>(1.9)</b>		<b>1,806,129</b>	<b>0.4</b>	

**Net Premiums by Lines of Insurance**

(Yen in millions)

Lines of Insurance	Three months ended June 30, 2006			Three months ended June 30, 2007			(Reference) Year ended March 31, 2007		
	Amount	Change %	Share %	Amount	Change %	Share %	Amount	Change %	Share %
Fire	58,685	19.3	15.3	62,250	6.1	15.6	208,951	1.2	14.0
Marine	23,385	23.8	6.1	28,319	21.1	7.1	95,486	12.6	6.4
Personal Accident	39,167	7.1	10.2	36,936	(5.7)	9.3	139,531	(2.6)	9.3
Voluntary Automobile	155,158	2.7	40.3	161,721	4.2	40.5	601,353	1.9	40.3
Compulsory Automobile Liability	43,220	(1.3)	11.2	43,233	0.0	10.8	192,087	(0.7)	12.9
Other	64,822	1.5	16.9	66,709	2.9	16.7	255,398	3.9	17.1
<b>Total</b>	<b>384,438</b>	<b>5.8</b>	<b>100.0</b>	<b>399,170</b>	<b>3.8</b>	<b>100.0</b>	<b>1,492,808</b>	<b>2.0</b>	<b>100.0</b>

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

Voluntary Automobile	155,960	2.8		160,896	3.2		600,774	0.8	
<b>Total</b>	<b>385,241</b>	<b>5.8</b>		<b>398,344</b>	<b>3.4</b>		<b>1,492,229</b>	<b>1.5</b>	

**Net Claims Paid by Lines of Insurance**

(Yen in millions)

Lines of Insurance	Three months ended June 30, 2006			Three months ended June 30, 2007			(Reference) Year ended March 31, 2007		
	Amount	Change %	Share %	Amount	Change %	Share %	Amount	Change %	Share %
Fire	25,653	(6.0)	12.6	26,131	1.9	12.4	100,229	13.6	11.9
Marine	8,857	14.8	4.3	11,507	29.9	5.5	38,684	10.0	4.6
Personal Accident	14,836	12.7	7.3	16,932	14.1	8.0	62,908	12.2	7.4
Voluntary Automobile	91,829	6.4	45.0	95,400	3.9	45.4	375,298	3.0	44.3
Compulsory Automobile Liability	32,947	4.4	16.1	32,822	(0.4)	15.6	134,908	3.4	15.9
Other	29,900	25.7	14.7	27,515	(8.0)	13.1	134,415	13.2	15.9
<b>Total</b>	<b>204,025</b>	<b>7.5</b>	<b>100.0</b>	<b>210,310</b>	<b>3.1</b>	<b>100.0</b>	<b>846,445</b>	<b>6.7</b>	<b>100.0</b>

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

## Consolidated Balance Sheets

(Yen in millions)

Items	(Reference)	
	As of June 30, 2007	As of March 31, 2007
	Amount	Amount
(Assets)		
Cash deposits and savings	321,161	345,330
Call loans	20,100	41,600
Futures bought	8,994	-
Monetary claims bought	84,059	84,349
Money trusts	57,884	57,138
Investments in securities	7,164,813	6,949,578
Loans	779,747	768,084
Tangible fixed assets	258,135	261,267
Intangible fixed assets	88,091	87,955
Other assets	422,797	418,167
Deferred tax assets	6,551	4,802
Customers' liabilities under acceptances and guarantees	1,291	1,237
Bad debts reserve	(7,878)	(7,859)
<b>Total assets</b>	<b>9,205,750</b>	<b>9,011,652</b>
(Liabilities)		
Underwriting funds:	5,898,141	5,815,878
Outstanding claims	841,665	820,714
Underwriting reserve	5,056,476	4,995,163
Bonds issued	99,999	99,998
Other liabilities	223,760	271,795
Reserve for pension and retirement benefits	81,869	81,540
Accrued bonuses for employees	838	13,468
Reserve under the special law:	27,509	26,707
Reserve for price fluctuation	27,509	26,707
Deferred tax liabilities	577,171	518,149
Liabilities under acceptances and guarantees	1,291	1,237
<b>Total liabilities</b>	<b>6,910,582</b>	<b>6,828,775</b>
(Net assets)		
Stockholders' equity:		
Common stock	139,595	139,595
Capital surplus	93,140	93,138
Retained earnings	625,520	613,352
Treasury stock	(91,328)	(91,142)
Total stockholders' equity	766,927	754,943
Valuation and translation adjustments:		
Unrealized gains on investments, net of tax	1,507,765	1,402,879
Deferred hedge gains(losses), net of tax	(8,167)	(4,577)
Foreign currency translation adjustments	14,116	15,368
Total valuation and translation adjustments	1,513,714	1,413,671
Minority interests	14,525	14,261
<b>Total net assets</b>	<b>2,295,167</b>	<b>2,182,877</b>
<b>Total liabilities and net assets</b>	<b>9,205,750</b>	<b>9,011,652</b>

Note : It is started to disclose quarterly financial results from this quarter.

## Consolidated Statements of Income

(Yen in millions)

Items	Three months ended	(Reference)
	June 30, 2007	Year ended March 31, 2007
	Amount	Amount
<b>Ordinary income and expenses:</b>		
<b>Ordinary income:</b>	<b>548,018</b>	<b>2,117,072</b>
<b>Underwriting income:</b>	<b>497,592</b>	<b>1,947,162</b>
Net premiums written	399,170	1,492,808
Deposit premiums from policyholders	45,448	224,676
Investment income on deposit premiums from policyholders	14,483	57,322
Life insurance premiums	37,487	165,363
<b>Investment income:</b>	<b>49,312</b>	<b>165,224</b>
Interest and dividends received	53,838	179,081
Investment gains on money trusts	301	952
Gains on sale of securities	5,601	32,815
Transfer of investment income on deposit premiums from policyholders	(14,483)	(57,322)
<b>Other ordinary income</b>	<b>1,113</b>	<b>4,685</b>
<b>Ordinary expenses:</b>	<b>516,223</b>	<b>2,025,388</b>
<b>Underwriting expenses:</b>	<b>442,582</b>	<b>1,738,755</b>
Net claims paid	210,310	846,445
Loss adjustment expenses	18,933	69,968
Commission and collection expenses	65,205	257,658
Maturity refunds to policyholders	70,330	340,660
Life insurance claims	7,167	24,849
Provision for outstanding claims	22,458	75,783
Provision for underwriting reserve	47,891	121,044
<b>Investment expenses:</b>	<b>2,353</b>	<b>16,692</b>
Investment losses on money trusts	230	-
Losses on sale of securities	554	6,018
Losses on devaluation of securities	825	6,038
<b>Operating expenses and general and     administrative expenses</b>	<b>70,158</b>	<b>262,989</b>
<b>Other ordinary expenses:</b>	<b>1,130</b>	<b>6,951</b>
Interest paid	226	829
<b>Ordinary profit</b>	<b>31,794</b>	<b>91,684</b>
<b>Extraordinary income and losses:</b>		
<b>Extraordinary income:</b>	<b>243</b>	<b>4,303</b>
<b>Extraordinary losses:</b>	<b>1,311</b>	<b>8,074</b>
Provision for reserve under the special law	802	3,167
Provision for price fluctuation reserve	802	3,167
Other extraordinary losses	509	4,907
Income before income taxes	30,727	87,913
Income taxes - current	7,044	43,664
Income taxes - deferred	-	(17,529)
Minority Interests	225	983
<b>Net income</b>	<b>23,457</b>	<b>60,796</b>

Note:1. It is started to disclose quarterly financial results from this quarter.

2. Since a simplified method is used for calculating the tax expense for this quarter, the amount of deferred income tax expense is included in "Income taxes-current".

## Securities

(Yen in Millions)

Items	As of June 30, 2006			As of June 30, 2007			(Reference) As of March 31, 2007		
	Acquisition cost	Fair value	Difference	Acquisition cost	Fair value	Difference	Acquisition cost	Fair value	Difference
Domestic Bonds	2,202,896	2,177,249	(25,646)	2,229,714	2,217,345	(12,369)	2,221,350	2,236,076	14,726
Domestic Stocks	751,206	2,474,531	1,723,324	756,161	2,998,295	2,242,134	754,670	2,834,713	2,080,042
Foreign Securities	1,120,270	1,174,544	54,273	1,166,830	1,276,145	109,315	1,134,902	1,218,396	83,493
Others	92,199	99,994	7,795	148,751	163,866	15,115	147,686	159,720	12,034
Total	4,166,572	5,926,319	1,759,747	4,301,457	6,655,652	2,354,195	4,258,609	6,448,906	2,190,296

### Note

1. The table set above is a summary of the marketable "available-for-sale securities", which are not classified as "trading securities", "held-to-maturity securities" nor "stocks of subsidiaries and affiliates".
2. The acquisition costs as of June 30, 2006 are after amortization/accumulation and before impairment, whereas those as of June 30, 2007 and March 31, 2007 are after such adjustments have been made.
3. Fair values of securities are market prices quoted on the end of each accounting period, or otherwise assumed similarly based on the market and other relevant conditions at that point.
4. The table set above includes beneficiary claims on loan trust classified as "Monetary claims bought", in addition to "Securities" stated in the consolidated balance sheet.

## Summary of Non-consolidated Results of Operations

(Yen in millions)

	Three months ended June 30, 2007	(Reference) Year ended March 31, 2007
<b>Direct premiums written (including Deposit premiums from policyholders)</b>	<b>405,731</b>	<b>1,592,753</b>
Direct premiums written	360,282	1,368,077
<b>Ordinary income and expenses:</b>		
<b>Underwriting income</b>	<b>396,032</b>	<b>1,607,507</b>
Net premiums written	335,243	1,325,011
Deposit premiums from policyholders	45,448	224,676
<b>Underwriting expenses</b>	<b>350,731</b>	<b>1,447,997</b>
Net claims paid	187,314	771,012
Loss adjustment expenses	17,447	65,363
Commission and collection expenses	55,092	213,074
Maturity refunds to policyholders	70,330	340,660
<b>Investment income</b>	<b>38,801</b>	<b>134,707</b>
Interest and dividends received	44,943	151,243
Gains on sale of securities	4,236	30,893
<b>Investment expenses</b>	<b>1,509</b>	<b>10,589</b>
Losses on sale of securities	212	3,559
Losses on devaluation of securities	553	4,131
<b>Operating expenses and general and administrative expenses</b>	<b>53,775</b>	<b>207,479</b>
Those related to underwriting insurance	50,348	194,696
<b>Other ordinary income and expenses</b>	<b>916</b>	<b>4,009</b>
<b>Ordinary Profit</b>	<b>29,733</b>	<b>80,158</b>
Underwriting loss	(3,770)	(34,723)
<b>Extraordinary income and losses:</b>		
Extraordinary income	238	3,689
Extraordinary losses	1,256	7,873
<b>Extraordinary income and losses</b>	<b>(1,018)</b>	<b>(4,184)</b>
Income before income taxes	28,715	75,974
Income taxes-current	6,408	37,786
Income taxes-deferred	—	(17,165)
<b>Net income</b>	<b>22,307</b>	<b>55,352</b>
<b>Ratios:</b>		
Net loss ratio	61.1%	63.1%
Net expense ratio	31.5%	30.8%

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

<b>Direct premiums written (including Deposit premiums from policyholders)</b>	<b>404,905</b>	<b>1,592,174</b>
Direct premiums written	359,457	1,367,498
Net premiums written	334,418	1,324,432
Net loss ratio	61.2%	63.1%
Net expense ratio	31.5%	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

4. It is started to disclose quarterly financial results from this quarter.

5. Since a simplified method is used for calculating the tax expense for this quarter, the amount of deferred income tax expense is included in "Income taxes-current."



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

Non-consolidated

(Yen in millions)

Lines of Insurance	Three months ended June 30, 2006			Three months ended June 30, 2007			(Reference) Year ended March 31, 2007		
	Amount	Change %	Share %	Amount	Change %	Share %	Amount	Change %	Share %
Fire	54,047	2.9	15.1	55,249	2.2	15.3	217,070	(1.8)	15.9
Marine	20,187	11.6	5.6	22,914	13.5	6.4	80,570	8.2	5.9
Personal Accident	39,165	4.7	10.9	36,748	(6.2)	10.2	139,550	(3.2)	10.2
Voluntary Automobile	145,649	(0.9)	40.6	144,686	(0.7)	40.2	563,893	(0.2)	41.2
Compulsory Automobile Liability	46,507	1.4	13.0	45,911	(1.3)	12.7	176,826	(2.7)	12.9
Other	52,964	2.4	14.8	54,771	3.4	15.2	190,166	0.3	13.9
<b>Total</b>	<b>358,523</b>	<b>1.7</b>	<b>100.0</b>	<b>360,282</b>	<b>0.5</b>	<b>100.0</b>	<b>1,368,077</b>	<b>(0.6)</b>	<b>100.0</b>
(Deposit premiums from policyholders)	67,525	(5.9)	/	45,448	(32.7)	/	224,676	(10.0)	/

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

Voluntary Automobile	146,451	(0.8)	/	143,861	(1.8)	/	563,314	(1.3)	/
<b>Total</b>	<b>359,325</b>	<b>1.7</b>	<b>/</b>	<b>359,457</b>	<b>0.0</b>	<b>/</b>	<b>1,367,498</b>	<b>(1.0)</b>	<b>/</b>

**Net Premiums by Lines of Insurance**

(Yen in millions)

Lines of Insurance	Three months ended June 30, 2006			Three months ended June 30, 2007			(Reference) Year ended March 31, 2007		
	Amount	Change %	Share %	Amount	Change %	Share %	Amount	Change %	Share %
Fire	41,637	1.9	12.5	42,403	1.8	12.7	178,919	(2.3)	13.5
Marine	16,032	8.2	4.8	18,585	15.9	5.5	70,217	6.3	5.3
Personal Accident	37,685	4.5	11.3	35,224	(6.5)	10.5	133,847	(3.5)	10.1
Voluntary Automobile	145,418	(0.8)	43.6	144,209	(0.8)	43.0	563,606	(0.2)	42.5
Compulsory Automobile Liability	43,220	(1.3)	12.9	43,195	(0.1)	12.9	192,087	(0.7)	14.5
Other	49,819	(2.5)	14.9	51,624	3.6	15.4	186,334	(0.0)	14.1
<b>Total</b>	<b>333,814</b>	<b>0.2</b>	<b>100.0</b>	<b>335,243</b>	<b>0.4</b>	<b>100.0</b>	<b>1,325,011</b>	<b>(0.6)</b>	<b>100.0</b>

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

Voluntary Automobile	146,221	(0.7)	/	143,384	(1.9)	/	563,026	(1.3)	/
<b>Total</b>	<b>334,617</b>	<b>0.2</b>	<b>/</b>	<b>334,418</b>	<b>(0.1)</b>	<b>/</b>	<b>1,324,432</b>	<b>(1.0)</b>	<b>/</b>

**Net Claims Paid by Lines of Insurance**

(Yen in millions)

Lines of Insurance	Three months ended June 30, 2006			Three months ended June 30, 2007			(Reference) Year ended March 31, 2007		
	Amount	Change %	Net Loss Ratio %	Amount	Change %	Net Loss Ratio %	Amount	Change %	Net Loss Ratio %
Fire	19,326	(13.3)	—	18,754	(3.0)	46.7	84,848	7.9	49.5
Marine	7,159	8.4	—	9,470	32.3	53.2	31,367	3.4	47.0
Personal Accident	14,139	11.0	—	16,335	15.5	51.1	60,749	12.3	50.3
Voluntary Automobile	87,101	3.5	—	86,691	(0.5)	67.0	354,941	1.4	69.4
Compulsory Automobile Liability	32,947	4.4	—	32,786	(0.5)	82.5	134,908	3.4	76.0
Other	25,465	10.3	—	23,276	(8.6)	48.2	104,196	8.2	59.1
<b>Total</b>	<b>186,139</b>	<b>3.1</b>	<b>—</b>	<b>187,314</b>	<b>0.6</b>	<b>61.1</b>	<b>771,012</b>	<b>4.2</b>	<b>63.1</b>

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

Voluntary Automobile	87,101	3.5	—	86,691	(0.5)	67.4	354,941	1.4	69.5
<b>Total</b>	<b>186,139</b>	<b>3.1</b>	<b>—</b>	<b>187,314</b>	<b>0.6</b>	<b>61.2</b>	<b>771,012</b>	<b>4.2</b>	<b>63.1</b>

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

2. It is started to disclose quarterly Net Loss Ratio from this quarter.