

UNOFFICIAL TRANSLATION

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Revision of earnings projections for fiscal year 2002 and
announcement of impairment loss of securities, etc.

1. Revision of earnings projections

We hereby revise the earnings projections for the fiscal year ended March 31, 2003 which we announced on November 22, 2002 (for non-consolidated figures) and December 3, 2002 (for consolidated figures) as shown below.

<1>Non-consolidated earnings projection for fiscal year 2002

(Unit: billions of yen)

	Recurring Profit	Net Income
Previous Projection (A) (As of November 2002)	3 2.5	1 3.5
Revised Projection (B)	- 1 8.0	- 2 3.0
Change in Amount (B-A)	- 5 0.5	- 3 6.5
Change in Ratio (B-A)/A	- 1 5 5.4 %	- 2 7 0.4 %
(Reference) Last Fiscal Year (ended March 2002) Results (for Yasuda Fire)	- 4 8.1	- 4 3.6

(Grounds of revision)

In the underwriting business, we still expect one of the highest premium growth and profitability in the industry.

However, increase in impairment loss and decrease in sales profit of securities are expected due to the stagnant stock market. Also, disposition and devaluation loss of redundant real estates accompanied with mergers are now expected. Thus we revise the previous projections for the recurring profit and the net profit downward.

We will maintain the dividend of 7 yen per share in line with the original announcement.

In addition, we expect to keep more than ¥400 billion of unrealized gains on securities, etc. ("market price (amount on the B/S)" - "purchase cost" = "unrealized gain") and maintain solvent financial condition.

<2>Consolidated earnings projection for fiscal year 2002

(Unit: billions of yen)

	Recurring Profit	Net Income
Previous Projection (A) (As of November 2002)	1 8 . 5	1 . 0
Revised Projection (B)	- 3 4 . 0	- 3 7 . 5
Change in Amount (B-A)	- 5 2 . 5	- 3 8 . 5
Change in Ratio (B-A)/A	- 2 8 3 . 8 %	- 3 , 8 5 0 . 0 %
(Reference) Last Fiscal Year (ended March 2002) Results (for Yasuda Fire)	- 5 8 . 4	- 5 3 . 5

(Grounds of revision)

The revision is due mainly to the revision of the non-consolidated earnings projection.

2. Impairment loss on 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 by the same standard as last fiscal year. In this standard, we assume that no recovery is expected of marketable securities of which the market values have declined by 30% or more than the book value.

Thus, we announce that the impairment loss on the securities for the fiscal year ended March 31, 2003 comes up to ¥62.8 billion and the total impairment loss including that on the money in trust is expected to be ¥68.9 billion.

(Unit: billions of yen)

	Amount	Ratio
Impairment loss on securities, etc. for fiscal year ended March 31, 2003 Note 1)	6 8 . 9	
Net asset as of March 31, 2002	6 2 2 . 6	1 1 . 1 %
Average recurring profit of last 5 fiscal years Note 2)	3 3 . 8	2 0 3 . 7 %
Average net income of last 5 fiscal years Note 2)	1 0 . 6	6 4 7 . 1 %

Note 1) Impairment loss in the above table includes the impairment loss regarding the corpus (securities) of non-trading money in trust.

2) Since Yasuda Fire incurred recurring loss and net loss in fiscal year ended March 31, 2002, the averages of last 5 fiscal years are calculated assuming those figures as zero.

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