



MILLEA

To our shareholders and investors

# Life Insurance Business Strategy

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**Tokio Marine & Nichido Life Insurance Co., Ltd.**

# Position of Life Business

**< October 1, 2003 > Tokio Marine & Nichido Life commenced its business**

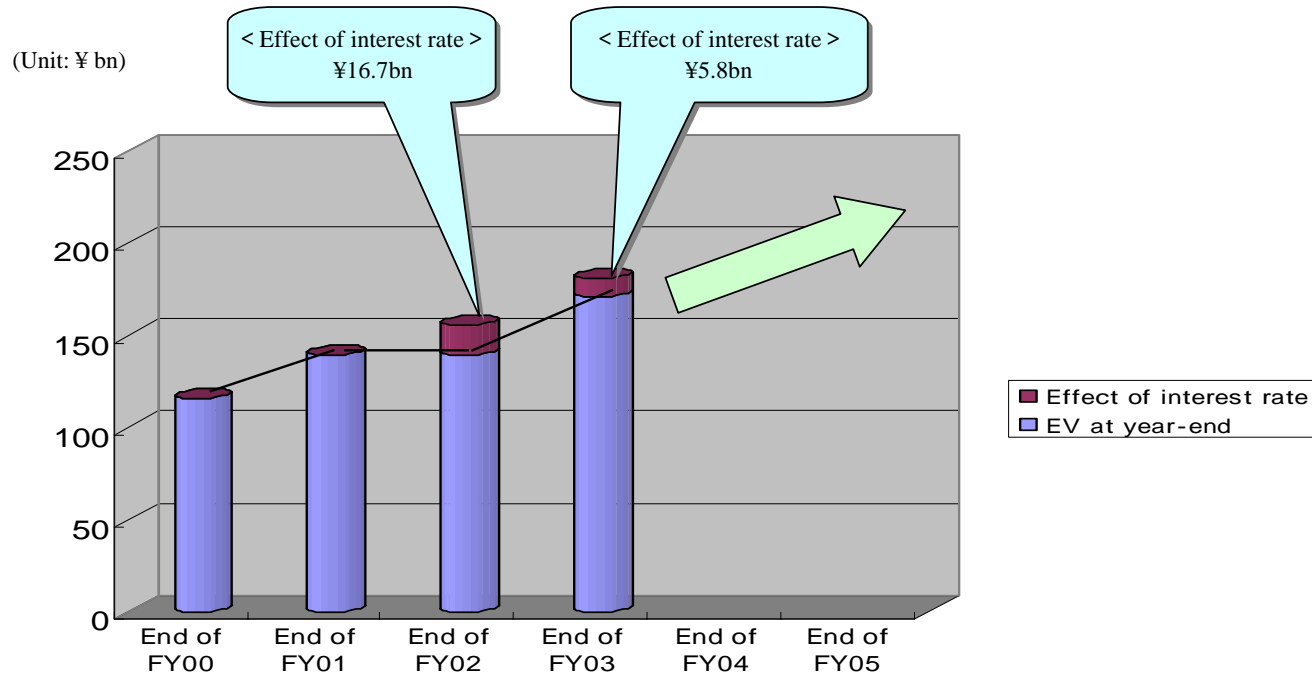
- (1) Core business at Millea Group
- (2) Customer-oriented operation
- (3) Swift integration of the former two companies and promotion of cross-selling (life and non-life products at agents)

# Business Plan - Quantitative Objectives (1)

## (1) Profitability (embedded value basis)

(Unit: ¥ bn)

	FY00	FY01	FY02	FY03
EV at year-end ( )	116.4	139.4	139.2	163.1
Increase of EV ( )		23	0.1	23.9
Average balance of EV( )		127.9	139.3	151.2
ROE( ÷ )		18.0%	0.1%	15.8%

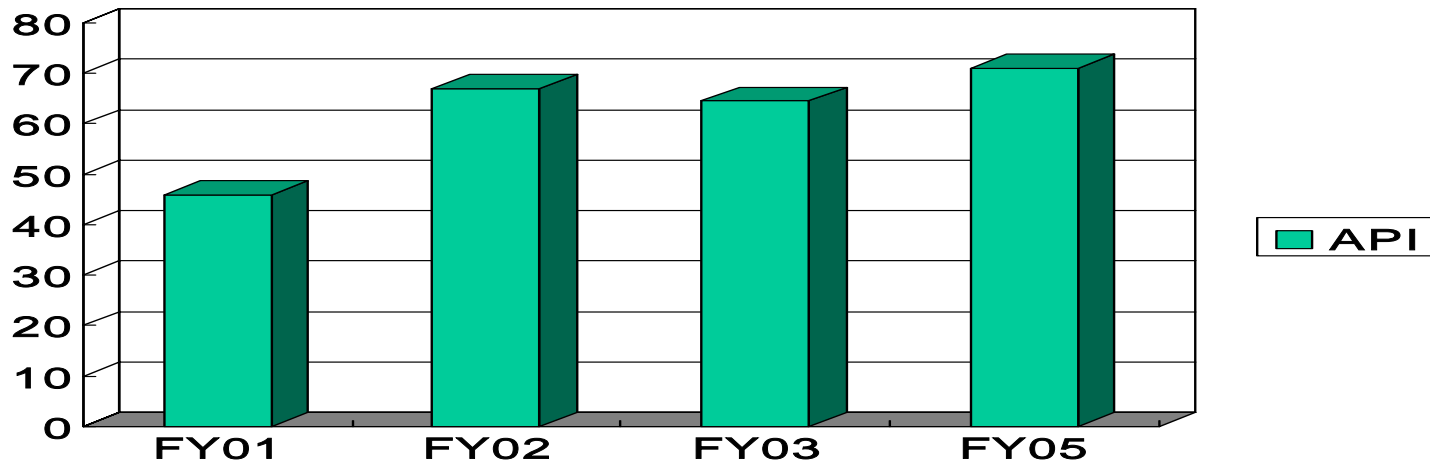


## Business Plan - Quantitative Objectives (2)

### (2) Growth (annualized premium income on new business, excluding annuity)

	API
FY01	45.9
FY02	48.2
FY03	51.5
FY05	60.1

(Unit:¥ bn)



## **Business Plan - Overview of Strategies**

**(1) Promote cross-selling**

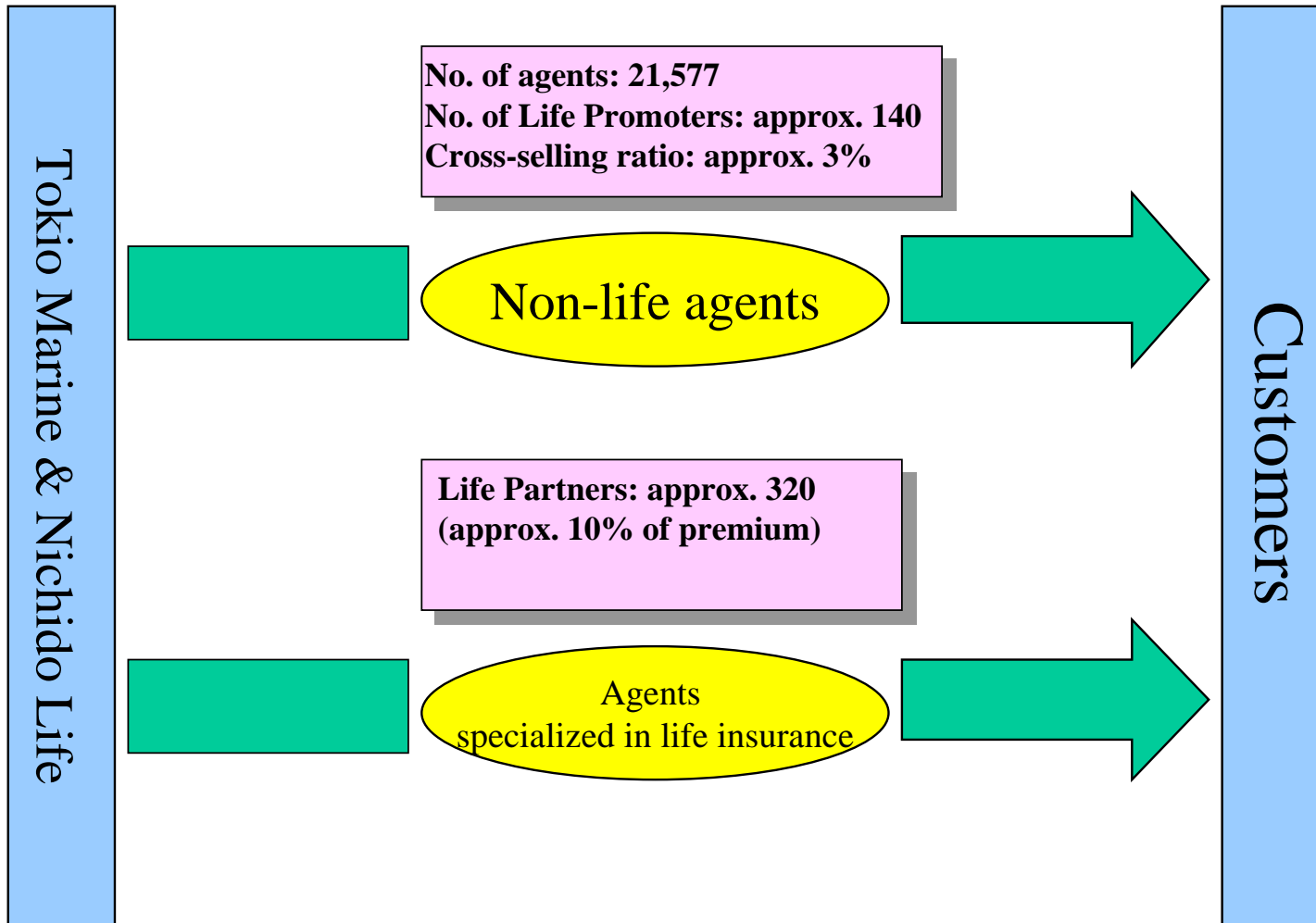
**(2) Develop agents specialized in life insurance**

**(3) Promote “bancassurance”**

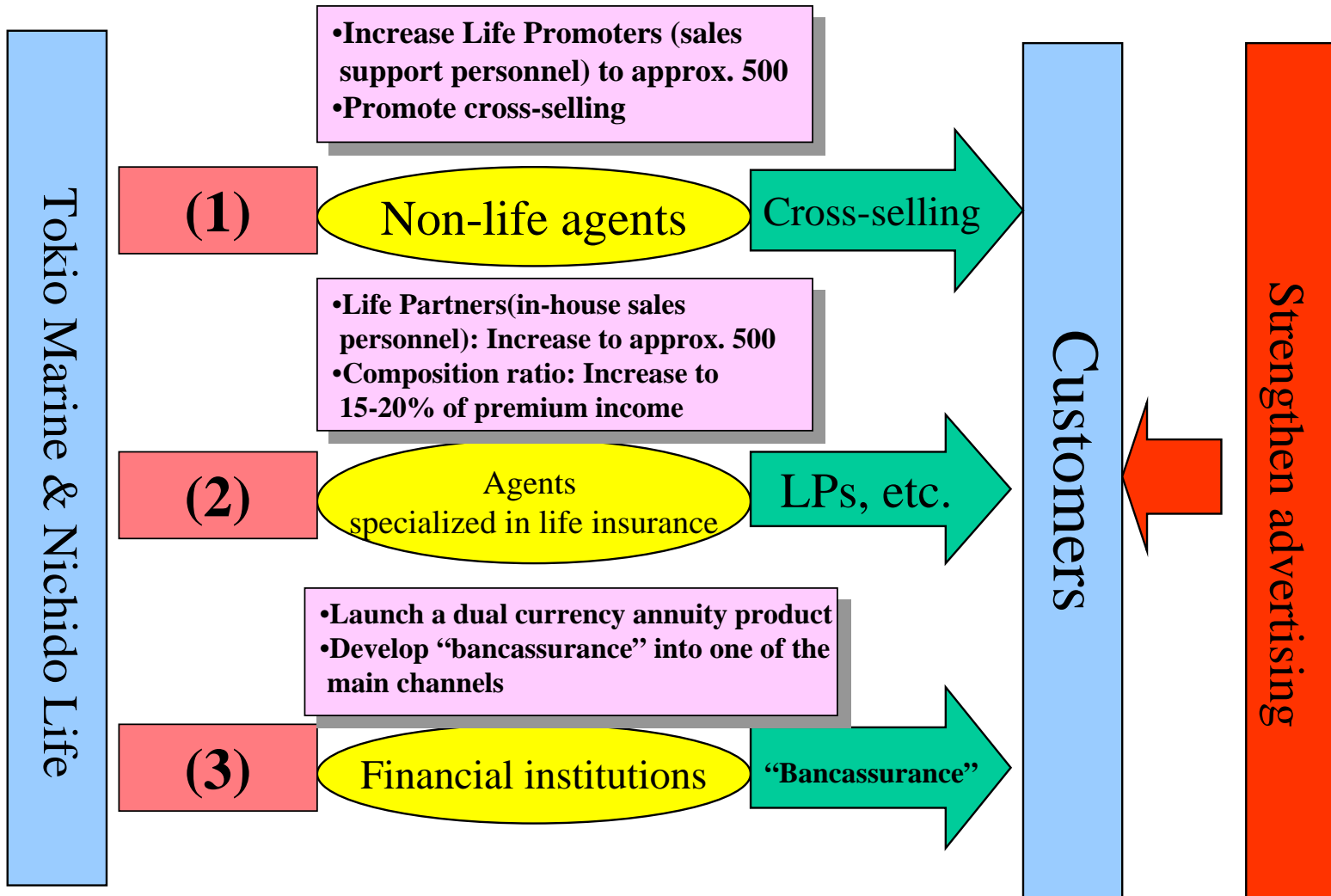
**(4) Strengthen advertising**

**(5) Others**

# Business Plan - Current Situation of Distribution Channel



# Business Plan - Strategies

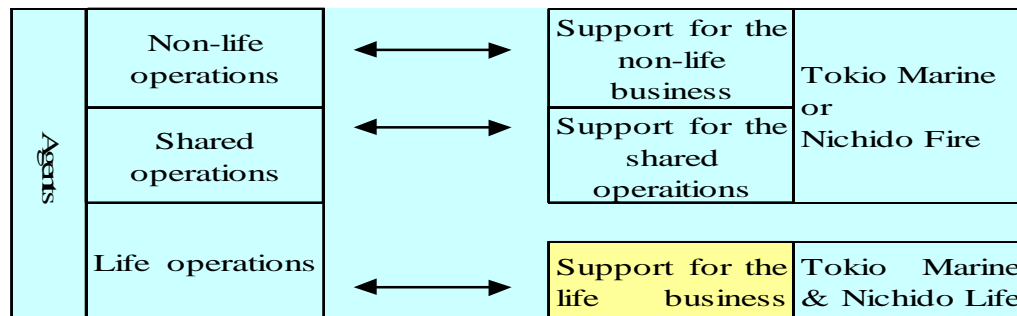


# Business Plan - Cross-selling

## (1) Promote cross-selling

### Increase Life Promoters

- Current status
  - Approx. 140 Life Promoters as of the end of Sep. 2003 (including Promoters at the former Nichido Life)
- Interim results for the 6 months ended Sep. 30, 2003
  - +17.4 % Y on Y (at retail branch offices excluding Promoters: only + 4.8% )
- Future
  - Continuously increase no. of Promoters mainly at sub-branches specialized in life insurance
  - Increase Life Promoters to approx. 500 in the near future



## **Business Plan - Agents Specialized in Life Insurance**

### **(2) Develop agents specialized in life insurance**

#### **(a) Increase Life Partners (LPs)**

- **Increase current 320 to approx. 500 by the end of FY05**

#### **(b) Increase Life Pros**

- **New hires and/or having other insurers' agents represent Tokio Marine & Nichido Life**
- **Established three Sub-branches specialized in Life Pros**

### **(3) Promote "bancassurance"**

- a. Approx. 220 banks represent Tokio Marine & Nichido Life**
- b. Launch a dual currency annuity product (US\$ -denominated)**
  - **Receive annuities in US\$**
  - **Invest in U.S. bonds (higher-yield than JGBs)**
  - **Death benefits are paid in the Japanese yen with a guaranteed minimum amount**
  - **Guaranteed interest rates change every month but do not change after the inception of policy**
  - **Cash value for surrenders fluctuates every month in accordance with interest rates prevalent in the market**
  - **No representation of health conditions or occupation at the inception of policy**

## **Business Plan - Advertising**

### **(4) Strengthen advertising**

**Improve brand and product recognition**

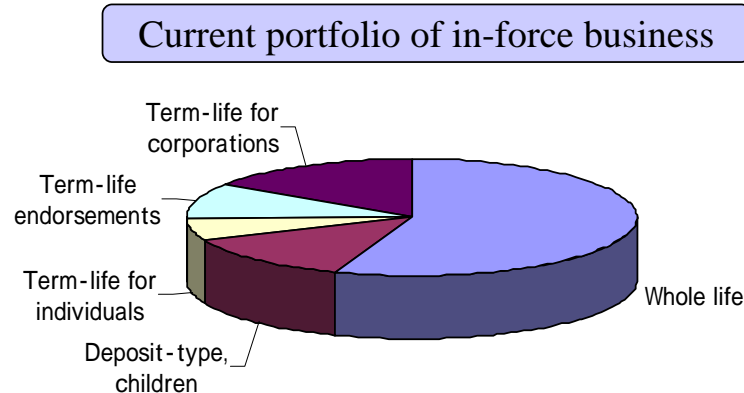
**Provide support for cross-selling**

## Business Plan - Other Strategies

### (5) Other strategies

#### (a) Promote the sales of protection-type products

Through consulting sales, promote the sales of protection-type products



#### (b) Asset management strategy

Maintain strict ALM