

Highlights of the financial results for FY2003 and results forecast for FY2004

May 31, 2004



Mitsui Sumitomo Insurance Co.,Ltd.

- Amounts shown herein are basically rounded off.
- Amounts related to FY2001 are the total of Sumitomo Marine's 1st half and Mitsui Sumitomo's full year.
- Amounts related to FY2000 and before are the total of Sumitomo Marine and Mitsui Marine.
- Amounts are shown after excluding refundable premium of our original automobile insurance "Modo-rich."

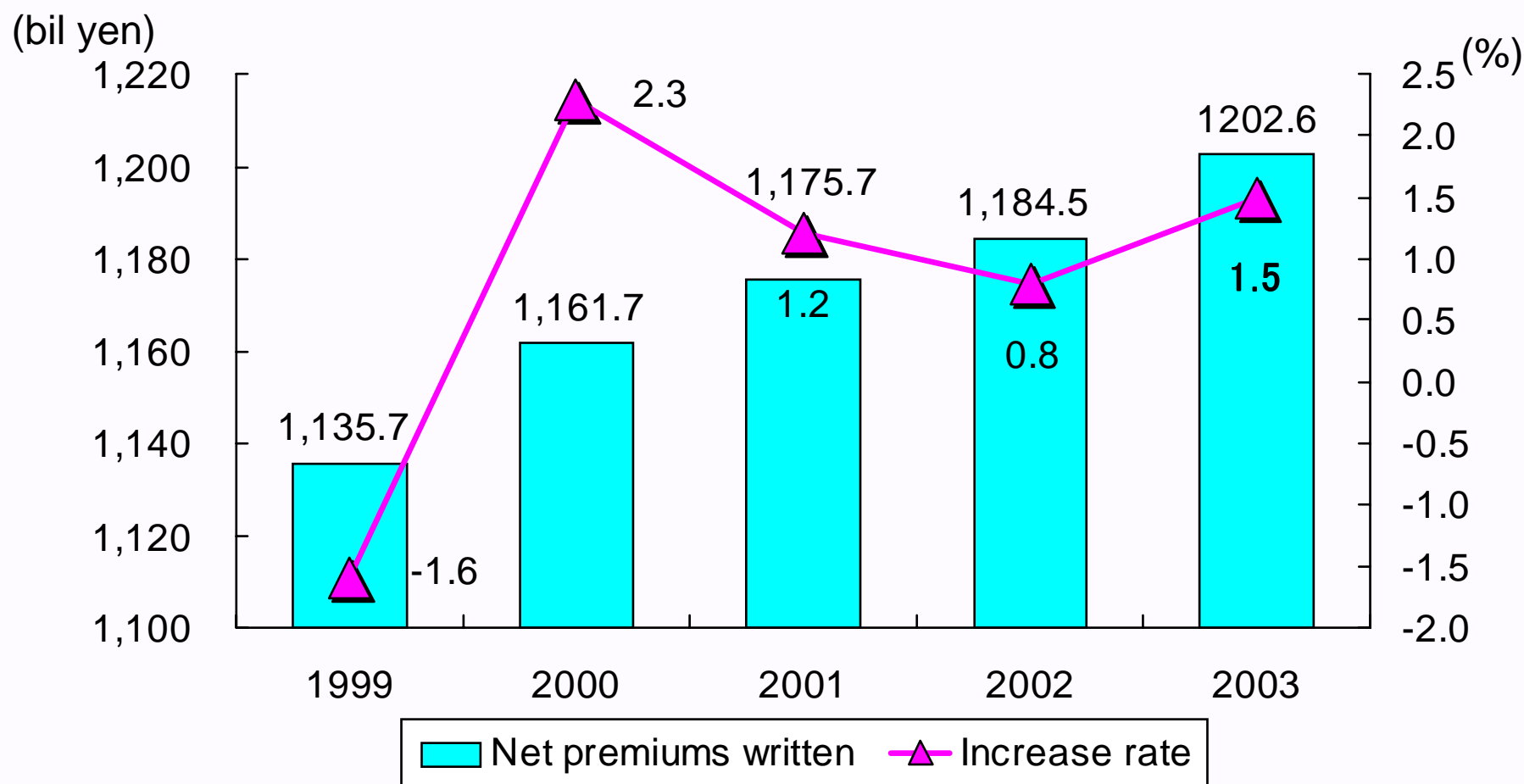
Net premiums written

(excluding the effect of abolition of reinsurance to government related to CALI*)

*CALI=Compulsory Automobile Liability Insurance

Increased by 1.5% from previous year.

All lines of insurance except automobile secured premium increase.

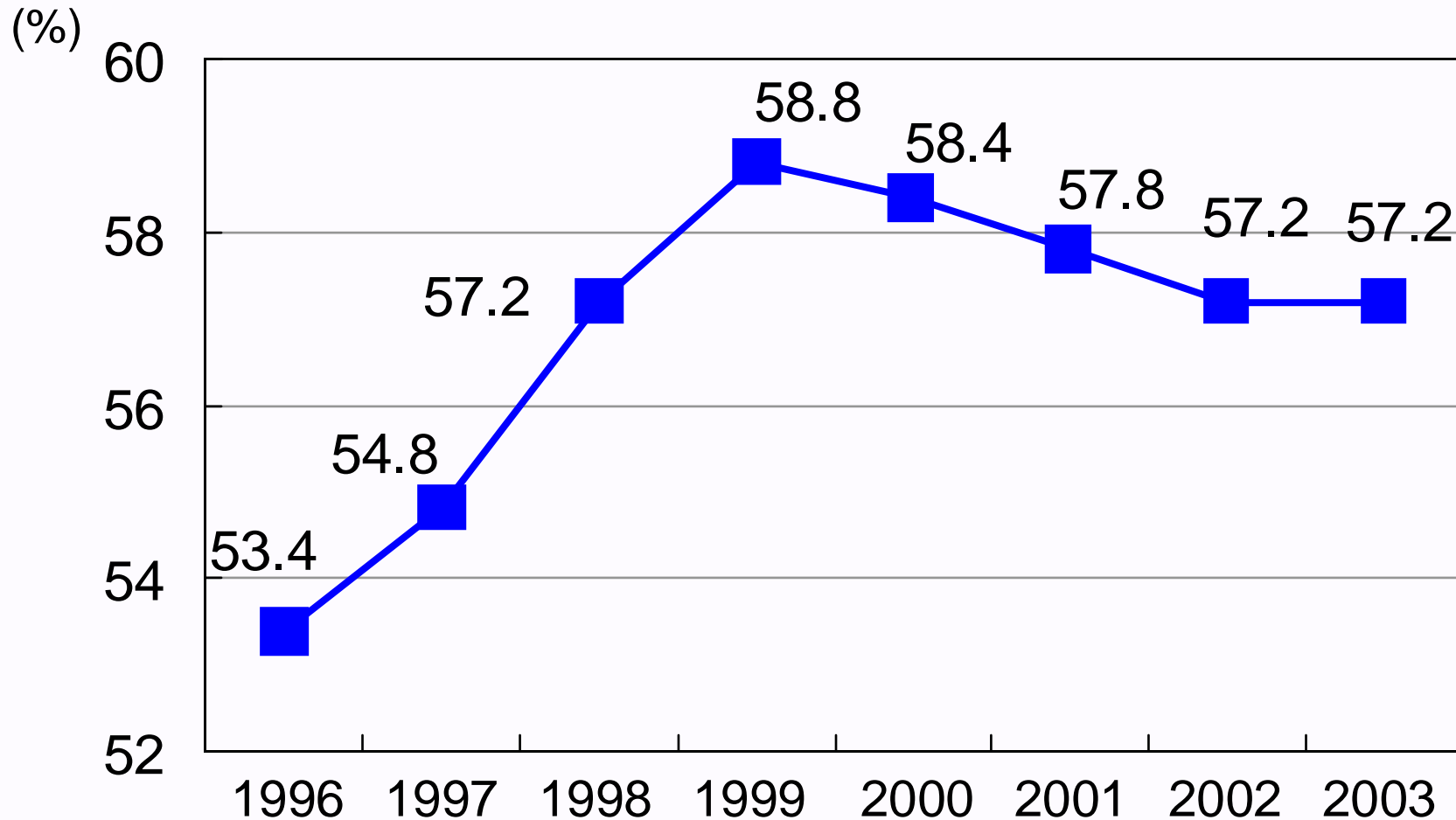


Net loss ratio*

(excluding the effect of abolition of reinsurance to government related to CALI)

Maintained the same level as of FY2002, owing to the effect of premium increase.

*Net loss ratio=(Net claims paid+Loss adjustment expenses)/Net premiums written

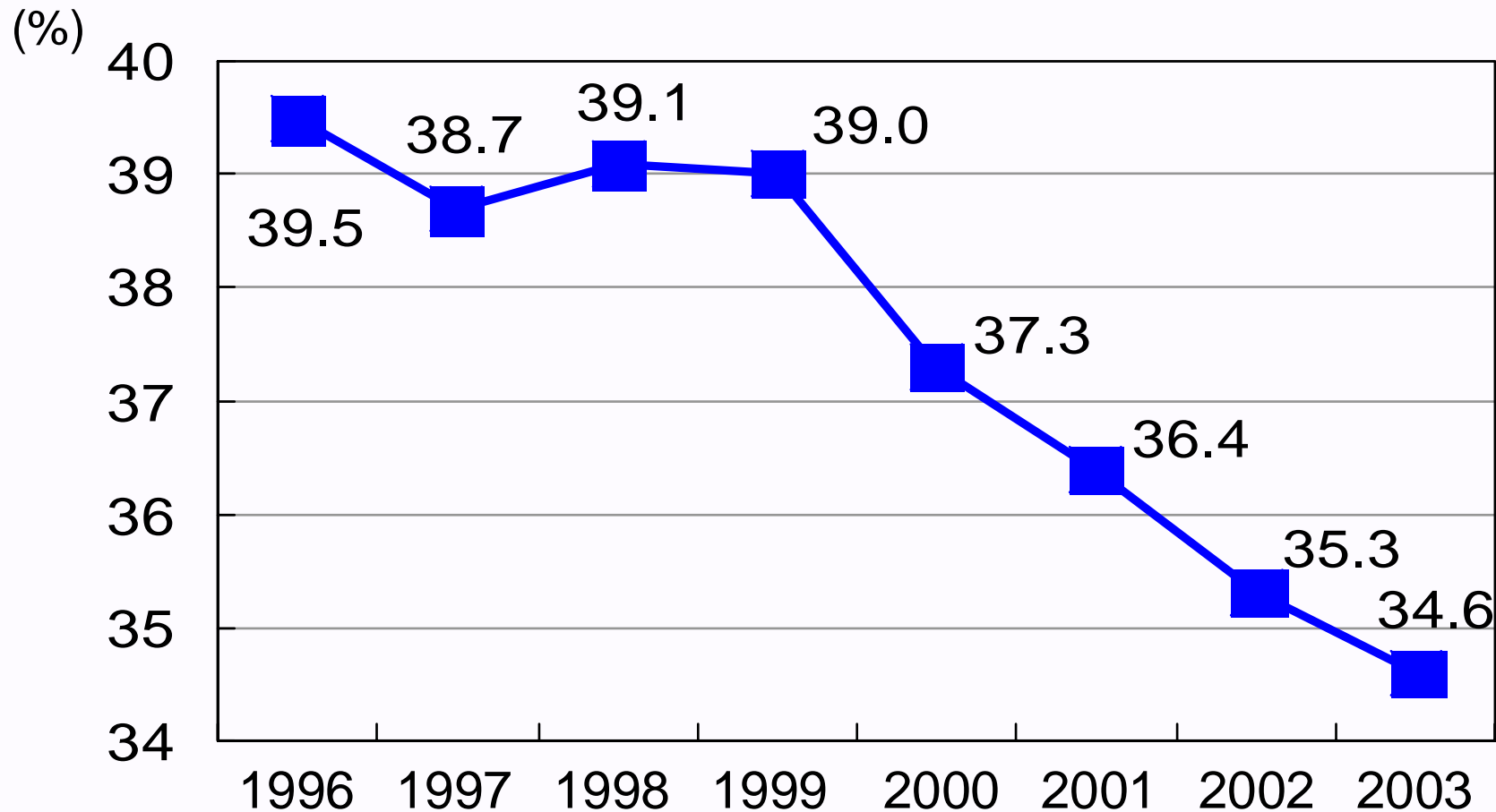


Net operating expense ratio*

(excluding the effect of abolition of reinsurance to government related to CALI)

Improved vastly by 0.7pt from FY2002 due to reduction in personnel and non-personnel expenses.

*Net operating expense ratio=Underwriting expenses/Net premiums written

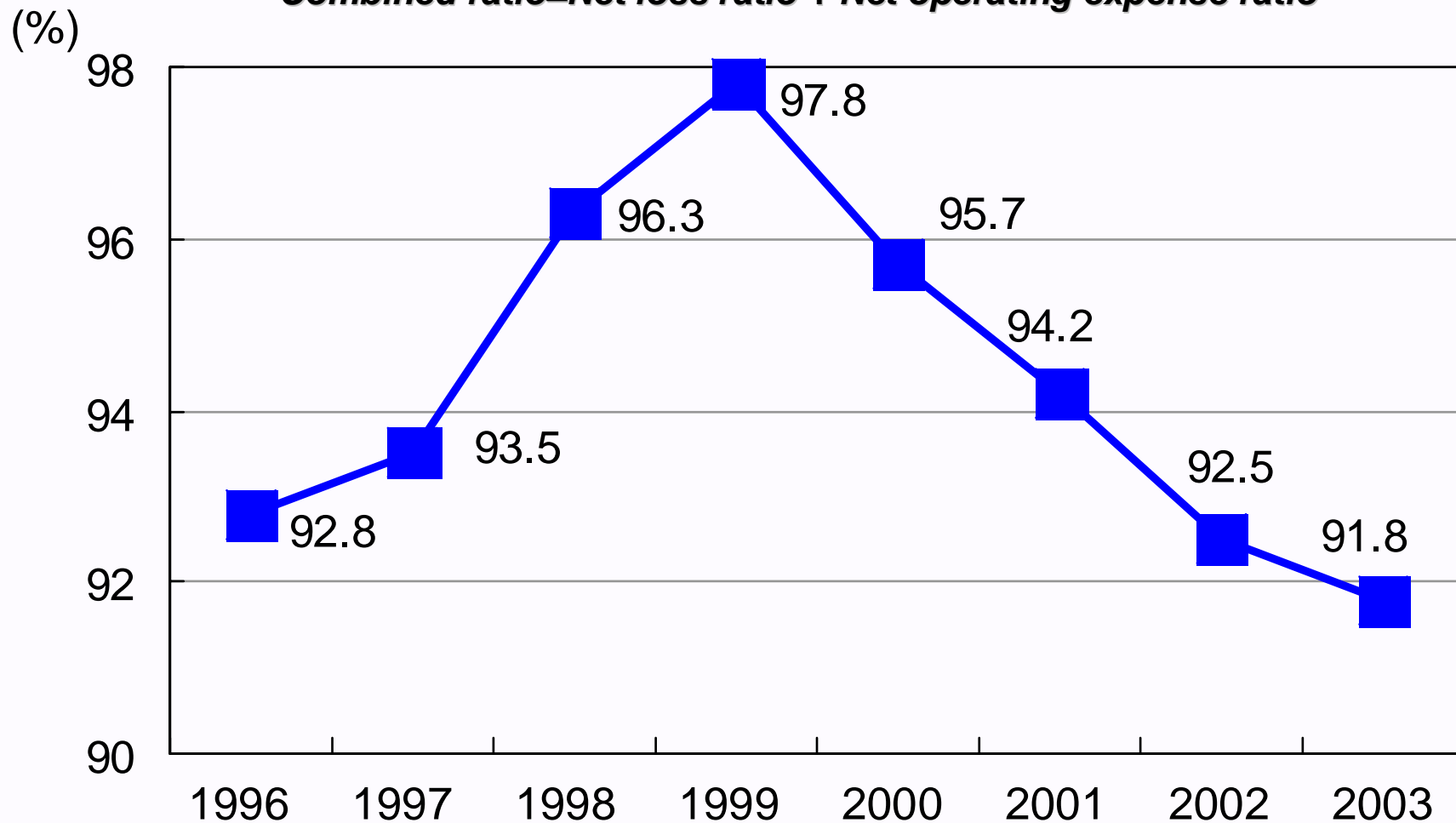


Combined ratio*

(excluding the effect of abolition of reinsurance to government related to CALI)

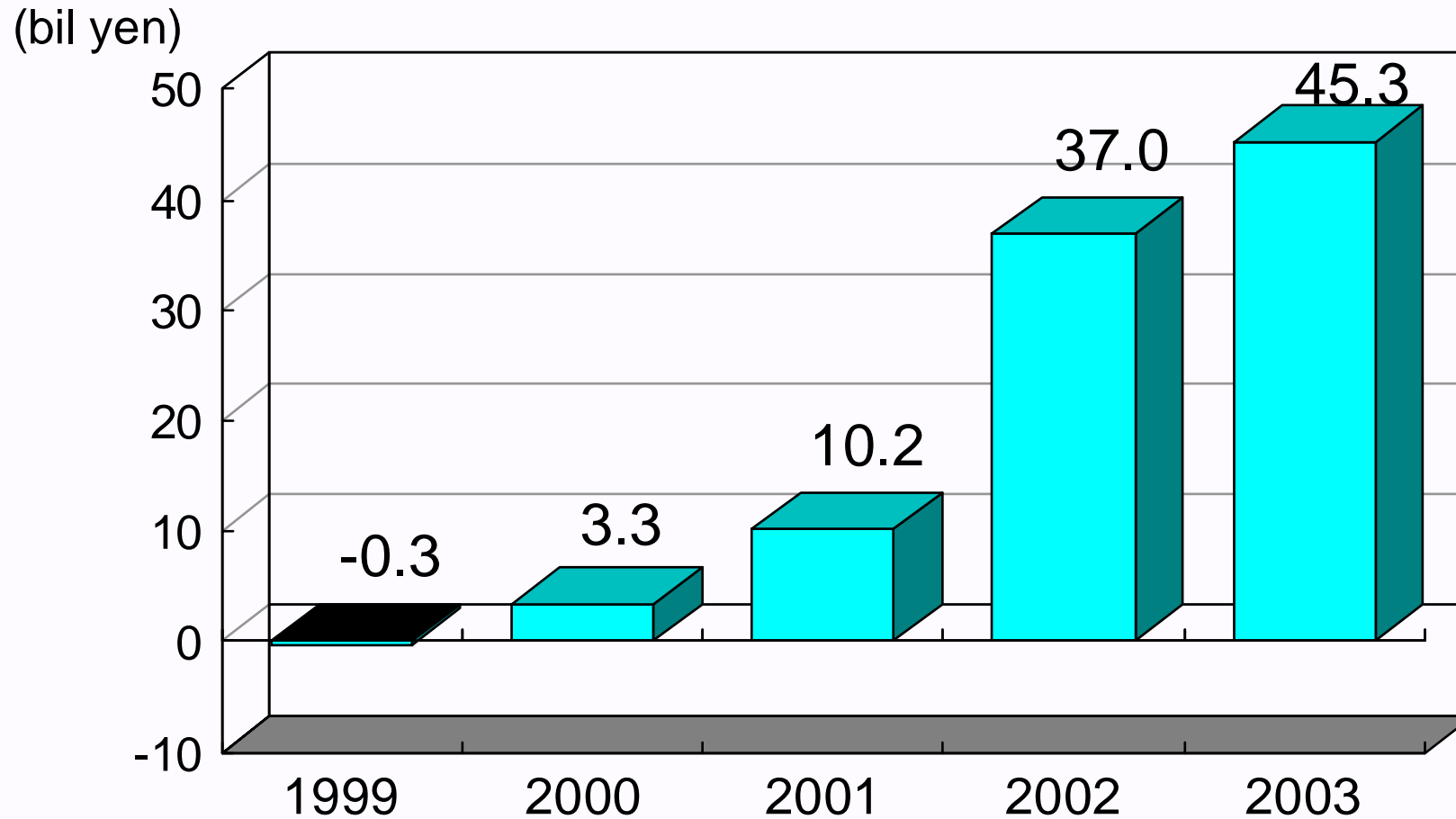
Improved by 0.7pt from FY2002, due to improvement of net operating expense ratio.

*Combined ratio=Net loss ratio + Net operating expense ratio



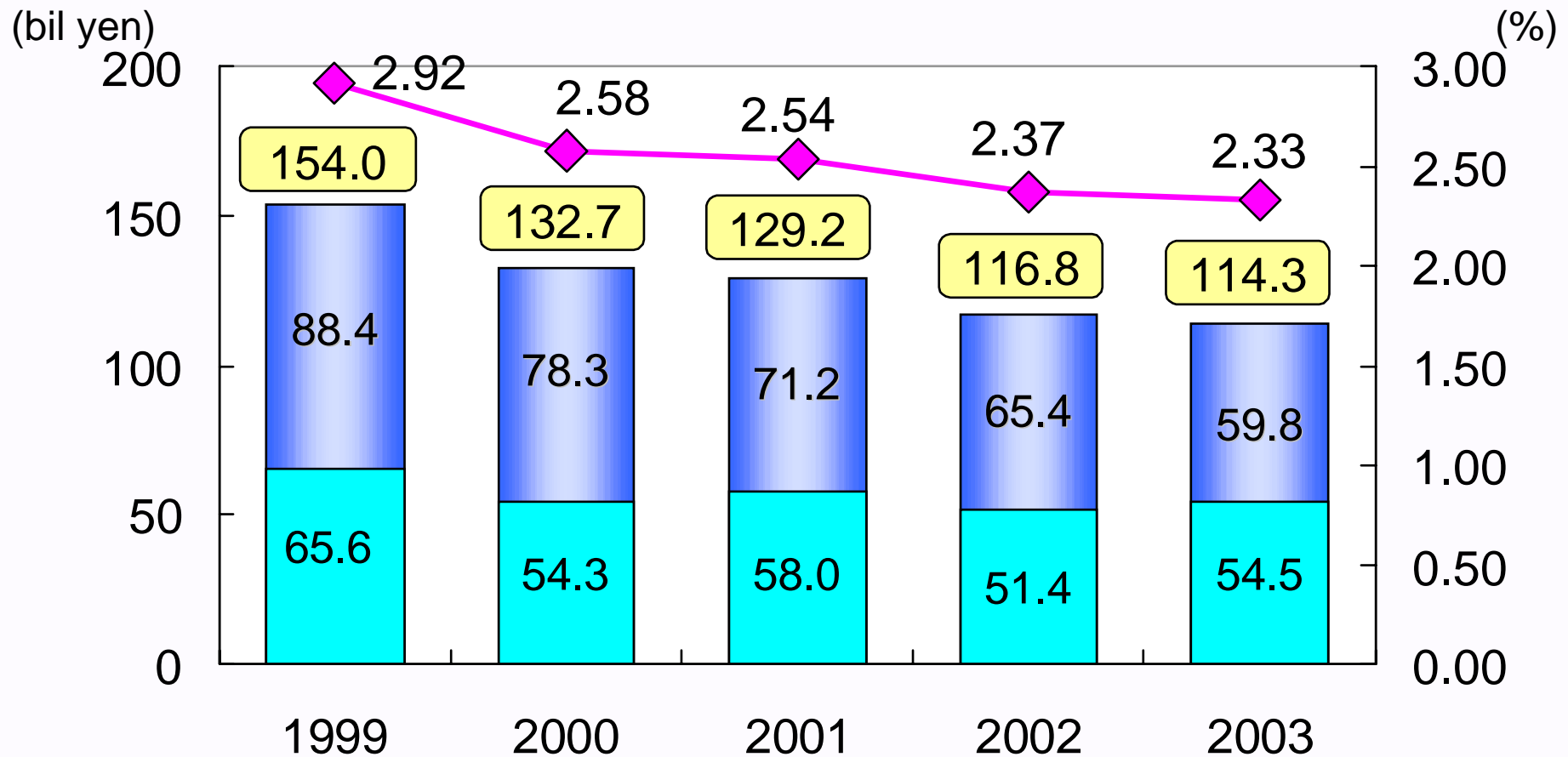
Underwriting profit

Increased by Yen 45.3bil due mainly to premium increase and improvement of net operating expense ratio.



Interest and dividend income

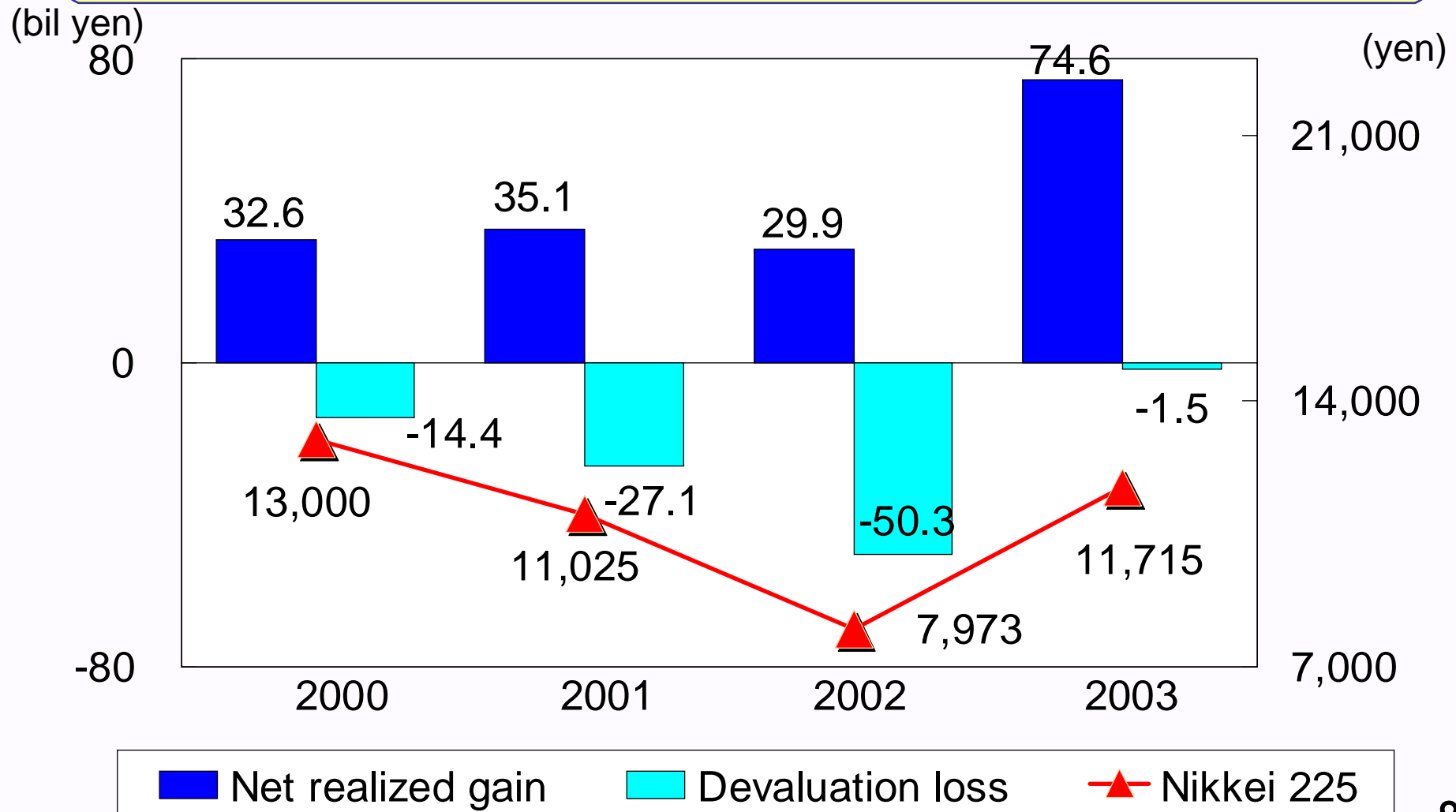
*Gross interest and dividend income decreased by Yen 2.5bil.
Net interest and dividend income increased by Yen 3.1bil.*



- Investment income credited to investment deposits by policyholders
- Net interest and dividend income
- Gross interest and dividend income
- ◆ Yield on investment assets (income yield)

Net realized gain and devaluation loss of securities

Net realized gain was Yen 74.6 bil including ETF related profit, devaluation loss decreased to Yen 1.5bil.



Extraordinary income / losses

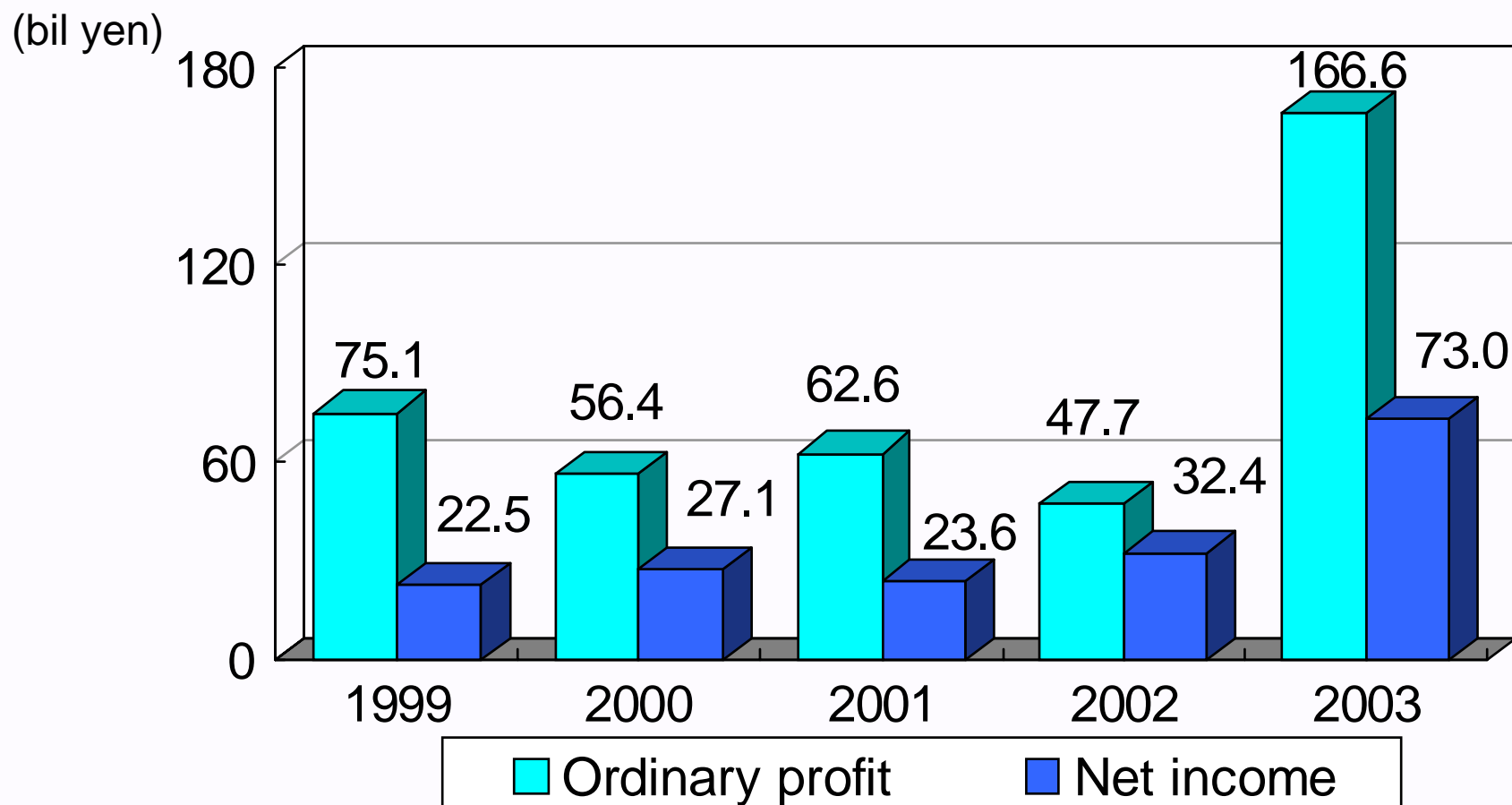
Large amounts of extraordinary loss was due to change in calculation method of underwriting reserve related to Housing Loan Guarantee Insurance and provision for price fluctuation reserves.

	FY2002	FY2003
Reversal / Provision for price fluctuation reserves	Yen 13.9 bil	Yen -6.5 bil
Additional provision for Housing Loan Guarantee Insurance	—	Yen -41.1 bil
Expenses for integration	Yen -7.6 bil	—
Net gain / loss on sales of real estate	Yen 1.9 bil	Yen -2.6 bil
Reversal of other provisions	Yen 3.7 bil	Yen 0 bil
Others	Yen -5.7 bil	Yen -7.3 bil
Extraordinary income / losses total	Yen 6.3 bil	Yen -57.4 bil

Ordinary profit • Net income

Ordinary profit was Yen 166.6bil, 249.4% growth due to increase of underwriting profit and net realized gain of securities.

Net income was Yen 73.0bil reflecting additional provision for Housing Loan Guarantee Insurance.



Mitsui Sumitomo Kirameki Life Insurance

Record-high amount of new business. Amount of in-force business increased in double digit for two consecutive years.

Proforma net income increased by Yen 2.1bil to Yen 3.6bil.

	FY2003	Change from the previous year(%)
Amount of new business	Yen 1,387.6bil	23.6%
Amount of in-force business	Yen 5,779.2bil	14.7%
(The above is total sum of individual insurance and individual annuity)		
Premiums income	Yen 164.0bil	8.8%
Net income	Yen 0.01bil	Previous year result : Yen 0.09bil
Proforma net income*	Yen 3.6bil	Previous year result : Yen 1.5bil

* Hypothetical net income before additional reserve for Net level premium method of valuation provided and extraordinary expense related to software development.

Mitsui Sumitomo CitilInsurance Life

Amount in-force surged up to Yen 477.5bil, or 12 times of previous year. Premiums income expanded powerfully to Yen 423.8bil, or 10 times of previous year.

	FY2003	Change from the previous year(%)
Amount of new business	Yen 389.1 bil	10.2 times of previous year
Amount of in-force business	Yen 477.5 bil	12.2 times of previous year
(The above is individual annuity)		
Premiums income	Yen 423.8 bil	10.1 times of previous year
Net loss	Yen -3.5 bil	Previous year result : Yen -0.9bil

Consolidated net premiums written

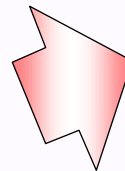
*Increased by 3.1% from previous year.
Overseas insurance subsidiaries posted big premium increase (30.3%),
mainly in U.S.A. and Europe. In Europe, Lloyd's direct underwriting
business shown strong performance.*

<Excl. refundable premium of "Modo-rich">
(bil yen,%)

	Net premiums written	increase amount	increase rate
Group	1,382.5	63.4	4.8

<Excl. refundable premium of "Modo-rich"
and the effect of abolition of reinsurance to
government related to CALI>
(bil yen,%)

	Net premiums written	increase amount	increase rate
Parent	1,202.6	18.1	1.5
Sub-sidiaries	89.5	20.8	30.3
Group	1,292.1	38.9	3.1



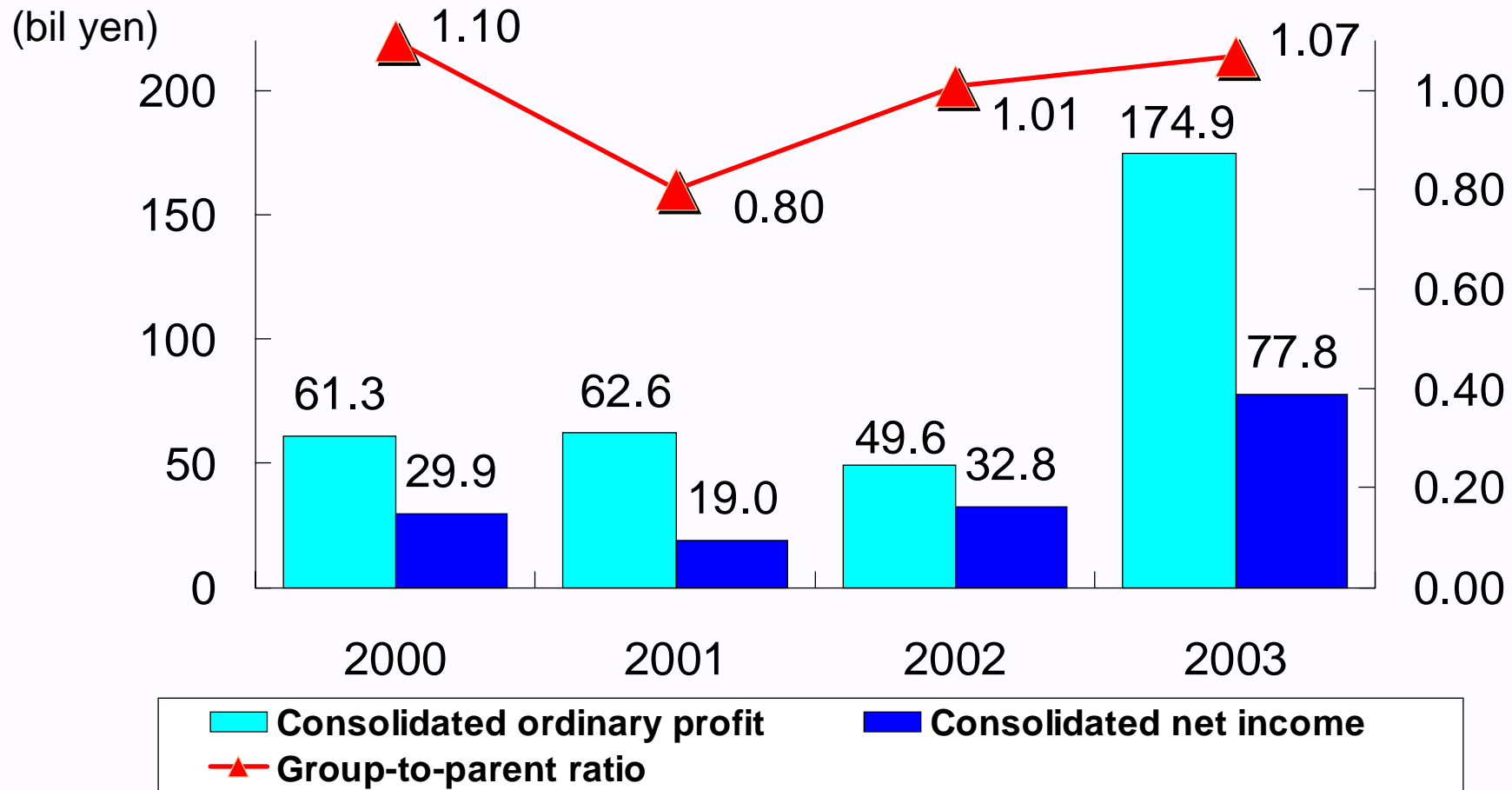
(bil yen,%)

	Net premiums written	increase amount	increase rate
North America	26.4	8.4	46.4
Europe	41.5	11.3	37.3
Asia	11.7	0.7	6.7
South America	4.3	-1.3	-23.2
Reinsurance subsidiaries	6.0	2.2	57.2

*Above amounts
include inter-segment transactions

Consolidated net income

*Consolidated ordinary profit increased by 253.0% to Yen 174.9bil.
 Consolidated net income increased by 137.1% to Yen 77.8bil.
 Group-to-parent ratio improved from 1.01 (FY2002) to 1.07.*



Results forecast by the end of FY2004 Precondition

	FY2003	FY2004 (est.)
Exchange rate (Yen / USD)	Yen 105.7	Yen 105.0
Interest rate (10 years JGB)	1.13%	1.40% (1.44%)
Stock price (Nikkei 225)	Yen 11,715	Yen 12,000

Exchange rate, Stock price : As at March 31, 2004 and 2005.

Interest rate : Average during each term.

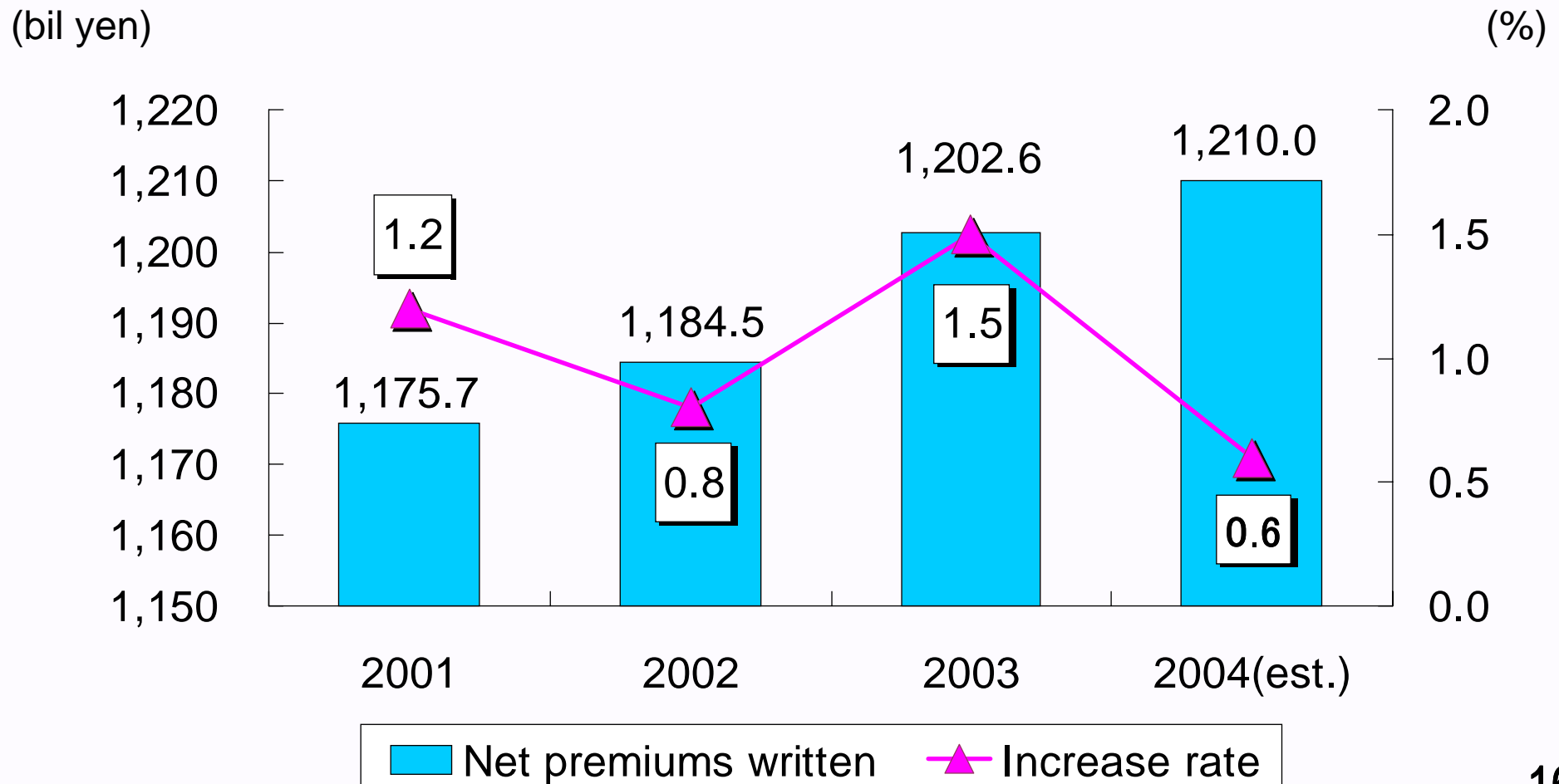
The figure in parenthesis is as of March 31, 2004.

Results forecast by the end of FY2004

Net premiums written

(excluding the effect of abolition of reinsurance to government related to CALI)

Forecast 0.6% increase, growing for 5 consecutive years.

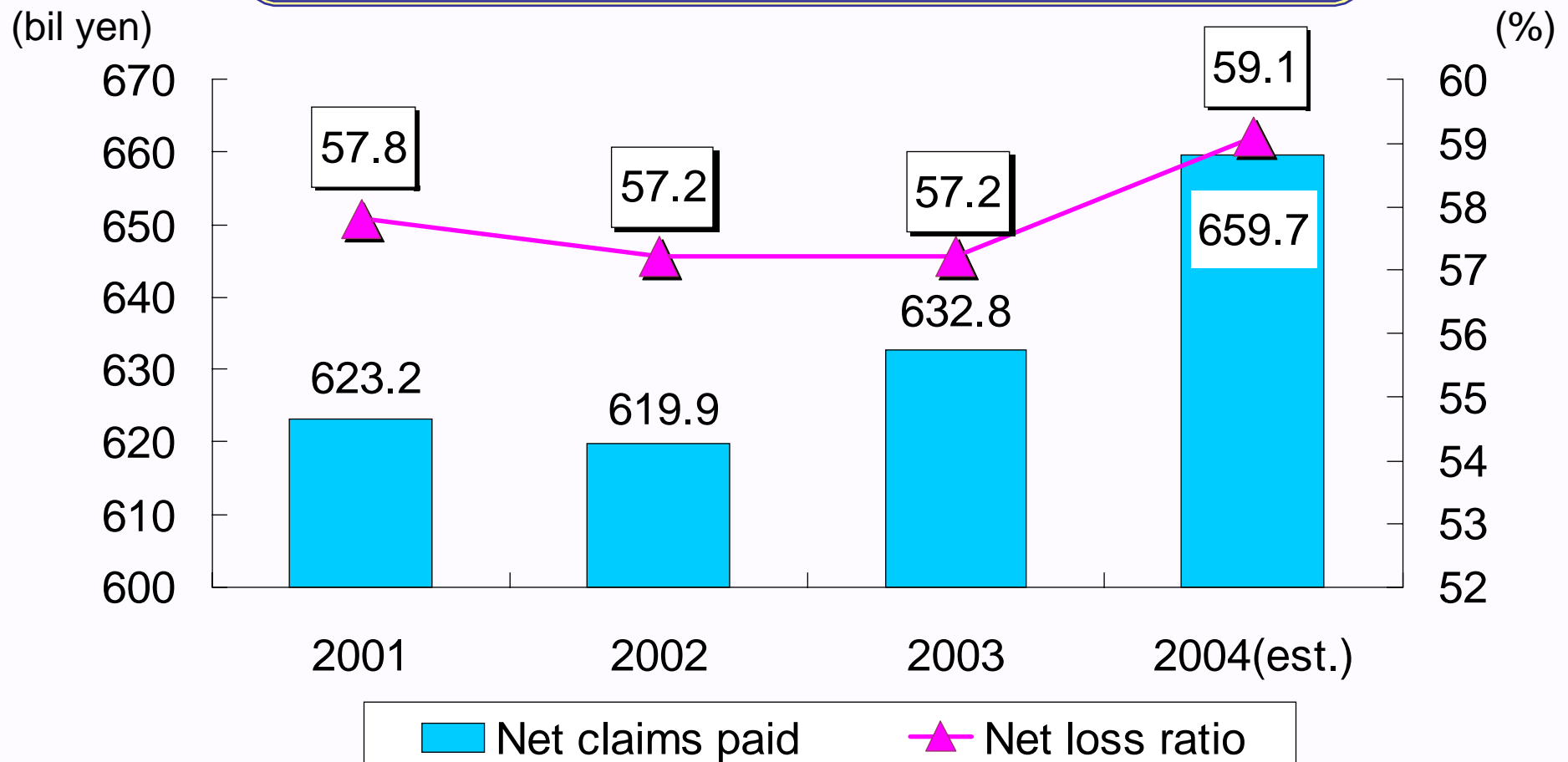


Results forecast by the end of FY2004

Net loss ratio

(excluding the effect of abolition of reinsurance to government related to CALI)

*Forecast 1.9pt rise to 59.1%.
0.8pt rise, if excluding natural disasters.*

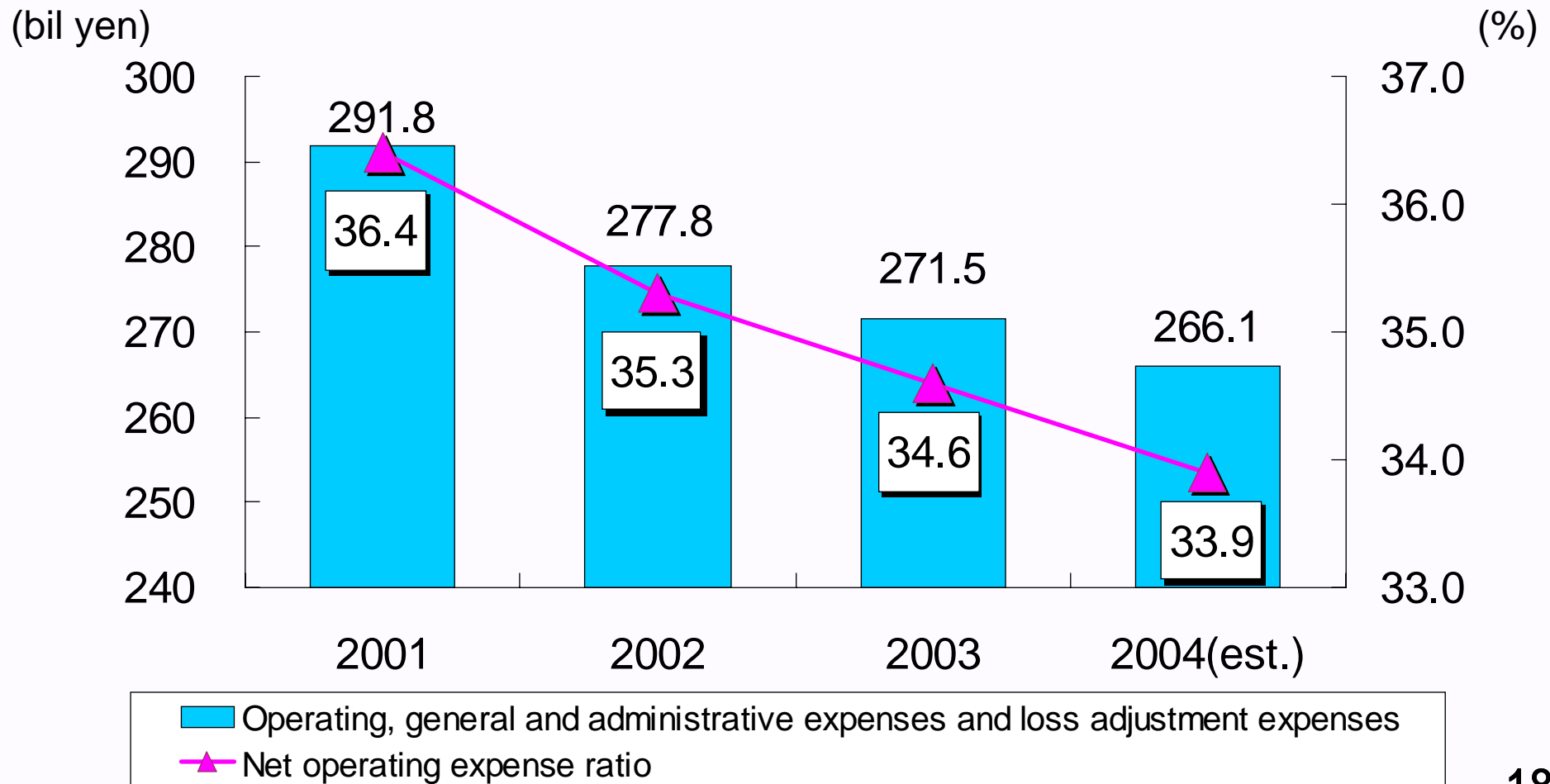


Results forecast by the end of FY2004

Net operating expense ratio

(excluding the effect of abolition of reinsurance to government related to CALI)

Forecast 0.7pt improvement to 33.9%.

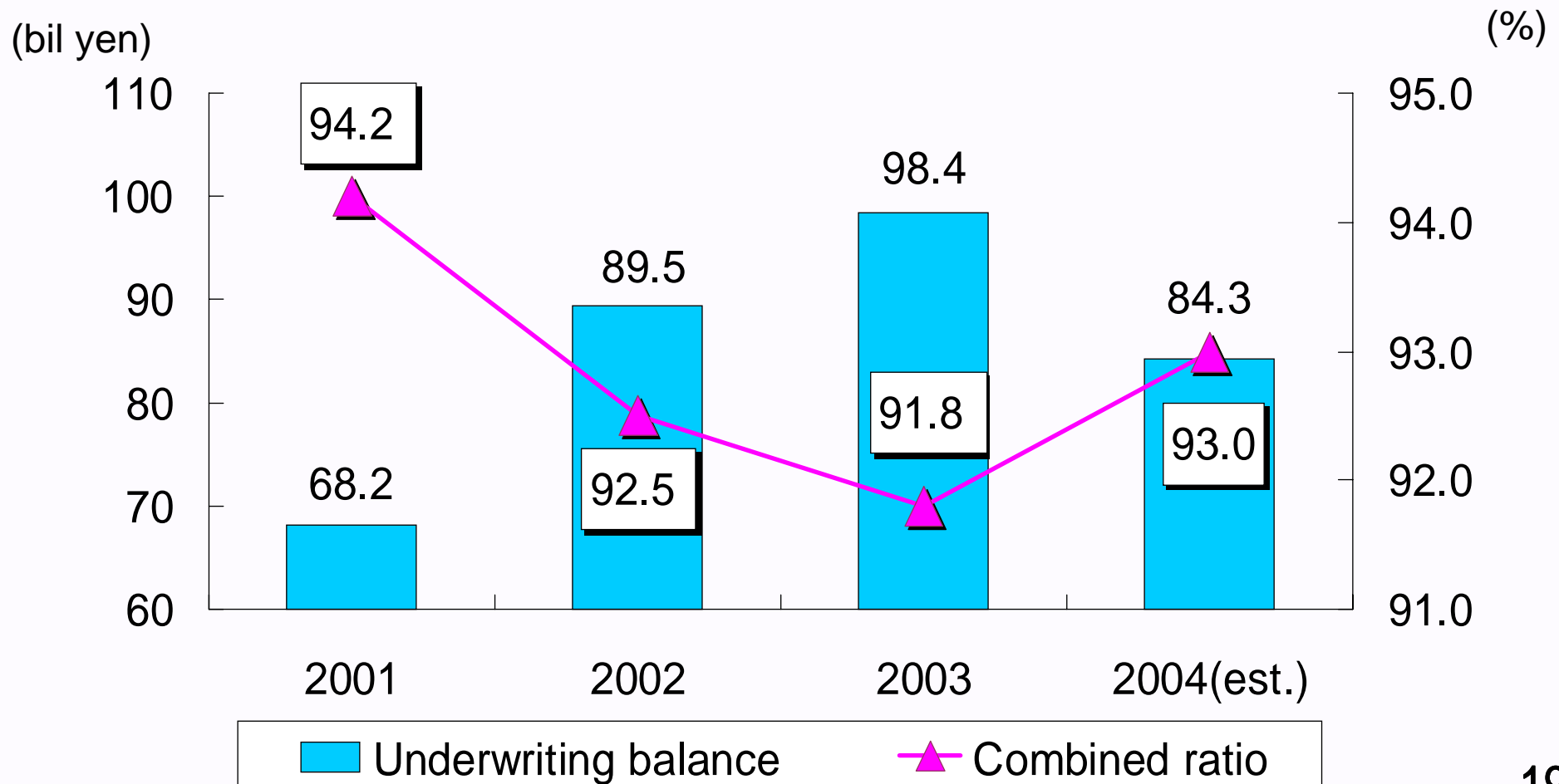


Results forecast by the end of FY2004

Combined ratio

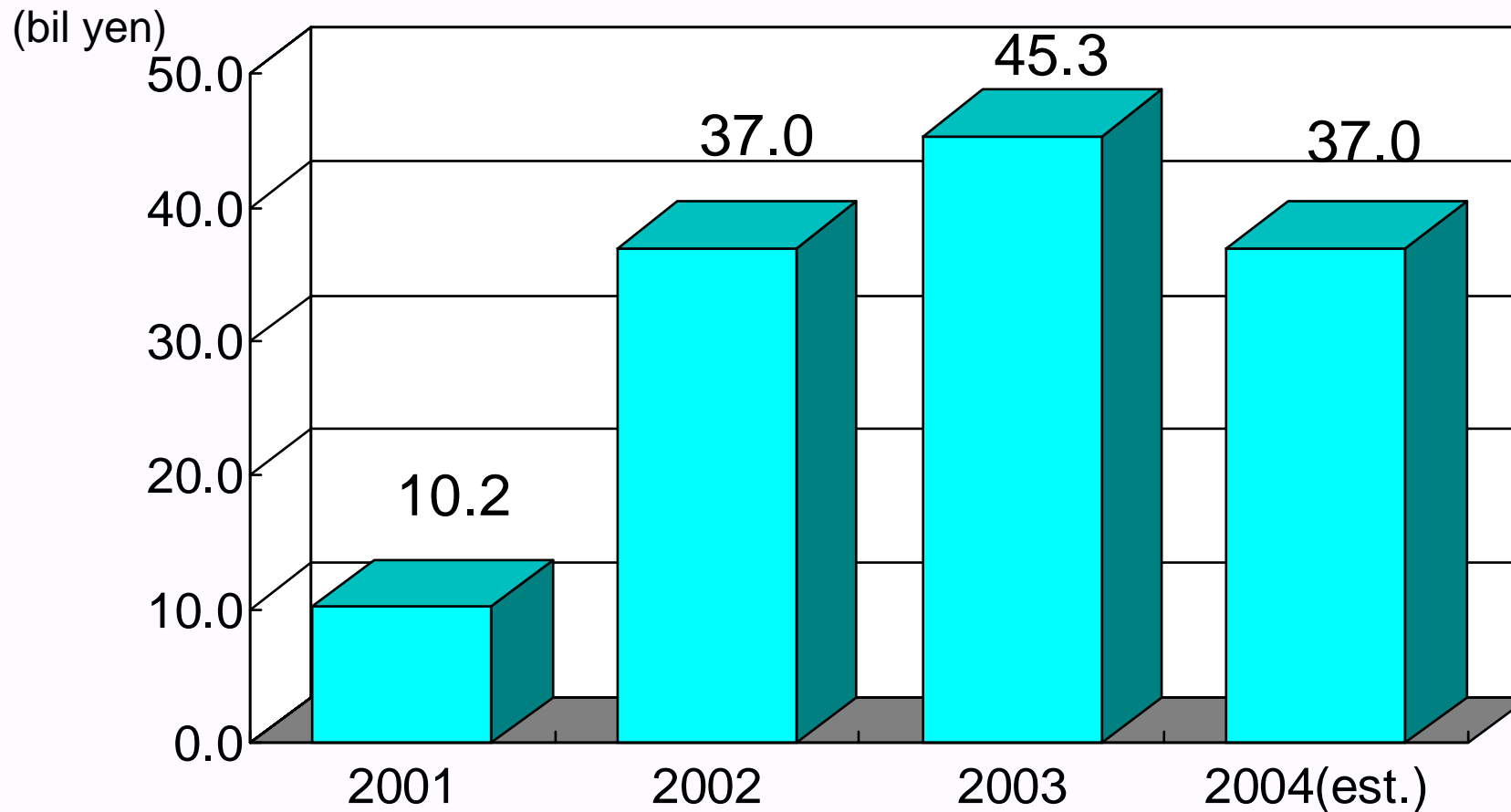
(excluding the effect of abolition of reinsurance to government related to CALI)

Forecast 1.2pt up due to rise of net loss ratio.



Results forecast by the end of FY2004 Underwriting profit

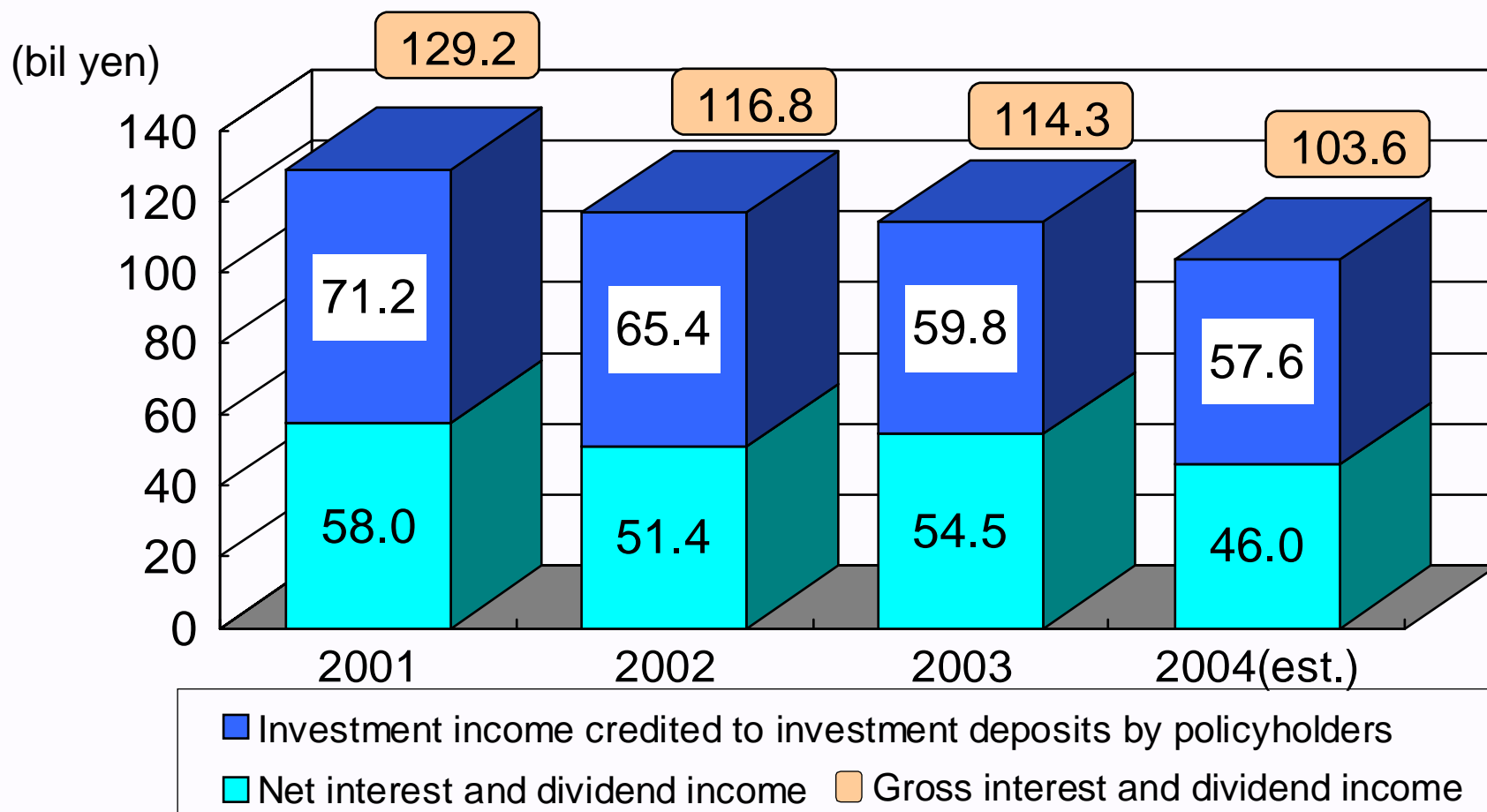
Forecast Yen 37.0bil.



Results forecast by the end of FY2004 Interest and dividend income

Forecast Yen 10.7bil decrease of gross interest and dividend income due to lowered interest rate, etc.

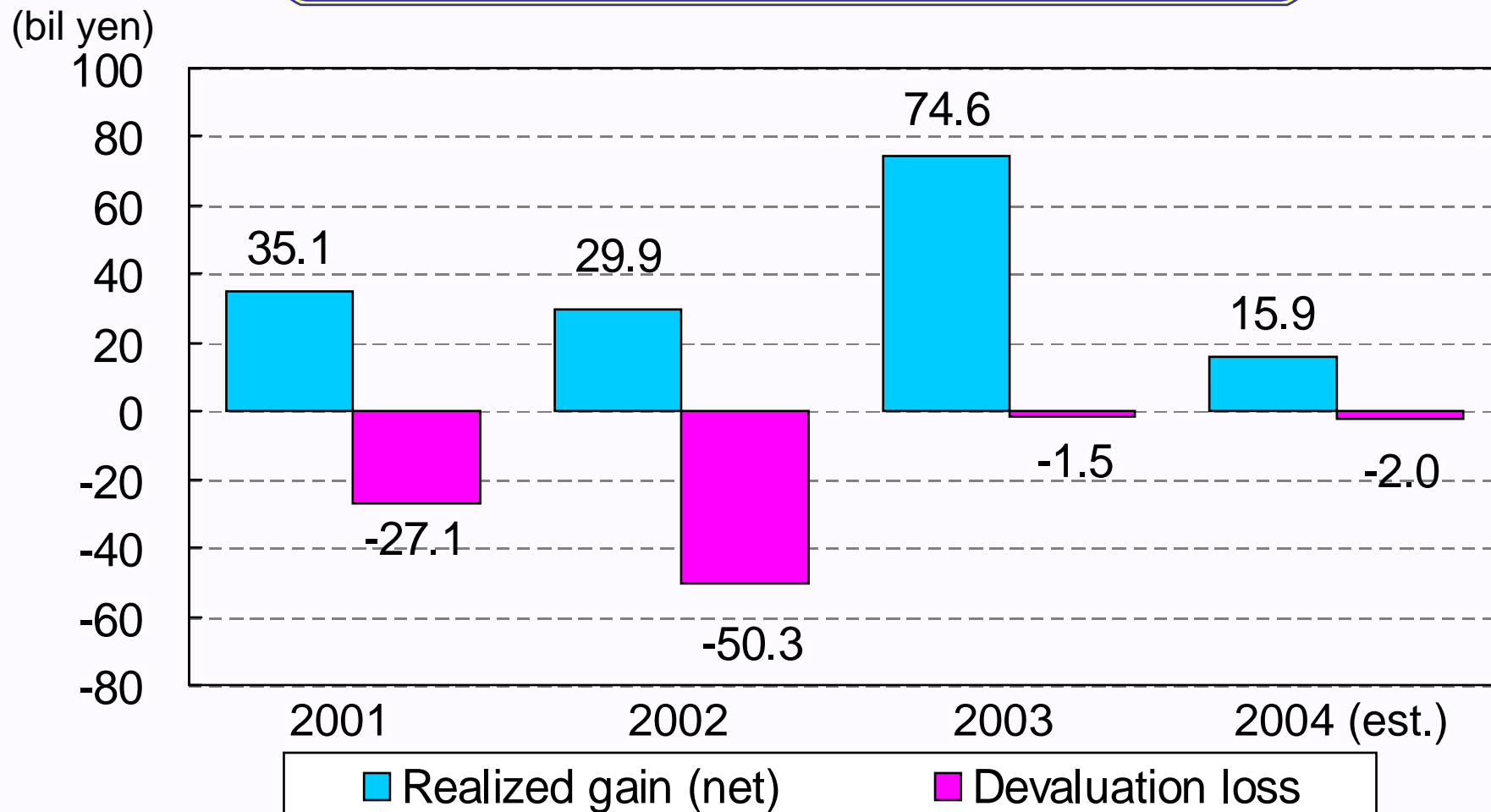
Forecast Yen 8.5bil decrease of net interest and dividend income.



Results forecast by the end of FY2004

Realized gain (net) · Devaluation loss of securities

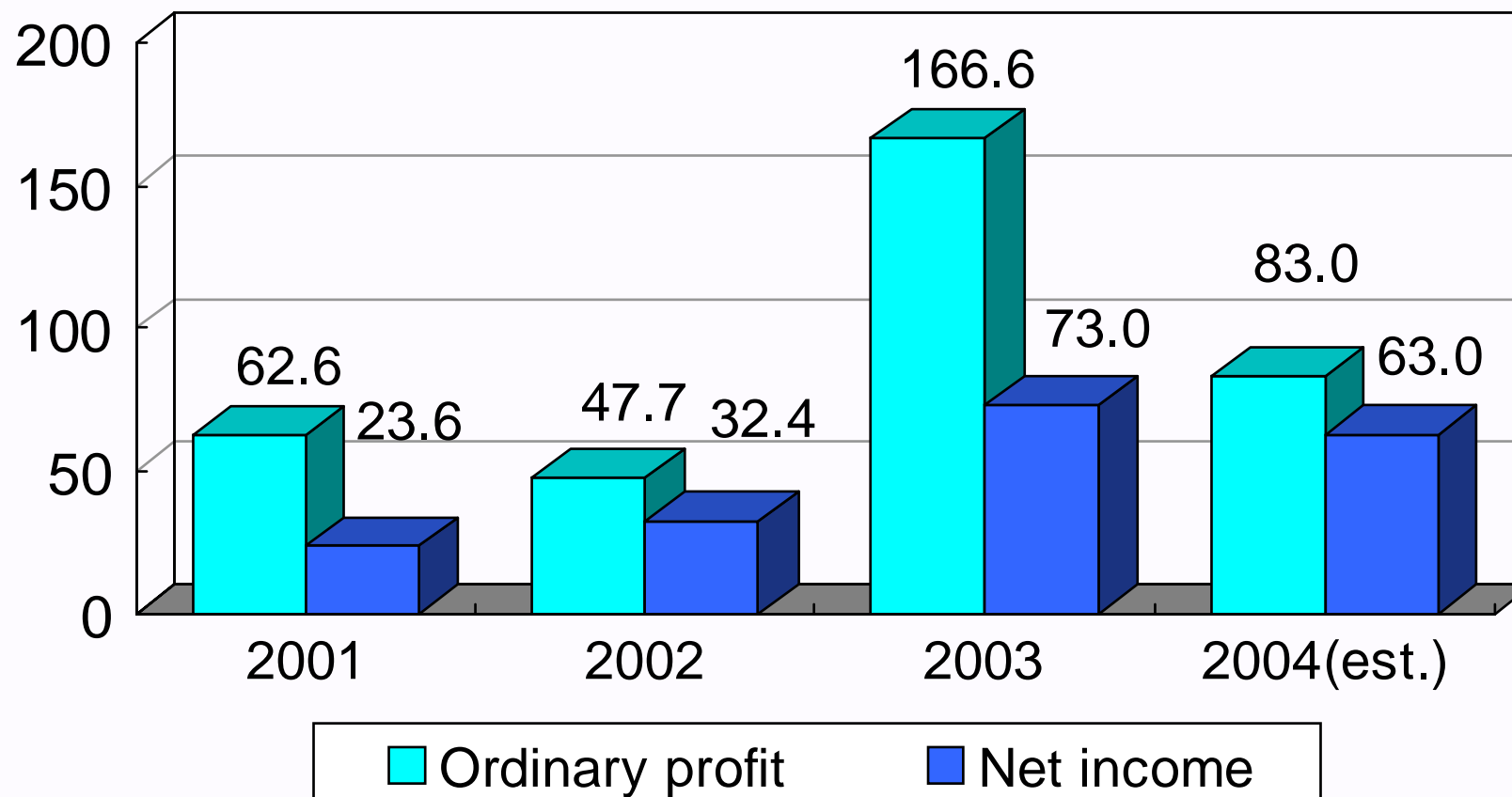
*Forecast Yen 15.9bil realized gain (net),
Yen 2.0bil of devaluation loss.*



Results forecast by the end of FY2004 Ordinary profit • Net income

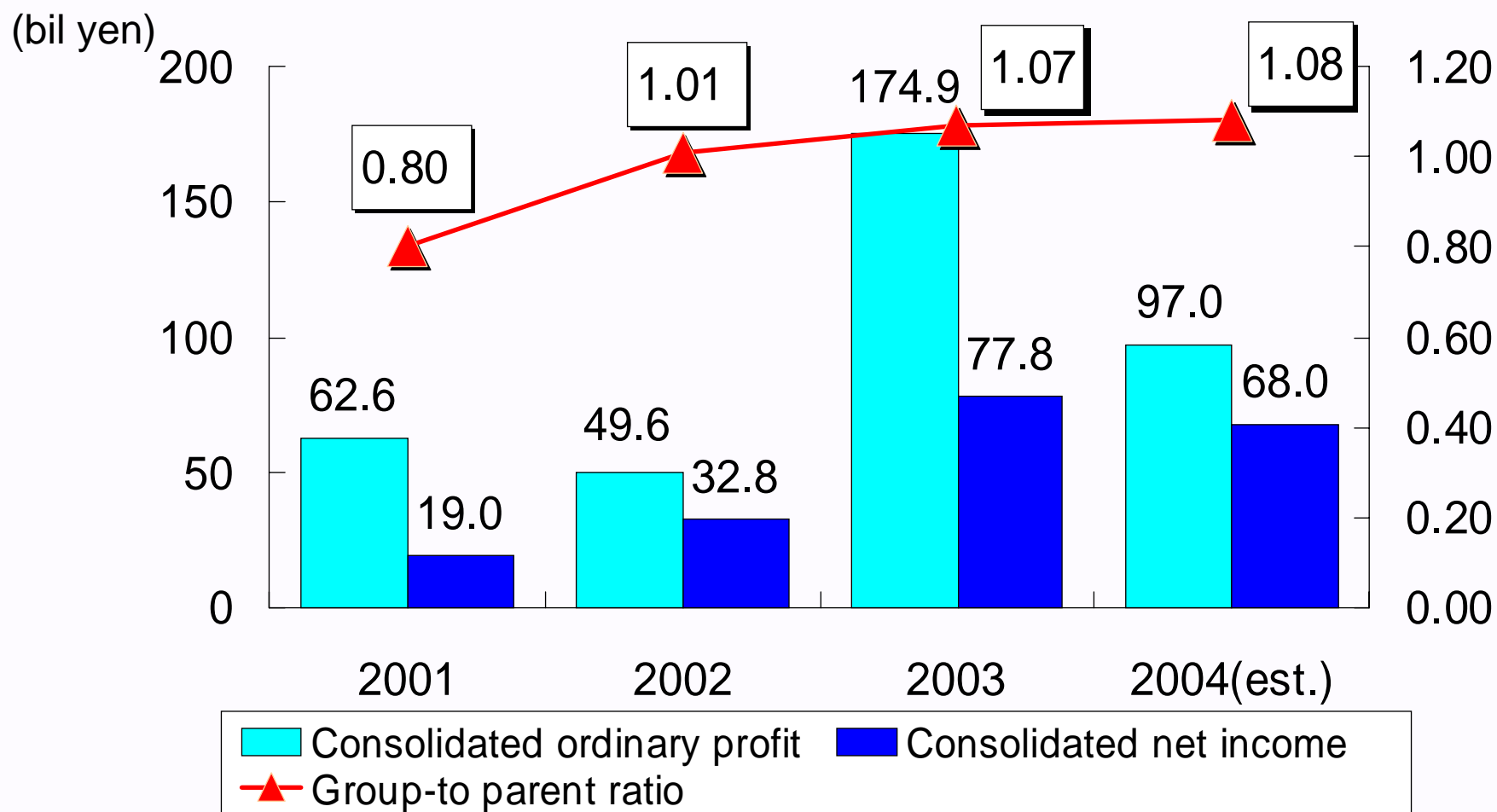
*Forecast Yen 83.0bil of ordinary profit,
Yen 63.0bil of net income.*

(bil yen)



Results forecast by the end of FY2004 Consolidated results forecast

*Forecast Yen 68.0bil of consolidated net income,
1.08 times of group-to-parent ratio.*





Mitsui Sumitomo Insurance

【Cautionary Statement】

Any statements about Mitsui Sumitomo Insurance Co., Ltd.'s future plans, strategies, and performance contained in this material that are not historical facts are meant as, or should be considered as, forward-looking statements. These forward-looking statements are based on the Company's assumptions and opinions in the light of the information currently available to it. The Company wishes to caution readers that a number of uncertain factors could cause actual results to differ materially from those discussed in the forward-looking statements. Such factors include, but are not limited to, (1) general economic conditions in the Company's markets, (2) competitive conditions in the insurance business, (3) fluctuations of foreign exchange rates, and (4) government regulations, including changes in the tax rates.