

Materials for FY2021 2Q Results Briefing – Conference Call

Advancing with you



INSURANCE GROUP

November 19, 2021 (Fri)

MS&AD Insurance Group Holdings, Inc.

Today's Key Points

FY2021 2Q Earnings Results

- Net premiums written increased by 59.4 billion yen year on year, or 3.2%, as both domestic non-life insurance subsidiaries and overseas subsidiaries saw an increase.
- Net income for 2Q increased by 28.1 billion yen to 124.8 billion yen (54% progress rate against the plan) due to an increase in both underwriting profit and investment profit at domestic non-life insurance subsidiaries and an increase in net income at overseas subsidiaries due to factors such as the lesser impact of COVID-19 than in the previous fiscal year. Group Adjusted Profit increased by 52.6 billion yen to 183.7 billion yen (61% progress rate against the plan).

Earnings Forecast for FY2021

- While overseas natural catastrophe losses are expected to be 34.0 billion yen higher than the initial forecast, domestic natural catastrophe losses are expected to be 19.0 billion yen lower than the initial forecast.
- As a result, the forecast for consolidated net income remains at the initial 230.0 billion yen, due to an upward revision for domestic non-life and domestic life insurance subsidiaries, despite a downward revision for overseas subsidiaries. The forecast for Group Adjusted Profit also remains at the initial forecast of 300.0 billion yen.

Return to Shareholders

- The interim dividend is 82.5 yen (+7.5 yen year on year), and we will also carry out a share buyback of maximum 25.0 billion yen.
- Annual dividend for FY2021 is planned at 165 yen (+10 yen year on year).

Summary of FY2021 2Q Results

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Projected Results for FY2021

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

Summary of FY2021 2Q Results

Consolidated Earnings for FY2021 2Q (1) - Overview (i) (Top line)

Non-life insurance subsidiaries

(¥bn)

	FY2019 2Q Results	FY2020 2Q Results	FY2021 2Q Results	YoY Change	Growth
Direct premiums written (excl. deposit premiums from policyholders)	1,999.7	1,973.1	2,027.6	54.5	2.8%
Net premiums written	1,926.8	1,869.0	1,928.5	59.4	3.2%
Mitsui Sumitomo Insurance	803.3	806.1	817.3	11.2	1.4%
Aioi Nissay Dowa insurance	656.8	652.1	662.7	10.5	1.6%
Mitsui Direct General	17.9	18.0	17.4	- 0.5	- 3.3%
Overseas subsidiaries	447.8	392.6	430.9	38.3	9.8%

Life insurance subsidiaries

(¥bn)

	FY2019 2Q Results	FY2020 2Q Results	FY2021 2Q Results	YoY Change	Growth
Gross premiums income [※]	733.2	541.0	665.4	124.3	23.0%
MSI Aioi Life	257.9	253.1	249.6	- 3.4	- 1.4%
MSI Primary Life	475.3	287.9	415.7	127.8	44.4%
Life insurance premiums	555.4	56.6	265.0	208.4	368.3%

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

Consolidated Earnings for FY2021 2Q (1) - Overview (i) (Top line)

(Non-life insurance subsidiaries: domestic and overseas)

- Net premiums written increased by 59.4 billion yen, or 3.2% year-on-year, as both domestic non-life insurance subsidiaries and overseas insurance subsidiaries saw an increase.
- Net premiums written at the 2 major domestic non-life insurance subsidiaries increased mainly due to strong sales of voluntary auto and casualty insurance, despite a decrease in fire and allied and compulsory automobile liability insurance (CALI).

Net premiums written in fire and allied insurance decreased by 10.9 billion yen due to a rebound from the previous period that saw a large number of policy renewals.

Net premiums written in voluntary auto insurance increased by 17.1 billion yen due to the rise in the unit price of insurance premiums, as a result of the rate revision in January 2020 and various measures to raise the unit price, in addition to an increase in the number of vehicles caused by the promotion of telematics insurance products and a rebound from the previous period.

Net premiums written in casualty insurance increased by 16.9 billion yen, mainly due to increased sales of package products for SMEs and the acquisition of large contracts.

Net premiums written of CALI decreased by 7.3 billion yen, mainly due to the revision of the premium rates.

- Net premiums written of overseas insurance subsidiaries increased by 38.3 billion yen due to the increased premium rates and the impact of foreign exchange.

(Domestic life insurance subsidiaries)

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

Consolidated Earnings for FY2021 2Q (1) - Overview (ii) (Bottom line)

(¥bn)

	FY2020 2Q	FY2021 2Q		
	Results	Results	YoY Change	Change Ratio
Ordinary profit/loss	115.5	182.1	66.6	57.7%
Mitsui Sumitomo Insurance	73.5	107.2	33.6	45.8%
Aioi Nissay Dowa Insurance	8.7	29.8	21.1	241.4%
Mitsui Direct General Insurance	2.6	1.8	- 0.8	- 30.8%
MSI Aioi Life	14.0	18.0	4.0	28.9%
MSI Primary Life	39.2	23.6	- 15.6	- 39.8%
Overseas subsidiaries	- 4.7	11.9	16.7	-
Consolidation adjustments, others	- 17.9	- 10.3	7.5	-
Net income/loss [※]	96.6	124.8	28.1	29.2%
Mitsui Sumitomo Insurance	56.1	82.2	26.0	46.4%
Aioi Nissay Dowa Insurance	5.2	19.1	13.8	262.8%
Mitsui Direct General Insurance	2.1	1.4	- 0.7	- 33.7%
MSI Aioi Life	8.8	11.6	2.7	31.5%
MSI Primary Life	26.6	17.1	- 9.4	- 35.6%
Overseas subsidiaries	- 11.4	4.9	16.4	-
Consolidation adjustments, others	9.0	- 11.6	- 20.6	- 228.8%

FY2021 Forecast (Revised)	
	Progress
230.0	54.3%
138.0	59.6%
48.0	39.8%
0.2	710.3%
18.0	64.5%
25.0	68.5%
39.0	12.8%
-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 2Q (1) - Overview (ii) (Bottom line)

<Net income>

(Group consolidated)

Net income for 2Q was 124.8 billion yen. Although the overseas natural catastrophe losses increased, net income rose by 28.1 billion yen year on year due to such factors as a decrease in domestic natural catastrophe losses and an increase in investment profit at the two main domestic non-life insurance subsidiaries, as well as an increase in net income at overseas subsidiaries as a result of lesser impact of COVID-19 than in the previous period.

(Domestic two non-life subsidiaries)

Underwriting profit increased by 37.7 billion yen mainly due to an increase in earned premiums due to strong sales and a decrease in domestic natural catastrophe losses, despite an increase in automobile insurance losses as a result of a lesser impact of COVID-19 than in the previous fiscal year.

Investment profit and other ordinary profit increased by 17.0 billion yen due to an increase in interest and dividend income and gain on sales of securities, despite an increase in impairment losses on securities.

Net income for 2Q rose by 39.8 billion yen year on year to 101.3 billion yen.

(Domestic life insurance subsidiaries)

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

(Overseas subsidiaries)

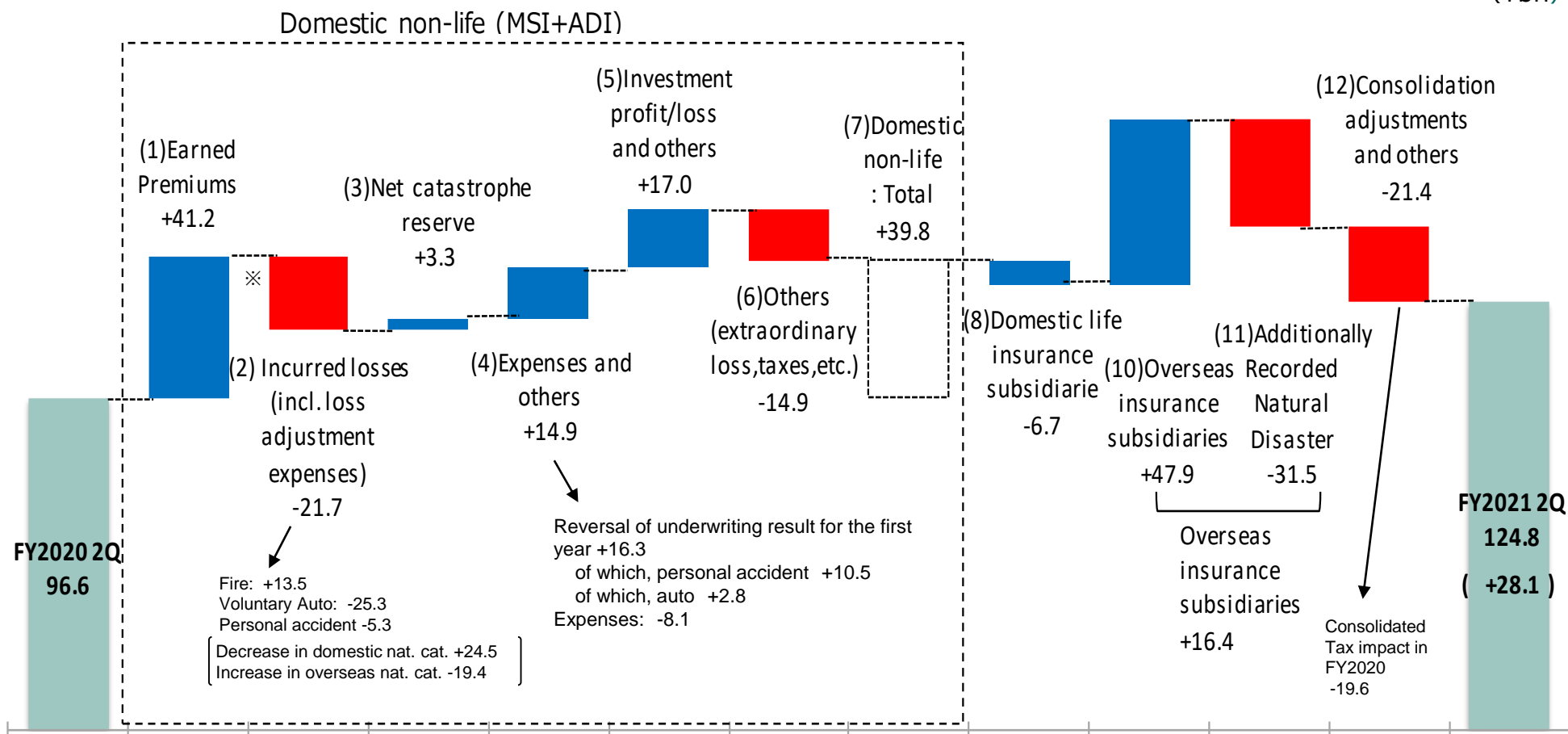
- Overseas subsidiaries: Please see slide 18
- MS Amlin: Please see slide 22

Consolidated Earnings for FY2021 2Q (2) – YoY Results Comparison (i)

- Net income at (7) two domestic non-life insurance companies combined increased by 39.8 billion yen due to an increase in (1) earned premiums and (5) investment profit/loss and others. Net income at (9) overseas insurance subsidiaries increased by 16.4 billion yen due to a lesser impact of COVID-19 than in the previous year and an increase in investment profit, despite an increase in natural catastrophe losses.
- Consolidated net income increased by 28.1 billion yen year on year due to increases in (7) domestic non-life insurance and (9) overseas insurance subsidiaries.

Consolidated net income

(¥bn)



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

Factors in YoY changes in consolidated net income

(¥bn)

		FY2020 2Q Results	FY2021 2Q Results	YoY Change
Consolidated net income/loss		96.6	124.8	28.1
Domestic non-life insurance ^{※1} : Underwriting profit/loss (excl. residential earthquake and CALI (compulsory auto liability insurance))		10.8	48.6	37.7
Earned premiums	(1)	1,240.5	1,281.8	41.2
Incurred losses (incl. loss adjustment expenses) and others	(2)	- 733.0	- 754.8	- 21.7
Net reversal of catastrophe reserve	(3)	- 60.9	- 57.6	3.3
Underwriting expenses and others ^{※2}	(4)	- 435.6	- 420.7	14.9
Investment profit/loss and others	(5)	71.4	88.4	17.0
Others (extraordinary loss, taxes, etc.)	(6)	- 20.8	- 35.7	- 14.9
Domestic non-life insurance: Total	(7)	61.4	101.3	39.8
Domestic life insurance subsidiaries	(8)	35.4	28.7	- 6.7
Overseas subsidiaries		- 11.4	4.9	16.4
Overseas subsidiaries (local reporting basis)	(9)	- 11.4	36.5	47.9
Additionally recorded natural catastrophes	(10)	-	- 31.5	- 31.5
Consolidation adjustments and others	(11)	11.1	- 10.2	- 21.4

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

※2 “Underwriting expenses and others” include foreign exchange profit/loss and others.

Consolidated Earnings for FY2021 2Q (3) – Group Adjusted Profit

- Group Adjusted Profit increased by 52.6 billion yen year-on-year, due to an increase in the domestic non-life insurance and international business, despite a decrease in the domestic life insurance.
- Although the progress towards the full-year forecast in the international business is 27.7% as a result of the impact of additionally booked natural catastrophe losses, the full-year profit is expected to be 50.0 billion yen thanks to the improving loss ratio in 2H among other factors.

	FY2020 2Q Results	FY2021 2Q Results	YoY Change	FY2021 Forecast (Revised)	Progress
Group Adjusted Profit* ¹	131.0	183.7	52.6	300.0	61.2%
Domestic non-life insurance business	102.4	138.6	36.2	199.0	69.7%
Domestic life insurance business	36.2	29.6	- 6.5	45.0	66.0%
International business	- 10.1	13.8	23.9	50.0	27.7%
Financial services business and risk-related services business	2.5	1.4	- 1.0	6.0	24.5%

*1 For the definition of Group Adjusted Profit , please refer to the last page. Group Adjusted ROE will be disclosed at the end of the fiscal year.

<Ref.>

$$\begin{array}{ccccccc}
 \text{Group Adjusted Profit} & = & \text{Consolidated net income} & + & \text{Provision/reversal for catastrophe loss reserve and others}^{*2} & - & \text{Other incidental factors}^{*3} & + & \text{Equity in earnings of the non-consolidated group companies} \\
 183.7 & & 124.8 & & 44.1 & & -14.5 & & 0.1
 \end{array}$$

*2 “+” in case of provision, “-” in case of reversal

*3 Amortization of goodwill and others: -12.1 billion yen

Consolidated Earnings for FY2021 2Q (4) – Impact of Natural Catastrophes

- Incurred losses of domestic natural catastrophes decreased by 24.5 billion yen year-on-year to 31.3 billion yen.
- Incurred losses of overseas natural catastrophes increased by 47.9 billion to 57.0 billion yen due to additionally booked losses in overseas subsidiaries from European floods of July and Hurricane Ida of the end of August to September.

Impact of domestic natural catastrophes

(¥bn)

	Incurred losses			Incurred losses	
	FY2020 2Q Results	FY2021 2Q Results	YoY Change	FY2021 Forecast	Change from initial
Mitsui Sumitomo Insurance	34.2	18.6	- 15.5	31.0	- 9.0
Aioi Nissay Dowa Insurance	21.6	12.7	- 8.9	20.0	- 10.0
Total	55.8	31.3	- 24.5	51.0	- 19.0

Impact of overseas natural catastrophes

(¥bn)

	Incurred losses			Incurred losses	
	FY2020 2Q Results	FY2021 2Q Results	YoY Change	FY2021 Forecast	Change from initial
Aioi Nissay Dowa Insurance	7.3	21.8	14.5	27.5	14.5
MS Amlin	1.7	9.6	7.9	46.5	13.5
Other (MSI, overseas subsidiaries)	-	5.0	5.0	5.9	5.9
Additionally booked nat. cat. losses at overseas subsidiaries* ¹	-	32.4	32.4	-	-
Consolidation adjustments* ²	-	- 12.0	- 12.0	- 12.0	-
Total	9.0	57.0	47.9	68.0	34.0

(Ref: FY2021 2Q)

Europe floods Hurricane Ida
23.1 33.1

*1 Additionally booked in 2Q, these losses at overseas subsidiaries are related to European floods and Hurricane Ida that occurred in FY2021 3Q (Jan.-Dec. reporting basis) (MS Amlin: 31.4 billion yen).

*2 "Consolidation adjustments" is the reversal of the estimated North American cold wave losses of February 2021 that were additionally booked in the consolidated financial statements for FY2020.

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

	FY2020 2Q Results			FY2021 Forecast	
	Results	Results	YoY Change	Forecast	Change from initial
Total	64.9	88.4	23.4	119.0	15.0

(¥bn)

Domestic Non-Life Insurance Companies (1) – MSI & ADI Results for FY2021 2Q (i)

- Underwriting profit increased by 37.7 billion yen year-on-year mainly due to an increase in earned premiums and a decrease in domestic natural catastrophe losses, despite an increase in auto insurance losses and overseas natural catastrophe losses.

(¥bn)

	Simple Sum		MSI (Non-Consolidated)		ADI (Non-Consolidated)	
		YoY Change		YoY Change		YoY Change
Net premiums written^{※1}	1,480.1	21.8	817.3	11.2	662.7	10.5
Earned premiums ^{※2}	1,281.8	41.2	711.0	22.7	570.7	18.5
Incurred losses (including loss adjustment expenses) ^{※2} (–)	754.8	21.7	413.9	11.2	340.8	10.5
Underwriting expenses ^{※2} (–)	444.9	8.1	240.9	4.4	203.9	3.6
Commissions and collection expenses ^{※2}	280.9	9.1	149.5	4.8	131.3	4.3
Other underwriting expenses ^{※2}	164.0	- 1.0	91.4	- 0.3	72.6	- 0.6
Underwriting profit/loss prior to reflecting catastrophe reserve	106.2	34.4	76.3	23.4	29.8	10.9
Net catastrophe reserve	- 57.6	3.3	- 32.9	- 2.8	- 24.7	6.1
Underwriting profit/loss after reflecting catastrophe reserve	48.6	37.7	43.4	20.6	5.1	17.1
EI loss ratio^{※2}	58.9%	- 0.2pp	58.2%	- 0.3pp	59.7%	- 0.1pp
Net loss ratio ^{※1}	56.0%	1.2pp	55.2%	0.3pp	56.9%	2.2pp
Net expense ratio ^{※1}	32.8%	0.2pp	31.8%	0.3pp	34.2%	0.2pp
Combined ratio^{※1}	88.8%	1.4pp	87.0%	0.6pp	91.1%	2.4pp

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

※ “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 2Q (ii)

- Although impairment losses on securities increased, investment profit and other ordinary profit increased by 17.0 billion yen due to an increase net interest and dividends income and gains on sales of securities.

(¥bn)

	Simple Sum		MSI (Non-Consolidated)		ADI (Non-Consolidated)	
		YoY Change		YoY Change		YoY Change
Underwriting profit/loss	48.6	37.7	43.4	20.6	5.1	17.1
Net interest and dividends income	72.7	18.1	52.6	17.5	20.1	0.5
Gains/losses on sales of securities	46.7	14.7	37.2	15.7	9.4	- 1.0
Impairment losses on securities (–)	22.4	18.8	19.4	18.4	2.9	0.3
Investment profit/loss and other ordinary profit/loss	88.4	17.0	63.7	13.0	24.7	3.9
Ordinary profit/loss	137.0	54.7	107.2	33.6	29.8	21.1
Extraordinary income/loss	- 6.9	0.5	- 2.6	- 0.5	- 4.2	1.0
Income before taxes	130.1	55.3	104.5	33.1	25.6	22.1
Taxes and others (–)	28.8	15.4	22.3	7.1	6.4	8.3
Net income/loss	101.3	39.8	82.2	26.0	19.1	13.8
	MSI + ADI					
		YoY Change				
<Reference> Sales of strategic equity holdings	54.9	12.2				

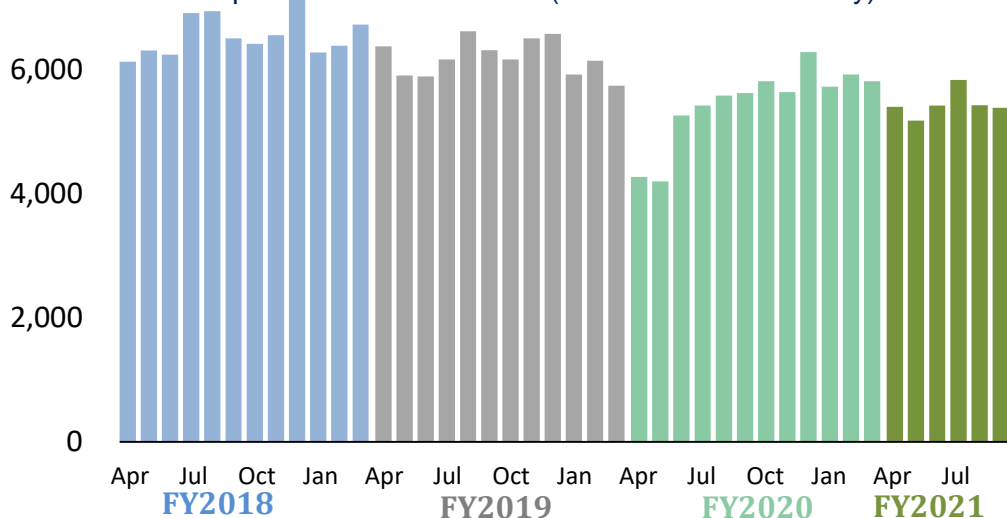
Domestic Non-Life Insurance Companies FY2021 2Q (2) – Voluntary Auto Insurance

- The cumulative number of accidents at the end of September increased by 7.2% year-on-year, which is a rebound from last year when traffic decreased due to COVID-19 restrictions.
- E/I loss ratio increased by 2.2 points year-on-year to 53.6%.

Number of accidents

(per day, %YOY, excl. the number of accidents caused by natural catastrophes)

Simple sum of MSI and ADI (Domestic business only)



Mitsui Sumitomo Insurance

<Domestic sales basis>	No. of contracts	Insurance premium unit price	Insurance premium
Factors of increase/decrease in insurance premiums	+0.4%	-0.1%	+0.4%
<Domestic>	Property damage liability	Vehicle damage (Excl. natural catastrophes)	
Changes in average payout per claim	+0.6%	+1.0%	

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

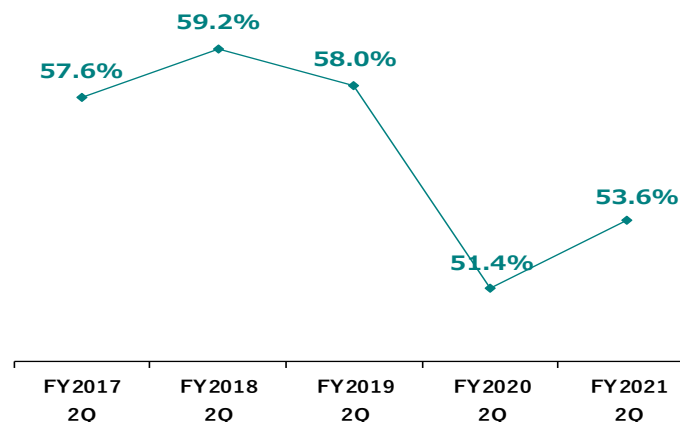
※ Changes in average payout per claim means changes in average payout per claim over one-year period ended Sep. 30, 2021 compared with average payout per claim in one-year period ended Mar. 31, 2021.

※ E/I loss ratio is calculated based on the figures from April to September for each year.

E/I loss ratio

(incl. loss adjustment expenses)

Simple sum of MSI and ADI



Aioi Nissay Dowa Insurance

<Domestic sales basis>	No. of contracts	Insurance premium unit price	Insurance premium
Factors of increase/decrease in insurance premiums	+0.7%	+0.2%	+0.9%
<Domestic>	Property damage liability	Vehicle damage (Excl. natural catastrophes)	
Changes in average payout per claim	+0.3%	+0.5%	

Domestic Life Insurance / MSI Aioi Life - Results for FY2021 2Q

- Annualized premiums of new policies increased by 11.7% year-on-year mainly due to an increase in sales of income guarantee products and term insurance for corporates. Compared with the same period of FY2019, annualized premiums of new policies decreased by 5.8%.
- Net income increased by 2.7 billion yen due to a decrease in agent commissions and the burden of provision for policy reserves following the expiry and cancellation of policies in force.

MSI Aioi Life

(¥bn)

	FY2019 2Q Results	FY2020 2Q Results	FY2021 2Q Results	YoY Change	Change Ratio
Amount of new policies* ¹	1,064.5	830.4	900.4	69.9	8.4%
Annualized premiums of new policies	14.6	12.3	13.8	1.4	11.7%
of which, third sector insurance	10.2	6.9	7.3	0.3	5.3%
Amount of policies in force* ¹	(At the beginning of FY2021) 24,266.9	(At the beginning of FY2021) 24,266.9	24,118.4	(Change from the beginning of FY) - 148.4	-0.6%
Annualized premiums of policies in force	(At the beginning of FY2021) 447.9	(At the beginning of FY2021) 447.9	446.2	(Change from the beginning of FY) - 1.6	-0.4%
of which, third sector insurance	(At the beginning of FY2021) 146.0	(At the beginning of FY2021) 146.0	149.7	(Change from the beginning of FY) 3.7	2.5%
Gross premiums income	257.9	253.1	249.6	- 3.4	-1.4%
Ordinary profit/loss	9.6	14.0	18.0	4.0	28.9%
Extraordinary income/loss	- 0.5	- 0.5	- 0.6	- 0.1	—
Net income/loss	5.1	8.8	11.6	2.7	31.5%
Core profit	8.1	12.1	16.5	4.3	35.9%
EEV* ²	(At the beginning of FY2021) 958.3	(At the beginning of FY2021) 958.3	1,012.1	(Change from the beginning of FY) 53.8	
<Reference> EEV applied UFR	(At the beginning of FY2021) 1,065.3	(At the beginning of FY2021) 1,065.3	1,098.3	(Change from the beginning of FY) 33.0	

*1 Personal total. *2 EEV for 2Q is a pro forma figure based in part on a simple calculation. It has not been verified by an independent third party.

Domestic Life Insurance / MSI Primary Life - Results for FY2021 2Q

- Despite the impact of COVID-19, gross premiums income increased by 44.4% thanks to the proactive use of sales activities that incorporate remote communication. Compared with FY2019, gross premiums income fell by 12.5%.
- Net income fell by 9.4 billion yen to 17.1 billion yen due to such factors as an increase in the burden of policy reserve provisions compared with the previous period when a large number of contracts met their investment targets.

MSI Primary Life

(¥bn)

	FY2019 2Q Results	FY2020 2Q Results	FY2021 2Q Results	YoY Change	Change Ratio
Amount of new policies* ¹	479.5	288.3	417.9	129.6	44.9%
Amount of policies in force* ¹	-	(At the beginning of FY2021) 6,595.8	6,517.0	(Change from the beginning of FY) - 78.8	- 1.2%
Gross premiums income	475.3	287.9	415.7	127.8	44.4%
Ordinary profit/loss	2.0	39.2	23.6	- 15.6	- 39.8%
Extraordinary income/loss	13.5	- 2.4	-	2.4	-
Provision/reversal for price fluctuation reserve	13.5	- 2.4	-	2.4	-
Net income/loss	11.3	26.6	17.1	- 9.4	- 35.6%

Impact of interest rates and foreign exchange rates

(¥bn)

	FY2019 2Q Results	FY2020 2Q Results	FY2021 2Q Results
Impact of interest rates	- 20.9	12.4	1.3
Impact of foreign exchange rates	5.5	- 11.8	- 1.1
Total* ²	- 15.3	0.5	0.1

*1 Personal total.

*2 Incl. gains/losses on sales of securities
(FY2020 2Q: +40.8 billion yen,
FY2021 2Q: +5.7 billion yen)

Overseas Subsidiaries - Results for FY2021 2Q

- Net premiums written increased by 38.3 billion yen due to the impact of foreign exchange rates and a rise in premium rates, despite the negative impact of strict underwriting rules on premiums.
- Income on a local reporting basis increased by 47.9 billion yen mainly for Europe and the international life insurance business as a result of lesser impact from COVID-19 compared with the previous period.
- Net income increased by 16.4 billion yen due to the additionally booked natural catastrophe losses. See slide 22 for MS Amlin.

Overseas subsidiaries

(¥bn)

	FY2019 2Q Results	FY2020 2Q Results	FY2021 2Q Results	YoY Change	Change ratio
Net premiums written	447.8	392.6	430.9	38.3	9.8%
Asia	92.6	87.0	88.7	1.7	2.0%
Europe	331.9	285.0	320.2	35.2	12.4%
Americas	23.2	20.5	21.9	1.4	7.1%
Net income/loss	30.1	- 11.4	4.9	16.4	-
Income on a local reporting basis	30.1	- 11.4	36.5	47.9	-
Asia	9.3	14.8	15.7	0.9	6.3%
Europe* ¹	13.7	- 21.1	7.3	28.5	-
Americas	1.5	1.2	2.9	1.7	141.3%
International Life Insurance	5.4	- 6.3	10.4	16.7	-
Additionally booked nat. cat. losses* ²	-	-	- 31.5	- 31.5	-

*1 FY2021 2Q result (7.3 billion yen) includes the impact of the North American cold wave (-10.1 billion yen) that was additionally booked in FY2020 consolidated results. If this impact is excluded, net income for FY2021 2Q is 17.5 billion yen.

*2 After-tax impact of European floods and Hurricane Ida losses that occurred in FY2021 3Q of overseas subsidiaries and were additionally booked in consolidated FY2021 2Q results.

<Reference> Domestic Non-Life Insurance Companies – MSI & ADI Results for FY2021 2Q (1)

Net premiums written

(¥bn)

	Simple Sum			MSI (Non-Consolidated)		ADI (Non-Consolidated)	
	FY2020 2Q Results	FY2021 2Q Results	Growth	FY2021 2Q		FY2021 2Q	
				Results	Growth	Results	Growth
Fire and allied	237.1	226.2	-4.6%	122.9	-3.3%	103.3	-6.2%
Marine	30.8	34.1	10.5%	30.4	13.0%	3.7	-6.1%
Personal accident	106.6	109.2	2.5%	78.2	2.3%	30.9	2.9%
Voluntary automobile	705.6	722.8	2.4%	345.8	1.3%	376.9	3.5%
CALI	155.1	147.7	-4.7%	76.6	-6.1%	71.1	-3.2%
Other	222.9	239.9	7.6%	163.2	7.0%	76.6	9.0%
Total	1,458.3	1,480.1	1.5%	817.3	1.4%	662.7	1.6%
Total excluding residential EQ insurance and CALI	1,302.9	1,332.1	2.2%	740.6	2.2%	591.5	2.2%

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

EI loss ratio (Simple sum)

	EI Loss Ratio			EI Loss Ratio (excl. impact of nat. cat.)			
	FY2020 2Q Results	FY2021 2Q		FY2019 2Q Results	FY2020 2Q Results	FY2021 2Q	
		Results	YoY Change			Results	YoY Change
Fire and allied (excl. residential EQ)	89.0%	77.3%	-11.7pp	43.8%	61.9%	53.2%	-8.7pp
Marine	54.1%	65.0%	10.9pp	60.7%	54.0%	64.9%	10.9pp
Personal accident	48.8%	54.0%	5.2pp	52.2%	48.8%	54.0%	5.2pp
Voluntary automobile	51.4%	53.6%	2.2pp	57.4%	50.9%	53.2%	2.3pp
Other	61.2%	59.1%	-2.1pp	55.6%	60.5%	58.4%	-2.1pp
Total (excluding residential EQ insurance and CALI)	59.1%	58.9%	-0.2pp	54.4%	54.2%	54.4%	0.2pp

- ※ Incurred losses = Net loss paid + loss adjustment expenses + movement in outstanding claims reserves
- ※ 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 loss from domestic and overseas natural catastrophes in each year deducting the collected amount of Cat Bonds related to natural catastrophes in FY2018.

<Reference> Domestic Non-Life Insurance Companies – MSI & ADI Results for FY2021 2Q (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)	70.0%	-12.1pp	86.0%	-10.9pp	52.7%	-3.4pp	53.9%	-14.7pp
Marine	64.5%	12.2pp	68.5%	-0.9pp	64.5%	12.4pp	68.5%	-0.9pp
Personal accident	55.0%	7.3pp	51.7%	0.4pp	55.0%	7.3pp	51.7%	0.4pp
Voluntary automobile	54.8%	2.4pp	52.5%	2.1pp	54.5%	2.6pp	52.0%	2.0pp
Other	57.1%	-4.6pp	63.4%	3.2pp	56.4%	-4.5pp	62.7%	3.2pp
Total excluding residential EQ insurance and CALI	58.2%	-0.3pp	59.7%	-0.1pp	55.0%	1.0pp	53.7%	-0.9pp

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

※ 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 loss from domestic and overseas natural catastrophes in each year deducting the collected amount of Cat Bonds related to natural catastrophes in FY2018.

<Reference> MS Amlin's Results for FY2021 2Q (Jan. – Jun. 2021) *1

- Group Adjusted Profit (consolidated) was a negative £101 million pounds, mainly due to European floods and Hurricane Ida, which were additionally booked in the second quarter. (The Profit was £102 million before additional booking).
- Net income excluding the above large losses was £33 million. It improved £187 million year on year mainly due to a decrease in COVID-19 losses and improvement in non-cat lines at AUL (Lloyd's business).

(£ mn)

	FY2020 2Q	FY2021 2Q	YoY Change
Net premiums written	1,895	1,922	27
Net premiums earned	1,445	1,294	-151
Incurred losses (including loss adjustment expenses)	1,132	830	-302
Expense for acquisition and other operating expense	495	457	-38
Underwriting profit/loss	-156	1	157
Investment profit/loss*2	41	66	24
Non-operating profit/loss*3	-42	-38	4
Net income/loss after tax	-154	33	187
Group Adjusted Profit (Before the impact of European Flooding, Hurricane Ida)*4	-154	102	256
Group Adjusted Profit (After the impact of European Flooding, Hurricane Ida)*4	-154	-101	53
EI claims ratio*5	78.4%	64.1%	-14.3pp
EI expense ratio*5	32.4%	35.8%	3.4pp
EI combined ratio*5	110.8%	99.9%	-10.9pp

*1 Local reporting basis

*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, and the European flood impact of -£87 million, the North American hurricane impact of -£116 million, which was additionally recorded in the second quarter of the current fiscal year.

*5 EI expense ratio and EI combined ratio are calculated by taking into account foreign exchange gains/losses included in underwriting profit. The FY2021 EI loss ratio and EI combined ratio figures include the impact of cold wave losses in North America but exclude the impact of European floods and hurricanes in North America.

(£ mn)

	FY2020	FY2021 2Q
Incurred loss related to COVID-19	313	46

<Reference> Economic Solvency Ratio (ESR)

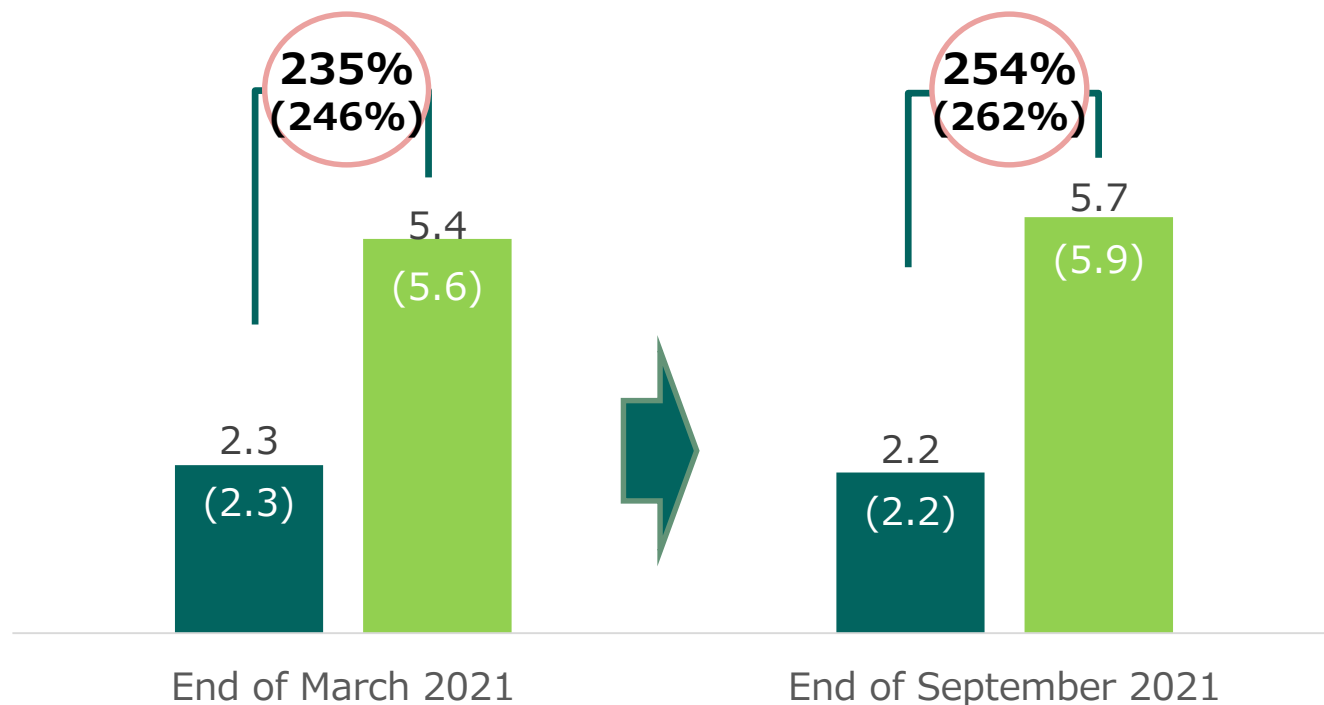
ESR*1

■ Integrated Risk Amount*2

■ Net Asset Value

() UFR applied

(¥tn)



Main factors behind changes in ESR (Versus end of March, 2021)

ESR increased 19pp mainly due to the following factors:

- ✓ Net Asset Value increased due to an increase in internal reserves.
- ✓ Integrated Risk Amount decreased due to the promotion of ALM through the purchase of super-long-term bonds.

<Market environment assumptions>

	End of March 2021	End of September 2021	Change
Nikkei stock average	29,179 yen	29,453 yen	+274 yen
30-year JGB interest rate	0.67%	0.68%	+0.01pp
Exchange rate (US\$1: Yen)	111 yen	112 yen	+1 yen

*1 ESR : Economic Solvency Ratio (= NAV ÷ Integrated Risk Amount)

*2 Integrated Risk Amount: risk amount calculated based on Value at Risk with a 99.5% confidence level

Projected Financial Results for FY2021

Consolidated Earnings Forecasts for FY2021 (1) – (i) (Top line)

- Despite the upward revision for net premiums written forecast at domestic non-life insurance subsidiaries, the forecast for total net premiums written in non-life insurance was revised downward (-33.0 billion yen) from the initial forecast as the forecast for overseas subsidiaries was revised downward due to the impact of foreign exchange rates
- Forecast for gross premiums income at life insurance subsidiaries was revised upward (+55.0 billion yen) due to expanded sales.

Non-life insurance subsidiaries

(¥bn)

	FY2020 Results	FY2021 Forecast (Initial)	FY2021 Forecast (Revised)			
				YoY Change	Change Ratio	Change from the Initial
Net premiums written	3,500.9	3,613.0	3,580.0	79.0	2.3%	- 33.0
Mitsui Sumitomo Insurance	1,559.5	1,566.0	1,570.0	10.4	0.7%	4.0
Aioi Nissay Dowa Insurance	1,281.4	1,287.0	1,289.0	7.5	0.6%	2.0
Mitsui Direct General Insurance	36.4	36.4	36.4	-	-	-
Overseas subsidiaries	623.5	724.0	685.0	61.4	9.9%	- 39.0

Life insurance subsidiaries

(¥bn)

	FY2020 Results	FY2021 Forecast (Initial)	FY2021 Forecast (Revised)			
				YoY Change	Change Ratio	Change from the Initial
Gross premiums income [※]	1,297.3	1,200.0	1,255.0	- 42.3	-3.3%	55.0
MSI Aioi Life	511.9	500.0	505.0	- 6.9	-1.4%	5.0
MSI Primary Life	785.4	700.0	750.0	- 35.4	-4.5%	50.0
Life insurance premiums	- 202.3	670.0	645.0	847.3	-	- 25.0

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

Consolidated Earnings Forecasts for FY2021(1) - (ii) (Bottom line)

- Although the net income forecast for overseas subsidiaries was revised downward, the total net income forecast remains at the initial 230.0 billion yen as the forecast in the domestic non-life and life insurance subsidiaries was revised upward.

(¥bn)

	FY2020 Results	FY2021 Forecast (Initial)	FY2021 Forecast (Revised)		
				YoY Change	Change from the Initial
Ordinary profit	306.5	330.0	330.0	23.4	-
Mitsui Sumitomo Insurance	131.6	175.0	182.0	50.3	7.0
Aioi Nissay Dowa Insurance	32.4	65.0	72.0	39.5	7.0
Net income [※]	144.3	230.0	230.0	85.6	-
Mitsui Sumitomo Insurance	92.2	131.0	138.0	45.7	7.0
Aioi Nissay Dowa Insurance	21.6	43.0	48.0	26.3	5.0
Mitsui Direct General Insurance	0.8	0.1	0.2	- 0.6	0.1
MSI Aioi Life	11.9	18.0	18.0	6.0	-
MSI Primary Life	43.1	23.0	25.0	- 18.1	2.0
Overseas subsidiaries	- 3.1	55.0	39.0	42.1	- 16.0
Consolidation adjustments, other	- 22.1	- 40.1	- 38.2	- 16.0	1.9
ROE (financial accounting basis)	5.2%	7.3%	7.2%	2.0pp	- 0.1pp

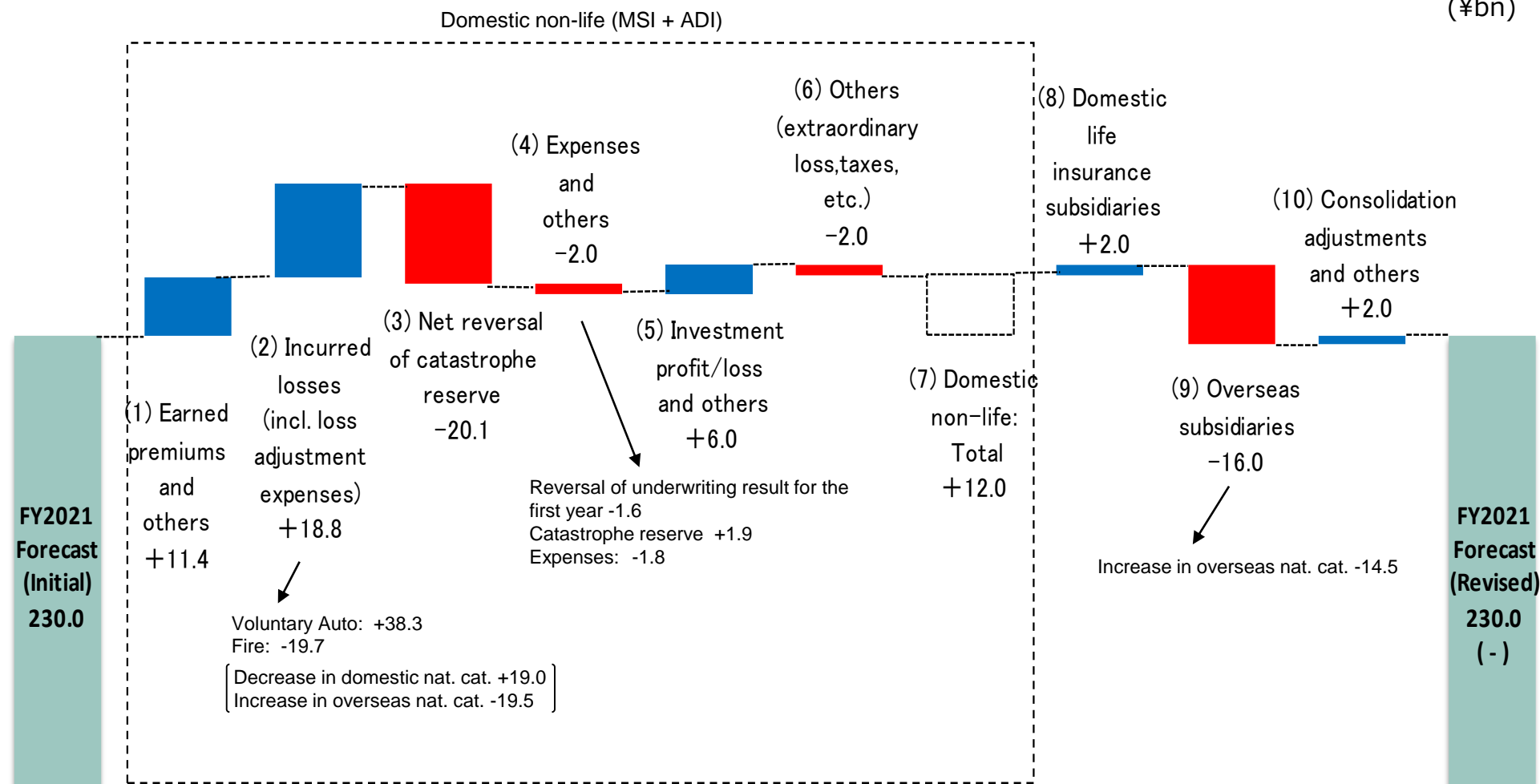
※ Consolidated net income represents net income attributable to owners of the parent.
Net income of subsidiaries is on an equity stake basis, same hereafter.

Consolidated Earnings Forecasts for FY2021 (2) - YoY Comparison

- The forecast for domestic non-life insurance companies was revised upward by 12.0 billion yen from the initial forecast due to the positive factors such as an increase in (1) earned premiums due to strong sales, a decrease in automobile insurance incurred losses, and an increase in (6) investment profit/loss and others due to an increase in interest and dividend income and gain on sales of securities.
- The forecast for (9) overseas insurance subsidiaries was revised downward by 16.0 billion yen due to an increase in natural catastrophe losses among other factors. However, the forecast for consolidated net income remains at the initial 230.0 billion yen.

Consolidated net income

(¥bn)



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

- Forecast for Group Adjusted Profit remains at the initial 300.0 billion yen as a result of an upward revision in the domestic non-life insurance and domestic life insurance and a downward revision in the international business.

(¥bn)

	FY2020 Results	FY2021 Forecast (Initial)	FY2021 Forecast (Revised)		
				YoY Change	Change from the Initial
Group Adjusted Profit	214.6	300.0	300.0	85.3	-
Domestic non-life insurance	158.5	171.0	199.0	40.4	28.0
Domestic life insurance	56.9	43.0	45.0	- 11.9	2.0
International business	- 7.1	80.0	50.0	57.1	- 30.0
Financial services/Risk-related services	6.1	6.0	6.0	- 0.1	-
Other numerical management targets					
EEV of MSI Aioi Life	958.3	1,010.0	963.0	4.6	- 47.0
Group Adjusted ROE	6.7%	8.5%	8.5%	1.8pp	-

Major Assumptions for Earnings Forecasts for FY2021

(¥bn)

	Mitsui Sumitomo Insurance		Aioi Nissay Dowa Insurance	
Assumptions concerning the financial market environment	Assumes the level at the end of September 2021 Nikkei average : ¥ 29,453 USD\$1 = JPY¥ 112 EUR€1 = JPY¥ 130 GBP £ 1 = JPY¥ 150			
Domestic natural catastrophes	31.0	(-9.0)	20.0	(-10.0)
Catastrophe reserves Provision	22.5	(+0.6)	33.1	(+1.0)
(For fire insurance) Reversal	24.2	(-1.5)	27.9	(-1.7)
Net provision	- 1.7	(+2.1)	5.2	(+2.7)
Catastrophe reserves Provision	22.1	(-0.2)	24.1	(+0.1)
(For voluntary Reversal	-	(-0.4)	-	(-9.9)
automobile insurance) Net provision	22.1	(+0.2)	24.1	(+10.0)
Effective corporate tax rate	27.9%			

※Overseas natural catastrophes: MS Amlin, consolidated adjustments: 34.5 (+13.5) billion yen ; ADI: 27.5 (+14.5) billion yen.

※Figures in () show change from the initial forecast.

Earnings Forecasts for FY2021–Domestic Non-Life Insurance Companies (MSI&ADI) (i)

(¥bn)

	Simple Sum			MSI (Non-Consolidated)			ADI (Non-Consolidated)		
		YoY Change	Change from the initial		YoY Change	Change from the Initial		YoY Change	Change from the Initial
Net premiums written^{※1}	2,859.0	18.0	6.0	1,570.0	10.4	4.0	1,289.0	7.5	2.0
Earned premiums ^{※2}	2,570.0	74.0	11.4	1,424.6	43.6	5.5	1,145.4	30.3	5.9
Incurring losses (including loss adjustment expenses) ^{※2} (–)	1,530.1	20.8	- 18.8	840.9	1.4	- 3.7	689.2	19.4	- 15.1
Underwriting expenses ^{※2} (–)	891.6	11.6	1.8	484.0	8.2	- 0.5	407.6	3.4	2.3
Commissions and collection expenses ^{※2}	543.7	8.1	2.0	288.6	4.9	0.2	255.1	3.2	1.8
Other underwriting expenses ^{※2}	347.9	3.4	- 0.2	195.4	3.2	- 0.7	152.5	0.1	0.5
Underwriting profit/loss prior to reflecting catastrophe reserve	164.6	87.8	28.1	103.1	47.1	9.6	61.5	40.6	18.5
Net catastrophe reserve	- 64.6	0.7	- 20.1	- 36.1	- 4.0	- 4.6	- 28.5	4.8	- 15.5
Underwriting profit/loss after reflecting catastrophe reserve	100.0	88.5	8.0	67.0	43.0	5.0	33.0	45.4	3.0
EI loss ratio^{※2}	59.5%	- 1.0pp	- 1.0pp	59.0%	- 1.8pp	- 0.5pp	60.2%	0.1pp	- 1.6pp
Net loss ratio ^{※1}	60.7%	1.4pp	- 2.0pp	60.4%	0.6pp	- 1.6pp	61.2%	2.6pp	- 2.3pp
Net expense ratio ^{※1}	34.0%	0.3pp	-	33.1%	0.4pp	- 0.1pp	35.1%	0.2pp	0.1pp
Combined ratio^{※1}	94.7%	1.7pp	- 2.0pp	93.5%	1.0pp	- 1.7pp	96.3%	2.8pp	- 2.2pp

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

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

Earnings Forecasts for FY2021–Domestic Non-Life Insurance Companies (MSI&ADI) (ii)

(¥bn)

	Simple Sum			MSI (Non-Consolidated)			ADI (Non-Consolidated)		
		YoY Change	Change from the Initial		YoY Change	Change from the Initial		YoY Change	Change from the Initial
Underwriting profit/loss	100.0	88.5	8.0	67.0	43.0	5.0	33.0	45.4	3.0
Net interest and dividends income	129.2	17.2	15.1	92.4	21.6	12.1	36.8	- 4.3	3.0
Gains/losses on sales of securities	78.1	10.8	11.1	60.6	10.8	7.6	17.5	0.0	3.5
Impairment losses on securities (-)	29.2	27.3	21.2	20.7	19.8	17.7	8.5	7.5	3.5
Investment profit/loss and other ordinary profit/loss	154.0	1.3	6.0	115.0	7.3	2.0	39.0	- 5.9	4.0
Ordinary profit/loss	254.0	89.9	14.0	182.0	50.3	7.0	72.0	39.5	7.0
Extraordinary income/loss	- 14.6	- 7.6	- 0.7	- 5.6	- 6.2	- 1.2	- 9.0	- 1.3	0.5
Net income/loss	186.0	72.1	12.0	138.0	45.7	7.0	48.0	26.3	5.0

Key financial data

(¥bn)

	FY2020 Results	FY2021 Forecast (Initial)	FY2021 Forecast (Revised)		
				YoY Change	Change from the Initial
Amount of new policies [※]	1,769.0	1897.7	1,850.0	4.8%	- 47.7
Annualized premiums of new policies [※]	26.2	29.4	29.1	10.7%	- 0.3
Amount of policies in force [※]	24,266.9	24,332.2	24,170.0	-0.4%	- 162.2
Annualized premiums of policies in force [※]	447.9	446.2	445.5	-0.6%	- 0.7
Gross premiums income	511.9	500.0	505.0	-1.3%	5.0
Ordinary profit/loss	25.6	35.2	35.6	10.0	0.4
Net income/loss	11.9	18.0	18.0	6.1	-

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

Key financial data

(¥bn)

	FY2020 Results	FY2021 Forecast (Initial)	FY2021 Forecast (Revised)		
				YoY Change	Change from the Initial
Amount of new policies	788.2	703.4	754.6	-4.3%	51.1
Amount of policies in force	6,595.8	6,399.0	6,399.0	-3.0%	-
Gross premiums income	785.4	700.0	750.0	- 35.4	50.0
Ordinary profit/loss	160.0	35.4	34.4	- 125.7	- 1.0
Net income/loss	43.1	23.0	25.0	- 18.1	2.0

Earnings Forecasts for FY2021– Overseas Subsidiaries

- Forecast for net premiums written was revised downward from the initial by 39.0 billion yen, mainly due to the downward revision in Europe.
- Forecast for net income was revised downward from the initial by 16.0 billion yen as a result of increased natural catastrophe losses in Europe among other factors, although the forecast for Asia and the international life insurance was revised upward.

Overseas subsidiaries

(¥bn)

	FY2020 Results	FY2021 Forecast (Initial)	FY2021 Forecast (Revised)		
				YoY Change	Change from the Initial
Net premiums written	623.5	724.0	685.0	61.4	- 39.0
Asia	169.3	182.9	179.3	9.8	- 3.6
Europe	413.3	493.5	460.2	46.8	- 33.3
Americas	40.7	47.5	45.5	4.7	- 2.0
Net income/loss	- 3.1	55.0	39.0	42.1	- 16.0
Asia	23.9	25.3	27.2	3.2	1.9
Europe	- 31.1	13.0	- 7.3	23.8	- 20.3
Americas	4.2	5.0	4.7	0.4	- 0.3
International life insurance	- 0.2	11.6	14.4	14.6	2.8

<Reference> Earnings Forecasts for FY2021–Domestic Non-Life Insurance Companies (MSI&ADI) (i)

Net premiums written

(¥bn)

	Simple Sum	
		Growth
Fire and allied	424.7	-3.7%
Marine	63.2	5.2%
Personal accident	208.6	2.4%
Voluntary automobile	1,439.5	1.9%
CALI	279.2	-7.1%
Other	443.7	5.0%
Total	2,859.0	0.6%
Total excluding residential EQ insurance and CALI	2,579.4	1.6%

MSI (Non-Consolidated)		ADI (Non-Consolidated)	
	Growth		Growth
225.0	-3.6%	199.7	-3.9%
57.5	8.4%	5.7	-18.5%
149.4	2.5%	59.2	2.2%
691.2	1.1%	748.3	2.6%
144.7	-8.0%	134.5	-6.1%
302.1	5.4%	141.6	4.2%
1,570.0	0.7%	1,289.0	0.6%
1,425.0	1.6%	1,154.4	1.4%

<Reference> Earnings Forecasts for FY2021–Domestic Non-Life Insurance Companies (MSI&ADI) (ii)

EI loss ratio

	Simple Sum	
		YoY Change
Fire and allied	72.3%	-13.9pp
Marine	57.5%	-0.4pp
Personal accident	53.8%	3.4pp
Voluntary automobile	57.3%	2.9pp
Other	57.1%	-4.1pp
Total (excluding residential EQ insurance and CALI)	59.5%	-1.0pp
(Excl. impact of nat. cat.)	56.3%	-0.8pp

MSI (Non-consolidated)		ADI (Non-consolidated)	
	YoY Change		YoY Change
71.0%	-14.5pp	73.8%	-13.1pp
57.4%	1.2pp	58.7%	-12.7pp
53.1%	4.4pp	55.4%	0.5pp
58.1%	2.2pp	56.7%	3.7pp
55.1%	-6.0pp	61.4%	0.2pp
59.0%	-1.8pp	60.2%	0.1pp
56.6%	-1.3pp	56.0%	0.0pp

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

※ 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 loss from domestic and overseas natural catastrophes in the each year deducting the collected amount of Cat Bonds related to natural catastrophes in FY2018.

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

- The revised Group Adjusted Profit is £13 million, up £278 million year on year.
- The reasons for - £ 143 million from initial forecast of Group Adjusted Profit are excess of the planned value of large natural catastrophe losses (- £ 105 million), increase of COVID-19 losses (- £ 46 million), and decrease in operating expenses, etc.

(£ mn)

	FY2020	FY2021 Forecast (Initial)	FY2021 Forecast (Revised)	YoY	Change from initial forecast
Net Premiums Written	2,681	2,923	2,727	46	-196
Net Premiums Earned	2,937	2,848	2,614	-323	-234
Incurred Losses (including loss adjustment expenses)	2,196	1,760	1,766	-430	6
Underwriting profit/loss	-277	60	-99	178	-159
Investment profit/loss* ²	144	99	99	-45	0
Non-operating profit/loss* ³	-99	-87	-79	20	8
Net income/loss after tax	-222	79	-65	157	-144
Group Adjusted Profit	-265	156*⁴	13*⁴	278	-143

Increase in losses from large natural catastrophes (£105 million)
Increase in COVID-19 losses (£ 46 million), etc.

*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 Includes reversal of the impact of North American cold wave losses of £ 69mn, which was additionally recorded in the consolidated financial statements in FY2020.

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” and “Group Adjusted ROE”

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 \div 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.

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