
Materials for FY 2011 Results Briefing (Conference Call)

May 18, 2012 (Fri)

MS&AD Insurance Group Holdings, Inc.

MS&AD Insurance Group Holdings, Inc.

I am Takayoshi Umemura from MS&AD.

Thank you for finding time in your busy schedules for participating in our conference call today.

Today's materials include the "Materials for FY 2011 Results Briefing (Conference Call)" in slide format, in addition to our "Quarterly Earnings Report" and "Earnings Briefing Materials" in A4 format.

My explanation will be based solely on the slides.

Addendum 1: Consolidated Earnings for FY 2011 (Full Year) (1)

Net premiums written increased for the Group. A significant net loss was recorded due to the impact of the flooding in Thailand and the lowering of the corporate tax rate, among other factors.
Year-end dividends have been left unchanged to maintain stable dividends.

(¥bn)

	FY2010	FY2011	FY2011		
	Results ①	Forecast* ¹ ②	Results ③	③-①	③-②
Net premiums written	2,541.4	2,562.0	2,558.8	+17.4	-3.2
Life insurance premiums	244.5	410.3	425.6	+181.0	+15.3
Ordinary profit / loss	21.0	-80.0	-96.2	-117.2	-16.2
Mitsui Sumitomo Insurance	31.7	-55.0	-130.1	-161.9	-75.1
Aioi Nissay Dowa Insurance Co.	16.0	2.0	9.2	-6.8	+7.2
Net income ^{*2}	5.4	-145.0	-169.4	-174.8	-24.4
Mitsui Sumitomo Insurance	22.8	-68.0	-130.6	-153.4	-62.6
Aioi Nissay Dowa Insurance Co.	-11.4	-48.0	-43.5	-32.1	+4.5
Mitsui Direct General Insurance	0.2	0.1	0.3	+0.1	+0.2
MSI Aioi Life	-7.1	-11.5	-11.3	-4.2	+0.2
MSI Primary Life	9.3	5.3	5.9	-3.3	+0.6
Overseas subsidiaries	4.5	-5.0	-6.7	-11.2	-1.7
Consolidation adjustments, etc.	-12.9	-17.9	16.5	+29.4	+34.3

*1 The FY2011 Forecast is based on the forecast released on February 13, 2012. Same applies below.

*2 Net income of subsidiaries is on an equity stake basis.

Addendum 1: Consolidated Earnings for FY 2011 (Full Year)

Please look at the first page of the slides entitled “Addendum 1”. It shows the earnings for the entire year ended March 2012. It also shows comparisons with the previous year’s earnings and the earnings forecast issued on February 13.

To begin with, consolidated net premiums written landed within the range of the earnings forecast announced in February. Compared to the previous year, this is an increase of 17.4 billion yen (+0.7%).

Meanwhile, consolidated ordinary profit fell short of the February forecast by 16.2 billion yen, and consolidated net income fell short by 24.4 billion yen.

Factors contributing to these discrepancies are explained on the next slide, “Addendum 2”.

The year-end dividend will be kept at the initially forecast level, and the dividend payout for the year is scheduled to be the same as the previous year, at 54 yen.

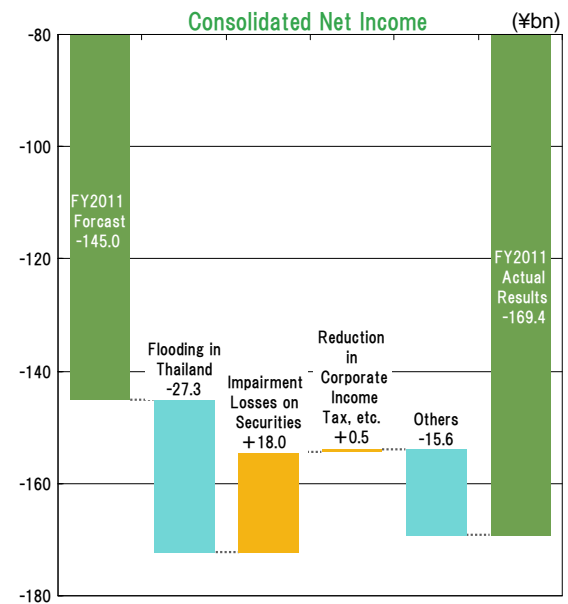
Addendum 2: Earnings for FY 2011 (Full Year) (2) Factors Leading to Deviation from Forecasts

	(¥bn)		
	FY 2011 Forecast (a)	FY 2011 Results (b)	Difference (b)-(a)
Consolidated Ordinary Profit	-80.0	-96.2	-16.2
Flooding in Thailand ^{*1}	-124.0	-161.4	-37.4
Impairment Losses on Securities	-58.5	-29.6	+28.9
Reduction in Corporate Income Tax, etc. ^{*2}	16.0	16.3	+0.3
Other	0.0	-8.0	-8.0
Consolidated Net Income	-145.0	-169.4	-24.4
Flooding in Thailand ^{*1}	-79.0	-106.3	-27.3
Impairment Losses on Securities	-37.0	-19.0	+18.0
Reduction in Corporate Income Tax, etc. ^{*2}	-82.0	-81.5	+0.5
Other ^{*3}	0.0	-15.6	-15.6

*1 Flooding in Thailand: Projected amount after reversal of catastrophe reserves for payment of insurance claims. (Earnings include foreign exchange gains)

*2 Reduction in Corporate Taxes, etc.: Amount including projected increase in valuation reserves for deferred tax assets related to impairment losses on securities. (See Addendum 4)

*3 Other includes reversal of foreign exchange adjustment account of foreign subsidiaries amounting to -¥7.2 bn.



Addendum 2: Consolidated Earnings for FY 2011 (Full Year) (2) Factors Leading to Deviation from Forecasts

Next look at "Addendum 2". I will explain the main factors contributing to the deviation from the February forecast.

The table on the left shows the impact of flooding in Thailand, reduction in corporate income tax and losses on devaluation of securities on ordinary profit and net income.

The graph on the right shows the impact on net income.

As you can see, there was a positive impact due to a decrease in losses on devaluation of securities, but overall, net income was 24.4 billion less than forecasted, resulting in a net loss of 169.4 billion yen.

I will explain the individual factors in more detail beginning with the next page.

Addendum 3: Overview of Earnings for FY 2011 (3) Impact of Major Natural Disasters

Flooding in Thailand

(¥bn)

	Incurred Loss			Claim Payments during FY2011			Impact on Ordinary Profit		
	Forecast*	Results	Chg.	Forecast*	Results	Chg.	Forecast*	Results	Chg.
MSI	194.0	234.2	+40.2	97.0	91.4	-5.5	-97.0	-130.5	-33.5
ADI	34.5	30.0	-4.5	17.0	8.3	-8.6	-19.5	-21.7	-2.2
Overseas Subsidiaries	7.5	9.2	+1.7				-7.5	-9.2	-1.7
Total	236.0	273.5	+37.4	114.0	99.8	-14.1	-124.0	-161.4	-37.4

* Published on February 13, 2012

Natural disasters in Japan (Excluding the Great East Japan Earthquake)

(¥bn)

	FY2011 Incurred Loss		
		Claims Payments	Outstanding claims
MSI	32.9	28.9	3.9
ADI	22.0	20.2	1.7
Total	54.9	49.2	5.7

(Reference) Flooding in Thailand: Factors Resulting in Change from Forecast of Incurred Loss

(¥bn)

Factor	Difference
Impact of currency exchange	+13.0
Increase in policies with other companies as leader (including reinsurers)	+5.0
Loss Increase / Machinery + Buildings	+14.0
Loss Increase / Business Interruption	+4.0
Loss Increase / Others	+1.0
Total	+37.4

Great East Japan Earthquake (Excluding residential earthquake insurance)

(¥bn)

	Provision for outstanding claims at end FY2010	FY2011 Incurred Loss			Provision for outstanding claims at end FY2011
			Claims Payments	Increase in provision for outstanding claims	
MSI	43.1	-5.8	27.7	-33.6	9.4
ADI	19.4	-1.9	15.8	-17.7	1.7
MSI Aioi Life	1.9	-0.6	1.3	-1.9	0.0
Total	64.5	-8.4	44.8	-53.3	11.2

Addendum 3: Impact of Major Natural Disasters

Next, I will explain the impact on earnings of major natural disasters inside and outside Japan. Please look at "Addendum 3".

The projected damages caused by flooding in Thailand are 273.5 billion yen for the entire Group, an increase of 37.4 billion yen from the projection in February.

Meanwhile, the amount of payments in FY2011 was 99.8 billion yen for the entire Group, down 14.1 billion yen from the projection in February.

The factors causing the incurred loss to increase by 37.4 billion yen are shown in the table on the right of the second section of slide 2. The impact of the increase in the Thai baht was approximately 13 billion yen, while the increase in policies with other companies as lead underwriter was approximately 5 billion yen.

The tables on the left side of the second section and in the third section of slide 2 show incurred losses related to domestic natural disasters.

With the exception of the Great East Japan Earthquake, incurred losses from domestic natural disasters occurring this fiscal year amounted to 54.9 billion yen for the entire Group.

Meanwhile, for the Great East Japan Earthquake (and this is a figure that excludes home earthquake insurance), the incurred loss for the current fiscal year is negative due to progress with payments.

Addendum 4: Overview of Earnings for FY 2011
(4) Impairment Loss on Securities / Impact of the Reduction in the Corporate Tax Rate, etc.

Loss on Valuation of Securities

(¥bn)

	MS&AD Holdings (Consolidated)	Mitsui Sumitomo Insurance (Non-consolidated)	Aioi Nissay Dowa Insurance (Non-consolidated)	Other Subsidiaries (Non-consolidated)	Consolidation Adjustments (Incl. Adj. for Purchase Method)
Impairment losses on securities	29.6	39.2*	14.5	1.7	-25.8*
Of this, shares	25.7	0.4	13.0	0.0	12.2

* Mitsui Sumitomo Insurance (non-consolidated) includes the ¥37.2 bn loss on valuation of subsidiary stocks eliminated through consolidation. (Consolidation adjustment: -¥37.2 bn)

Impact of the Reduction in the Corporate Tax Rate, etc.

(¥bn)

	MS&AD Holdings (Consolidated)	Mitsui Sumitomo Insurance (Non-consolidated)	Aioi Nissay Dowa Insurance (Non-consolidated)	MSI Aioi Life (Non-consolidated)	MSI Primary Life (Non-consolidated)	Other Subsidiaries (Non-consolidated) & Consolidated Adjustments
Ordinary profit [†]	16.3	7.2	9.0	0.0	0.0	0.0
Net profit	-81.5	-33.0	-49.0	-2.3	-1.7	4.6
Valuation gains/losses on other securities	37.7	35.1	3.9	3.0	0.0	-4.4
Impact on net assets	-43.8	2.1	-45.1	0.7	-1.7	0.1

* Deferred tax assets were reversed along with the 2-phase drawdown of the corporate tax rate due revisions to the taxation system implemented from FY2012. (Impact on net profit: -¥56.0 bn)

† In addition, for Aioi Nissay Dowa Insurance, this includes an increase in the valuation allowance for deferred tax assets based on the revision of the schedule for resolving the one-time differences relating to securities based on the market environment. (Impact on net profit: -¥25.5 bn (for Aioi Nissay Dowa Insurance Company (non-consolidated): -¥24.6 bn)

Addendum 4: Impact of the Reduction in the Corporate Tax Rate, etc./ Impairment Loss on Securities

Next look at “Addendum 4”. This shows the impact of the Impairment Loss on Securities and the reduction in the corporate tax rate, etc.

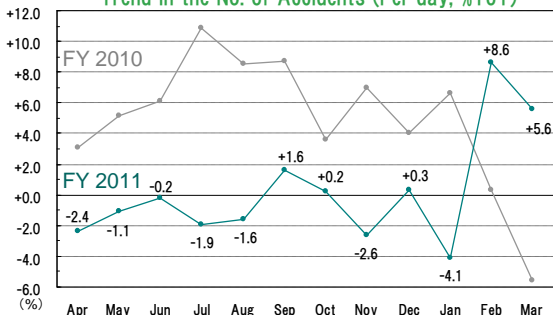
The Impairment Loss on Securities recovered by 28.9 billion yen compared to the projection in February, and was 29.6 billion yen due to a recovery in the market value of some securities at the end of March 2012.

The impact of the reduction in the corporate tax rate remains almost unchanged from the projection made in February, resulting in a positive impact of 16.3 billion yen on ordinary profit, and a negative impact of 81.5 billion yen on net income.

Although the change in the tax rate on compulsory automobile liability insurance and home earthquake insurance has no impact on net income because they are so-called “no-loss, no-profit” operations, the reason the impact on ordinary profit is positive and not negative is that the portion allotted to the reversal of the liability reserve in this process appears as a positive in ordinary profit.

Mitsui Sumitomo Insurance

Trend in the No. of Accidents (Per day, %YoY)



* Comparison of accident numbers covered by the 5 main insurance coverage, excluding by natural disasters.

Insurance Premiums, Claims, & EI Loss Ratio

<Domestic, Sales Basis>	No. of Contract	Insurance Premium Unit Price	Insurance Premiums
Factors Inc./Dec. Insurance Premiums	+0.6%	+2.5%	+3.1%

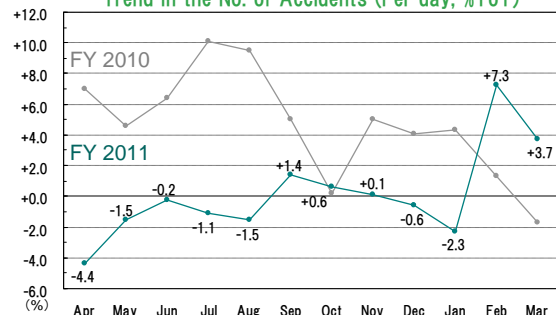
<Domestic>	Bodily injury liability	Property damage liability	Vehicles damage (Excluding natural disasters)
Chg. In average payout per claim	-6.3%	+1.6%	+0.2%

<Excluding Loss Adj. Expenses>	Mar. 2010	Mar. 2011	Mar. 2012
EI Loss Ratio	64.0%	66.7%	65.3%

* All figures for factors of increase/decrease in insurance premiums are based on sales results (Apr.-Mar.), %YoY
 * "Changes in average payout per claim" means change in average payout per claim over one-year period ended March 31, 2012 compared with average payout per claim in one-year period ended March 31, 2011.
 * The EI loss ratio excludes loss adjustment expenses. The period each year from Apr.-Mar. (Figures for Aioi Nissay Dowa Insurance prior to FY 2011 are a simple aggregate of Aioi Insurance and Nissay Dowa Insurance).

Aioi Nissay Dowa Insurance

Trend in the No. of Accidents (Per day, %YoY)



* Excluding the number of cases involving natural disasters from the comparison for FY 2011.

Insurance Premiums, Claims, & EI Loss Ratio

<Domestic, Sales Basis>	No. of Contract	Insurance Premium Unit Price	Insurance Premiums
Factors Inc./Dec. Insurance Premiums	-1.3%	+1.6%	+0.3%

<Domestic>	Bodily injury liability	Property damage liability	Vehicles damage (Excluding natural disasters)
Chg. In average payout per claim	-9.2%	+2.8%	+0.4%

<Excluding Loss Adj. Expenses>	Mar. 2010	Mar. 2011	Mar. 2012
EI Loss Ratio	63.3%	67.0%	64.8%

Addendum 5: Status of Improvement in Revenues & Expenditures for Automotive Insurance

Next, I will explain the improvement in revenues and expenditures for automotive insurance. Please look at "Addendum 5".

The upper portion of the slide is a line graph showing changes in the number of accidents compared to the same month in the preceding year.

As you can see, the number of accidents in fiscal 2011 was less than the previous year until January, but the figures bounced back in February and March due to the impact of snow and decreased distribution volumes in the previous fiscal year due to the impact of the earthquake, resulting in a slight increase for the entire year.

Next, look at the change in the average payout per claim shown in the middle of the lower section of the slide. Although the average payout for bodily injury improved significantly due to a decrease in the number of serious accidents, there was an increase in the average payout for property and vehicles due to an increase in repair costs.

Meanwhile, the insurance premiums shown above increased due to premium hikes implemented in FY2010 and FY2011 contributing to an increase in the average payout per claim.

Based on this, the loss ratio on an earned incurred basis improved in both companies from the previous year as shown in the table at the bottom of the slide.

Addendum 6: Consolidated Earnings Forecast FY 2012 (Full Year) (1)

(¥bn)

	FY 2011	FY 2012 (Forecast)	
			Change
Net premiums written	2,558.8	2,630.0	71.1
Life insurance premiums	425.6	510.0	84.4
Ordinary Profit	-96.2	125.0	221.2
Mitsui Sumitomo Insurance	-130.1	70.0	200.1
Aioi Nissay Dowa Insurance Co.	9.2	36.0	26.8
Net Income	-169.4	80.0	249.4
Mitsui Sumitomo Insurance	-130.6	47.0	177.6
Aioi Nissay Dowa Insurance Co.	-43.5	29.0	72.5
Mitsui Direct General Insurance	0.3	0.3	-0.0
MSI Aioi Life	-11.3	1.0	12.3
MSI Primary Life	5.9	5.9	-0.0
Overseas subsidiaries	-6.7	20.4	27.1
Consolidation adjustments, etc.	16.5	-23.6	-40.1

* Net income of subsidiaries is on an equity stake basis.

Addendum 6: Consolidated Earnings Forecast FY 2012 (Full Year)

Next, I will explain the consolidated earnings forecast for the fiscal year ending March 2013. Look at "Addendum 6".

Net premiums written are expected to increase by 71.2 billion yen to 2.63 trillion yen.

We expect to see significant increases in markets that are the Group's strengths, such as the life insurance sales agent channel and the auto dealer channel centered on automobile insurance.

Ordinary profit is forecast to be 125 billion yen, and net income is forecast to be 80 billion yen.

The assumptions behind these plans and the factors contributing to changes are explained from the following slide.

Addendum 7: Consolidated Earnings Forecast for FY 2012 (Full Year) (2) Assumptions for Forecasts

(¥bn)

	Mitsui Sumitomo Insurance	Aioi Nissay Dowa Insurance Co.
Domestic natural disasters (on an incurred loss during the period)	25.0	20.0
Net claims paid for flooding in Thailand	118.3	21.7
Net claims paid for Great East Japan Earthquake	9.4	1.7
Catastrophe loss reserve; Rate of provision for fire insurance	Maintained at 9%	Maintained at 6%
Both Companies are assuming the special provisions other than the above according to the progress in reversal of the catastrophe loss reserve.		
Assumptions of asset management environment	Assuming the same level as end March 2012 (Reference) End of March 2012 Nikke225 : 10,084 US\$: ¥82.19 Euro : ¥109.80	
Net interest and dividends income	47.7	30.6
Corporate tax rate	33.2%	

Addendum 7. Consolidated Earnings Forecast FY 2012 (Full Year) Assumptions for Forecasts

Look at "Addendum 7".

With regard to domestic natural disasters occurring this fiscal year, based on the occurrence of recent natural disasters such as the intense low pressure systems that were seen in April, the amount for the two companies combined is expected to be 45 billion yen, which is 20 billion yen more than the initial projection.

Furthermore, net claims paid for flooding in Thailand are expected to be 140 billion yen for the two companies combined, while net claims paid in relation to the Great East Japan Earthquake are expected to be 11.2 billion yen for the two companies combined.

Next I will explain catastrophe reserves.

The total for the three natural disasters mentioned earlier is 196.3 billion yen, 181.1 billion yen of which is fire insurance and 157.0 billion yen of which is reversal of the catastrophe reserve for fire insurance.

Meanwhile, the provision for fire insurance was maintained at 9% for Mitsui Sumitomo Insurance and 6% for Aioi Nissay Dowa Insurance, and by implementing a special provision of 106.0 billion yen for the two companies in fiscal 2012, we plan to quickly prepare for natural disasters.

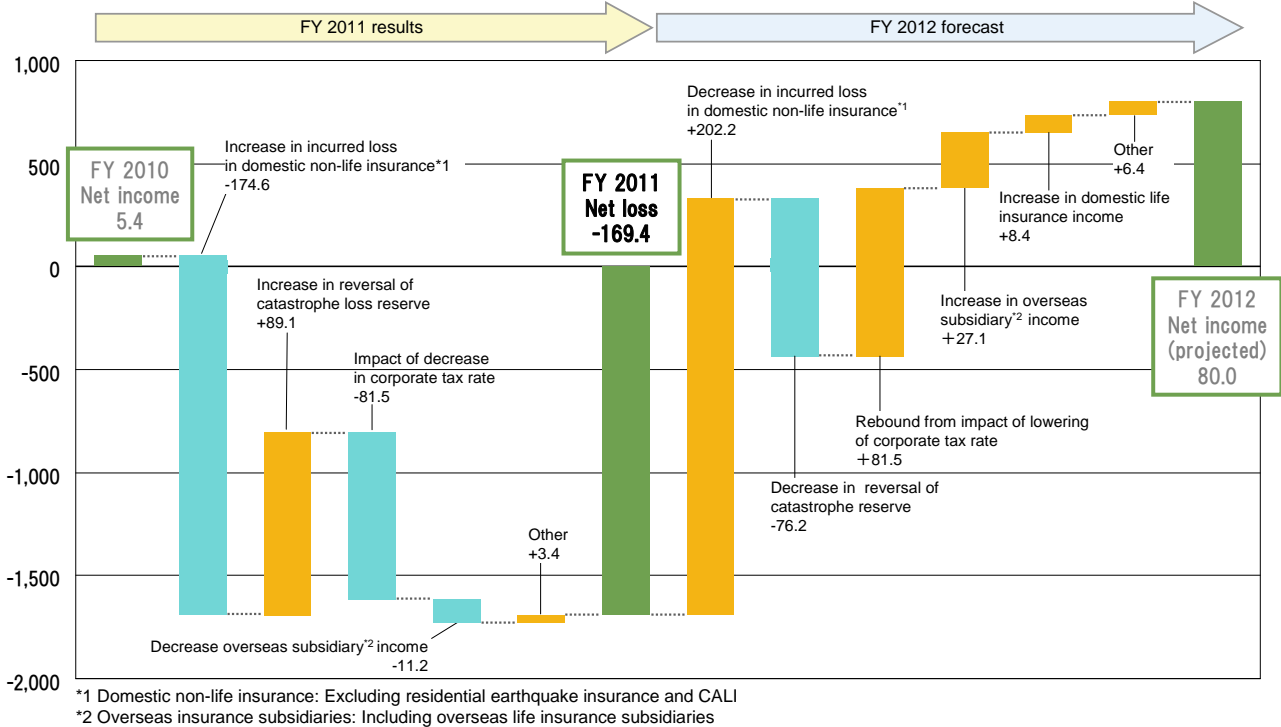
The breakdown of this special provision by company is 90 billion yen for Mitsui Sumitomo Insurance and 16 billion yen for Aioi Nissay Dowa Insurance, and although this amount was determined in consideration of the occurrence of future natural disasters, the final amount of the provision has not been finalized at this time.

The operating environment is expected to be at the same level as the end of March 2012.

Addendum 8: Consolidated Earnings Forecasts for FY 2012 (Full Year) (3) Comparison with Actual Results

Trend and Key Factors in the Change in Consolidated Net Income

(¥bn)



Addendum 8: Consolidated Earnings Forecast FY 2012 (Full Year) - Comparison with Actual Results

Next, I will explain the comparison between the forecast for fiscal 2012 and the actual results for fiscal 2011. Please look at “Addendum 8”.

The figures shown in this diagram are post-tax figures, and show the main factors for changes from the results for fiscal 2010 through the forecast for fiscal 2012.

See the “FY 2012 forecast” section on the right side of the diagram.

First, while we have projected the impact of the flooding in Thailand and a decrease in domestic natural disasters, reduced domestic insurance payments are expected to have a positive impact of 19 billion yen on a profit basis due to a projected improvement of 28.5 billion yen in other insurance payments.

A 27.1 billion yen improvement is expected in overseas subsidiaries, but the main factors causing this are the elimination of the loss that occurred in Europe in FY2011 and the absence of impact from large scale natural disasters, in addition to overseas life insurance income increasing by approximately 5 billion yen.

The negative impact caused by integration expenses in FY2011 will be eliminated, and domestic life insurance will contribute to profits.

Although there has been a substantial increase in net premiums written, the impact on profit is limited because the provision for the liability reserve is also substantial, and this will lead to profits in FY2013.

Addendum 9: Non-consolidated Earnings Forecast for FY 2012 (Full Year) Mitsui Sumitomo Insurance (1)

(¥bn)

	FY 2011	FY 2012 (Forecast)	
			Change
Net premiums written	1,269.2	1,290.0	20.7
Rate of change of net premiums written	3.1%	1.6%	-1.5pt
Net loss ratio	84.8%	77.9%	-6.9pt
Net expense ratio	33.3%	33.0%	-0.3pt
Combined ratio	118.1%	110.9%	-7.2pt
Incurred loss	1,122.0	794.3	-327.7
Underwriting income	-170.0	5.0	175.0
Net general dividend revenue	54.9	47.7	-7.2
Profit and loss on sale of securities	19.3	33.4	14.0
Loss on devaluation of securities	-39.2	-3.3	35.9
Investment income	36.5	73.4	36.8
Ordinary profit	-130.1	70.0	200.1
Extraordinary profit (loss)	-1.0	-3.0	-2.0
Net profit	-130.6	47.0	177.6
(Excluding compulsory automobile liability insurance)			
Rate of change of net premiums written	2.5%	1.0%	-1.5pt
Net loss ratio	82.7%	75.4%	-7.3pt
Net expense ratio	34.9%	34.9%	0.0pt
Combined ratio	117.6%	110.3%	-7.3pt

* "Net loss ratio" is on a "written paid" basis.

In the following pages, you will find the non-consolidated earnings forecasts for Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance, respectively. Please refer to them.

This concludes my explanation.

Addendum 10: Non-consolidated Earnings Forecast for FY 2012 (Full Year) Mitsui Sumitomo Insurance (2)

MS&AD
INSURANCE GROUP

Net premiums written (¥bn)

	FY 2011	FY 2012 (Forecast)	
			Change
Fire	182.6	175.0	-4.2%
Marine	53.0	54.4	2.6%
Casualty	139.3	140.6	0.9%
Automobile	570.9	585.5	2.5%
CALI	146.1	155.5	6.4%
Other	177.1	179.0	1.1%
Total	1,269.2	1,290.0	1.6%

Excluding CALI	1,123.1	1,134.5	1.0%
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Net loss ratio

	FY 2011	FY 2012 (Forecast)	
			Change
Fire	162.0%	128.2%	-33.8pt
Marine	65.6%	54.3%	-11.3pt
Casualty	60.2%	59.5%	-0.7pt
Automobile	73.3%	71.2%	-2.1pt
CALI	101.1%	96.1%	-5.0pt
Other	54.2%	56.1%	1.9pt
Total	84.8%	77.9%	-6.9pt

Excluding residential earthquake insurance and CALI	75.6%	75.5%	-0.1pt
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Incurred loss

(¥bn)

	FY 2011	FY 2012 (Forecast)	
			Change
Incurred loss (Excluding Loss Adj. Expenses)	1,122.0	794.3	-327.7
Domestic natural disasters/ Flooding in Thailand	332.4	25.0	-307.4
Other than natural disasters	789.5	769.3	-20.3

* Incurred loss = net claims paid + increase in ordinary underwriting reserve + increase in IBNR reserve

* "Domestic natural disasters/ Flooding in Thailand" in FY2011 includes the incurred loss of ¥65.2bn for the Great East Japan Earthquake (including ¥71.1 bn in residential earthquake insurance), and the incurred loss of ¥234.2bn for flooding in Thailand.

Addendum 11: Non-consolidated Earnings Forecast for FY 2012 (Full Year) Aioi Nissay Dowa Insurance (1)

(¥bn)

	FY 2011	FY 2012 (Forecast)	
			Change
Net premiums written	1,074.6	1,110.0	35.3
Rate of change of net premiums written	-2.1%	3.3%	5.4pt
Net loss ratio	79.7%	70.6%	-9.1pt
Net expense ratio	35.1%	34.2%	-0.9pt
Combined ratio	114.8%	104.8%	-10.0pt
Incurred loss	804.3	694.1	-110.2
Underwriting income	-20.0	13.0	33.0
Net general dividend revenue	36.2	30.6	-5.6
Profit and loss on sale of marketable securities	13.8	11.1	-2.7
Gain (loss) on valuation of securities	-14.5	-2.0	12.5
Investment income	20.4	21.5	1.1
Ordinary profit	9.2	36.0	26.8
Extraordinary profit (loss)	5.4	4.7	-0.7
Net profit	-43.5	29.0	72.5
(Excluding compulsory automobile liability insurance)			
Rate of change of net premiums written	-3.1%	2.8%	5.9pt
Net loss ratio	77.4%	67.4%	-10.0pt
Net expense ratio	36.6%	35.9%	-0.7pt
Combined ratio	114.0%	103.3%	-10.7pt

Addendum 12: Non-consolidated Earnings Forecast for FY 2012 (Full Year) Aioi Nissay Dowa Insurance (2)

Net premiums written

(¥bn)

	FY 2011	FY 2012 (Forecast)	
			Change
Fire	119.7	123.5	3.1%
Marine	8.6	10.2	17.2%
Casualty	72.6	73.9	1.8%
Automobile	631.5	647.9	2.6%
CALI	145.0	154.3	6.4%
Other	96.9	100.2	3.3%
Total	1,074.6	1,110.0	3.3%
Excluding CALI	929.6	955.7	2.8%

Net loss ratio

	FY 2011	FY 2012 (Forecast)	
			Change
Fire	140.0%	80.0%	-60.0pt
Marine	54.7%	50.0%	-4.7pt
Casualty	52.5%	53.0%	0.5pt
Automobile	69.7%	66.7%	-3.0pt
CALI	95.0%	90.7%	-4.3pt
Other	70.4%	68.4%	-2.0pt
Total	79.7%	70.6%	-9.1pt
Excluding residential earthquake insurance and CALI	70.5%	67.4%	-3.1pt

Incurred loss

(¥bn)

	FY 2011	FY 2012 (Forecast)	
			Change
Incurred loss (Excluding Loss Adj. Expenses)	804.3	694.1	-110.2
Domestic natural disasters/ Flooding in Thailand	106.8	20.0	-86.8
Other than natural disasters	697.5	674.1	-23.4

* Incurred loss = net claims paid + increase in ordinary underwriting reserve + increase in IBNR reserve

* "Domestic natural disasters / Flooding in Thailand" in FY2011 includes the incurred loss of ¥ 54.7bn for the Great East Japan Earthquake (including ¥56.6bn in residential earthquake insurance), and the incurred loss of ¥ 30.0bn for flooding in Thailand.

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Caution About Forward-Looking Statements

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