

[Translation]

**SUMMARY OF FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2005**  
**(Consolidated)**



November 22, 2005

Name of Listed Company: Mitsui Sumitomo Insurance Company, Limited (the "Company")

Securities Code No.: 8752 (URL <http://www.ms-ins.com>)

Stock Exchanges: Tokyo ,Osaka ,Nagoya

Headquarters: Tokyo

Representative: Hiroyuki Uemura, President & Chief Executive Officer

Any inquiry relating hereto (Name and position of the person in charge) :

Hiroyuki Hata, Manager of Financial Accounting Group, Accounting Department

Telephone Number: (03)-3297-6648

Direction of Resolution of the Board of Directors

to approve Interim Settlement of Accounts: November 22, 2005

Adoption of the U.S. GAAP: Yes or  No

1. Business results for the six months ended September 30, 2005

(from April 1, 2005 to September 30, 2005)

(1) Results of Operations\*

\*The amounts which respectively represent less than the relevant unit are discarded, and the ratios are rounded to the nearest one-tenth, with five one-hundredths or more considered to be a full tenth. The same applies hereunder.

(Yen in millions)

	Ordinary income		Ordinary profit		Net income	
For the six months ended September 30, 2005	1,061,285	4.2%	72,349	400.4%	33,644	18.8%
For the six months ended September 30, 2004	1,018,462	-7.5%	14,459	-89.1%	28,317	-65.0%
For the year ended March 31, 2005	2,021,917	-2.2%	87,577	-49.9%	65,725	-15.5%

(Yen)

	Net income per share	Net income per share - Diluted
For the six months ended September 30, 2005	23.52	-
For the six months ended September 30, 2004	19.49	-
For the year ended March 31, 2005	45.51	-

- (Notes)
- Equity in earnings (losses) of affiliates during the reporting period (consolidated):
    - For six months ended September 30, 2005: -1,130 million yen
    - For six months ended September 30, 2004: -2,926 million yen
    - For the year ended March 31, 2005: -736 million yen
  - The average number of shares in issue during the reporting period (consolidated):
    - For six months ended September 30, 2005: 1,430,069,295 shares
    - For six months ended September 30, 2004: 1,452,795,218 shares
    - For the year ended March 31, 2005: 1,442,627,030 shares
  - Change of accounting methods: Yes or  No
  - Percent figures of "Ordinary income", "Ordinary profit" and "Net income" represent increase or decrease in comparison with the corresponding period of last year .

## (2) Financial Conditions

(Yen in millions)

	Total assets	Shareholders' equity	Ratio of shareholders' equity to total assets	Shareholders' equity per share (Yen)
As of September 30, 2005	7,959,553	1,696,016	21.3%	1,193.58
As of September 30, 2004	7,152,658	1,381,020	19.3%	958.65
As of March 31, 2005	7,402,311	1,461,575	19.7%	1,021.13

(Note) The number of shares issued (consolidated):

As of September 30, 2005:	1,420,944,525 shares
As of September 30, 2004:	1,440,588,060 shares
As of March 31, 2005:	1,431,265,107 shares

## (3) Conditions of Consolidated Cash Flows

(Yen in millions)

	Cash flows from operating activities	Cash flows from investment activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
For the six months ended September 30, 2005	157,362	-95,010	-26,584	402,656
For the six months ended September 30, 2004	127,300	-87,346	-26,393	377,585
For the year ended March 31, 2005	160,695	-222,940	63,622	365,815

## (4) Scope of consolidation

Number of consolidated subsidiaries: 34

Number of unconsolidated subsidiaries accounted for by the equity method: 0

Number of affiliates accounted for by the equity method: 2

## (5) Changes in the scope of consolidation

Number of newly consolidated subsidiaries: 3

Number of consolidated subsidiaries excluded from consolidation: 0

Number of unconsolidated subsidiaries and affiliates newly accounted for by the equity method: 0

Number of unconsolidated subsidiaries and affiliates ceased to be accounted for by the equity method: 0

## 2. Forecast of the current period (from April 1, 2005 to March 31, 2006)

(Yen in millions)

	Ordinary income	Ordinary profit	Net income
For the year ending March 31, 2006	2,050,000	130,000	66,000

(Reference) Net income per share expected for the year ending March 31, 2006 : Yen : 46.44

<Operating Results Forecast for the year ending March 31, 2006>

Major prerequisites of the business outlook for the current period shall be as follows:

- Net premiums written is estimated based on the development of past business results.
- With regard to net claims incurred (the amount of net claims paid and provision for outstanding claims), net claims due to natural disaster is estimated to be Yen13billion in the parent company.
- As for the prospects for asset management, it is assumed that there will be no substantial fluctuation in interest rates, foreign exchange rates or stock prices as of September 30, 2005.

## Summary of Income Statements

(Yen in millions)

Item	For the six months ended September 30, 2004	For the six months ended September 30, 2005	Change	Change Ratio(%)	FY2004
<b>Ordinary Income and Expenses:</b>					
<b>Underwriting income:</b>	<b>960,420</b>	<b>983,130</b>	<b>22,710</b>	<b>2.4</b>	<b>1,881,195</b>
Net premiums written	714,482	735,937	21,454	3.0	1,407,328
Deposit premiums from policyholders	149,513	141,173	-8,340	-5.6	272,692
Life insurance premiums	66,884	76,274	9,390	14.0	141,785
<b>Underwriting expenses:</b>	<b>871,569</b>	<b>855,270</b>	<b>-16,298</b>	<b>-1.9</b>	<b>1,672,117</b>
Net claims paid	345,997	379,836	33,839	9.8	811,183
Loss adjustment expenses	28,974	29,680	705	2.4	58,707
Commission and collection expenses	122,511	124,836	2,324	1.9	243,778
Maturity refunds to policyholders	185,393	200,159	14,765	8.0	400,319
Life insurance claims	8,402	10,790	2,388	28.4	17,549
<b>Investment income:</b>	<b>56,197</b>	<b>72,072</b>	<b>15,874</b>	<b>28.2</b>	<b>137,006</b>
Interest and dividends received	60,415	65,169	4,753	7.9	127,581
Gains on sales of securities	20,626	32,404	11,777	57.1	61,055
<b>Investment expenses:</b>	<b>10,079</b>	<b>10,898</b>	<b>818</b>	<b>8.1</b>	<b>17,278</b>
Losses on sales of securities	2,791	1,047	-1,744	-62.5	8,371
Losses on valuation of securities	6,469	7,799	1,330	20.6	4,892
<b>Operating expenses and general and administrative expenses</b>	<b>118,229</b>	<b>119,956</b>	<b>1,727</b>	<b>1.5</b>	<b>237,967</b>
<b>Other ordinary income and expenses</b>	<b>-2,280</b>	<b>3,270</b>	<b>5,551</b>	<b>-</b>	<b>-3,260</b>
<b>Ordinary profit</b>	<b>14,459</b>	<b>72,349</b>	<b>57,889</b>	<b>400.4</b>	<b>87,577</b>
<b>Extraordinary Income and Losses:</b>					
Extraordinary income	47,971	5,368	-42,602	-88.8	49,664
Extraordinary losses	15,193	26,659	11,465	75.5	30,592
<b>Extraordinary income and losses</b>	<b>32,777</b>	<b>-21,290</b>	<b>-54,068</b>	<b>-165.0</b>	<b>19,071</b>
Income before income taxes	47,236	51,058	3,821	8.1	106,648
Income taxes - current	2,640	14,823	12,183	461.4	14,203
Income taxes - deferred	15,912	2,128	-13,783	-86.6	25,961
Minority interests	366	462	96	26.2	758
<b>Net income</b>	<b>28,317</b>	<b>33,644</b>	<b>5,326</b>	<b>18.8</b>	<b>65,725</b>

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

(Yen in millions)

Lines of Insurance	For the six months ended September 30, 2004			For the six months ended September 30, 2005			FY2004		
	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)
Fire	148,497	-3.4	16.6	160,457	8.1	17.7	281,783	-2.7	16.1
Marine	42,297	11.7	4.7	48,430	14.5	5.3	84,935	11.2	4.8
Personal Accident	190,914	-4.6	21.4	184,138	-3.5	20.3	354,488	-1.3	20.3
Voluntary Automobile	295,806	0.8	33.2	293,577	-0.8	32.3	586,241	0.1	33.5
Compulsory Automobile Liability	93,525	2.3	10.5	90,943	-2.8	10.0	187,180	1.8	10.7
Other	121,233	1.2	13.6	130,902	8.0	14.4	254,651	1.3	14.6
<b>Total</b> (Deposit premiums from policyholders)	<b>892,275</b> (149,513)	<b>-0.4</b> (-11.5)	<b>100.0</b> ( 16.8)	<b>908,430</b> (141,173)	<b>1.8</b> ( -5.6)	<b>100.0</b> ( 15.5)	<b>1,749,279</b> ( 272,692)	<b>0.2</b> ( -9.4)	<b>100.0</b> ( 15.6)

**Net Premiums by Lines of Insurance**

(Yen in millions)

Lines of Insurance	For the six months ended September 30, 2004			For the six months ended September 30, 2005			FY2004		
	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)
Fire	103,268	0.5	14.4	111,546	8.0	15.2	188,856	0.9	13.4
Marine	35,453	12.4	5.0	41,658	17.5	5.7	71,828	11.1	5.1
Personal Accident	67,707	3.3	9.5	73,079	7.9	9.9	131,900	5.6	9.4
Voluntary Automobile	294,866	0.8	41.3	292,931	-0.7	39.8	584,728	0.2	41.6
Compulsory Automobile Liability	99,428	0.9	13.9	98,039	-1.4	13.3	195,741	0.9	13.9
Other	113,758	3.9	15.9	118,680	4.3	16.1	234,272	4.3	16.6
<b>Total</b>	<b>714,482</b>	<b>2.0</b>	<b>100.0</b>	<b>735,937</b>	<b>3.0</b>	<b>100.0</b>	<b>1,407,328</b>	<b>2.0</b>	<b>100.0</b>

**Net Claims Paid by Lines of Insurance**

(Yen in millions)

Lines of Insurance	For the six months ended September 30, 2004			For the six months ended September 30, 2005			FY2004		
	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)
Fire	36,550	25.8	10.6	45,843	25.4	12.1	139,884	131.1	17.2
Marine	13,006	-9.5	3.8	15,628	20.2	4.1	27,788	-2.3	3.4
Personal Accident	25,247	-0.5	7.3	26,455	4.8	7.0	53,231	3.4	6.6
Voluntary Automobile	166,422	1.3	48.1	173,990	4.5	45.8	354,257	3.8	43.7
Compulsory Automobile Liability	53,104	41.4	15.3	63,869	20.3	16.8	113,048	37.6	13.9
Other	51,666	0.2	14.9	54,049	4.6	14.2	122,973	5.6	15.2
<b>Total</b>	<b>345,997</b>	<b>7.4</b>	<b>100.0</b>	<b>379,836</b>	<b>9.8</b>	<b>100.0</b>	<b>811,183</b>	<b>19.2</b>	<b>100.0</b>

(Note) Amounts in the tables indicate the results before the elimination of intersegment transactions.

## Balance Sheets

(Yen in millions, %)

Item	As of September 30, 2004		As of September 30, 2005		Change	FY2004	
	Amount	Share	Amount	Share		Amount	Share
<b>(Assets)</b>							
Cash deposits and savings	291,146	4.07	352,000	4.42	60,854	321,686	4.35
Call loans	34,000	0.48	29,000	0.37	-5,000	36,000	0.49
Futures bought	5,999	0.08	-	-	-5,999	-	-
Monetary claims bought	90,893	1.27	81,452	1.02	-9,440	63,039	0.85
Money trusts	52,356	0.73	54,358	0.68	2,001	57,421	0.78
Investments in securities	5,258,233	73.51	5,943,215	74.67	684,982	5,454,198	73.68
Loans	759,273	10.62	783,746	9.85	24,473	787,345	10.64
Property and equipment	262,331	3.67	256,469	3.22	-5,861	252,278	3.41
Other assets	406,340	5.68	431,380	5.42	25,039	433,282	5.85
Deferred tax assets	397	0.01	1,672	0.02	1,275	308	0.00
Consolidated goodwill	-	-	32,325	0.41	32,325	5,372	0.07
Customers' liabilities under acceptances and guarantees	10,635	0.15	8,114	0.10	-2,521	10,295	0.14
Reserve for bad debts	-18,950	-0.27	-14,182	-0.18	4,768	-18,915	-0.26
<b>Total assets</b>	<b>7,152,658</b>	<b>100.00</b>	<b>7,959,553</b>	<b>100.00</b>	<b>806,895</b>	<b>7,402,311</b>	<b>100.00</b>
<b>(Liabilities)</b>							
<b>Underwriting funds:</b>	<b>5,322,066</b>	<b>74.41</b>	<b>5,478,968</b>	<b>68.83</b>	<b>156,901</b>	<b>5,301,902</b>	<b>71.62</b>
Outstanding claims	( 602,383 )		( 655,644 )		( 53,260 )	( 625,547 )	
Underwriting reserves	( 4,719,682 )		( 4,823,323 )		( 103,640 )	( 4,676,355 )	
Debentures	-	-	100,000	1.26	100,000	100,000	1.35
Other liabilities	171,827	2.40	240,310	3.02	68,482	215,480	2.91
Reserve for employees' retirement and severance benefits	87,862	1.23	81,606	1.03	-6,256	84,884	1.15
Accrued bonuses for employees	8,482	0.12	8,977	0.11	494	14,046	0.19
Reserve for losses on valuation of real estate	1,307	0.02	-	-	-1,307	-	-
Reserve for EXPO 2005 Aichi	105	0.00	175	0.00	70	140	0.00
Reserve under the special law:	16,867	0.23	22,049	0.28	5,181	20,461	0.28
Reserve for price fluctuation	( 16,867 )		( 22,049 )		( 5,181 )	( 20,461 )	
Deferred tax liabilities	147,910	2.07	315,311	3.96	167,400	187,859	2.54
Liabilities under acceptances and guarantees	10,635	0.15	8,114	0.10	-2,521	10,295	0.14
<b>Total liabilities</b>	<b>5,767,066</b>	<b>80.63</b>	<b>6,255,513</b>	<b>78.59</b>	<b>488,446</b>	<b>5,935,070</b>	<b>80.18</b>
<b>(Minority interests)</b>							
Minority interests	4,570	0.06	8,023	0.10	3,452	5,665	0.08
<b>(Shareholders' equity)</b>							
Common stock	139,595	1.95	139,595	1.76	-	139,595	1.88
Capital surplus	93,114	1.30	93,122	1.17	7	93,118	1.26
Retained earnings	487,300	6.81	544,696	6.85	57,395	524,708	7.09
Unrealized gains on investments, net of tax	728,108	10.18	1,000,728	12.57	272,620	779,842	10.53
Foreign currency translation adjustments	-10,979	-0.15	-5,271	-0.07	5,708	-11,177	-0.15
Treasury stock	-56,119	-0.78	-76,855	-0.97	-20,735	-64,511	-0.87
<b>Total shareholders' equity</b>	<b>1,381,020</b>	<b>19.31</b>	<b>1,696,016</b>	<b>21.31</b>	<b>314,995</b>	<b>1,461,575</b>	<b>19.74</b>
<b>Total liabilities, minority interests and shareholders' equity</b>	<b>7,152,658</b>	<b>100.00</b>	<b>7,959,553</b>	<b>100.00</b>	<b>806,895</b>	<b>7,402,311</b>	<b>100.00</b>

## Income Statements

(Yen in millions, %)

Item	For the six months ended September 30, 2004		For the six months ended September 30, 2005		Change	FY2004	
	Amount	Share	Amount	Share		Amount	Share
<b>Ordinary income and expenses:</b>							
<b>Ordinary income:</b>	<b>1,018,462</b>	<b>100.00</b>	<b>1,061,285</b>	<b>100.00</b>	<b>42,822</b>	<b>2,021,917</b>	<b>100.00</b>
<b>Underwriting income:</b>	<b>960,420</b>	<b>94.30</b>	<b>983,130</b>	<b>92.64</b>	<b>22,710</b>	<b>1,881,195</b>	<b>93.04</b>
Net premiums written	( 714,482 )		( 735,937 )		( 21,454 )	( 1,407,328 )	
Deposit premiums from policyholders	( 149,513 )		( 141,173 )		( -8,340 )	( 272,692 )	
Investment income on deposits by policyholders ,etc	( 28,927 )		( 28,724 )		( -202 )	( 58,549 )	
Life insurance premiums	( 66,884 )		( 76,274 )		( 9,390 )	( 141,785 )	
<b>Investment income:</b>	<b>56,197</b>	<b>5.52</b>	<b>72,072</b>	<b>6.79</b>	<b>15,874</b>	<b>137,006</b>	<b>6.78</b>
Interest and dividends received	( 60,415 )		( 65,169 )		( 4,753 )	( 127,581 )	
Investment gain on money trusts	( 561 )		( 294 )		( -266 )	( 1,209 )	
Gain on sales of securities	( 20,626 )		( 32,404 )		( 11,177 )	( 61,055 )	
Transfer to investment income on deposits by policyholders ,etc	( -28,927 )		( -28,724 )		( 202 )	( -58,549 )	
<b>Other ordinary income</b>	<b>1,845</b>	<b>0.18</b>	<b>6,082</b>	<b>0.57</b>	<b>4,237</b>	<b>3,715</b>	<b>0.18</b>
<b>Ordinary expenses:</b>	<b>1,004,003</b>	<b>98.58</b>	<b>988,936</b>	<b>93.18</b>	<b>-15,066</b>	<b>1,934,339</b>	<b>95.67</b>
<b>Underwriting expenses:</b>	<b>871,569</b>	<b>85.58</b>	<b>855,270</b>	<b>80.59</b>	<b>-16,298</b>	<b>1,672,117</b>	<b>82.70</b>
Net claims paid	( 345,997 )		( 379,836 )		( 33,839 )	( 811,183 )	
Loss adjustment expenses	( 28,974 )		( 29,680 )		( 705 )	( 58,707 )	
Commission and collection expenses	( 122,511 )		( 124,836 )		( 2,324 )	( 243,778 )	
Maturity refunds to policyholders	( 185,393 )		( 200,159 )		( 14,765 )	( 400,319 )	
Life insurance claims	( 8,402 )		( 10,790 )		( 2,388 )	( 17,459 )	
Provision for outstanding claims	( 83,409 )		( 19,350 )		( -64,058 )	( 92,708 )	
Provision for underwriting reserves	( 96,292 )		( 89,918 )		( -6,374 )	( 46,273 )	
<b>Investment expenses:</b>	<b>10,079</b>	<b>0.99</b>	<b>10,898</b>	<b>1.03</b>	<b>818</b>	<b>17,278</b>	<b>0.85</b>
Investment loss on money trusts	( 239 )		( 174 )		( -65 )	( 299 )	
Loss on sales of securities	( 2,791 )		( 1,047 )		( -1,744 )	( 8,371 )	
Loss on valuation of securities	( 6,469 )		( 7,799 )		( 1,330 )	( 4,892 )	
<b>Operating expenses and general and administrative expenses</b>	<b>118,229</b>	<b>11.61</b>	<b>119,956</b>	<b>11.30</b>	<b>1,727</b>	<b>237,967</b>	<b>11.77</b>
<b>Other ordinary expenses:</b>	<b>4,125</b>	<b>0.40</b>	<b>2,811</b>	<b>0.26</b>	<b>-1,314</b>	<b>6,975</b>	<b>0.35</b>
Interest expenses	( 31 )		( 376 )		( 345 )	( 469 )	
<b>Ordinary profit</b>	<b>14,459</b>	<b>1.42</b>	<b>72,349</b>	<b>6.82</b>	<b>57,889</b>	<b>87,577</b>	<b>4.33</b>
<b>Extraordinary income and losses:</b>							
<b>Extraordinary income:</b>	<b>47,971</b>	<b>4.71</b>	<b>5,368</b>	<b>0.50</b>	<b>-42,602</b>	<b>49,664</b>	<b>2.45</b>
<b>Extraordinary losses:</b>	<b>15,193</b>	<b>1.49</b>	<b>26,659</b>	<b>2.51</b>	<b>11,465</b>	<b>30,592</b>	<b>1.51</b>
Provision for reserve under the special law	( 3,430 )		( 1,587 )		( -18,842 )	( 7,024 )	
Provision for price fluctuation reserve	(( 3,430 ))		(( 1,587 ))		(( 1,842 ))	(( 7,024 ))	
Other extraordinary losses	( 11,763 )		( 25,071 )		( 13,307 )	( 23,568 )	
Income before income taxes	47,236	4.64	51,058	4.81	3,821	106,648	5.27
Income taxes - current	2,640	0.26	14,823	1.40	12,183	14,203	0.70
Income taxes - deferred	15,912	1.56	2,128	0.20	-13,783	25,961	1.28
Minority Interests	366	0.04	462	0.04	96	758	0.04
<b>Net income</b>	<b>28,317</b>	<b>2.78</b>	<b>33,644</b>	<b>3.17</b>	<b>5,326</b>	<b>65,725</b>	<b>3.25</b>

## Consolidated Statements of Shareholders' Equity

(Yen in millions)

Item	For the six months ended September 30, 2004	For the six months ended September 30, 2005	Change	FY2004
<b>(Capital surplus)</b>				
<b>Balance of capital surplus at beginning of the period</b>	<b>93,110</b>	<b>93,118</b>	<b>8</b>	<b>93,110</b>
<b>Increase in capital surplus</b>	<b>4</b>	<b>4</b>	<b>-0</b>	<b>8</b>
Gain on sales of treasury stock	( 4 )	( 4 )	( -0 )	( 8 )
<b>Balance of capital surplus at end of the period</b>	<b>( 93,114 )</b>	<b>( 93,122 )</b>	<b>( 7 )</b>	<b>( 93,118 )</b>
<b>(Retained earnings)</b>				
<b>Balance of retained earnings at beginning of the period</b>	<b>471,421</b>	<b>524,708</b>	<b>53,287</b>	<b>471,421</b>
<b>Increase in retained earnings</b>	<b>28,317</b>	<b>33,644</b>	<b>5,326</b>	<b>65,725</b>
Net income	( 28,317 )	( 33,644 )	( 5,326 )	( 65,725 )
<b>Decrease in retained earnings</b>	<b>12,437</b>	<b>13,656</b>	<b>1,218</b>	<b>12,437</b>
Cash dividends	( 12,366 )	( 13,597 )	( 1,230 )	( 12,366 )
Bonuses to directors	( 71 )	( 59 )	( -12 )	( 71 )
<b>Balance of retained earnings at end of the period</b>	<b>487,300</b>	<b>544,696</b>	<b>57,395</b>	<b>524,708</b>



# Consolidated Statements of Cash Flows

(Yen in millions)

Item	For the six months ended September 30, 2004	For the six months ended September 30, 2005	Change	FY2004
<b>1.Cash flows from operating activities:</b>				
Income before income taxes	47,236	51,058	3,821	106,648
Depreciation	8,579	7,886	-693	17,483
Impairment losses on fixed assets	10,773	79	-10,694	16,460
Amortization of excess of cost of investment over underlying net assets	1	190	189	485
Increase in outstanding claims	83,409	19,350	-64,058	90,755
Increase in underwriting reserves	95,550	112,651	17,100	46,197
Increase in reserve for bad debts	-5,046	-5,252	-206	-5,184
Increase in reserve for employees' retirement and severance benefits	-48,174	-5,832	42,341	-51,501
Increase in accrued bonuses for employees	-3,378	-3,117	260	707
Increase in reserve for losses on valuation of real estate	86	-	-86	-1,220
Increase in reserve for expenses for the 2005 world exposition	35	35	-	70
Increase in reserve for price fluctuation	3,430	1,587	-1,842	7,024
Interest and dividend income	-60,415	-65,169	-4,753	-127,581
Losses on investment in securities	-12,422	-25,819	-13,397	-50,546
Interest expenses	31	376	345	469
Foreign exchange gains and losses	-774	-642	131	76
Gains and losses on disposal of property and equipment	-1,815	662	2,477	-1,979
Equity in losses of affiliates	2,926	1,130	-1,795	736
Proceeds from property and equipment as subrogation of paid claim	-	-	-	20,555
Decrease in other assets	-23,683	-3,463	20,219	-11,406
Increase in other liabilities	-13,179	-1,890	11,288	6,369
Others	-2,158	4,505	6,664	-189
<b>Subtotal</b>	<b>81,012</b>	<b>88,325</b>	<b>7,312</b>	<b>64,431</b>
Interest and dividends received	64,538	67,872	3,334	132,215
Interest paid	-33	-432	-398	-157
Income tax paid	-18,216	-4,329	13,887	-35,793
Income tax refunded	-	5,926	5,926	-
<b>Net cash provided by operating activities</b>	<b>127,300</b>	<b>157,362</b>	<b>30,062</b>	<b>160,695</b>
<b>2.Cash flows from investing activities:</b>				
Net increase in deposit at banks	-1,643	1,481	3,124	-183
Purchase of monetary claims bought	-9,805	-13,511	-3,705	-20,653
Proceeds from sales and redemption of monetary claims bought	744	6,016	5,272	3,078
Purchase of money trusts	-25,000	-5,000	20,000	-30,142
Proceeds from sales of money trusts	-	7,941	7,941	-
Purchase of securities	-481,581	-536,900	-55,318	-1,106,855
Proceeds from sales and redemption of securities	456,584	455,298	-1,286	1,021,450
Investment in loans	-104,178	-122,559	-18,381	-257,843
Collection of loans	102,628	122,288	19,659	226,404
Increase in cash received under securities lending transactions	-43,988	6,385	50,374	-20,458
Others	303	-1,705	-2,008	-2,820
<b>2(1) Subtotal</b>	<b>-105,938</b>	<b>-80,264</b>	<b>25,673</b>	<b>-188,024</b>
<b>(1+ 2(1))</b>	<b>( 21,361 )</b>	<b>( 77,097 )</b>	<b>( 55,736 )</b>	<b>( -27,328 )</b>
Acquisition of property and equipment	-4,649	-5,858	-1,209	-12,894
Proceeds from sales of property and equipment	23,241	1,564	-21,677	7,833
Cash paid on acquisition, net of cash and cash equivalents acquired	-	-10,823	-10,823	-29,855
Others	-	371	371	-
<b>Net cash provided by investing activities</b>	<b>-87,346</b>	<b>-95,010</b>	<b>-7,664</b>	<b>-222,940</b>
<b>3.Cash flows from financing activities:</b>				
Proceeds from issuance of debentures	-	-	-	99,994
Acquisition of treasury stock	-13,679	-12,358	1,321	-22,098
Cash dividends paid	-12,366	-13,597	-1,230	-12,366
Cash dividends paid to minority shareholders	-124	-479	-355	-124
Others	-222	-149	72	-1,782
<b>Net cash used in financing activities</b>	<b>-26,393</b>	<b>-26,584</b>	<b>-191</b>	<b>63,622</b>
<b>4.Effect of exchange rate changes on cash and cash equivalents</b>	<b>1,012</b>	<b>1,073</b>	<b>61</b>	<b>1,426</b>
<b>5.Net change in cash and cash equivalents</b>	<b>14,573</b>	<b>36,840</b>	<b>22,267</b>	<b>2,803</b>
<b>6.Cash and cash equivalents at beginning of the period</b>	<b>363,011</b>	<b>365,815</b>	<b>2,803</b>	<b>363,011</b>
<b>7.Cash and cash equivalents at end of the period</b>	<b>377,585</b>	<b>402,656</b>	<b>25,071</b>	<b>365,815</b>