

UNOFFICIAL TRANSLATION

The formal press release document is in Japanese.

April 13, 2004

To whom it may concern:

Sompo Japan Insurance Inc.

Representative Director: Hiroshi Hirano, President & CEO

(Stock code number: 8755)

(Listed on the Tokyo, Osaka, Nagoya, Fukuoka and Sapporo Stock Exchanges)

Announcement of the amount of impairment loss of securities, etc. and increase of after-tax basis unrealized gains on securities available for sale for fiscal year ended March 31, 2004 (non-consolidated)

1. Amount of impairment loss of securities, etc.

We evaluate securities and money in trust other than those for trading by mark-to-market, cost, or amortized cost method. And if 1) their market values are significantly lower than the book values with no obvious prospect of recovery to the book values, or 2) their actual values have significantly declined, we recognize impairment loss on them.

We determine the impairment loss when we assume that no recovery is expected of marketable securities of which the market values have declined by 30% or more.

Thus, we announce that the impairment loss on the securities and money in trust for the fiscal year ended March 31, 2004 is expected to be 5.5 billion yen.

(Unit: billions of yen)

	Amount	Ratio
Impairment loss on securities, etc. for fiscal year ended March 31, 2004	5.5	
Net assets as of March 31, 2003	536.1	1.0%
Average ordinary profit of last 5 fiscal years (Note)	22.1	24.8%
Average net income of last 5 fiscal years (Note)	8.0	68.7%

Note) Since Sompo Japan and legacy Yasuda Fire incurred ordinary loss and net loss for fiscal year ended March 31, 2003 and fiscal year ended March 31, 2002 respectively, the averages of last 5 years are calculated assuming those figures as zero.

2. Amount of increase of after-tax basis unrealized gains on securities available for sale

We expect the after-tax basis unrealized gains on securities available for sale is more than 496.0 billion yen (234.8 billion yen increase from last fiscal year end).

(Unit: billions of yen)

	Amount	Ratio
Increase of after-tax basis unrealized gains on securities available for sale for fiscal year ended March 31, 2004 Note)	234.8	
Net assets as of March 31, 2003	536.1	43.8%

Note) After-tax basis unrealized gains on securities available for sale

For fiscal year ended March 31, 2003: 261.1 billion yen

For fiscal year ended March 31, 2004: 496.0 billion yen

Above figure "after-tax basis unrealized gains on securities available for sale" includes unrealized gains regarding money in trust other than those for trading or held-to-maturity, and beneficiary claims on the housing loan trust.

End.

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