

Outline of the interim settlement and result forecast by the end of FY2004

December 2, 2004



Mitsui Sumitomo Insurance Co.,Ltd.

•Amounts shown herein are basically rounded off.

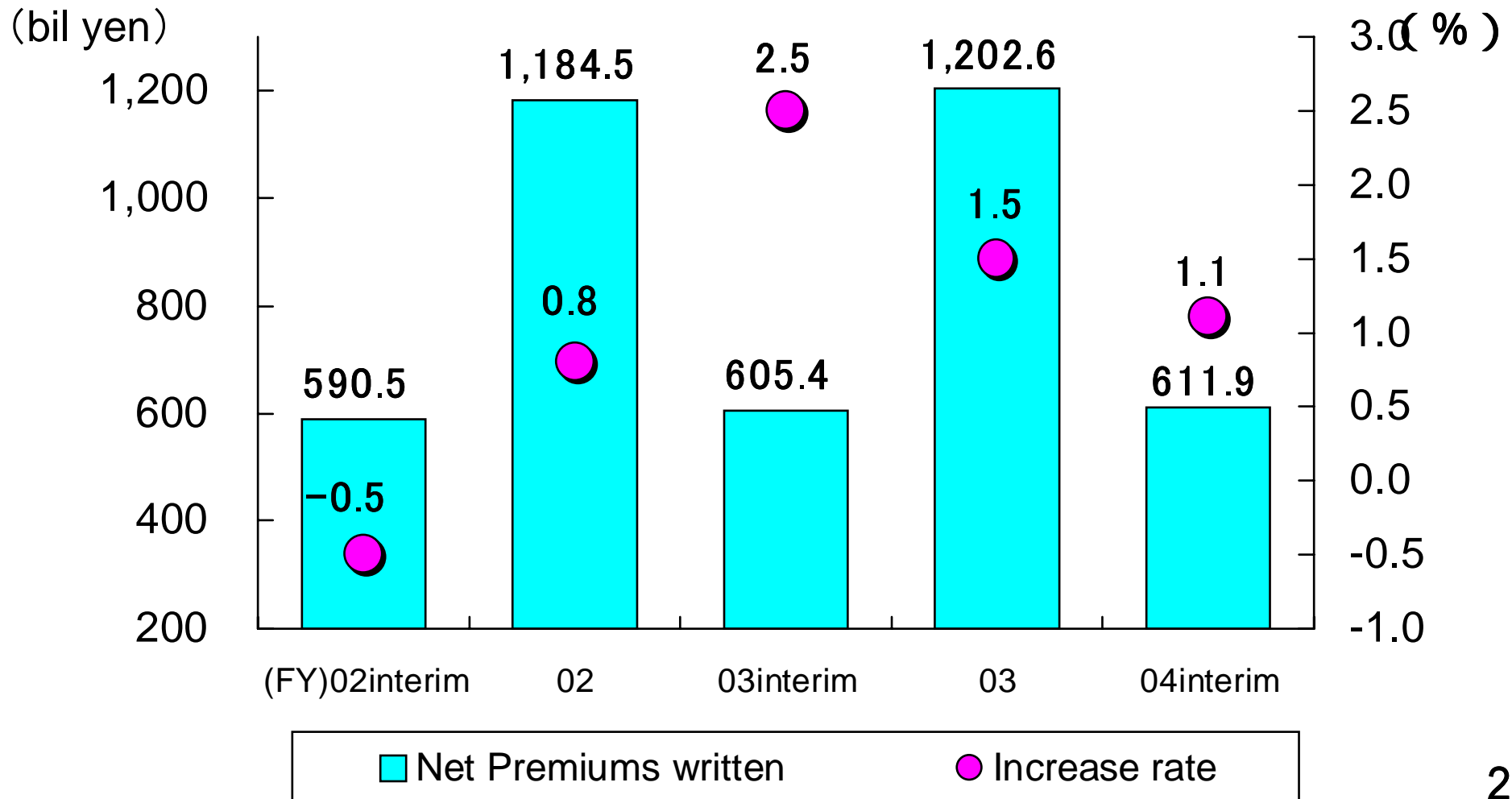
•Amounts are shown after excluding refundable premium of our original automobile insurance “Modo-rich.”

Net premiums written

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

*CALI = Compulsory Automobile Liability Insurance

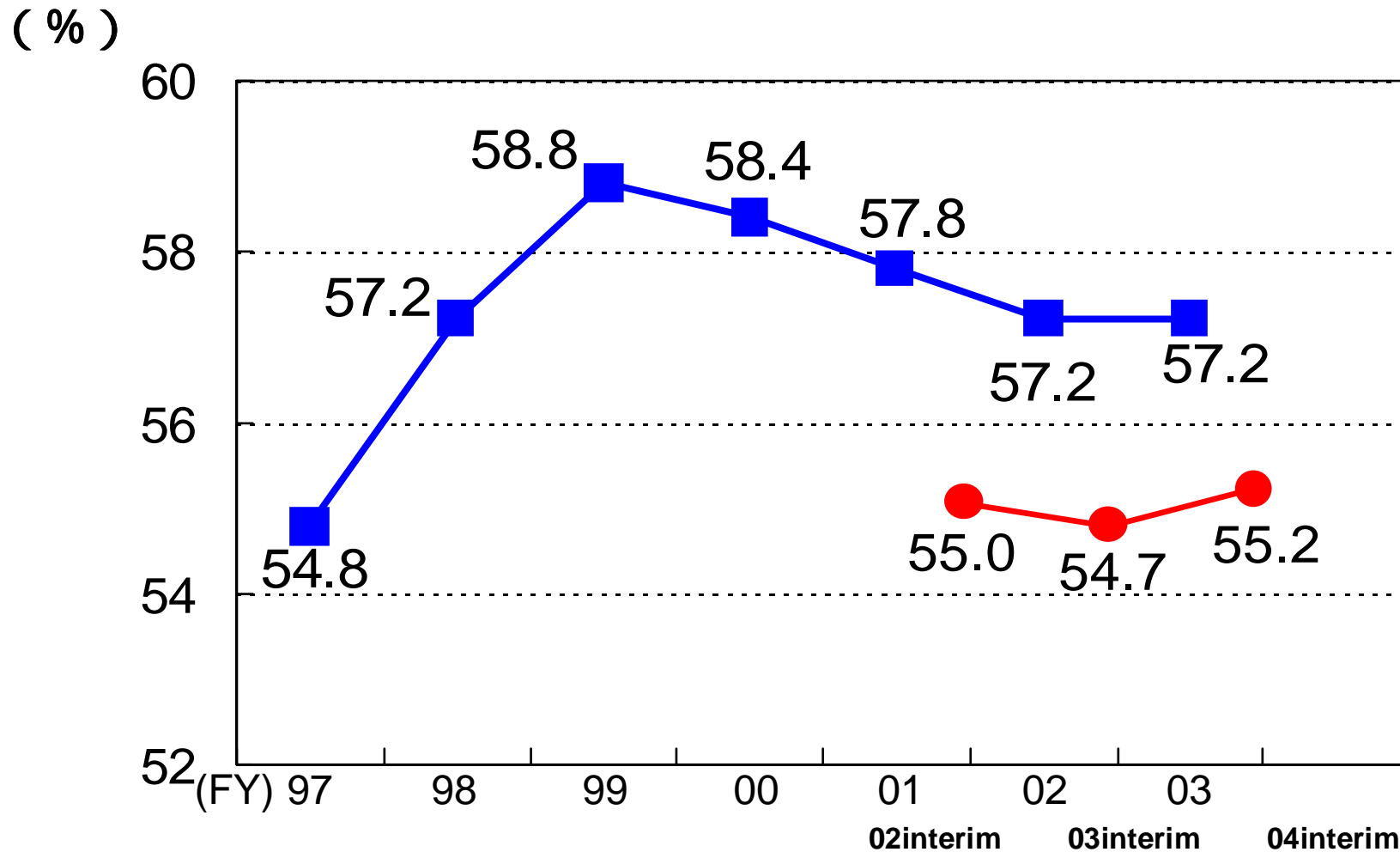
*Increased by 1.1 % from the previous 1st half.
All lines except automobile secured premium increase.*



Net loss ratio*

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

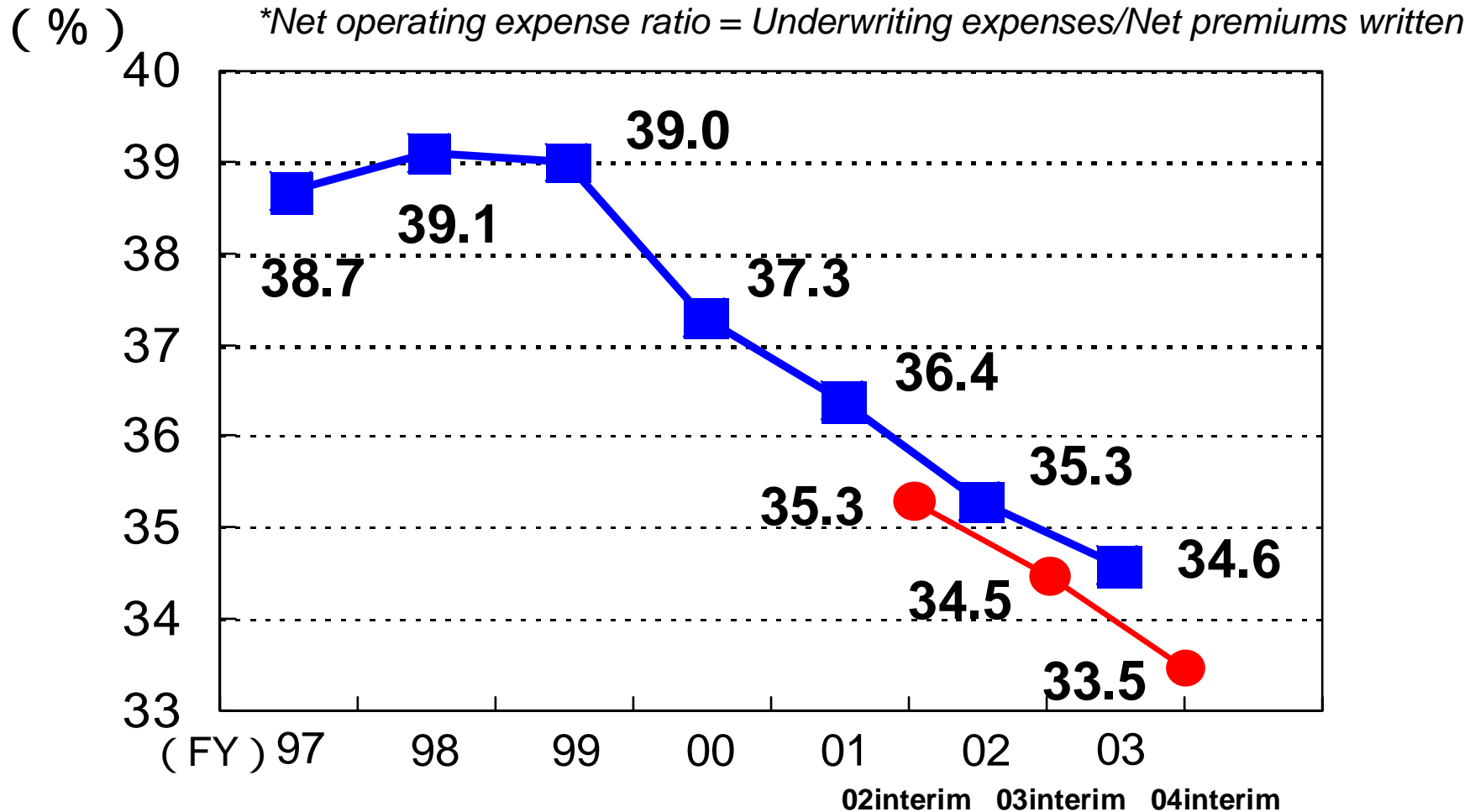
Rose by 0.5pt from the previous 1st half to 55.2% due to natural disasters.



Net operating expense ratio*

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

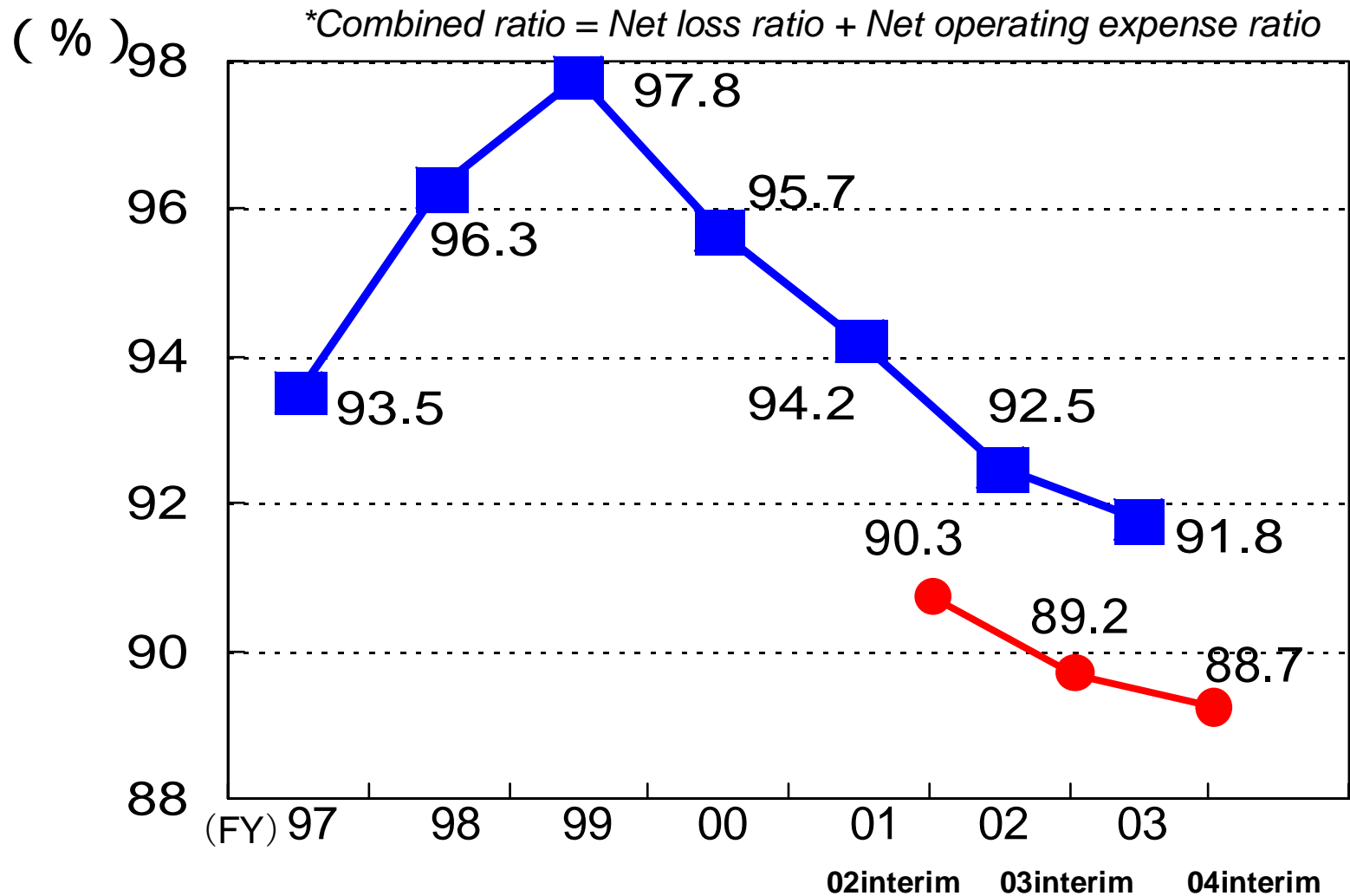
Improved by 1.0pt from the previous 1st half due to reduction in personnel and non-personnel expenses.



Combined ratio*

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

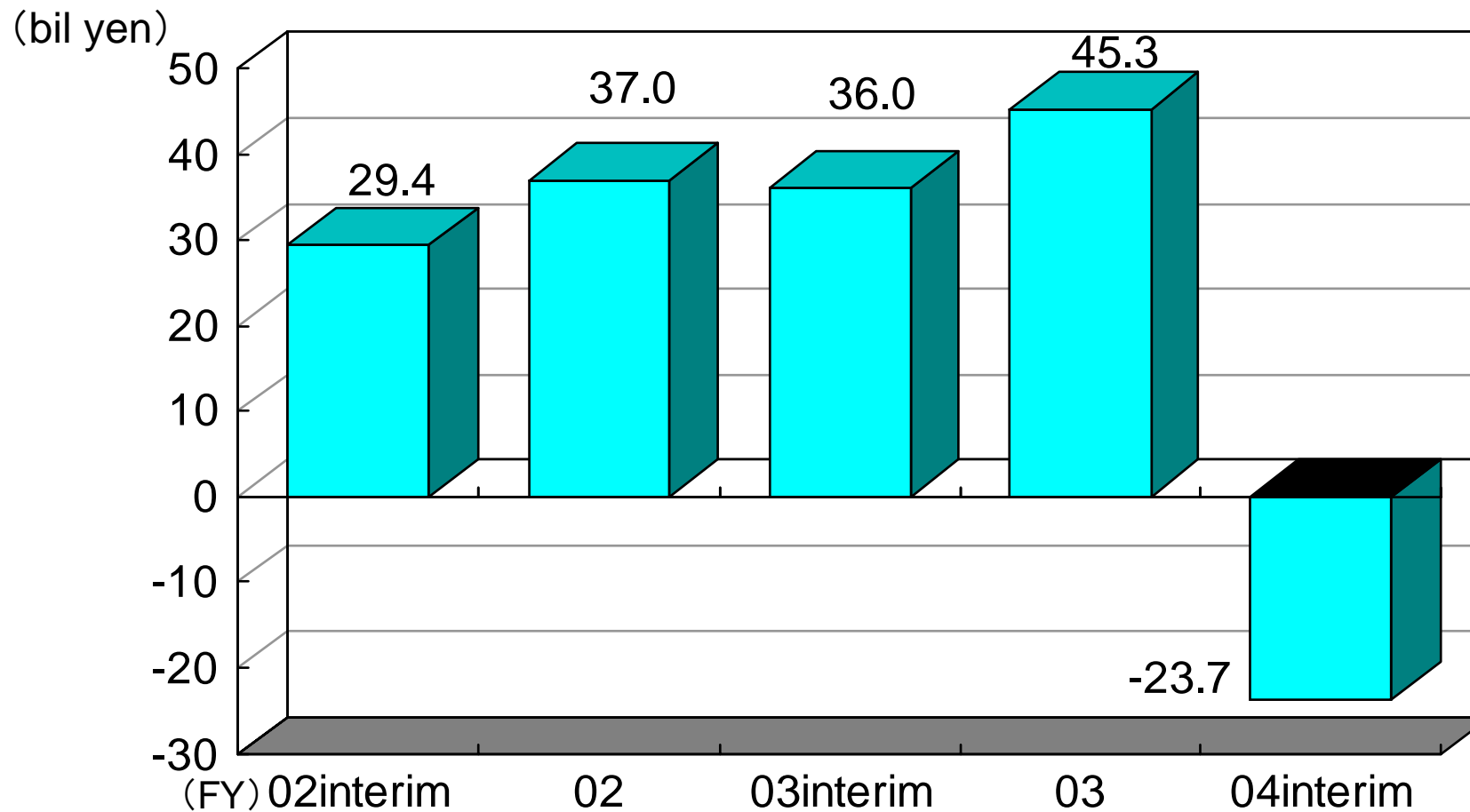
*Improved by 0.5pt from the previous 1st half.
Keeping advantageous position over competitors.*



Underwriting profit

Dropped sharply from the previous 1st half and turned into red due to natural disasters.

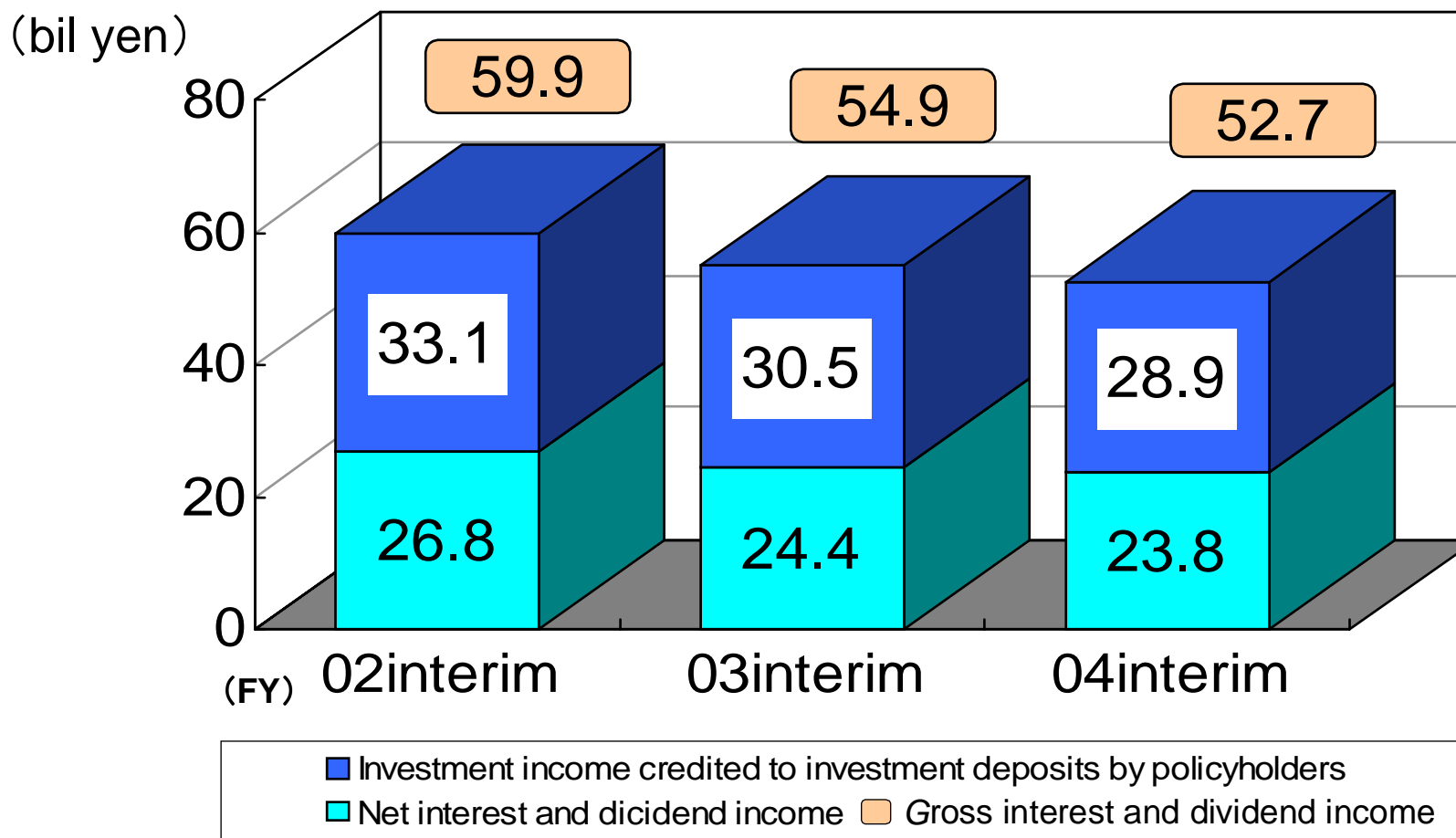
Natural disasters : 6.4 bil yen [previous 1st half] → 64.5 bil yen [this interim]



Interest and dividend income

Gross interest and dividend income dropped by 2.2 bil yen from the preview 1st half.

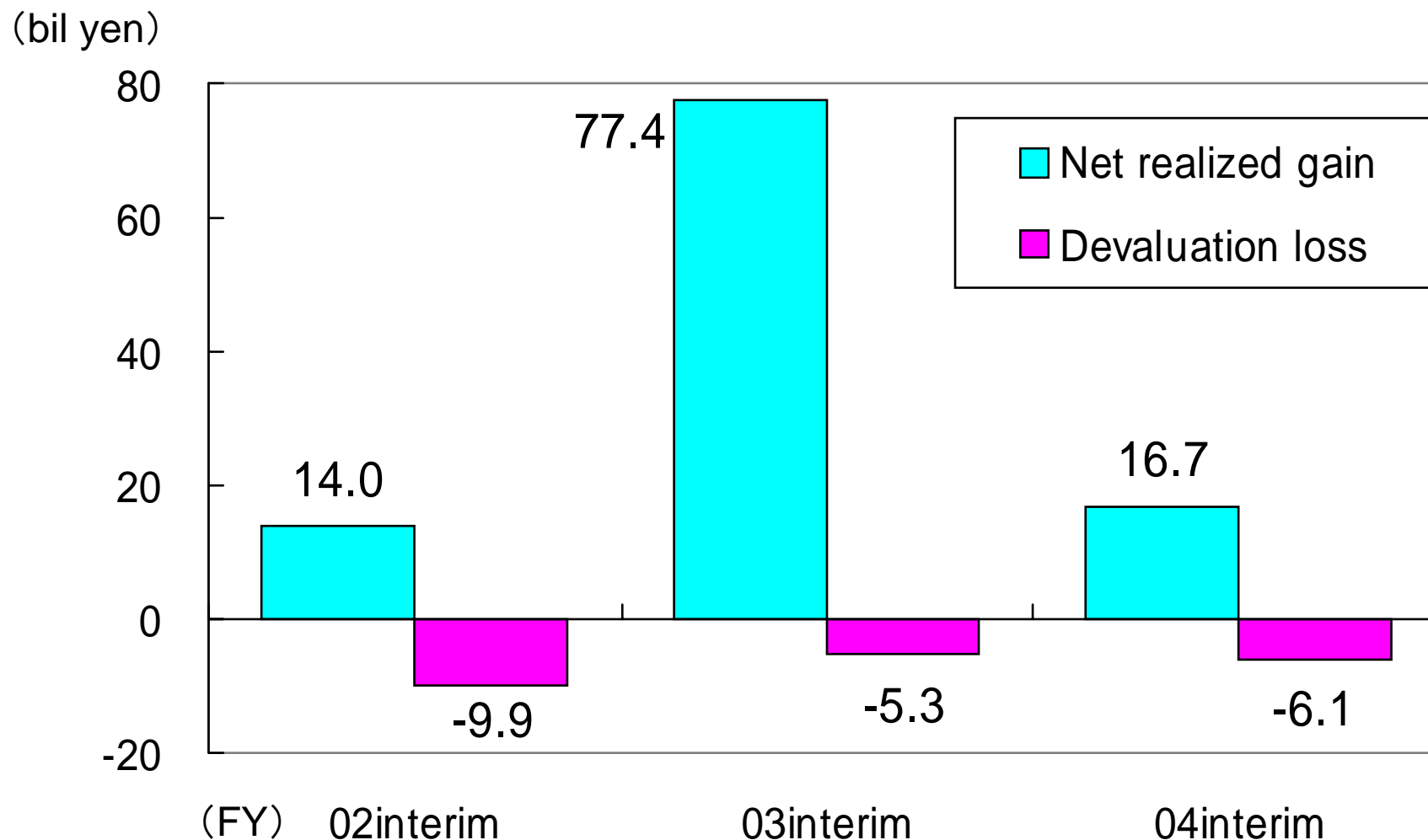
Net interest and dividend income also dropped by 0.6 bil yen.



Net realized gain and devaluation loss of securities

Net realized gain dropped by 60.6 bil yen reflecting the lack of gain from ETF in the previous 1st half.

Devaluation loss remained at the same level as previous 1st half.



Extraordinary income/losses

Posted 33.0 bil yen net income with 10.8 bil yen loss due to early application of impairment loss on fixed assets and 40.6 bil yen gain related to employee pension fund liabilities.()*

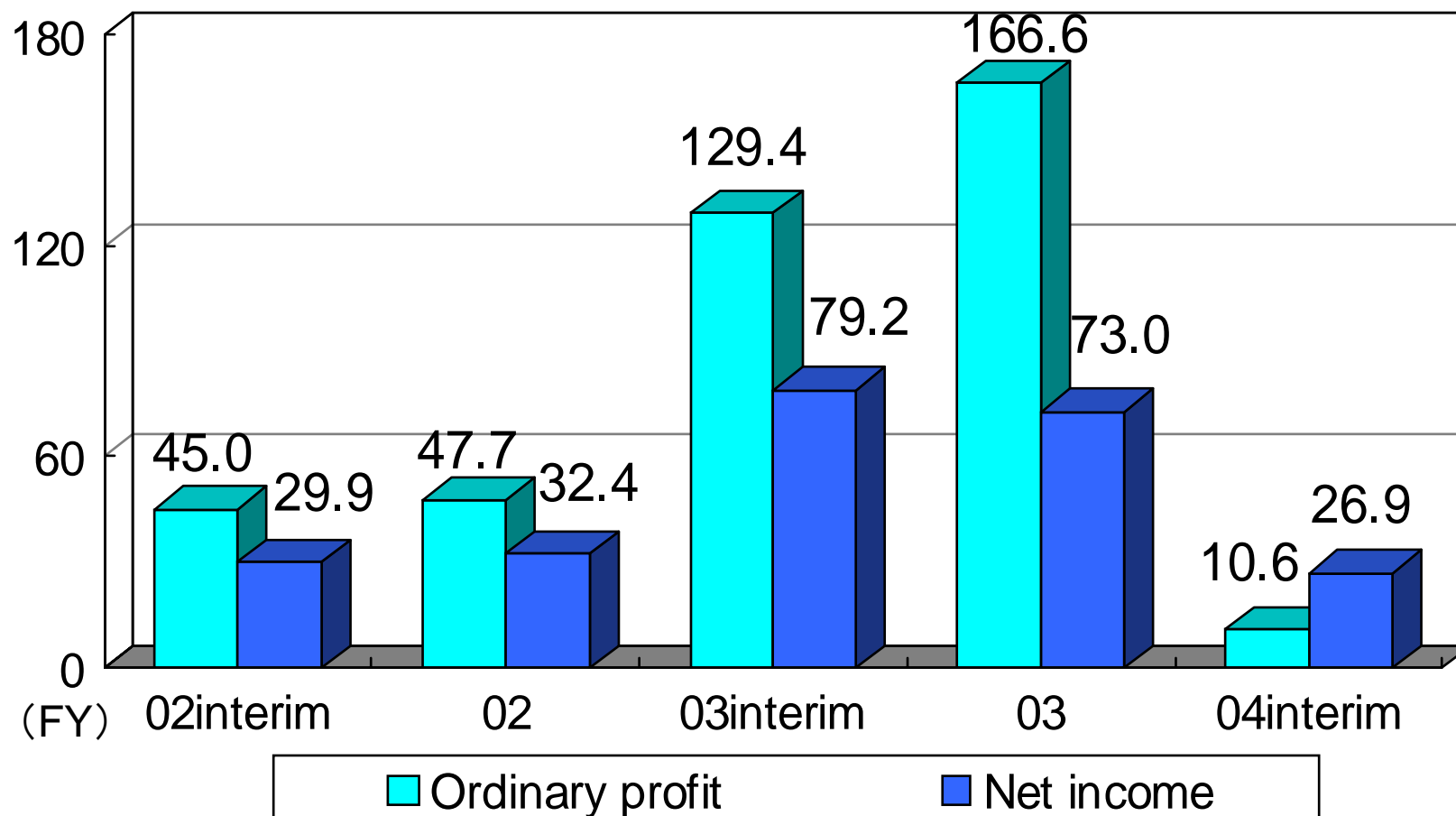
	(FY) 03 interim	04 interim
	(bil yen)	(bil yen)
Impairment loss on fixed assets	—	- 10.8
Gain related to employee pension fund liabilities (*)	—	40.6
Provision on price fluctuation reserves	- 3.2	- 3.3
Other than above	- 4.7	6.5
Extra ordinary income / losses total	- 7.8	33.0

(*) gain of the transfer of the government - specified portion of plan assets relating to the substitutional portion of employee pension fund liabilities.

Ordinary profit • Net Income

Both ordinary profit and net income dropped due to the increase of natural disasters and lack of gain from ETF in the previous 1st half.

(bil yen)



Result forecast by the end of FY2004 Precondition

	(FY) 03	04 interim	04 (est.)
Exchange rate (Yen/USD)	105.7 yen	111.1 yen	110 yen
Rate of interest (10 years JGB)	1.13%	1.62%	1.70%
Stock price (Nikkei 225)	11,715 yen	10,824 yen	12,000 yen

(during 2nd half)

* Exchange rate, Stock price : As at March 31, 2004, September 30, 2004,
and March 31, 2005.

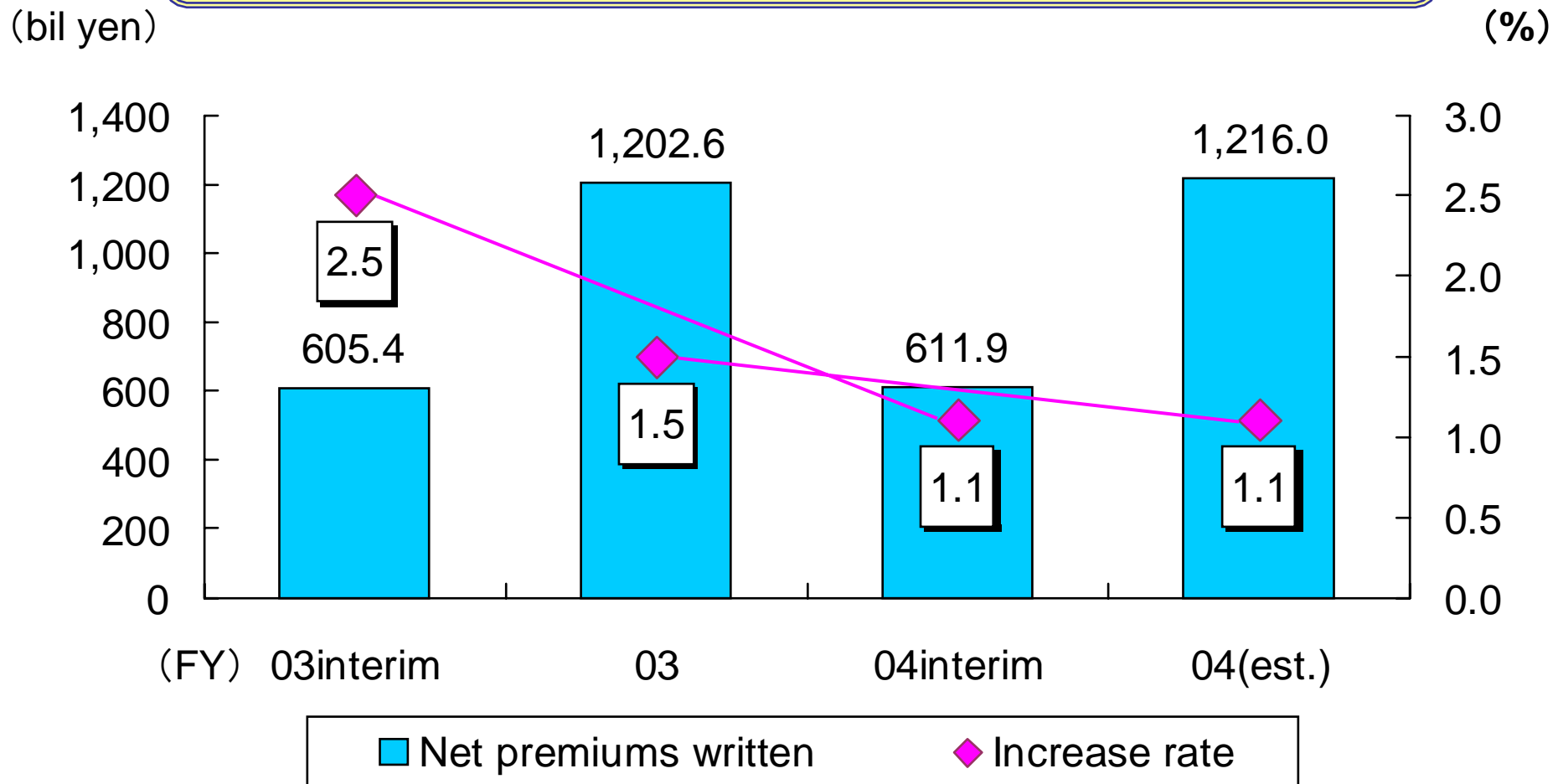
Rate of interest : Average during each term

Result forecast by the end of FY2004

Net premiums written

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

Forecast 1.1% up, growing for 5 consecutive years.

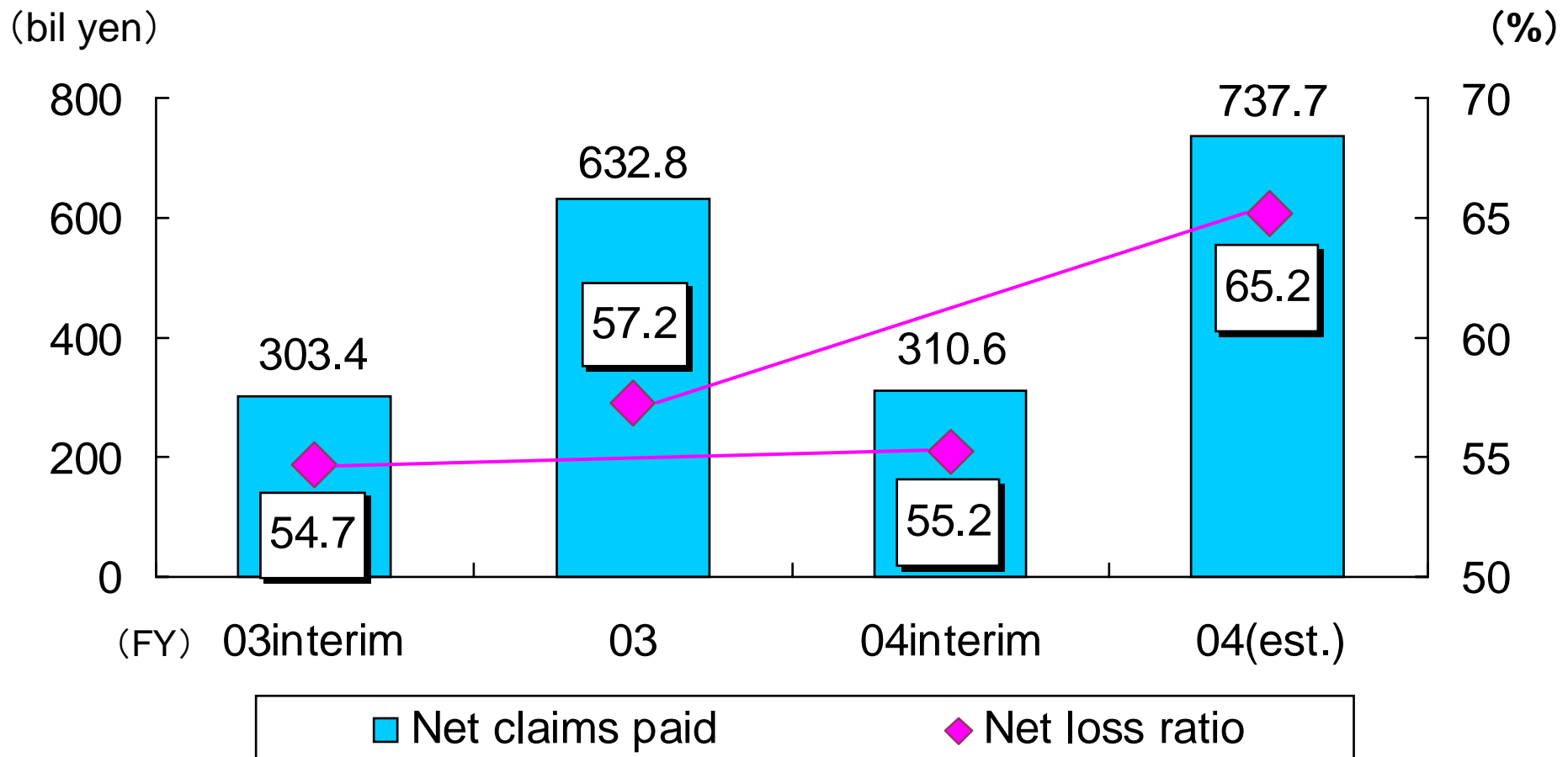


Result forecast by the end of FY2004

Net loss ratio

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

Forecast 8.0 pt up mainly due to the increase of net claims paid caused by natural disasters.

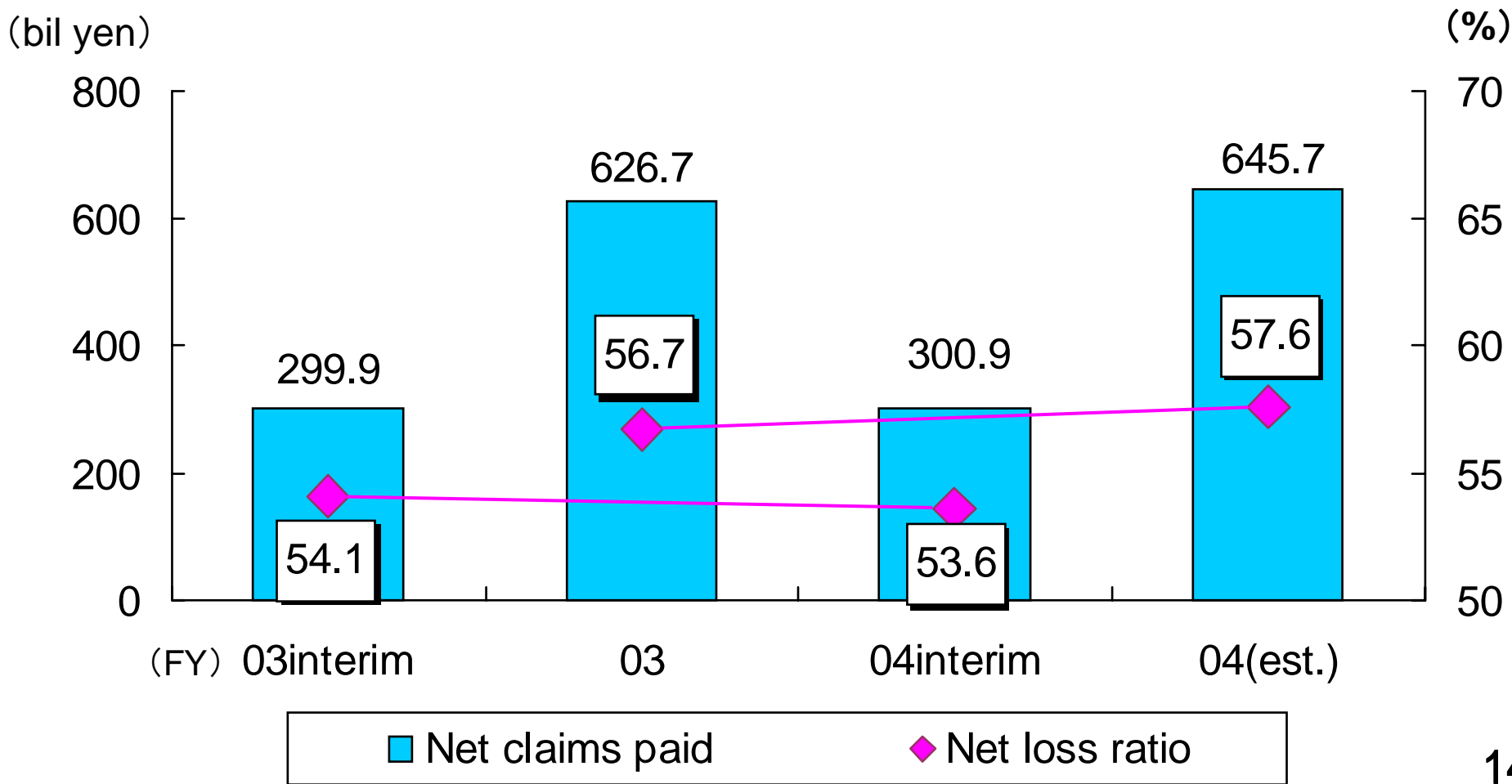


Result forecast by the end of FY2004

Net loss ratio (excluding natural disasters)

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

*Excluding the effect of natural disasters
forecast only 0.9pt up.*

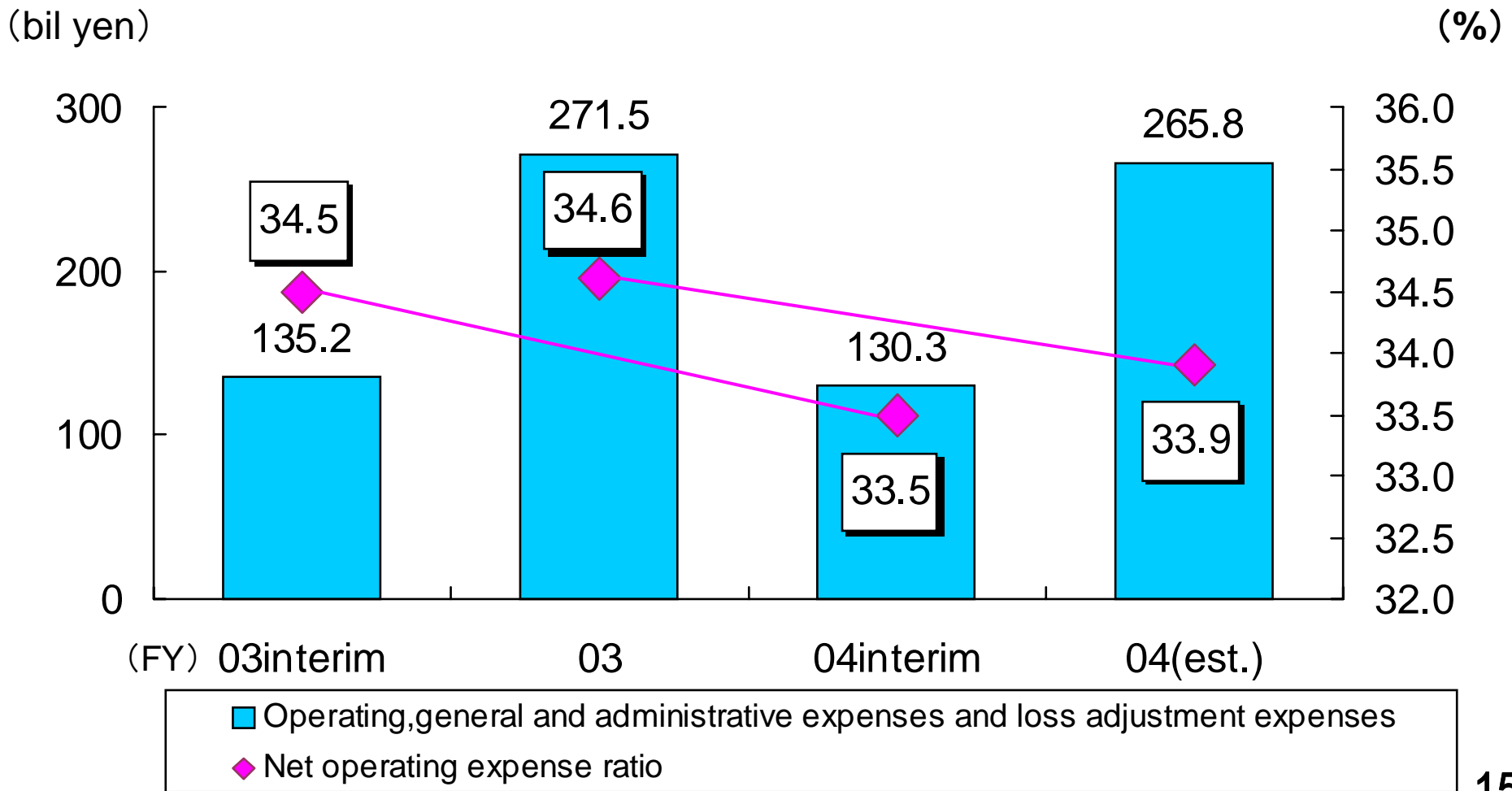


Result forecast by the end of FY2004

Net operating expense ratio

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

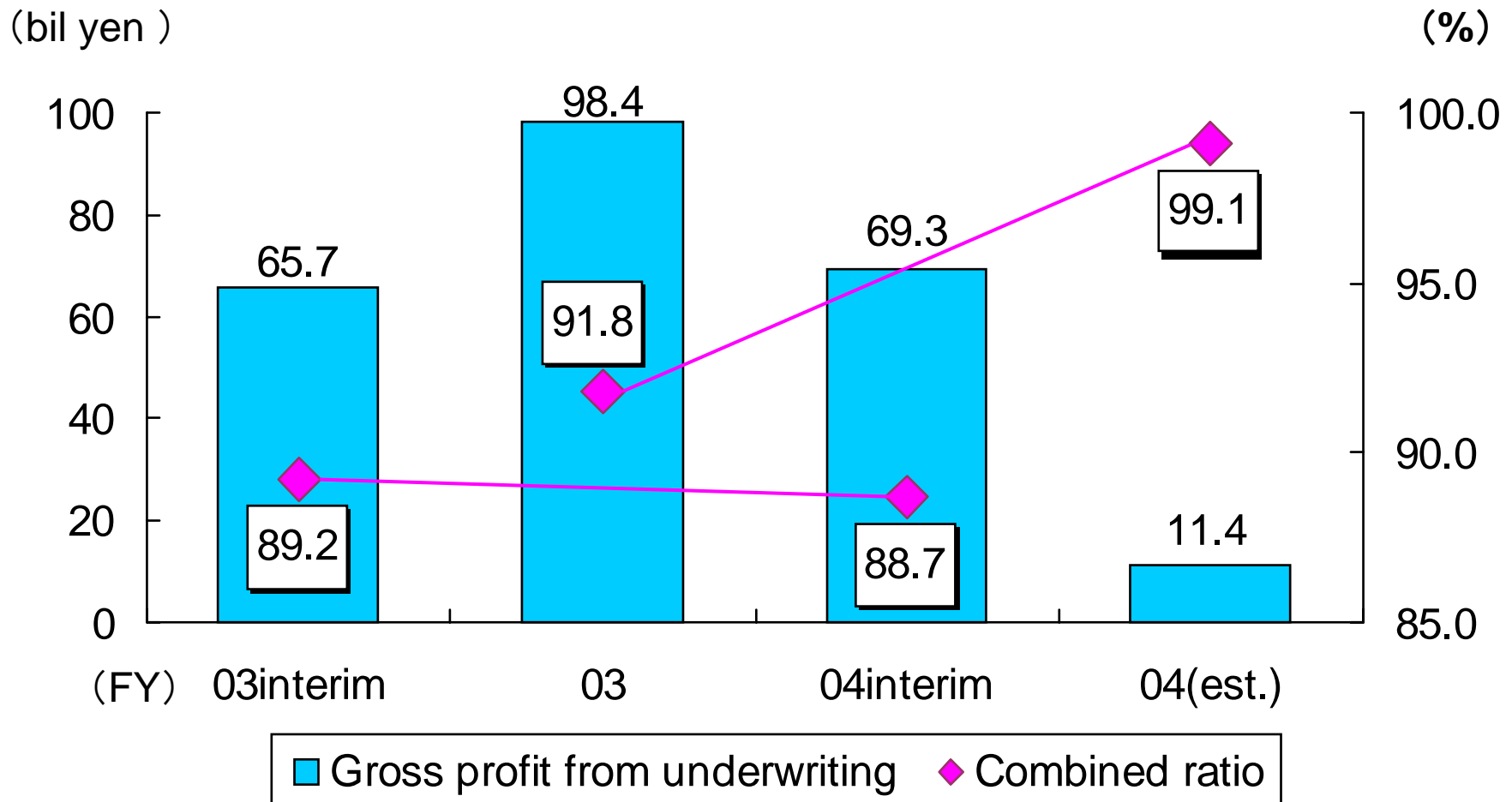
Forecast 0.7pt improvement to 33% level.



Result forecast by the end of FY2004 Combined ratio

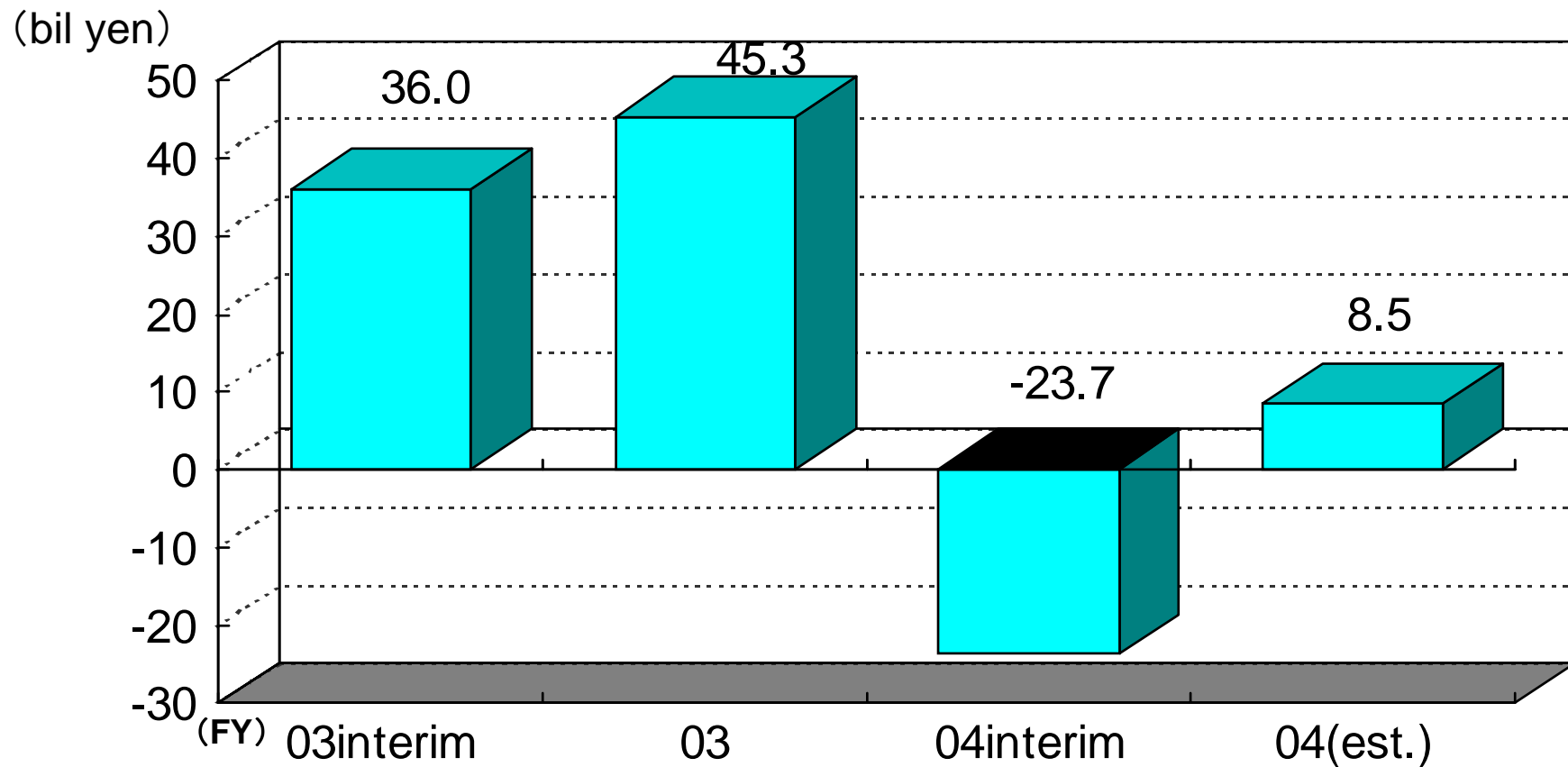
(excluding the effect of abolition of reinsurance to Government related to CALI)

Forecast 7.3 pt up due to increase of net loss ratio.



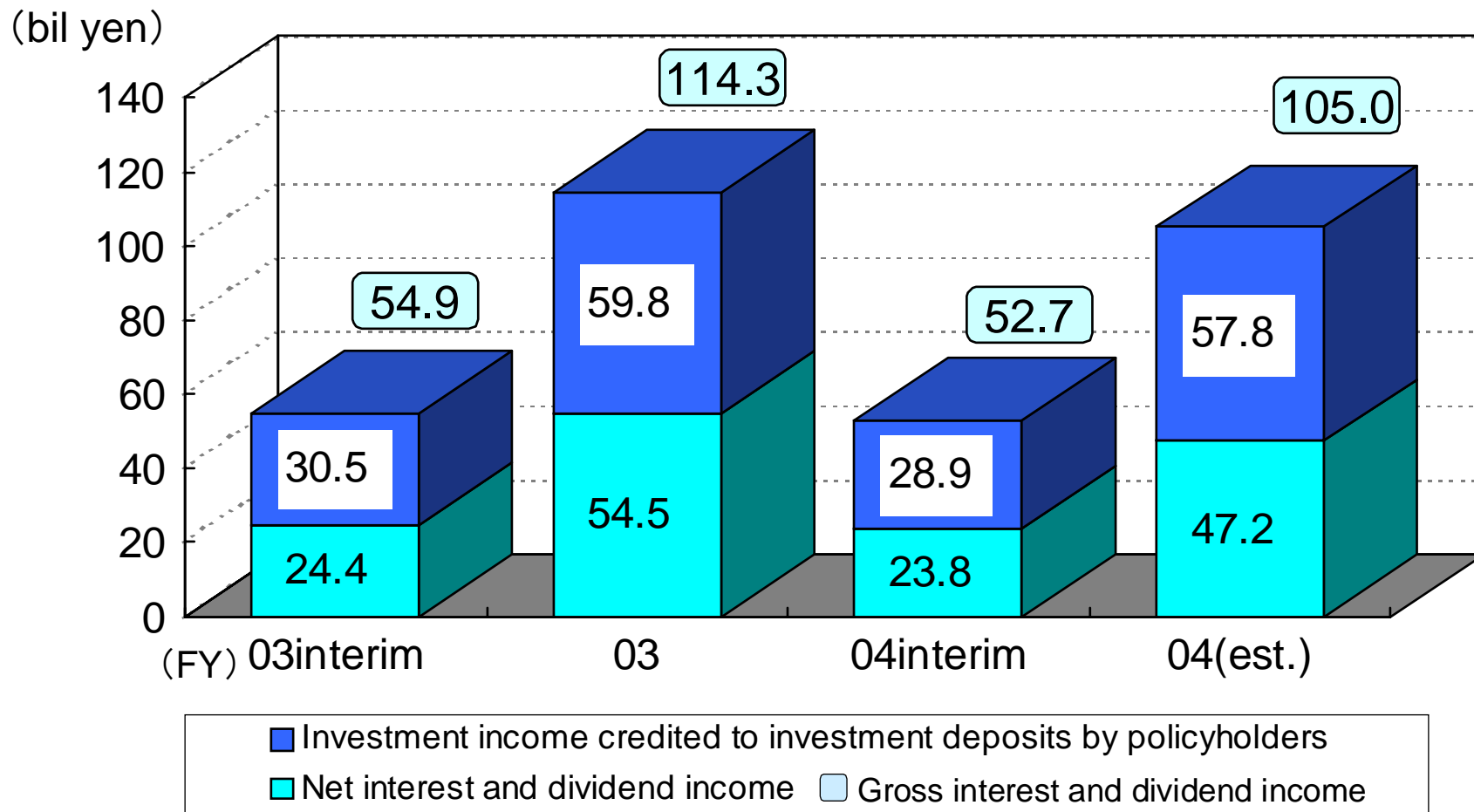
Result forecast by the end of FY2004 Underwriting profit

Forecast 36.8 bil yen down to 8.5 bil yen after offsetting natural disaster claims payment by the reversal of catastrophic loss reserve.



Result forecast by the end of FY2004 Interest and dividend income

*Interest and dividend income : forecast 9.4 bil yen down due to lowered interest rate.
Net interest and dividend income : forecast 7.3 bil yen down due to the same reason.*



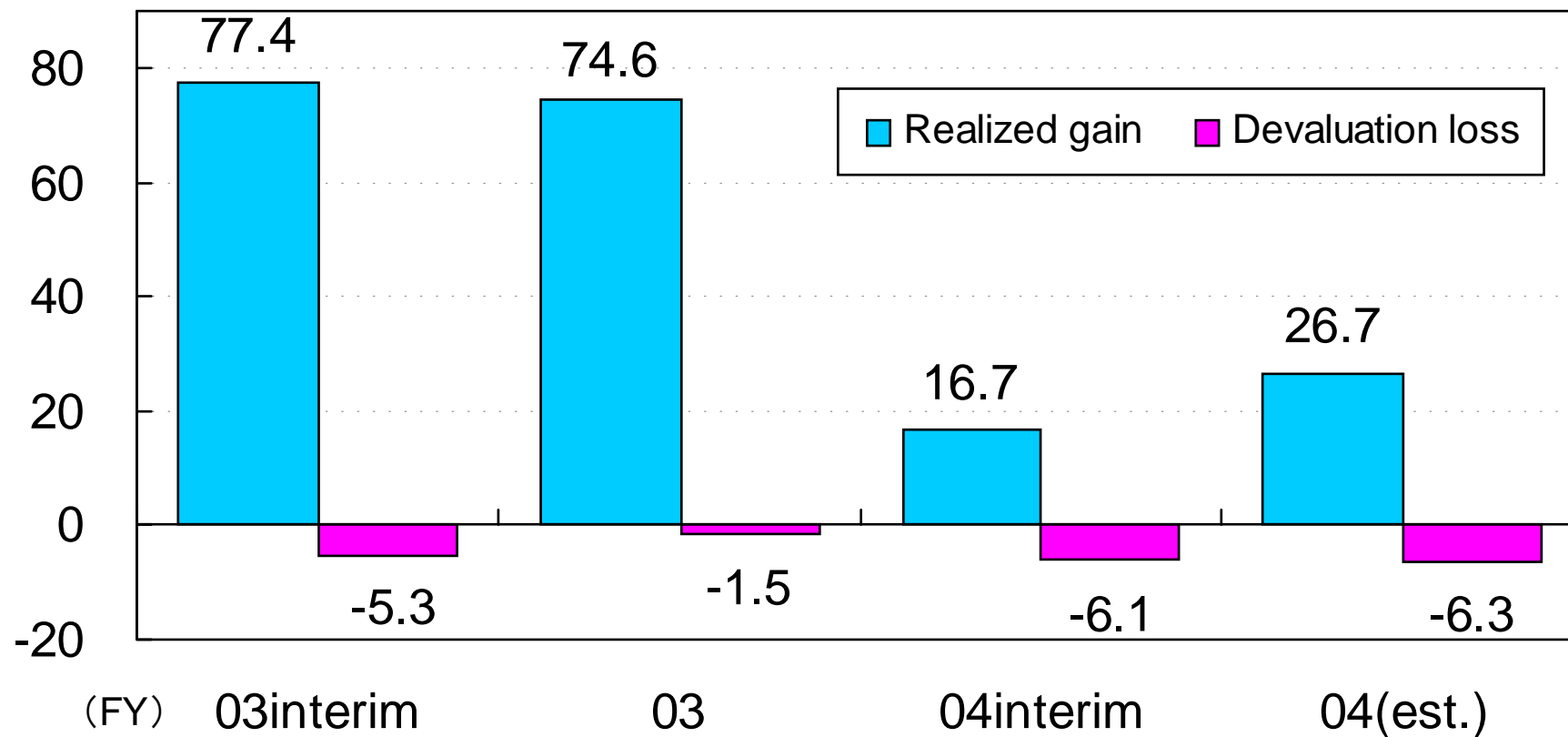
Result forecast by the end of FY2004

Net realized gain · Devaluation loss of securities

Net realized gain : forecast 26.7 bil yen.

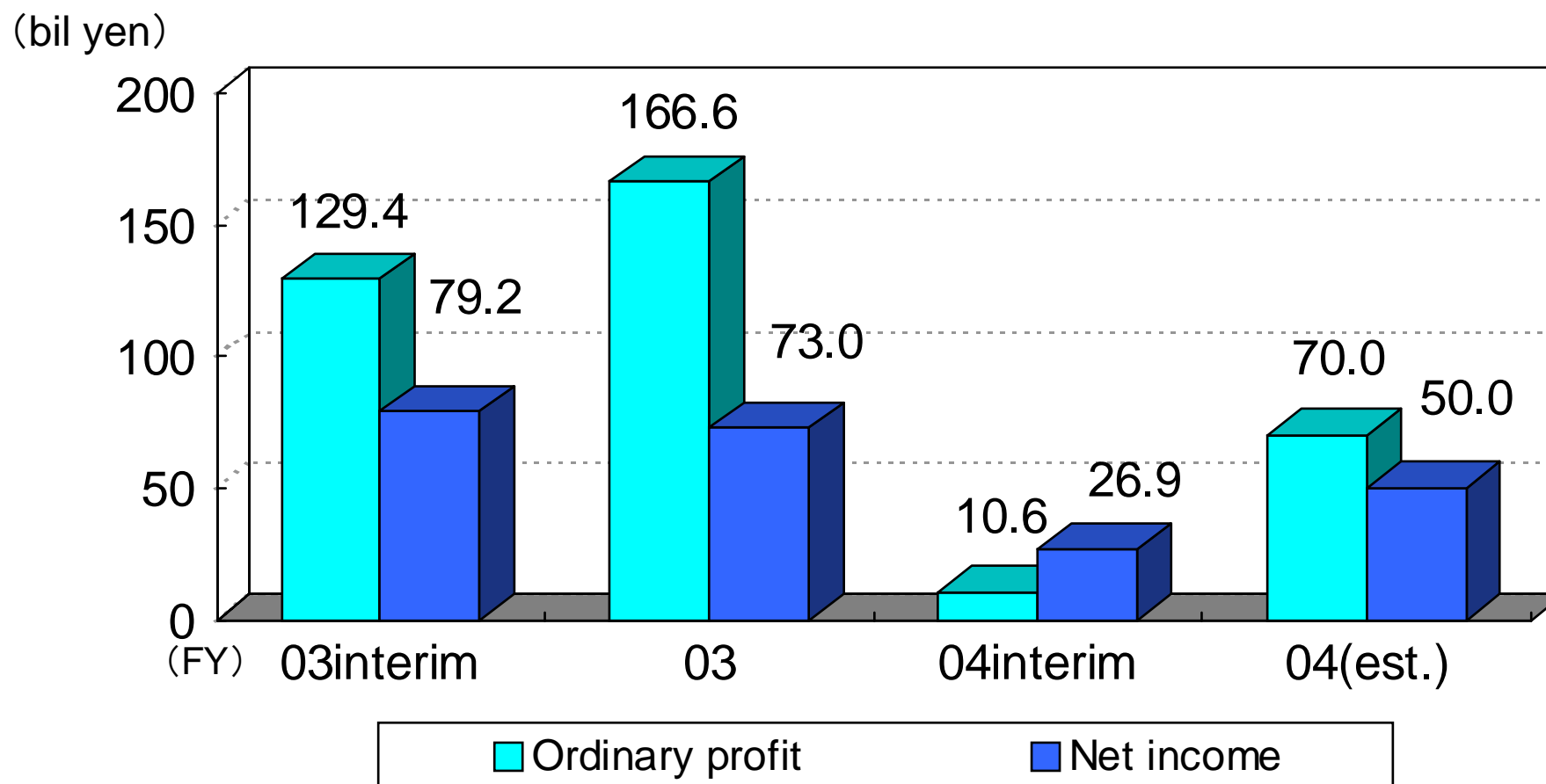
Devaluation loss : forecast 6.3 bil yen, the same level as of 04 interim.

(bil yen)



Result forecast by the end of FY2004 Ordinary profit · Net income

*Ordinary profit : forecast 70.0 bil yen.
Net income : forecast 50.0 bil yen.*



Consolidated net premiums written

*Increased by 1.4% from the previous 1st half.
Overseas insurance subsidiaries posted 4.9% increase contributed
mainly by reinsurance subsidiaries.*

(bil yen,%)

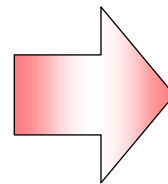
	Net premiums written	Increase amount	Increase rate
Group	712.7	9.2	1.3

(bil yen:%)

<excluding the effect of abolition of reinsurance to government related to CALI>

(bil yen:%)

Parent	611.9	6.5	1.1
Subsidiaries	54.6	2.6	4.9
Group	666.4	9.0	1.4



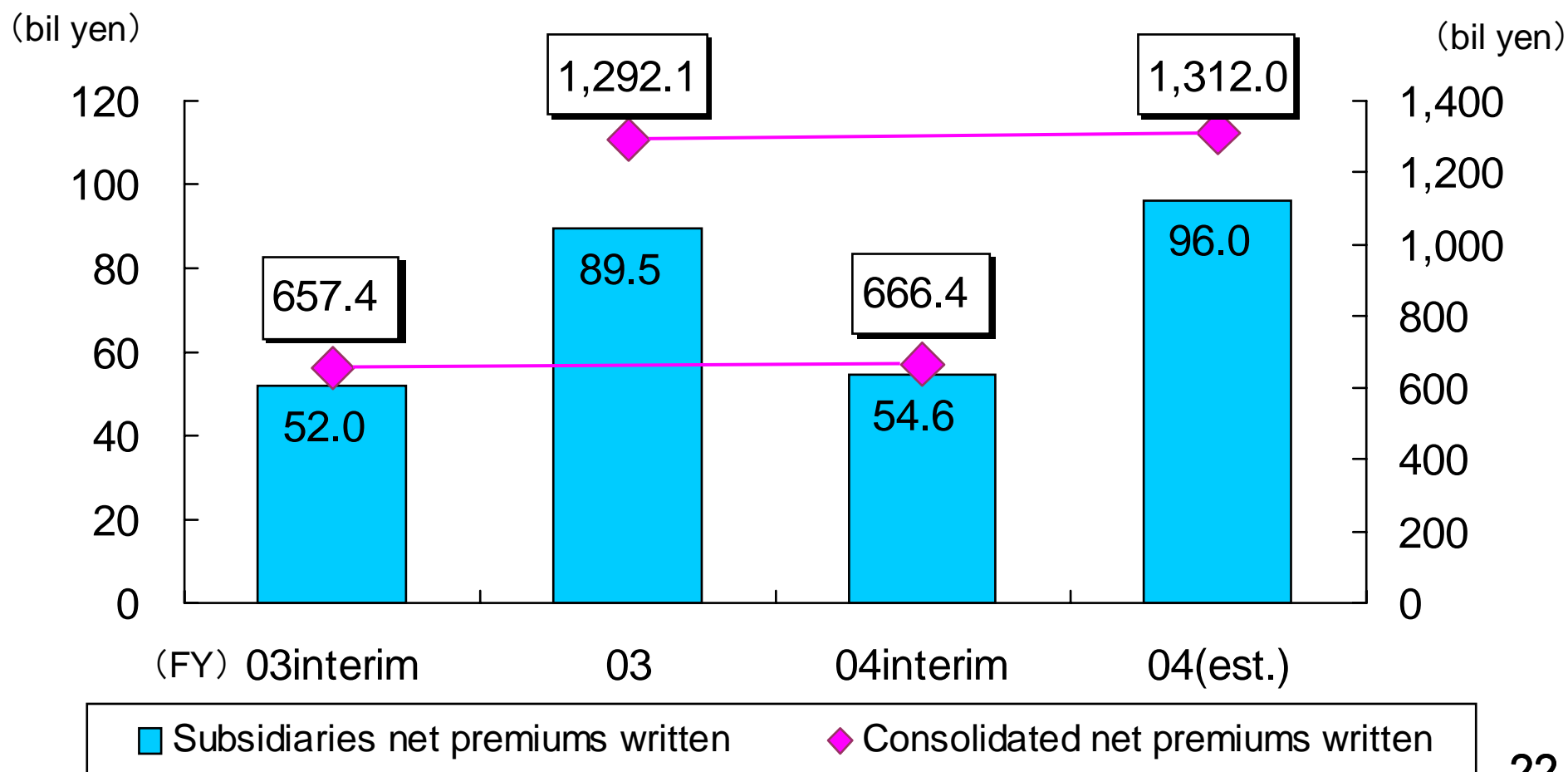
	Net premiums written	increase amount	increase rate
North/South America	16.3	-1.0	-5.6
Europe	27.5	1.4	5.2
Asia	6.2	0.2	2.6
Reinsurance subsidiaries	4.6	2.0	75.8

Consolidated result forecast by the end of FY2004

Consolidated net premiums written

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

Forecast 1.5% up to 1,312 bil yen with both parent's and subsidiaries' growth.



Mitsui Sumitomo Kirameki Life Insurance

Amount of new business posted a record high of 39.7% growth from the previous 1st half.

Amount of in-force business maintained double-digit growth rate.

Business is expanding favorably.

	(FY) 04 interim	Change from the previous 1st half
Amount of new business	900.0 bil yen	+ 39.7%
Amount of in-force business	6,359.3 bil yen	+ 18.1%

(The above is total sum of individual insurance and individual annuity)

Premium income	84.0 bil yen	+ 6.1%
Net income	0.05 bil yen	(Previous 1st half) 0.02 bil yen
Proforma net income*	1.08 bil yen	(Previous 1st half) 1.10 bil yen

*Hypothetical net income before extra reserve for Net level premium method of valuation provided.

Mitsui Sumitomo Citi Insurance Life

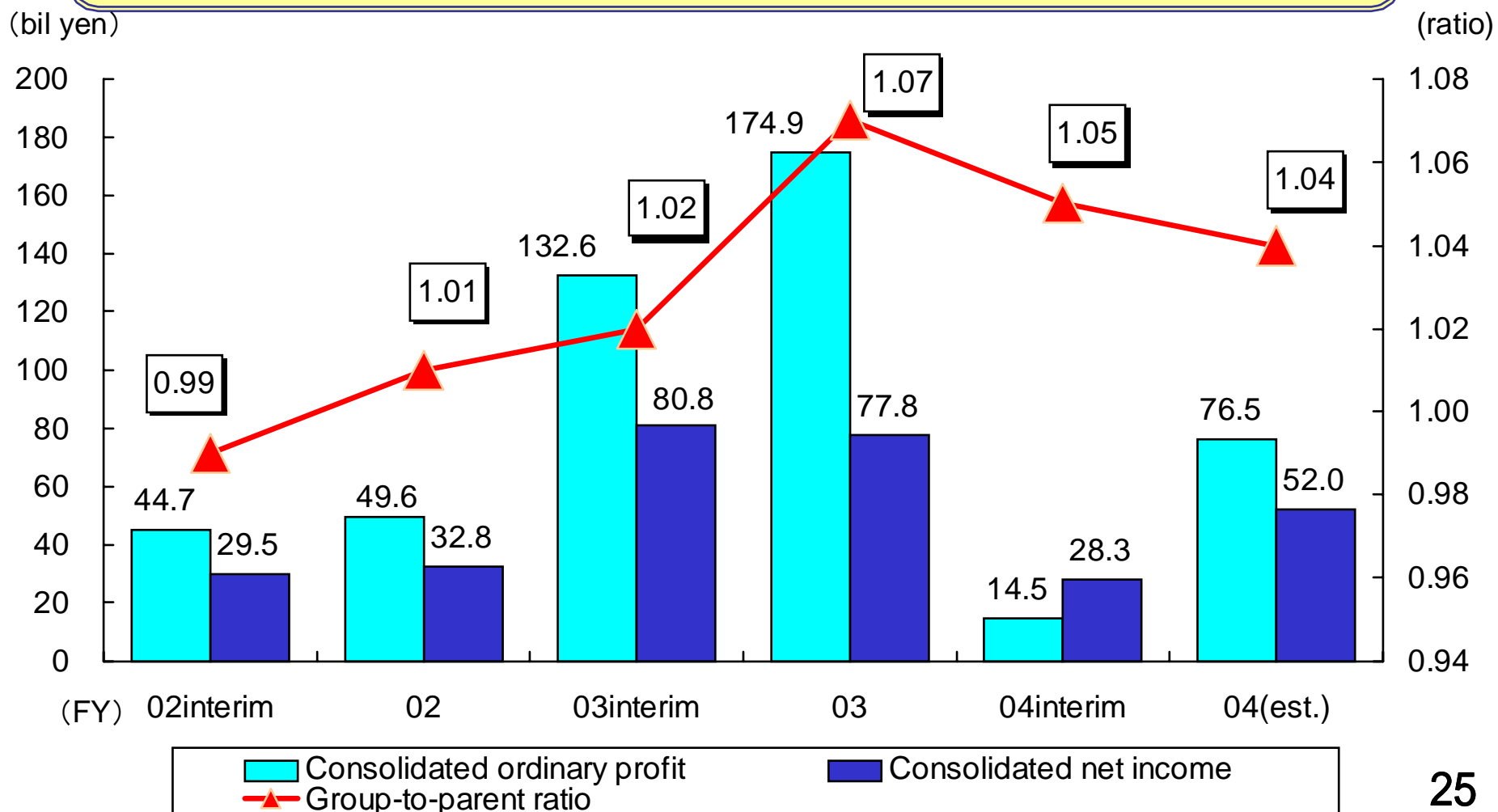
*Amount in-force expanded to 689.8 bil yen, or 1.4 times of previous year.
Premium income increased by 70.3 bil yen from the previous 1st half to 219.7 bil yen.*

	(FY) 04 interim	Change from the previous 1st half(%)
Amount of new business	194.2 bil yen	+ 56.0 bil yen
Amount of in-force business	689.8 bil yen	1.4times of previous year
(The above is individual annuity)		
Premium income	219.7 bil yen	+ 70.3 bil yen
Net loss	- 3.1 bil yen	- 2.5 bil yen

Consolidated result forecast by the end of FY 2004

Consolidated net income

Consolidated ordinary profit : forecast 76.5bil yen.
Consolidated net income : forecast 52.0 bil yen.
Expected group-to-parent ratio : 1.04 times.





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.