
Materials for FY 2012 Results Briefing Conference Call

May 20, 2013 (Mon)

MS&AD Insurance Group Holdings, Inc.

MS&AD Insurance Group Holdings, Inc.

I am Takayoshi Umemura from MS&AD Holdings.

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

Today's materials include the "Materials for FY 2012 Results Briefing (Conference Call)" in slide format, in addition to our "Earnings Report (Summary of Financial Statements for the Year Ended March 31, 2013)" and "Supplement (Explanation for Business Results for the Year Ended March, 2013)". My explanation will be based solely on the slides.

Addendum 1: Consolidated Earnings for FY 2012 (Full Year) (1)

Net premiums written and life insurance premiums increased satisfactorily.

Consolidated net income was 83.6 billion yen, improving significantly from FY2011 suffered by Thailand floods.

(¥ bn)

	FY2011	FY2012	YoY change	
Direct premiums written (Excluding premiums of savings-type insurance) ^{*1}	2,788.0	2,886.4	98.3	3.5%
Mitsui Sumitomo Insurance	1,353.5	1,417.3	63.8	4.7%
Aioi Nissay Dowa Insurance	1,178.1	1,199.6	21.5	1.8%
Net premiums written ^{*1}	2,558.8	2,639.4	80.5	3.1%
Mitsui Sumitomo Insurance	1,269.2	1,314.2	44.9	3.5%
Aioi Nissay Dowa Insurance	1,074.6	1,103.2	28.6	2.7%
Life insurance premiums	425.6	569.0	143.4	33.7%
Consolidated ordinary profit	-96.2	150.3	246.5	
Mitsui Sumitomo Insurance	-130.1	65.3	195.5	
Aioi Nissay Dowa Insurance	9.2	25.8	16.6	
Consolidated net income ^{*2}	-169.4	83.6	253.0	
Mitsui Sumitomo Insurance	-130.6	42.6	173.2	
Aioi Nissay Dowa Insurance	-43.5	18.8	62.4	
Mitsui Direct General Insurance	0.3	0.3	-0.0	
MSI Aoi Life	-11.3	0.4	11.8	
MSI Primary Life	5.9	10.3	4.3	
Overseas subsidiaries	-6.7	12.6	19.3	
Other: consolidation adjustments, etc.	16.4	-1.7	-18.1	

*1: Net premiums written exclude Good Result Return premiums of the "ModoRich" auto insurance product, which contains a special clause related to premium adjustment and refund at maturity, same hereafter.

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

MS&AD Insurance Group Holdings, Inc.

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Please look at the first page of the slides entitled "Addendum 1". I will provide an overview of the consolidated earnings for the entire year ended March 2013.

To begin with, consolidated direct net premiums written for non-life insurance increased by 98.3 billion yen, or 3.5%, compared to the previous year.

Consolidated net premiums written increased by 80.5 billion yen, or 3.1%, and when viewed by company, increased by 3.5% for Mitsui Sumitomo Insurance and 2.7% for Aioi Nissay Dowa Insurance, with both achieving steady growth.

As I have previously explained, the major factor for was an increase in earnings from automobile insurance and compulsory automobile liability insurance resulting from a revision in premiums in both of the core non-life companies. However, Other insurance lines, also showed a trend of steadily increasing.

Next are life insurance premiums, which showed a significant year-on-year increase of 143.4 billion yen.

This was due to robust sales performance of new products at Mitsui Sumitomo Primary Life Insurance ("MSI Primary Life") and Mitsui Sumitomo Aioi Life Insurance ("MSI Aioi Life") also faring well with new term life insurance contracts, as both of these subsidiaries continued to steadily expand their operations.

Meanwhile, turning to profitability in the Group's domestic non-life insurance companies, ordinary profit was significantly improved for both Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance due to positive factors such as booking of the reversal of loss catastrophe reserves based on insurance claims paid in relation to the Thai floods, signs of gradual improvement in the profitability of the mainstay line of auto insurance, and improved gains on investment income as a result of the favorable turn in the financial market.

The Group's domestic life insurance companies recorded increased income due to reduction of the merger costs that occurred during the previous year for MSI Aioi Life and due to the effect of new products and the tailwind provided by the financial market for MSI Primary Life. Overseas subsidiaries also recorded improved income due to a reduction of losses.

As a result of the above, consolidated ordinary profit was 150.3 billion yen and consolidated net income was 83.6 billion yen, improving upon the loss recorded during the previous year due to the floods in Thailand and the lowering of the corporate tax rate.

Based on these results, in addition to publishing the Earnings Report today, we have issued a release entitled, "Notice Regarding Repurchase of the Company's Own Shares."

As stated in the release, a resolution was passed to acquire up to 2.5 million of the Company's own shares during the period from May 21 until September 20, with the maximum aggregate amount of repurchase being 5 billion yen.

As a part of its Shareholder Return Policy and Capital Management Policy, the Company conducts repurchase of its own shares continuously and as opportunities arise, with due consideration to the Company's state of capital and earnings. This resolution to purchase own shares was based on these policies, and is aimed at improving shareholder returns and capital efficiency.

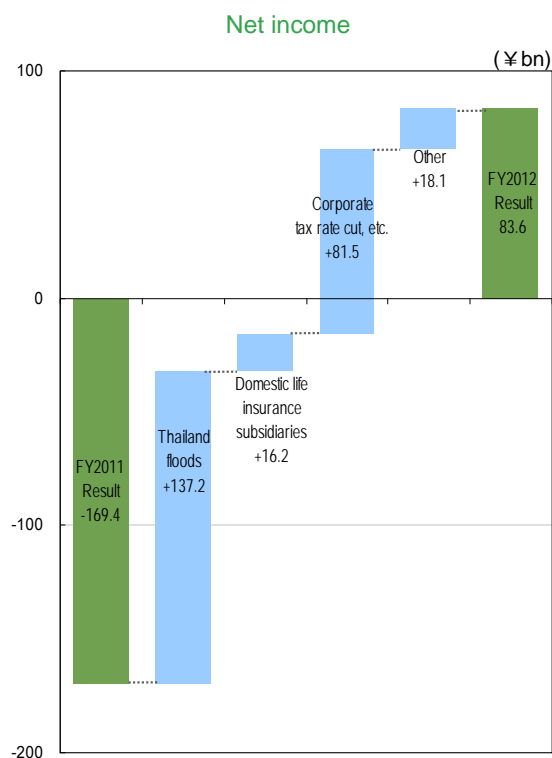
Addendum 2: Consolidated Earnings for FY 2012 (Full Year) (2) YoY Results Comparisons

(¥bn)

	FY2011	FY2012	Difference
	(a)	(b)	(b)-(a)
Consolidated Ordinary Profit	-96.2	150.3	246.5
Of that, Thailand floods ^{*1}	-161.4	44.6	206.0
Of that, domestic life insurance subsidiaries	14.8	46.4	31.5
Of that, corporate tax rate cut, etc. ^{*2}	16.3	-	-16.3
Other	34.1	59.2	25.1
Consolidated Net Income	-169.4	83.6	253.0
Of that, Thailand floods ^{*1}	-106.3	30.9	137.2
Of that, domestic life insurance subsidiaries	-5.4	10.8	16.2
Of that, corporate tax rate cut, etc. ^{*2}	-81.5	-	81.5
Other	23.7	41.9	18.1

*1 Thailand floods: Amounts after reversal of the catastrophe reserve for the payment of claims. (Including corresponding exchange losses.)

*2 Corporate tax rate cut, etc.: including an increase in the valuation reserves for deferred tax assets associated with losses on the devaluation of securities.



Next, please look at “Addendum 2.”

The table on the left shows the changes in “Consolidated Ordinary Profit” and “Consolidated Net Income” for the year ended March 31, 2013 from the previous year, and summarizes the respective effects for each contributing factor.

The graph on the right shows the change in “Consolidated Net Income” from the previous fiscal year to this fiscal year.

As you can see, the impacts of floods in Thailand and corporate tax reduction were significant factors during the previous fiscal year, and increased earnings of domestic life insurance subsidiaries made a significant contribution to group results of FY2012.

■ Natural catastrophes

(¥bn)

	Net claims paid		Increase in provision for		Incurred losses		Outstanding Claims
		YoY Change	O/S	YoY Change		YoY Change	
Natural catastrophes in Japan occurring during FY2012	49.8	0.5	3.3	-2.3	53.2	-1.8	3.3
Thailand floods	85.6	-14.3	-84.8	-258.2	0.8	-272.6	88.6
Great East Japan E/Q excluding residential earthquake insurance	7.5	-35.9	-6.2	45.1	1.3	9.1	5.0
Subtotal	143.1	-49.7	-87.7	-215.5	55.4	-265.3	97.0
Great East Japan E/Q, residential earthquake insurance	-	-146.0	-	18.2	-	-127.7	-
Total	143.1	-195.7	-87.7	-197.2	55.4	-393.0	97.0

■ Natural catastrophes in Japan occurring during FY2012

(¥bn)

	Net claims paid		Increase in provision for O/S		Incurred losses		Outstanding Claims
		YoY Change		YoY Change		YoY Change	
Mitsui Sumitomo Insurance	28.4	-0.5	2.2	-1.6	30.6	-2.2	2.2
Aioi Nissay Dowa Insurance	21.4	1.1	1.0	-0.7	22.5	0.4	1.0
Total	49.8	0.5	3.3	-2.3	53.2	-1.8	3.3

Let's move on to Addendum 3 and Addendum 4, which together illustrate the impact of natural catastrophes. I will explain them here.

The table at the top of Addendum 3 summarizes the impact of domestic natural catastrophes or "nat cats" that occurred during the current fiscal year as well the Great East Japan Earthquake and the floods in Thailand that occurred prior to the current fiscal year.

Incurred losses on natural catastrophes, excluding residential earthquake insurance, decreased by 265.3 billion yen year on year to 55.4 billion yen.

The table in the lower section shows figures for claims payment and incurred losses for the two core non-life insurance companies in relation to "Nat Cats in Japan Occurring During FY2012."

Nat cats in Japan during FY2012 included extensive damage caused by "bomb cyclones" in last April, unseasonal large typhoons, torrential rain and other natural catastrophes. Although the trend tapered to normal in the latter half of the fiscal year, incurred losses for the two core non-life insurance companies amounted to 53.2 billion yen, approaching that of the previous year, in which there was a considerably large impact of domestic natural catastrophes.

■ Thailand floods

(¥bn)

	Net claims paid		Increase in provision for O/S		Incurred losses		Outstanding Claims
		YoY change		YoY change		YoY change	
Mitsui Sumitomo Insurance	73.0	-18.4	-66.6	-209.4	6.3	-227.8	76.0
Aioi Nissay Dowa Insurance	8.8	0.5	-14.6	-36.3	-5.7	-35.8	7.0
Overseas subsidiaries	3.7	3.5	-3.4	-12.4	0.2	-8.9	5.5
Total	85.6	-14.3	-84.8	-258.2	0.8	-272.6	88.6

■ Great East Japan Earthquake (excluding residential earthquake insurance)

(¥bn)

	Net claims paid		Increase in provision for O/S		Incurred Losses		Outstanding Claims
		YoY change		YoY change		YoY change	
Mitsui Sumitomo Insurance	6.0	-21.7	-4.8	28.8	1.1	7.0	4.6
Aioi Nissay Dowa Insurance	1.5	-14.2	-1.4	16.2	0.1	2.0	0.3
Total	7.5	-35.9	-6.2	45.1	1.3	9.1	5.0

If you turn to Addendum 4 on the next page, you will find a breakdown of figures for net claims paid and incurred losses related to the Thailand floods and the Great East Japan Earthquake (excluding residential earthquake insurance) within natural catastrophes.

Please take a look at the table at the top. During the year ended March 31, 2013, the Group paid out a total of 85.6 billion yen for claims stemming from the floods in Thailand.

In addition, although the total incurred losses for the Group increased by 0.8 billion yen, this was pushed upwards by the exchange rate, including a 13.3 billion yen increase in incurred losses on a yen-denominated basis due to the appreciation in the value of the Thai baht against the yen toward the end of the fiscal year, and actual incurred losses decreased by 12.5 billion yen.

However, with regard to the baht-denominated impact described now, a foreign exchange gain occurred from baht-denominated deposits held in reserve for payment of outstanding claims and forward exchange contracts, which almost offsets the impact on income.

Addendum 5: Catastrophe Reserves/ Devaluation Losses on Securities (FY 2012 Results)

Catastrophe Reserves

(¥ bn)

	Mitsui Sumitomo Insurance				Aioi Nissay Dowa Insurance			
	Reversal	Provision	Net Change	Balance	Reversal	Provision	Net change	Balance
Fire	90.1	66.8	-23.3	111.0	35.3	10.1	-25.2	109.6
Marine	-	2.0	2.0	66.7	-	0.3	0.3	13.3
Personal Accident	5.9	4.4	-1.4	65.0	-	2.2	2.2	56.6
Automobile	18.2	18.9	0.6	18.9	20.3	20.7	0.4	20.7
Others	3.9	8.1	4.2	138.8	6.1	4.2	-1.8	49.6
Total	118.3	100.4	-17.8	400.6	61.8	37.7	-24.0	250.0
(YoY Change)	-30.7	51.1	81.8		-12.2	3.3	15.6	

* Catastrophe Reserves of Mitsui Sumitomo Insurance include special provision of 50 billion yen.

* Catastrophe Reserves of Aioi Nissay Dowa Insurance include the impact of 2.5 billion yen caused by the increase of Fire insurance provision rate from 6% to 8%.

Losses on Devaluation 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)
Losses on devaluation of securities	38.2	28.3	9.7	0.2	-0.1

Please look at “Addendum 5.” I will now discuss the situation concerning the catastrophe reserves and losses on devaluation of securities held.

First, the table at the top gives an overview of reversal and provision to the catastrophe reserves for both Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance.

Along with the claims payment for FY2012 stemming from the major disasters shown in Addendum 3, there was a sizable reversal of catastrophe reserves. In response to this, provision of the catastrophe reserves at Mitsui Sumitomo Insurance were expanded by an additional 50 billion yen, and the provision rate was raised from 6% to 8% for fire insurance at Aioi Nissay Dowa Insurance. As a result, the net reversal and provision were limited to a 17.8 billion yen reversal at Mitsui Sumitomo Insurance and a 24.0 billion yen reversal at Aioi Nissay Dowa Insurance.

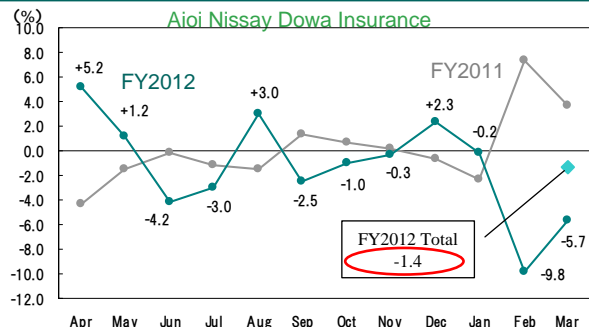
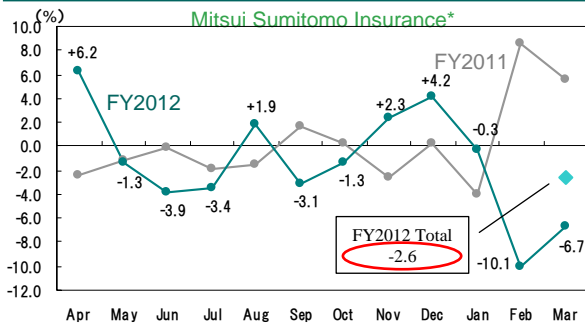
The bottom table provides an overview of the breakdown of the devaluation losses on securities including consolidation adjustments.

During the fiscal year, losses on the devaluation of securities increased due to the declining share price, but due to the rise in financial markets centered on the stock market since the end of last year, these losses were limited to 38.2 billion yen on a consolidated basis for the Group.

The Group is also steadily proceeding to sell its strategic equity holdings, with a combined total of 114 billion yen being sold by the two companies in FY2012.

Addendum 6: Improvement in Revenues and Expenditures for Auto Insurance (FY 2012 Results)

Trends in Accident Numbers (Excluding natural catastrophes, per day, YoY same-month change)



Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar

*Comparison of accident numbers covered by the 5 main insurance coverage types, excluding accidents covered by special clauses.

Premiums, Payouts and Earned to Incurred Loss Ratio

(Domestic, Sales Basis)	No. of Contracts	Insurance Premium Unit Price	Insurance Premiums
Factors Inc./Dec. Insurance Premiums	+0.6%	+2.7%	+3.3%
(Domestic)	Bodily injury liability	Property damage liability	Vehicle damage (Excluding nat cats)
Change in average payout per claim	-9.0%	+2.0%	+2.6%
(Excluding loss adjustment expenses)	Mar. 2011	Mar. 2012	Mar. 2013
EI Loss Ratio	66.7%	65.3%	62.4%

(Domestic, Sales Basis)	No. of Contracts	Insurance Premium Unit Price	Insurance Premiums
Factors Inc./Dec. Insurance Premiums	-1.0%	+2.8%	+1.9%
<Domestic>	Bodily injury liability	Property damage liability	Vehicle damage (Excluding nat cats)
Change in average payout per claim	+4.9%	+4.2%	+2.5%
<Excluding loss adjustment expenses>	Mar. 2011	Mar. 2012	Mar. 2013
EI Loss Ratio	67.0%	64.8%	63.7%

* All factors for 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, 2013 compared with average payout per claim over one-year period ended March 31, 2012.

▲ The EI loss ratio excludes loss adjustment expenses. The period each year is from April through March. (Figures of FY 2010 for Aioi Nissay Dowa Insurance includes those of Nissay Dowa Insurance).

Next, I would like to explain the improvement in revenues and expenditures for auto insurance. Please turn to "Addendum 6." The line graphs on the upper section show changes in the number of accidents compared to the same months in the preceding year for both Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance.

In FY2012, both companies generally fell below the previous year's level until October, although during April and May showing the effect of the rebound in the volume of traffic that decreased due to the Great East Japan Earthquake. This level then exceeded that of the previous year moving toward December, due to the effect of heavy snow, and there was a significant decline in February and March due to the absence of the effect of heavy snow that occurred the previous year.

As a result, the number of accidents in FY2012 decreased by 2.6% for Mitsui Sumitomo Insurance and decreased by 1.4% for Aioi Nissay Dowa Insurance, with both companies recording lower levels than the previous year.

Next, please take a look at the change in the average payout per claim shown in the middle of the lower section of the slide. There was a continuing rise in payout per claim for property damage liability and vehicle damage, especially reflecting increased repair costs, with Aioi Nissay Dowa Insurance seeing rise in payouts per claim for bodily injury liability due to an increased incidence of large claims.

At the same time, as shown in the section just above that, there continued to be an increase in insurance premiums for both companies as a result of premium revisions implemented for three consecutive years from FY2010, resulting in insurance premium unit prices exceeding those of the previous year by a little less than 3%.

As a result of these conditions, collectively the two companies saw a loss ratio of 63.1% on an earned incurred basis, an improvement of about 2 points from the previous year.

Addendum 7: Non-consolidated Earnings for FY 2012 (Full Year) Mitsui Sumitomo Insurance (1)

(¥ bn)

	FY2011	FY2012	
			YoY Change
Net premiums written	1,269.2	1,314.2	44.9
Net premiums written, growth rate	3.1%	3.5%	0.4pt
Net loss ratio	84.8%	73.3%	- 11.5pt
Net expense ratio	33.3%	32.4%	- 0.9pt
Combined ratio	118.1%	105.7%	- 12.4pt
Incurred losses	1,122.0	833.1	-288.9
Underwriting income	-170.0	-9.7	160.3
Net interest and dividend income	54.9	57.7	2.8
Gains/losses on sales of securities	19.3	53.1	33.8
Losses on devaluation of securities	-39.2	-28.3	10.8
Net investment income	36.5	82.5	45.9
Ordinary profit	-130.1	65.3	195.5
Extraordinary income (losses)	-1.0	-2.3	-1.2
Net income	-130.6	42.6	173.2
Excluding compulsory automobile liability insurance			
Net premiums written, growth rate	2.5%	3.0%	0.5pt
Net loss ratio	82.7%	70.5%	- 12.2pt
Net expense ratio	34.9%	34.1%	- 0.8pt
Combined ratio	117.6%	104.6%	- 13.0pt

* On the basis of exclusion of Good Result return premiums "ModoRich" auto insurance products

* Net loss ratio is on a "written-to-paid" basis (Same as in the following pages).

On the following pages, Addendums 7 through 12 contain non-consolidated results for Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance during the fiscal year ended March 31, 2013. Please refer to them.

Net premiums written

(¥ bn)

	FY2011	FY2012	
			Change
Fire	182.6	187.8	2.9%
Marine	53.0	53.7	1.3%
Personal accident	139.3	142.9	2.6%
Auto	570.9	590.5	3.4%
CALI	146.1	157.2	7.5%
Others	177.1	181.8	2.7%
Total	1,269.2	1,314.2	3.5%
Excluding CALI	1,123.1	1,157.0	3.0%

Net loss ratio

	FY2011	FY2012	
			Change
Fire	162.0%	107.2%	-54.8pt
Marine	65.6%	51.9%	-13.7pt
Personal accident	60.2%	59.2%	-1.0pt
Auto	73.3%	68.7%	-4.6pt
CALI	101.1%	94.4%	-6.7pt
Other	54.2%	52.7%	-1.5pt
Total	84.8%	73.3%	-11.5pt
Excluding CALI, residential earthquake	75.6%	70.5%	-5.1pt

*On the basis of exclusion of Good Result return premiums "ModoRich" auto insurance products.

Addendum 9: Non-consolidated Earnings for FY 2012 (Full Year) Mitsui Sumitomo Insurance (3)

Incurred losses and EI loss ratio (Excluding loss adjustment expenses)

(¥ bn)

	FY2011					FY2012					
	Incurred Losses (a)	EI Loss Ratio	Catastrophe Impact (b)	(a)-(b)	EI Loss Ratio (Excluding catastrophe impact)	Incurred Losses (c)	EI Loss Ratio	Catastrophe Impact (d)	(c)-(d)	EI Loss Ratio (Excluding catastrophe impact)	YoY Change
Fire (Excluding residential earthquake)	348.9	208.0%	252.4	96.5	57.6%	129.4	76.1%	32.1	97.2	57.1%	-0.5pt
Marine	31.5	59.2%	2.2	29.3	54.9%	28.0	53.1%	0.0	27.9	53.0%	-1.9pt
Personal accident	72.9	53.5%	-1.3	74.2	54.5%	76.8	54.9%	-0.0	76.8	54.9%	0.4pt
Auto	369.4	65.3%	3.2	366.2	64.8%	363.8	62.4%	3.3	360.4	61.8%	-3.0pt
Other	90.9	52.6%	4.6	86.2	49.9%	99.9	56.4%	2.5	97.3	54.9%	5.0pt
Totals (A)	913.9	83.4%	261.2	652.6	59.6%	698.1	62.1%	38.2	659.8	58.7%	-0.9pt
Residential earthquake(B)	71.1		71.1	-		-		-	-		
CALI (C)	136.9		-	136.9		135.0		-	135.0		
Total (A)+(B)+(C)	1,122.0		332.4	789.5		833.1		38.2	794.8		

* On the basis of exclusion of Good Results return premiums "ModoRich" auto insurance products.

* Incurred losses = net claims paid + provision for outstanding claims.

* Total (A) excludes residential earthquake insurance and CALI

* The impact of natural catastrophes is the total of incurred losses resulting from domestic natural catastrophes occurring during the year, the Thailand floods and the Great East Japan Earthquake.

Addendum 10: Non-consolidated Earnings for FY 2012 (Full Year) Aioi Nissay Dowa Insurance (1)

(¥ bn)

	FY2011	FY2012	
			YoY change
Net premiums written	1,074.6	1,103.2	28.6
Net premiums written, growth rate	- 2.1%	2.7%	4.8pt
Net loss ratio	79.7%	70.4%	- 9.3pt
Net expense ratio	35.1%	34.1%	- 1.0pt
Combined ratio	114.8%	104.5%	- 10.3pt
Incurred loss	804.3	717.0	-87.3
Underwriting income	-20.0	6.6	26.7
Net interest and dividend income	36.2	40.2	4.0
Gains/losses on sales of securities	13.8	7.2	-6.5
Losses on devaluation of securities	-14.5	-9.7	4.8
Net investment income	20.4	19.7	-0.6
Ordinary profit	9.2	25.8	16.6
Extraordinary income (gains/losses)	5.4	-1.6	-7.1
Net income	-43.5	18.8	62.4

(Excluding compulsory automobile liability insurance)

Net premiums written, growth rate	- 3.1%	2.2%	5.3pt
Net loss ratio	77.4%	67.2%	- 10.2pt
Net expense ratio	36.6%	35.7%	- 0.9pt
Combined ratio	114.0%	102.9%	- 11.1pt

* Growth rate of net premium written for FY2011 is the comparison with the simple aggregate figure of Nissay Dowa Insurance and Aioi Nissay Dowa Insurance results.
Same as in the following pages.

Net premiums written

(¥ bn)

	FY2011	FY2012	
			Change
Fire	119.7	126.3	5.5%
Marine	8.6	9.5	10.2%
Personal accident	72.6	71.9	-0.9%
Auto	631.5	644.8	2.1%
CALI	145.0	152.8	5.4%
Other	96.9	97.5	0.6%
Total	1,074.6	1,103.2	2.7%
Excluding CALI	929.6	950.3	2.2%

Net loss ratio

	FY2011	FY2012	
			Change
Fire	140.0%	81.1%	-58.9pt
Marine	54.7%	50.5%	-4.2pt
Personal accident	52.5%	51.8%	-0.7pt
Auto	69.7%	67.1%	-2.6pt
CALI	95.0%	90.4%	-4.6pt
Other	70.4%	63.2%	-7.2pt
Total	79.7%	70.4%	-9.3pt
Excluding CALI, residential earthquake	70.5%	67.3%	-3.2pt

Addendum 12: Non-consolidated Earnings for FY 2012 (Full Year) Aioi Nissay Dowa Insurance (3)

Incurred loss and EI loss ratio (Excluding loss adjustment expenses)

(¥ bn)

	FY2011					FY2012					
	Incurred Losses (a)	EI Loss Ratio	Catastrophe Impact (b)	(a)-(b)	EI Loss Ratio (Excluding catastrophe impact)	Incurred Losses (c)	EI Loss Ratio	Catastrophe Impact (d)	(c)-(d)	EI Loss Ratio (Excluding catastrophe impact)	YoY Change
Fire (Excluding residential earthquake)	115.1	89.1%	47.2	67.8	52.5%	81.0	62.8%	12.7	68.3	52.9%	0.4pt
Marine	3.4	39.2%	-0.1	3.5	40.7%	5.2	56.7%	0.0	5.2	56.7%	16.0pt
Personal accident	33.4	48.0%	-0.1	33.5	48.2%	33.7	49.3%	0.0	33.7	49.3%	1.1pt
Auto	411.8	64.8%	2.8	408.9	64.3%	407.9	63.7%	3.5	404.4	63.1%	-1.2pt
Other	54.9	55.8%	0.4	54.5	55.3%	61.8	62.6%	0.6	61.2	61.9%	6.6pt
Total (A)	618.7	65.7%	50.2	568.5	60.4%	589.9	62.3%	16.9	572.9	60.5%	0.1pt
Residential earthquake (B)	56.6		56.6	-		-		-	-		
CALI (C)	129.0		-	129.0		127.1		-	127.1		
Total (A)+(B)+(C)	804.3		106.8	697.5		717.0		16.9	700.0		

* Incurred losses = net claims paid + provision for outstanding claims

* Total (A) excludes residential earthquake insurance and CALI

* The impact of natural catastrophes is the total of incurred losses resulting from domestic natural catastrophes occurring during the year, the Thailand floods and the Great East Japan Earthquake.

(¥ bn)

	FY2012	FY2013	Change
	Results	Forecasts	
Net premiums written ^{*1}	2,639.4	2,770.0	130.5
Mitsui Sumitomo Insurance	1,314.2	1,351.0	36.8
Aioi Nissay Dowa Insurance	1,103.2	1,146.0	42.7
Life insurance premiums	569.0	581.2	12.2
Ordinary profit	150.3	191.0	40.6
Mitsui Sumitomo Insurance	65.3	110.0	44.6
Aioi Nissay Dowa Insurance	25.8	43.0	17.1
Net income ^{*2}	83.6	125.0	41.3
Mitsui Sumitomo Insurance	42.6	75.0	32.3
Aioi Nissay Dowa Insurance	18.8	30.0	11.1
Mitsui Direct General Insurance	0.3	0.3	-0.0
MSI Aioi Life	0.4	6.0	5.5
MSI Primary Life	10.3	11.0	0.6
Overseas subsidiaries	12.6	25.0	12.3
Others, consolidation adjustments, etc.	-1.7	-22.3	-20.6

*1 On the basis of exclusion of Good Results return premiums "ModoRich" auto insurance products.

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

Next, I will explain the consolidated earnings forecast for FY2013. Please turn to "Addendum 13."

Net premiums written are forecast to increase by 130.5 billion yen to 2,770 billion yen.

In addition to the impact of the revised premium rate for compulsory automobile liability insurance started from this April, increased premiums written are also forecast for automobile insurance, which is scheduled to undergo a revision in premium rate in October following on from the previous year, and we expect increased revenues in all lines.

Ordinary profit is forecast to be 191.0 billion yen and net income to be 125.0 billion yen.

Furthermore, although not shown in this slide, our interim and year-end dividends will each be increased by 1 yen, with the total dividend for the year ending March 31, 2014 increasing by 2 yen as we plan to increase the dividend per share to 56 yen per year.

The assumptions used for these targets are explained in the next slide.

Addendum 14: FY 2013 (Full Year) Consolidated Earnings Forecasts (2) Major Assumptions

(¥ bn)

	Mitsui Sumitomo Insurance	Aioi Nissay Dowa Insurance
Incurrred losses related to domestic natural catastrophes occurring in FY2013	20.0	15.0
Net claims paid related to the Thailand floods	75.8	7.0
Catastrophe reserves Fire insurance provision rate	9%	8%
Assumptions concerning the asset management environment	<p>Assumes the level at the end of March 2013</p> <p>(Note) As of the end of March 2013 Nikkei average: 12,398 yen; US\$: 94.05 yen; Euro: 120.73 yen</p>	
Net interest and dividends income	52.0	35.3
Corporate tax rate	33.2%	

Please turn to “Addendum 14.”

Based on the recent state of occurrence of natural catastrophes, incurred losses by domestic natural catastrophes are forecast to amount to 35.0 billion yen for the two companies combined.

Furthermore, net claims paid for floods in Thailand are expected to be approximately 83.0 billion yen for the two companies combined.

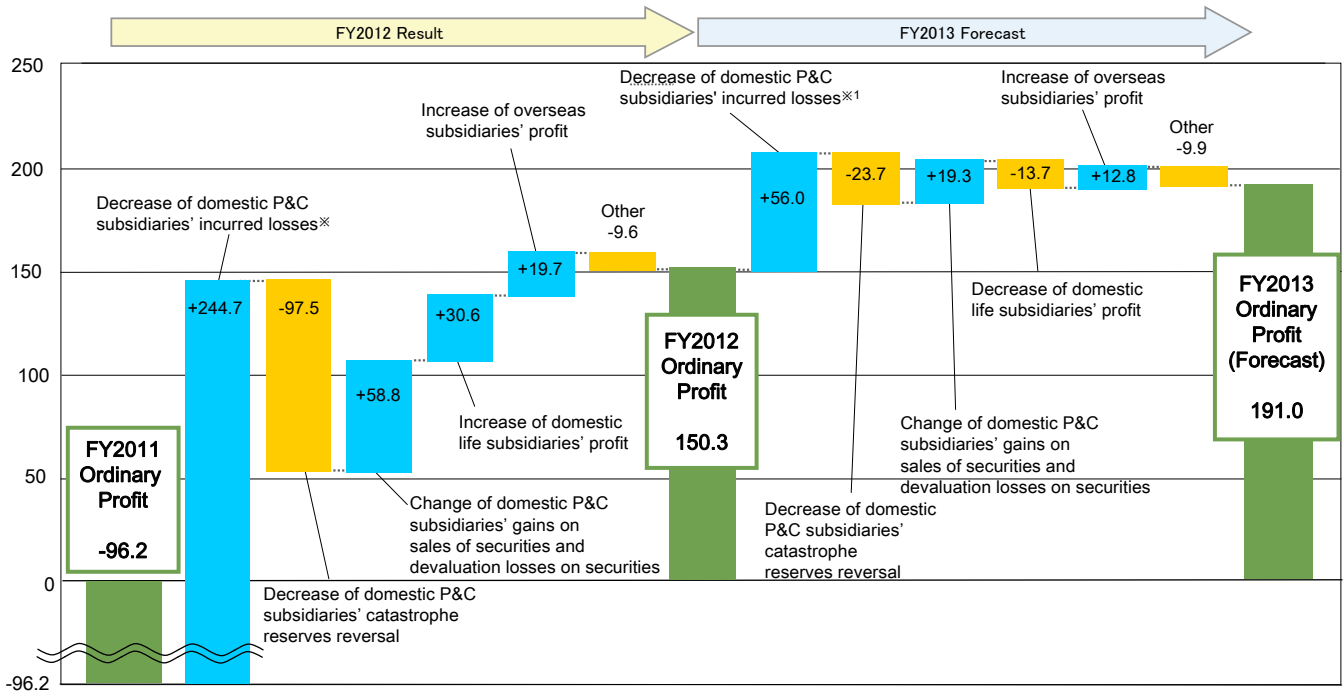
The provision of the catastrophe reserves for fire insurance is scheduled to remain at 9% for Mitsui Sumitomo Insurance and 8% for Aioi Nissay Dowa Insurance.

The asset operating environment is anticipated to be at the same level as March 31, 2013.

Addendum 15: FY 2013 (Full Year) Consolidated Earnings Forecasts (3) YoY change

Major increase/decrease factors for consolidated ordinary profit

(¥ bn)



* Domestic P&C subsidiaries' incurred losses: Sum of MSI and ADI excluding residential earthquake insurance and CALI.

Next, I will compare the earnings forecast for FY2013 with the actual results for FY2012. Please turn to "Addendum 15."

Factors contributing to changes in ordinary profit are shown from the center of the graph to the right.

To begin with, domestic P&C subsidiaries' incurred losses are forecast to decrease by 56.0 billion yen. The main factors contributing to this are the absence of the impact of the depreciation of the yen in FY2012 and a forecast that domestic natural catastrophes will decrease to the same level as in typical years.

Based on this, although the reversal of catastrophe reserves will decrease by 23.7 billion yen, ordinary profit is expected to be 191.0 billion yen in FY2013, due to factors such as an increase in capital gains on securities stemming primarily from a reduction in the loss on devaluation of securities.

The following pages contain non-consolidated forecast data for Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance for the FY2013. Please refer to them later.

This concludes my presentation. Thank you.

Addendum 16: FY 2013 (Full Year) Non-consolidated Earnings Forecasts Mitsui Sumitomo Insurance (1)

(¥ bn)

	FY2012	FY2013 (forecast)	
			YoY change
Net premiums written	1,314.2	1,351.0	36.8
Net premiums written, growth rate	3.5%	2.8%	- 0.7pt
Net loss ratio	73.3%	70.0%	- 3.3pt
Net expense ratio	32.4%	32.6%	0.2pt
Combined ratio	105.7%	102.6%	- 3.1pt
Incurred loss	833.1	779.5	-53.6
Underwriting income	-9.7	28.0	37.7
Net interest and dividend income	57.7	52.0	-5.7
Gains/losses on sale of securities	53.1	41.1	-12.1
Losses on devaluation of securities	-28.3	-3.0	25.4
Net investment income	82.5	90.3	7.8
Ordinary profit	65.3	110.0	44.6
Extraordinary income (losses)	-2.3	-0.5	1.8
Net income	42.6	75.0	32.3
(Excluding compulsory automobile liability insurance)			
Net premiums written, growth rate	3.0%	1.9%	- 1.1pt
Net loss ratio	70.5%	67.9%	- 2.6pt
Net expense ratio	34.1%	34.7%	0.6pt
Combined ratio	104.6%	102.6%	- 2.0pt

*On the basis of exclusion of Good Results return premiums "ModoRich" auto insurance products.

Net premiums written

(¥ bn)

	FY2012	FY2013 (forecast)	
			Change
Fire	187.8	193.8	3.2%
Marine	53.7	55.5	3.3%
Personal accident	142.9	144.7	1.2%
Auto	590.5	601.1	1.8%
CALI	157.2	172.0	9.4%
Other	181.8	183.9	1.1%
Total	1,314.2	1,351.0	2.8%
Excluding CALI	1,157.0	1,179.0	1.9%

Net loss ratio

	FY2012	FY2013 (forecast)	
			YoY change
Fire	107.2%	92.8%	- 14.4pt
Marine	51.9%	50.0%	- 1.9pt
Personal accident	59.2%	59.6%	0.4pt
Auto	68.7%	67.7%	- 1.0pt
CALI	94.4%	84.5%	- 9.9pt
Other	52.7%	54.2%	1.5pt
Total	73.3%	70.0%	- 3.3pt
Excluding CALI	70.5%	67.9%	- 2.6pt

*On the basis of exclusion of Good Results return premiums "ModoRich" auto insurance products.

Incurred losses

(¥ bn)

	FY2012	FY2013 (forecast)	
			YoY change
Incurred losses (excluding loss adjustment expenses) ^{*1}	833.1	779.5	-53.6
Natural catastrophes ^{*2}	38.2	20.0	-18.2
Other than natural catastrophes	794.8	759.5	-35.4

*1 Incurred losses = net claims + provision for outstanding claims

*2 The impact of natural catastrophes is the total of incurred losses resulting from domestic natural catastrophes occurring during the year, the Thailand floods and the Great East Japan Earthquake.

FY 2012 "Natural catastrophes" include Yn6.3 billion in incurred losses related to the Thailand floods, and Yn1.1 billion related to the Great East Japan Earthquake.

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Addendum 18: FY 2013 (Full Year) Non-consolidated Forecasts Aioi Nissay Dowa Insurance (1)

(¥ bn)

	FY2012	FY2013 (forecast)	
			YoY change
Net premiums written	1,103.2	1,146.0	42.7
Net premiums written, growth rate	2.7%	3.9%	1.2pt
Net loss ratio	70.4%	67.1%	- 3.3pt
Net expense ratio	34.1%	34.5%	0.4pt
Combined ratio	104.5%	101.6%	- 2.9pt
Incurred loss	717.0	709.2	-7.8
Underwriting income	6.6	7.0	0.3
Net interest and dividend income	40.2	35.3	-4.9
Gains/losses on sale of securities	7.2	15.8	8.5
Losses on devaluation of securities	-9.7	-6.6	3.1
Net investment income	19.7	36.0	16.2
Ordinary profit	25.8	43.0	17.1
Extraordinary income	-1.6	-2.3	-0.6
Net income	18.8	30.0	11.1
(Excluding compulsory automobile liability insurance)			
Net premiums written, growth rate	2.2%	3.5%	1.3pt
Net loss ratio	67.2%	64.2%	- 3.0pt
Net expense ratio	35.7%	36.4%	0.7pt
Combined ratio	102.9%	100.6%	- 2.3pt

Net premiums written

(¥ bn)

	FY2012	FY2013(forecast)	
			Change
Fire	126.3	132.5	4.8%
Marine	9.5	11.0	14.7%
Personal accident	71.9	73.9	2.7%
Auto	644.8	662.6	2.7%
CALI	152.8	162.0	6.0%
Other	97.5	104.0	6.6%
Total	1,103.2	1,146.0	3.9%
Excluding CALI	950.3	984.0	3.5%

Net loss ratio

	FY2012	FY2013 (forecast)	
			YoY change
Fire	81.1%	67.0%	- 14.1pt
Marine	50.5%	50.0%	- 0.5pt
Personal accident	51.8%	51.2%	- 0.6pt
Auto	67.1%	65.8%	- 1.3pt
CALI	90.4%	85.1%	- 5.3pt
Other	63.2%	61.2%	- 2.0pt
Total	70.4%	67.1%	- 3.3pt
Excluding CALI	67.2%	64.2%	- 3.0pt

Incurred losses

(¥ bn)

	FY2012	FY2013 (forecast)	
			YoY change
Incurred losses (including loss adjustment expenses) ^{*1}	717.0	709.2	-7.8
Natural catastrophes ^{*2}	16.9	15.0	-1.9
Other than natural catastrophes	700.0	694.2	-5.8

*1 Incurred losses = net claims paid + provision for outstanding claims

*2 The impact of natural catastrophes is the total of incurred losses resulting from domestic natural catastrophes occurring during the year, the Thailand floods and the Great East Japan Earthquake.

FY 2012 "Natural catastrophes" include Yn -5.7 billion in incurred losses related to the Thailand floods, and Yn 0.1 billion related to the Great East Japan Earthquake

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