



MANAGEMENT SYSTEM

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Corporate Social Responsibility

Aioi Insurance aims for management that fulfils corporate social responsibility (CSR) through business activities that achieve a balance among economic, social and environmental responsibilities and that is based on communication with various stakeholders in the spirit of “co-awareness, co-creativity and co-existence” as stipulated in its Corporate Philosophy.

DECLARATION ON PROMOTION OF CSR

Aioi Insurance shall endeavor to achieve the following objectives in order to promote CSR management and its activity.

Aioi Insurance shall endeavor to improve internal control and supervision systems in order to ensure sound, equitable and highly transparent operations.

Aioi Insurance is aware of the social and public nature of the insurance business and its responsibility to conduct business operations in a sound and equitable manner. The Company believes that it must fulfill this responsibility in order to fulfill its CSR. For this purpose, the Company seeks continuous improvement of internal control and supervision systems, including those for corporate governance, compliance, risk management, disclosure and the protection of personal information.

Aioi Insurance shall promote concrete CSR activities based on awareness of its responsibilities to stakeholders and its role in society.

Aioi Insurance shall fulfill its responsibilities to various stakeholders who support its business activities. The Company shall endeavor to improve the overall quality of the Company by improving its ability and quality of personnel and constantly taking on the challenges of teamwork and communications improvement.

Aioi Insurance shall aim to establish relationships of trust with its stakeholders and to achieve continuous growth based on good communication.

Aioi Insurance believes that good communication with various stakeholders is essential to fulfill its CSR. Therefore, the Company shall continue to explain its business activities to its stakeholders, receive their feedback and reflect their opinions and requests in future activities. In addition, the Company shall pursue continuous growth and improvement in corporate value by fostering a strong relationship of trust between the Company, its stakeholders and society.



Corporate Governance

Aioi Insurance positions the realization of enhanced corporate governance as one of its highest-priority management issues, and is working to improve the effectiveness of its internal control systems, management efficiency through efficient utilization of management resources and transparency through implementation of appropriate and timely disclosure.

BASIC POLICY CONCERNING DEVELOPMENT OF INTERNAL CONTROL SYSTEMS

The Company recognized construction of internal control systems as one of the most important elements of enhanced corporate governance and formulated a basic policy concerning the development of internal control systems.

The Company is developing internal control systems in line with the policy outlined below.

1. System to ensure that directors perform their duties in compliance with laws, regulations and the Company's Articles of Incorporation

- The Company shall establish a Code of Conduct, based on its corporate philosophy and corporate vision. All of the Company's directors, executive officers and employees shall share and comply with this Code of Conduct.
- The Company shall establish regulations governing the Board of Directors' activities, and periodically review matters resolved at the Board meeting.

2. System to record and manage information related to the execution of business duties by directors

- The Company shall archive documents and minutes from Board of Directors' meetings and Executive Council's meetings in an easily accessible format.

3. Regulations on management of risk of loss and other systems

- The Company shall clearly identify risks that need to be managed, determine where such risks lie and manage appropriately the risks in consideration of their nature.
- The Board of Directors shall adopt a resolution on the risk management policies, activities and issues, which are to be addressed every fiscal year.
- The Company shall formulate concrete risk management regulations by categories of risk, and periodically revise them as required.
- The Company shall establish a Risk Management Department to oversee risk management activities across the Company and set up a Risk Management Committee which reports directly to the Board of Directors.

- The Company shall establish a framework to ensure that the Risk Management Department centrally manages risk information and reports to the Board of Directors, as needed.
- The Internal Auditing Department shall cooperate with the Risk Management Department in order to practice highly effective business auditing based on risk information.
- The Company shall continuously review and improve its risk management system covering the management of its asset portfolio by reinforcing the system and adopting the most advanced risk management methods.
- The Company shall establish systems to respond to crises such as major natural disasters.

4. System to ensure the efficient execution of function by directors

- The duties and authority of directors shall be clearly set forth.
- Regular meetings of the Board of Directors shall be held once a month and, when needed, extraordinary meetings shall be held. Important matters concerning management strategy, etc., shall be discussed first, deliberated at a meeting of Company executives and then reported or submitted for consideration to the Board of Directors.

5. System to ensure that employees perform their duties in compliance with laws, regulations and the Company's Articles of Incorporation

- The Board of Directors shall pass a resolution on the introduction of a compliance program, oversee its progress, make revisions and ensure rigorous in-house compliance.
- The Company shall establish the Compliance Control Department to centrally manage compliance issues and assign compliance officers to each region.
- The Company shall establish a structure to promote compliance across the Company by establishing the Compliance Committee, which reports directly to the Board of Directors, as well as a regional compliance committee in each region.
- The Company shall educate employees to ensure full compliance by using a compliance manual and other materials.

- The Company shall establish an internal notification system (Compliance Hotline 110) and develop regulations to protect those who disclose information in the public interest.
- The Internal Auditing Department shall conduct regular audits, including visits to branch offices and review auditing policies and items once a year.
- Directors shall promptly report to the Board of Directors and the Board of Corporate Auditors upon the discovery of serious compliance incident.
- To combat antisocial groups that threaten the order and security of civil society, the Company shall cooperate with the police and other government agencies in a steadfast stance against such groups.

6. System to ensure adequate and reliable financial reporting

- With regard to information disclosure mandated by laws and regulations, the Company shall establish a system to ensure the adequacy of disclosure and a system to verify the evaluation of effectiveness of internal control systems.

7. System to ensure that the Group engages in appropriate business activities

- The Company shall develop regulations on the management of affiliated companies. Together, the Corporate Planning Department of the Company and the administrative departments of the head office of each affiliated company shall efficiently oversee the management of affiliated companies.
- The Corporate Planning Department shall play a central role in instructing and supporting affiliated companies to establish compliance and risk management systems (with particular emphasis on crisis management systems).
- The Company and its affiliated companies shall share the Company's internal notification system (Compliance Hotline 110) and the regulations to protect those who disclose information in the public interest.

8. Matters concerning employees that are asked by corporate auditors to assist them in their duties

- The Company shall establish an Auditors' Office, and assign its employee(s) (hereinafter referred to as assistants to corporate auditors) to assist the corporate auditors in their duties.

9. Matters concerning the independence of assistants to corporate auditors from directors

- An assistant to corporate auditors shall not be involved in the Company's operations, or be subject to the orders of directors.

- An assistant to corporate auditors shall be evaluated solely by corporate auditors, and any personnel issues pertaining to the assistants, such as their appointment or dismissal, shall be approved by corporate auditors.
- The Company shall establish regulations governing assistants to corporate auditors.

10. System to ensure that directors and employees report to corporate auditors and other auditors

- Directors and employees shall provide corporate auditors with reports on their activities on a regular or irregular basis, and report any matter that may affect the operation of the Company without delay.

11. System to ensure that corporate auditors perform their audits effectively

- The Company shall enhance collaboration between all of its operations divisions, with a specific focus on collaboration between the Internal Auditing Department and the Corporate Planning Department to establish an effective auditing system.

BASIC POLICY FOR THE PREVENTION OF HARM CAUSED BY ANTISOCIAL FORCES

With regard to our response to antisocial forces, in September 2008 the Company formulated its "Basic Policy for the Prevention of Harm from Antisocial Forces" and publicized this policy through its web site and other media.

Aioi Insurance and all companies of the Aioi Insurance Group shall respond to antisocial forces in accordance with the following basic policies.

1. Response as an organization

In response to improper demands from antisocial forces, the Group shall respond as an entire organization, beginning with top management, and secure the safety of officers and employees.

2. Coordination with external specialist institutions

The Group shall build close relationships for coordination with the police, The National Center for the Elimination of Boryokudan, attorneys and other external specialist institutions.

3. Cutting off relationships with antisocial forces

The Group shall develop its preparedness for cutting off relationships with antisocial forces, including trading relationships.

4. Civil and criminal legal response in the case of a contingency

In response to improper demands from antisocial forces, the Group shall adopt a wide range of civil legal methods

and shall not hesitate to initiate a criminal investigation.

5. Prohibition of backroom deals and provision of funds

Even in the case that the improper demands of antisocial forces which arise from a business activity-related scandal or a scandal involving officers or employees of the Group, the Group shall not conduct backroom deals to conceal the facts.

CORPORATE GOVERNANCE SYSTEM

The Company adopted a corporate auditing system and a management structure that clearly separates the decision making and supervisory functions from the duty execution function. As of July 1, 2009, management comprised of 12 directors, 5 auditors and 23 executive officers. The number of directors shall be 20 or below in accordance with the Articles of Incorporation. The term of office for directors and executive officers is set at one year to clarify management's responsibility for business results for each fiscal year and to flexibly respond to changes in the operating environment.

The Board of Directors

The Board of Directors shall be comprised of 12 directors, including 1 external director. The Board shall make decisions on important matters concerning management policy and strategy, supervise operations of the Company and meet at least once a month or any other time as needed. The Company has also established the CSR Committee, Compliance Committee, Risk Management Committee and Personnel Committee as special committees of the Board of Directors to strengthen supervisory functions and make management decisions in a prompt and appropriate manner.

CSR Committee

With the aim of promoting CSR management generally, the CSR Committee deliberates on policies and issues, and promotes and oversees the implementation of related measures in each organizational division. It also works to ensure Company information disclosure is carried out in a timely, appropriate and fair manner based on the information disclosure policies determined by the Board of Directors.

Compliance Committee

With the aim of strengthening the compliance system's monitoring and supervisory functions, the Compliance Committee conducts checks on the progress of compliance programs, and deliberates and verifies measures to improve these programs based on the results of internal and external inspections and supervision.

Risk Management Committee

The Risk Management Committee oversees Groupwide risk preparedness and risk management status, works to ensure management security, and deliberates and verifies related issues and problems with the aim of improving profitability.

Personnel Committee

For the purpose of ensuring fair performance evaluation and compensation for directors and executive officers, the Personnel Committee deliberates on candidate selection for new appointments and re-appointments of directors and executive officers. It also deliberates on such matters as dismissals, promotions and demotions, and benefits and compensation for directors and executive officers.

Board of Corporate Auditors

The Board of Auditors convenes regularly and supervises directors and executive officers who are performing their duties. They discuss auditing policies and methods, discuss and report on important matters concerning auditing, and attend and submit opinions at important meetings such as those of the Board of Directors, the Executive Council and the committees. In addition, the Company has established an Auditors' Office with a full-time staff to support the activities of corporate auditors. The Board of Corporate Auditors comprised 2 corporate auditors and 3 outside auditors.

Executive Council

The Company has established the Executive Council, which discusses important matters concerning business operations. The Executive Council consists of non-external directors and executive officers who are in charge of the operational departments in the head office and meet at least once a month and any other time as needed. The Company has also established the Operational Improvement Committee, Special Internal Control Committee, Earnings Management Committee and Asset Management Committee to deliberate and verify individual issues in each field and report to the Board of Directors as needed.

Internal Auditing, Auditing by Corporate Auditors and Independent Audits

To verify the effectiveness of its internal control systems, the Company conducts timely and appropriate internal audits covering overall control, business process controls and other matters from the standpoint of operational effectiveness and efficiency, the reliability of financial reporting, compliance and the soundness of assets.



Corporate Governance

With regard to internal company auditing, the corporate auditors conduct audits mandated by law. Additionally, the Internal Auditing Department conducts internal audits. This department carries out checks on each of the Company's business processes from the standpoint of internal controls in each business division, management systems and operational execution, appropriateness and effectiveness of administrative operations, customer management, compliance and risk management. These audits not only identify any deficiencies but also include recommendations for improvements. In this way, audits are conducted with the aim of maximizing the effectiveness of audits and ensuring their efficacy. Furthermore, to ensure the soundness of assets held by the Company, audits are conducted on the Company's asset self-assessments. Audit results are reported regularly to the Company's top management and recommendations for improvements are made to each of the business divisions concerned.

With regard to external audits, pursuant to legal requirements, an independent auditor carries out accounting audits of the Company. To ensure the effectiveness of audit operations, the independent auditor, the corporate auditors and the Internal Auditing Department work in a coordinated way to enhance the content of audits and inspections. Specifically, the corporate auditors receive briefings from the

independent auditor regarding the independent auditor's audit plan and attend meetings at the Company's offices at which the independent auditor provides audit feedback to the Company. In addition, the corporate auditors receive the interim and year-end audit reports from the independent auditor and exchange views on these reports to strengthen cooperation with the independent auditor. Furthermore, the corporate auditors hold regular monthly meetings with the Internal Auditing Department.

The Corporate Actuary not only conducts actuarial operations but also studies items stipulated in the Insurance Business Law for each fiscal year and then submits written opinions on his/her findings to the Board of Directors.

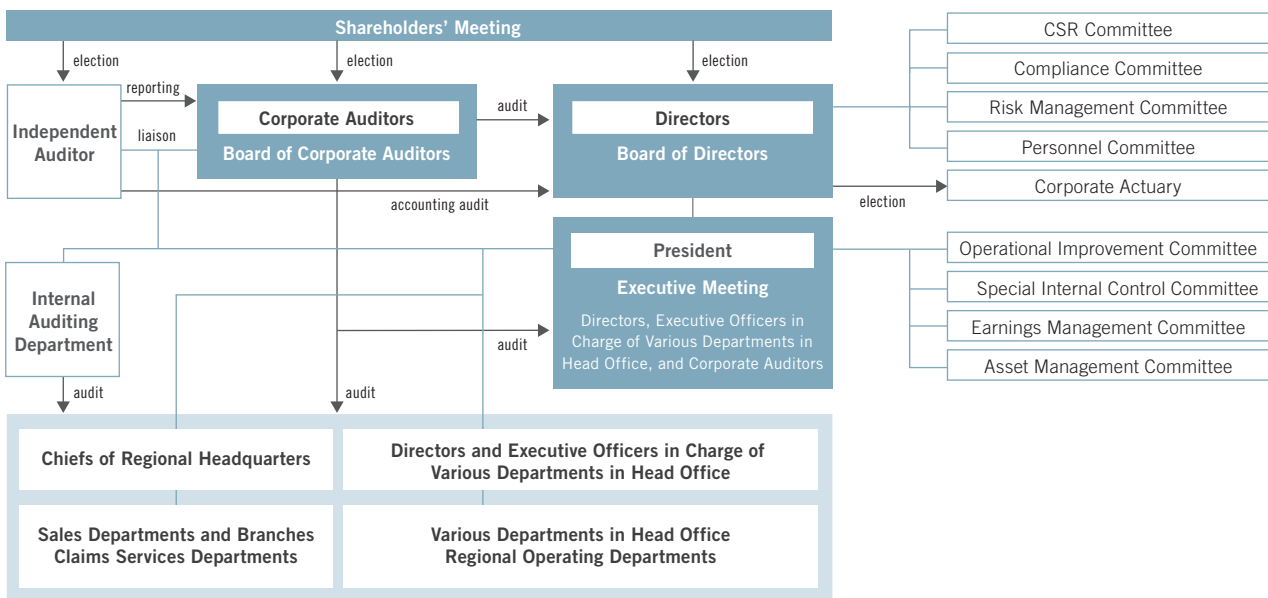
RELATIONSHIP WITH OUTSIDE DIRECTOR AND OUTSIDE CORPORATE AUDITORS

The Company's external director also serves as a director of Toyota Motor Corporation.

Toyota Motor is a major shareholder of Aioi Insurance and held 34.57% of total voting rights as of March 31, 2009.

In addition, the Company has contracts with its outside director and three outside corporate auditors, based on the Company's Articles of Incorporation, which limit liability to the maximum amount stipulated by Article 423, Paragraph 1 of the Corporate Law of Japan.

CORPORATE GOVERNANCE SYSTEM





Compliance

Aioi Insurance strives to ensure strict compliance to laws and regulations and promotes appropriate business practices and management by placing a specific focus on compliance initiatives as the basis of every operating procedure.

COMPLIANCE POLICY

- Aioi Insurance shall seek to gain customer and public confidence by all executive officers and employees following the Company's Code of Conduct.
- Aioi Insurance shall concentrate its efforts to establish sound, equitable operations based on a rigorous compliance policy, in order to offer customer security and satisfaction.

CODE OF CONDUCT

1. Earn society's trust through corporate activities that consistently reflect commitment to social responsibility

- (1) Adherence to laws, social norms, and in-house rules
- (2) Stringent, appropriate management of information
- (3) Wide disclosure of corporate information
- (4) Confrontation with antisocial forces
- (5) Risk management and enhancement of operational efficiency
- (6) Social contribution

2. Offer customers peace of mind and satisfaction by always putting customers first

- (1) Provision of outstanding products and services
- (2) Provision of accurate, useful information
- (3) Sincere responses to customer feedback

3. Establish a free and vigorous corporate culture and ensure all employees strive to enhance their personal qualities, judgment and abilities

- (1) Respect for human rights and individuality
- (2) Training and utilization of a wide variety of personnel and realization of a free and vigorous corporate culture



Compliance

COMPLIANCE PROMOTION

Compliance Promotion System

The Company has set up the Compliance Committee as an advisory body to the Board of Directors. Compliance-related departments address a wide range of compliance issues, including the Company's response to customer feedback and insurance sales activities by agents.

In addition, the Company has set up compliance committees at regional headquarters and branches, as well as a Compliance Promotion Office which is under the direct authority of the Compliance Control Department, in an effort to supervise all compliance officers and employees responsible for agency audits, and enhance mobility to ensure and promote strict compliance at regional levels.

The Company has established an organizational unit within the Compliance Control Department to inspect insurance policy sales materials, and the department inspects all sales materials from fiscal 2009. With regard to operational execution in the area of life insurance services carried out under contract, Compliance Managers under the direct control of the Compliance Control Department are assigned

in eight regions in Japan to promote compliance and lead training programs as well as supervise administrative and other operational procedures.

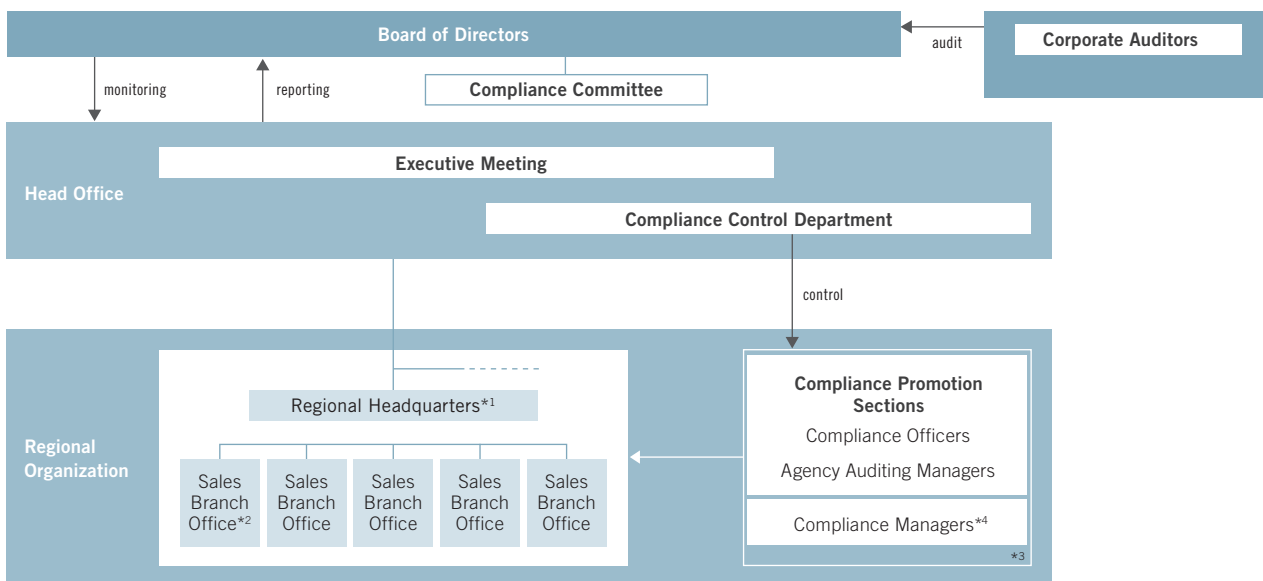
Compliance Program and Training

The Compliance Program is a detailed planning tool formulated by the Board of Directors. Based on this program, the Company and Group companies cooperate to conduct compliance-related activities.

Compliance training is carried out in each department and at each seniority level, beginning with the intake training received when employees first enter the Company. We are working to enhance the effectiveness of these programs through such tools as compliance manuals and e-learning system.

Through self-checks and audits, we work to prevent and deter improper actions and fraud. The Company has also set up a hotline for reporting compliance violations as part of its efforts to promote self-detection and compliance system improvements.

COMPLIANCE SYSTEM



*1 A Compliance Committee has been formed at all 18 nationwide Regional Headquarters.

*2 A Compliance Committee has been formed at each Sales Branch Office.

*3 8 compliance promotion system established nationwide.

*4 Responsible for compliance and supervision of administrative and other operational procedures in life insurance services carried out under contract.



Risk Management System

Aioi Insurance constantly seeks to enhance risk management by identifying and analyzing increasingly diverse and complex risks.

The operating environments surrounding companies are changing dramatically due to such factors as economic globalization, advancing deregulation, competition from new entrants from outside the industry and transformation of communication methods such as the advent of the Internet. As a result, a non-life insurance company faces increasingly diverse and complex risks. It is now more important than ever to analyze these risks, analyze and evaluate their impacts and manage them appropriately to ensure operational stability and enhance profitability.

The Board of Directors has formulated the Risk Management Policy and each fiscal year determines the Risk Management Action Policy and Action Issues, through which it identifies risks that should be managed. The Company has established the Risk Management Department to manage risk and coordinate risk management on a Company-wide level and to unify the management of risk information. Through deliberations by the Risk Management Committee, which reports directly to the Board of Directors,

we ensure that the risk management situation is effectively communicated to the Board of Directors and other management bodies.

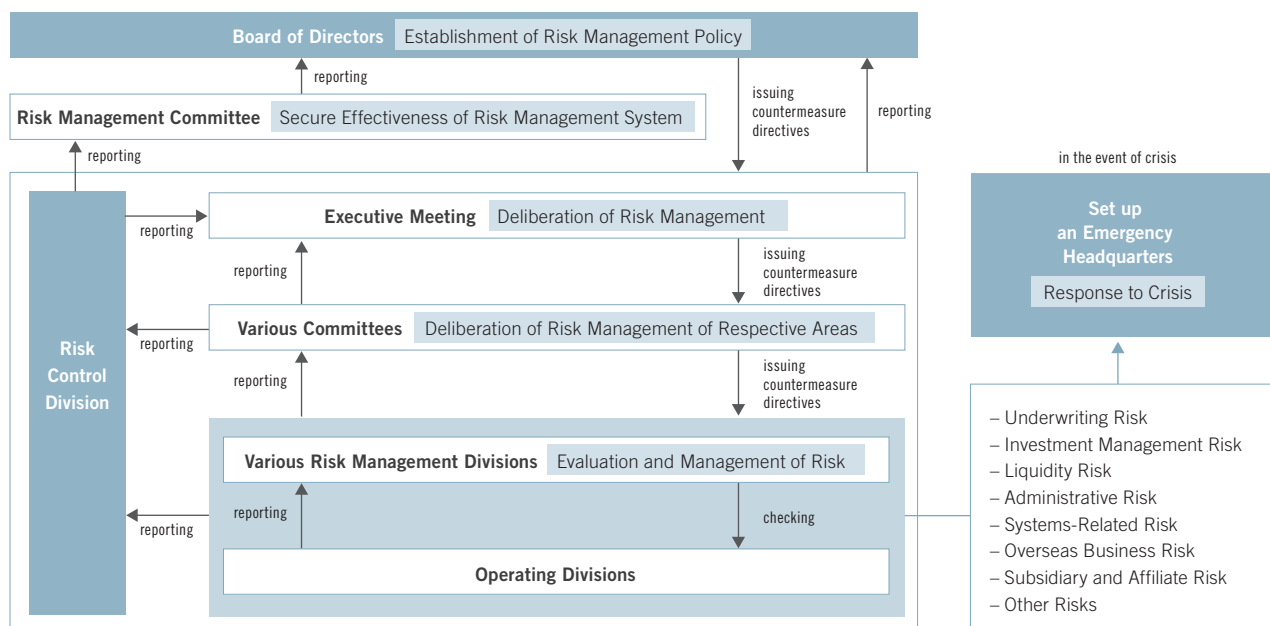
FUNDAMENTAL RISK MANAGEMENT POLICY

The Company shall eliminate risks that may interfere with smooth business operations and manage risks by curbing any excessive risk-taking activities aimed at earning profits and strive to prevent the occurrence of risks to ensure management safety, improved profitability and superior quality services for customers.

INTEGRATED RISK MANAGEMENT

Separate from the risk identified under solvency margin ratio regulations, the Company uses an internal risk model to measure the risk exposure related to principal risk categories, such as underwriting risk (including the risks arising from natural catastrophes) and asset management risk. This internal model uses a standardized measurement method called

RISK MANAGEMENT SYSTEM



* The Internal Auditing Department shall conduct internal audits covering such areas as the risk management systems and statuses of each department, the situation regarding compliance with internal rules, the appropriateness of operational management and the effectiveness of management systems. The Internal Auditing Department shall report the results of these audits to the Board of Directors.



Risk Management System

value at risk (VaR)*. This aggregated risk estimate is taken as the Company's overall risk exposure amount and is compared with management strength (actual capital adequacy) to determine whether or not the Company's capital is adequate. The Company identifies and manages integrated risk and conducts integrated risk management in this way.

The Company also measures various risks based on appropriate criteria and allocates risk capital to operations and divisions based on the level of risk they possess.

Furthermore, in addition to the process described above, the Company conducts stress tests by simulating significant changes in the asset management environment and other scenarios, to measure the potential impact of such events and verify capital adequacy under stress conditions.

In this way, the Company ensures that management soundness is maintained, and uses a system for managing integrated risk based on an internal model to ensure that capital is utilized effectively. These systems are aimed at increasing the sophistication of the Company's risk management.

* VaR: This is a method for estimating the largest loss possible based on a certain level of probability. The Company calculates VaR using a one-year estimate period and a confidence interval of 99.5% (approximately equivalent to a once-in-200-years sized event).

PRINCIPAL RISKS AND RELATED MANAGEMENT SYSTEMS

1. Underwriting Risk

Underwriting risk refers to the risk of suffering losses due to a significant difference in economic conditions or circumstances surrounding insured events that the Company expected when it determined premiums. The Company calculates appropriate premiums on the basis of adequacy, equitability and other factors to be included. In addition, it regularly identifies and manages risks based on loss ratios by products and concentrations of risk arising from natural disasters such as earthquakes. When an abnormal risk value is identified, location of causes and factors of the risk are analyzed, and the concerned products are improved or eliminated while reviews of underwriting criteria and sales policies are conducted.

In addition, the Company seeks to prevent excessive accumulation of risk by setting risk retention benchmarks for underwriting and diversifying risk through reinsurance or other methods.

REINSURANCE

(1) Explanation

In order to fulfill insurance claim payment obligations and ensure operational stability, insurers equalize and spread risks by transferring all or a part of insurance claim payment obligation to other insurance/reinsurance companies. This process is called "reinsurance" and is an important method of stabilizing and strengthening insurance business management.

(2) Outward Cession Policy

The primary aim of the Company's outward cession policy is to ensure the long-term stability of net operating results. In particular, once a natural catastrophe occurs, the Company may face very large insurance claim payment obligations. To reduce that burden, the Company is enhancing its outward reinsurance covers sufficient in conjunction with CAT reserves to meet obligations for earthquakes on the scale of the Great Kanto Earthquake (1929) and typhoons on the scale of a 70-year return period, such as Typhoon Vera (1959).

With regard to the placement of outward reinsurance contracts, the Company carefully selects reinsurers with high credit ratings, in accordance with the Company's "Business Partner Credit Standards," which are based on the ratings provided by the major rating agencies.

(3) Inward Reinsurance Underwriting Policy

The Company focuses its marketing of inward reinsurance on high-quality contracts, emphasizing profitability and guided by a policy of strengthening risk management and tightening the stringency of underwriting standards.

2. Investment Management Risk

Investment management is principally exposed to three types of risk: market risk, credit risk and real estate investment risk. In addition to adopting a risk limitation management system to ensure that the level of risk exposure remains within the amount of risk capital allocated to the investment management division under the integrated risk management framework outlined above, each type of risk is managed as described below.

(1) Market Risk

Market risk refers to the risk of losses incurred by a decline in the value of assets due to fluctuations in interest rates, stock prices or currency exchange rates, etc. Aioi Insurance monitors the sensitivity of assets to changes in the market environment and uses a variety of tools to manage market risk, such as the loss cut rule and stress testing. To handle long-term insurance contracts such as savings insurance, the Company uses asset liability management (ALM) to maintain balance in the liability period while constructing a portfolio to ensure stable earnings.

(2) Credit Risk

Credit risk refers to the risk of losses incurred by a decline in asset value or the loss of asset value due to deterioration in the financial position of a borrower. The Company manages credit risk by establishing and managing credit limits based on in-house ratings, using dynamic analysis to make its own credit assessments and determining credit screening policies.

(3) Real Estate Investment Risk

Real estate investment risk refers to the risk of suffering a decline in income from properties due to changes in rental rates or a decline in real estate prices due to changing market conditions. Aioi Insurance manages this risk by establishing standards for the return on investment and the scale of unrealized gains or losses on real estate by setting a specified point for the Company to take necessary action.

With regard to the management system for investment management risk, the Company has established Investment Risk Management Department, which is independent from investment management departments (front office)—Investment Management Department, Securities Investment Department, Loan Department and Real Estate Department—and Financial Administration Department. This structure ensures internal checks and control functions are in place over the front and back offices.

3. Liquidity Risk

Liquidity risk comprises two types of risk; funding liquidity risk and market liquidity risk.

Funding liquidity risk refers to the risk of problems occurring in maintaining sufficient funds to meet obligations in the event of large-scale fund outflows triggered by a major disaster or other such event. Market liquidity risk refers to the risk of incurring losses owing to market instability, which may cause the value of assets held by the Company to fall and transactions unavoidably conducted at prices disadvantageous to the Company.

The Company manages these risks by maintaining sufficient liquid assets, carefully monitoring capital outflows and inflows, and implementing appropriate cash management. In the case of market liquidity risk, the Company manages risk using both qualitative and quantitative techniques, and strives to prevent the manifestation of such risk.

4. Administrative Risk

Administrative risk refers to the risk of losses incurred through deterioration of the quality of customer operations due to procedural negligence, accidents or impropriety on the part of officers, employees or agents, or confusion created by the introduction of new administrative systems that have not been verified or tested sufficiently during development and before deployment.

To ensure that our nationwide sales offices and service centers provide consistent, high-quality service, the Company provides employees and agencies with manuals and trainings on administrative procedures and personal information protection.

In addition, the Company strives to prevent the manifestation of administrative risk by verifying the effectiveness of its risk management systems. Specifically, each head office division monitors administrative performance benchmarks and internal audits are carried out on sales branch offices and service centers.

5. Systems-Related Risk

Systems-related risk refers to the risk of losses or customer dissatisfaction, caused mainly by abnormal stop, malfunction, improper operations or unauthorized use of computer systems or any mistake or delay in system development. To mitigate systems risk, the Company has established a basic policy concerning information management (“Security



Risk Management System

Policy”) to ensure that a new computer system will be thoroughly tested before its introduction. In addition, system operation has been outsourced to a specialty company that offers a high level of safety and reliability.

Since Aioi Insurance handles a large volume of important information on customers, it positions the prevention of leaks of personal information as one of the vital elements of the Company’s risk management policy and takes all possible measures to protect customer information and network security.

In addition, the Company has established a contingency plan to ensure that it will be able to respond swiftly to a natural disaster or unforeseen accident.

6. Overseas Business Risk

Overseas business risk refers to the risk of the Company incurring losses owing to the manifestation of such risk as insurance underwriting risk and administrative risk in its overseas operations, leading to deterioration in the quality of customer operations. Centered on its overseas business departments, the Company constantly monitors the risk management situation in each country as part of its efforts to prevent the manifestation of a diverse range of the overseas risks. Furthermore, to strengthen its system of checks and balances in overseas business operations, the Company appoints overseas risk managers independently from overseas business operations to increase the transparency and appropriateness of its overseas business.

7. Risks Related to Subsidiaries and Affiliates

This category of risk refers to the risk of a decline in the quality of customer operations or the position of the Aioi Insurance Group due to the manifestation of such risks as underwriting and administrative risks at Group companies, both in Japan and overseas.

Group companies strive to maintain their own financial soundness based on the principle of self-responsibility. The Company provides the necessary support and guidance to Group companies to help them strengthen their risk management systems and maintain the quality of their operations. By providing such support, the Company strives to ensure that the entire Aioi Insurance Group meets its earnings goals and maintains its financial strength.

8. Other Risks

The Company is aware of a variety of other risks including legal risk, natural disaster risk, risk to reputation of the Company and risk associated with planning and development activities. Individual operating divisions strive to manage these risks.

CRISIS RESPONSE SYSTEM

The Company has established a crisis response system to ensure that it can systematically respond to major risks such as a natural catastrophe and a super flu that require a Company-wide response in a swift and effective manner. In such an event, the Company will immediately set up a Temporary Headquarters specialized only for the specific urgent matter to gather unified information and systematically respond to the matters by way of transferring the authority to make timely decision.



Auditing and Inspection System

INTERNAL AUDITING AND INSPECTION SYSTEM

In addition to audits, which are carried out by corporate auditors pursuant to laws and regulations, the Internal Auditing Department, which operates independently from any of the Company's executive bodies, also conducts internal audits.

The Internal Auditing Department conducts audits to check the respective operational processes of each department with respect to internal control, internal management systems and operational quality, from the standpoint of customer protection, compliance and risk management. The Internal Auditing Department then submits recommendations for improvements that the audited department finds acceptable. Furthermore, the department ensures its audits are practical and effective by appropriately and consistently

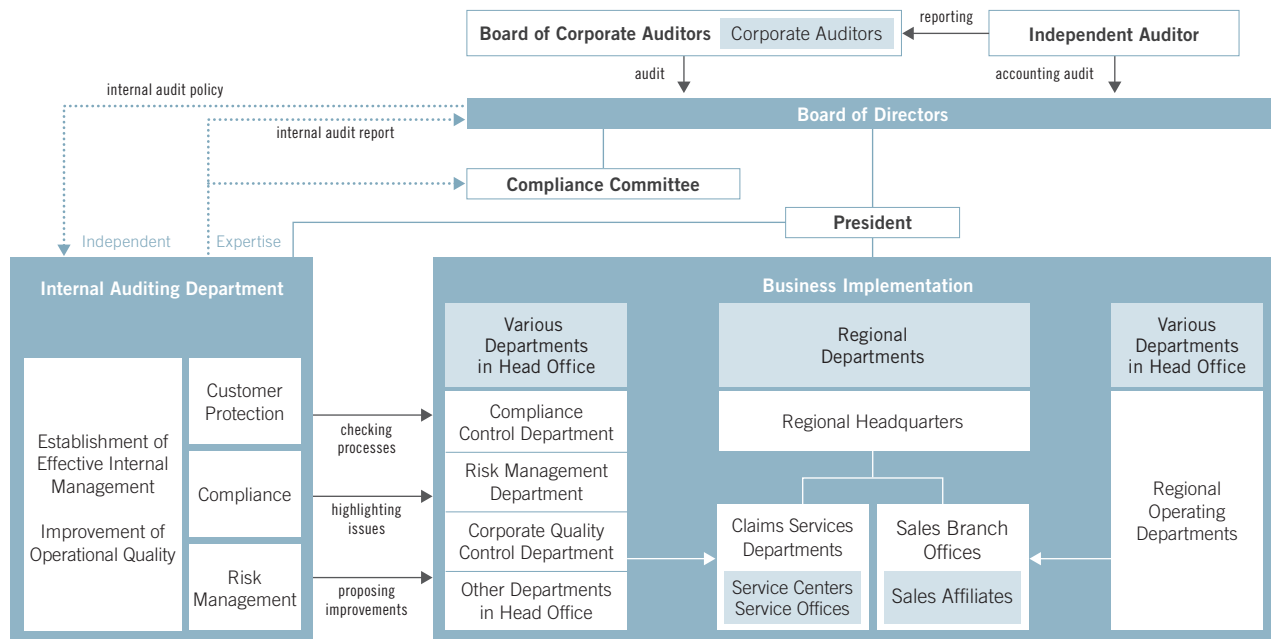
conducting follow-up checks of the implementation of improvement plans. The department also audits self assessments of the Company's assets to ensure their soundness.

THIRD-PARTY AUDITING AND INSPECTION SYSTEM

An independent auditor performs third-party audits of Aioi Insurance according to governing laws and regulations. The Inspection Bureau of the Financial Services Agency and the Finance Bureau of the Ministry of Finance carry out inspections of the Company, as stipulated by Japan's Insurance Business Law.

Furthermore, the independent auditor, corporate auditors and Internal Auditing Department work together to enhance the Company's auditing and inspection systems.

AUDITING AND MONITORING FRAMEWORK





Disclosure

The Company implements timely, appropriate and equitable disclosure to further heighten management transparency.

DISCLOSURE POLICY

In order to improve management transparency, the Company shall disclose all material information in a timely, appropriate and fair manner.

The Company aims to build a strong relationship of trust with customers, shareholders and other stakeholders, based on good communication and in the spirit of “co-awareness, co-creativity and co-existence” as stipulated in its Corporate Philosophy.

The Company believes that the timely and appropriate disclosure of important corporate information is a central element of effective corporate governance and an important responsibility for management to maintain transparency. The Company's basic disclosure policy is as follows.

Basic Policy

The Company shall disclose corporate information on the Group in a prompt, appropriate and fair manner to give shareholders and other stakeholders a deeper understanding of the Company and to help them evaluate the Company appropriately.

Disclosure

The Company shall disclose important corporate information as required under Japan's Financial Instruments and Exchange Law, other laws and statutory regulations and the regulations of the stock exchanges where the Company's stock is listed. Furthermore, the Company shall be forthright in disclosing other useful information that helps to give a deeper understanding of the Company.

Disclosure Method

The Company shall disclose information in a prompt, fair and appropriate manner, via the disclosure network maintained by the stock exchanges where its stock is listed, through press releases and on the Company's web site. The Company shall employ a wide range of means of conveying information, including such publications as its disclosure journal and CSR Report to ensure that information is readily available to as many stakeholders as possible.

In-House Systems

The Company shall improve its in-house systems of disclosure, to ensure that information will be disclosed as outlined above.

IN-HOUSE DISCLOSURE SYSTEMS

The Company believes that appropriate and timely disclosure of corporate information is an important obligation for the Company in pursuing management transparency.

The Board of Directors shall set a disclosure policy for the Company and establish in-house standards for the disclosure of corporate information. In order to ensure that information is disclosed in a prompt, appropriate and fair manner based on Japan's Financial Instruments and Exchange Law and the rules stipulated by the stock exchanges in which the Company's shares are listed, the Company is strengthening internal systems for the disclosure of corporate information through such initiatives as the establishment of the Disclosure Subcommittee, comprising personnel from departments that handle corporate information and reporting directly to the CSR Committee, which is an expert committee of the Board of Directors.



Human Resources Development

Aioi Insurance will develop personnel that focus on customer needs; take it upon themselves to think, act and develop their abilities; and respond flexibly to dramatically changing business conditions. At the same time, Aioi Insurance will carefully maintain and cultivate a free and vigorous corporate culture that increases employees' motivation to take on challenges.

DEVELOPING EMPLOYEE-FRIENDLY WORK ENVIRONMENTS

In accordance with the Law for Measures to Support the Development of the Next Generation, which came into effect in July 2003, Aioi Insurance aims to develop employee-friendly work environments through a broad array of programs and policies.

RETURN TO WORK PROGRAM

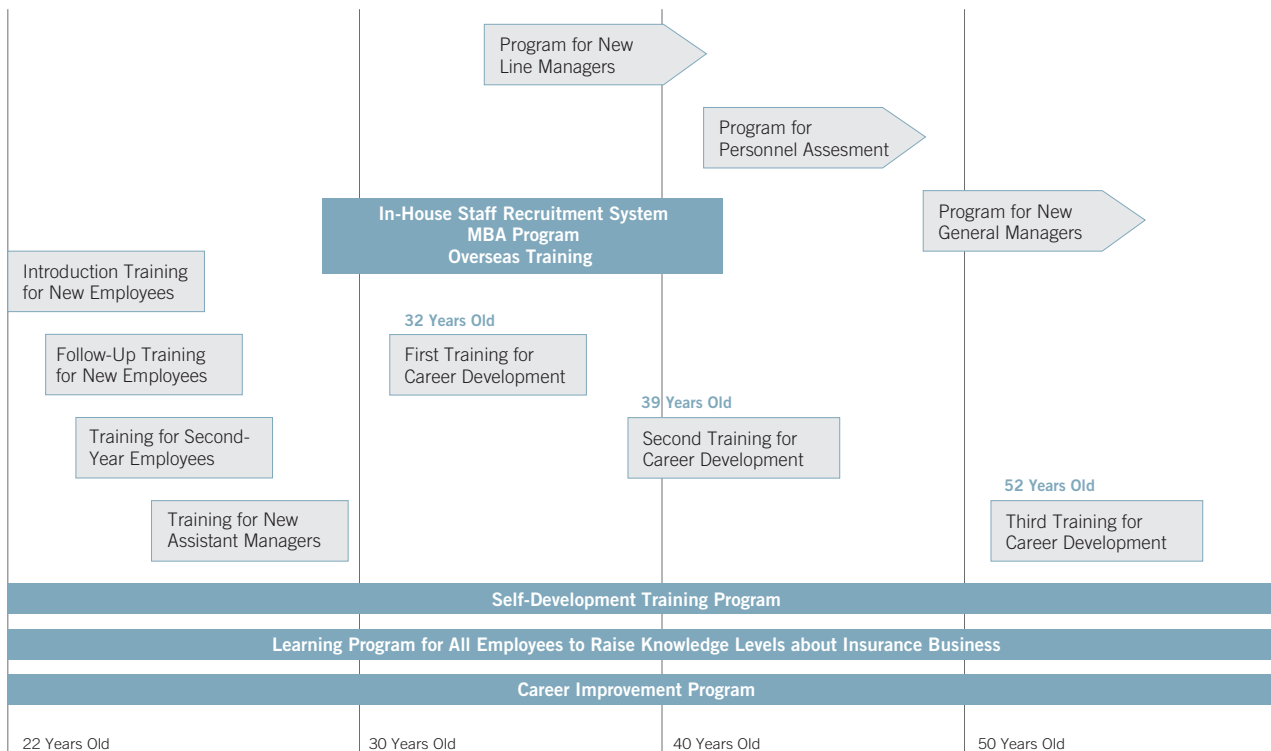
We offer a return-to-work program for employees coming back to work after taking a period of childcare leave. This program aims to help such employees reintegrate smoothly

into the workplace and assist them in overcoming any anxieties that they may feel about their return to work.

NEWLY ESTABLISHED LEAVE PROGRAM FOR EXPECTING FATHERS

Aioi Insurance recently established a new program called "Papa Preparation Leave" for employees whose spouse is due to give birth. This leave program supports expecting fathers preparing for the birth of a child and their role in child rearing. The program aims to promote a healthy balance between work and family life among employees.

CAREER DEVELOPMENT PROGRAM





Global Environmental Protection Efforts

ENVIRONMENTAL POLICY

Basic Environmental Philosophy

In the spirit of “co-awareness, co-creativity and co-existence” as stipulated in its Corporate Philosophy, Aioi Insurance shall constantly take environment-friendly actions in every field of its business activities and conserve the environment in which it operates for the creation of a global environment in which human beings can live in harmony with nature.

Guidelines for Environmental Action

1. We shall promote efforts that will contribute to the conservation of the global environment through our insurance products and related services (particularly our automobile insurance products) and in all of our business activities.
2. We shall promote energy- and resource-saving efforts and endeavor to prevent environmental pollution stemming from our business activities.
3. We shall pursue continuous and sustainable improvement by setting targets and conducting an assessment and review of our environmental efforts on a regular basis.
4. We shall comply with environmental laws, regulations and all agreements that have been concluded by the Company to contribute to environmental conservation.
5. We shall make efforts to educate and enlighten the public on environmental conservation and contribute to local communities.

AIOI INSURANCE ENVIRONMENTAL DECLARATION

In response to society’s expectations regarding corporate environmental efforts and tightening environmental regulations and to promote the building of a sustainable society, in April 2009 the Company announced to the public the Aioi Insurance Environmental Declaration. At the same time, the Nationwide Association of Professional Aioi Insurance Agents also made an environmental declaration. These declarations are designed to bolster the environmental conservation efforts of the entire Aioi Insurance Group. Each company within the Aioi Insurance Group shall pursue the following measures for protecting the Earth’s environment, with particular focus on measures to prevent global warming.

1. Reduction of CO₂ emissions generated by business operations

As part of our efforts to prevent global warming, we will strive to reduce CO₂ emissions generated by our business operations. Specifically, by fiscal 2012, ending March 31, 2013, the Group aims to reduce CO₂ emissions by 15% (base year: fiscal 2007).

2. Reduction of CO₂ emissions generated by households of officers, employees and agencies

Officers, employees and agents of the Aioi Insurance Group will strive to reduce energy consumption in their homes and contribute to global warming prevention efforts through household CO₂ emission reductions.

3. Development and provision of insurance products and services that contribute to environmental protection

The Aioi Insurance Group will aggressively promote the development and provision of products and services that contribute to environmental protection, including the reduction of CO₂ emissions, forest conservation and support for customers’ environmental activities.

4. Resources conservation measures

Aiming to promote the development of a recycling-oriented society, the Aioi Insurance Group will promote efforts to conserve resources, such as reduction of waste, promotion of the paperless office and the use of paper that has been certified as contributing toward forest conservation.

5. Links to local communities relating to environmental protection

The Aioi Insurance Group will work actively with local communities on environmental programs with such global goals as biodiversity protection and environmental awareness. Overseas, in response to such environmental problems as increasing numbers of endangered species and forest destruction, the Aioi Insurance Group will participate in and support programs that aim to protect the natural environment and promote restoration and recovery of species and habitats.

SPECIFIC ACTIONS BASED ON THE AIOI INSURANCE ENVIRONMENTAL DECLARATION

ECO Challenge Program for Workplace Environmental Activities

To reduce CO₂ emissions generated by business operations, the Aioi Insurance Group has set the following targets:

reduce electricity consumption by 5%; reduce gasoline consumption by Group-owned automobiles by 10%; and reduce paper consumption in office machines by 10%.

Through the environmentally conscious behavior of officers and employees, the Aioi Insurance Group is implementing efforts to reduce CO₂ emissions and conserve resources. Such efforts include adhering closely to the Eco Safety Drive Program and reducing the use of printed materials at meetings.

ECO Smile Program for Environmental Activities in the Home

The Aioi Insurance Group is not only implementing programs in the workplace, but also encouraging officers, employees and agencies to reduce CO₂ emissions generated at home. As one of the ways to achieve this goal, the Aioi Insurance Group is promoting participation in the Japanese Ministry of the Environment's "Household Eco-Account Book" program.

Aioi Month CSR Program for Local Communities

Within the Aioi Month CSR Program, held every year in October, the Aioi Insurance Group collaborates with customers and NPOs in local communities on such activities as tree-planting campaigns and clean-up activities.

Core Business-Related Efforts: Environment-Friendly Insurance Products and Services

The Aioi Insurance supports customers' environmental efforts and develops and provides products and services that help to reduce the burden on the environment.

ENVIRONMENT-FRIENDLY INSURANCE PRODUCTS AND SERVICES

As a group that aims to promote the development of a recycling-oriented society, the Aioi Insurance Group has been a pioneer in developing and offering insurance products and services that contribute to the well-being of the environment. In the future too, we will utilize our unique know-how as an insurance group to contribute to environmental protection together with our customers and agencies through our products and services.

Heartful Recycling: Automobile Insurance Policy Rider for the Use of Recycled Parts

Aioi Insurance developed an automobile insurance product with a rider to promote the use of environment-friendly recycled parts.

If a customer who takes out automobile insurance with this rider has an accident and the subsequent repairs require a part replacement, the insurance policy stipulates that recycled parts should be used where possible. If a

customer chooses to include this rider in their policy, they receive a discount on their insurance premiums.

Aioi Eco Partner and NGP Direct

To support implementation of, the End-of-Life Vehicle Recycling Law, which covers Japan's automotive industry, Aioi Insurance has established an alliance with the NGP Group, the largest recycled parts organization in Japan. In 2002, we set up the Aioi Eco Partner program, which supports and promotes the appropriate disposal of end-of-life vehicles and vehicle repairs that utilize recycled parts.

In 2006, we developed an Internet-based system for recycled parts search and ordering, called NGP Direct. This system promotes the use of recycled parts for accident repairs, thereby contributing to environmental protection.

Internet-based Auction System for Salvaged (Totaled) Vehicles

Together with the NGP Group, we jointly developed an Internet-based auction system for salvaged (totaled) vehicles. This is the first system of its type to be established in Japan's non-life insurance industry, and we are expanding its operations.

This system aims to promote the lawful disposal of ELVs end-of-life vehicles and the commercial use of recycled parts, thereby contributing to the development of a recycling-oriented society. In addition, this system helps to prevent the illegal use of parts by organized car-theft rings by using a tracking system for vehicles up to their final disposal. Furthermore, by facilitating the re-entry of those vehicles deemed suitable for reuse into the used car distribution system, we are also able to support our motor dealer agencies (Eco Partners).

PROGRAMS FOR NURTURING PEOPLE WHO HELP PROTECT THE ENVIRONMENT

Aioi Forest-Planting Programs

In cooperation with local governments, local companies and NPOs throughout Japan, the Aioi Insurance Group promotes a range of forest-planting programs.

"Kids' ISO 14000" Environmental Education Program

The Aioi Insurance Group supports the "Kids' ISO 14000" environmental education program, which was developed by the International Art and Technology Cooperation Organization (ArTech) and is now run in many countries. We are working to promote the program at elementary schools throughout Japan.

Social Action Programs

WORKING TOWARD “ZERO ROAD ACCIDENTS” Nationwide Accident Free Campaign

As part of our contribution to local communities that utilizes our know-how in the field of accident prevention, from fiscal 2005 we have run a range of programs to promote accident-free driving. These programs target companies and organizations throughout Japan to raise road safety awareness and support programs for automobile accident prevention. Companies and organizations are able to participate in these programs free of charge, and we provide know-how and materials on accident-free driving and safe-driving education.

“The Anshin Support,” Designed to Offer Safe Driving Assessment

We send out our bus equipped with a driving simulator and other equipment to companies and other types of organizations to conduct correct-driving diagnosis tests and driver safety lessons by specialist instructors. These activities aim to increase driver safety awareness and build close relationships with local communities to promote safe driving.



SOCIAL CONTRIBUTION ACTIVITIES UNDERTAKEN WITH THE PARTICIPATION OF INDIVIDUAL EMPLOYEES Aioi Month (October) Initiatives

In line with our company name, each year we observe Aioi Day on October 1 and Aioi Month in October by working together with Group companies to implement social contribution activities that are closely linked to local communities.



Unison Donations: Donation-Matching Program for Employees and the Company

As a social contribution program that officers and employees of the Aioi Insurance Group can easily participate in, we run this donation program.

In fiscal 2008, we made donations to such groups as welfare and medical organizations throughout Japan (donations of wheelchairs), the Foundation for Orphans from Automobile Accidents, the Japan Anti-Tuberculosis Association, the Japanese Red Cross Society and the Guide Dog & Service Dogs Association of Japan, which we have regularly supported in the past. In addition, we supported elementary school building projects in Thailand, protection activities for coral reefs near Ishigaki Island in Okinawa Prefecture and donated school bags for children living in care facilities.



SOCIAL ACTION PROGRAMS AIMED AT PROMOTING CULTURE, ARTS AND SPORTS

- Holding of the “Japan’s Seasonal Photography Contest”
- Joint-hosting of the art show “Let’s Communicate by Paintings! A Treasure in My Town” held by National Federation of UNESCO Associations in JAPAN
- Official sponsor of the Japan Wheelchair Basketball Federation
- Supporter of the Osaka Jitsugyodan Ekiden Race





Products and Services

MAIN INSURANCE PRODUCTS

Easy-to-Understand Insurance Products

In recent years, we have received a large number of opinions and comments from Aioi Insurance customers that can be paraphrased by one of the following statements:

- “It is difficult to understand the content of this product.”
- “This product is complex and its riders are difficult to understand.”
- “I do not really understand the situations in which I would be able to collect on this insurance.”

We listened sincerely to these views and used them to help guide our efforts in making our insurance products easier to understand for customers. As a result, in April 2008 we revamped our *Top Run* automobile insurance product, and in October 2008 renewed *Comprehensive Home Insurance*, which covers day-to-day risks related to daily life.

Top Run Automobile Insurance Product Transformed through Customer Feedback

We redesigned our automobile insurance product with the aim of making our insurance policies easily comprehensible for customers. For example, when a customer takes out an insurance policy, they should be able to easily understand what the policy covers and should also be reassured in knowing how their automobile insurance will help them in the event of an accident.

- We standardized the written explanations and illustrations contained in product brochures, application forms and insurance policy certificates to make them as consistent as possible, thereby increasing comprehensibility.
- As much as possible, we have tried to replace insurance and legal terminologies with plain language and have made the policy clause structure easy to understand for customers.
- The number of riders was reduced from 92 to 61, providing a simpler product framework.

Complete Overhaul of Comprehensive Home Insurance for Home and Household Possessions

Easy-to-understand insurance policy certificates and brochures

- Coverage for each type of accident is clearly shown in a “Yes/No” style, making it easy for customers to check on the types of accidents for which they are covered.
- For coverage of buildings and household possessions and optional coverage, brochures show clear examples of

accidents covered for each category so that customers are easily able to understand their insurance coverage.

Clauses can be understood at a glance and easily searched

- For difficult-to-understand ordinary insurance terminology, we added a glossary at the beginning of the policy.
- There is a table showing the policy’s coverage to make it even easier to understand.
- The copy of policy clauses received by customers is printed in larger typeface and the booklet format has also been enlarged. Color printing has also been used to make reading easier.

Simplified product framework

The limitation of coverage, such as fire insurance only, has become available, and similar riders have been consolidated. Optional coverage has been reorganized, with some options merged or eliminated as necessary. These measures have enabled the product to be streamlined, with the number of riders reduced significantly from 158 to 65.

When an agency explains the content of the insurance policy coverage to a customer, they use the *Comprehensive Home Insurance Recommendations Book*. By doing so, customers are able to see easy-to-follow illustrations in the book showing examples of separate payment for each coverage plan.

Offering Innovation Insurance Products through Alliances with Automobile Manufactures

As a non-life insurance company that works closely with automobile manufacturers, Aioi Insurance develops completely new types of automobile insurance products that utilize the latest in automotive technology. Our insurance premiums also reflect data gathered by our crash-test facility, which enables us to provide customers with an extremely robust level of support. We are the first non-life insurance company in Japan to establish an in-house facility for this purpose. In the future, we plan to continue aggressively incorporating state-of-the-art automobile technologies into our products to make them as innovative as possible.

PAYD (Pay-As-You-Drive) Automobile Insurance Product

We developed the *PAYD* insurance product as a revolutionary new concept in automobile insurance. The *PAYD* system utilizes data transmitted from the policyholder’s vehicle via an onboard terminal to automatically calculate premiums based on actual vehicle distance traveled.



Products and Services

In recent years, automakers have developed telematics services based on cutting-edge technology for two-way communications with onboard vehicle terminals.

PAYD utilized this new telematics technology to transmit data from the policyholder's onboard terminal to servers operated by Aioi Insurance. This innovative automobile insurance product was realized through proprietary systems developed by Aioi Insurance that enables each vehicle to communicate the distance traveled directly with Aioi Insurance. This unique system has been showcased on various web sites around the world.

Customers appreciate the straightforward logic underpinning the *PAYD* insurance product, with the system allowing us to ascertain the distances covered by vehicles without customers having to submit any data manually. We charge customers a monthly premium, which is calculated based on the vehicle distance traveled and paid in much the same way as a utility bill.

Dohn! to Omakase—An Automobile Insurance Policy Based on Crash Test Data

Our unrivaled *Dohn! to Omakase* automobile insurance policy offers premium discounts of up to 15% based on our in-house evaluations of vehicle models—specifically, improvements in damage resistance and ease of repair. Data is gathered through tests conducted at our crash-test facility. This breakthrough product capitalizes on our advantage as the only non-life insurance company in Japan to operate an in-house crash-test facility as well as our strong links with automakers.

Vehicle models that exhibit enhanced damage resistance and ease of repair have lower repair costs in the event of an accident. Furthermore, by reducing both the damage area and the number of parts that need replacing (reduction of scrapped parts), resources are conserved and labor at the repair shop is also saved. Such improvements in damage resistance also contribute to reductions in emissions of substances that have a negative environmental impact, such as paints and solvents. Aioi Insurance supports such initiatives—particularly those that help to reduce the total cost associated with an automobile-based society and those with environmental benefits—by offering insurance premium discounts that reflect these advantages.

A Life Insurance Product Designed by Women, for Women *Luna Medical*

In June 2009, Aioi Life Insurance launched a new product, *Luna Medical*, which focuses on the needs of women and is based on the concept of total coordination between the product and services.

Luna Medical is a product specifically designed for women combining a comprehensive women's medical rider with a non-refundable on cancellation condition and a variable-interest rate type life insurance policy. The medical rider bundles together what were previously three separate riders: Accident Hospitalization, Illness Hospitalization and Women's Medical Care. Hospitalization benefits cover all hospitalization from single-day admissions onward. Surgery benefits are paid when policyholders undergo surgery covered by public medical insurance or when the surgery includes

AIOI INSURANCE'S CRASH-TEST FACILITY

Aioi Insurance is the only non-life insurance company in Japan to own a crash-test facility. Against a backdrop of increasing deregulation of automobile insurance products and premiums, the Aioi Insurance Group established an automobile research center as a facility for collecting data on vehicle damage.

Operating the crash-test facility, the Aioi Insurance Auto Technical Research Center Co., Ltd. researches vehicle damage resistance and ease of repair by compiling crash-test data. It also conducts research and development relating to automobile repair methods.

The center's activities cover a wide range of automotive technologies. In addition to offering technical training and

seminars in such areas as the repair of hybrid and other new vehicle types, the preparation of repair estimates and automotive body painting, the center provides consultation on day-to-day automobile-maintenance issues. Hence, the center plays an important role as the Aioi Insurance Group's core facility for automobile technology research and education.



advanced medical treatments. In this way, the product's benefits have been designed to be easily understood.

Insurance premiums for this product have been kept to a modest level through two key innovations: (1) based on the trend in recent years toward shorter hospitalization periods, the product offers "30-day-type" cover for admissions of up to 30 days per hospitalization; and (2) making the medical portion non-refundable upon cancellation.

Policyholders are able to use our "Ladies Support Service," which includes telephone consulting on insurance benefits and health issues, further enhancing the product's attractiveness to women customers.

* Aioi Insurance undertakes business and administrative operations relating to life insurance as an agency acting on behalf of Aioi Life Insurance Co., Ltd.

CLAIMS SERVICES

Claims Services Network

At 199 service centers and offices throughout Japan, approximately 3,900 specialist staff provide claims services. In addition, we provide ready access to doctors and lawyers who are ready to help in the event of an accident.

24-Hour Accident Claims Handling and Consulting Service

We have a robust system for handling accident claims. Customer calls regarding accidents are handled during normal business hours, and at night or during holidays calls are handled 24-hours-a-day, 365-days-a-year by our affiliate, Anshin Dial Co., Ltd.

Claims Handling through Our Web Sites

Not only do we handle claims over the telephone, but also through our web sites, both for personal computer (PC)-based access and access from mobile devices.

For customers with hearing or speech disabilities, we have a dedicated service menu on our web sites (both PC and mobile). We also offer a fax-based service for customers with hearing or speech disabilities for claims handling. These services are part of our efforts to provide a barrier-free environment that includes claims services.

Holiday and After-Hours Emergency Support Service

Even during holidays or after hours, our experienced staff provide support to customers who have had an accident and require emergency assistance. Our staff can arrange for

a temporary replacement vehicle to be sent out to the customer, contact hospitals and repair shops and arrange for investigations of fire accidents. Staff also provide consulting on accident resolution.

Anshin Call

From the lodging of an insurance claim to the procedures for receipt of claims payments, an assigned staff member carefully guides the customer through the entire post-accident and claims process based on regular telephone-based follow-up.

Automobile Accident Response Service

Accident Claims Process Information Service

In November 2002, Aioi Insurance was the first insurance company in Japan to introduce a service for customers to check on the progress of their accident claims via PC or mobile phone.

In the case of an automobile accident, there is a wide range of possible scenarios. These include damage to the customer's own vehicle (vehicle insurance), damage to another party's property (property damage liability insurance), injury to a third party (bodily injury liability insurance) and injury to another person travelling in the customer's vehicle (personal accident insurance). The information for resolution of such accidents can be complex and voluminous. To provide customers with the information they need to know the most (Who? What? Current situation?), we organize and sort claims payments by the type of insurance involved and let the customer know.

Since customers can use this service even via mobile phone, they can see the necessary information no matter where they are at any time. In addition, when information about an accident is updated, the customer is automatically sent an email to ensure they have access to the latest information.

Customer Visit Service

Centering on accidents that require hospitalization, we can arrange for specialist staff to visit a customer within three days of an accident at the customer's request. Staff can provide advice on the process for accident resolution, insurance claims procedures and other matters.

Insurance Claim Forms Abbreviation Service

In the case of minor property-damage accidents, we can abbreviate the forms necessary for claims on vehicle



Products and Services

insurance and property insurance. Less time is needed by customers for filling out forms and the claims process is made simpler and easier to understand.

Fire Accident Response Service

Holiday Appraiser Express Service

In the case of fires or water leak that cause damage to buildings, facilities or furniture and fixtures, in response to customer requests, the Company will dispatch an appraiser to visit the customer. The appraiser can confirm the property damage and provide explanations and advice regarding the claims process.

Overseas Accident Response Service

Overseas Emergency Assistance Service

In the case of illness or injury during an overseas trip, the Aioi Insurance Overseas Anshin Dial Center coordinates a courteous and rapid response through our worldwide network of allied assistance providers.

ACCIDENT, BREAKDOWN AND HOUSEHOLD-RELATED SERVICES

Road Assistance Service

Our road assistance service provides towage for accidents or breakdowns, and on-the-spot breakdown service. Aioi Insurance was a pioneer in the Japanese insurance industry when it launched this service over 10 years ago. More than 90% of customers who have used this service have reported a high degree of satisfaction.

From October 2008, in response to a large number of customer requests, we upgraded this service by making the following services free of charge: (1) towage from the customer's home parking lot; and (2) towage from places other than the accident or breakdown scene (secondary towage).

In the future, we will continually strive to provide the best possible service quality expected by our customers.

Positional Data Transmission Service Using the GPS Function of Mobile Phones

In October 2008, we commenced a positional data transmission service using the GPS function of mobile phones to enable us to provide help even faster to worried customers calling us from the scene of an accident or breakdown.

This service may be used with mobile handsets that have GPS functionality on the docomo, au and Softbank networks.

Household Quick-Response Service

For automobile insurance customers who choose our *Car and Household Service* and customers of such fire insurance products as *Comprehensive Home Insurance*, *Home Plus*, *My Home Comprehensive Insurance* and *Hyper Possessions Quick*, we offer services that respond rapidly to household emergencies. These include fixing toilet, drain or water blockages, emergency repair of malfunctioning parts and an emergency door-lock opening service.

HEALTH, MEDICAL AND NURSING CARE-RELATED SERVICES

Medical & Healthcare

For the service provision of *Medical & Healthcare*, available to all our customers, we are establishing alliances with medical and nursing care providers. Starting with free-of-charge calls for consulting on health, medical, nursing care and welfare matters, we provide services across a wide range of areas. These include information services on hospitals and other facilities, comprehensive medical examination service introductions and introductions to nursing care providers. These information services are provided by subsidiary Fureai Do-Life Services Co., Ltd.

At our health, medical and nursing care consulting rooms, doctors, nurses and other specialist staff are available to provide a wide range of consulting services.