

## Materials for FY2021 Results Briefing – Conference Call

Advancing with you



INSURANCE GROUP

May 20, 2022 (Fri.)

MS&AD Insurance Group Holdings, Inc.

# Today's Key Points

## FY2021 Results

- Net premiums written increased by 108.0 billion yen year on year to a record high 3,609.0 billion yen due to increases in both domestic non-life insurance subsidiaries and overseas insurance subsidiaries.
- Net income increased by 118.4 billion yen year on year to a record high 262.7 billion yen, as the domestic non-life and life insurance subsidiaries and overseas subsidiaries posted an increase. Net income exceeded the revised forecast announced in November 2021 by 32.7 billion yen.
- Group Adjusted Profit increased by 132.5 billion yen year on year to 347.1 billion yen.

## FY2022 Forecast

- Net premiums written are expected to increase by 143.9 billion yen mainly due to an increase at domestic non-life insurance subsidiaries in voluntary auto and fire insurance, as well as at overseas subsidiaries as a result of increased premiums in Asia, a rate increase at MS Amlin and the impact of foreign exchange rates.
- Net income is expected to decrease by 22.7 billion yen to 240.0 billion yen. Net income at domestic non-life insurance subsidiaries is expected to stay flat due to an increase in losses in voluntary auto insurance and a rebound from the reversal of the initial year balance in the previous year. Net income at domestic life insurance subsidiaries is expected to decrease due to a rebound from the increased income at MSI Primary Life in the previous year that resulted from contracts reaching their targets. Net income at overseas subsidiaries is expected to increase as a result of recovery at MS Amlin.
- Group Adjusted Profit is expected to decreased by 47.1 billion yen year on year to 300.0 billion yen.

## Shareholder Returns

- The annual dividend for FY2021 is planned at 180 yen (25 yen increase compared with the previous year). A share buyback is planned at 75.0 billion yen (25.0 billion yen announced in 1H + 50.0 billion yen decided this time).
- The annual dividend forecast for FY2022 is 185 yen.

# Contents

## Summary of FY2021 Results

Consolidated Earnings	Page 5-12
Domestic Non-Life Insurance Companies	Page 13-15
Domestic Life Insurance Companies	Page 16-17
Overseas Subsidiaries	Page 18
(Reference) Domestic Non-Life Insurance Companies, MSI & ADI	Page 19-21
(Reference) MS Amlin's Results for FY2021 (Jan.-Dec. 2021)	Page 22
(Reference) Economic Solvency Ratio (ESR)	Page 23

## Earnings Forecast for FY2022

Consolidated Earnings Forecasts	Page 25-29
Major Assumptions for Earnings Forecasts	Page 30
Domestic Non-Life Insurance Companies	Page 31-32
Domestic Life Insurance Companies	Page 33-34
Overseas Subsidiaries	Page 35
(Reference) Domestic Non-Life Insurance Companies (MSI&ADI)	Page 36-37
(Reference) MS Amlin's Results Forecast for FY2022 (Jan.-Dec. 2022)	Page 38

Please also refer to an Excel data file uploaded on our website.

## Summary of FY2021 Results

---

# Consolidated Earnings for FY2021 (1) - Overview (i) (Top line)

## Non-life insurance subsidiaries

(¥bn)

	FY2019 Results	FY2020 Results	FY2021 Results	YoY Change	Growth
Direct premiums written (excl. deposit premiums from policyholders)	3,751.7	3,723.2	<b>3,821.5</b>	98.2	2.6%
Net premiums written	3,573.7	3,500.9	<b>3,609.0</b>	108.0	3.1%
Mitsui Sumitomo Insurance	1,547.9	1,559.5	<b>1,579.3</b>	19.7	1.3%
Aioi Nissay Dowa insurance	1,276.7	1,281.4	<b>1,291.3</b>	9.9	0.8%
Mitsui Direct General	36.3	36.4	<b>35.4</b>	- 1.0	- 3.0%
Overseas subsidiaries	711.9	623.5	<b>703.0</b>	79.5	12.8%

## Life insurance subsidiaries

(¥bn)

	FY2019 Results	FY2020 Results	FY2021 Results	YoY Change	Growth
Gross premiums income <sup>※</sup>	1,393.4	1,297.3	<b>1,314.4</b>	17.0	1.3%
MSI Aioi Life	521.2	511.9	<b>501.9</b>	- 10.0	- 2.0%
MSI Primary Life	872.1	785.4	<b>812.4</b>	27.0	3.4%
Life insurance premiums	943.7	- 202.3	<b>520.0</b>	722.3	-

※ Gross premiums income is for domestic life insurance subsidiaries only.

## Consolidated Earnings for FY2021 (1) - Overview (i) (Top Line)

### (Non-life insurance subsidiaries [domestic & overseas])

- Net premiums written rose by 108.0 billion yen year on year, or 3.1%, to a record high 3,609.0 billion yen due to increases in both domestic non-life insurance subsidiaries and overseas insurance subsidiaries.
- The two main domestic non-life insurance companies posted an increase of 29.6 billion yen year on year in premiums, or 1.0%, due to an increase in premiums in voluntary auto and casualty insurance, despite a decline in premiums in fire insurance and compulsory auto liability insurance. If residential earthquake and compulsory auto liability insurance (CALI) are excluded, the premiums rose by 49.5 billion yen year on year, or 1.9%.

Despite the positive impact of the rate revision of January 2021, fire insurance premiums decreased by 4.8 billion yen compared with the previous period that saw a large amount of renewed policies.

Voluntary auto insurance premiums increased by 23.5 billion yen, mainly due to an increase in the number of vehicles.

Casualty insurance premiums increased by 17.0 billion yen, due to strong sales of package products for small and medium-sized enterprises and the acquisition of large contracts in Japan.

Compulsory auto liability insurance premiums decreased by 19.6 billion yen, mainly due to the impact of the rate revision.

- Overseas insurance subsidiaries posted an increase of 79.5 billion yen in net premiums written due to increased premium rates at MS Amlin and the impact of foreign exchange rates. If the impact of foreign exchange is excluded, the premiums increased by 28.1 billion yen.

### (Domestic life insurance subsidiaries)

- MSI Aioi Life: see slide 16; MSI Primary Life: see slide 17

# Consolidated Earnings for FY2021 (1) - Overview (ii) (Bottom line)

(¥bn)

	FY2020 Results	FY2021				FY2021 Revised Forecast (Announced in Nov. 2021)
		Results	YoY Change	Change Ratio	Vs. forecast	
Ordinary profit/loss	306.5	<b>390.4</b>	83.9	27.4%		
Mitsui Sumitomo Insurance	131.6	<b>184.2</b>	52.6	40.0%		
Aioi Nissay Dowa Insurance	32.4	<b>80.9</b>	48.4	149.3%		
Mitsui Direct General Insurance	1.3	<b>0.8</b>	- 0.5	- 41.4%		
MSI Aioi Life	25.6	<b>39.0</b>	13.4	52.4%		
MSI Primary Life	160.0	<b>87.7</b>	- 72.3	- 45.2%		
Overseas subsidiaries	12.8	<b>39.6</b>	26.8	209.3%		
Consolidation adjustments, others	- 57.4	<b>- 41.9</b>	15.4	-		
Net income/loss <sup>※</sup>	144.3	<b>262.7</b>	118.4	82.0%	32.7	230.0
Mitsui Sumitomo Insurance	92.2	<b>145.7</b>	53.5	58.0%	7.7	138.0
Aioi Nissay Dowa Insurance	21.6	<b>53.9</b>	32.3	149.8%	5.9	48.0
Mitsui Direct General Insurance	0.8	<b>0.7</b>	- 0.1	- 16.2%	0.5	0.2
MSI Aioi Life	11.9	<b>21.0</b>	9.1	76.9%	3.0	18.0
MSI Primary Life	43.1	<b>53.0</b>	9.8	22.9%	28.0	25.0
Overseas subsidiaries	- 3.1	<b>24.5</b>	27.7	-	- 14.4	39.0
Consolidation adjustments, others	- 22.1	<b>- 36.3</b>	- 14.1	-	1.8	- 38.2

※ Consolidated net income represents net income attributable to owners of the parent.

Net income of subsidiaries is on an equity stake basis, same hereafter.

## Consolidated Earnings for FY2021 (1) - Overview (ii) (Bottom Line)

### [Net Income]

#### (Group consolidated)

- Net income increased by 118.4 billion yen year on year to a record high 262.7 billion yen.

#### (Domestic non-life insurance subsidiaries)

- Despite an increase in voluntary auto insurance losses, which shrank in the same period last year due to the effects of COVID-19, underwriting profit rose by 60.1 billion yen, mainly due to an increase in earned premiums as a result of increased written premiums, as well as a rebound from the reversal of the initial year balance.
- Investment profit increased by 41.0 billion yen due to an increase in net interest and dividends income and gains on sales of securities, despite an increase in impairment losses on securities.
- Net income rose by 85.8 billion yen to 199.7 billion yen.

#### (Domestic life insurance subsidiaries)

- MSI Aioi Life: See slide 16; MSI Primary: See slide 17.

#### (Overseas subsidiaries)

- Overseas insurance subsidiaries: See slide 18; MS Amlin: See slide 22.

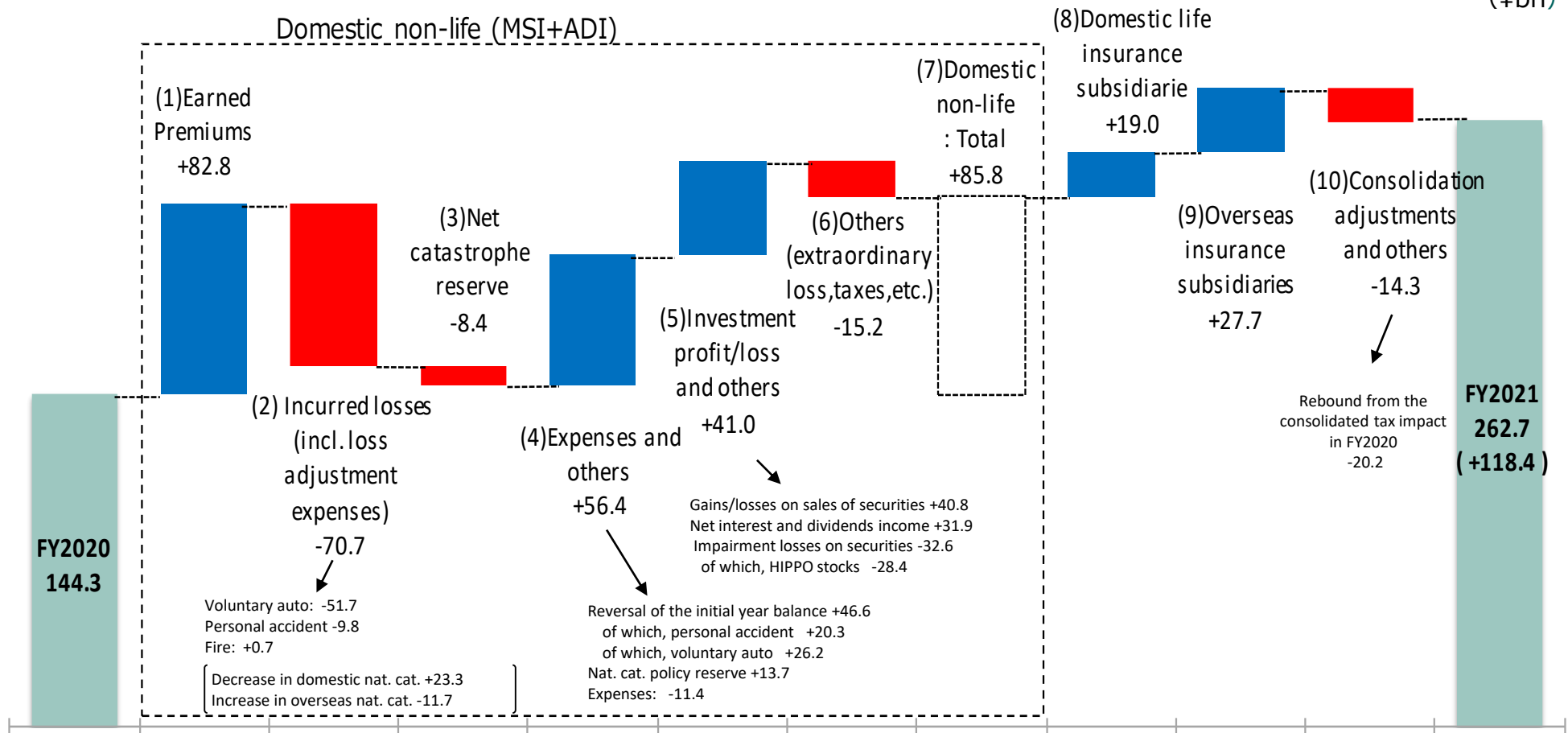


# Consolidated Earnings for FY2021 (2) - Year-on-Year Comparison (i)

- Net income at (7) two main domestic non-life insurance companies increased by 85.8 billion yen due to an increase in (1) earned premiums, (4) expenses and others and (5) investment profit and others, despite an increase in (2) incurred losses. Net income (8) at domestic life insurance increased in both MSI Aioi life and MSI Primary life. Net income at (9) overseas insurance subsidiaries increased by 27.7 billion yen due to a lesser impact of COVID-19 compared with the previous year and increased profits in the international life insurance business. As a result, consolidated net income increased by 118.4 billion yen year on year.

## Consolidated net income

(¥bn)



# Consolidated Earnings for FY2021 (2) – YoY Results Comparison (ii)

## Factors in YoY changes in consolidated net income

(¥bn)

		FY2020 Results	FY2021 Results	YoY Change
Consolidated net income/loss		<b>144.3</b>	<b>262.7</b>	<b>118.4</b>
Domestic non-life insurance <sup>※1</sup> :				
Underwriting profit/loss (excl. residential earthquake and CALI (compulsory auto liability insurance))		11.4	71.5	<b>60.1</b>
Earned premiums	(1)	2,495.9	2,578.7	<b>82.8</b>
Incurred losses (incl. loss adjustment expenses)	(2)	- 1,509.1	- 1,579.9	<b>- 70.7</b>
Net reversal of catastrophe reserve	(3)	- 65.3	- 73.7	<b>- 8.4</b>
Expenses and others <sup>※2</sup>	(4)	- 909.9	- 853.4	<b>56.4</b>
Investment profit/loss and others	(5)	152.6	193.6	<b>41.0</b>
Others (extraordinary loss, taxes, etc.)	(6)	- 50.2	- 65.4	<b>- 15.2</b>
Domestic non-life insurance: Total	(7)	113.8	199.7	<b>85.8</b>
Domestic life insurance subsidiaries	(8)	55.0	74.0	<b>19.0</b>
Overseas subsidiaries	(9)	- 3.1	24.5	<b>27.7</b>
Consolidation adjustments and others	(10)	- 21.2	- 35.5	<b>- 14.3</b>

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

※2 “Expenses and others” include the reversal of the initial year balance, the nat. cat. policy reserve and profit/loss on foreign exchange.

# Consolidated Earnings for FY2021 (3) – Group Adjusted Profit

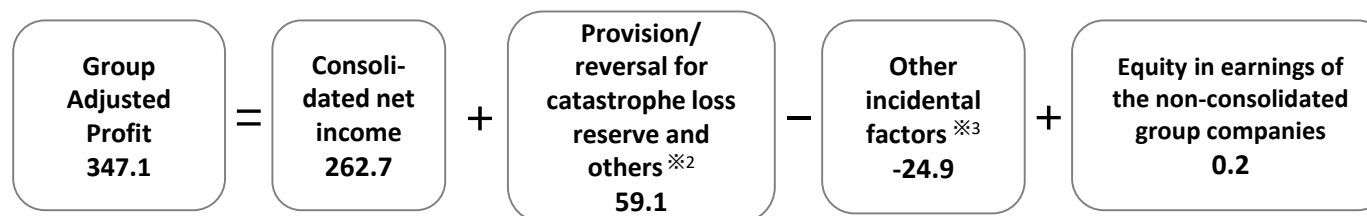
- Group Adjusted Profit increased by 132.5 billion yen year on year to a record high 347.1 billion yen, due to a large increase in the domestic non-life insurance and international business, in addition to an increase in the domestic life insurance business.

(¥bn)

	FY2020 Results	FY2021 Results	YoY Change	Vs. forecast	FY2021 Revised Forecast (Announced in Nov. 2021)
Group Adjusted Profit* <sup>1</sup>	214.6	<b>347.1</b>	<b>132.5</b>	<b>47.1</b>	<b>300.0</b>
Domestic non-life insurance business	158.5	<b>230.7</b>	<b>72.1</b>	<b>31.7</b>	<b>199.0</b>
Domestic life insurance business	56.9	<b>75.7</b>	<b>18.7</b>	<b>30.7</b>	<b>45.0</b>
International business	- 7.1	<b>34.3</b>	<b>41.4</b>	<b>- 15.6</b>	<b>50.0</b>
Financial services business and risk-related services business	6.1	<b>6.3</b>	<b>0.1</b>	<b>0.3</b>	<b>6.0</b>
Group Adjusted ROE* <sup>1</sup>	6.7%	<b>9.5%</b>	<b>2.8pp</b>	<b>1.0pp</b>	<b>8.5%</b>

※<sup>1</sup> For the definition of Group Adjusted Profit and Group Adjusted ROE, please refer to the last page.

<Reference>



※<sup>2</sup> “+” in case of provision, “-” in case of reversal

※<sup>3</sup> Amortization of goodwill and others: -25.2 billion yen

# Consolidated Earnings for FY2021 (4) – Impact of Natural Catastrophes

- Incurred losses of domestic natural catastrophes decreased by 23.3 billion yen year-on-year to 47.7 billion yen.
- Incurred losses of overseas natural catastrophes increased by 10.8 billion to 64.6 billion yen, mainly due to European floods and Hurricane Ida.

## Impact of domestic natural catastrophes

(¥bn)

	Incurred losses			Incurred losses
	FY2020 Results	FY2021 Results	YoY Change	FY2021 Forecast (Announced in Nov. 2021)
Mitsui Sumitomo Insurance	42.7	26.2	- 16.5	31.0
Aioi Nissay Dowa Insurance	28.3	21.5	- 6.8	20.0
Total	71.1	47.7	- 23.3	51.0

## Impact of overseas natural catastrophes

	Incurred losses			Incurred losses
	FY2020 Results	FY2021 Results	YoY Change	FY2021 Forecast (Announced in Nov. 2021)
Aioi Nissay Dowa Insurance	16.5	25.2	8.7	27.5
MS Amlin* <sup>1</sup>	23.0	44.8	21.8	46.5
Other (MSI, overseas subsidiaries)	2.1	6.5	4.4	5.9
Consolidation adjustments* <sup>2</sup>	12.0	- 12.0	- 24.1	- 12.0
Total	53.7	64.6	10.8	68.0

(Ref: FY2021)\*<sup>1</sup>

Europe floods	Hurricane Ida
26.7	30.4

\*1 MS Amlin losses related to European floods and Hurricane Ida: 31.7 billion yen

\*2 “Consolidation adjustments” include the North American cold wave losses of February 2021 that were additionally booked in the consolidated financial statements for FY2020 and their reversal in FY2021.

\* The scope of overseas natural catastrophes aggregation is on the Group’s internal basis. Figures for MSI include European floods and Hurricane Ida only.

## Total impact from domestic and overseas natural catastrophes

	Incurred losses			Incurred losses
	FY2020 Results	FY2021 Results	YoY Change	FY2021 Forecast (Announced in Nov. 2021)
Total	124.9	112.4	- 12.5	119.0

## Domestic Non-Life Insurance Companies (1) – MSI & ADI Results for FY2021 (i)

- Underwriting profit increased by 60.1 billion yen, mainly due to an increase in earned premiums and the reversal of the initial year balance, despite an increase in incurred losses in voluntary automobile insurance and overseas natural catastrophe losses.

(¥bn)						
	Simple Sum		MSI (Non-Consolidated)		ADI (Non-Consolidated)	
		YoY Change		YoY Change		YoY Change
Net premiums written <sup>※1</sup>	2,870.6	29.6	1,579.3	19.7	1,291.3	9.9
Earned premiums <sup>※2,※3</sup>	2,578.7	82.8	1,426.8	45.8	1,151.9	36.9
Incurred losses (including loss adjustment expenses) <sup>※2</sup> (－)	1,579.9	70.7	870.5	31.1	709.3	39.6
Underwriting expenses <sup>※2</sup> (－)	891.4	11.4	484.1	8.3	407.2	3.0
Commissions and collection expenses <sup>※2</sup>	550.8	15.3	292.4	8.7	258.4	6.5
Other underwriting expenses <sup>※2</sup>	340.5	- 3.8	191.7	- 0.3	148.8	- 3.5
Underwriting profit/loss prior to reflecting catastrophe reserve	145.3	68.5	85.9	30.0	59.3	38.5
Net catastrophe reserve	- 73.7	- 8.4	- 44.9	- 12.9	- 28.8	4.4
Underwriting profit/loss after reflecting catastrophe reserve	71.5	60.1	41.0	17.1	30.5	42.9
EI loss ratio <sup>※2</sup>	61.3%	0.8pp	61.0%	0.2pp	61.6%	1.5pp
Net loss ratio <sup>※1</sup>	59.4%	0.1pp	59.0%	- 0.8pp	59.8%	1.2pp
Net expense ratio <sup>※1</sup>	33.9%	0.2pp	33.0%	0.3pp	35.0%	0.1pp
Combined ratio <sup>※1</sup>	93.3%	0.3pp	92.0%	- 0.5pp	94.8%	1.3pp

※1 All lines ※2 Excluding residential earthquake and CALI (compulsory auto liability insurance)

※3 “Earned premiums” are calculated with adjustments including unearned premiums (excl. natural catastrophe policy reserves) and reserve funds.

## Domestic Non-Life Insurance Companies (1) – MSI & ADI Results for FY2021 (ii)

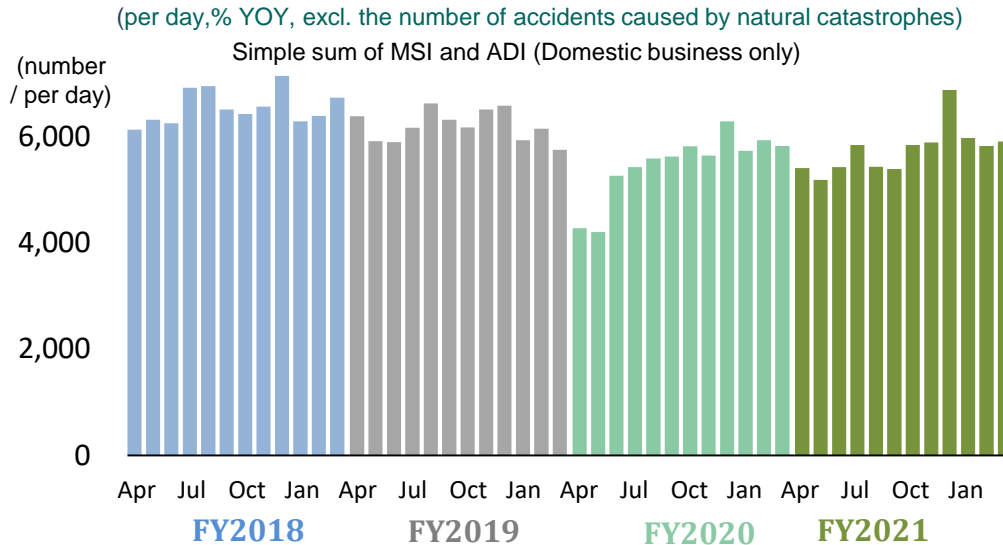
- Investment profit increased by 41.0 billion yen due to an increase in dividends from funds, overseas subsidiaries and strategic equity holdings, as well as an increase in gains on sales of securities from strategic equity holdings and funds, despite an increase in impairment losses on securities.

(¥bn)						
	Simple Sum		MSI (Non-Consolidated)		ADI (Non-Consolidated)	
		YoY Change		YoY Change		YoY Change
Underwriting profit/loss	71.5	60.1	41.0	17.1	30.5	42.9
Net interest and dividends income	143.8	31.9	100.6	29.8	43.1	2.0
Gains/losses on sales of securities	108.0	40.8	90.7	40.9	17.2	- 0.1
Impairment losses on securities (-)	34.5	32.6	30.7	29.8	3.8	2.8
Investment profit/loss and other ordinary profit/loss	193.6	41.0	143.1	35.5	50.4	5.4
Ordinary profit/loss	265.1	101.1	184.2	52.6	80.9	48.4
Extraordinary income/loss	- 6.4	0.5	2.0	1.4	- 8.5	- 0.8
Income before taxes	258.7	101.6	186.3	54.0	72.4	47.5
Taxes and others	59.0	15.7	40.5	0.5	18.4	15.2
Net income/loss	199.7	85.8	145.7	53.5	53.9	32.3
	MSI + ADI					
		YoY Change				
<Reference> Sales of strategic equity holdings	118.1	15.4				

# Domestic Non-Life Insurance Companies FY2021 (2) - Voluntary Auto Insurance

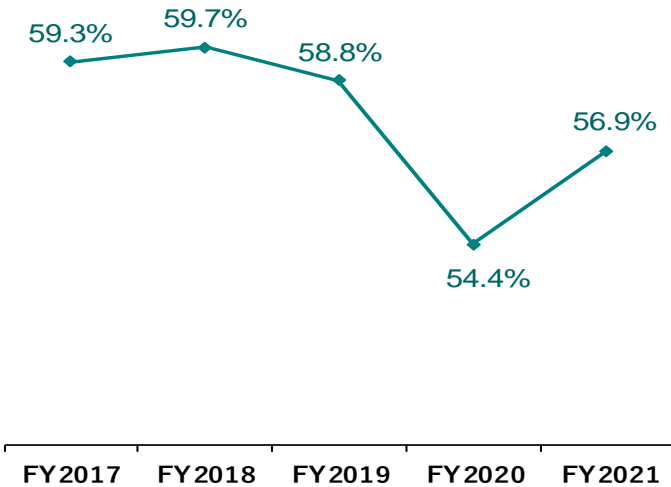
- The total number of accidents in FY2021 increased by 5.5% compared with the same period of previous year that saw a large decrease in accidents due to decreased traffic volume caused by self-restraint in going out in response to the spread of COVID-19. However, compared with FY2019, the number of accidents in FY2021 decreased by 6.3%.
- E/I loss ratio increased by 2.5 percentage points to 56.9%.

## No. of Accidents



## E/I Loss Ratio

(incl. loss adjustment expenses)  
Simple sum of MSI and ADI



## Insurance premiums and payouts

### MSI

<Domestic sales basis>	No. of contracts	Insurance premium unit price	Insurance premium
Factors of increase/decrease in insurance premiums	+0.4%	- 0.2%	+0.2%
<Domestic>	Property damage liability	Vehicle damage (Excl. natural catastrophes)	
Changes in average payout per claim	+2.9%	+3.7%	

### ADI

<Domestic sales basis>	No. of contracts	Insurance premium unit price	Insurance premium
Factors of increase/decrease in insurance premiums	+0.3%	+0.4%	+0.7%
<Domestic>	Property damage liability	Vehicle damage (Excl. natural catastrophes)	
Changes in average payout per claim	+2.2%	+2.9%	

※ All figures for factors of increase/decrease in insurance premiums are based on sales results (April to March) year on year.

※ Changes in the average payout per claim show the changes in the average payout per claim over one-year period ended March 2022 compared with that over one-year period ended March 2021.

※ Calculation of the EI loss ratio covers the period of April to March each year.

# Domestic Life Insurance / MSI Aioi Life - Results for FY2021

- Annualized premiums of new policies increased by 2.5% year on year (decreased by 8.3% compared with FY2019) as a result of increased sales of corporate products (term insurance, income guarantee insurance).
- Net income increased by 9.1 billion yen due to a decrease in the burden of provision for policy reserves, an increase in the investment profit and a reduction of operation costs.

## MSI Aioi Life

(¥bn)

	FY2019 Results	FY2020 Results	FY2021 Results	YoY Change	Change Ratio
Amount of new policies* <sup>1</sup>	2,068.4	1,769.0	<b>1,690.4</b>	- 78.5	-4.4%
Annualized premiums of new policies	29.3	26.2	<b>26.9</b>	0.6	2.5%
of which, third sector insurance	19.2	14.6	<b>14.0</b>	- 0.6	-4.3%
Amount of policies in force* <sup>1</sup>	24,458.0	24,266.9	<b>23,847.7</b>	- 419.1	-1.7%
Annualized premiums of policies in force	448.1	447.9	<b>443.8</b>	- 4.0	-0.9%
of which, third sector insurance	138.1	146.0	<b>152.4</b>	6.3	4.3%
Gross premiums income	521.2	511.9	<b>501.9</b>	- 10.0	-2.0%
Ordinary profit/loss	18.6	25.6	<b>39.0</b>	13.4	52.4%
Extraordinary income/loss	- 0.9	- 1.4	<b>- 1.2</b>	0.1	-
Net income/loss	7.5	11.9	<b>21.0</b>	9.1	76.9%
Core profit	13.6	24.8	<b>34.5</b>	9.7	39.1%
EEV	890.2	958.3	<b>923.6</b>	- 34.7	
Ref: EEV (UFR-applied)	1,017.9	1,065.3	<b>997.6</b>	- 67.7	
Net worth	506.1	421.2	<b>224.1</b>	- 197.1	
Value of in-force policies	384.0	537.0	<b>699.4</b>	162.4	
of which, value of new policies	49.4	44.7	<b>54.5</b>	9.7	

\*1 Personal total



# Domestic Life Insurance / MSI Primary Life - Results for FY2021

- Despite the continuing COVID-19 pandemic, gross premiums income increased by 3.4% as a result of expanding sales activities and training that combine online and offline ways of communication.
- Ordinary profit fell compared with the previous period that saw high gains on sales of securities when a large number of contracts met their investment targets. Net income rose by 9.8 billion yen due to a decrease in the provision for the price fluctuation reserve.

## MSI Primary Life

	FY2019 Results	FY2020 Results	FY2021 Results		
				YoY Change	Change Ratio
Amount of new policies* <sup>1</sup>	882.7	788.2	<b>819.6</b>	31.3	4.0%
Amount of policies in force* <sup>1</sup>	6,514.0	6,595.8	<b>6,803.6</b>	207.7	3.2%
Gross premiums income	872.1	785.4	<b>812.4</b>	27.0	3.4%
Ordinary profit/loss	31.4	160.0	<b>87.7</b>	- 72.3	- 45.2%
Extraordinary income/loss	- 3.5	- 100.5	<b>- 14.0</b>	86.4	-
Provision/reversal for price fluctuation reserve	- 3.5	- 100.5	<b>- 14.0</b>	86.4	-
Net income/loss	20.3	43.1	<b>53.0</b>	9.8	22.9%

## Impact of interest rates and foreign exchange rates

	FY2019 Results	FY2020 Results	FY2021 Results
Impact of interest rates	- 9.6	111.3	<b>3.6</b>
Impact of foreign exchange rates	- 1.5	- 21.0	<b>20.0</b>
Total* <sup>2</sup>	- 11.2	90.2	<b>23.7</b>

\*1 Personal total.

\*2 Incl. gains/losses on sales of securities  
(FY2020: +151.3 billion yen,  
FY2021: +11.0 billion yen)

# Overseas Subsidiaries - Results for FY2021

- Net premiums written increased by 79.5 billion yen mainly due to the premium rate increase and the impact of exchange rates.
- Net income increased by 27.7 billion yen, mainly due to a recovery from the impact of COVID-19 and a large increase in the international life insurance.  
See slide 22 for MS Amlin results.

## Overseas subsidiaries

(¥bn)

	FY2019 Results	FY2020 Results	FY2021 Results	FY2021	
				YoY Change	Change ratio
Net premiums written	711.9	623.5	<b>703.0</b>	79.5	12.8%
Asia	179.6	169.3	<b>178.5</b>	9.1	5.4%
Europe	487.9	413.3	<b>477.3</b>	64.0	15.5%
Americas	44.2	40.7	<b>47.1</b>	6.3	15.5%
Net income/loss	36.1	- 3.1	<b>24.5</b>	27.7	-
Asia	17.8	23.9	<b>29.6</b>	5.6	23.8%
Europe*	4.8	- 31.1	<b>- 26.8</b>	4.2	-
Americas	2.9	4.2	<b>4.3</b>	0.0	1.0%
International Life Insurance	10.4	- 0.2	<b>17.4</b>	17.7	-

\* FY2021 result (-26.8 billion yen) includes the impact of the North American cold wave (-10.1 billion yen) that was additionally recorded in FY2020 consolidated results. If this impact is excluded, net income for FY2021 is -16.6 billion yen.

# <Reference> Domestic Non-Life Insurance Companies – MSI & ADI Results for FY2021 (1)

## Net premiums written

(¥bn)

	Simple Sum			MSI (Non-Consolidated)		ADI (Non-Consolidated)	
	FY2020 Results	FY2021 Results	Growth	FY2021		FY2021	
				Results	Growth	Results	Growth
Fire and allied	441.1	436.2	-1.1%	236.6	1.4%	199.6	-3.9%
Marine	60.0	69.1	15.1%	62.3	17.5%	6.8	-2.6%
Personal accident	203.6	208.1	2.2%	148.7	2.1%	59.4	2.6%
Voluntary automobile	1,412.9	1,436.5	1.7%	688.5	0.7%	748.0	2.5%
CALI	300.6	280.9	-6.5%	145.4	-7.6%	135.5	-5.4%
Other	422.5	439.5	4.0%	297.5	3.8%	141.9	4.4%
Total	2,840.9	2,870.6	1.0%	1,579.3	1.3%	1,291.3	0.8%
Total excluding residential EQ insurance and CALI	2,539.9	2,589.4	1.9%	1,433.7	2.3%	1,155.7	1.6%

# <Reference> Domestic Non-Life Insurance Companies – MSI & ADI Results for FY2021 (2)

## EI loss ratio (Simple sum)

	EI Loss Ratio			EI Loss Ratio (excl. impact of nat. cat.)		
	FY2020 Results	FY2021		FY2020 Results	FY2021	
		Results	YoY Change		Results	YoY Change
Fire and allied (excl. residential EQ)	86.2%	<b>80.5%</b>	-5.7pp	66.9%	<b>64.3%</b>	-2.6pp
Marine	57.9%	<b>62.8%</b>	4.9pp	57.9%	<b>62.8%</b>	4.9pp
Personal accident	50.4%	<b>54.8%</b>	4.4pp	50.4%	<b>54.8%</b>	4.4pp
Voluntary automobile	54.4%	<b>56.9%</b>	2.5pp	54.2%	<b>56.6%</b>	2.4pp
Other	61.2%	<b>59.2%</b>	-2.0pp	60.4%	<b>58.5%</b>	-1.9pp
Total (excluding residential EQ insurance and CALI)	60.5%	<b>61.3%</b>	0.8pp	57.1%	<b>58.3%</b>	1.2pp

\* Incurred losses = Net loss paid + loss adjustment expenses + movement in outstanding claims

\* Earned premiums, a denominator of EI loss ratio, are calculated with adjustments including unearned premiums (excl. natural catastrophe policy reserves) and reserve funds.

\* "Impact of nat. cat." means incurred losses from domestic and overseas natural catastrophes occurred in each year, less the recovered amount of cat bonds related to natural catastrophes of FY2018.

# <Reference> Domestic Non-Life Insurance Companies – MSI & ADI Results for FY2021 (3)

## EI loss ratio (MSI (Non-consolidated), ADI (Non-consolidated))

	EI Loss Ratio				EI Loss Ratio (excl. impact of nat. cat.)			
	MSI (Non-consolidated)		ADI (Non-consolidated)		MSI (Non-consolidated)		ADI (Non-consolidated)	
	Results	YoY Change	Results	YoY Change	Results	YoY Change	Results	YoY Change
Fire and allied (excl. residential EQ)	<b>78.4%</b>	-7.1pp	<b>82.9%</b>	-4.0pp	<b>66.7%</b>	-1.9pp	<b>61.6%</b>	-3.4pp
Marine	<b>60.2%</b>	4.0pp	<b>84.5%</b>	13.1pp	<b>60.2%</b>	4.0pp	<b>84.5%</b>	13.1pp
Personal accident	<b>54.4%</b>	5.7pp	<b>55.7%</b>	0.8pp	<b>54.4%</b>	5.8pp	<b>55.7%</b>	0.8pp
Voluntary automobile	<b>57.7%</b>	1.8pp	<b>56.1%</b>	3.1pp	<b>57.6%</b>	1.9pp	<b>55.8%</b>	3.0pp
Other	<b>58.3%</b>	-2.8pp	<b>61.3%</b>	0.1pp	<b>57.7%</b>	-2.6pp	<b>60.2%</b>	-0.3pp
Total excluding residential EQ insurance and CALI	<b>61.0%</b>	0.2pp	<b>61.6%</b>	1.5pp	<b>58.9%</b>	1.0pp	<b>57.5%</b>	1.5pp

\* Incurred losses = Net loss paid + loss adjustment expenses + movement in outstanding claims

\* Earned premiums, a denominator of EI loss ratio, are calculated with adjustments including unearned premiums (excl. natural catastrophe policy reserves) and reserve funds.

\* "Impact of nat. cat." means incurred losses from domestic and overseas natural catastrophes occurred in each year, less the recovered amount of cat bonds related to natural catastrophes of FY2018.

# <Reference> MS Amlin's Results for FY2021 (Jan. – Dec. 2021) ※1

- Net premiums written in 2021 were up £ 132mn from the previous year mainly due to underwriting expansion on profitable lines, rate hikes, etc.
- Net income was - £ 190mn ( £ 31mn increase from the previous year) due to the impact of natural catastrophes (such as the North American cold wave, European floods and Hurricane Ida), as well as a reserve increase for a part of non-cat lines in the reinsurance business and the risk of future inflation.

(£ mn)

	FY2020 Results	FY2021 Results	YoY Change
Net premiums written	2,681	2,814	132
Net premiums earned	2,937	2,665	-272
Incurred losses (including loss adjustment expenses)	2,196	1,944	-253
Expense for acquisition and other operating expense	1,011	912	-99
Underwriting profit/loss	-277	-197	79
Investment profit/loss※2	144	101	-43
Non-operating profit/loss※3	-99	-96	3
Net income/loss after tax	-222	-190	31
Group adjusted profit※4	-265	-110	155
EI loss ratio	74.8%	72.9%	-1.9pt
EI expense ratio※5	34.6%	34.5%	-0.1pt
EI combined ratio※5	109.4%	107.4%	-2.0pt

※1 Total amount of MS Amlin companies

※2 MS Amlin adopts the accounting method where securities market value fluctuations are reflected in the profit-loss statement.

※3 The main item of "Non-operating profit/loss" is expenses of non-insurance companies.

※4 FY2021 results reflect the reversal of the North American cold wave loss impact of £69 million, which was additionally recorded in the consolidated financial statements for FY2020.

※5 EI expense ratio and EI combined ratio are calculated by taking into account foreign exchange gains/losses included in underwriting profit.

(£ mn)

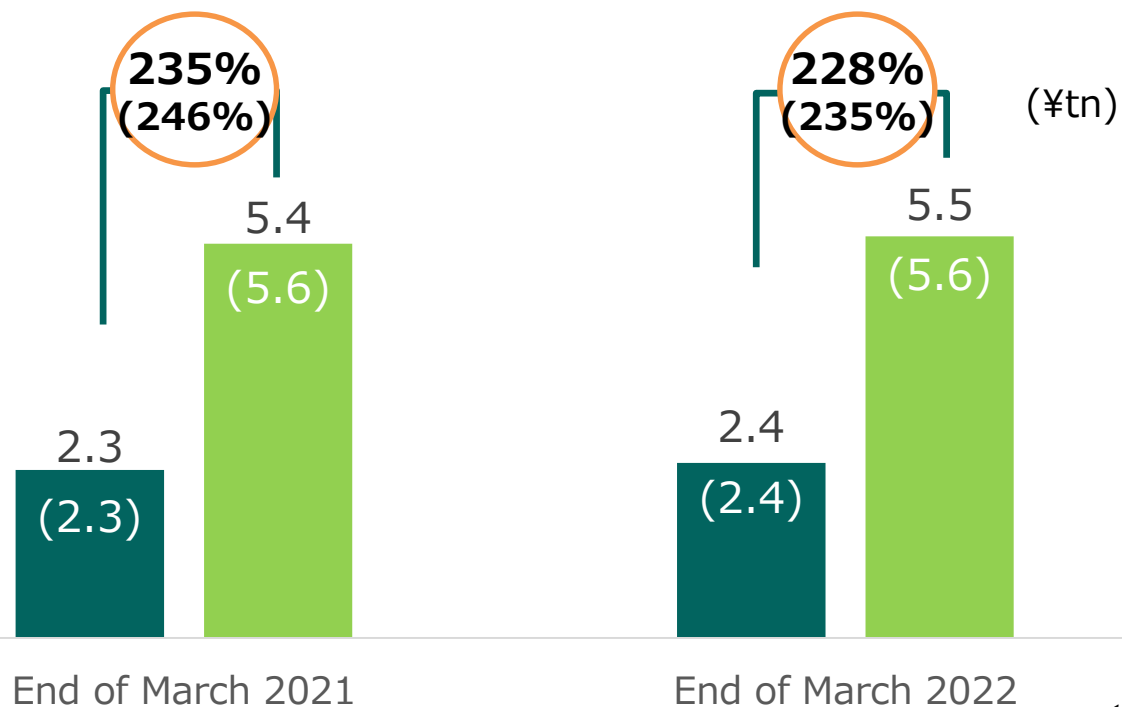
	FY2020		FY2021		
			AUL	AAG	AISE
Natural catastrophe incurred losses	169	296	104	177	14
COVID-19 incurred losses	313	13	-17	38	-9

(AUL: Lloyd's business, AAG: Reinsurance Business, AISE: Business in European continent)

# <Reference> ESR

ESR<sup>\*1</sup>

■ Integrated Risk Amount <sup>\*2</sup> ■ Net Asset Value  
(ref.) UFR applied



## <Factors behind ESR change> (vs. end of March 2021)

ESR fell by 7pp due to the following factors:

- ✓ Despite the redemption of subordinated bonds, the net asset value increased due to an increase in internal reserves, the yen depreciation and increased domestic interest rates.
- ✓ The integrated risk amount rose due to the yen depreciation and enhancement of risk measurement<sup>\*3</sup>.

(<sup>\*3</sup>) Main points of change (Impact on ESR: approx. -14pp):

- Revision of natural catastrophe models (incorporation of natural disasters that have occurred in recent years)
- Recognition of uncertainty related to climate change as a risk
- Sophistication and refinement of asset management risk measurement

### <Market environment assumptions>

	End of March 2021	End of March 2022	Change
Nikkei stock average	29,179 yen	27,821 yen	-1,358 yen
30-year JGB interest rate	0.67%	0.94%	+0.27pp
Exchange rate (US\$1: Yen)	111 yen	122 yen	+11 yen

<sup>\*1</sup> ESR : Economic Solvency Ratio (= NAV ÷ Integrated Risk Amount)

<sup>\*2</sup> Integrated Risk Amount: risk amount calculated based on Value at Risk with a 99.5% confidence level

## Earnings Forecast for FY2022



# Consolidated Earnings Forecasts for FY2022 (1) (i) (Top line)

- Net premiums written are expected to increase by 143.9 billion yen year on year. At the domestic non-life insurance subsidiaries, an increase is expected mainly in voluntary auto and fire insurance. At overseas subsidiaries, an increase is expected due to the impact of foreign exchange and increased rates at MS Amlin.
- Gross premiums income for life insurance subsidiaries is expected to decrease by 23.4 billion yen year in year.

## Non-life insurance subsidiaries

(¥bn)

	FY2021 Results	FY2022 Forecast		
			YoY Change	Change Ratio
Net premiums written	3,609.0	<b>3,753.0</b>	143.9	4.0%
Mitsui Sumitomo Insurance	1,579.3	<b>1,617.0</b>	37.6	2.4%
Aioi Nissay Dowa Insurance	1,291.3	<b>1,307.0</b>	15.6	1.2%
Mitsui Direct General Insurance	35.4	<b>36.2</b>	0.7	2.3%
Overseas subsidiaries	703.0	<b>792.0</b>	88.9	12.7%

## Life insurance subsidiaries

(¥bn)

	FY2021 Results	FY2022 Forecast		
			YoY Change	Change Ratio
Gross premiums income <sup>※</sup>	1,314.4	<b>1,291.0</b>	- 23.4	-1.8%
MSI Aioi Life	501.9	<b>491.0</b>	- 10.9	-2.2%
MSI Primary Life	812.4	<b>800.0</b>	- 12.4	-1.5%
Life insurance premiums	520.0	<b>500.0</b>	- 20.0	-3.9%

※ Gross premiums income is for domestic life insurance subsidiaries only.

# Consolidated Earnings Forecasts for FY2022 (1) (ii) (Bottom line)

- Net income is expected to decrease by 22.7 billion yen to 240.0 billion yen mainly due to a decrease at domestic life insurance subsidiaries, despite an increase at overseas insurance subsidiaries.
  - Net income at domestic non-life insurance subsidiaries is expected to stay flat due to an increase in incurred losses and a rebound from the reversal of the initial year balance in the previous year, despite an increase in earned premiums.
- Net income at domestic life insurance subsidiaries is expected to decrease due to a rebound from the increased income at MSI Primary Life in the previous year that resulted from contracts reaching their targets caused by the yen depreciation.
- See slide 35 for forecasts at overseas subsidiaries.

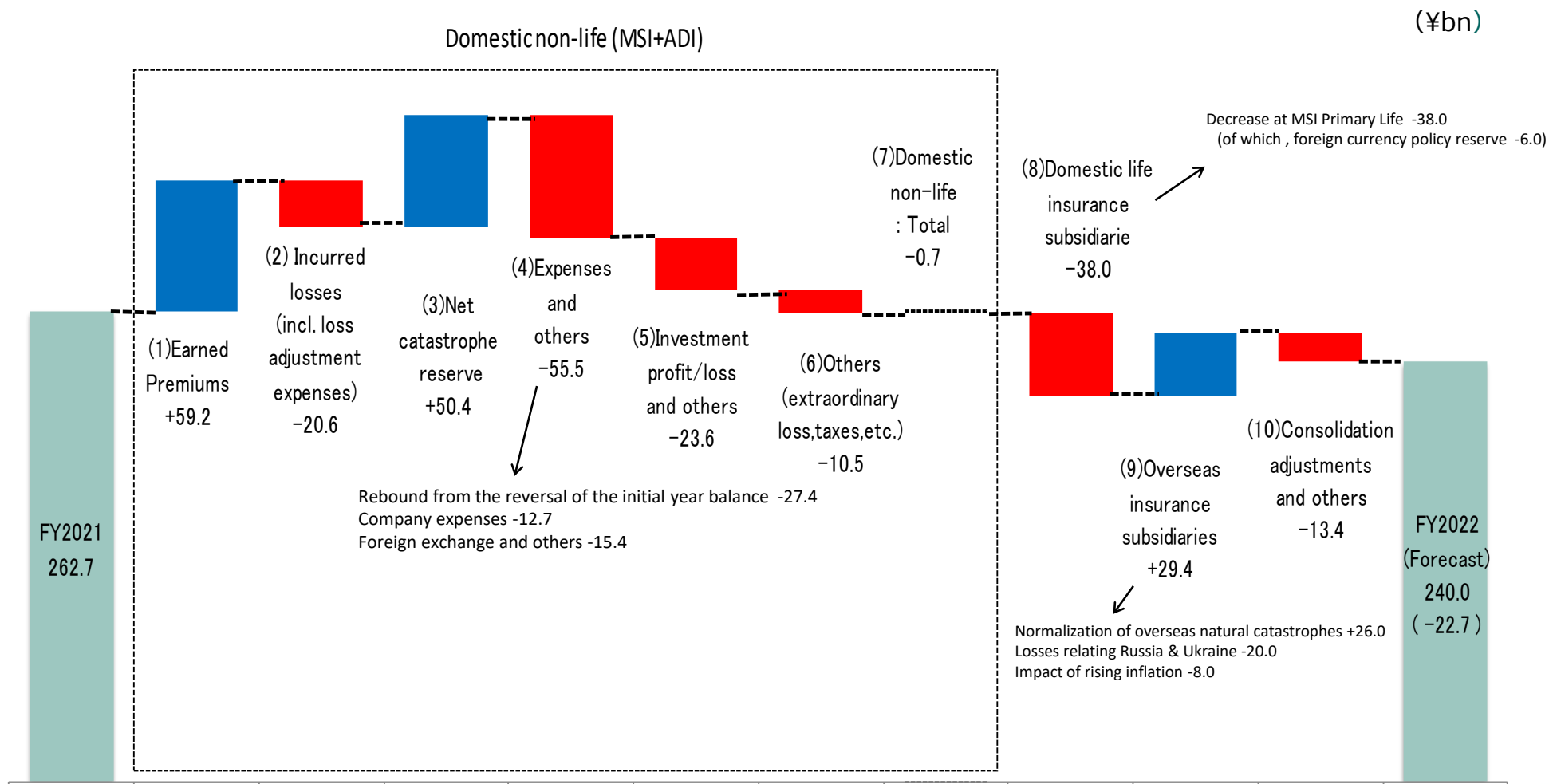
	FY2021 Results	FY2022 Forecast	
			YoY Change
Ordinary profit/loss	390.4	<b>350.0</b>	<b>- 40.4</b>
Mitsui Sumitomo Insurance	184.2	<b>180.0</b>	<b>- 4.2</b>
Aioi Nissay Dowa Insurance	80.9	<b>95.0</b>	<b>14.0</b>
Net income/loss	262.7	<b>240.0</b>	<b>- 22.7</b>
Mitsui Sumitomo Insurance	145.7	<b>135.0</b>	<b>- 10.7</b>
Aioi Nissay Dowa Insurance	53.9	<b>64.0</b>	<b>10.0</b>
Mitsui Direct General Insurance	0.7	<b>0.0</b>	<b>- 0.7</b>
MSI Aioi Life	21.0	<b>21.0</b>	<b>-</b>
MSI Primary Life	53.0	<b>15.0</b>	<b>- 38.0</b>
Overseas subsidiaries	24.5	<b>54.0</b>	<b>29.4</b>
Consolidation adjustments, other	- 36.3	<b>- 49.0</b>	<b>- 12.7</b>
ROE (financial accounting basis)	8.3%	<b>7.1%</b>	<b>- 1.2pp</b>

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

# Consolidated Earnings for FY2022 (2) - Year-on-Year Comparison

- Net income is expected to decrease by 22.7 billion yen mainly due to a decrease in (8) domestic life insurance subsidiaries, despite an increase at (9) overseas subsidiaries.
- (7) Total for domestic non-life is expected to remain flat due to an increase in (2) incurred losses, a rebound from the reversal of the initial year balance and a decrease in investment profit, despite an increase in earned premiums. Net income in (8) domestic life insurance is expected to decrease due to a rebound from the increased income at MSI Primary Life in FY2021 that resulted from contracts reaching their targets. Net income at (9) overseas subsidiaries is expected to increase mainly due to the recovery at MS Amlin.

## Consolidated Net Income



## Group Adjusted Profit for FY2022 (3)

- Group Adjusted Profit is expected to decrease by 47.1 billion yen mainly due to a decrease in the domestic non-life and domestic life insurance, despite an increase in the international business.

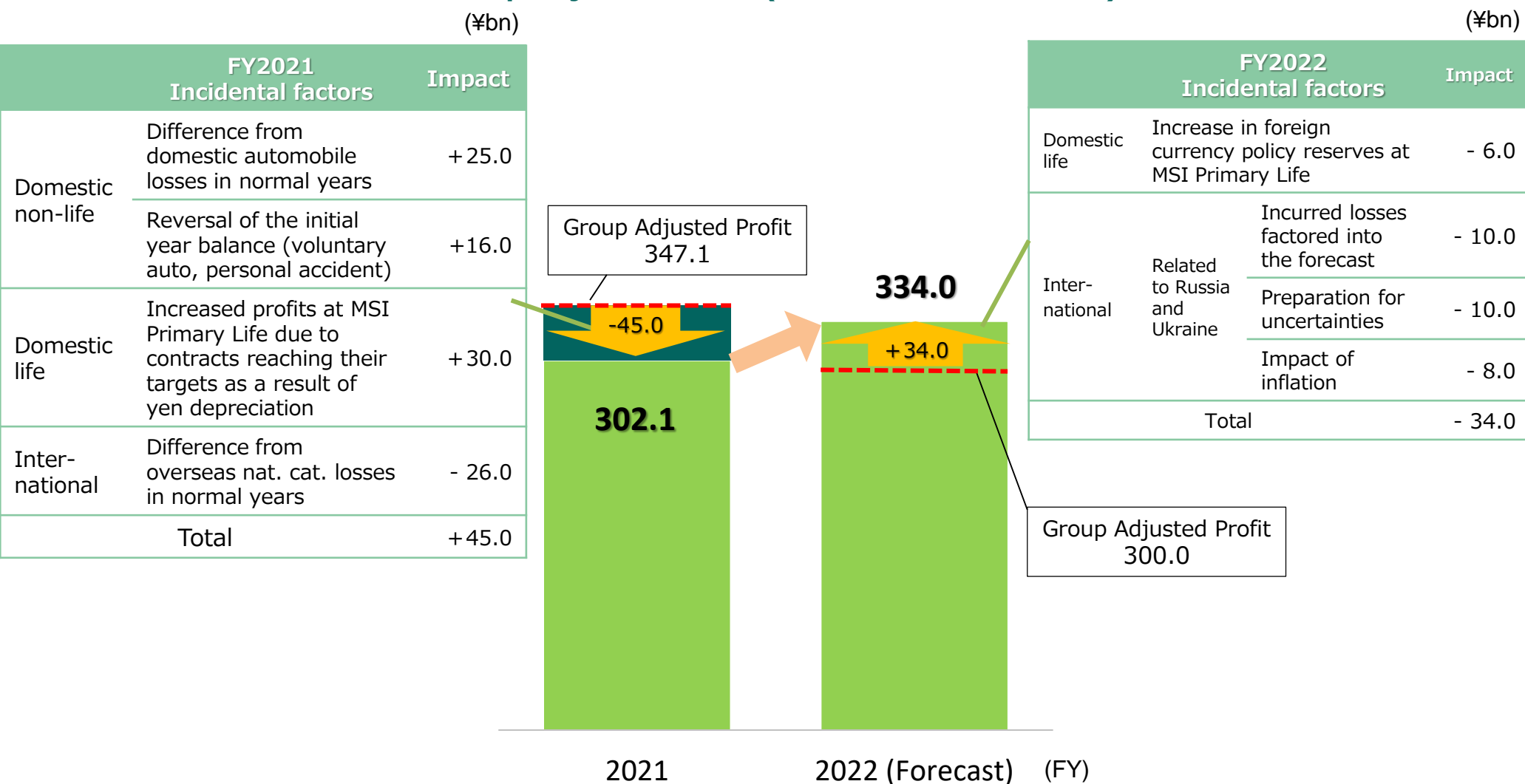
(¥bn)

	FY2021 Results	FY2022 Forecast	
			YoY Change
Group Adjusted Profit	347.1	<b>300.0</b>	<b>- 47.1</b>
Domestic non-life insurance	230.7	<b>194.0</b>	<b>- 36.7</b>
Domestic life insurance	75.7	<b>38.0</b>	<b>- 37.7</b>
International business	34.3	<b>64.0</b>	<b>29.6</b>
Financial services/Risk-related services business	6.3	<b>4.0</b>	<b>- 2.3</b>
Other numerical management targets			
EEV of MSI Aioi Life	923.6	<b>970.0</b>	<b>46.3</b>
Group Adjusted ROE	9.5%	<b>7.6%</b>	<b>- 1.9pp</b>

# Group Adjusted Profit for FY2022 (4)

- On the basis of actual value excluding incidental factors of FY2021 and FY2022, Group Adjusted Profit for FY2022 is expected to increase.

## Group Adjusted Profit (excl. incidental factors)



# Major Assumptions for Earnings Forecasts for FY2022

(¥bn)

	Mitsui Sumitomo Insurance	Aioi Nissay Dowa Insurance
Assumptions concerning the financial market environment	<b>Assumes the level at the end of March 2022</b> Nikkei average : ¥ 27,821 USD\$1 = JPY ¥ 122 EUR€1 = JPY ¥ 137 GBP £ 1 = JPY ¥ 161	
Domestic natural catastrophes occurred	<b>40.0</b> (+13.7)	<b>32.5</b> (+10.9)
Catastrophe reserves Provision	<b>25.5</b> (+2.1)	<b>30.8</b> (-3.0)
(For fire insurance) Reversal	<b>32.3</b> (+19.0)	<b>42.2</b> (+9.9)
Net provision	<b>- 6.8</b> (-16.9)	<b>- 11.4</b> (-13.0)
Catastrophe reserves Provision	<b>22.3</b> (+0.2)	<b>24.4</b> (+0.4)
(For voluntary Reversal	<b>4.3</b> (+4.3)	<b>12.0</b> (+12.0)
automobile insurance) Net provision	<b>18.0</b> (-4.0)	<b>12.4</b> (-11.5)
Effective corporate tax rate	<b>27.9%</b>	

※Overseas natural catastrophes:

MS Amlin: 25.7 billion yen (decrease by 19.1 billion yen)

ADI: 12.5 billion yen (decrease by 12.7 billion yen)

※Figures in parentheses show change from the previous year.

# Earnings Forecasts for FY2022 – Domestic Non-Life Insurance Companies (MSI&ADI) (i)

(¥bn)

	Simple Sum		MSI (Non-Consolidated)		ADI (Non-Consolidated)	
		YoY Change		YoY Change		YoY Change
<b>Net premiums written<sup>※1</sup></b>	<b>2,924.0</b>	<b>53.3</b>	<b>1,617.0</b>	<b>37.6</b>	<b>1,307.0</b>	<b>15.6</b>
Earned premiums <sup>※2,※3</sup>	2,638.0	59.2	1,469.9	43.0	1,168.1	16.1
Incurring losses (including loss adjustment expenses) <sup>※2</sup> (–)	1,600.5	20.6	891.4	20.9	709.1	- 0.2
Underwriting expenses <sup>※2</sup> (–)	904.4	12.8	495.0	10.7	409.4	2.1
Commissions and collection expenses <sup>※2</sup>	558.2	7.2	297.6	5.1	260.6	2.1
Other underwriting expenses <sup>※2</sup>	346.2	5.5	197.4	5.6	148.8	-
<b>Underwriting profit/loss prior to reflecting catastrophe reserve</b>	<b>128.3</b>	<b>- 16.9</b>	<b>79.7</b>	<b>- 6.2</b>	<b>48.6</b>	<b>- 10.7</b>
Net catastrophe reserve	- 23.3	50.4	- 27.7	17.1	4.4	33.2
<b>Underwriting profit/loss after reflecting catastrophe reserve</b>	<b>105.0</b>	<b>33.4</b>	<b>52.0</b>	<b>10.9</b>	<b>53.0</b>	<b>22.4</b>
<b>EI loss ratio<sup>※2</sup></b>	<b>60.7%</b>	<b>- 0.6pp</b>	<b>60.6%</b>	<b>- 0.4pp</b>	<b>60.7%</b>	<b>- 0.9pp</b>
Net loss ratio <sup>※1</sup>	62.7%	3.3pp	61.7%	2.7pp	64.1%	4.3pp
Net expense ratio <sup>※1</sup>	33.7%	- 0.2pp	33.0%	0.0pp	34.7%	- 0.3pp
<b>Combined ratio<sup>※1</sup></b>	<b>96.4%</b>	<b>3.1pp</b>	<b>94.7%</b>	<b>2.7pp</b>	<b>98.8%</b>	<b>4.0pp</b>

※1 All lines ※2 Excludes residential earthquake and CALI (compulsory auto liability insurance)

※3 "Earned premiums" are calculated with adjustments including unearned premiums (excl. natural catastrophe policy reserves) and reserve funds.

# Earnings Forecasts for FY2022 – Domestic Non-Life Insurance Companies (MSI&ADI) (ii)

(¥bn)

	Simple Sum		MSI (Non-Consolidated)		ADI (Non-Consolidated)	
		YoY Change		YoY Change		YoY Change
<b>Underwriting profit/loss</b>	<b>105.0</b>	<b>33.4</b>	<b>52.0</b>	<b>10.9</b>	<b>53.0</b>	<b>22.4</b>
Net interest and dividends income	146.4	2.5	105.3	4.6	41.1	- 2.0
Gains/losses on sales of securities	61.7	- 46.3	39.1	- 51.6	22.6	5.3
Impairment losses on securities (-)	7.4	- 27.0	3.4	- 27.2	4.0	0.1
<b>Investment profit/loss and other ordinary profit/loss</b>	<b>170.0</b>	<b>- 23.6</b>	<b>128.0</b>	<b>- 15.1</b>	<b>42.0</b>	<b>- 8.4</b>
<b>Ordinary profit/loss</b>	<b>275.0</b>	<b>9.8</b>	<b>180.0</b>	<b>- 4.2</b>	<b>95.0</b>	<b>14.0</b>
<b>Extraordinary income/loss</b>	<b>- 18.3</b>	<b>- 11.8</b>	<b>- 7.8</b>	<b>- 9.8</b>	<b>- 10.5</b>	<b>- 1.9</b>
<b>Net income/loss</b>	<b>199.0</b>	<b>- 0.7</b>	<b>135.0</b>	<b>- 10.7</b>	<b>64.0</b>	<b>10.0</b>



# Earnings Forecasts for FY2022 – Domestic Life Insurance Companies – MSI Aioi Life

## Key financial data

(¥bn)

	FY2021 Results	FY2022 (Forecast)	
		Forecast	YoY Change
Amount of new policies <sup>※</sup>	1,690.4	<b>1,689.4</b>	-0.1%
Annualized premiums of new policies <sup>※</sup>	26.9	<b>30.9</b>	15.0%
Amount of policies in force <sup>※</sup>	23,847.7	<b>23,713.3</b>	-0.6%
Annualized premiums of policies in force <sup>※</sup>	443.8	<b>445.1</b>	0.3%
Gross premiums income	501.9	<b>491.0</b>	- 10.9
Ordinary profit/loss	39.0	<b>39.2</b>	0.2
Net income/loss	21.0	<b>21.0</b>	-

※Amount of new policies, amount of policies in force, annualized premiums of new policies and annualized premiums of policies in force are total sum of personal insurance and personal annuity insurance.

# Earnings Forecasts for FY2022 – Domestic Life Insurance Companies – MSI Primary Life

## Key financial data

(¥bn)

	FY2021 Results	FY2022 (Forecast)	
		Forecast	YoY Change
Amount of new policies	819.6	<b>842.7</b>	2.8%
Amount of policies in force	6,803.6	<b>6,546.0</b>	- 3.8%
Gross premiums income	812.4	<b>800.0</b>	- 12.5
Ordinary profit/loss	87.7	<b>20.6</b>	- 67.2
Net income/loss	53.0	<b>15.0</b>	- 38.0

# Earnings Forecasts for FY2022 – Overseas Subsidiaries

- Net premiums written are expected to increase by 88.9 billion yen mainly due to the positive impact of foreign exchange, in addition to increased rates at MS Amlin.
- Net income is expected to increase by 29.4 billion yen mainly due to the 32.4 billion yen increase in Europe.
- See slide 38 for MS Amlin forecast.

## Overseas subsidiaries

(¥bn)

	FY2021 Results	FY2022 Forecast	YoY Change
Net premiums written	703.0	<b>792.0</b>	88.9
Asia	178.5	<b>207.9</b>	29.4
Europe	477.3	<b>523.2</b>	45.8
Americas	47.1	<b>60.9</b>	13.7
Net income/loss	24.5	<b>54.0</b>	29.4
Asia	29.6	<b>28.2</b>	- 1.4
Europe	- 26.8	<b>5.6</b>	32.4
Americas	4.3	<b>3.3</b>	- 1.0
International life insurance	17.4	<b>16.9</b>	- 0.5

## <Reference> Earnings Forecasts for FY2022 – Domestic Non-Life Insurance Companies (MSI&ADI)(i)

### Net premiums written

(¥bn)

	Simple Sum	
		Growth
Fire and allied	<b>454.7</b>	4.2%
Marine	<b>68.6</b>	-0.8%
Personal accident	<b>213.6</b>	2.6%
Voluntary automobile	<b>1,458.8</b>	1.5%
CALI	<b>275.3</b>	-2.0%
Other	<b>453.0</b>	3.1%
Total	<b>2,924.0</b>	1.9%
Total excluding residential EQ insurance and CALI	<b>2,648.1</b>	2.3%

MSI (Non-Consolidated)		ADI (Non-Consolidated)	
	Growth		Growth
<b>254.2</b>	7.4%	<b>200.5</b>	0.4%
<b>62.8</b>	0.8%	<b>5.8</b>	-14.9%
<b>153.7</b>	3.3%	<b>59.9</b>	0.8%
<b>696.3</b>	1.1%	<b>762.5</b>	1.9%
<b>141.5</b>	-2.7%	<b>133.8</b>	-1.3%
<b>308.5</b>	3.7%	<b>144.5</b>	1.8%
<b>1,617.0</b>	2.4%	<b>1,307.0</b>	1.2%
<b>1,475.0</b>	2.9%	<b>1,173.1</b>	1.5%

## <Reference> Earnings Forecasts for FY2022 – Domestic Non-Life Insurance Companies (MSI&ADI)(ii)

### EI loss ratio

	EI Loss Ratio	
	Simple Sum	
		YoY Change
Fire and allied	<b>68.0%</b>	-12.5pp
Marine	<b>51.0%</b>	-11.8pp
Personal accident	<b>55.5%</b>	0.7pp
Voluntary automobile	<b>60.1%</b>	3.2pp
Other	<b>58.9%</b>	-0.3pp
Total (excluding residential EQ insurance and CALI)	<b>60.7%</b>	-0.6pp
(Excl. impact of nat. cat.)	<b>57.5%</b>	-0.8pp

MSI (Non-consolidated)		ADI (Non-consolidated)	
	YoY Change		YoY Change
<b>68.1%</b>	-10.3pp	<b>68.0%</b>	-14.9pp
<b>50.8%</b>	-9.4pp	<b>52.5%</b>	-32.0pp
<b>54.9%</b>	0.5pp	<b>57.0%</b>	1.3pp
<b>61.2%</b>	3.5pp	<b>59.1%</b>	3.0pp
<b>57.9%</b>	-0.4pp	<b>61.0%</b>	-0.3pp
<b>60.6%</b>	-0.4pp	<b>60.7%</b>	-0.9pp
<b>57.9%</b>	-1.0pp	<b>56.9%</b>	-0.6pp

※ Incurred losses = Net loss paid + loss adjustment expenses + movement in outstanding claims

※ Earned premiums, a denominator of EI loss ratio, are calculated with adjustments including unearned premiums (excl. natural catastrophe policy reserves) and reserve funds.

※ “Impact of nat. cat.” means incurred losses from domestic and overseas natural catastrophes occurred in each year deducting the collected amount of Cat Bonds related to natural catastrophes in FY2018.

## <Reference> MS Amlin's Results Forecast for FY2022 (Jan. – Dec. 2022)

- In FY2022, top line growth is expected due to higher rates, underwriting expansion on profitable lines, etc.
- Net income is expected to increase by £211mn to £20mn due to elimination of the impact of natural catastrophes and reserve increase for a part of non-cat lines from the previous year, which is offset by the impact of Russia's invasion of Ukraine ( £ 124mn\*<sup>3</sup>).

( £ mn)

	FY2021 Results	FY2022 (Forecast)	
			YoY
Net Premiums Written	2,814	2,903	89
Net Premiums Earned	2,665	2,786	121
Incurred Losses(including loss adjustment expenses)	1,944	1,741	-202
Underwriting profit/loss	-197	16	214
Investment profit/loss* <sup>1</sup>	101	48	-53
Non-operating profit/loss* <sup>2</sup>	-96	-38	58
Net income/loss after tax	-190	20	211
Group Adjusted Profit	-110	24	134

\*1 MS Amlin adopts the accounting method where securities market value fluctuations are reflected in the profit-loss statement.

\*2 The main item of "Non-operating profit/loss" is expenses of non-insurance companies.

\*3 In connection with Russia's invasion of Ukraine, the conservative estimate for incurred loss, mainly for property and cargo, is £60 million for MS Amlin companies. A further extra £64 million has been factored into the full-year forecast in light of various uncertainties, such as the ending time of the invasion, policy wording interpretation, etc. At present, no specific claims have been made.

## Abbreviations of company names used in this presentation

• MS&AD Holdings :	MS&AD Insurance Group Holdings, Inc.
• MS&AD :	MS&AD Insurance Group
• Mitsui Sumitomo Insurance, MSI :	Mitsui Sumitomo Insurance Co., Ltd.
• Aioi Nissay Dowa Insurance, ADI :	Aioi Nissay Dowa Insurance Co., Ltd.
• 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.
• MS Amlin :	Sum of business segments including AUL,AAG,AISE and ACS
	( AUL MS Amlin Underwriting Limited
	AAG MS Amlin AG
	AISE MS Amlin Insurance SE
	ACS MS Amlin Corporate Services Limited )

## Definition of “Group Adjusted Profit”

Group Adjusted Profit = Consolidated net income

+ Provision for catastrophe loss reserve and others

- Other incidental factors (amortization of goodwill and other intangible fixed assets and others)

+ Equity in earnings of the non-consolidated group companies

Adjusted Net Assets = Consolidated net assets + Catastrophe reserve and others - Goodwill and other intangible fixed assets

Group Adjusted ROE = Group Adjusted Profit ÷ Adjusted net assets (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

<https://www.ms-ad-hd.com/en/ir/contact.html>