

[Attachment]

Explanatory Material for Business Results
for the Year Ended March 31, 2014

May 20, 2014

MS&AD Insurance Group Holdings, Inc.

UNOFFICIAL TRANSLATION

This document is an unofficial English translation of the Japanese original.

Contents

	Page
1. Summary of Consolidated Business Results	1
(1) Consolidated Business Performance	1
(2) Breakdown of Results by Company (Net Premiums Written, Ordinary Profit and Net Income)	2
(3) Breakdown of Results of Overseas Insurance Subsidiaries by Region	2
(4) Summary of Results of Domestic Life Insurance Business	3
2. Non-Consolidated Business Results of Mitsui Sumitomo Insurance Co., Ltd.	4
3. Non-Consolidated Business Results of Aioi Nissay Dowa Insurance Co., Ltd.	9
4. Earnings Forecasts	
(1) MS&AD Insurance Group Holdings, Inc. (Consolidated)	14
(2) Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)	14
(3) Aioi Nissay Dowa Insurance Co., Ltd. (Non-consolidated)	14
 [Supplementary Information]	
1. Supplementary Information on Consolidated Business Results	16
(1) Premiums Written and Net Claims Paid by Line of Insurance	
(2) Information on Risk-monitored Loans	
2. Summary of Business Results of Main Consolidated Subsidiaries	18
(1) Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)	
(2) Aioi Nissay Dowa Insurance Co., Ltd. (Non-consolidated)	
(3) Mitsui Direct General Insurance Co., Ltd. (Non-consolidated)	
(4) Mitsui Sumitomo Aioi Life Insurance Co., Ltd. (Non-consolidated)	
(5) Mitsui Sumitomo Primary Life Insurance Co., Ltd. (Non-consolidated)	
3. Supplementary Information on Business Results for the Year Ended March 31, 2014 for Press Conference	38
(1) Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)	
(2) Aioi Nissay Dowa Insurance Co., Ltd. (Non-consolidated)	

1. Summary of Consolidated Business Results

(1) Consolidated Business Performance

(Yen in 100 millions)

	Items	Year ended March 31, 2013	Year ended March 31, 2014	Change	Change ratio (%)
Ordinary income and expenses:					
Underwriting income:	1	35,107	37,049	1,941	5.5
Net premiums written	2	26,394	28,095	1,701	6.4
Deposit premiums from policyholders	3	1,639	1,514	(124)	(7.6)
Life insurance premiums	4	5,690	6,789	1,099	19.3
Reversal of outstanding claims	5	574	-	(574)	(100.0)
Underwriting expenses:	6	35,748	35,627	(120)	(0.3)
Net claims paid	7	17,407	16,703	(704)	(4.0)
Loss adjustment expenses	8	1,355	1,394	39	2.9
Commission and collection expenses	9	5,105	5,571	465	9.1
Maturity refunds to policyholders	10	3,925	3,320	(604)	(15.4)
Life insurance claims	11	2,206	3,552	1,345	61.0
Provision for outstanding claims	12	-	379	379	-
Provision for underwriting reserves	13	5,690	4,650	(1,039)	(18.3)
Investment income:	14	7,977	6,459	(1,517)	(19.0)
Interest and dividends income	15	1,993	2,241	247	12.4
Investment gains on money trusts	16	1,839	273	(1,565)	(85.1)
Gains on sales of securities	17	848	833	(15)	(1.8)
Gains on derivative transactions	18	19	42	22	113.4
Investment gains on separate accounts	19	3,737	3,349	(387)	(10.4)
Investment expenses:	20	659	263	(395)	(60.0)
Investment losses on money trusts	21	0	77	76	15,889.4
Losses on sales of securities	22	143	55	(88)	(61.5)
Impairment losses on securities	23	382	32	(350)	(91.5)
Operating expenses and general and administrative expenses	24	5,084	5,487	402	7.9
Other ordinary income and expenses:	25	(98)	(231)	(133)	-
Gains/(losses) on equity method investments	26	(37)	(96)	(59)	-
Deferred expenses under Article 113 of the Insurance Business Act	27	(7)	(3)	4	-
Ordinary profit/(loss)	28	1,503	1,902	399	26.6
Extraordinary income and losses:					
Extraordinary income	29	24	48	23	97.2
Extraordinary losses	30	288	462	174	60.4
Provision for reserve for price fluctuation	31	246	331	84	34.5
Related costs of Reorganization by Function	32	-	82	82	-
Extraordinary income/(losses)	33	(263)	(414)	(150)	-
Income/(loss) before income taxes and minority interests	34	1,239	1,488	249	20.1
Income taxes - current	35	263	296	32	12.3
Income taxes - deferred	36	122	235	113	93.0
Total income taxes	37	386	532	146	37.9
Income/(loss) before minority interests	38	853	956	103	12.1
Minority interests	39	16	21	4	28.6
Net income/(loss)	40	836	934	98	11.8

(Note) The figures in the above table are presented exclusive of Good Result Return premiums of Mitsui Sumitomo Insurance's proprietary automobile insurance product "ModoRich", which contains a special clause related to premium adjustment and refund at maturity.

(2) Breakdown of Results by Company (Net Premiums Written, Ordinary Profit and Net Income)

(Yen in 100 millions)

	Items	Year ended March 31, 2013	Year ended March 31, 2014	Change	Change ratio (%)
Net premiums written ^{Note 1}	1	26,394	28,095	1,701	6.4
Mitsui Sumitomo Insurance ^{Note 1}	2	13,142	13,845	702	5.3
Aioi Nissay Dowa Insurance	3	11,032	11,446	413	3.8
Mitsui Direct General Insurance	4	352	355	2	0.8
Overseas insurance subsidiaries	5	1,861	2,406	544	29.2
Ordinary profit/(loss)	6	1,503	1,902	399	26.6
Mitsui Sumitomo Insurance	7	653	1,019	366	56.0
Aioi Nissay Dowa Insurance	8	258	278	20	7.9
Net income/(loss)	9	836	934	98	11.8
Mitsui Sumitomo Insurance	10	426	580	153	36.1
Aioi Nissay Dowa Insurance	11	188	131	(57)	(30.5)
Mitsui Direct General Insurance	12	3	1	(1)	(49.8)
Mitsui Sumitomo Aioi Life Insurance	13	4	66	62	1,356.4
Mitsui Sumitomo Primary Life Insurance	14	103	179	75	73.2
Overseas insurance subsidiaries	15	126	199	72	57.4
Others	16	0	22	21	2,461.1
Consolidation adjustments and holding company	17	(17)	(246)	(228)	-

(Notes) 1. The figures in the above table are presented exclusive of Good Result Return premiums of Mitsui Sumitomo Insurance's proprietary automobile insurance product "ModoRich", which contains a special clause related to premium adjustment and refund at maturity.

2. Items 10 to 16 represent the net income or loss on a non-consolidated basis with taking into account the Company's ownership interests in its subsidiaries.

(3) Breakdown of Results of Overseas Insurance Subsidiaries by Region

(Yen in 100 millions)

	Items	Year ended March 31, 2013	Year ended March 31, 2014	Change	Change ratio (%)
Net premiums written	1	1,861	2,406	544	29.2
Asia	2	919	1,186	266	29.0
Europe	3	508	689	181	35.7
Americas	4	278	363	85	30.8
Reinsurance	5	156	167	10	6.9
Net income/(loss)	6	126	199	72	57.4
Asia	7	90	115	24	27.4
Europe	8	(16)	(2)	14	-
Americas	9	1	0	(0)	(57.4)
Reinsurance	10	51	85	34	66.1

(4) Summary of Results of Domestic Life Insurance Business

(Yen in 100 millions)

	Items	Year ended March 31, 2013	Year ended March 31, 2014	Change	Change ratio (%)
Amount of new policies					
Mitsui Sumitomo Aoi Life Insurance	1	37,105	26,722	(10,383)	(28.0)
Mitsui Sumitomo Primary Life Insurance	2	4,322	8,005	3,683	85.2
Amount of policies in force					
Mitsui Sumitomo Aoi Life Insurance	3	200,746	211,050	10,304	5.1
Mitsui Sumitomo Primary Life Insurance	4	36,614	40,243	3,629	9.9
Annualized premiums for policies in force					
Mitsui Sumitomo Aoi Life Insurance	5	3,174	3,335	160	5.0
Mitsui Sumitomo Primary Life Insurance	6	4,342	4,543	200	4.6

(Note) The figures in the above table represent the total sum of individual insurance and individual annuities.

2. Non-Consolidated Business Results of Mitsui Sumitomo Insurance Co., Ltd.

The figures in the tables below are presented exclusive of Good Result Return premiums of Mitsui Sumitomo Insurance's proprietary automobile insurance product "ModoRich", which contains a special clause related to premium adjustment and refund at maturity.

(1) Business Performance

(Yen in 100 millions)

	Items	Year ended March 31, 2013	Year ended March 31, 2014	Change	Change ratio
(+)	Net premiums written	13,142	13,845	702	5.3
(-)	Net claims paid	8,874	8,236	(637)	(7.2)
(-)	Loss adjustment expenses	763	774	10	1.4
(-)	Commissions and collection expenses	2,286	2,390	103	4.5
(-)	Operating expenses and general and administrative expenses for underwriting	1,974	2,045	71	3.6
	Underwriting profit/(loss) before movements in reserves	(756)	397	1,154	-
(-)	Movement in outstanding claims	(543)	84	627	-
(-)	Movement in ordinary underwriting reserves	238	454	215	90.1
(-)	Movement in catastrophe reserve	(178)	(21)	157	-
(+)	Other	176	46	(129)	(73.7)
	Underwriting profit/(loss)	(97)	(73)	23	-
(+)	Interest and dividends income	1,018	1,122	104	10.3
(-)	Transfer of investment income on deposit premiums from policyholders	440	413	(27)	(6.2)
	Net interest and dividends income (item 12 - item 13)	577	709	131	22.8
(+)	Gains/(losses) on sales of securities	531	548	16	3.1
(-)	Impairment losses on securities	283	33	(249)	(88.0)
(+)	Gains/(losses) on derivative transactions	68	98	29	42.6
(+)	Other	(69)	(69)	(0)	-
	Investment profit/(loss)	825	1,251	426	51.7
(+)	Other ordinary profit/(loss)	(74)	(158)	(84)	-
	Ordinary profit/(loss)	653	1,019	366	56.0
(+)	Extraordinary income/(loss):	(23)	(174)	(151)	-
	Reserve for price fluctuation	(25)	(145)	(120)	-
	Related costs of Reorganization by Function	-	(41)	(41)	-
	Income/(loss) before income taxes	630	845	214	34.1
(-)	Income taxes	203	264	61	29.9
	Net income/(loss)	426	580	153	36.1

Ratios	Net loss ratio	28	73.3 %	65.1 %	(8.2) %
	Net expense ratio	29	32.4 %	32.0 %	(0.4) %
	Combined ratio	30	105.7 %	97.1 %	(8.6) %
	Interest and dividends income yield	31	2.31 %	2.54 %	0.23 %
	Investment profit yield	32	3.04 %	3.95 %	0.91 %

Incurring losses (item 2 + item 7)	33	8,331	8,321	(10)	(0.1)
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- (Notes) 1. Net loss ratio = (net claims paid + loss adjustment expenses) / net premiums written x 100
2. Net expense ratio = (commissions and collection expenses + operating expenses and general and administrative expenses for underwriting) / net premiums written x 100
3. Combined ratio = net loss ratio + net expense ratio
4. Total investment yield (including unrealized gains and losses): 9.45% for the year ended March 31, 2013, and 6.39% for the year ended March 31, 2014

(Reference) Business performance excluding residential earthquake insurance and CALI*

	Net premiums written	34	11,559	12,103	543	4.7
Ratios	Net loss ratio	35	70.5 %	62.2 %	(8.3) %	
	Net expense ratio	36	34.1 %	34.1 %	0.0 %	
	Combined ratio	37	104.6 %	96.3 %	(8.3) %	

* CALI stands for compulsory automobile liability insurance, and the same hereinafter.

(2) Premiums written

(Yen in 100 millions)

	Net premiums written				Direct premiums written (excluding deposit premiums from policyholders)			
	Year ended March 31, 2013		Year ended March 31, 2014		Year ended March 31, 2013		Year ended March 31, 2014	
	Amount	Change ratio %	Amount	Change ratio %	Amount	Change ratio %	Amount	Change ratio %
Fire and allied	1,878	2.9	2,122	13.0	2,520	8.2	2,734	8.5
Marine	537	1.3	567	5.6	694	3.1	768	10.7
Personal accident	1,429	2.6	1,446	1.2	1,499	2.6	1,516	1.1
Voluntary automobile	5,905	3.4	6,083	3.0	5,926	3.6	6,106	3.0
CALI	1,572	7.5	1,734	10.3	1,543	5.8	1,708	10.6
Other	1,818	2.7	1,889	3.9	1,989	5.1	2,095	5.3
Total	13,142	3.5	13,845	5.3	14,173	4.7	14,929	5.3

(3) Net claims paid

(Yen in 100 millions)

	Year ended March 31, 2013			Year ended March 31, 2014			
	Amount	Change ratio %	Net loss ratio %	Amount	Change ratio %	Net loss ratio %	Change %
Fire and allied	1,967	(32.7)	107.2	1,461	(25.7)	70.9	(36.3)
Marine	260	(20.8)	51.9	319	22.5	59.6	7.7
Personal accident	759	1.0	59.2	784	3.3	60.4	1.2
Voluntary automobile	3,623	(3.3)	68.7	3,426	(5.4)	63.5	(5.2)
CALI	1,360	0.4	94.4	1,349	(0.9)	85.4	(9.0)
Other	902	0.3	52.7	895	(0.8)	50.2	(2.5)
Total	8,874	(11.3)	73.3	8,236	(7.2)	65.1	(8.2)

(Note) Net loss ratio = (net claims paid + loss adjustment expenses) / net premiums written x 100

(Reference) Incurred losses caused by natural disasters in Japan

(Yen in 100 millions)

	Year ended March 31, 2013			Year ended March 31, 2014		
	Incurred losses	Net claims paid	Movement in outstanding claims	Incurred losses	Net claims paid	Movement in outstanding claims
Fire and allied	250	234	15	163	140	23
Voluntary automobile	34	33	0	27	27	0
Other	22	15	6	28	14	14
Total	306	284	22	219	182	37

(Note) The above table represents incurred losses caused by natural disasters (excluding heavy snowfall disaster in February, 2014) in Japan during the period. Incurred losses caused by heavy snowfall disaster in February, 2014 is ¥45.4 billion (¥40.5 billion in Fire and allied, ¥3.2 billion in Voluntary automobile and ¥1.5 billion in Other), consisting of Net claims paid of ¥8.6 billion (¥7.0 billion in Fire and allied, ¥1.3 billion in Voluntary automobile and ¥0.2 billion in Other) and Movement in outstanding claims of ¥36.8 billion (¥33.5 billion in Fire and allied, ¥1.9 billion in Voluntary automobile and ¥1.2 billion in Other).

(Reference) Incurred losses caused by flooding in Thailand

(Yen in 100 millions)

	Year ended March 31, 2013			Year ended March 31, 2014		
	Incurred losses	Net claims paid	Movement in outstanding claims	Incurred losses	Net claims paid	Movement in outstanding claims
Incurred losses	63	730	(666)	(203)	366	(569)

(Note) Incurred losses include influence of exchange rate fluctuations.

(4) Expenses

<Company expenses>

(Yen in 100 millions)

	Items	Year ended March 31, 2013			Year ended March 31, 2014		
		Amount	Change	Change ratio %	Amount	Change	Change ratio %
Personnel expenses	1	1,575	(14)	(0.9)	1,569	(6)	(0.4)
Non-personnel expenses	2	1,130	(10)	(0.9)	1,224	94	8.4
Taxes and contributions	3	123	(12)	(9.1)	125	2	1.8
Total	4	2,829	(36)	(1.3)	2,919	90	3.2

(Note) Total = loss adjustment expenses + operating expenses and general and administrative expenses

<Expenses for underwriting>

(Yen in 100 millions)

	Items	Year ended March 31, 2013			Year ended March 31, 2014		
		Amount	Change	Change ratio %	Amount	Change	Change ratio %
Operating expenses and general and administrative expenses	5	1,974	(36)	(1.8)	2,045	71	3.6
Commissions and collection expenses	6	2,286	72	3.3	2,390	103	4.5
Total	7	4,260	35	0.8	4,436	175	4.1
Net expense ratio	8	32.4 %	(0.9) %		32.0 %	(0.4) %	

(5) Outstanding claims

(Yen in 100 millions)

	March 31, 2013		March 31, 2014	
	Balance	Movement	Balance	
				Movement
Fire and allied	1,555	(672)	1,348	(207)
Marine	272	19	304	31
Personal accident	560	9	558	(1)
Voluntary automobile	2,487	14	2,625	138
CALI	507	(10)	517	10
Other	1,056	96	1,167	111
Total	6,438	(543)	6,523	84

(Note) The total movement for the year ended March 31, 2013 does not accord with the difference of the total balances between the years ended March 31, 2012 and March 31, 2013 due to business transfer of operations in Papua New Guinea during the fiscal year.

(6) Incurred losses and earned-incurred loss ratio

(Yen in 100 millions)

	Year ended March 31, 2013		Year ended March 31, 2014			
	Incurred losses	Earned-incurred loss ratio	Incurred losses	Change	Earned-incurred loss ratio	Change
		%			%	%
Fire and allied	1,341	78.8	1,297	(43)	71.4	(7.4)
Marine	298	56.5	369	71	66.2	9.7
Personal accident	856	61.1	872	16	61.5	0.4
Voluntary automobile	4,070	69.8	4,001	(68)	66.5	(3.3)
Other	1,055	59.5	1,060	5	58.1	(1.4)
Total	7,621	67.8	7,602	(18)	65.3	(2.5)

(Note) Earned-incurred loss ratio is calculated by the following method:

The calculation is exclusive of residential earthquake insurance and CALI.

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

Earned premiums are calculated based on unearned premiums (excluding underwriting reserves for natural disasters), premium reserve, etc.

Earned-incurred loss ratio = incurred losses / earned premiums

(7) Underwriting reserves

(Yen in 100 millions)

		March 31, 2014				
		Total underwriting reserves	Ordinary underwriting reserves	Reserve for refunds and dividends to policyholders	Catastrophe reserve	Contingency reserve
Fire and allied	Balance	8,848	5,782	2,060	1,005	0
	Movement	67	337	(164)	(105)	0
Marine	Balance	917	224	-	693	-
	Movement	25	(0)	-	25	-
Personal accident	Balance	14,435	1,117	12,695	621	1
	Movement	(721)	27	(720)	(29)	1
Voluntary automobile	Balance	2,177	1,887	95	194	0
	Movement	90	64	20	5	0
CALI	Balance	2,107	2,107	-	-	-
	Movement	(30)	(30)	-	-	-
Other	Balance	4,444	2,350	623	1,470	0
	Movement	122	55	(15)	81	0
Total	Balance	32,932	13,469	15,475	3,985	1
	Movement	(445)	454	(880)	(21)	1

(Note) Reserves for residential earthquake insurance and CALI are included in ordinary underwriting reserves.

(8) Catastrophe reserve

(Yen in 100 millions)

	March 31, 2013		March 31, 2014			
	Balance	Reserve ratio	Reversal	Provision	Balance	Reserve ratio
		%				
Fire and allied	1,110	59.4	296	191	1,005	47.5
Marine	667	124.4	-	25	693	122.3
Personal accident	650	45.5	74	45	621	43.0
Voluntary automobile	189	3.2	189	194	194	3.2
Other	1,388	76.3	19	101	1,470	77.8
Total	4,006	34.7	579	558	3,985	32.9

(Note) Reserve ratio = catastrophe reserve / net premiums written (excluding premiums of residential earthquake insurance and CALI and Good Result Return premiums of the automobile insurance product "ModoRich") x 100

(9) Investment assets

(Yen in 100 millions)

	March 31, 2013	March 31, 2014	
			Change
Cash, deposits and savings	4,001	3,387	(614)
Investments in securities:	41,179	45,026	3,847
Domestic bonds	17,151	18,734	1,583
Stock	16,406	18,097	1,690
Foreign securities	7,388	8,033	645
Other securities	232	160	(72)
Loans	5,760	5,382	(378)
Land and buildings	2,230	2,239	8
Total	53,172	56,035	2,862

(Reference)

Long-term investment assets	16,257	15,356	(900)
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(Reference) Breakdown of domestic bonds

(Yen in 100 millions)

	March 31, 2013	March 31, 2014	
			Change
Government bonds	9,289	11,883	2,594
Municipal bonds	1,107	971	(135)
Corporate bonds:	6,754	5,879	(875)
Government agency bonds	2,167	1,689	(477)
Specific financial institution bonds	-	-	-
Other corporate bonds	4,587	4,189	(397)
Total	17,151	18,734	1,583

(10) Breakdown of interest and dividends income

(Yen in 100 millions)

	Year ended March 31, 2013	Year ended March 31, 2014	
			Change
Investments in securities:	815	947	132
Domestic bonds	261	243	(18)
Stock	302	349	47
Foreign securities	219	304	85
Other securities	32	49	17
Loans	99	85	(14)
Land and buildings	53	61	7
Other	49	28	(21)
Total	1,018	1,122	104

(11) Investments in securities**Unrealized gains and losses on investments in securities**

(Yen in 100 millions)

March 31, 2014	Cost	Fair value	Difference	Change from March 31, 2013
Domestic bonds	17,879	18,734	855	(250)
Stock	6,894	17,475	10,581	2,004
Foreign securities	3,043	3,222	179	(13)
Other securities	767	810	43	(32)
Total	28,584	40,244	11,659	1,708

(Yen in 100 millions)

March 31, 2013	Cost	Fair value	Difference
Domestic bonds	16,045	17,151	1,105
Stock	7,124	15,701	8,576
Foreign securities	2,388	2,581	193
Other securities	1,071	1,147	76
Total	26,631	36,582	9,951

(Notes) 1. The above tables describe available-for-sale securities with practically determinable fair value.

2. "Other securities" includes certificates of deposits included in Cash, deposits and savings and loan receivable trust beneficiary certificates and commercial papers included in Monetary claims bought on the balance sheets.

Gains and losses on sales of securities

(Yen in 100 millions)

	Year ended March 31, 2013 Gains/(losses)	Year ended March 31, 2014 Gains/(losses)		
		Gains	Losses	
Domestic bonds	15	63	69	6
Stock	515	450	450	0
Foreign securities	1	21	26	5
Other securities	-	13	13	0
Total	531	548	559	11

Impairment losses on securities

(Yen in 100 millions)

	Year ended March 31, 2013	Year ended March 31, 2014	
		Change	
Domestic bonds	-	-	-
Stock	212	2	(209)
Foreign securities	71	30	(40)
Other securities	0	-	(0)
Total	283	33	(249)

3. Non-Consolidated Business Results of Aioi Nissay Dowa Insurance Co., Ltd.

(1) Business Performance

(Yen in 100 millions)

	Items	Year ended March 31, 2013	Year ended March 31, 2014	Change	Change ratio
(+)	Net premiums written	11,032	11,446	413	3.8
(-)	Net claims paid	7,261	6,917	(343)	(4.7)
(-)	Loss adjustment expenses	510	520	10	2.1
(-)	Commissions and collection expenses	1,957	2,047	89	4.6
(-)	Operating expenses and general and administrative expenses for underwriting	1,802	1,904	102	5.7
	Underwriting profit/(loss) before movements in reserves	(499)	56	555	-
(-)	Movement in outstanding claims	(91)	371	463	-
(-)	Movement in ordinary underwriting reserves	(129)	30	160	-
(-)	Movement in catastrophe reserve	(240)	(8)	232	-
(+)	Other	104	48	(55)	(53.0)
	Underwriting profit/(loss)	66	(288)	(355)	(530.6)
(+)	Interest and dividends income	606	654	48	8.0
(-)	Transfer of investment income on deposit premiums from policyholders	203	195	(8)	(4.0)
	Net interest and dividends income (item 12 - item 13)	402	459	56	14.0
(+)	Gains/(losses) on sales of securities	72	195	123	169.9
(-)	Impairment losses on securities	97	36	(61)	(62.8)
(+)	Gains/(losses) on derivative transactions	(29)	(15)	14	-
(+)	Other	(150)	(72)	77	-
	Investment profit/(loss)	197	530	332	168.3
(+)	Other ordinary profit/(loss)	(5)	37	42	-
	Ordinary profit/(loss)	258	278	20	7.9
(+)	Extraordinary income/(loss):	(16)	(56)	(40)	-
	Reserve for price fluctuation	1	(16)	(17)	(1,028.3)
	Related costs of Reorganization by Function	-	(40)	(40)	-
	Income/(loss) before income taxes	242	222	(19)	(8.2)
(-)	Income taxes	53	91	37	70.1
	Net income/(loss)	188	131	(57)	(30.5)

Ratios	Net loss ratio	28	70.4 %	65.0 %	(5.4) %
	Net expense ratio	29	34.1 %	34.5 %	0.4 %
	Combined ratio	30	104.5 %	99.5 %	(5.0) %
	Interest and dividends income yield	31	2.36 %	2.55 %	0.19 %
	Investment profit yield	32	1.81 %	3.08 %	1.27 %

Incurred losses (item 2 + item 7)	33	7,170	7,289	119	1.7
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- (Notes) 1. Net loss ratio = (net claims paid + loss adjustment expenses) / net premiums written x 100
2. Net expense ratio = (commissions and collection expenses + operating expenses and general and administrative expenses for underwriting) / net premiums written x 100
3. Combined ratio = net loss ratio + net expense ratio
4. Total investment yield (including unrealized gains and losses): 9.19% for the year ended March 31, 2013, and 4.95% for the year ended March 31, 2014

(Reference) Business performance excluding residential earthquake insurance and CALI

	Net premiums written	34	9,496	9,798	301	3.2
Ratios	Net loss ratio	35	67.3 %	62.0 %	(5.3) %	
	Net expense ratio	36	35.7 %	36.5 %	0.8 %	
	Combined ratio	37	103.0 %	98.5 %	(4.5) %	

(2) Premiums written

(Yen in 100 millions)

	Net premiums written				Direct premiums written (excluding deposit premiums from policyholders)			
	Year ended March 31, 2013		Year ended March 31, 2014		Year ended March 31, 2013		Year ended March 31, 2014	
	Amount	Change ratio %	Amount	Change ratio %	Amount	Change ratio %	Amount	Change ratio %
Fire and allied	1,263	5.5	1,357	7.4	1,905	5.7	2,014	5.7
Marine	95	10.2	112	17.2	96	4.1	99	2.5
Personal accident	719	(0.9)	726	1.0	756	(1.4)	758	0.2
Voluntary automobile	6,448	2.1	6,589	2.2	6,328	2.1	6,416	1.4
CALI	1,528	5.4	1,642	7.5	1,672	3.8	1,818	8.7
Other	975	0.6	1,017	4.3	1,238	(5.4)	1,220	(1.4)
Total	11,032	2.7	11,446	3.8	11,996	1.8	12,327	2.8

(3) Net claims paid

(Yen in 100 millions)

	Year ended March 31, 2013			Year ended March 31, 2014			
	Amount	Change ratio %	Net loss ratio %	Amount	Change ratio %	Net loss ratio %	Change %
Fire and allied	994	(39.6)	81.1	844	(15.1)	64.8	(16.3)
Marine	46	3.2	50.5	55	19.4	52.4	1.9
Personal accident	350	(1.8)	51.8	340	(2.9)	50.3	(1.5)
Voluntary automobile	4,000	(1.8)	67.1	3,849	(3.8)	63.2	(3.9)
CALI	1,282	0.8	90.4	1,259	(1.8)	83.0	(7.4)
Other	587	(10.0)	63.2	569	(3.0)	59.3	(3.9)
Total	7,261	(9.8)	70.4	6,917	(4.7)	65.0	(5.4)

(Note) Net loss ratio = (net claims paid + loss adjustment expenses) / net premiums written x 100

(Reference) Incurred losses caused by natural disasters in Japan

(Yen in 100 millions)

	Year ended March 31, 2013			Year ended March 31, 2014		
	Incurred losses	Net claims paid	Movement in outstanding claims	Incurred losses	Net claims paid	Movement in outstanding claims
Fire and allied	181	172	9	113	103	9
Voluntary automobile	35	35	0	27	27	0
Other	7	6	1	11	6	5
Total	225	214	10	152	137	14

(Note) The above table represents incurred losses caused by natural disasters (excluding heavy snowfall disaster in February, 2014) in Japan during the period. Incurred losses caused by heavy snowfall disaster in February, 2014 is ¥36.7 billion (¥30.7 billion in Fire and allied, ¥5.0 billion in Voluntary automobile and ¥0.9 billion in Other), consisting of Net claims paid of ¥9.8 billion (¥6.7 billion in Fire and allied, ¥2.7 billion in Voluntary automobile and ¥0.2 billion in Other) and Movement in outstanding claims of ¥26.9 billion (¥24.0 billion in Fire and allied, ¥2.2 billion in Voluntary automobile and ¥0.6 billion in Other).

(Reference) Incurred losses caused by flooding in Thailand

(Yen in 100 millions)

	Year ended March 31, 2013			Year ended March 31, 2014		
	Incurred losses	Net claims paid	Movement in outstanding claims	Incurred losses	Net claims paid	Movement in outstanding claims
Incurred losses	(57)	88	(146)	(26)	34	(61)

(Note) Incurred losses include influence of exchange rate fluctuations.

(4) Expenses

<Company expenses>

(Yen in 100 millions)

	Items	Year ended March 31, 2013			Year ended March 31, 2014		
		Amount	Change	Change ratio %	Amount	Change	Change ratio %
Personnel expenses	1	1,230	(48)	(3.8)	1,223	(6)	(0.5)
Non-personnel expenses	2	1,048	(45)	(4.1)	1,164	115	11.0
Taxes and contributions	3	109	(5)	(4.5)	110	0	0.5
Total	4	2,388	(98)	(4.0)	2,498	109	4.6

(Note) Total = loss adjustment expenses + operating expenses and general and administrative expenses

<Expenses for underwriting>

(Yen in 100 millions)

	Items	Year ended March 31, 2013			Year ended March 31, 2014		
		Amount	Change	Change ratio %	Amount	Change	Change ratio %
Operating expenses and general and administrative expenses	5	1,802	(84)	(4.5)	1,904	102	5.7
Commissions and collection expenses	6	1,957	66	3.5	2,047	89	4.6
Total	7	3,759	(17)	(0.5)	3,951	191	5.1
Net expense ratio	8	34.1 %	(1.0) %		34.5 %	0.4 %	

(5) Outstanding claims

(Yen in 100 millions)

	March 31, 2013		March 31, 2014	
	Balance	Movement	Balance	
				Movement
Fire and allied	493	(184)	654	161
Marine	40	5	38	(2)
Personal accident	278	(12)	276	(2)
Voluntary automobile	2,814	79	2,981	167
CALI	479	(11)	482	2
Other	625	31	670	45
Total	4,732	(91)	5,104	371

(6) Incurred losses and earned-incurred loss ratio

(Yen in 100 millions)

	Year ended March 31, 2013		Year ended March 31, 2014			
	Incurred losses	Earned-incurred loss ratio	Incurred losses	Change	Earned-incurred loss ratio	Change
		%			%	%
Fire and allied	841	65.2	1,041	199	76.6	11.4
Marine	54	58.9	56	1	52.9	(6.0)
Personal accident	360	52.6	363	2	53.4	0.8
Voluntary automobile	4,406	68.8	4,335	(71)	66.3	(2.5)
Other	648	65.5	649	1	65.2	(0.3)
Total	6,310	66.7	6,444	134	66.6	(0.1)

(Note) Earned-incurred loss ratio is calculated by the following method:

The calculation is exclusive of residential earthquake insurance and CALI.

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

Earned premiums are calculated based on unearned premiums, premium reserve, etc.

Earned-incurred loss ratio = incurred losses / earned premiums

(7) Underwriting reserves

(Yen in 100 millions)

		March 31, 2014				
		Total underwriting reserves	Ordinary underwriting reserves	Reserve for refunds and dividends to policyholders	Catastrophe reserve	Contingency reserve
Fire and allied	Balance	6,952	4,853	1,050	1,045	3
	Movement	(152)	(3)	(99)	(50)	0
Marine	Balance	179	40	-	138	-
	Movement	11	6	-	5	-
Personal accident	Balance	5,742	675	4,473	589	3
	Movement	(247)	46	(317)	23	0
Voluntary automobile	Balance	2,131	1,902	15	212	0
	Movement	53	41	7	4	0
CALI	Balance	2,213	2,213	-	-	-
	Movement	(75)	(75)	-	-	-
Other	Balance	1,881	1,205	169	505	0
	Movement	17	13	(5)	9	0
Total	Balance	19,100	10,891	5,709	2,491	7
	Movement	(392)	30	(415)	(8)	0

(Note) Reserves for residential earthquake insurance and CALI are included in ordinary underwriting reserves.

(8) Catastrophe reserve

(Yen in 100 millions)

	March 31, 2013		March 31, 2014			
	Balance	Reserve ratio	Reversal	Provision	Balance	Reserve ratio
Fire and allied	1,096	87.3	159	108	1,045	77.3
Marine	133	139.1	-	5	138	123.3
Personal accident	566	78.7	-	23	589	81.1
Voluntary automobile	207	3.2	207	212	212	3.2
Other	496	50.8	42	51	505	49.7
Total	2,500	26.3	410	401	2,491	25.4

(Note) Reserve ratio = catastrophe reserve / net premiums written (excluding premiums of residential earthquake insurance and CALD) x 100

(9) Investment assets

(Yen in 100 millions)

	March 31, 2013	March 31, 2014	
			Change
Cash, deposits and savings	950	1,057	106
Investments in securities:	22,927	23,654	727
Domestic bonds	9,505	9,696	191
Stock	6,620	7,122	501
Foreign securities	6,396	6,441	45
Other securities	405	394	(10)
Loans	2,466	2,200	(266)
Land and buildings	1,755	1,721	(33)
Total	28,099	28,632	533

(Reference)

Long-term investment assets	6,114	5,692	(421)
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(Reference) Breakdown of domestic bonds

(Yen in 100 millions)

	March 31, 2013	March 31, 2014	
			Change
Government bonds	7,132	6,920	(212)
Municipal bonds	326	283	(42)
Corporate bonds:	2,046	2,492	445
Government agency bonds	545	453	(92)
Specific financial institution bonds	42	259	216
Other corporate bonds	1,457	1,778	320
Total	9,505	9,696	191

(10) Breakdown of interest and dividends income

(Yen in 100 millions)

	Year ended March 31, 2013	Year ended March 31, 2014	
			Change
Investments in securities:	508	565	57
Domestic bonds	94	104	10
Stock	143	165	21
Foreign securities	217	256	39
Other securities	52	39	(13)
Loans	43	36	(7)
Land and buildings	48	46	(2)
Other	5	6	0
Total	606	654	48

(11) Investments in securities**Unrealized gains and losses on investments in securities**

(Yen in 100 millions)

March 31, 2014	Cost	Fair value	Difference	Change from March 31, 2013
Domestic bonds	9,347	9,696	348	(35)
Stock	4,369	6,847	2,478	528
Foreign securities	5,662	5,972	309	86
Other securities	248	289	41	13
Total	19,628	22,805	3,177	592

(Yen in 100 millions)

March 31, 2013	Cost	Fair value	Difference
Domestic bonds	9,121	9,505	383
Stock	4,377	6,327	1,949
Foreign securities	5,738	5,961	223
Other securities	308	336	27
Total	19,546	22,130	2,584

(Notes) 1. The above tables describe available-for-sale securities with practically determinable fair value.

2. "Other securities" includes certificates of deposits included in Cash, deposits and savings and loan receivable trust beneficiary certificates included in Monetary claims bought on the balance sheets.

Gains and losses on sales of securities

(Yen in 100 millions)

	Year ended March 31, 2013 Gains/(losses)	Year ended March 31, 2014		
		Gains/(losses)	Gains	Losses
Domestic bonds	38	12	12	0
Stock	64	153	158	4
Foreign securities	(31)	29	55	26
Other securities	1	-	-	-
Total	72	195	226	30

Impairment losses on securities

(Yen in 100 millions)

	Year ended March 31, 2013	Year ended March 31, 2014	
			Change
Domestic bonds	-	-	-
Stock	97	34	(63)
Foreign securities	0	1	1
Other securities	-	-	-
Total	97	36	(61)

4. Earnings Forecasts

(1) MS&AD Insurance Group Holdings, Inc. (Consolidated)

(Yen in 100 millions)

	Items	Forecasts for year ending March 31, 2015	Change from previous year
Net premiums written ^(Note) :	1	29,250	4.1 %
Net premiums written at overseas non-life insurance subsidiaries	2	2,940	22.2 %
Ordinary profit	3	1,500	(402)
Net income	4	1,000	65
Annual total of dividends per share	5	58.00 yen	2.00 yen

* The Company forecasts non-consolidated operating income of ¥51.7 billion (up 16.8% from the previous year).

(2) Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)

(Yen in 100 millions)

	Items	Forecasts for year ending March 31, 2015	Change from previous year
Net premiums written ^(Note)	6	14,330	3.5 %
Ordinary profit	7	790	(229)
Net income	8	620	39

(3) Aioi Nissay Dowa Insurance Co., Ltd. (Non-consolidated)

(Yen in 100 millions)

	Items	Forecasts for year ending March 31, 2015	Change from previous year
Net premiums written	9	11,560	1.0 %
Ordinary profit	10	270	(8)
Net income	11	340	208

(Note) The figures in the above tables are presented exclusive of Good Result Return premiums of Mitsui Sumitomo Insurance's proprietary automobile insurance product "ModoRich", which contains a special clause related to premium adjustment and refund at maturity.

(Breakdown of earnings forecasts)

Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)

(Yen in 100 millions)

	Results for year ended March 31, 2014	Forecasts for year ending March 31, 2015
Direct premiums written (excluding deposit premiums from policyholders)	14,929	15,459
Change ratio	5.3 %	3.5 %
Net premiums written	13,845	14,330
Change ratio	5.3 %	3.5 %
Net loss ratio	65.1 %	65.7 %
Net expense ratio	32.0 %	32.2 %
Combined ratio	97.1 %	97.9 %
Underwriting profit/(loss)	(73)	110
Net interest and dividends income	709	611
Ordinary profit/(loss)	1,019	790
Net income/(loss)	580	620

(Reference) Excluding residential earthquake insurance and CALI

	Results for year ended March 31, 2014	Forecasts for year ending March 31, 2015
Change ratio of net premiums written	4.7 %	3.4 %
Net loss ratio	62.2 %	63.3 %
Net expense ratio	34.1 %	34.4 %
Combined ratio	96.3 %	97.7 %

Forecasts by line of insurance for the year ending March 31, 2015 (Yen in 100 millions)

	Net premiums written		Net loss ratio	
		Change ratio		Change
Fire and allied	2,229	5.0 %	74.9 %	4.0 %
Marine	612	7.9 %	54.0 %	(5.6) %
Personal accident	1,471	1.7 %	58.5 %	(1.9) %
Voluntary automobile	6,260	2.9 %	64.6 %	1.1 %
CALI	1,806	4.1 %	82.9 %	(2.5) %
Other	1,952	3.3 %	52.2 %	2.0 %
Total	14,330	3.5 %	65.7 %	0.6 %

Aioi Nissay Dowa Insurance Co., Ltd. (Non-consolidated)

(Yen in 100 millions)

	Results for year ended March 31, 2014	Forecasts for year ending March 31, 2015
Direct premiums written (excluding deposit premiums from policyholders)	12,327	12,452
Change ratio	2.8 %	1.0 %
Net premiums written	11,446	11,560
Change ratio	3.8 %	1.0 %
Net loss ratio	65.0 %	66.7 %
Net expense ratio	34.5 %	35.8 %
Combined ratio	99.5 %	102.5 %
Underwriting profit/(loss)	(288)	100
Net interest and dividends income	459	313
Ordinary profit/(loss)	278	270
Net income/(loss)	131	340

(Reference) Excluding residential earthquake insurance and CALI

	Results for year ended March 31, 2014	Forecasts for year ending March 31, 2015
Change ratio of net premiums written	3.2 %	0.8 %
Net loss ratio	62.0 %	64.4 %
Net expense ratio	36.5 %	38.1 %
Combined ratio	98.5 %	102.5 %

Forecasts by line of insurance for the year ending March 31, 2015 (Yen in 100 millions)

	Net premiums written		Net loss ratio	
		Change ratio		Change
Fire and allied	1,360	0.2 %	72.9 %	8.1 %
Marine	81	(27.9) %	58.0 %	5.6 %
Personal accident	725	(0.2) %	48.6 %	(1.7) %
Voluntary automobile	6,701	1.7 %	64.1 %	0.9 %
CALI	1,674	1.9 %	80.8 %	(2.2) %
Other	1,019	0.1 %	66.2 %	6.9 %
Total	11,560	1.0 %	66.7 %	1.7 %

[Supplementary Information]

1. Supplementary Information on Consolidated Business Results

(1) Premiums Written and Net Claims Paid by Line of Insurance

Direct Premiums Written by Line of Insurance (including Deposit premiums from policyholders)

(Yen in millions)

Lines of Insurance	Year ended March 31, 2013			Year ended March 31, 2014		
	Amount	Share %	Change ratio %	Amount	Share %	Change ratio %
Fire and allied	548,666	18.0	6.9	590,674	18.3	7.7
Marine	107,893	3.5	2.4	121,387	3.8	12.5
Personal accident	352,446	11.6	(1.7)	347,562	10.8	(1.4)
Voluntary automobile	1,327,991	43.5	2.8	1,378,126	42.8	3.8
CALI	321,641	10.6	4.8	352,649	10.9	9.6
Other	391,322	12.8	2.7	432,409	13.4	10.5
Total:	3,049,962	100.0	3.2	3,222,809	100.0	5.7
Deposit premiums from policyholders	163,936	5.4	(4.7)	151,449	4.7	(7.6)

(Reference) Direct Premiums Written excluding Good Result Return premiums of the automobile insurance product "ModoRich"

Voluntary Automobile	1,328,395		2.6	1,376,097		3.6
Total	3,050,365		3.1	3,220,780		5.6

Net Premiums Written by Line of Insurance

(Yen in millions)

Lines of Insurance	Year ended March 31, 2013			Year ended March 31, 2014		
	Amount	Share %	Change ratio %	Amount	Share %	Change ratio %
Fire and allied	354,012	13.4	4.2	398,163	14.2	12.5
Marine	87,312	3.3	(0.1)	97,054	3.5	11.2
Personal accident	222,865	8.4	1.5	227,546	8.1	2.1
Voluntary automobile	1,337,106	50.7	2.9	1,393,198	49.5	4.2
CALI	310,521	11.8	6.5	338,245	12.0	8.9
Other	327,197	12.4	2.9	357,402	12.7	9.2
Total	2,639,015	100.0	3.3	2,811,611	100.0	6.5

(Reference) Net Premiums Written excluding Good Result Return premiums of the automobile insurance product "ModoRich"

Voluntary automobile	1,337,510		2.7	1,391,169		4.0
Total	2,639,419		3.1	2,809,581		6.4

Net Claims Paid by Line of Insurance

(Yen in millions)

Lines of Insurance	Year ended March 31, 2013			Year ended March 31, 2014		
	Amount	Share %	Change ratio %	Amount	Share %	Change ratio %
Fire and allied	315,906	18.2	(33.3)	252,695	15.1	(20.0)
Marine	40,490	2.3	(17.0)	51,532	3.1	27.3
Personal accident	113,462	6.5	0.1	115,636	6.9	1.9
Voluntary automobile	831,073	47.7	(2.0)	805,460	48.2	(3.1)
CALI	264,802	15.2	0.6	261,349	15.7	(1.3)
Other	175,049	10.1	(10.0)	183,667	11.0	4.9
Total	1,740,784	100.0	(10.3)	1,670,343	100.0	(4.0)

(Note) The figures in the above tables include elimination of intersegment transactions.

(2) Information on Risk-monitored Loans

(Yen in millions)

	March 31, 2013	March 31, 2014	Change
Loans to borrowers in bankruptcy	180	70	(109)
Overdue loans	2,967	3,212	244
Loans overdue for three months or more	1,272	1,221	(50)
Restructured loans	4,829	4,636	(193)
Total	9,250	9,142	(108)
Ratio to total loans	1.1%	1.1%	-
(Reference) Total loans	867,063	807,300	(59,762)

(Notes) Definitions of the loans are as follows.

(1) Loans to borrowers in bankruptcy

Loans to borrowers in bankruptcy represent those, excluding any part of bad debts that have been written off, on which accrued interest receivables are not recognized because repayments of the principal or interest have been overdue for considerable periods and they are regarded uncollectible (hereafter, this category is referred to as "loans not accruing interest") and which meet the conditions prescribed in Article 96, Section 1-3 or 1-4 of the Corporation Tax Act Enforcement Ordinance (Cabinet Order No.97, 1965).

(2) Overdue loans

Overdue loans represent loans not accruing interest excluding (a) loans to borrowers in bankruptcy and (b) loans that have been granted grace for interest payments in order to assist debtors' operational restructuring or financial recovery.

(3) Loans overdue for three months or more

Loans overdue for three months or more represent those of which the principal or interest has been past due for three months or more after the contractual due date for repayments of the principal or interest. The loans to borrowers in bankruptcy and overdue loans are excluded from this category.

(4) Restructured loans

Restructured loans represent those which have been granted favorable terms for the benefit of debtors such as interest exemption or reduction, grace for interest payments, grace for principal repayments, or forgiveness of debts for the purpose of restructuring of, or support to the debtors in financial difficulty. The loans to borrowers in bankruptcy, overdue loans and loans overdue for three months or more are excluded from this category.

2. Summary of Business Results of Main Consolidated Subsidiaries

(1) Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)

Non-Consolidated Balance Sheet

(Yen in millions)

Items	March 31, 2013	March 31, 2014
(Assets)		
Cash, deposits and savings:	188,886	188,728
Cash on hand	193	174
Deposits in banks	188,693	188,554
Call loans	69,000	50,000
Receivables under resale agreements	48,545	23,997
Monetary claims bought	83,966	65,781
Money trusts	9,978	10,371
Investments in securities:	4,117,917	4,502,619
Government bonds	928,961	1,188,375
Municipal bonds	110,703	97,187
Corporate bonds	675,448	587,928
Stock	1,640,679	1,809,709
Foreign securities	738,873	803,384
Other securities	23,252	16,034
Loans:	576,032	538,224
Policy loans	10,740	9,834
General loans	565,291	528,389
Tangible fixed assets:	241,916	238,938
Land	88,895	87,736
Buildings	134,195	136,237
Construction in progress	5,319	2,528
Other tangible fixed assets	13,506	12,436
Intangible fixed assets:	43,316	40,101
Software	8,069	37,594
Other intangible fixed assets	35,247	2,507
Other assets:	487,529	406,584
Premiums receivable	3,551	4,032
Due from agencies	103,303	105,621
Co-insurance accounts receivable	8,733	9,161
Reinsurance accounts receivable	67,342	57,037
Foreign reinsurance accounts receivable	153,664	91,483
Agency business accounts receivable	232	213
Other receivables	25,544	28,363
Accrued income	6,408	6,180
Guarantee deposits	18,119	12,414
Deposits with the Japan Earthquake Reinsurance Company	9,236	9,932
Suspense payments	39,544	39,659
Variation margins of futures markets	-	0
Derivative financial instruments	50,360	41,154
Other assets	1,488	1,329
Customers' liabilities under acceptances and guarantees	39,825	49,094
Bad debt reserve	(5,500)	(16,423)
Total assets	5,901,413	6,098,017

Items	March 31, 2013	March 31, 2014
(Liabilities)		
Policy liabilities:	3,981,659	3,945,530
Outstanding claims	643,869	652,310
Underwriting reserves	3,337,789	3,293,219
Bonds issued	241,176	176,185
Other liabilities:	298,674	344,318
Co-insurance accounts payable	11,690	11,925
Reinsurance accounts payable	50,603	54,777
Foreign reinsurance accounts payable	23,274	27,092
Agency business accounts payable	24	34
Borrowings	50,000	100,000
Income taxes payable	4,652	4,890
Advance received	20,314	16,166
Unearned income	108	103
Other payables	36,686	25,853
Suspense receipts	19,591	23,096
Derivative financial instruments	13,692	9,119
Cash collateral received under derivative transactions	60,839	62,061
Lease obligations	2,064	1,706
Asset retirement obligations	5,128	4,634
Other liabilities	1	2,858
Reserve for pension and retirement benefits	87,390	139,895
Reserve for retirement benefits for officers	1,257	1,070
Accrued bonuses for employees	10,588	11,249
Reserves under the special laws:	5,151	19,731
Reserve for price fluctuation	5,151	19,731
Deferred tax liabilities	43,610	101,331
Acceptances and guarantees	39,825	49,094
Total liabilities	4,709,334	4,788,409
(Net assets)		
Common stock	139,595	139,595
Capital surplus:	93,107	93,107
Additional paid-in capital	93,107	93,107
Retained earnings:	244,565	240,357
Legal earned reserve	46,487	46,487
Other retained earnings:	198,077	193,869
Tax-exempted reserve for accelerated depreciation	15,660	15,385
Retained earnings brought forward	182,416	178,484
Total shareholders' equity	477,268	473,061
Net unrealized gains/(losses) on investments in securities	688,381	813,116
Net deferred gains/(losses) on hedges	26,428	23,430
Total valuation and translation adjustments	714,810	836,547
Total net assets	1,192,079	1,309,608
Total liabilities and net assets	5,901,413	6,098,017

Non-Consolidated Statements of Income

(Yen in millions)

Items	Year ended March 31, 2013	Year ended March 31, 2014
Ordinary income:	1,792,884	1,731,374
Underwriting income:	1,661,287	1,586,564
Net premiums written	1,313,831	1,386,533
Deposit premiums from policyholders	119,925	113,037
Investment income on deposit premiums from policyholders	44,061	41,343
Reversal of outstanding claims	54,330	-
Reversal of underwriting reserves	116,824	44,570
Foreign exchange gains	12,253	971
Other underwriting income	60	107
Investment income:	127,798	141,633
Interest and dividends income	101,814	112,260
Investment gains on money trusts	290	295
Gains on sales of securities	56,176	55,999
Gains on redemption of securities	1,184	1,778
Gains on derivative transactions	6,894	9,829
Foreign exchange gains	4,627	1,460
Other investment income	872	1,352
Transfer of investment income on deposit premiums from policyholders	(44,061)	(41,343)
Other ordinary income	3,798	3,176
Ordinary expenses:	1,727,518	1,629,375
Underwriting expenses:	1,474,436	1,388,165
Net claims paid	887,436	823,665
Loss adjustment expenses	76,390	77,425
Commissions and collection expenses	228,670	239,034
Maturity refunds to policyholders	280,598	238,511
Dividends to policyholders	839	594
Provision for outstanding claims	-	8,441
Other underwriting expenses	500	493
Investment expenses:	38,250	8,415
Investment losses on money trusts	48	-
Losses on sales of securities	2,988	1,188
Impairment losses on securities	28,382	3,391
Losses on redemption of securities	879	714
Other investment expenses	5,951	3,120
Operating expenses and general and administrative expenses	206,538	214,537
Other ordinary expenses:	8,293	18,258
Interest expense	7,128	7,003
Provision for bad debts	263	11,018
Losses on bad debts	1	2
Other ordinary expenses	899	234
Ordinary profit	65,366	101,998
Extraordinary income:	1,891	4,162
Gains on sales of fixed assets	1,891	4,162
Extraordinary losses:	4,204	21,615
Losses on sales of fixed assets	1,337	2,611
Impairment losses on fixed assets	355	240
Provision for reserves under the special laws:	2,511	14,580
Provision for reserve for price fluctuation	2,511	14,580
Other extraordinary losses	-	4,182
Income before income taxes	63,053	84,545
Income taxes - current	1,714	2,512
Income taxes - deferred	18,681	23,985
Total income taxes	20,395	26,497
Net income	42,657	58,047

Non-Consolidated Solvency Margin Ratio

Insurance companies running their business in Japan calculate the non-consolidated solvency margin ratio pursuant to the provisions of Articles 86 and 87 of the Insurance Business Act Enforcement Regulations and Public Notice No. 50 issued by the Ministry of Finance in 1996.

While insurance companies set aside reserves to provide for payments of insurance claims should an insured event occur, they are also required to maintain sufficient funds to pay out in an event outside the normal range of estimates such as a major catastrophe and a significant drop in the value of their assets.

The non-consolidated solvency margin ratio, or item (C) in each of the tables below, which is calculated in accordance with the Insurance Business Act, is the ratio of "solvency margin of insurance companies calculated based on their capital and other reserves", or (A) the total amount of solvency margin, to "risks exceeding the normal range of estimates", or (B) the total amount of risks.

The non-consolidated solvency margin ratio is one of the objective indicators used by the insurance regulatory authorities to supervise insurance companies. A non-consolidated solvency margin ratio of 200% or over indicates adequate ability to satisfy insurance claims and other payment requirements.

(Yen in millions)

	March 31, 2013	March 31, 2014
(A) Total amount of solvency margin	1,958,579	2,120,694
Total net assets	462,870	456,862
Reserve for price fluctuation	5,151	19,731
Contingency reserve	-	175
Catastrophe reserve	412,208	410,755
General bad debt reserve	1,093	1,420
Net unrealized gains/(losses) on investments in securities (prior to tax effect deductions)	896,469	1,054,940
Net unrealized gains/(losses) on land	33,406	31,656
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	106,191	106,191
Amount excluded from the margin, out of (a) and (b)	-	-
Deductions	43,152	43,155
Others	84,341	82,117
(B) Total amount of risks $\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$	673,800	706,497
General insurance risk (R ₁)	111,582	113,474
Insurance risk of third sector insurance contracts (R ₂)	-	-
Assumed interest rate risk (R ₃)	20,420	19,248
Asset management risk (R ₄)	499,540	527,293
Business administration risk (R ₅)	15,167	15,849
Catastrophe risk (R ₆)	126,834	132,450
(C) Solvency margin ratio [(A) / {(B) × 1/2}] × 100	581.3%	600.3%

(2) Aioi Nissay Dowa Insurance Co., Ltd. (Non-consolidated)**Non-Consolidated Balance Sheets**

(Yen in millions)

Items	March 31, 2013	March 31, 2014
(Assets)		
Cash, deposits and savings:	92,013	81,958
Cash on hand	48	23
Deposits in banks	91,965	81,935
Call loans	-	21,000
Monetary claims bought	977	477
Money trusts	2,128	2,310
Investments in securities:	2,292,734	2,365,453
Government bonds	713,239	692,038
Municipal bonds	32,607	28,354
Corporate bonds	204,661	249,226
Stock	662,070	712,217
Foreign securities	639,643	644,154
Other securities	40,510	39,461
Loans:	246,684	220,015
Policy loans	4,982	4,632
General loans	241,701	215,383
Tangible fixed assets:	185,771	183,620
Land	84,513	83,882
Buildings	90,988	88,221
Lease assets	110	98
Construction in progress	1,426	2,325
Other tangible fixed assets	8,732	9,092
Intangible fixed assets:	29,971	33,390
Software	2,124	30,932
Other intangible fixed assets	27,846	2,457
Other assets:	239,415	222,050
Premiums receivable	3,104	3,403
Due from agencies	44,709	53,499
Due from foreign agencies	2,779	1,744
Co-insurance accounts receivable	3,294	4,853
Reinsurance accounts receivable	57,831	55,579
Foreign reinsurance accounts receivable	36,474	26,251
Other receivables	35,916	24,415
Accrued income	8,962	9,498
Guarantee deposits	7,671	7,475
Deposits with the Japan Earthquake Reinsurance Company	6,452	6,931
Suspense payments	31,184	27,132
Derivative financial instruments	1,032	1,266
Prepaid pension expenses	40,683	43,472
Deferred tax assets	106,449	78,076
Customers' liabilities under acceptances and guarantees	2,500	7,500
Bad debt reserve	(2,479)	(2,146)
Total assets	3,236,851	3,257,180

(Yen in millions)

Items	March 31, 2013	March 31, 2014
(Liabilities)		
Policy liabilities:	2,422,522	2,420,418
Outstanding claims	473,220	510,416
Underwriting reserves	1,949,302	1,910,002
Bonds issued	50,000	50,000
Other liabilities:	182,421	153,051
Co-insurance accounts payable	4,674	3,799
Reinsurance accounts payable	49,612	54,260
Foreign reinsurance accounts payable	25,097	23,014
Borrowings	25	11
Income taxes payable	2,630	2,790
Advance received	2,724	2,546
Unearned income	51	30
Other payables	24,701	22,325
Suspense receipts	38,762	20,850
Derivative financial instruments	31,460	15,276
Cash collateral received under derivative transactions	1,939	7,258
Lease obligations	212	328
Asset retirement obligations	528	558
Other liabilities	0	0
Reserve for pension and retirement benefits	19,313	13,775
Accrued bonuses for employees	6,064	5,962
Reserve for Reorganization by Function	-	3,040
Reserves under the special laws:	1,624	3,239
Reserve for price fluctuation	1,624	3,239
Acceptances and guarantees	2,500	7,500
Total liabilities	2,684,446	2,656,987
(Net assets)		
Common stock	100,005	100,005
Capital surplus:	81,210	81,210
Additional paid-in capital	52,593	52,593
Other capital surplus	28,616	28,616
Retained earnings:	191,575	197,397
Legal earned reserve	43,037	45,657
Other retained earnings:	148,537	151,739
Retained earnings brought forward	148,537	151,739
Total shareholders' equity	372,790	378,612
Net unrealized gains/(losses) on investments in securities	179,614	221,580
Total valuation and translation adjustments	179,614	221,580
Total net assets	552,405	600,192
Total liabilities and net assets	3,236,851	3,257,180

Non-Consolidated Statements of Income

(Yen in millions)

Items	Year ended March 31, 2013	Year ended March 31, 2014
Ordinary income:	1,342,714	1,317,805
Underwriting income:	1,273,889	1,245,805
Net premiums written	1,103,234	1,144,629
Deposit premiums from policyholders	44,010	38,412
Investment income on deposit premiums from policyholders	20,354	19,543
Reversal of outstanding claims	9,126	-
Reversal of underwriting reserves	90,318	39,299
Foreign exchange gains	1,474	1,643
Other underwriting income	5,370	2,277
Investment income:	66,085	68,951
Interest and dividends income	60,617	65,460
Investment gains on money trusts	0	0
Gains on sale of securities	23,810	22,610
Gains on redemption of securities	27	98
Foreign exchange gains	1,746	71
Other investment income	237	252
Transfer of investment income on deposit premiums from policyholders	(20,354)	(19,543)
Other ordinary income	2,739	3,048
Ordinary expenses:	1,316,854	1,289,907
Underwriting expenses:	1,086,669	1,081,170
Net claims paid	726,151	691,799
Loss adjustment expenses	51,005	52,052
Commissions and collection expenses	195,767	204,705
Maturity refunds to policyholders	111,930	93,535
Dividends to policyholders	27	123
Provision for outstanding claims	-	37,195
Other underwriting expenses	1,786	1,758
Investment expenses:	39,968	9,828
Losses on sales of securities	16,570	3,066
Impairment losses on securities	9,763	3,632
Losses on redemption of securities	7,732	-
Losses on derivative transactions	2,928	1,526
Other investment expenses	2,973	1,603
Operating expenses and general and administrative expenses	187,883	197,823
Other ordinary expenses:	2,333	1,086
Interest expense	387	759
Provision for bad debts	917	-
Losses on bad debts	2	2
Other ordinary expenses	1,025	324
Ordinary profit	25,859	27,897
Extraordinary income:	676	1,009
Gains on sales of fixed assets	502	1,009
Reversal of reserves under the special laws:	173	-
Reversal of reserve for price fluctuation	173	-
Extraordinary losses:	2,310	6,676
Losses on sales of fixed assets	1,604	920
Impairment losses on fixed assets	705	63
Provision for reserves under the special laws:	-	1,614
Provision for reserve for price fluctuation	-	1,614
Other extraordinary losses	-	4,077
Income before income taxes	24,225	22,230
Income taxes - current	1,050	2,057
Income taxes - deferred	4,312	7,065
Total income taxes	5,362	9,123
Net income	18,862	13,107

Non-Consolidated Solvency Margin Ratio

(Yen in millions)

	March 31, 2013	March 31, 2014
(A) Total amount of solvency margin	965,962	1,027,044
Total net assets	365,590	369,512
Reserve for price fluctuation	1,624	3,239
Contingency reserve	693	747
Catastrophe reserve	257,920	257,490
General bad debt reserve	379	418
Net unrealized gains/(losses) on investments in securities (prior to tax effect deductions)	233,054	287,683
Net unrealized gains/(losses) on land	2,719	2,038
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	50,000	50,000
Amount excluded from the margin, out of (a) and (b)	-	-
Deductions	11,403	9,952
Others	65,383	65,866
(B) Total amount of risks $\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$	297,599	272,396
General insurance risk (R ₁)	102,694	101,281
Insurance risk of third sector insurance contracts (R ₂)	-	-
Assumed interest rate risk (R ₃)	10,421	9,911
Asset management risk (R ₄)	169,412	179,721
Business administration risk (R ₅)	7,314	6,829
Catastrophe risk (R ₆)	83,193	50,581
(C) Solvency margin ratio [(A) / {(B)×1/2}] x 100	649.1%	754.0%

(3) Mitsui Direct General Insurance Co., Ltd. (Non-consolidated)**Non-Consolidated Balance Sheets**

(Yen in millions)

Items	March 31, 2013	March 31, 2014
(Assets)		
Cash, deposits and savings:	3,541	3,319
Deposits in banks	3,541	3,319
Investments in securities:	33,674	35,104
Government bonds	9,906	10,906
Municipal bonds	14,524	13,137
Corporate bonds	9,242	11,060
Tangible fixed assets:	308	212
Buildings	47	41
Other tangible fixed assets	261	170
Intangible fixed assets:	1,960	2,073
Software	1,957	2,071
Other intangible fixed assets	3	2
Other assets:	6,115	5,878
Premiums receivable	0	0
Other receivables	3,699	3,421
Accrued income	40	43
Guarantee deposits	303	308
Suspense payments	2,069	2,103
Other assets	2	2
Bad debt reserve	(3)	(3)
Total assets	45,596	46,584
(Liabilities)		
Policy liabilities:	33,135	34,079
Outstanding claims	13,593	14,582
Underwriting reserves	19,541	19,497
Other liabilities:	1,092	988
Reinsurance accounts payable	2	1
Income taxes payable	135	99
Other payables	926	856
Suspense receipts	16	18
Asset retirement obligations	12	12
Accrued bonuses for employees	209	214
Reserves under the special laws:	27	34
Reserve for price fluctuation	27	34
Deferred tax liabilities	51	44
Total liabilities	34,516	35,360
(Net assets)		
Common stock	32,600	32,600
Capital surplus:	2,500	2,500
Additional paid-in capital	2,500	2,500
Retained earnings:	(24,286)	(24,054)
Other retained earnings:	(24,286)	(24,054)
Retained earnings brought forward	(24,286)	(24,054)
Total shareholders' equity	10,813	11,045
Net unrealized gains/(losses) on investments in securities	267	178
Total valuation and translation adjustments	267	178
Total net assets	11,080	11,223
Total liabilities and net assets	45,596	46,584

Non-Consolidated Statements of Income

(Yen in millions)

Items	Year ended March 31, 2013	Year ended March 31, 2014
Ordinary income:	35,734	35,791
Underwriting income:	35,529	35,628
Net premiums written	35,273	35,567
Investment income on deposit premiums from policyholders	14	16
Reversal of outstanding claims	241	-
Reversal of underwriting reserves	-	44
Investment income:	200	156
Interest and dividends income	164	149
Gains on sale of securities	50	22
Transfer of investment income on deposit premiums from policyholders	(14)	(16)
Other ordinary income	4	6
Ordinary expenses:	35,207	35,492
Underwriting expenses:	28,107	28,321
Net claims paid	25,309	24,672
Loss adjustment expenses	2,404	2,468
Commissions and collection expenses	198	190
Provision for outstanding claims	-	988
Provision for underwriting reserves	194	-
Other underwriting expenses	0	0
Investment expenses	-	-
Operating expenses and general and administrative expenses	7,098	7,169
Other ordinary expenses:	2	2
Provision for bad debts	-	0
Other ordinary expenses	2	1
Ordinary profit	526	298
Extraordinary income	-	-
Extraordinary losses:	24	17
Losses on sales of fixed assets	19	10
Impairment losses on fixed assets	-	0
Provision for reserves under the special laws:	4	6
Provision for reserve for price fluctuation	4	6
Income before income taxes	502	281
Income taxes - current	39	13
Income taxes - deferred	(0)	34
Total income taxes	39	48
Net income	462	232

Non-Consolidated Solvency Margin Ratio

(Yen in millions)

	March 31, 2013	March 31, 2014
(A) Total amount of solvency margin	12,324	12,460
Total net assets	10,813	11,045
Reserve for price fluctuation	27	34
Contingency reserve	0	0
Catastrophe reserve	1,133	1,147
General bad debt reserve	0	1
Net unrealized gains/(losses) on investments in securities (prior to tax effect deductions)	349	231
Net unrealized gains/(losses) on land	-	-
Excess of policyholders' contract deposits (a)	-	-
Subordinated debts, etc. (b)	-	-
Amount excluded from the margin, out of (a) and (b)	-	-
Deductions	-	-
Others	-	-
(B) Total amount of risks $\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$	5,740	5,921
General insurance risk (R ₁)	5,233	5,378
Insurance risk of third sector insurance contracts (R ₂)	-	-
Assumed interest rate risk (R ₃)	0	0
Asset management risk (R ₄)	511	735
Business administration risk (R ₅)	181	192
Catastrophe risk (R ₆)	300	300
(C) Solvency margin ratio [(A) / {(B)×1/2}] x 100	429.4%	420.8%

(4) Mitsui Sumitomo Aioi Life Insurance Co., Ltd. (Non-consolidated)**Non-Consolidated Balance Sheets**

(Yen in millions)

Items	March 31, 2013	March 31, 2014
(Assets)		
Cash, deposits and savings:	23,815	30,830
Cash on hand	0	0
Deposits in banks	23,814	30,830
Call loans	707	458
Receivables under securities borrowing transactions	224,025	228,706
Investments in securities:	2,102,671	2,285,544
Government bonds	1,310,930	1,336,675
Municipal bonds	93,959	112,322
Corporate bonds	635,852	746,067
Stock	869	1,021
Foreign securities	59,824	86,295
Other securities	1,235	3,161
Loans:	47,656	49,470
Policy loans	47,656	49,470
Tangible fixed assets:	2,224	1,882
Buildings	238	259
Lease assets	943	698
Other tangible fixed assets	1,042	924
Intangible fixed assets:	3,297	4,039
Software	2,798	3,758
Other intangible fixed assets	498	280
Due from agencies	274	225
Reinsurance accounts receivable	265	694
Other assets:	31,428	34,279
Other receivables	24,123	26,472
Prepaid expenses	580	556
Accrued income	5,569	6,091
Guarantee deposits	970	1,010
Suspense payments	159	123
Other assets	24	24
Bad debt reserve	(102)	(78)
Total assets	2,436,264	2,636,052

Items	March 31, 2013	March 31, 2014
(Liabilities)		
Policy liabilities:	2,045,655	2,242,550
Outstanding claims	19,423	21,204
Policy reserves	2,019,481	2,214,832
Reserve for dividends to policyholders	6,750	6,514
Due to agencies	5,854	5,281
Reinsurance accounts payable	213	282
Other liabilities:	234,383	238,290
Payables under securities lending transactions	224,733	229,164
Income taxes payable	315	2,120
Other payables	192	146
Accrued expenses	5,722	4,720
Unearned income	0	0
Advance received	131	80
Derivative financial instruments	-	54
Lease obligations	1,010	751
Asset retirement obligations	174	364
Suspense receipts	2,102	887
Reserve for pension and retirement benefits	1,437	1,609
Reserve for retirement benefits for officers	59	50
Reserves under the special laws:	3,406	3,912
Reserve for price fluctuation	3,406	3,912
Deferred tax liabilities	13,010	12,075
Total liabilities	2,304,020	2,504,052
(Net assets)		
Common stock	35,500	35,500
Capital surplus:	43,688	43,688
Additional paid-in capital	13,214	13,214
Other capital surplus	30,473	30,473
Retained earnings:	(15,672)	(8,908)
Other retained earnings:	(15,672)	(8,908)
Retained earnings brought forward	(15,672)	(8,908)
Total shareholders' equity	63,515	70,279
Net unrealized gains/(losses) on investments in securities	68,727	61,719
Total valuation and translation adjustments	68,727	61,719
Total net assets	132,243	131,999
Total liabilities and net assets	2,436,264	2,636,052

Non-Consolidated Statements of Income

(Yen in millions)

Items	Year ended March 31, 2013	Year ended March 31, 2014
Ordinary income:	465,664	461,125
Insurance premiums and others:	422,189	417,609
Insurance premiums	421,387	416,743
Reinsurance income	801	866
Investment income:	40,427	41,598
Interest and dividends income:	34,238	36,885
Interest on deposits	0	0
Interest and dividends on securities	32,495	35,119
Interest on loans	1,400	1,452
Other interest and dividends	341	313
Gains on sales of securities	6,177	4,690
Gains on redemption of securities	11	-
Reversal of bad debts	-	22
Other ordinary income:	3,047	1,917
Receipts of annuities with special conditions	1,553	608
Receipts of deferred insurance claims	1,377	1,212
Other ordinary income	116	95
Ordinary expenses:	458,205	443,662
Insurance claims and others:	166,917	166,634
Insurance claims	43,551	43,837
Annuity payments	8,581	9,954
Benefits	12,065	12,574
Surrender benefits	99,504	96,715
Other refunds	2,078	2,157
Reinsurance premiums	1,137	1,395
Provision for policy reserves and others:	207,433	197,131
Provision for outstanding claims	488	1,780
Provision for policy reserves	206,942	195,350
Provision for interest portion of reserve for dividends to policyholders	2	0
Investment expenses:	2,851	1,100
Interest expense	302	306
Losses on sales of securities	2,511	756
Losses on derivative transactions	-	10
Foreign exchange losses	4	0
Provision for bad debts	6	-
Other investment expenses	26	26
Operating expenses	73,563	71,075
Other ordinary expenses:	7,438	7,719
Payments of deferred insurance claims	835	875
Taxes	4,183	4,086
Depreciation	2,161	2,460
Provision for reserve for pension and retirement benefits	255	290
Other ordinary expenses	2	7
Ordinary profit	7,459	17,462
Extraordinary income:	1	3
Gains on sales of fixed assets	1	3
Extraordinary losses:	457	649
Losses on sales of fixed assets	13	34
Impairment losses on fixed assets	-	109
Provision for reserves under the special laws:	444	506
Provision for reserve for price fluctuation	444	506
Provision for reserve for dividends to policyholders	5,822	5,749
Income before income taxes	1,180	11,067
Income taxes - current	322	2,248
Income taxes - deferred	399	2,137
Total income taxes	721	4,385
Net income	458	6,681

Business Results**Amount of Policies in Force and New Policies**

(1) Policies in force

(Yen in millions)

	March 31, 2013		March 31, 2014	
	Number of policies (in thousands)	Amount	Number of policies (in thousands)	Amount
Individual insurance	2,262	19,317,482	2,406	20,317,959
Individual annuities	183	757,139	187	787,086
Group insurance	-	5,165,629	-	5,124,978
Group annuities	-	429	-	399

(Notes) 1. The amounts of individual annuities represent the total sum of (a) the funds to be held at the time annuity payments are to commence for the policies for which annuity payments have not yet commenced and (b) the policy reserves for the policies for which annuity payments have commenced.

2. The amounts of group annuities represent the policy reserves.

(2) New policies

(Yen in millions)

	Year ended March 31, 2013				Year ended March 31, 2014			
	Number of policies (in thousands)	Amount	New policies	Net increase by conversion	Number of policies (in thousands)	Amount	New policies	Net increase by conversion
Individual insurance	340	3,617,055	3,617,055	-	289	2,592,193	2,592,193	-
Individual annuities	18	93,511	93,511	-	10	80,016	80,016	-
Group insurance	-	710,988	710,988	-	-	104,852	104,852	-
Group annuities	-	-	-	-	-	-	-	-

(Note) The amounts of individual annuities represent the funds to be held at the time annuity payments are to commence.

Annualized Premiums

(1) Policies in force

(Yen in millions)

	March 31, 2013	March 31, 2014
Individual insurance	274,863	289,311
Individual annuities	42,614	44,191
Total:	317,478	333,502
Medical coverage, living benefits, etc.	55,193	61,171

(2) New policies

(Yen in millions)

	Year ended March 31, 2013	Year ended March 31, 2014
Individual insurance	44,073	38,137
Individual annuities	5,156	4,077
Total:	49,230	42,214
Medical coverage, living benefits, etc.	6,997	10,910

(Notes) 1. An annualized premium is the annual total of premiums that is obtained by multiplying the amount of a single payment with the number of payments per year in accordance with the premium payment method. An annualized premium for a single-payment policy is the premium divided by the number of years of coverage.

2. "Medical coverage, living benefits, etc." represents the portion of annualized premiums that corresponds to medical coverage benefits (for hospitalization, surgeries, etc.), living benefits (for specified diseases, nursing care, etc.) and premium waiver benefits (excluding those for disability, but including those for specified diseases, nursing care, etc.).

Non-Consolidated Business Performance

(Yen in millions)

	Year ended March 31, 2013	Year ended March 31, 2014	Change
Fundamental revenues:	459,486	456,439	(3,047)
Insurance premiums and others	422,189	417,609	(4,580)
Fundamental expenses	453,638	441,043	(12,595)
Fundamental profit	5,847	15,395	9,548
Capital gains/(losses)	3,662	3,923	261
Non-recurring gains/(losses)	(2,050)	(1,857)	193
Ordinary profit	7,459	17,462	10,003
Extraordinary income	1	3	2
Extraordinary losses	457	649	191
Provision for reserve for dividends to policyholders	5,822	5,749	(73)
Income taxes	721	4,385	3,664
Net income	458	6,681	6,223

Non-Consolidated Solvency Margin Ratio

(Yen in millions)

	March 31, 2013	March 31, 2014
(A) Total amount of solvency margin	267,498	276,449
Total capital	63,515	70,279
Reserve for price fluctuation	3,406	3,912
Contingency reserve	21,800	23,652
General bad debt reserve	39	12
Net unrealized gains/(losses) on investments in securities x 90%	89,295	80,190
Net unrealized gains/(losses) on land x 85%	-	-
Excess of continued Zillmerized reserve (a)	121,422	128,068
Subordinated debts, etc. (b)	-	-
Amount excluded from the margin, out of (a) and (b)	(32,340)	(29,945)
Brought in capital	-	-
Deductions	-	-
Others	359	277
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	40,845	43,710
Insurance risk (R ₁)	13,818	14,298
Insurance risk of third sector insurance contracts (R ₈)	4,913	6,082
Assumed interest rate risk (R ₂)	2,922	2,958
Minimum guarantee risk (R ₇)	-	-
Asset management risk (R ₃)	31,567	33,761
Business administration risk (R ₄)	1,596	1,713
(C) Solvency margin ratio [(A) / {(B) x 1/2}] x 100	1,309.8%	1,264.9%

(5) Mitsui Sumitomo Primary Life Insurance Co., Ltd. (Non-consolidated)

Non-Consolidated Balance Sheets

(Yen in millions)

Items	March 31, 2013	March 31, 2014
(Assets)		
Cash, deposits and savings:	37,291	40,523
Deposits in banks	37,291	40,523
Call loans	30,002	7,191
Money trusts	886,301	680,806
Investments in securities:	2,777,814	3,350,422
Government bonds	97,765	131,735
Municipal bonds	1,014	1,856
Foreign securities	31,539	663,237
Other securities	2,647,494	2,553,593
Loans:	529	448
Policy loans	529	448
Tangible fixed assets:	1,099	945
Buildings	353	298
Lease assets	713	589
Other tangible fixed assets	32	57
Intangible fixed assets:	4,042	3,696
Software	3,929	3,616
Lease assets	112	80
Reinsurance accounts receivable	90	269
Other assets:	5,489	45,368
Other receivables	4,260	26,183
Prepaid expenses	-	22
Accrued income	540	7,229
Guarantee deposits	100	10,550
Derivative financial instruments	-	184
Suspense payments	587	1,197
Deferred tax assets	22,914	34,002
Total assets	3,765,574	4,163,675
(Liabilities)		
Policy liabilities:	3,645,909	3,993,094
Outstanding claims	12,942	10,819
Policy reserves	3,632,967	3,982,275
Due to agencies	2,858	7,075
Reinsurance accounts payable	1,732	2,552
Other liabilities:	20,045	31,610
Income taxes payable	12,829	1,711
Other payables	151	19,647
Accrued expenses	3,188	3,982
Advance received	1,041	374
Cash collateral received under derivative transactions	-	185
Lease obligations	839	688
Asset retirement obligations	123	125
Suspense receipts	1,872	4,895
Reserves under the special laws:	23,743	40,136
Reserve for price fluctuation	23,743	40,136
Total liabilities	3,694,290	4,074,470
(Net assets)		
Common stock	41,060	41,060
Capital surplus:	24,735	24,735
Additional paid-in capital	24,735	24,735
Retained earnings:	4,740	22,669
Other retained earnings:	4,740	22,669
Retained earnings brought forward	4,740	22,669
Total shareholders' equity	70,535	88,464
Net unrealized gains/(losses) on investments in securities	748	741
Total valuation and translation adjustments	748	741
Total net assets	71,284	89,205
Total liabilities and net assets	3,765,574	4,163,675

Non-Consolidated Statements of Income

(Yen in millions)

Items	Year ended March 31, 2013	Year ended March 31, 2014
Ordinary income:	1,016,638	1,218,073
Insurance premiums and others:	456,680	829,414
Insurance premiums	449,316	826,434
Reinsurance income	7,363	2,980
Investment income:	557,892	383,521
Interest and dividends income:	405	9,341
Interest on deposits	8	23
Interest and dividends on securities	364	9,079
Interest on loans	14	10
Other interest and dividends	18	228
Investment gains on money trusts	183,704	19,371
Gains on sales of securities	-	0
Foreign exchange gains	26	19,851
Investment gains on separate accounts	373,755	334,955
Other ordinary income:	2,066	5,137
Receipts of annuities with special conditions	2,040	3,009
Reversal of outstanding claims	-	2,123
Other ordinary income	25	5
Ordinary expenses:	977,668	1,178,186
Insurance claims and others:	366,036	762,403
Insurance claims	46,625	51,890
Annuity payments	44,611	53,094
Benefits	73,158	187,411
Surrender benefits	176,167	438,637
Other refunds	960	2,160
Reinsurance premiums	24,514	29,208
Provision for policy reserves and others:	570,565	349,307
Provision for outstanding claims	4,963	-
Provision for policy reserves	565,602	349,307
Investment expenses:	579	1,056
Interest expense	0	0
Losses on derivative transactions	-	495
Other investment expenses	578	560
Operating expenses	38,208	58,927
Other ordinary expenses:	2,278	6,491
Taxes	1,431	5,302
Depreciation	720	1,173
Other ordinary expenses	126	15
Ordinary profit	38,969	39,887
Extraordinary income	-	-
Extraordinary losses:	21,844	16,664
Losses on sales of fixed assets	12	1
Impairment losses on fixed assets	-	270
Provision for reserves under the special laws:	21,831	16,392
Provision for reserve for price fluctuation	21,831	16,392
Income before income taxes	17,125	23,222
Income taxes - current	19,421	16,378
Income taxes - deferred	(12,645)	(11,084)
Total income taxes	6,775	5,293
Net income	10,350	17,928

Business Results**Amount of Policies in Force and New Policies**

(1) Policies in force

(Yen in millions)

	March 31, 2013		March 31, 2014	
	Number of policies (in thousands)	Amount	Number of policies (in thousands)	Amount
Individual insurance	67	465,049	175	1,073,428
Individual annuities	413	3,196,405	365	2,950,965
Group insurance	-	-	-	-
Group annuities	-	-	-	-

(Note) The amounts of individual annuities represent the total sum of (a) the funds to be held at the time annuity payments are to commence (the premium reserves in the case of individual variable annuities) for the policies for which annuity payments have not yet commenced and (b) the policy reserves for the policies for which annuity payments have commenced.

(2) New policies

(Yen in millions)

	Year ended March 31, 2013				Year ended March 31, 2014			
	Number of policies (in thousands)	Amount	New policies	Net increase by conversion	Number of policies (in thousands)	Amount	New policies	Net increase by conversion
Individual insurance	59	316,715	316,715	-	119	643,410	643,410	-
Individual annuities	20	115,487	115,487	-	25	157,116	157,116	-
Group insurance	-	-	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-	-	-

(Note) The amounts of individual annuities represent the funds to be held at the time annuity payments are to commence (the premium reserves at the time of enrollment in the case of individual variable annuities).

Annualized Premiums

(1) Policies in force

(Yen in millions)

	March 31, 2013	March 31, 2014
Individual insurance	31,509	70,148
Individual annuities	402,731	384,155
Total:	434,240	454,303
Medical coverage, living benefits, etc.	104	105

(2) New policies

(Yen in millions)

	Year ended March 31, 2013	Year ended March 31, 2014
Individual insurance	20,382	42,407
Individual annuities	86,867	119,544
Total:	107,250	161,952
Medical coverage, living benefits, etc.	-	-

(Notes) 1. An annualized premium is the annual total of premiums that is obtained by multiplying the amount of a single payment with the number of payments per year in accordance with the premium payment method. An annualized premium for a single-payment policy is the premium divided by the number of years of coverage.

2. "Medical coverage, living benefits, etc." represents the portion of annualized premiums that corresponds to medical coverage benefits (for hospitalization, surgeries, etc.), living benefits (for specified diseases, nursing care, etc.) and premium waiver benefits (excluding those for disability, but including those for specified diseases, nursing care, etc.).

Non-Consolidated Business Performance

(Yen in millions)

	Year ended March 31, 2013	Year ended March 31, 2014	Change
Fundamental revenues:	998,099	1,218,308	220,208
Insurance premiums and others	456,680	829,414	372,734
Fundamental expenses	960,182	1,159,953	199,770
Fundamental profit	37,916	58,355	20,438
Capital gains/(losses)	18,539	(729)	(19,269)
Non-recurring gains/(losses)	(17,486)	(17,738)	(251)
Ordinary profit	38,969	39,887	917
Extraordinary income	-	-	-
Extraordinary losses	21,844	16,664	(5,179)
Provision for reserve for dividends to policyholders	-	-	-
Income taxes	6,775	5,293	(1,481)
Net income	10,350	17,928	7,578

Non-Consolidated Solvency Margin Ratio

(Yen in millions)

	March 31, 2013	March 31, 2014
(A) Total amount of solvency margin	267,510	347,258
Total capital	70,535	86,464
Reserve for price fluctuation	23,743	40,136
Contingency reserve	46,722	64,460
General bad debt reserve	-	-
Net unrealized gains/(losses) on investments in securities x 90%	973	963
Net unrealized gains/(losses) on land x 85%	-	-
Excess of continued Zillmerized reserve (a)	123,427	146,219
Subordinated debts, etc. (b)	-	-
Amount excluded from the margin, out of (a) and (b)	-	-
Brought in capital	-	-
Deductions	-	-
Others	2,107	9,013
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	60,516	69,128
Insurance risk (R ₁)	53	62
Insurance risk of third sector insurance contracts (R ₈)	16	13
Assumed interest rate risk (R ₂)	15,199	26,207
Minimum guarantee risk (R ₇)	21,375	11,581
Asset management risk (R ₃)	22,753	29,982
Business administration risk (R ₄)	1,187	1,356
(C) Solvency margin ratio [(A) / {(B) x 1/2}] x 100	884.0%	1,004.6%

3. Supplementary Information on Business Results for the Year Ended March 31, 2014 for Press Conference

(1) Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)

1. Basic Information

(Yen in 100 millions)

	Year ended	Six months ended	Year ended	Increase/(Decrease)	Increase/(Decrease)
	March 31, 2013 (A)	September 30, 2013 (B)	March 31, 2014 (C)	(C) - (A)	(C) - (B)
1 Net premiums written	13,142	7,007	13,845	702	-
Change ratio	3.5%	5.0%	5.3%	1.8%	0.3%
2 Total assets	59,014	61,766	60,980	1,966	(786)
3 Net loss ratio	73.3%	63.9%	65.1%	(8.2)%	1.2%
4 Net expense ratio	32.4%	31.2%	32.0%	(0.4)%	0.8%
5 Combined ratio	105.7%	95.1%	97.1%	(8.6)%	2.0%
Underwriting result ratio	(5.7)%	4.9%	2.9%	8.6%	(2.0)%
6 Voluntary automobile insurance					
Net premiums written	5,905	3,047	6,083	177	-
Change ratio	3.4%	2.9%	3.0%	(0.4)%	0.1%
Underwriting result ratio	(0.4)%	6.1%	4.7%	5.1%	(1.4)%
Net loss ratio	68.7%	62.9%	63.5%	(5.2)%	0.6%
Net expense ratio	31.7%	31.0%	31.8%	0.1%	0.8%
7 Fire and allied insurance					
Net premiums written	1,878	1,053	2,122	243	-
Change ratio	2.9%	14.6%	13.0%	10.1%	(1.6)%
Underwriting result ratio	(48.8)%	(9.9)%	(11.4)%	37.4%	(1.5)%
Net loss ratio	107.2%	70.5%	70.9%	(36.3)%	0.4%
Net expense ratio	41.6%	39.4%	40.5%	(1.1)%	1.1%
8 Number of employees	14,478	14,391	14,188	(290)	(203)
9 Number of agencies	40,480	40,274	39,859	(621)	(415)

- (Notes) 1. Net premiums written and ratios are presented exclusive of Good Result Return premiums of the automobile insurance product "ModoRich", which contains a special clause for premium adjustment and refund at maturity.
2. Net loss ratio = (net claims paid + loss adjustment expenses) / net premiums written x 100
3. Net expense ratio = (commissions and collection expenses + operating expenses and general administrative expenses for underwriting) / net premiums written x 100
4. Combined ratio = net loss ratio + net expense ratio
5. Underwriting result ratio = 100 - combined ratio

(Reference) Consolidated Business Performance of MS&AD Insurance Group Holdings, Inc.

(Yen in 100 millions)

	Year ended	Six months ended	Year ended	Increase/(Decrease)	Increase/(Decrease)
	March 31, 2013 (A)	September 30, 2013 (B)	March 31, 2014 (C)	(C) - (A)	(C) - (B)
1 Ordinary income	43,161	20,704	43,607	445	-
2 Net premiums written	26,394	14,241	28,095	1,701	-
Change ratio	3.1%	6.2%	6.4%	3.3%	0.2%
3 Life insurance premiums	5,690	1,827	6,789	1,099	-
Change ratio	33.7%	(45.9)%	19.3%	(14.4)%	65.2%
4 Ordinary profit/(loss)	1,503	1,630	1,902	399	-
5 Net income/(loss)	836	1,095	934	98	-

- (Note) Ordinary income and net premiums written are presented exclusive of Good Result Return premiums of Mitsui Sumitomo Insurance's proprietary automobile insurance product "ModoRich", which contains a special clause for premium adjustment and refund at maturity.

Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)

2. Other Information

(a) Non-performing assets

Risk-monitored loans

(Yen in 100 millions)

	March 31, 2013	September 30, 2013	March 31, 2014
Loans to borrowers in bankruptcy	1	0	0
Overdue loans	22	29	27
Loans overdue for three months or more	7	6	5
Restructured loans	30	29	28
Total	61	64	61
Ratio to total loans	1.1%	1.1%	1.1%
(Reference) Total loans	5,760	5,673	5,382

Results of self-assessment of assets

(Yen in 100 millions)

	March 31, 2013	September 30, 2013	March 31, 2014
Non-classified	57,296	60,173	59,149
Category II	1,672	1,428	1,641
Category III	17	136	162
Category IV	311	38	61
Subtotal (Categories II - IV)	2,002	1,603	1,865
Total	59,298	61,777	61,015

(Note) "Total" represents the balances before write-off conducted based on self-assessment of assets (including impairment losses on securities and fixed assets).

Amounts written off based on self-assessment of assets are as follows:

For the year ended March 31, 2013: ¥28.4 billion (excluding impairment losses on fixed assets of ¥0.1 billion during the fiscal year)

For the six months ended September 30, 2013: ¥1.1 billion (excluding impairment losses on fixed assets of ¥0.2 billion during the first quarter)

For the year ended March 31, 2014: ¥3.5 billion (excluding impairment losses on fixed assets of ¥0.2 billion during the fiscal year)

(b) Impairment losses on securities

(Yen in 100 millions)

	Year ended March 31, 2013	Six months ended September 30, 2013	Year ended March 31, 2014
Domestic bonds	-	-	-
Stock	212	6	2
Foreign securities	71	4	30
Other securities	0	-	-
Total	283	10	33

Rules for recognition of impairment

In principle, the Company recognizes impairment losses on securities with practically determinable fair value if the fair value declines by 30% or more from the cost.

(c) Impairment losses on fixed assets

(Yen in 100 millions)

	Year ended March 31, 2013	Six months ended September 30, 2013	Year ended March 31, 2014
Land	0	1	1
Buildings	2	1	1
Others	-	-	-
Total	3	2	2

(d) Unrealized gains and losses on investments in securities

(Yen in 100 millions)

	March 31, 2013	September 30, 2013	March 31, 2014
Domestic bonds	1,105	823	855
Stock	8,576	10,976	10,581
Foreign securities	193	150	179
Other securities	76	65	43
Total	9,951	12,014	11,659

(Notes) 1. The above table describes available-for-sale securities with practically determinable fair value.

2. Monetary claims bought are included in "Other securities".

Mitsui Sumitomo Insurance Co., Ltd. (Non-consolidated)

(e) Incurred losses caused by natural disasters in Japan

(Yen in 100 millions)

	Year ended March 31, 2013	Six months ended September 30, 2013	Year ended March 31, 2014
Direct claims paid	291	29	191
Net claims paid	284	28	182
Outstanding claims	22	110	37

- (Notes) 1. The above table represents incurred losses caused by natural disasters in Japan (excluding heavy snowfall disaster in February, 2014) during the period. Net claims paid including claims in previous years (including claims relating to the Great East Japan Earthquake) are ¥38.4 billion during the year ended March 31, 2013, ¥8.1 billion during the six months ended September 30, 2013 and ¥24.7 billion during the year ended March 31, 2014.
2. Outstanding claims = provision for outstanding claims - provision for outstanding claims recovered

(f) Catastrophe reserve

(Yen in 100 millions)

Lines of insurance	March 31, 2013			September 30, 2013			March 31, 2014		
	Balance	Reserve Ratio	Provision	Balance	Reserve Ratio	Provision	Balance	Reserve Ratio	Provision
Fire and allied	1,110	59.4%	668	1,112	53.0%	95	1,005	47.5%	191
Marine	667	124.4%	20	681	117.6%	13	693	122.3%	25
Personal accident	650	45.5%	44	649	42.7%	23	621	43.0%	45
Voluntary automobile	189	3.2%	189	101	1.7%	97	194	3.2%	194
Other	1,388	76.3%	81	1,430	70.7%	56	1,470	77.8%	101
Total	4,006	34.7%	1,004	3,974	32.3%	286	3,985	32.9%	558

- (Notes) 1. Reserve ratio = catastrophe reserve / (net premiums written (excluding premiums of residential earthquake insurance and compulsory automobile liability insurance and Good Result Return premiums of the automobile insurance product "ModoRich")) x 100
The calculation for the reserve ratio as of September 30 has been made using twice the net premiums written for the six months ended September 30 as a denominator.
2. Provision = gross provision

(g) Incurred losses caused by heavy snowfall disaster in February, 2014

(Yen in 100 millions)

Year ended March 31, 2014	
Incurred losses	Net claims paid
454	86

- (Note) Incurred losses = net claims paid + movement in outstanding claims

(h) Reinsurance assumed

(Yen in 100 millions)

Lines of insurance	Year ended March 31, 2013		Year ended March 31, 2014	
	Net reinsurance assumed premiums written	Net reinsurance assumed claims paid	Net reinsurance assumed premiums written	Net reinsurance assumed claims paid
Fire and allied	310	314	467	364
Marine	123	71	130	83
Personal accident	15	8	13	9
Voluntary automobile	21	14	19	14
Compulsory automobile liability	1,134	1,360	1,317	1,349
Other	176	62	194	84
Total	1,782	1,832	2,143	1,905

(i) Reinsurance ceded

(Yen in 100 millions)

Lines of insurance	Year ended March 31, 2013		Year ended March 31, 2014	
	Net reinsurance ceded premiums written	Net reinsurance ceded claims paid	Net reinsurance ceded premiums written	Net reinsurance ceded claims paid
Fire and allied	952	1,386	1,080	674
Marine	280	237	332	231
Personal accident	85	44	83	42
Voluntary automobile	41	17	42	16
Compulsory automobile liability	1,106	1,307	1,290	1,305
Other	346	178	399	183
Total	2,813	3,172	3,227	2,453

(2) Aioi Nissay Dowa Insurance Co., Ltd. (Non-consolidated)

1. Basic Information

(Yen in 100 millions)

	Year ended March 31, 2013 (A)	Six months ended September 30, 2013 (B)	Year ended March 31, 2014 (C)	Increase/(Decrease) (C) - (A)	Increase/(Decrease) (C) - (B)
1 Net premiums written	11,032	5,775	11,446	413	-
Change ratio	2.7%	3.9%	3.8%	1.1%	(0.1)%
2 Total assets	32,368	32,614	32,571	203	(42)
3 Net loss ratio	70.4%	62.8%	65.0%	(5.4)%	2.2%
4 Net expense ratio	34.1%	33.8%	34.5%	0.4%	0.7%
5 Combined ratio	104.5%	96.6%	99.5%	(5.0)%	2.9%
Underwriting result ratio	(4.5)%	3.4%	0.5%	5.0%	(2.9)%
6 Voluntary automobile insurance					
Net premiums written	6,448	3,318	6,589	140	-
Change ratio	2.1%	2.5%	2.2%	0.1%	(0.3)%
Underwriting result ratio	0.0%	5.5%	3.3%	3.3%	(2.2)%
Net loss ratio	67.1%	62.0%	63.2%	(3.9)%	1.2%
Net expense ratio	32.9%	32.5%	33.5%	0.6%	1.0%
7 Fire and allied insurance					
Net premiums written	1,263	672	1,357	93	-
Change ratio	5.5%	11.3%	7.4%	1.9%	(3.9)%
Underwriting result ratio	(26.1)%	(4.3)%	(10.9)%	15.2%	(6.6)%
Net loss ratio	81.1%	58.6%	64.8%	(16.3)%	6.2%
Net expense ratio	45.0%	45.7%	46.1%	1.1%	0.4%
8 Number of employees	12,784	13,044	12,812	28	(232)
9 Number of agencies	49,723	49,923	49,766	43	(157)

(Notes) 1. Net loss ratio = (net claims paid + loss adjustment expenses) / net premiums written x 100

2. Net expense ratio = (commissions and collection expenses + operating expenses and general administrative expenses for underwriting) / net premiums written x 100

3. Combined ratio = net loss ratio + net expense ratio

4. Underwriting result ratio = 100 - combined ratio

(Reference) Consolidated Business Performance of MS&AD Insurance Group Holdings, Inc.

Please refer to page 38.

Aioi Nissay Dowa Insurance Co., Ltd. (Non-consolidated)

2. Other Information

(a) Non-performing assets

Risk-monitored loans (Yen in 100 millions)

	March 31, 2013	September 30, 2013	March 31, 2014
Loans to borrowers in bankruptcy	0	0	0
Overdue loans	10	7	5
Loans overdue for three months or more	4	5	7
Restructured loans	18	19	18
Total	34	32	32
Ratio to total loans	1.4%	1.5%	1.5%
(Reference) Total loans	2,466	2,246	2,200

Results of self-assessment of assets (Yen in 100 millions)

	March 31, 2013	September 30, 2013	March 31, 2014
Non-classified	31,102	31,626	31,626
Category II	245	231	218
Category III	10	3	2
Category IV	108	46	51
Subtotal (Categories II - IV)	365	282	272
Total	31,467	31,909	31,898

(Note) "Total" represents the balances before write-off conducted based on self-assessment of assets (including impairment losses on securities and fixed assets).

(b) Impairment losses on securities

(Yen in 100 millions)

	Year ended March 31, 2013	Six months ended September 30, 2013	Year ended March 31, 2014
Domestic bonds	-	-	-
Stock	97	25	34
Foreign securities	0	5	1
Other securities	-	-	-
Total	97	31	36

Rules for recognition of impairment

In principle, the Company recognizes impairment losses on securities with practically determinable fair value if the fair value declines by 30% or more from the cost.

(c) Impairment losses on fixed assets

(Yen in 100 millions)

	Year ended March 31, 2013	Six months ended September 30, 2013	Year ended March 31, 2014
Land	3	0	0
Buildings	3	0	0
Others	-	-	-
Total	7	0	0

(d) Unrealized gains and losses on investments in securities

(Yen in 100 millions)

	March 31, 2013	September 30, 2013	March 31, 2014
Domestic bonds	383	300	348
Stock	1,949	2,494	2,478
Foreign securities	223	159	309
Other securities	27	48	41
Total	2,584	3,001	3,177

(Notes) 1. The above table describes available-for-sale securities with practically determinable fair value.
2. Monetary claims bought are included in "Other securities".

Aioi Nissay Dowa Insurance Co., Ltd. (Non-consolidated)

(e) Incurred losses caused by natural disasters in Japan

(Yen in 100 millions)

	Year ended March 31, 2013	Six months ended September 30, 2013	Year ended March 31, 2014
Direct claims paid	221	23	141
Net claims paid	214	22	137
Outstanding claims	10	68	14

- (Notes) 1. The above table represents incurred losses caused by natural disasters in Japan (excluding heavy snowfall disaster in February, 2014) during the period. Net claims paid including claims in previous years (excluding claims relating to the Great East Japan Earthquake) ¥23.2 billion during the year ended March 31, 2013, ¥3.3 billion during the six months ended September 30, 2013 and ¥15.0 billion during the year ended March 31, 2014.
2. Outstanding claims = provision for outstanding claims - provision for outstanding claims recovered

(f) Catastrophe reserve

(Yen in 100 millions)

Lines of insurance	March 31, 2013			September 30, 2013			March 31, 2014		
	Balance	Reserve Ratio	Provision	Balance	Reserve Ratio	Provision	Balance	Reserve Ratio	Provision
Fire and allied	1,096	87.3%	101	1,121	83.7%	53	1,045	77.3%	108
Marine	133	139.1%	3	135	120.9%	2	138	123.3%	5
Personal accident	566	78.7%	22	578	75.8%	12	589	81.1%	23
Voluntary automobile	207	3.2%	207	107	1.6%	107	212	3.2%	212
Other	496	50.8%	42	521	48.2%	28	505	49.7%	51
Total	2,500	26.3%	377	2,464	24.8%	203	2,491	25.4%	401

- (Notes) 1. Reserve ratio = catastrophe reserve / (net premiums written (excluding premiums of residential earthquake insurance and compulsory automobile liability insurance)) x 100
The calculation for the reserve ratio as of September 30 has been made using twice the net premiums written for the six months ended September 30 as a denominator.
2. Provision = gross provision

(g) Incurred losses caused by heavy snowfall disaster in February, 2014

(Yen in 100 millions)

Year ended March 31, 2014	
Incurred losses	Net claims paid
367	98

(Note) Incurred losses = net claims paid + movement in outstanding claims

(h) Reinsurance assumed

(Yen in 100 millions)

Lines of insurance	Year ended March 31, 2013		Year ended March 31, 2014	
	Net reinsurance assumed premiums written	Net reinsurance assumed claims paid	Net reinsurance assumed premiums written	Net reinsurance assumed claims paid
Fire and allied	169	201	232	133
Marine	29	12	45	23
Personal accident	17	9	21	11
Voluntary automobile	167	116	206	147
Compulsory automobile liability	1,041	1,282	1,188	1,259
Other	86	71	210	139
Total	1,511	1,694	1,905	1,715

(i) Reinsurance ceded

(Yen in 100 millions)

Lines of insurance	Year ended March 31, 2013		Year ended March 31, 2014	
	Net reinsurance ceded premiums written	Net reinsurance ceded claims paid	Net reinsurance ceded premiums written	Net reinsurance ceded claims paid
Fire and allied	810	346	889	105
Marine	30	19	31	28
Personal accident	53	22	52	21
Voluntary automobile	47	13	34	9
Compulsory automobile liability	1,185	1,441	1,364	1,434
Other	348	151	413	220
Total	2,476	1,995	2,786	1,821

(Reference)

1. Incurred losses of non-life insurance business (excluding loss adjustment expenses)

(Yen in 100millions)

		Year ended March 31, 2013	Year ended March 31, 2014	Change
Incurring losses:	1	16,777	17,081	303
Residential earthquake insurance and compulsory automobile liability insurance	2	2,625	2,627	1
Incurring losses excluding residential earthquake insurance and compulsory automobile liability insurance: (sum total of items 5 - 8)	3	14,151	14,454	302
Net claims paid	4	14,759	14,089	(669)
Heavy snowfall disaster in February, 2014	5	-	821	821
Natural disasters in Japan (excluding snowfall disasters)	6	532	371	(160)
Flooding in Thailand	7	8	(244)	(253)
Others	8	13,610	13,505	(105)

(Notes) 1. Incurred losses = net claims paid + movement in outstanding claims

2. Amounts of snowfall disasters other than the heavy snowfall disaster in February, 2014 are included in "Others".

2. Impact of heavy snowfall disaster in February, 2014

(Yen in 100millions)

	Year ended March 31, 2014		
	Incurring losses	Net claims paid	Movement in outstanding claims
Total:	821	184	637
Mitsui Sumitomo Insurance Co., Ltd.	454	86	368
Aioi Nissay Dowa Insurance Co., Ltd.	367	98	269