

UNOFFICIAL TRANSLATION

The official press release document is in Japanese.

February 10, 2006

SOMPO JAPAN INSURANCE INC.

Financial Results for the 3rd Quarter of the Fiscal Year Ending March 31, 2006 (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: Eiji Watanabe, 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 3rd Quarter of the Fiscal Year Ending March 31, 2006 (April 1 to December 31, 2005)

(1) Net Premiums Written

	Millions of yen	%
3 rd quarter of this fiscal period (April 1 to December 31, 2005)	1,051,515	1.1
	1,051,515	0.9
3 rd quarter of the previous fiscal period (April 1 to December 31, 2004)	1,039,706	-
	1,042,420	0.3
[Reference] Previous fiscal period (April 1, 2004 to March 31, 2005)	1,376,232	(0.1)

Note) The percentages are the rates of increase (decrease) compared to the 3rd quarter of the previous fiscal year.

In the 3rd quarter of this fiscal period, premiums for Compulsory automobile liability insurance were adjusted to the amounts excluding policies whose effective date were after January 1. The amount and the percentage with asterisk() for the 3rd quarter of the previous fiscal period were adjusted to the same basis.

The net premiums written in the 3rd quarter of this fiscal period was 1,051,515 million yen, 1.1% increase over the previous period on consolidated basis, due to the favorable sales of new long-term medical insurance "Dr. Japan".

(2) Significant events which affected financial conditions or operating results of the corporate group in this quarter

Unrealized gain of other securities in the 3rd quarter of this fiscal period was 1,393,777 million yen, 511,948 million yen increase over the previous fiscal period on consolidated basis, mainly due to the rise of stock prices.

3. Forecasts for the Fiscal Year ending March 31, 2006 (April 1, 2005 to March 31, 2006)

There is no change on the forecasts at present.

Premiums Written and Claims Paid by line of business

Direct premiums written (including deposits of premiums by policyholders)

(Millions of yen)

Term Business line	3rd quarter of the previous fiscal period (April 1 to December 31, 2004)			3rd quarter of this fiscal period (April 1 to December 31, 2005)			[Reference]Previous fiscal period (April 1, 2004 to March 31, 2005)		
	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount
Fire and allied insurance	182,338	(1.1)	14.4	184,557	1.2	14.8	244,121	(1.9)	14.7
Marine insurance	30,944	2.1	2.4	31,602	2.1	2.5	41,262	2.2	2.5
Personal accident insurance	209,112	14.6	16.5	193,151	(7.6)	15.5	271,502	12.9	16.4
Voluntary automobile insurance	511,403	(1.0)	40.4	514,292	0.6	41.3	678,380	(0.9)	40.9
Compulsory automobile liability insurance	195,569	-	-	188,926	(3.4)	15.2	262,107	(1.1)	15.8
	207,611	(0.7)	16.4	188,926	(9.0)	15.2	262,107	(1.1)	15.8
Others	125,689	6.0	9.9	132,059	5.1	10.6	162,207	5.1	9.8
Total:	1,255,059	-	-	1,244,590	(0.8)	100.0	1,659,581	1.6	100.0
	1,267,101	2.1	100.0	1,244,590	(1.8)	100.0	1,659,581	1.6	100.0
Total excluding deposits of premiums by policyholders	1,106,168	-	-	1,120,593	1.3	90.0	1,466,779	0.3	88.4
	1,118,210	0.5	88.2	1,120,593	0.2	90.0	1,466,779	0.3	88.4
Deposits of premiums by policyholders	148,891	16.1	11.8	123,996	(16.7)	10.0	192,801	12.2	11.6

In the 3rd quarter of this fiscal period, premiums for Compulsory automobile liability insurance were adjusted to the amounts excluding policies whose effective date were after January 1.

The upper lines show the numbers after adjustments for the 3rd quarter of the previous year.

Net premiums written

(Millions of yen)

Term Business line	3rd quarter of the previous fiscal period (April 1 to December 31, 2004)			3rd quarter of this fiscal period (April 1 to December 31, 2005)			[Reference]Previous fiscal period (April 1, 2004 to March 31, 2005)		
	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount
Fire and allied insurance	114,627	(3.5)	11.0	112,432	(1.9)	10.7	152,579	(4.2)	11.1
Marine insurance	22,922	1.0	2.2	25,466	11.1	2.4	31,388	0.9	2.3
Personal accident insurance	92,613	4.6	8.9	97,996	5.8	9.3	121,091	5.3	8.8
Voluntary automobile insurance	509,201	(0.9)	48.8	512,651	0.7	48.8	675,570	(0.8)	49.1
Compulsory automobile liability insurance	183,535	-	-	178,879	(2.5)	17.0	244,156	1.0	17.7
	186,248	2.1	17.9	178,879	(4.0)	17.0	244,156	1.0	17.7
Others	116,807	3.2	11.2	124,087	6.2	11.8	151,446	1.0	11.0
Total	1,039,706	-	-	1,051,515	1.1	100.0	1,376,232	(0.1)	100.0
	1,042,420	0.3	100.0	1,051,515	0.9	100.0	1,376,232	(0.1)	100.0

In the 3rd quarter of this fiscal period, premiums for Compulsory automobile liability insurance were adjusted to the amounts excluding policies whose effective date were after January 1.

The upper lines show the numbers after adjustments for the 3rd quarter of the previous year.

Net claims paid

(Millions of yen)

Term Business line	3rd quarter of the previous fiscal period (April 1 to December 31, 2004)			3rd quarter of this fiscal period (April 1 to December 31, 2005)			[Reference]Previous fiscal period (April 1, 2004 to March 31, 2005)		
	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount
Fire and allied insurance	103,420	150.8	16.7	54,940	(46.9)	9.4	127,858	119.5	15.4
Marine insurance	10,849	(20.9)	1.8	11,304	4.2	1.9	15,794	(15.3)	1.9
Personal accident insurance	33,381	(5.9)	5.4	35,672	6.9	6.1	44,808	(5.1)	5.4
Voluntary automobile insurance	296,014	5.9	47.9	291,631	(1.5)	49.9	401,794	5.3	48.5
Compulsory automobile liability insurance	98,544	38.8	16.0	116,958	18.7	20.0	133,211	36.1	16.1
Others	75,529	(14.2)	12.2	73,351	(2.9)	12.6	105,025	(8.0)	12.7
Total	617,740	16.8	100.0	583,858	(5.5)	100.0	828,493	15.4	100.0

Note common for the above three tables:

The above figures represent amounts after offsetting internal transactions among consolidated segments.

Life Insurance Business

Life Insurance Premiums

(Millions of yen)

3rd quarter of the previous fiscal period (April 1 to December 31, 2004)		3rd quarter of this fiscal period (April 1 to December 31, 2005)		[Reference]Previous fiscal period (April 1, 2004 to March 31, 2005)	
Amount	% increase (decrease)	Amount	% increase (decrease)	Amount	% increase (decrease)
121,199	13.8	134,350	10.9	174,625	13.2

Note) The above figures represent amounts after offsetting internal transactions among consolidated segments.

Total Amount of Policies in Force (Individual Insurance and Individual Annuities)

(Millions of yen)

End of the 3rd quarter of previous fiscal period (as of December 31, 2004)		End of the 3rd quarter of this fiscal period (as of December 31, 2005)		[Reference] End of the previous fiscal period (as of March 31, 2005)	
Amount	% increase (decrease)	Amount	% increase (decrease)	Amount	% increase (decrease)
7,317,327	12.5	8,348,895	14.1	7,582,849	11.5

Note) The above figures represent amounts before offsetting internal transactions among consolidated segments.

Total Amount of New Policies (Individual Insurance and Individual Annuities)

(Millions of yen)

3rd quarter of the previous fiscal period (April 1 to December 31, 2004)			3rd quarter of this fiscal period (April 1 to December 31, 2005)			[Reference]Previous fiscal period (April 1, 2004 to March 31, 2005)		
Net increase by new policies and conversion	New policies	Net increase by conversion	Net increase by new policies and conversion	New policies	Net increase by conversion	Net increase by new policies and conversion	New policies	Net increase by conversion
1,050,251	1,050,251	-	1,377,655	1,377,655	-	1,509,634	1,509,634	-

Note) The above figures represent amounts before offsetting internal transactions among consolidated segments.

Annualized New Business Premiums (Individual Insurance and Individual Annuities)

(Millions of yen)

3rd quarter of the previous fiscal period (April 1 to December 31, 2004)		3rd quarter of this fiscal period (April 1 to December 31, 2005)		[Reference]Previous fiscal period (April 1, 2004 to March 31, 2005)	
Amount	% increase (decrease)	Amount	% increase (decrease)	Amount	% increase (decrease)
29,706	7.4	32,342	8.9	42,827	15.8

Note) The above figures represent amounts before offsetting internal transactions among consolidated segments.

Marketable Securities

1. Securities for Held-to-Maturity

(Millions of yen)

Item	End of the 3rd quarter of previous fiscal period (as of December 31, 2004)			End of the 3rd quarter of this fiscal period (as of December 31, 2005)			[Reference] End of the previous fiscal period (as of March 31, 2005)		
	Historical cost	Market value	Unrealized gain (loss)	Historical cost	Market value	Unrealized gain (loss)	Historical cost	Market value	Unrealized gain (loss)
Domestic bonds	422,123	425,005	2,882	474,142	476,590	2,447	450,260	458,401	8,141
Foreign securities	166,188	169,921	3,733	142,276	145,110	2,833	154,867	160,055	5,188
Total	588,312	594,927	6,615	616,419	621,700	5,281	605,127	618,456	13,329

Notes)

- For domestic consolidated subsidiaries, "Historical cost" as of the end of each 3rd quarter represents amounts before amortization and impairment. "Historical cost" as of the end of the previous fiscal period represents amounts after amortization and impairment.
- "Market value" represents market value as of the end of each quarter.

2. Other Securities

(Millions of yen)

Item	End of the 3rd quarter of previous fiscal period (as of December 31, 2004)			End of the 3rd quarter of this fiscal period (as of December 31, 2005)			[Reference] End of the previous fiscal period (as of March 31, 2005)		
	Historical cost	Market value	Unrealized gain (loss)	Historical cost	Market value	Unrealized gain (loss)	Historical cost	Market value	Unrealized gain (loss)
Domestic bonds	1,177,130	1,196,948	19,818	1,235,679	1,247,770	12,090	1,189,097	1,217,258	28,160
Domestic stocks	611,030	1,349,937	738,907	624,990	1,866,768	1,241,778	610,017	1,405,329	795,311
Foreign securities	892,987	936,955	43,968	985,418	1,108,965	123,546	938,328	986,889	48,560
Others	88,650	98,795	10,145	97,544	113,906	16,361	91,868	101,665	9,796
Total	2,769,797	3,582,636	812,839	2,943,633	4,337,411	1,393,777	2,829,313	3,711,141	881,828

Notes)

- For the Company and domestic consolidated subsidiaries, "Historical cost" as of the end of each 3rd quarter represents amounts before amortization and impairment. "Historical cost" as of the end of the previous fiscal period represents amounts after amortization and impairment.
- "Market value" represents market value as of the end of each quarter.
- Beneficiary claims on the loan trust, which are classified as "Monetary receivables bought" on the consolidated balance sheet, are included in "Others".

Derivatives

(Millions of yen)

Type	Transaction	End of the 3rd quarter of previous fiscal period (as of December 31, 2004)			End of the 3rd quarter of this fiscal period (as of December 31, 2005)			[Reference] End of the previous fiscal period (as of March 31, 2005)		
		Contract amount	Market value	Appraisal gain (loss)	Contract amount	Market value	Appraisal gain (loss)	Contract amount	Market value	Appraisal gain (loss)
Currency derivatives	Forward foreign exchange:									
	Short	129,885	129,277	607	110,666	111,018	(352)	108,432	112,539	(4,106)
	Long	88,937	87,805	(1,131)	63,532	64,508	975	118,309	121,648	3,339
	Currency option:									
	Short	-	-	-	14,300	44	63	-	-	-
	Long	5,873	205	(14)	13,885	134	25	5,961	151	(68)
	Currency swap	4,000	60	60	-	-	-	4,000	9	9
Interest rate derivatives	Interest rate swap	1,000	49	49	1,000	16	16	1,000	27	27
Equity derivatives	Stock swap	-	-	-	1,092	(184)	(184)	-	-	-
Bond derivatives	Bond future:									
	Short	1,630	1,632	(2)	16,895	17,029	(133)	-	-	-
	Bond forward:									
	Long	-	-	-	3,823	3,842	18	-	-	-
Others	Credit derivatives:									
	Short	92,211			9,777			89,930		
		760*	580	180	19*	19	(0)	725*	570	154
	Long	2,900			-			2,900		
		15*	10	(4)	-*	-	-	15*	11	(3)
	Weather derivatives:									
	Short	807			468			859		
		61*	62	(0)	33*	24	8	50*	51	(0)
	Long	150			99			50		
		-*	11	11	-*	-	-	-*	-	-
Earthquake derivatives:										
Short	1,160			2,000			1,320			
	53*	19	34	84*	4	80	59*	20	38	
Long	1,160			2,000			1,320			
	47*	17	(29)	74*	4	(70)	52*	18	(34)	
	Total			(240)			447			(643)

Notes)

- Derivative transactions to which hedge accounting methods are applied are excluded from this table.
- “Contract amount” represents amount of outstanding contracts or amount equivalent to the principal 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 consolidated balance sheet.

Premiums Written and Claims Paid by line of business

Direct premiums written (excluding deposits of premiums by policyholders)

(Millions of yen)

Term	3rd quarter of the previous fiscal period (April 1 to December 31, 2004)			3rd quarter of this fiscal period (April 1 to December 31, 2005)			[Reference]Previous fiscal period (April 1, 2004 to March 31, 2005)		
	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount
Business line									
Fire and allied insurance	143,639	(0.5)	13.2	145,469	1.3	13.3	193,671	(0.7)	13.5
Marine insurance	24,724	1.3	2.3	24,696	(0.1)	2.3	32,807	1.3	2.3
Personal accident insurance	93,681	4.5	8.6	99,214	5.9	9.1	122,520	5.2	8.5
Voluntary automobile insurance	505,973	(0.9)	46.3	509,527	0.7	46.7	671,187	(0.8)	46.8
Compulsory automobile liability insurance	195,569	-	-	188,926	(3.4)	17.3	262,107	(1.1)	18.3
	207,611	(0.7)	19.0	188,926	(9.0)	17.3	262,107	(1.1)	18.3
Others	116,424	4.4	10.7	122,400	5.1	11.2	150,861	4.1	10.5
Total:	1,080,014	-	-	1,090,235	0.9	100.0	1,433,155	0.2	100.0
	1,092,056	0.2	100.0	1,090,235	(0.2)	100.0	1,433,155	0.2	100.0
Deposits of premiums by policyholders	148,891	16.1	13.6	123,996	(16.7)	11.4	192,801	12.2	13.5

In the 3rd quarter of this fiscal period, premiums for Compulsory automobile liability insurance were adjusted to the amounts excluding policies whose effective date were after January 1.

The upper lines show the numbers after adjustments for the 3rd quarter of the previous year.

Net premiums written

(Millions of yen)

Term	3rd quarter of the previous fiscal period (April 1 to December 31, 2004)			3rd quarter of this fiscal period (April 1 to December 31, 2005)			[Reference]Previous fiscal period (April 1, 2004 to March 31, 2005)		
	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount
Business line									
Fire and allied insurance	112,881	(3.5)	11.0	110,263	(2.3)	10.7	150,367	(4.5)	11.1
Marine insurance	18,550	2.7	1.8	20,667	11.4	2.0	25,199	1.4	1.9
Personal accident insurance	92,338	4.5	9.0	97,831	5.9	9.5	120,794	5.2	8.9
Voluntary automobile insurance	504,190	(0.9)	49.3	508,040	0.8	49.1	669,097	(0.7)	49.5
Compulsory automobile liability insurance	183,535	-	-	178,879	(2.5)	17.3	244,156	1.0	18.1
	186,248	2.1	18.2	178,879	(4.0)	17.3	244,156	1.0	18.1
Others	109,302	3.5	10.7	118,035	8.0	11.4	142,300	1.4	10.5
Total	1,020,798	-	-	1,033,718	1.3	100.0	1,351,915	(0.1)	100.0
	1,023,511	0.3	100.0	1,033,718	1.0	100.0	1,351,915	(0.1)	100.0
Total (excluding the influence of CALI)	939,973	-	/	955,014	1.6	/	1,244,408	(0.2)	/
	942,687	0.2	/	955,014	1.3	/	1,244,408	(0.2)	/
Total (excluding the influence of CALI and FR)	939,477	-	/	952,462	1.4	/	1,243,395	0.2	/
	942,191	0.4	/	952,462	1.1	/	1,243,395	0.2	/

In the 3rd quarter of this fiscal period, premiums for Compulsory automobile liability insurance were adjusted to the amounts excluding policies whose effective date were after January 1.

The upper lines show the numbers after adjustments for the 3rd quarter of the previous year.

Net claims paid

(Millions of yen)

Term	3rd quarter of the previous fiscal period (April 1 to December 31, 2004)			3rd quarter of this fiscal period (April 1 to December 31, 2005)			[Reference]Previous fiscal period (April 1, 2004 to March 31, 2005)		
	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount	Amount	% increase (decrease)	% of total amount
Business line									
Fire and allied insurance	102,719	163.7	16.9	54,266	(47.2)	9.5	126,893	128.2	15.6
Marine insurance	8,727	(22.4)	1.4	9,039	3.6	1.6	12,986	(15.6)	1.6
Personal accident insurance	33,141	(5.7)	5.5	35,526	7.2	6.2	44,534	(4.8)	5.5
Voluntary automobile insurance	291,564	6.0	48.1	287,120	(1.5)	50.2	395,819	5.4	48.7
Compulsory automobile liability insurance	98,544	38.8	16.3	116,958	18.7	20.4	133,211	36.1	16.4
Others	71,405	(15.0)	11.8	69,336	(2.9)	12.1	99,651	(8.3)	12.3
Total	606,102	17.6	100.0	572,248	(5.6)	100.0	813,096	16.2	100.0
Total (excluding the influence of CALI)	564,132	12.6	/	511,709	(9.3)	/	754,332	11.4	/
Total (excluding the influence of CALI and FR)	555,916	16.1	/	504,686	(9.2)	/	743,266	14.1	/

Note common for the above three tables:

“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.

* This material is prepared for information only and is not a solicitation, or offer, to buy or sell the securities of Sompo Japan.

* Information contained in this material other than past facts are opinions or estimates at the time of publicizing the material.

* These opinions or estimates of future performance are not guaranteed by Sompo Japan, and they may end up differing from future facts significantly due to various uncertain factors.