

[Translation]

SUMMARY OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2003
(Consolidated)

May 29, 2003

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

Securities Code No.: 8752

Stock Exchange(s) Where the Company's Shares are Listed (Section):

The Company's shares are listed on Tokyo Stock Exchange, Osaka Securities Exchange, and Nagoya Stock Exchange.

Headquarters: Tokyo (URL <http://www.ms-ins.com>)

Representative: Hiroyuki Uemura, President & Director

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 Annual General Settlement of Accounts: May 29, 2003

Adoption of the U.S. generally accepted accounting standard: Yes or No

1. Business Results for the year ended March 31, 2003 (from April 1, 2002 to March 31, 2003)

(1) Results of Operations*

* The Company has been merged on October 1, 2001. For the purpose of easy comparison with the result for Fiscal 2002, results of FY2001 are the total figure of former Sumitomo Marine and Fire Insurance Co., Ltd.'s six months ended September 30, 2001 and Mitsui Sumitomo Insurance Co., Ltd.'s year ended March 31, 2002. The same applies to hereunder.

However, "Net income per share", "Average number of shares in issue during the business term", "Shareholders' equity per share", and "Number of shares in issue at the end of the term" are Mitsui Sumitomo Insurance Co., Ltd.'s figures.

*The amount 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.

(Million Yen)

	Ordinary income		Ordinary profit		Net income	
For the year ended March 31, 2003	1,920,379	1.0%	49,557	-20.8%	32,812	72.8%
For the year ended March 31, 2002	1,901,260	-0.1%	62,594	2.0%	18,986	-36.5%

(Yen)

	Net income per share	Net income per share -Diluted	Return on equity	Ordinary profit as a percentage of total assets	Ordinary profit as a percentage of net sales
For the Year ended March 31, 2003	22.46	21.35	2.8%	0.7%	2.6%
For the Year ended March 31, 2002	14.44	13.66	1.4%	0.8%	3.3%

(Notes)

1. Equity in earnings (losses) of affiliates:

For the year ended March 31, 2003: -546 million For the year ended March 31, 2002: -

2. The average number of shares in issue during the year (consolidated):

For the year ended March 31, 2003: 1,457,297,148 shares

For the year ended March 31, 2002: 1,115,620,523 shares

3. Change of accounting method: Yes or No

4. Percent figures of "Ordinary income", "Ordinary Profit" and "Net Income" represent increase or decrease in comparison with the settlement of account for the preceding business term.

(2) Financial Conditions

(Million Yen)

	Total assets	Shareholders' equity	Ratio of shareholders' equity to total assets	Shareholders' equity per share (Yen)
As at March 31, 2003	6,477,614	1,041,955	16.1%	717.74
As at March 31, 2002	7,323,905	1,269,927	17.3%	869.82

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

As at March 31, 2003: 1,451,592,169 shares As at March 31, 2002: 1,459,972,121 shares

(3) Conditions of Consolidated Cash Flows

(Million Yen)

	Cash flows from operating activities	Cash flows from investment activities	Cash flows from financing activities	Cash and cash equivalents at the end of the year
For the year ended March 31, 2003	75,878	2,213	-78,840	370,775
For the year ended March 31, 2002	31,007	-20,979	-42,299	372,383

(4) Scope of consolidation

Number of consolidated subsidiaries: 25

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: 0

Number of consolidated subsidiaries excluded from consolidation: 1

Number of unconsolidated subsidiaries and affiliates newly accounted for by the equity method: 2

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

2. Forecast of this Business Year (from April 1, 2002 to March 31, 2004)

(Million Yen)

	Ordinary Income	Ordinary profit	Net income
For the six months ending September 30, 2003	955,000	33,000	19,000
For the business year ending March 31, 2004	1,930,000	75,000	41,000

(Reference) Net income per share expected for the business year ending March 31, 2004 : Yen 28.18

< Operating Results Forecast for the year ending March 31, 2004 >

Major prerequisites of the business outlook for the following business year shall be as follows:

- Net premiums written is estimated based on the development of past business results and net premiums written for the six months ended September 30, 2003, is based on the premise that recognition of revenue will be changed to risk attach basis (excluding the risk, applications have not been received).
- With regard to net claims paid, payment by the Company due to natural disaster is estimated to be ¥18.5 billion, predicting from the past business.
- With regard to prospects for asset management, it is assumed that there will be no substantial fluctuation in the market interest rates, the foreign exchange rates or the stock prices as of March 31, 2003.

FY2002 Summary of statement of operations

(In Millions of Yen)

	FY2001	FY2002	Change	Change Ratio(%)
Ordinary Income and Expenses:				
Underwriting income:	1,781,265	1,801,464	20,199	1.1
Net premiums written	1,234,874	1,303,946	69,072	5.6
Deposit premiums from policyholders	296,730	306,757	10,027	3.4
Life insurance premiums	120,055	124,516	4,461	3.7
Underwriting expenses:	1,534,807	1,537,363	2,556	0.2
Net claims paid	641,878	646,557	4,679	0.7
Loss adjustment expenses	59,340	59,783	442	0.7
Commission and collection expenses	223,534	228,342	4,808	2.2
Maturity refunds to policyholders	523,145	538,281	15,136	2.9
Life insurance claims	12,749	16,871	4,122	32.3
Investment income:	116,184	115,418	-766	-0.7
Interest and dividends received	138,378	129,332	-9,045	-6.5
Gain on sales of securities	41,848	47,143	5,295	12.7
Investment expenses:	40,311	79,979	39,668	98.4
Loss on sales of securities	5,071	17,252	12,180	240.2
Loss on valuation of securities	28,220	50,647	22,427	79.5
Operating expenses and general and administrative expenses	259,183	247,709	-11,474	-4.4
Other ordinary income and expenses	-553	-2,273	-1,720	-
Ordinary profit	62,594	49,557	-13,037	-20.8
Extraordinary Income and Losses:				
Extraordinary income	6,379	21,854	15,474	242.6
Extraordinary losses	43,103	16,003	-27,100	-62.9
Extraordinary income and losses	-36,723	5,851	42,574	-
Income before income taxes	25,870	55,408	29,537	114.2
Income taxes - current	17,984	34,846	16,862	93.8
Income taxes - deferred	-11,470	-12,753	-1,283	-
Minority interests	369	502	133	36.0
Net income	18,986	32,812	13,825	72.8

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

(in Millions of Yen)

Lines of Insurance	FY2001			FY2002		
	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)
Fire	264,485	-4.7	16.1	273,450	3.4	16.2
Marine	67,106	6.9	4.1	69,699	3.9	4.1
Personal Accident	340,778	-15.9	20.8	352,110	3.3	20.9
Voluntary Automobile	605,523	1.5	37.0	578,788	-4.4	34.3
Compulsory Automobile Liability	149,910	0.1	9.1	181,560	21.1	10.8
Other	210,723	4.9	12.9	230,809	9.5	13.7
Total	1,638,527	-3.2	100.0	1,686,419	2.9	100.0
(Deposit premiums from policyholders)	(296,730)	(-20.5)	(18.1)	(306,757)	(3.4)	(18.2)

Net Premiums by Lines of Insurance

(in Millions of Yen)

Lines of Insurance	FY2001			FY2002		
	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)
Fire	166,751	-0.5	13.5	170,821	2.4	13.1
Marine	53,766	7.1	4.4	57,502	6.9	4.4
Personal Accident	124,717	-5.0	10.1	123,290	-1.1	9.4
Voluntary Automobile	605,028	1.8	49.0	577,934	-4.5	44.3
Compulsory Automobile Liability	90,513	3.2	7.3	165,034	82.3	12.7
Other	194,097	16.6	15.7	209,363	7.9	16.1
Total	1,234,875	3.1	100.0	1,303,946	5.6	100.0

Net Claims Paid by Lines of Insurance

(in Millions of Yen)

Lines of Insurance	FY2001			FY2002		
	Amount	Change (%)	Share (%)	Amount	Change (%)	Share (%)
Fire	52,156	-11.2	8.1	57,051	9.4	8.8
Marine	29,548	12.1	4.6	25,870	-12.4	4.0
Personal Accident	51,511	-5.8	8.0	50,643	-1.7	7.8
Voluntary Automobile	342,063	0.7	53.3	338,566	-1.0	52.4
Compulsory Automobile Liability	56,479	-0.3	8.8	60,948	7.9	9.4
Other	110,119	13.0	17.2	113,477	3.0	17.6
Total	641,878	1.3	100.0	646,557	0.7	100.0

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

Balance Sheets

(Million Yen, %)

Item	FY2001		FY2002		Change
	Amount	Share	Amount	Share	
(Assets)					
Cash deposits and savings	415,024	5.67	366,953	5.67	-48,070
Call loans	328	0.00	5,000	0.08	4,671
Futures bought	-	-	1,999	0.03	1,999
Monetary claims bought	17,774	0.24	38,874	0.60	21,099
Money trusts	38,639	0.53	26,803	0.41	-11,835
Investments in securities	4,887,186	66.73	4,542,021	70.12	-345,165
Loans	764,426	10.44	727,462	11.23	-36,963
Property and equipment	309,985	4.23	325,237	5.02	15,252
Other assets	367,845	5.02	402,171	6.21	34,325
Deffered tax assets	1,334	0.02	35,560	0.55	34,226
Customers' liabilities under acceptances and guarantees	547,388	7.47	25,519	0.39	-521,868
Bad debts reserve	-26,018	-0.35	-19,977	-0.31	6,040
Reserve for loss on investments	-8	-0.00	-12	-0.00	-3
Total assets	7,323,905	100.00	6,477,614	100.00	-846,291
(Liabilities)					
Underwriting funds:	4,931,667	67.34	4,992,877	77.08	61,210
Outstanding claims	(465,029)		(509,149)		(44,120)
Underwriting reserves	(4,466,638)		(4,483,727)		(17,089)
Convertible bonds	85,098	1.16	22,250	0.34	-62,848
Other liabilities	165,176	2.26	210,868	3.25	45,692
Reserve for employees' retirement and severance benefits	163,544	2.23	152,203	2.35	-11,340
Accrued bonuses for employees	11,278	0.16	12,126	0.19	847
Reserve for losses on sale of loans	1,619	0.02	-	-	-1,619
Reserve for loss on valuation of real estate	1,220	0.02	1,220	0.02	-
Reserve under the special law:	20,662	0.28	6,830	0.11	-13,832
Reserve for price fluctuation	(20,662)		(6,830)		(-13,832)
Deffered tax liabilities	121,608	1.66	7,483	0.12	-114,124
Liabilities under acceptances and guarantees	547,388	7.47	25,519	0.39	-521,868
Total liabilities	6,049,264	82.60	5,431,379	83.85	-617,884
(Minority interests)					
Minority interests	4,713	0.06	4,278	0.07	-434
(Shareholders' equity)					
Common stock	128,476	1.75	128,476	1.98	-
Capital surplus	81,991	1.12	81,991	1.27	-
Retained earnings	383,410	5.24	404,279	6.24	20,869
Unrealized gains on investments, net of tax	688,873	9.41	449,101	6.93	-239,771
Foreign currency translation adjustments	-1,220	-0.02	-5,922	-0.09	-4,701
Treasury stock	-11,603	-0.16	-15,971	-0.25	-4,368
Total shareholders' equity	1,269,927	17.34	1,041,955	16.08	-227,971
Total liabilities, minority interests and shareholders' equity	7,323,905	100.00	6,477,614	100.00	-846,291

Income Statements

(Million Yen, %)

	FY2001		FY2002		Change
	Amount	Share	Amount	Share	
Ordinary income and expenses:					
Ordinary income:	1,901,260	100.00	1,920,379	100.00	19,118
Underwriting income:	1,781,265	93.69	1,801,464	93.81	20,199
Net premiums written	(1,234,874)		(1,303,946)		(69,072)
Deposit premiums from policyholders	(296,730)		(306,757)		(10,027)
Investment income on deposits by policyholders ,etc	(71,226)		(65,442)		(-5,784)
Life insurance premiums	(120,055)		(124,516)		(4,461)
Reversal of underwriting reserves	(57,627)		(-)		(-57,627)
Other underwriting income	(750)		(801)		(50)
Investment income:	116,184	6.11	115,418	6.01	-766
Interest and dividends received	(138,378)		(129,332)		(-9,045)
Investment gain on money trusts	(1,950)		(1,375)		(-575)
Investment gain on trading securities	(-)		(467)		(467)
Gain on sales of securities	(41,848)		(47,143)		(5,295)
Gain on redemption of securities	(1,962)		(2,014)		(51)
Other investment income	(3,271)		(526)		(-2,744)
Transfer to investment income on deposits by policyholders ,etc	(-71,226)		(-65,442)		(5,784)
Other ordinary income	3,810	0.20	3,495	0.18	-314
Ordinary expenses:	1,838,666	96.71	1,870,821	97.42	32,155
Underwriting expenses:	1,534,807	80.73	1,537,363	80.06	2,556
Net claims paid	(641,878)		(646,557)		(4,679)
Loss adjustment expenses	(59,340)		(59,783)		(442)
Commission and collection expenses	(223,534)		(228,342)		(4,808)
Maturity refunds to policyholders	(523,145)		(538,281)		(15,136)
Dividends to policyholders	(409)		(79)		(-330)
Life insurance claims	(12,749)		(16,871)		(4,122)
Provision for outstanding claims	(31,668)		(28,939)		(-2,728)
Provision for underwriting reserves	(41,253)		(17,503)		(-23,750)
Other underwriting expenses	(828)		(1,005)		(176)
Investment expenses:	40,311	2.12	79,979	4.16	39,668
Investment loss on money trusts	(4,125)		(3,851)		(-273)
Loss on sales of securities	(5,071)		(17,252)		(12,180)
Loss on valuation of securities	(28,220)		(50,647)		(22,427)
Loss on redemption of securities	(58)		(23)		(-34)
Loss on derivative transactions	(1,269)		(3,025)		(1,756)
Provision for losses for sales of loans	(-)		(3)		(3)
Other investment expenses	(1,565)		(5,174)		(3,608)
Operating expenses and general and administrative expenses	259,183	13.63	247,709	12.90	-11,474
Other ordinary expenses:	4,364	0.23	5,769	0.30	1,405
Interest paid	(1,263)		(879)		(-384)
Loss on bad debts	(12)		(69)		(56)
Amortization of deferred assets under Article 113 o the Insurance Business Law	(396)		(396)		(-)
Equity in losses of affiliates	(-)		(546)		(546)
Other ordinary expenses	(2,690)		(3,877)		(1,186)
Ordinary profit	62,594	3.29	49,557	2.58	-13,037
Extraordinary income and losses:					
Extraordinary income:	6,379	0.34	21,854	1.14	15,474
Gain on sales of property and equipment	(1,332)		(4,425)		(3,092)
Reversal of reserve under the special law	(1,827)		(13,832)		(12,004)
Reversal of price fluctuation reserve	((1,827))		((13,832))		((12,004))
Other extraordinary income	(3,219)		(3,596)		(377)
Extraordinary losses:	43,103)	2.27	(16,003)	0.83	-27,100
Loss on sales of property and equipment	(3,245)		(2,570)		(-675)
Provision for reserve under the special law	(2,776)		(-)		(-2,776)
Provision for price fluctuation reserve	((2,776))		((-))		((-2,776))
Other extraordinary losses	(37,080)		(13,432)		(-23,647)
Income before income taxes	25,870	1.36	55,408	2.89	29,537
Income taxes - current	17,984	0.94	34,846	1.81	16,862
Income taxes - deferred	-11,470	-0.60	-12,753	-0.66	-1,283
Minority Interests	369	0.02	502	0.03	133
Net income	18,986	1.00	32,812	1.71	13,825

Consolidated Statement of Retained Earnings

(Million Yen)

	FY2001	FY2002	Change
(Capital surplus)			
Balance of Capital surplus at beginning of the year	81,989	81,991	2
Balance of additional paid-in capital at beginning of the year	(81,989)	(81,991)	(2)
Increase in capital surplus	2	-	-2
Conversion of convertible debentures	(2)	(-)	(-2)
Balance of capital surplus at end of the year	81,991	81,991	-
(Retained earnings)			
Balance of retained earnings at beginning of the year	426,579	383,410	-43,169
Balance of retained earnings at beginning of the year	426,579	383,410	-43,169
Increase in retained earnings	19,055	32,812	13,756
Net income	(18,986)	(32,812)	(13,825)
Increase due to changes of investment in subsidiaries	(69)	(-)	(-69)
Decrease in retained earnings	62,225	11,942	-50,282
Cash dividends	(10,272)	(10,949)	(676)
Bonuses to directors	(97)	(84)	(-13)
Decrease due to merger	(51,855)	(-)	(-51,855)
Adjustment due to change of accounting policies of subsidiaries	(-)	(631)	(631)
Adjustment due to changes of investment in subsidiaries	(-)	(277)	(277)
Balance of retained earnings at end of the year	383,410	404,279	20,869

Consolidated Statements of Cash Flows

(Million Yen)

	FY2001	FY2002	Change
Cash flows from operating activities:			
Income before income taxes	25,870	55,408	29,537
Depreciation	24,378	22,549	-1,828
Amortization of excess of cost of investment over underlying net assets	-	318	318
Increase in outstanding claims	33,182	28,939	-4,243
Increase in underwriting reserve	-18,573	15,633	34,207
Increase in reserve for bad debts	-8,595	-6,000	2,594
Increase in reserve for losses on investments	-142	3	146
Increase in reserve for employees' retirement and severance benefits	407	-11,173	-11,581
Increase in accrued bonuses for employees	2,608	940	-1,668
Increase in reserve for losses on sales of loans	-1,031	-1,619	-588
Increase in reserve for loss on valuation of real estate	-1,089	-	1,089
Increase in reserve for price fluctuation	949	-13,832	-14,781
Interest and dividend income	-138,378	-129,332	9,045
Gain on investment in securities	-10,363	18,969	29,332
Interest expenses	1,263	879	-384
Foreign exchange gain	-909	-1,287	-377
Loss on disposal of property and equipment	3,144	-636	-3,781
Equity in losses of affiliates	-	546	546
Acquisition of property and equipment for return of losses	-	-24,196	-24,196
Decrease in other assets	-6,906	-14,530	-7,624
Increase in other liabilities	-22,953	6,691	29,645
Others	12,991	5,291	-7,699
Subtotal	-104,147	-46,438	57,709
Interest and dividends received	143,970	137,046	-6,924
Interest paid	-1,261	-889	372
Income tax paid	-7,553	-13,839	-6,285
Net cash provided by operating activities	31,007	75,878	44,870
Cash flows from investing activities:			
Net increase in deposit at banks	7,918	16,121	8,203
Purchase of monetary claims bought	-5,867	-6,099	-231
Proceeds from sales and redemption of monetary claims bought	6,287	5,692	-595
Purchase of money trusts	-4,080	-15,200	-11,119
Proceeds from sales of money trusts	12,235	32,508	20,273
Purchase of securities	-737,705	-730,143	7,561
Proceeds from sales and redemption of securities	608,882	664,744	55,862
Investment in loans	-219,903	-204,441	15,462
Collection of loans	325,731	239,115	-86,615
Others	2,551	3,147	596
II Subtotal	-3,950	5,446	9,397
(I + II)	(27,057)	(81,325)	(54,268)
Acquisition of property and equipment	-19,693	-10,239	9,454
Proceeds from sales of property and equipment	2,516	6,040	3,523
Others	148	966	817
Net cash provided by (used in) investing activities	-20,979	2,213	23,193
Cash flows from financing activities:			
Redemption of Convertible bonds	-19,854	-62,848	-42,994
Acquisition of treasury stock	-11,598	-4,368	7,230
Cash dividends paid	-10,272	-10,949	-676
Cash dividends paid to minority stockholders	-122	-549	-427
Others	-452	-124	327
Net cash used in financing activities	-42,299	-78,840	-36,540
Effect of exchange rate changes on cash and cash equivalents	1,454	919	-534
Net change in cash and cash equivalents	-30,816	172	30,988
Cash and cash equivalents at beginning of the year	401,475	372,383	-29,091
Increase in cash and cash equivalents related to a newly consolidated subsidiary	1,725	-	-1,725
Decrease in cash and cash equivalents related to changes of investment in subsidiaries	-	-1,780	-1,780
Cash and cash equivalents at end of the year	372,383	370,775	-1,608