

Materials for FY2015 2Q Results Briefing - Conference Call

Nov. 18, 2015 (Wed)

MS&AD

INSURANCE GROUP

MS&AD Insurance Group Holdings, Inc.

Summary of FY 2015 2Q Results

Consolidated Earnings for FY 2014 2Q	Page 1-4
Domestic Non-life Insurance Companies	Page 5-9
Domestic Life Insurance Companies	Page 10-11
Overseas Subsidiaries	Page 12

FY 2015 2Q Results Data

Mitsui Sumitomo Insurance (Non-consolidated)	Page 13-15
Aioi Nissay Dowa Insurance (Non-consolidated)	Page 16-18
Simple Sum of MSI and ADI (Non-consolidated)	Page 19-20

Projected Financial Results for FY 2015 (Revised)

Consolidated Earnings Forecasts for FY 2014	Page 21-24
Major Assumptions	Page 25
Mitsui Sumitomo Insurance (Non-consolidated)	Page 26-27
Aioi Nissay Dowa Insurance (Non-consolidated)	Page 28-29
Simple Sum of MSI and ADI (Non-consolidated)	Page 30-31
(Reference) Basic policy for strategic equity holdings	Page 32

Abbreviations of Company Names Used in this Presentation

• MS&AD Holdings	MS&AD Insurance Group Holdings, Inc.
• Mitsui Sumitomo Insurance, MSI	Mitsui Sumitomo Insurance Co., Ltd.
• Aioi Nissay Dowa Insurance, ADI	Aioi Nissay Dowa Insurance Co., Ltd.
• Mitsui Direct General Insurance, Mitsui Direct General	Mitsui Direct General Insurance Co., Ltd.
• MSI Aioi Life	Mitsui Sumitomo Aioi Life Insurance Co., Ltd.
• MSI Primary Life	Mitsui Sumitomo Primary Life Insurance Co., Ltd.

Summary of FY 2015 2Q Results

Consolidated Earnings for FY 2014 2Q	Page 1-4
Domestic Non-Life Insurance Companies	Page 5-9
Domestic Life Insurance Companies	Page 10-11
Overseas Subsidiaries	Page 12

1. Consolidated Earnings for FY 2014 2Q (1) - Overview (i)

- Net premiums written rose by 9.0% year on year to 1,620.0 billion yen, due to a significant increase in revenue in the domestic non-life insurance business and growth at overseas subsidiaries.
- Life insurance premiums increased 22.5% year on year to 608.5 billion yen, due to significant sales growth at MSI Primary Life and also higher revenues at MSI Aioi Life.

(¥ bn)

	FY2014 2Q	FY2015 2Q		
	Results	Results	YoY Change	Growth
Direct premiums written* (excluding deposit premiums from policyholders)	1,614.4	1,771.5	157.0	9.7%
Net premiums written*	1,486.3	1,620.0	133.6	9.0%
Mitsui Sumitomo Insurance*	729.1	801.5	72.4	9.9%
Aioi Nissay Dowa Insurance	583.6	613.5	29.8	5.1%
Mitsui Direct General Insurance	17.1	18.1	1.0	5.9%
Overseas subsidiaries	153.4	183.3	29.8	19.5%
Life insurance premiums	496.8	608.5	111.6	22.5%

*Direct premiums written and 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.

<Reference: Gross life insurance premiums>

(¥ bn)

	FY2014 2Q	FY2015 2Q		
	Results	Results	YoY Change	Growth
MSI Aioi Life	215.3	227.1	11.8	5.5%
MSI Primary Life	498.0	650.5	152.4	30.6%

2. Consolidated Earnings for FY 2015 2Q (1) - Overview (ii)

- Ordinary profit decreased 35.6 billion yen year on year to 122.4 billion yen, due to lower profits at MSI and ADI.
- Interim net income fell 23.6 billion yen year on year to 86.0 billion yen.

(¥ bn)

	FY2014 2Q	FY2015 2Q	YoY Change	Change Ratio
	Results	Results		
Ordinary profit	158.0	122.4	-35.6	-22.6%
Mitsui Sumitomo Insurance	71.2	57.2	-14.0	-19.7%
Aioi Nissay Dowa Insurance	57.3	21.4	-35.9	-62.6%
Mitsui Direct General Insurance	-0.6	-1.4	-0.7	-
MSI Aioi Life	7.8	10.2	2.3	30.4%
MSI Primary Life	10.7	30.4	19.7	184.0%
Overseas subsidiaries	21.5	19.1	-2.3	-11.0%
Consolidation adjustments, etc.	-9.9	-14.6	-4.6	-
Net income [※]	109.6	86.0	-23.6	-21.6%
Mitsui Sumitomo Insurance	50.5	44.8	-5.6	-11.2%
Aioi Nissay Dowa Insurance	46.5	14.4	-32.1	-69.1%
Mitsui Direct General Insurance	-0.5	-1.2	-0.7	-
MSI Aioi Life	3.4	5.1	1.6	49.1%
MSI Primary Life	8.1	21.1	12.9	158.4%
Overseas subsidiaries	17.0	14.3	-2.6	-15.7%
Consolidation adjustments, etc.	-15.5	-12.6	2.9	-

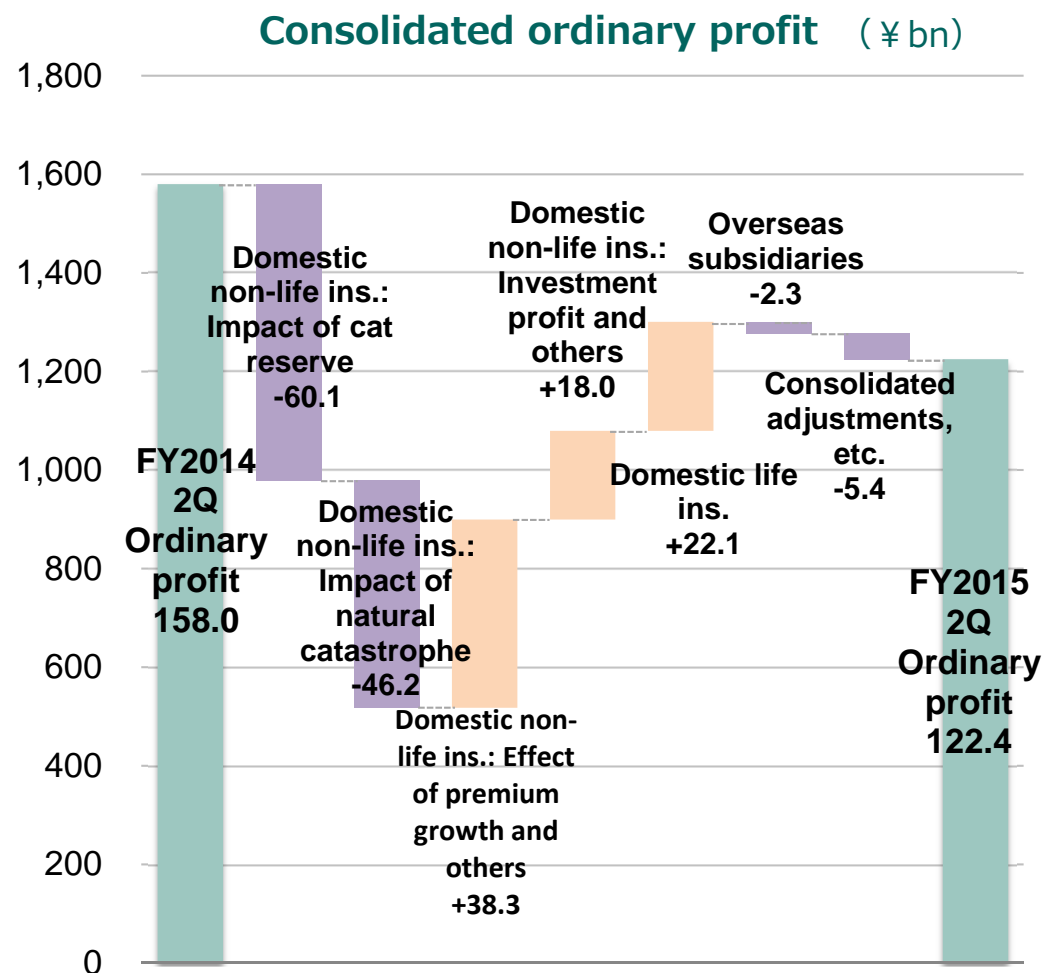
※Consolidated net income represents net income attributable to owners of the parent. Net income of subsidiaries are on equity stake basis, same hereafter.

3. Consolidated Earnings for FY 2015 2Q (2) - YoY Results Comparisons

- In domestic non-life insurance, the impact of catastrophe reserves and natural catastrophes factored in decreases in profit of 60.1 billion yen and 46.2 billion yen, respectively.
- In domestic non-life insurance, positive factors included improvements in premium growth of 38.3 billion yen and investment profit and other of 18.0 billion yen.
- Domestic life insurance factored in an increase of 22.1 billion yen, while overseas subsidiaries accounted for a decrease of 2.3 billion yen.

Factors in YoY changes in consolidated ordinary profit (¥ bn)

	FY2014 2Q (a)	FY2015 2Q (b)	Difference (b)-(a)
Consolidated ordinary profit	158.0	122.4	- 35.6
Domestic non-life insurance companies ^{*1} Impact of cat reserve	3.2	- 56.9	- 60.1
Domestic non-life insurance companies ^{*1} Impact of natural catastrophes ^{*2}	-17.3	- 63.5	- 46.2
Domestic non-life insurance companies ^{*1} Effect of premium growth and others ^{*3}	81.9	120.2	38.3
Domestic non-life insurance companies ^{*1} Investment profit and others	60.7	78.8	18.0
Domestic life insurance subsidiaries	18.5	40.7	22.1
Overseas subsidiaries	21.5	19.1	- 2.3
Consolidation adjustments, etc.	- 10.6	- 16.1	- 5.4



*1 Figures for domestic non-life insurance are the sum of figures for MSI and ADI.

*2 "Impact of natural catastrophes" is the total of incurred losses resulting from domestic natural catastrophes occurring in Japan during the period, heavy snowfalls in Feb. 2014 in Japan and the Thailand floods in 2011. But the figure of FY 2015 excludes the impact of the Thailand floods because its impact became very small.

*3 Effect of premium growth and others means underwriting profit excluding impact of cat reserve and impact of natural catastrophes.

4. Consolidated Earnings for FY 2015 2Q (3) – Group Core Profit

- Group core profit fell 37.3 billion yen year on year to 71.1 billion yen.
- The combined ratio in the domestic non-life insurance business fell 9.9 points year on year to 85.5%, due to the effect of the significant increase in net premiums written.

(¥ bn)

	FY2014 2Q	FY2015 2Q	YoY Change
	Results	Results	
Group Core Profit ※ ¹	108.4	71.1	-37.3
Domestic non-life insurance business	73.9	30.6	-43.3
Domestic life insurance business	11.4	26.1	14.6
International business	20.2	16.4	-3.8
Financial services business and risk related services business	2.7	-2.0	-4.8
Financial targets			
Combined ratio * ² (Domestic non-life insurance business)	95.4%	85.5%	- 9.9pt
Increase in EV of MSI Aioi Life	38.6	63.4	24.8
Group ROE ※ ³			

* 1 For the definition of Group Core Profit, please refer to the last page.

* 2 Combined ratio is indicated based on the simple sum figures of MSI, ADI and Mitsui Direct General

* 3 Group ROE will be disclosed at the end of every fiscal year

5 Domestic Non-life Insurance Companies (1) - MSI&ADI Results for FY 2015 2Q (i)

- Net premiums written for the simple sum of the two companies increased 7.8% to 1,415.1 billion yen, due to the effect of a significant premium increase in fire insurance and higher total premium growth in other types of insurance.
- Underwriting profit before reflecting catastrophe reserves decreased 7.9 billion yen to 56.6 billion yen for the simple sum of the two companies, this was due largely to the effects of increased revenues and a reduction in incurred loss excluding natural catastrophes, despite a significantly higher impact from natural catastrophes.
- Underwriting profit decreased 68.0 billion yen to a loss of 0.2 billion yen due to the effect of increased natural catastrophe and the absence of reversal catastrophe reserve.

	MSI (Non-consolidated)		ADI (Non-consolidated)		< Reference > Simple Sum	
		YoY Change		YoY Change		YoY Change
Net premiums written	801.5	72.4	613.5	29.8	1,415.1	102.3
Growth rate of net premiums written	9.9%	5.8pt	5.1%	4.0pt	7.8%	5.1pt
Net claims paid (—)	380.1	-25.7	309.0	-33.7	689.2	-59.5
<Incurred losses including loss adjustment expense> (—)	452.1	20.7	360.9	9.6	813.0	30.3
Commissions and collection expenses (—)	141.2	13.1	114.5	6.1	255.7	19.3
Operating expenses and general and administrative expense (underwriting) (—)	97.4	-4.0	92.3	-3.1	189.7	-7.1
Underwriting profit prior to reflecting catastrophe reserve	32.4	-5.2	24.2	-2.6	56.6	-7.9
Reversal of catastrophe reserve	-34.9	-25.8	-21.9	-34.3	-56.9	-60.1
Underwriting profit	-2.5	-31.0	2.2	-37.0	-0.2	-68.0
Ratios						
Net loss ratio ^{*1}	52.7%	-8.8pt	55.3%	-8.1pt	53.8%	-8.5pt
Net expenses ratio	29.8%	-1.7pt	33.7%	-1.2pt	31.5%	-1.5pt
Combined ratio	82.5%	-10.5pt	89.0%	-9.3pt	85.3%	-10.0pt
<Reference: Business performance excluding residential earthquake insurance and CALI ^{*2} >						
Net loss ratio	49.4%	-9.2pt	51.8%	-8.8pt	50.4%	-9.1pt
Net expenses ratio	31.6%	-2.0pt	35.8%	-1.4pt	33.4%	-1.8pt
Combined ratio	81.0%	-11.2pt	87.6%	-10.2pt	83.8%	-10.9pt

*1 Net loss ratio is on a “written-to-paid” basis, same hereafter. *2 CALI stands for Compulsory Automobile Liability Insurance, same hereafter.

6. Domestic Non-life Insurance Companies (1) - MSI&ADI Results for FY 2015 2Q (ii)

- Investment profit and other income increased 18.0 billion yen, for the simple sum of the two companies, due mainly to an increase in gains on the sale of securities.
- Extraordinary income was a negative 12.6 billion yen, due to the absence of the previous year's transfer consideration relating to reorganization by function.
- Interim net income for the simple sum of the two companies fell 37.8 billion yen year on year to 59.2 billion yen.
- Sales of strategic equity holdings for both companies combined amounted to 66.2 billion yen.

(¥ bn)

	MSI (Non-consolidated)		ADI (Non-consolidated)		< reference > Simple Sum	
		YoY Change		YoY Change		YoY Change
Underwriting profit	-2.5	-31.0	2.2	-37.0	-0.2	-68.0
Net interest and dividends income	35.5	-1.2	20.7	1.2	56.3	-0.0
Gains on sales of securities	35.3	25.7	1.7	-0.3	37.0	25.3
impairment losses on securities (-)	3.4	-0.2	1.0	0.1	4.4	-0.1
Investment profit and Other ordinary profit	59.7	17.0	19.1	1.0	78.8	18.0
Ordinary profit	57.2	-14.0	21.4	-35.9	78.6	-49.9
Extraordinary income	-1.8	-1.6	-3.3	-10.9	-5.1	-12.6
Income before income taxes	55.3	-15.6	18.0	-46.9	73.4	-62.5
Net income	44.8	-5.6	14.4	-32.1	59.2	-37.8

7. Domestic Non-life Insurance Companies FY 2015 2Q (2)

- Impact of Natural Catastrophes

- Incurred losses related to natural disasters for both companies combined increased 46.1 billion yen year on year to 63.5 billion yen.
- Net claims paid relating to natural disasters decreased by 52.9 billion yen from the same period last year, when there were substantial claim payments related to heavy snowfalls in February 2014.

Impact of natural catastrophes in Japan and heavy snowfalls in Feb. 2014

(¥ bn)

	Incurred Losses		Net Claims Paid		Provision for O/S*		Balance of O/S* as of Sep. 30, 2015
		YoY Change		YoY Change		YoY Change	
Net Cat. In Japan (Occurred in FY2015)	63.3	48.2	10.7	4.8	52.6	43.3	52.6
Mitsui Sumitomo Insurance	35.1	25.4	5.7	2.0	29.4	23.4	29.4
Aioi Nissay Dowa Insurance	28.2	22.7	4.9	2.7	23.2	19.9	23.2
Heavy snowfalls in Japan (Occurred in Feb. 2014)	0.1	-2.0	1.0	-57.8	-0.8	55.7	1.1
Mitsui Sumitomo Insurance	0.1	-1.2	0.4	-34.4	-0.3	33.2	0.2
Aioi Nissay Dowa Insurance	0.0	-0.7	0.5	-23.3	-0.4	22.5	0.8
Total	63.5	46.1	11.7	-52.9	51.8	99.1	53.7

* "O/S" stands for outstanding claims, same hereafter.

8. Domestic Non-life Insurance Companies FY 2015 2Q (3) - Catastrophe Reserves

- The net change in catastrophe reserves for both companies combined was an increase of 60.1 billion yen year on year, to 56.9 billion yen.
- The reversal of catastrophe reserves for both companies combined was 0.2 billion yen, a decline of 53.0 billion yen year on year, as claim payments related to the heavy snowfalls in February 2014 virtually came to an end, and voluntary auto insurance loss ratio improved. Provisions for catastrophe reserves were 57.1 billion yen for both companies combined, up 7.2 billion yen year on year, reflecting the increase in revenue.

Catastrophe reserves

(¥ bn)

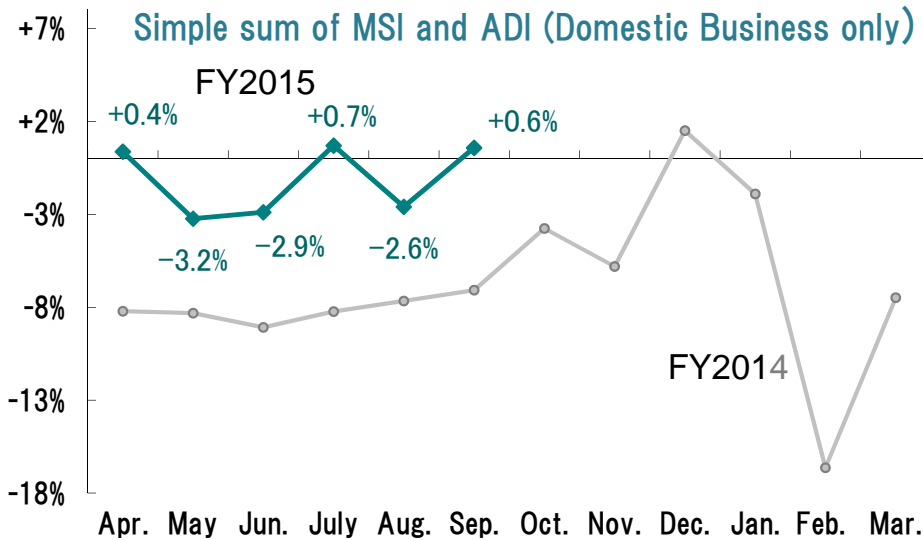
		Reversal	Provlson	Change		Balance as of Sep. 30, 2015
					YoY	
Mistui Sumitomo Insurance	Fire and allied	-	13.9	13.9	21.9	132.0
	Marine	-	1.6	1.6	0.1	73.9
	Personal accident	-	2.3	2.3	0.2	64.6
	Voluntary auto	-	10.4	10.4	2.5	32.2
	Other	0.0	6.6	6.6	0.9	162.0
	Total	0.0	34.9	34.9	25.8	464.9
Aioi Nissay Dowa Insurance	Fire and allied	-	7.2	7.2	19.8	105.7
	Marine	-	0.0	0.0	-0.1	13.8
	Personal accident	-	1.0	1.0	-0.0	62.2
	Voluntary auto	-	10.9	10.9	14.3	32.2
	Other	0.2	3.0	2.7	0.3	57.0
	Total	0.2	22.2	21.9	34.3	271.0
Simple Sum of MSI and ADI	Fire and allied	-	21.1	21.1	41.7	237.7
	Marine	-	1.6	1.6	-0.0	87.7
	Personal accident	-	3.4	3.4	0.1	126.9
	Voluntary auto	-	21.3	21.3	16.9	64.5
	Other	0.2	9.6	9.3	1.2	219.0
	Total	0.2	57.1	56.9	60.1	735.9

9. Domestic Non-life Insurance Companies FY 2015 2Q (4) – Voluntary Auto Insurance

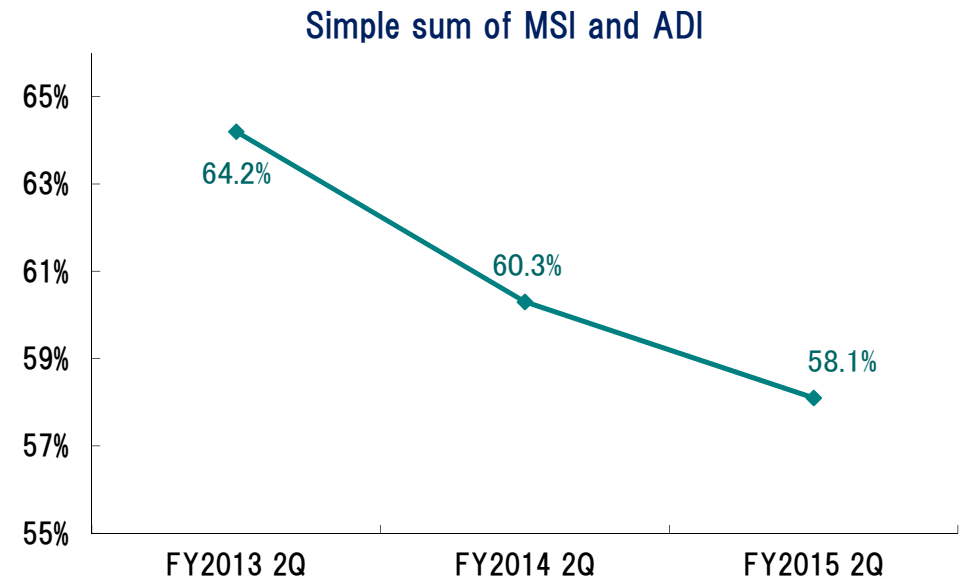
- While the number of accidents remaining at the same level as last year, the EI loss ratio improved 2.2 points year on year to 58.1% due to the increase in premiums.
- The average payout per claim rose, in part due to the impact of higher costs for parts.

Trend in the Number of Accidents

(per day, %YOY, including heavy snowfall in Feb 2014, excl. the number of accidents caused by natural disasters)



EI Loss Ratio (incl. loss adjustment expenses)



Insurance Premiums and Claims

Mitsui Sumitomo Insurance

< Domestic Sales Basis >	No. of Contracts	Insurance Premium Unit Price	Insurance Premium
Factors increasing/decreasing insurance premium	+0.2%	+3.7%	+3.9%
< Domestic >	Property damage liability	Vehicle damage (Excl. natural disasters)	
Changes in average payout per claim	+0.6%	+0.7%	

Aioi Nissay Dowa Insurance

< Domestic Sales Basis >	No. of Contracts	Insurance Premium Unit Price	Insurance Premium
Factors increasing/decreasing insurance premium	-1.0%	+3.7%	+2.6%
< Domestic >	Property damage liability	Vehicle damage (Excl. natural disasters)	
Changes in average payout per claim	+0.5%	-0.2%	

- * Changes in average payout per claim” means change in average payout per claim over one-year period ended Sep. 30, 2015 compared with average payout per claim in one-year period ended Mar. 31, 2015.
- * All figures for factors of increase/decrease in insurance premiums are based on sales results (Apr.- Sep.), %YoY
- * Figures for “ Vehicle Damage (excluding natural disasters) “ includes the impact caused by heavy snow fall in Feb. 2014.
- * EI loss ratio is calculated based on the figure during April and Sep for each year.

10. Domestic Life Insurance / MSI Aioi Life - Results for FY 2015 2Q

- The amount of new policies fell by 2.5% year on year to 1,235.4 billion yen, due mainly to a decrease in income guarantee insurance.
- Annualized premiums of new policies increased 4.5% year on year to 24.6 billion yen, due to higher sales of increasing term life insurance.
- Interim net income increased 1.6 billion yen year on year to 5.1 billion yen.
- EEV increased 63.4 billion yen to 711.3 billion yen from the beginning of the period, due to acquisition of new policies and a change in calculation assumptions.

MSI Aioi Life

(¥ bn)

	FY 2014 2Q		FY 2015 2Q		Change Ratio
	Results	Results	YoY Change	Change Ratio	
Amount of new policies	1,267.5	1,235.4	-32.1	-2.5%	
Annualized premiums of new policies	23.5	24.6	1.0	4.5%	
of which, third sector insurance	7.2	6.7	-0.5	-7.1%	
Amount of policies in force	(At the beginning of the FY) 21,894.0	22,263.0	(Change from the beginning of the FY) 369.0	1.7%	
Annualized premiums of policies in force	(At the beginning of the FY) 355.9	367.5	(Change from the beginning of the FY) 11.5	3.3%	
of which, third sector insurance	(At the beginning of the FY) 70.5	74.7	(Change from the beginning of the FY) 4.2	6.0%	
Gross premiums income	215.3	227.1	11.8	5.5%	
Ordinary profit	7.8	10.2	2.3	30.4%	
Net Income	3.4	5.1	1.6	49.1%	
Core profit	8.4	9.3	0.8	10.5%	
EEV	(At the beginning of the FY) 647.8	711.3	(Change from the beginning of the FY) 63.4		

* 2Q EEV is a pro forma figure based in part on a simple calculation. The figures have not been verified by an independent third party.

11. Domestic Life Insurance / MSI Primary Life - Results for FY 2015 2Q MS&AD

- Premiums increased 30.6% to 650.5 billion yen on strong sales of fixed whole life insurance as well as new variable whole life insurance products.
- Interim net income increased 12.9 billion yen to 21.1 billion yen, due to a reduction in the policy reserve burden for foreign currency-denominated insurance products resulting from a rise in Australian dollar interest rates.

MSI Primary Life

(¥ bn)

	FY 2014 2Q Results	FY 2015 2Q Results	YoY Change	
			YoY Change	Change Ratio
Amount of new policies*	484.6	624.9	140.2	28.9%
Amount of policies in force*	(At the beginning of the FY) 4,421.0	4,464.0	(Change from the beginning of the FY) 43.0	1.0%
Gross premiums income	498.0	650.5	152.4	30.6%
Ordinary profit	10.7	30.4	19.7	184.0%
Net Income	8.1	21.1	12.9	158.4%
Core profit	7.4	28.2	20.8	281.2%

12. Overseas Subsidiaries - Results for FY 2015 2Q

- Net premiums written increased 19.5% across all regions and reinsurance, rising to 183.3 billion yen (exchange rate impact: + 15.0 billion yen).
- Interim net income fell 2.6 billion yen year on year to 14.3 billion yen (exchange rate impact: +1.6 billion yen).

Overseas Subsidiaries

(¥ bn)

	FY 2014 2Q Results	FY 2015 2Q Results	YoY Change	
			YoY Change	Change ratio
Net premiums written	153.4	183.3	29.8	19.5%
Asia	74.0	89.0	15.0	20.4%
Europe	44.7	55.2	10.5	23.5%
Americas	21.0	24.7	3.7	17.6%
Reinsurance	13.7	14.3	0.5	4.3%
Net income	17.0	14.3	- 2.6	-15.7%
Asia	9.6	9.5	- 0.0	-0.6%
Europe	2.5	- 2.3	- 4.9	-190.7%
Americas	0.5	1.3	0.8	137.0%
Reinsurance	4.1	5.7	1.5	36.7%

FY 2015 2Q Results Data

Mitsui Sumitomo Insurance (Non-consolidated)	Page 13-15
Aioi Nissay Dowa Insurance (Non-consolidated)	Page 16-18
MSI and ADI (Simple sum of Non-consolidated)	Page 19-20

13. Non-consolidated Results for FY 2015 2Q - Mitsui Sumitomo Insurance (i)

(¥ bn)

	FY 2014 2Q Results	FY 2015 2Q	
		Results	YoY Change
Net premiums written	729.1	801.5	72.4
Growth rate of net premiums written	4.1%	9.9%	5.8pt
Net loss ratio	61.5%	52.7%	-8.8pt
Net expense ratio	31.5%	29.8%	-1.7pt
Combined ratio	93.0%	82.5%	-10.5pt
Incurred losses (Incl. loss adjustment expenses)	431.4	452.1	20.7
Underwriting profit	28.5	- 2.5	- 31.0
Net interest and dividends income	36.8	35.5	- 1.2
Gains on sales of securities	9.5	35.3	25.7
Impairment losses on securities	- 3.6	- 3.4	0.2
Investment profit	44.3	61.9	17.5
Ordinary profit	71.2	57.2	- 14.0
Extraordinary income	- 0.2	- 1.8	- 1.6
Net income	50.5	44.8	- 5.6
<Rate and ratios, excluding residential earthquake insurance and CALI>			
Growth rate of net premiums written	3.6%	10.6%	7.0pt
Net loss ratio	58.6%	49.4%	-9.2pt
Net expense ratio	33.6%	31.6%	-2.0pt
Combined ratio	92.2%	81.0%	-11.2pt

14. Non-consolidated Results for FY 2015 2Q - Mitsui Sumitomo Insurance (ii) MS&AD

Net Premiums Written

(¥ bn)

	FY 2014 2Q	FY 2015 2Q	
	Results	Results	Growth
Fire and allied	106.9	151.8	41.9%
Marine	31.9	35.4	11.2%
Personal accident	78.3	74.2	-5.2%
Voluntary automobile	313.9	325.6	3.7%
CALI	90.6	95.6	5.5%
Other	107.2	118.7	10.7%
Total	729.1	801.5	9.9%
Excluding residential earthquake insurance and CALI	638.1	705.5	10.6%

Net Loss Ratio

	FY 2014 2Q	FY 2015 2Q	
	Results	Results	YoY Change
Fire and allied	79.2%	39.7%	-39.5pt
Marine	49.4%	49.6%	0.2pt
Personal accident	55.9%	54.5%	-1.4pt
Voluntary automobile	59.2%	56.1%	-3.1pt
CALI	81.6%	77.6%	-4.0pt
Other	41.0%	40.0%	-1.0pt
Total	61.5%	52.7%	-8.8pt
Excluding residential earthquake insurance and CALI	58.6%	49.4%	-9.2pt

15. Non-consolidated Results for FY 2015 2Q - Mitsui Sumitomo Insurance (iii)

Incurring losses*1 and EI loss ratio (including loss adjustment expenses)

(¥ bn)

	FY 2014 2Q					FY 2015 2Q					
	Incurring Losses*1 (a)	EI Loss Ratio*2	Nat Cat Impact*3 (b)	(a)-(b)	EI Loss Ratio (Excluding Nat Cat Impact)	Incurring Losses*1 (c)	EI Loss Ratio*2	Nat Cat Impact*3 (d)	(c)-(d)	EI Loss Ratio (Excluding Nat Cat Impact)	YoY Change
Fire and allied (Excluding residential earthquake insurance)	59.4	60.1%	9.1	50.3	50.8%	69.7	66.3%	31.4	38.3	36.4%	-14.4pt
Marine	12.2	40.8%	0.0	12.2	40.7%	23.6	69.2%	0.1	23.5	68.9%	28.2pt
Personal accident	42.6	59.5%	0.1	42.5	59.3%	38.9	55.5%	0.0	38.9	55.5%	-3.8pt
Voluntary automobile	188.4	60.6%	0.6	187.8	60.4%	192.8	60.1%	2.2	190.5	59.4%	-1.0pt
Other	54.9	58.5%	1.1	53.8	57.3%	52.9	52.4%	1.4	51.4	50.9%	-6.4pt
Total (A)*4	357.8	59.1%	11.0	346.7	57.2%	378.1	59.9%	35.2	342.8	54.3%	-2.9pt
Residential earthquake insurance (B)	-	/	-	-	/	-	/	-	-	/	/
CALI (C)	73.5	/	-	73.5	/	73.9	/	-	73.9	/	/
Total (A)+(B)+(C)	431.4	/	11.0	420.3	/	452.1	/	35.2	416.8	/	/

*1 Incurring losses = net claims paid + loss adjustment expenses + movement in outstanding claims

*2 Earned premium, the denominator of the EI loss ratio, is calculated by adjusting unearned premium (excluding natural catastrophe reserves) and premium reserve.

*3 "Nat Cat (Natural Catastrophe) Impact" is the total of incurring losses resulting from domestic natural catastrophes occurring in Japan during the period, heavy snowfalls in Feb. 2014 in Japan and the Thailand floods. But the figures of FY 2015 excludes the impact of the Thailand floods because its impact became very small. (The impact for FY2014 2Q: 0 billion yen)

*4 Total (A) excludes residential earthquake insurance and CALI.

16. Non-consolidated Results for FY 2015 2Q - Aioi Nissay Dowa Insurance (i) &AD

(¥ bn)

	FY2014 2Q Results	FY2015 2Q	
		Results	YoY Change
Net premiums written	583.6	613.5	29.8
Growth rate of net premiums written	1.1%	5.1%	4.0pt
Net loss ratio	63.4%	55.3%	-8.1pt
Net expense ratio	34.9%	33.7%	-1.2pt
Combined ratio	98.3%	89.0%	-9.3pt
Incurred losses (Incl. loss adjustment expenses)	351.2	360.9	9.6
Underwriting profit	39.2	2.2	- 37.0
Net interest and dividends income	19.5	20.7	1.2
Gains on sales of securities	2.0	1.7	- 0.3
Impairment losses on securities	- 0.8	- 1.0	- 0.1
Investment profit	16.9	18.6	1.6
Ordinary profit	57.3	21.4	- 35.9
Extraordinary income	7.6	- 3.3	- 10.9
Net income	46.5	14.4	- 32.1
<Rate and ratios, excluding residential earthquake insurance and CALI>			
Growth rate of net premiums written	0.4%	5.4%	5.0pt
Net loss ratio	60.6%	51.8%	-8.8pt
Net expense ratio	37.2%	35.8%	-1.4pt
Combined ratio	97.8%	87.6%	-10.2pt

17. Non-consolidated Results for FY 2015 2Q - Aioi Nissay Dowa Insurance (ii)

Net Premium Written

(¥ bn)

	FY 2014 2Q	FY 2015 2Q	
	Results	Results	Growth
Fire and allied	66.1	89.2	34.8%
Marine	5.1	2.9	-42.1%
Personal accident	36.8	34.0	-7.4%
Voluntary automobile	333.7	339.6	1.8%
CALI	84.7	87.8	3.6%
Other	56.9	59.7	4.8%
Total	583.6	613.5	5.1%
Excluding residential earthquake insurance and CALI	498.6	525.3	5.4%

Net Loss Ratio

	FY 2014 2Q	FY 2015 2Q	
	Results	Results	Change
Fire and allied	83.3%	41.4%	-41.9pt
Marine	51.0%	48.4%	-2.6pt
Personal accident	48.0%	48.5%	0.5pt
Voluntary automobile	59.3%	55.7%	-3.6pt
CALI	79.6%	76.3%	-3.3pt
Other	51.0%	47.4%	-3.6pt
Total	63.4%	55.3%	-8.1pt
Excluding residential earthquake insurance and CALI	60.6%	51.8%	-8.8pt

18. Non-consolidated Results for FY 2015 2Q - Aioi Nissay Dowa Insurance (iii)

Incurring losses*1 and EI loss ratio (including loss adjustment expenses)

(¥ bn)

	FY 2014 2Q					FY 2015 2Q					
	Incurring Losses*1 (a)	EI Loss Ratio*2	Nat Cat Impact*3 (b)	(a)-(b)	EI Loss Ratio (Excluding Nat Cat Impact)	Incurring Losses*1 (c)	EI Loss Ratio*2	Nat Cat Impact*3 (d)	(c)-(d)	EI Loss Ratio (Excluding Nat Cat Impact)	YoY Change
Fire and allied (Excluding residential earthquake insurance)	36.8	49.9%	4.8	32.0	43.4%	54.9	70.8%	24.8	30.1	38.8%	-4.6pt
Marine	2.6	49.6%	-	2.6	49.6%	1.3	53.1%	-	1.3	53.1%	3.5pt
Personal accident	16.5	49.5%	0.0	16.5	49.4%	15.7	47.4%	0.0	15.7	47.4%	-2.0pt
Voluntary automobile	197.5	60.0%	1.0	196.5	59.6%	189.6	56.2%	2.5	187.1	55.5%	-4.1pt
Other	30.8	58.2%	0.3	30.4	57.5%	32.7	60.4%	0.9	31.8	58.6%	1.1pt
Total (A)*4	284.5	57.4%	6.2	278.2	56.2%	294.4	58.3%	28.3	266.1	52.7%	-3.5pt
Residential earthquake insurance (B)	-	/	-	-	/	-	/	-	-	/	/
CALI (C)	66.7	/	-	66.7	/	66.4	/	-	66.4	/	/
Total (A)+(B)+(C)	351.2	/	6.2	344.9	/	360.9	/	28.3	332.6	/	/

*1 Incurring losses = net claims paid + loss adjustment expenses + movement in outstanding claims

*2 Earned premium, the denominator of the EI loss ratio, is calculated by adjusting unearned premium (excluding natural catastrophe reserves) and premium reserve.

*3 "Nat Cat (Natural Catastrophe) Impact" is the total of incurring losses resulting from domestic natural catastrophes occurring in Japan during the period, heavy snowfalls in Feb. 2014 in Japan and the Thailand floods. But the figures of FY 2015 excludes the impact of the Thailand floods because its impact became very small.(The impact for FY2014 2Q: 0 billion yen)

*4 Total (A) excludes residential earthquake insurance and CALI.

19. MSI and ADI (Simple sum of Non-consolidated) (i)

(¥ bn)

	FY 2014 2Q Results	FY 2015 2Q	
		Results	YoY Change
Net premiums written	1,312.8	1,415.1	102.3
Growth rate of net premiums written	2.7%	7.8%	5.1pt
Net loss ratio	62.3%	53.8%	-8.5pt
Net expense ratio	33.0%	31.5%	-1.5pt
Combined ratio	95.3%	85.3%	-10.0pt
Incurred losses (Incl. loss adjustment expenses)	782.6	813.0	30.3
Underwriting profit	67.8	- 0.2	- 68.0
Net interest and dividends income	56.3	56.3	- 0.0
Gains on sales of securities	11.6	37.0	25.3
Impairment losses on securities	- 4.5	- 4.4	0.1
Investment profit	61.3	80.5	19.2
Ordinary profit	128.6	78.6	- 49.9
Extraordinary income	7.4	- 5.1	- 12.6
Net income	97.1	59.2	- 37.8
<Rate and ratios, excluding residential earthquake insurance and CALI>			
Growth rate of net premiums written	2.2%	8.3%	6.1pt
Net loss ratio	59.5%	50.4%	-9.1pt
Net expense ratio	35.2%	33.4%	-1.8pt
Combined ratio	94.7%	83.8%	-10.9pt

20. Simple Sum of MSI & ADI (Non-consolidated) (ii)

Net premiums written (¥ bn)

	FY 2014 2Q	FY 2015 2Q	
	Resulta	Results	Growth
Fire and allied	173.1	241.0	39.2%
Marine	37.0	38.4	3.9%
Personal accident	115.2	108.3	-5.9%
Voluntary automobile	647.7	665.3	2.7%
CALI	175.4	183.5	4.6%
Other	164.2	178.4	8.7%
Total	1,312.8	1,415.1	7.8%
Total excl. residential EQ insurance and CALI	1,136.7	1,230.9	8.3%

Net loss ratio

	FY 2014 2Q	FY 2015 2Q	
	Resulta	Results	YoY change
Fire and allied	80.8%	40.3%	-40.5pt
Marine	49.6%	49.5%	-0.1pt
Personal accider	53.4%	52.6%	-0.8pt
Voluntary automobile	59.2%	55.9%	-3.3pt
CALI	80.7%	77.0%	-3.7pt
Other	44.5%	42.5%	-2.0pt
Total	62.3%	53.8%	-8.5pt
Total excl. residential EQ insurance and	59.5%	50.4%	-9.1pt

(¥ bn)

	FY2014 2Q	FY 2015 2Q	
	Results	Results	YoY Change
Incurred losses (Incl. loss adjustment expenses) ^{*1}	782.6	813.0	30.3
Natural catastrophes ^{*2}	17.3	63.5	46.2
Other than natural catastrophes	765.3	749.4	-15.8

*1 Incurred losses = net claims paid + loss adjustment expenses + movement in outstanding claims

*2 "Natural catastrophes" mean domestic natural catastrophes occurring in Japan during the period, heavy snowfalls in Feb. 2014 in Japan, and the floods in Thailand in 2011. But as for FY 2015 excludes the impact of Thailand floods because its impact became very small. (The impact of Thailand floods for FY2014 2Q : -0 billion yen.)

Projected Financial Results for FY2015 (Revised)

Consolidated Earnings Forecasts for FY 2014	Page 18-21
Major Assumptions	Page 22
Mitui Sumitomo Insurance (MSI) (Non-consolidated)	Page 23-24
Aioi Nissay Dowa Insurance (ADI) (Non-consolidated)	Page 25-26
Simple Sum of MSI and ADI (Non-consolidated)	Page 27-28
(Reference) Basic policy for strategic equity holdings	Page 32

21. Consolidated Earnings Forecasts for FY 2015 (1)

- Net premiums written are forecast to increase by 154.2 billion yen, or +5.2% year on year, to 3,095 billion yen. This is an upward revision of 29 billion yen from our initial forecast.
- In domestic non-life insurance, our forecast has been revised up from the initial level, particularly for fire insurance.
- For overseas subsidiaries, the initial forecast has been revised down due to yen appreciation against Asian currencies among other factors.

(¥bn)

	FY 2014 Results	FY 2015 Forecasts (Initial)	FY 2015 Forecasts (Revised)			
			YoY Change	Change Ratio	Change from the initial	
Net premiums written ※	2,940.7	3,066.0	3,095.0	154.2	5.2%	29.0
Mitsui Sumitomo Insurance	1,445.8	1,490.0	1,521.0	75.1	5.2%	31.0
Aioi Nissay Dowa Insurance	1,160.8	1,182.0	1,191.0	30.1	2.6%	9.0
Mitsui Direct General Insurance	35.0	36.1	36.3	1.2	3.5%	0.2
Overseas subsidiaries	293.2	350.0	341.0	47.7	16.3%	- 9.0
Life insurance premiums	721.7	847.0	1,138.0	416.2	57.7%	291.0

※ 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.

< Reference : Gross life insurance premiums >

(¥bn)

	FY 2014 Results	FY 2015 Forecasts (Initial)	FY 2015 Forecasts (Revised)			
			YoY Change	Change Ratio	Change from the initial	
MSI Aioi Life	441.8	451.4	457.0	15.1	3.4%	5.6
MSI Primary Life	1,054.0	800.0	1,150.0	95.9	9.1%	350.0

22. Consolidated Earnings Forecasts for FY 2015 (2)

- The ordinary profit forecast has been revised upwards by 3.0 billion yen from the initial forecast, to 245 billion yen.
- The net income forecast remains unchanged at 157 billion yen.

(¥bn)

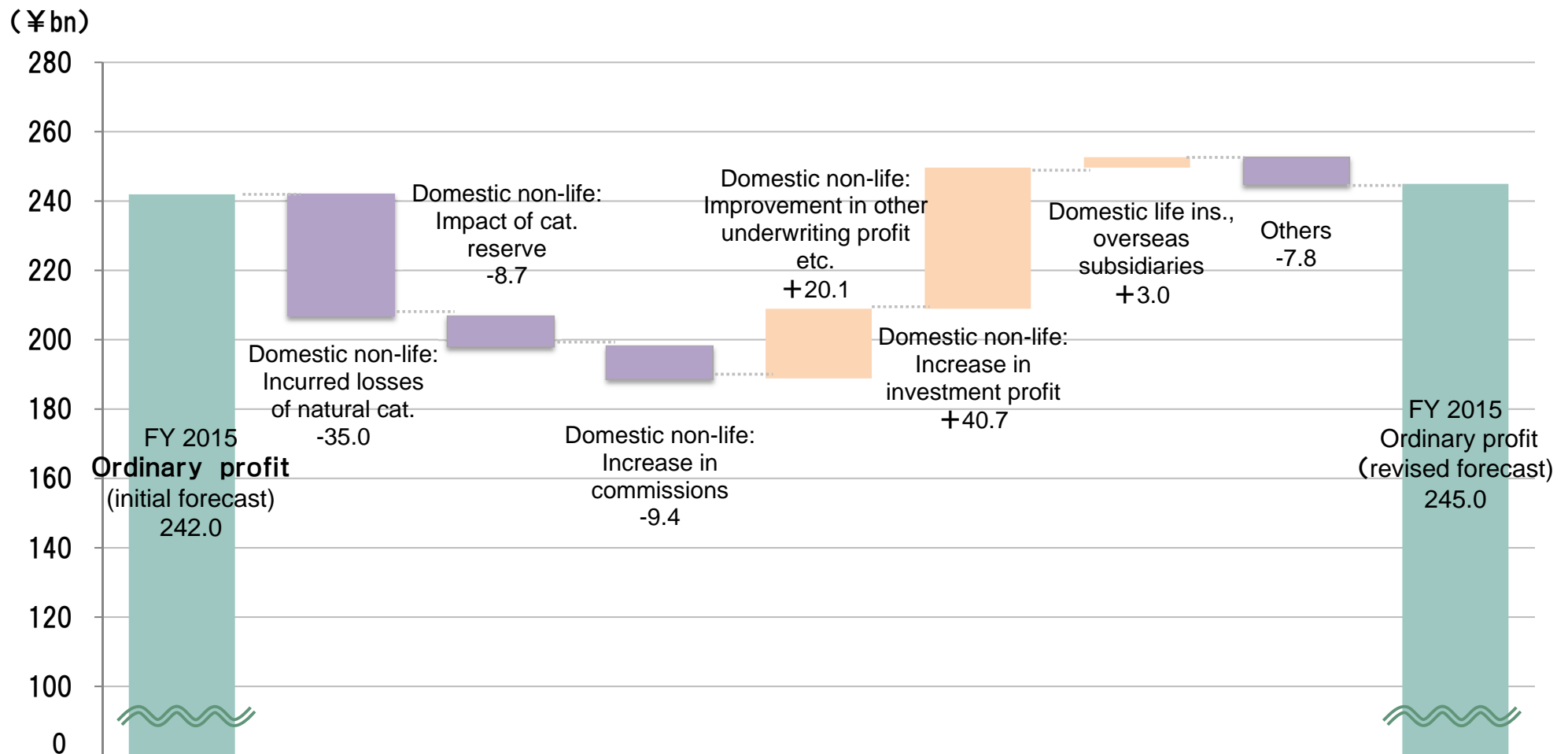
	FY 2014 Results	FY 2015 Forecasts (Initial)	FY 2015 Forecasts (Revised)		
				YoY Change	Change from the initial
Ordinary profit	287.0	242.0	245.0	- 42.0	3.0
Mitsui Sumitomo Insurance	171.3	140.0	149.0	- 22.3	9.0
Aioi Nissay Dowa Insurance	68.9	53.0	54.0	- 14.9	1.0
Net income [※]	136.2	157.0	157.0	20.7	-
Mitsui Sumitomo Insurance	89.1	97.0	104.0	14.8	7.0
Aioi Nissay Dowa Insurance	39.4	32.0	31.0	- 8.4	- 1.0
Mitsui Dairect General Insurance	- 3.1	- 0.3	- 2.4	0.7	- 2.2
MSI Aioi Life	4.4	2.5	3.0	- 1.4	0.5
MSI Primary Life	12.4	12.5	17.0	4.5	4.5
Overseas subsidiaries	35.0	29.0	27.0	- 8.0	- 2.0
Consolidation adjustments, etc.	- 41.0	- 15.7	- 22.6	18.4	- 6.8

※Consolidated net income represents net income attributable to owners of the parent. Net income of subsidiaries are on equity stake basis, same hereafter.

23. Consolidated Earnings Forecasts for FY 2015 (3) – Revised Forecasts

- The loss from domestic natural catastrophes is expected to be 35.0 billion yen higher than initially forecast.
- An increase in investment profit is expected, mainly due to higher gains on sales of securities resulting mainly from the strengthening of initiatives to sell strategic equity holdings.

Factors behind change from initial forecast for consolidated ordinary profit



※ Figures for domestic non-life insurance are the simple sum of figures for Mitsui Sumitomo Insurance and Aioi Nissay Dowa Insurance.

24. Consolidated Earnings Forecasts for FY 2015 (4)

- Group core profit for the year is forecasted to decrease by 21.0 billion yen from the initial forecast to 130 billion yen, and group ROE is expected to be 4.5%.
- The increase in EV of MSI Aioi Life is forecasted at 75.0 billion yen, or 20.0 billion yen higher than the initial forecast.

(¥ bn)

	FY 2014 Results	FY 2015 Forecasts (Initial)	FY 2015 Forecasts (Revised)		
				YoY Change	Change from the initial
Group Core Profit*	155.7	151.0	130.0	- 25.7	- 21.0
Domestic non-life insurance	92.4	105.0	84.0	- 8.4	- 21.0
Domestic life insurance	20.4	15.0	20.0	- 0.4	5.0
International business	38.2	26.0	25.0	- 13.2	- 1.0
Financial services/Risk related services	4.6	5.0	1.0	- 3.6	- 4.0
Financial Targets					
Combined ratio (Domestic non-life insurance)	96.0%	93.6%	92.7%	- 3.3pt	- 0.9pt
Increase in EV of MSI Aioi Life	59.7	55.0	75.0	15.3	20.0
Group ROE*	5.9%	5.0%	4.5%	- 1.4pt	- 0.5pt

※ For the definition of Group Core Profit and Group ROE, please refer to the last page.

- Based on fiscal 2015 interim results, the loss from domestic natural catastrophes is revised to 75 billion yen.

(¥bn)

		Mitsui Sumitomo Insurance	Aioi Nissay Dowa Insurance
Assumptions concerning the asset management environment		Assumes the level at the end of Sep. 2015 (note) at the end of Sep. 2015 Nikkei average : ¥ 17,388 US\$: ¥ 120 Euro : ¥ 135	
Domestic natural catastrophes occurring in FY 2015		43.0 (+18.0)	32.0 (+17.0)
Catastrophe reserves (For fire insurance)	Provision	22.8 (+2.6)	13.6 (+1.2)
	Reversal	0.0 (0.0)	6.9 (+3.5)
	Change	22.8 (+2.6)	6.7 (-2.3)
Catastrophe reserves (For voluntary automobile insurance)	Provision	20.7 (0.0)	21.6 (-0.1)
	Reversal	7.1 (-7.5)	21.3 (0.0)
	Change	13.6 (+7.5)	0.3 (0.0)
Corporate tax rate (Effective tax rate)		28.8%	

※ Figures in parentheses shows the change from the initial.

26. Earnings Forecasts for FY 2015 - Mitsui Sumitomo Insurance (Non-consolidated) (1)

(¥ bn)

	FY 2014 Results	FY 2015 Forecasts (Initial)	FY 2015 Forecasts (Revised)		
				YoY Change	Change from the initial
Net premiums written	1,445.8	1,490.0	1,521.0	75.1	31.0
Growth rate of net premiums written	4.4%	3.1%	5.2%	0.8pt	2.1pt
Net loss ratio	62.2%	60.4%	59.0%	- 3.2pt	- 1.4pt
Net expense ratio	31.8%	30.9%	31.0%	- 0.8pt	0.1pt
Combined ratio	94.0%	91.3%	90.0%	- 4.0pt	- 1.3pt
Incurred losses (Incl. loss adjustment expenses)	887.4	905.3	909.7	22.2	4.4
Underwriting profit	14.0	38.0	13.0	- 1.0	- 25.0
Net interest and dividends income	70.6	67.4	80.0	9.3	12.6
Gains on sales of securities	90.0	43.5	79.2	- 10.8	35.7
Impairment losses on securities	- 3.3	- 3.0	- 3.5	- 0.1	- 0.5
Investment profit	158.3	106.4	141.4	- 16.9	35.0
Ordinary profit	171.3	140.0	149.0	- 22.3	9.0
Extraordinary income	- 33.7	- 11.3	- 13.4	20.3	- 2.1
Net income	89.1	97.0	104.0	14.8	7.0
<Rate and ratios, excluding residential earthquake insurance and CALI>					
Growth rate of net premiums written	4.5%	3.2%	5.4%	0.9pt	2.2pt
Net loss ratio	59.4%	57.5%	56.1%	- 3.3pt	- 1.4pt
Net expense ratio	33.9%	32.9%	33.0%	- 0.9pt	0.1pt
Combined ratio	93.3%	90.4%	89.1%	- 4.2pt	- 1.3pt

27. Earnings Forecasts for FY 2015 - Mitsui Sumitomo Insurance (Non-consolidated) (2)

Net premiums written

(¥bn)

	FY 2014	FY 2015	
	Results	Forecasts	Growth
Fire and allied	222.6	250.5	12.5%
Marine	65.2	68.0	4.2%
Personal accident	149.6	140.8	-5.9%
Voluntary automobile	626.2	646.0	3.1%
CALI	180.1	186.7	3.6%
Other	201.8	229.0	13.4%
Total	1,445.8	1,521.0	5.2%
Total excl. residential EQ insurance and CALI	1,264.9	1,333.5	5.4%

Net loss ratio

	FY 2014	FY 2015	
	Results	Forecasts	YoY Change
Fire and allied	67.0%	52.8%	- 14.2pt
Marine	49.9%	53.1%	3.2pt
Personal accident	58.7%	58.2%	- 0.5pt
Voluntary automobile	60.9%	59.4%	- 1.5pt
CALI	81.8%	79.6%	- 2.2pt
Other	49.7%	49.9%	0.2pt
Total	62.2%	59.0%	- 3.2pt
Total excl. residential EQ insurance and CALI	59.4%	56.1%	- 3.3pt

Incurred losses

(¥bn)

	FY 2014	FY 2015	
	Results	Forecasts	YoY Change
Incurred losses (incl. loss adjustment expenses)	887.4	909.7	22.2
Natural catastrophes ^{*2}	15.1	43.5	28.3
Other than natural catastrophes	872.3	866.3	- 6.0

*1 Incurred losses = net claims paid + loss adjustment expenses + movement in outstanding claims

*2 "Natural catastrophes" means domestic natural catastrophes occurring in Japan during the period, heavy snowfalls in Feb. 2014 in Japan, and the floods in Thailand in 2011. But the figures of FY 2015 excludes the impact of the Thailand floods because its impact became very small. (the impact of FY 2014 : -4.9 billion yen)

28. Earnings Forecasts for FY 2015 - Aioi Nissay Dowa Insurance (Non-consolidated) (1)

(¥ bn)

	FY 2014 Results	FY 2015 Forecasts (Initial)	FY 2015 Forecasts (Revised)		
				YoY Change	Change from the initial
Net premiums written	1,160.8	1,182.0	1,191.0	30.1	9.0
Growth rate of net premiums written	1.4%	1.8%	2.6%	1.2pt	0.8pt
Net loss ratio	63.2%	61.8%	61.5%	- 1.7pt	- 0.3pt
Net expense ratio	35.0%	34.5%	34.5%	- 0.5pt	0.0pt
Combined ratio	98.2%	96.3%	96.0%	- 2.2pt	- 0.3pt
Incurred losses (Incl. loss adjustment expenses)	734.6	732.0	735.0	0.3	3.0
Underwriting profit	14.7	28.0	23.0	8.2	- 5.0
Net interest and dividends income	40.1	32.1	37.0	- 3.1	4.9
Gains on sales of securities	19.9	4.0	4.0	- 15.9	-
Impairment losses on securities	- 0.0	- 3.0	- 3.0	- 2.9	-
Investment profit	51.5	25.0	30.0	- 21.5	5.0
Ordinary profit	68.9	53.0	54.0	- 14.9	1.0
Extraordinary income	- 3.2	- 8.8	- 15.0	- 11.7	- 6.2
Net income	39.4	32.0	31.0	- 8.4	- 1.0
<Rate and ratios, excluding residential earthquake insurance and CALI>					
Growth rate of net premiums written	1.3%	1.7%	2.7%	1.4pt	1.0pt
Net loss ratio	60.4%	58.9%	58.7%	- 1.7pt	- 0.2pt
Net expense ratio	37.2%	36.7%	36.6%	- 0.6pt	- 0.1pt
Combined ratio	97.6%	95.6%	95.3%	- 2.3pt	- 0.3pt

29. Earnings Forecasts for FY 2015 - Aioi Nissay Dowa Insurance (Non-consolidated) (2)

Net premiums written

(¥bn)

	FY 2014	FY 2015	
	Results	Forecasts	Growth
Fire and allied	144.9	166.2	14.7%
Marine	7.5	5.9	-22.1%
Personal accident	69.5	63.9	-8.1%
Voluntary automobile	665.2	669.9	0.7%
CALI	167.7	171.1	2.0%
Other	105.8	114.0	7.7%
Total	1,160.8	1,191.0	2.6%
Total excl. residential EQ insurance and CALI	992.6	1,019.3	2.7%

Net loss ratio

	FY 2014	FY 2015	
	Results	Forecasts	YoY Change
Fire and allied	66.2%	56.9%	- 9.3pt
Marine	62.4%	55.9%	- 6.5pt
Personal accident	49.5%	52.1%	2.6pt
Voluntary automobile	61.0%	59.9%	- 1.1pt
CALI	80.2%	78.9%	- 1.3pt
Other	55.1%	57.8%	2.7pt
Total	63.2%	61.5%	- 1.7pt
Total excl. residential EQ insurance and CALI	60.4%	58.7%	- 1.7pt

Incurred losses

	FY 2014	FY 2015	
	Results	Forecasts	YoY Change
Incurred losses (incl. loss adjustment expenses) ^{*1}	734.6	735.0	0.3
Natural Catastrophe ^{*2}	12.1	32.1	19.9
Other than natural catastrophes	722.5	702.9	- 19.6

*1 Incurred losses = net claims paid + loss adjustment expenses + movement in outstanding claims

*2 "Natural catastrophes" means domestic natural catastrophes occurring in Japan during the period, heavy snowfalls in Feb. 2014 in Japan, and the floods in Thailand in 2011. But the figures of FY 2015 excludes the impact of the Thailand floods because its impact became very small. (The impact for FY 2014: -0.1 billion yen)

30. Earnings Forecasts for FY 2015 - Simple Sum of MSI & ADI (Non-consolidated) (1)

(¥bn)

	FY 2013 Results	FY 2014		FY 2015	
		Results	YoY Change	Forecasts	YoY Change
Net premiums written	2,529.1	2,606.6	77.5	2,712.0	105.3
Growth rate of net premiums written	4.6%	3.1%	-1.5pt	4.0%	0.9pt
Net loss ratio	65.0%	62.6%	-2.4pt	60.1%	-2.5pt
Net expense ratio	33.2%	33.2%	0.0pt	32.5%	-0.7pt
Combined ratio	98.2%	95.8%	-2.4pt	92.6%	-3.2pt
Incurred losses (Incl. loss adjustment expenses)	1,690.5	1,622.1	- 68.4	1,644.7	22.5
Underwriting profit	- 36.1	28.7	64.9	36.0	7.2
Net interest and dividends income	116.8	110.8	- 6.0	117.0	6.1
Gains on sales of securities	74.3	110.0	35.6	83.2	- 26.8
Impairment losses on securities	- 7.0	- 3.4	3.5	- 6.5	- 3.0
Investment profit	178.1	209.8	31.7	171.4	- 38.4
Ordinary profit	129.8	240.3	110.4	203.0	- 37.3
Extraordinary income	- 23.1	- 36.9	- 13.8	- 28.4	8.5
Net income	71.1	128.5	57.4	135.0	6.4
<Rate and ratios, excluding residential earthquake insurance and CALI>					
Growth rate of net premiums written	4.0%	3.1%	-0.9pt	4.2%	1.1pt
Net loss ratio	62.1%	59.8%	-2.3pt	57.2%	-2.6pt
Net expense ratio	35.2%	35.3%	0.1pt	34.6%	-0.7pt
Combined ratio	97.3%	95.1%	-2.2pt	91.8%	-3.3pt

31. Earnings Forecasts for FY 2014 - Simple Sum of MSI & ADI (Non-consolidated) (2)

Net premiums written (¥bn)

	FY 2013	FY 2014		FY 2015	
	Results	Results	Growth	Forecasts	Growth
Fire and allied	348.0	367.5	5.6%	416.7	13.4%
Marine	67.9	72.8	7.2%	73.9	1.4%
Personal accident	217.3	219.1	0.8%	204.7	-6.6%
Voluntary automobile	1,267.2	1,291.4	1.9%	1,315.9	1.9%
CALI	337.7	347.8	3.0%	357.8	2.9%
Other	290.7	307.7	5.8%	343.0	11.4%
Total	2,529.1	2,606.6	3.1%	2,712.0	4.0%
Total excl. residential EQ insurance and CALI	2,190.1	2,257.6	3.1%	2,352.8	4.2%

Net loss ratio

	FY 2013	FY 2014		FY 2015	
	Results	Results	Growth	Forecasts	Growth
Fire and allied	68.5%	66.7%	-1.8pt	54.4%	-12.3pt
Marine	58.4%	51.2%	-7.2pt	53.4%	2.2pt
Personal accident	57.0%	55.8%	-1.2pt	56.3%	0.5pt
Voluntary automobile	63.4%	61.0%	-2.4pt	59.6%	-1.4pt
CALI	84.2%	81.0%	-3.2pt	79.3%	-1.7pt
Other	53.4%	51.6%	-1.8pt	52.5%	0.9pt
Total	65.0%	62.6%	-2.4pt	60.1%	-2.5pt
Total excl. residential EQ insurance and CALI	62.1%	59.8%	-2.3pt	57.2%	-2.6pt

Incurred losses

	FY 2013	FY 2014		FY 2015	
	Results	Results	YoY Change	Forecasts	YoY Change
Incurred losses (incl. loss adjustment expenses) ^{※1}	1,690.5	1,622.1	- 68.4	1,644.7	22.5
Natural Catastrophes ^{※2}	96.3	27.2	- 69.0	75.6	48.3
Other than natural catastrophes	1,594.2	1,594.8	0.6	1,569.2	- 25.7

*1 Incurred losses = net claims paid + loss adjustment expenses + movement in outstanding claims

*2 "Natural catastrophes" means domestic natural catastrophes occurring in Japan during the period, heavy snowfalls in Feb. 2014 in Japan, and the floods in Thailand in 2011. But the figures of FY 2015 excludes the impact of the Thailand floods because its impact became very small. (the impact of FY2014: -5.1 billion yen)

In our medium-term management plan “Next Challenge 2017”, the Group’s strategic equity holdings of ¥300 billion is planned to be sold over the 4 years from FY2014 to FY2017, however, now we have raised the target to ¥500 billion over the same period. We have also changed our basic policy for strategic equity holdings, which is required to be disclosed by the Corporate Governance Code (Principal 1.4), to the following.

MS&AD Insurance Group Basic Policy for Strategic Equity Holdings (summary)

We have adopted a policy to reduce the aggregate amount of our strategic equity holdings, aiming to build a solid financial base less affected by fluctuations in stock prices and to improve the capital efficiency.

The economic rationale for holding strategic equities is assessed from the perspective of the equity issuers’ growth potential and profitability and the medium- to long-term business relationship. If the rationale is not confirmed, we shall proceed with sales of those strategic equity holdings after obtaining the equity issuers’ understanding.

Otherwise, we may sell our holdings, taking into account the market environment and our business and financial strategies.

(Note) The full text will be available in the “Corporate Governance Reports” to be submitted to the Tokyo Stock Exchange.

Definition of “Group Core Profit” and “Group ROE”

Group Core Profit = Consolidated net income

- Net capital gains/losses on stock portfolio (gains/losses on sales etc.)
- Net evaluation gains/losses on credit derivatives
- Other incidental factors
- + Equity in earnings of the non-consolidated group companies

Group ROE = Group Core Profit ÷ Consolidated total net assets excluding non-controlling interests
(average of beginning and ending amounts of B/S)

Caution About Forward-looking Statements

This presentation contains statements about future plans, strategies, and earnings forecasts for MS&AD Insurance Group Holdings and MS&AD Group companies that constitute forward-looking statements. These statements are based on information currently available to the MS&AD Group. Investors are advised that actual results may differ substantially from those expressed or implied by forward-looking statements for various reasons. Actual performance could be adversely affected by (1) economic trends surrounding our business, (2) fierce competition in the insurance sector, (3) exchange-rate fluctuations, and (4) changes in tax and other regulatory systems.

Inquiries

Corporate Communications and Investor Relations Dept.

MS&AD Insurance Group Holdings, Inc.

Phone: +81-3-5117-0311 Fax: +81-3-5117-0602

e-mail: ms_ad_ir@ms-ad-hd.com

<http://www.ms-ad-hd.com/en/>