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SOMPO JAPAN INSURANCE INC.

Financial Results for the 1st Quarter of the Fiscal Year Ending March 31, 2004 (Non-consolidated, unaudited)

Listed on the Tokyo, Osaka, Nagoya, Fukuoka, and Sapporo Stock Exchange

Stock code number: 8755

(URL <http://www.sompo-japan.co.jp/>)

Representative Director: Hiroshi Hirano, President & CEO

Contact: Motoi Fujisaki, Manager, Accounting Department

1. Premises

- (1) Amount of "Net premiums written" of each quarter below is not measured in the same way as in interim or year-end statements in that, for example, premiums of reinsurance contracts are recognized on the transaction occurrence basis.
- (2) Any amount less than the minimum unit on each table is disregarded, whereas percentages are rounded to the nearest whole number.

2. Financial Results for the 1st Quarter of the Fiscal Year Ending March 31, 2004 (April 1 to June 30, 2003)

(1) Net Premiums Written

	Millions of yen	%
1 st quarter of this fiscal period (April 1 to June 30, 2003)	347,288	9.3
1 st quarter of the previous fiscal period (April 1 to June 30, 2002)	317,840	-
[Reference] Previous fiscal period (April 1, 2002 to March 31, 2003)	1,318,471	9.8

Note: The percentages are the rates of increase compared to the 1st quarter of the previous fiscal year.

The net premiums written in the 1st quarter of this fiscal period was 347,288 million yen, 9.3% increase over the previous period, mainly due to the influence of the abolishment of the government reinsurance program for compulsory automobile liability insurance (CALI). The net premiums written excluding CALI was 324,932 million yen, 2.2% increase over the previous period.

(2) Significant events which affected financial conditions or operating results in this quarter

None.

3. Forecasts for the Fiscal Year ending March 31, 2004 (April 1, 2003 to March 31, 2004)

There is no change on the forecasts at the present point.

Premiums Written and Claims Paid by line of business

Direct premiums written (excluding deposits of premiums by policyholders)

(Millions of yen)

Term Business line	1 st quarter of the previous fiscal period (April 1 to June 30, 2002)			1 st quarter of this fiscal period (April 1 to June 30, 2003)			[Reference] Previous fiscal period (April 1, 2002 to March 31, 2003)		
	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount
Fire and allied insurance	47,555	-	12.3	45,180	(5.0)	11.7	197,038	3.1	13.8
Marine insurance	7,913	-	2.1	8,222	3.9	2.1	32,139	2.2	2.2
Personal accident insurance	33,845	-	8.8	33,292	(1.6)	8.7	118,773	2.0	8.3
Voluntary automobile insurance	173,662	-	45.0	173,413	(0.1)	45.1	678,603	2.1	47.4
Compulsory automobile liability insurance	79,346	-	20.6	80,697	1.7	21.0	260,208	26.3	18.2
Others	43,527	-	11.3	43,857	0.8	11.4	143,811	1.0	10.1
Total:	385,852	-	100.0	384,663	(0.3)	100.0	1,430,574	5.8	100.0
Deposits of premiums by Policyholders	39,862	-	10.3	33,241	(16.6)	8.6	202,736	5.3	14.2

Net premiums written

(Millions of yen)

Term Business line	1 st quarter of the previous fiscal period (April 1, 2002 to June 30, 2002)			1 st quarter of this fiscal period (April 1, 2003 to June 30, 2003)			[Reference] Previous fiscal period (April 1, 2002 to March 31, 2003)		
	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount
Fire and allied insurance	41,070	-	12.9	37,214	(9.4)	10.7	162,910	3.4	12.4
Marine insurance	5,539	-	1.7	5,665	2.3	1.6	24,739	(7.3)	1.9
Personal accident insurance	33,544	-	10.6	33,006	(1.6)	9.5	117,376	1.6	8.9
Voluntary automobile insurance	173,546	-	54.6	172,892	(0.4)	49.8	677,211	2.2	51.4
Compulsory automobile liability insurance	29,702	-	9.3	55,991	88.5	16.1	202,216	78.1	15.3
Others	34,437	-	10.8	42,517	23.5	12.2	134,016	7.4	10.2
Total	317,840	-	100.0	347,288	9.3	100.0	1,318,471	9.8	100.0
Total (excluding the influence of CALI)	317,840	-		324,932	2.2		1,243,557	3.6	
Total (excluding the influence of CALI and FR)	323,757	-		322,767	(0.3)		1,242,990	3.0	

Net losses paid

(Millions of yen)

Term Business line	1 st quarter of the previous fiscal period (April 1, 2002 to June 30, 2002)			1 st quarter of this fiscal period (April 1, 2003 to June 30, 2003)			[Reference] Previous fiscal period (April 1, 2002 to March 31, 2003)		
	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount
Fire and allied insurance	11,725	(16.2)	7.4	12,648	7.9	7.6	55,553	4.4	8.4
Marine insurance	4,003	(4.4)	2.5	3,807	(4.9)	2.3	14,074	(15.6)	2.1
Personal accident insurance	11,911	2.2	7.5	11,960	0.4	7.2	46,701	(4.9)	7.0
Voluntary automobile insurance	93,649	3.2	59.0	90,596	(3.3)	54.3	379,889	2.6	57.3
Compulsory automobile liability insurance	17,623	2.0	11.1	21,048	19.4	12.6	73,667	7.0	11.1
Others	19,921	(15.7)	12.5	26,709	34.1	16.0	93,269	4.5	14.1
Total	158,836	(1.6)	100.0	166,770	5.0	100.0	663,155	2.4	100.0
Total (excluding the influence of CALI)	158,836	(1.6)		164,328	3.5		662,241	2.3	
Total (excluding the influence of CALI and FR)	157,840	(2.3)		159,398	1.0		650,758	0.5	

Notes common for the above three tables:

1. "Total (excluding the influence of CALI)" represents the total amounts excluding any influence of the abolition of the government reinsurance program for compulsory automobile liability insurance (CALI). "Total (excluding the influence of CALI and FR)" represents the total amounts excluding the same and any additional influences of reinsurance contracts made through the agent Fortress Re Inc.
2. "1st quarter of the previous fiscal period (April 1 to June 30, 2002)" represents the total amounts and percentages of Yasuda Fire & Marine Insurance for the quarter ended June 30, 2002 and Nissan Fire & Marine Insurance for the quarter ended June 30, 2002.
 "[Reference] Previous fiscal period (April 1, 2002 to March 31, 2003)" represents the total amounts and percentages of Sompo Japan Insurance for the year ended March 31, 2003 and Nissan Fire & Marine Insurance for the quarter ended June 30, 2002.

Marketable Securities

(Millions of yen)

Item	End of the 1 st quarter of this fiscal period (as of June 30 th , 2003)			[Reference]End of the previous fiscal period (as of March 31 st , 2003)		
	Historical cost	Market value	Unrealized gain (loss)	Historical cost	Market value	Unrealized gain (loss)
Domestic bonds	891,743	927,686	35,942	927,583	968,664	41,081
Domestic stocks	643,218	1,157,888	514,670	666,398	1,004,819	338,421
Foreign securities	591,187	641,672	50,484	525,443	555,816	30,373
Others	96,247	104,705	8,457	100,580	105,723	5,142
Total	2,222,397	2,831,952	609,554	2,220,005	2,635,024	415,019

Notes:

1. The above table represents the amounts of “Other marketable securities”, which are not classified as “Securities for trading purposes” or “Securities for held-to-maturity”.
2. “Historical cost” as of the end of the 1st quarter represents amounts before amortization and impairment. “Historical cost” as of the end of the previous fiscal period represents amounts after amortization and impairment.
3. “Market value” represents market value as of the end of each quarter.
4. Beneficiary claims on the housing loan trust, which are classified as “Monetary receivables bought” on the balance sheet, are included in “Others”.

Derivatives

(Millions of yen)

Type	Transaction	End of the 1 st quarter of this fiscal period (as of June 30 th , 2003)			[Reference]End of the previous fiscal period (as of March 31 st , 2003)		
		Contract amount	Market value	Appraisal profit (loss)	Contract amount	Market value	Appraisal profit (loss)
Currency Derivatives	Forward foreign exchange:						
	Short	92,067	93,658	(1,591)	66,118	66,521	(403)
	Long	164,882	167,821	2,938	156,003	158,604	2,600
	Currency option:						
	Short	253,615			103,662		
	Long	711*	840	(129)	351*	354	(2)
Interest rate derivatives		236,370			96,825		
		711*	164	(546)	351*	39	(311)
	Currency swap	4,000	99	99	4,000	79	79
	Interest rate swap	2,000	135	135	2,000	125	125
Equity derivatives	Stock price index future:						
	Short	2,016	1,946	70	-	-	-
Bond derivatives	Long	297	291	(5)	-	-	-
	Bond future:						
	Short	9,776	9,757	19	15,238	15,249	(10)
Others	Long	6,549	6,528	(21)	11,969	11,946	(23)
	Credit derivative:						
	Short	114,628			125,042		
		997*	1,309	(312)	1,005*	1,791	(785)
	Weather derivative						
	Short	374			312		
		43*	43	(0)	32*	26	5
	Earthquake derivative						
	Short	60			60		
	Long	3*	2	0	3*	2	0
Total				655			1,274

Notes:

1. Derivative transactions to which hedge accounting methods are applied are excluded from this table.
2. “Contract amount” represents amount of outstanding contracts or amount equivalent to the principle provided in the contract as of the end of each quarter or fiscal period. Amounts with an asterisk (*) represent the option premiums stated on the balance sheet.

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