

Millea Holdings Investor Presentation



MILLEA

Millea Holdings, Inc.

November 28, 2002

Agenda

1. Why Invest in Millea Holdings?

2. Overview of the Business by Sector

3. Corporate Strategy

4. Key Points of Interim Results of FY2002 & Forecasts for FY2002

Why Invest in Millea Holdings ?

1. Management focused on maximizing corporate value

Aim to maximize corporate value (market capitalization)

= management focusing on increasing consolidated ROE

Adjusted ROE : 3.8% (FY2001) → approx . 6% (FY2005) → approx . 10% (FY2010)

2. High potential for profit growth

Grow from a leading domestic insurer into the top insurer expanding overseas and life insurance businesses with stable growth and profitability

Adjusted net income ¥ 114 billion (FY2001) → ¥ 160 billion (FY 2005)

3. Unmatched financial strength in the financial industry in Japan

Both Tokio Marine and Nichido Fire boast high ratings and a high solvency margin ratio

(Ratings)	S & P	Moody 's	(Solvency margin ratio as of end of Sep. 2002)			
Tokio Marine	AA-	Aa2	Tokio Marine	1,132.4%	Tokio Marine Life	2,172.5%
Nichido Fire	AA-	Aa3	Nichido Fire	1,031.1%	Nichido Life	2,004.5%

Agenda

1. Why Invest in Millea Holdings?

2. Overview of the Business by Sector

3. Corporate Strategy

4. Key Points of Interim Results of FY2002 & Forecasts for FY2002

Outlook of Non-life Insurance Business

Forecasts of the Japanese economy

After a waiting period of 4-5 years, it is possible to return to a stable growth path around the 2% mark in around 2010.

Outlook of non-life insurance market

Current market size: ¥7.1 trillion

* FY00 net premiums written

The growth of the non-life insurance market has strong correlation with the growth of GDP

It is possible to expect growth equivalent to GDP in the years to come

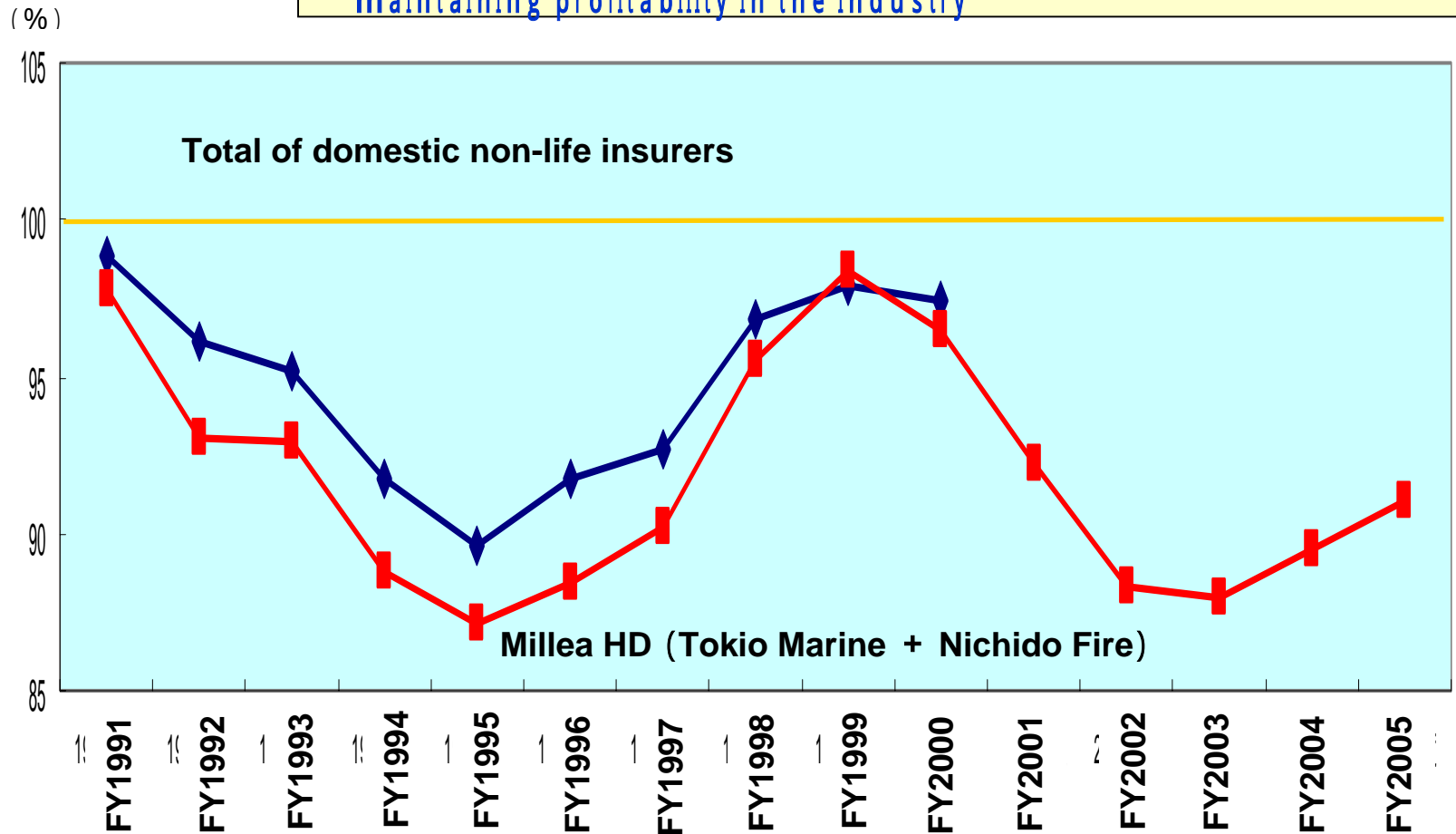
Key points in the non-life business strategy of Millea HD

- Using its position as market leader (27% share with Tokio Marine + Nichido Fire combined), expand earnings continuously
- Concurrently, improve capital efficiency

High Profitability of Domestic Non-life Insurance Business

Combined ratio

Highly profitable thanks to orderly competition being maintained even after deregulation of premium rating
As a leading insurer, Millea is making great contribution to maintaining profitability in the industry



Outlook of Life Insurance Business

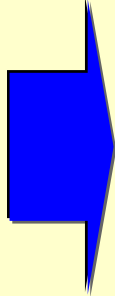
Outlook of life insurance market

<Positive factors>

- **Growth of the medical service/pension market with the aging society**
- **Progress of deregulation in over-the-counter sales through banks, etc.**

<Negative factors>

- **Because of a declining birth rate and an aging society, the market for death protection is forecasted to remain flat on the medium-term and decline over the long-term**



**Despite positive factors,
a generally severe outlook**

**Key points in the life
business strategy of Millea HD**

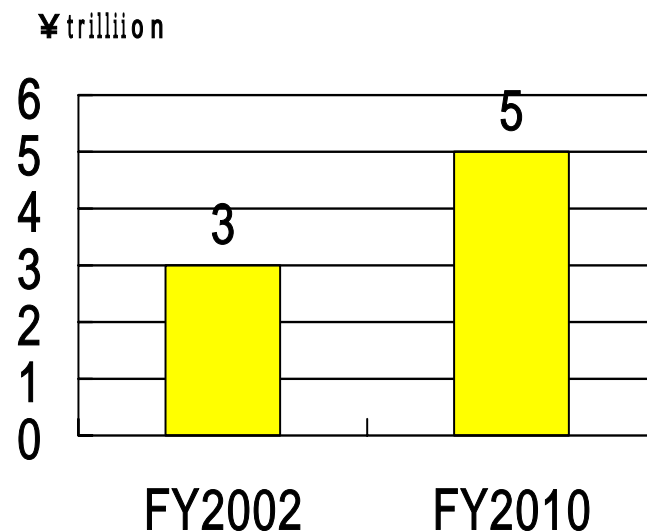
Focus on life business subsidiaries and taking full advantage of the synergies with the non-life business, aggressively expand the business as a “challenger” in the industry

Outlook of Third Sector

Outlook of third sector market

- The size of the private insurance market in the medical service/nursing care field is expected to grow from the current ¥ 3 trillion (premium income) to approx. ¥ 5 trillion in 2010

<While the population is aging, co-payment is increasing along with the financial deterioration of public insurance, etc.>



1. Product development

- Provide simple, easily understood products
- Develop products that fit the employee group market
- Develop products that respond to the reform of the medical system

2. Distribution

- Cross-selling of non-life and life (death protection) insurance products
- Strengthening of sales to small and mid - sized corporations and employee groups

3. Healthcare and senior citizen-related business

- Aggressively undertake business in the field , either independently or through an alliance

Outlook of Asset Management Business

Steady growth expected

Personal financial assets are expected to increase by almost 2% per annum
FY01 ¥1,400 trillion FY09 ¥1,600 trillion

Increased needs for asset accumulation with advent of aging society
Reform of pension programs, (e.g., introduction of the defined contribution plans, etc.)
Increased participation by diverse investors in wide-ranging markets

Address the asset management business with strong synergy effect with insurance

Retail: Establish mutual funds and 401(k) businesses

In the future, develop "Super Insurance" with these functions built in

Wholesale: Launch new products in alternative investment
(private equity, REITs, etc.)

Develop the asset management business on a global basis

Agenda

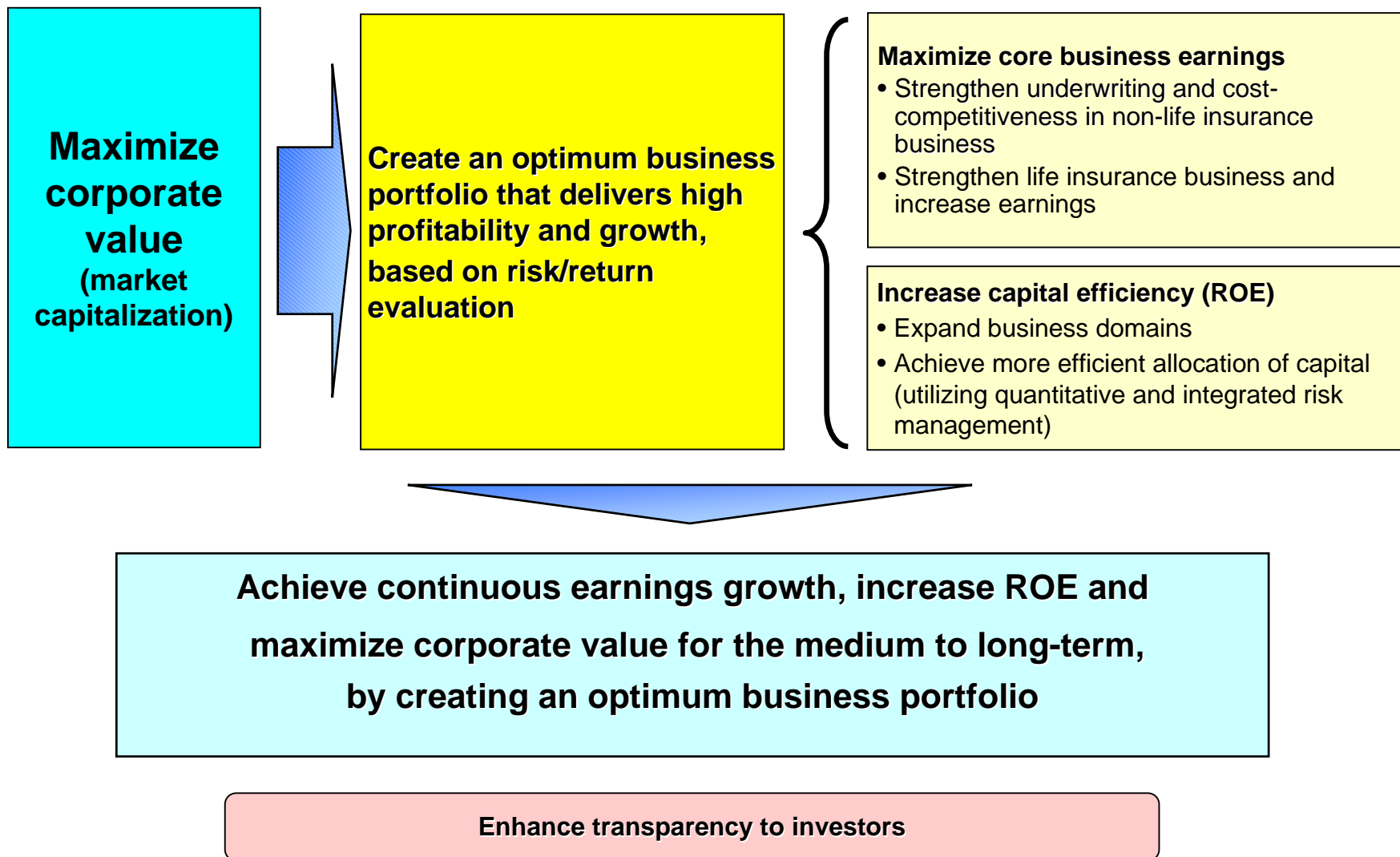
1. Why Invest in Millea Holdings?

2. Overview of the Business by Sector

3. Corporate Strategy

4. Key Points of Interim Results of FY2002 & Forecasts for FY2002

Maximize Corporate Value



Target Business Portfolio

Expand earnings continuously by building the optimum business portfolio
 (FY2005): Adjusted earnings ¥160 billion, Adjusted ROE approx. 6%
 (FY2010): Adjusted ROE approx. 10%

FY01

Business domains	Adjusted earnings composition ratio
Domestic non-life insurance	75.4%
Domestic life insurance	21.1%
Overseas insurance	3.3%
Asset management	0.3%
Healthcare & senior citizens	
Risk consulting	
Total	100%

Total adjusted earnings	¥114 billion
Adjusted ROE	3.8%



FY05

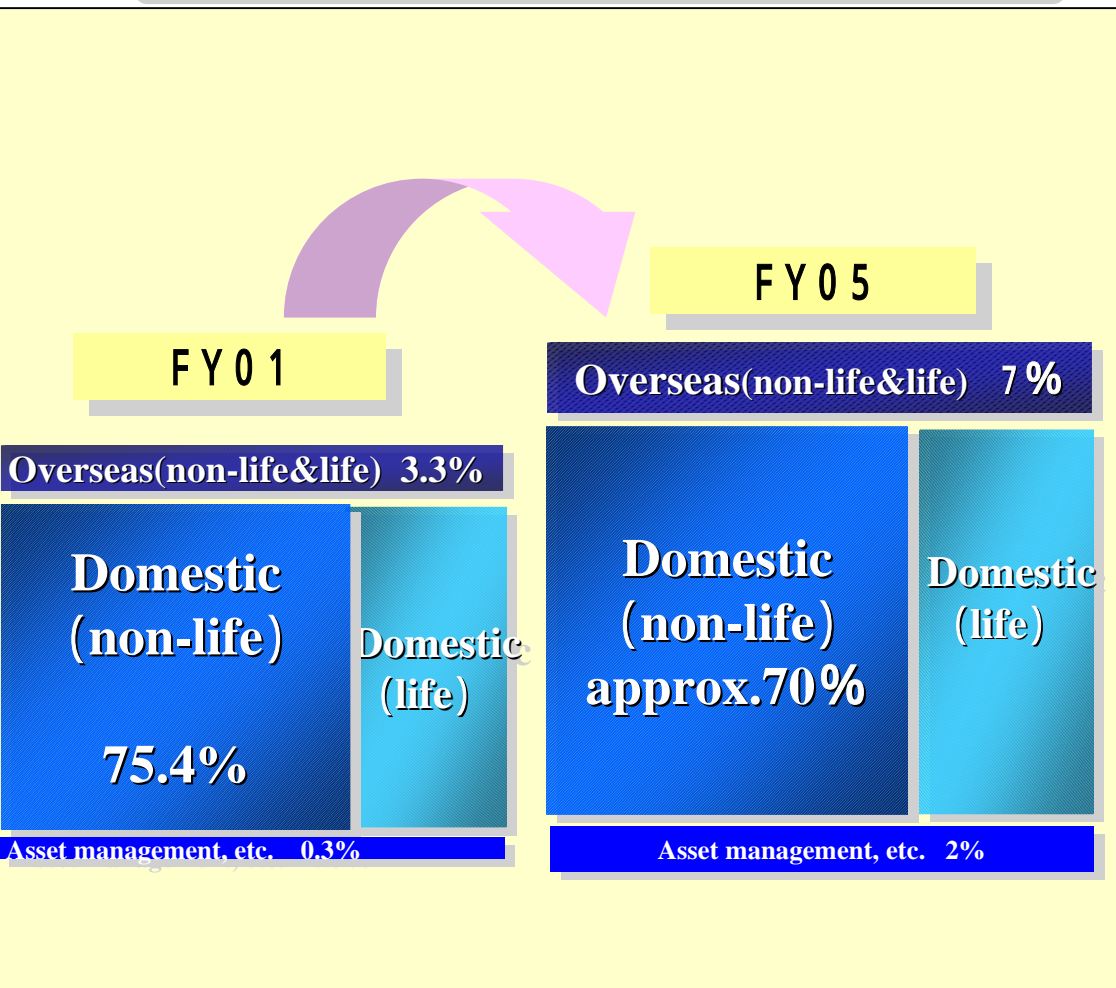
Business domains	Adjusted earnings composition ratio
Domestic non-life insurance	70%
Domestic life insurance	22%
Overseas insurance	7%
Asset management	2%
Healthcare & senior citizens	
Risk consulting	
Total	100%

Total adjusted earnings	¥160 billion
Adjusted ROE	6%

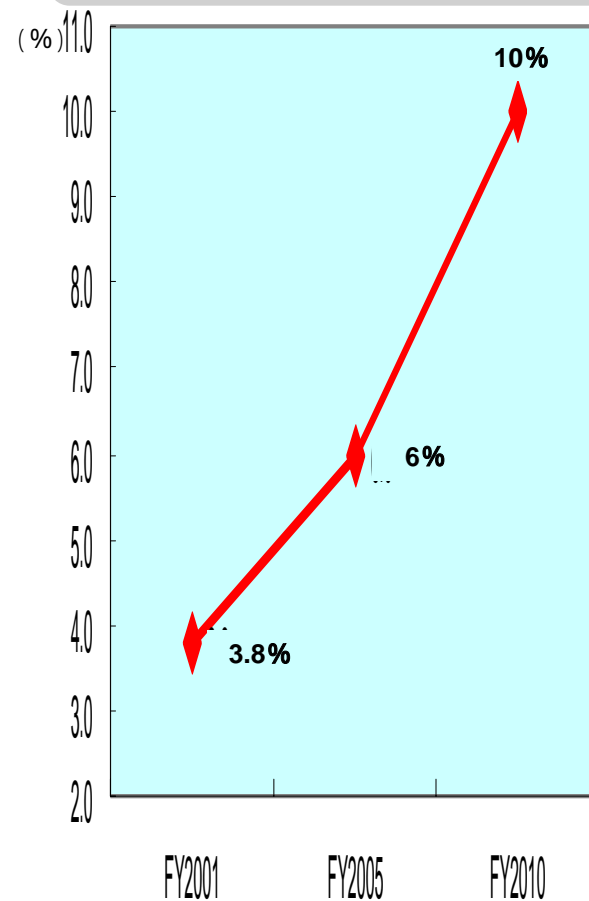
(Note) Domestic life insurance = Tokio Marine Life + Nichido Life

Target Business Portfolio

Growth in earnings (adjusted earnings)



Improvement of ROE (adjusted ROE)



Management objectives

**With the effect of efficiency realized through management integration, aim at:
(FY05) Expense ratio : below 30% , adjusted earnings : ¥110 billion**

(Unit: bn. yen)

	FY2001	FY2003	FY2005
Net premiums written	1,720.1	1,940	2,020
Expense ratio	35.2%	31%	29.5%
Adjusted earnings	86	90	110

<Key factors for the revision>

Kyoei Fire has left the Millea Insurance Group

Impact of abolition of reinsurance for Compulsory Automobile Liability Insurance by the government

Growth rate revised for net premiums written

(Excluding the impact of , growth rate becomes 2% per annum from FY2002 onwards)

* Excluding the impact of the abolition of reinsurance for the Compulsory Automobile Liability Insurance by the government

	FY2003	FY2005
Net premiums written	1,790	1,860
Expense ratio	33.7%	32.0%

Growth Strategy (Product and Distribution)

1. Realize growth in existing lines of business (Auto , Fire , Liability , etc.)

2. Strengthen sales of third sector products

3. Establish “Super Insurance” and “Super Business Insurance”

4. Promote over-the-counter sales at banks (“bancassurance”)

5. Implement structural reform of distribution network

Improve Efficiency

Reduced amount in FY2005 (vs. FY2001)

Today

April 2003

April 2004

April 2005 March 2006

Integrate products , policy processing and IT systems functions

¥ 5 bn.

Product integration started with auto insurance policies commencing in January 2003, Integration to be completed in June 2004

Integrate Head Office functions and reduce workforce/ Integrate affiliated companies

¥ 4 bn.

Step by step integration

Integrate claims service operations and reduce workforce

(¥ 4.5 bn.)

All of the claims offices and the claims service operations to be integrated

Integrate sales offices and reduce workforce (Strategically inject these work force into the life insurance business,etc.)

¥ 18 bn.

Integration (started from October 2002)

Reduce expenses by measures other than those mentioned above (Reduce non-personnel expenses by initiatives taken by management of Tokio and Nichido , respectively)

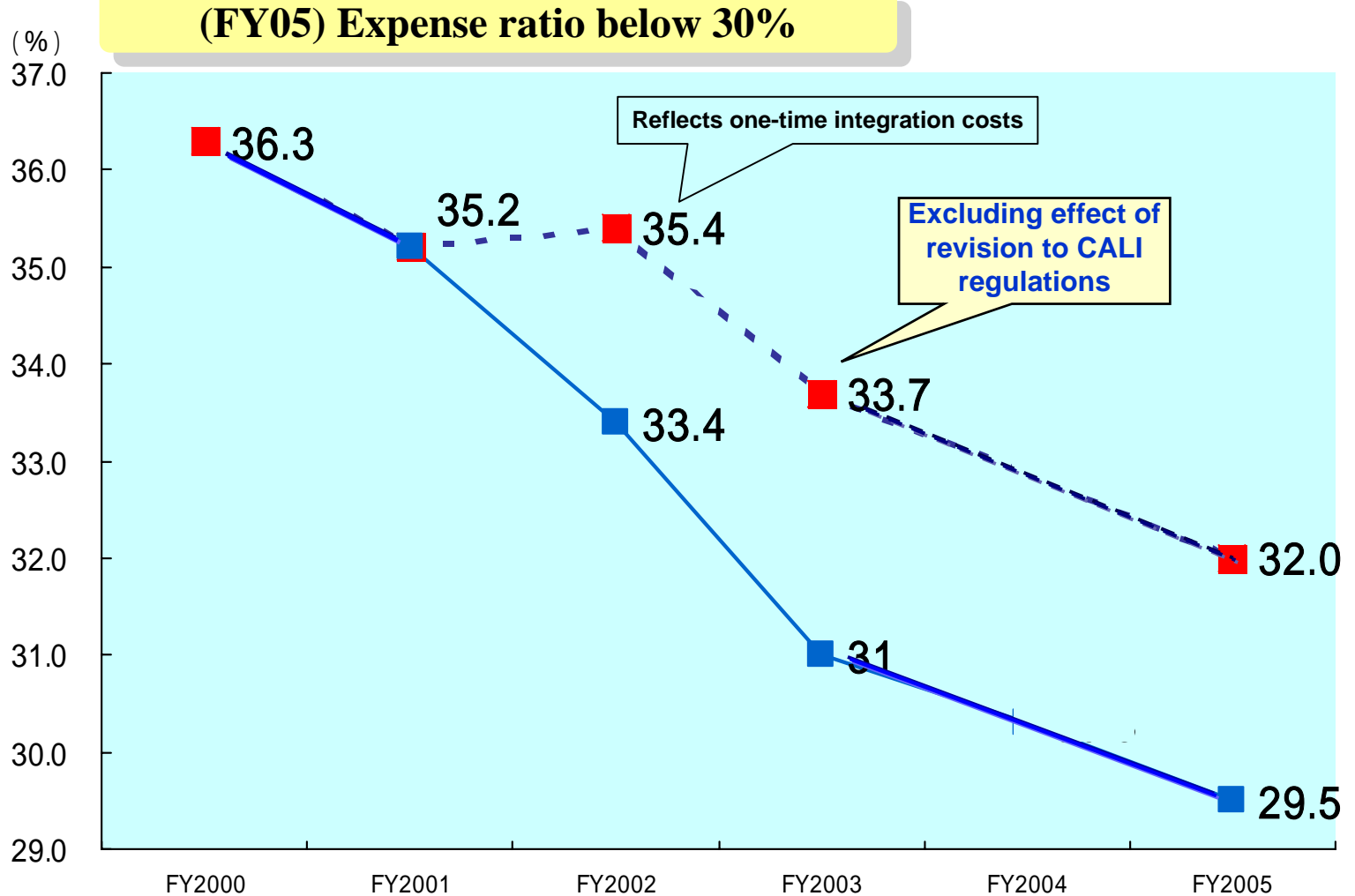
¥ 2 bn.

Reduce head counts by 2,500 in FY 05 (vs. FY01)
12,600 (FY01) 10,100 (FY05)

From FY02 through FY03 reduce SGA expenses by ¥ 10 bn.

From FY2004 through FY2005 Reduce SGA expenses by ¥ 19 bn.

Improve Expense Ratio



Asset Management

Improve RORAC (return on risk-adjusted capital)
 Implement the following strategies in accordance with characteristics of respective asset classes

Pure investment: Improve return on risks by making diversified investments ranging from market risk to alternative investment ← Introduce advanced method of risk allocation matched with major U.S. and European insurers

Business-related investment: Comprehensively analyze profitability by combining insurance business and these investments. Reduce cross-shareholdings
 Tokio Marine : already reduced by ¥200 billion using ETF
 Nichido : plan to reduce ¥45 billion

ALM: Manage assets and liabilities on a marked-to-market value basis.
 Increase surplus (assets - liabilities) on a marked-to-market value basis

Integrate pure investment and ALM functions of Tokio and Nichido

FY01

	End of Mar.2001	End of Mar.2002	End of Sep. 2002
Pure investment	4%	5%	6%
ALM	37%	38%	38%
Business-related investment(stocks,etc.)	43%	39%	34%
Real estate	4%	4%	4%
Others(cash equivalents,etc.)	12%	13%	18%

Management Objectives

With an average 12% growth in annualized premiums income on new policies, grow to be a mid-tier life insurer by FY05 in terms of earnings

API on new policies

FY01 (actual)	¥ 45.9bn.
FY03	¥ 58bn.
FY05	¥ 73bn.

(Note) Tokio Marine Life + Nichido Life

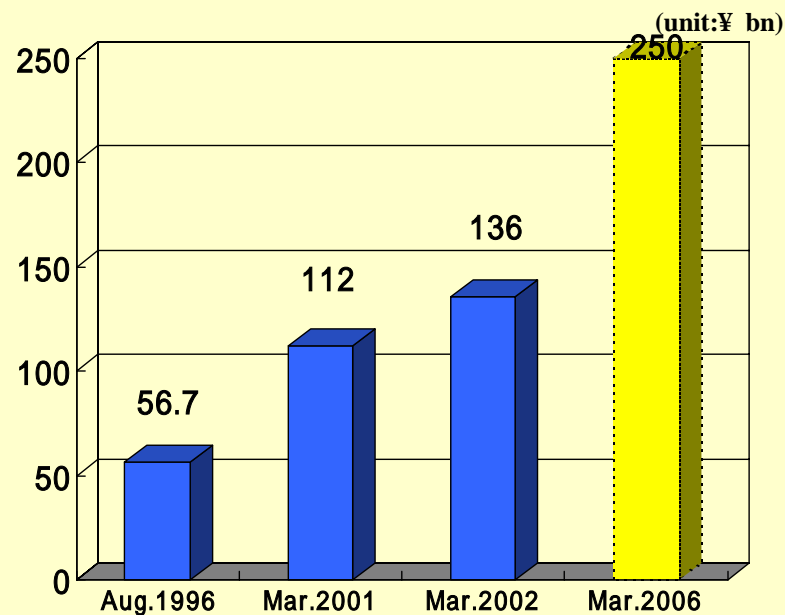
New policies in FY01 (unit: ¥ bn.)

Rank	Company name	API
1	Company A	377.3
2	Company B	227.8
3	Company C	225.7
4	Company D	187.6
5	Company E	96.2
6	Company F	84.5
7	Company G	79.9
8	Company H	79.5
9	Company I	78.2
10	Company J	69.3
⋮	⋮	⋮
15	Tokio.Nchido	45.9

¥ 73 bn.
in FY05

Increase in Embedded Value (Estimated)

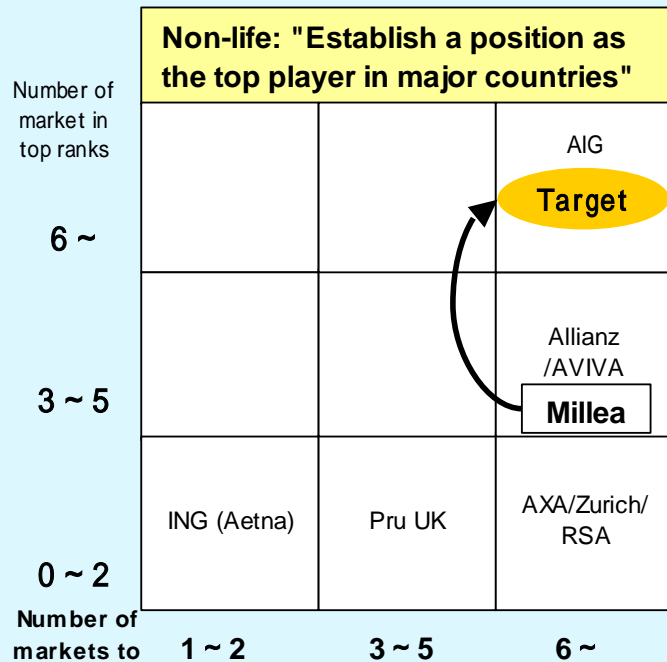
(Tokio Marine Life + Nichido Life)



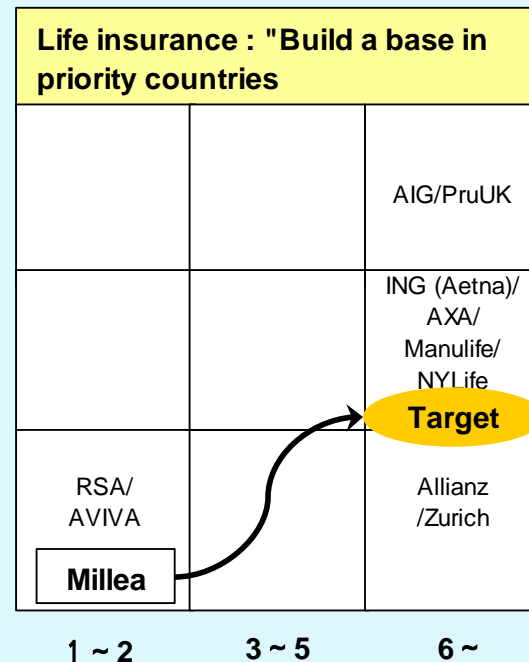
	FY01	FY03	FY05
Revised earnings (Increased EV)	¥ 24 bn.	¥ 26 bn.	¥ 35 bn.
ROE	19.3%	15%	15%

Note) The number as of the end of March 2006 is an estimated value

Target Position in the Asian Insurance Business over the Next 10 Years



Markets to aim to be in top ranks :
 Malaysia, Taiwan and China
 Markets where Millea has been already in top ranks : Thailand, Indonesia, India and Vietnam



Markets to aim to be in top ranks :
 Thailand, China, Taiwan and India

Roadmap for Development of Asian Insurance Business

FY2001	FY2002	FY2003	FY2004	FY2005
--------	--------	--------	--------	--------

Improve capital efficiency by reallocation of capital to existing businesses

Alliance with PICC and Samsun Fire (completed)

Full-scale operation of non-life business in India (completed)

Launch of life insurance business in Thailand (completed)

Merger of non-life businesses in Malaysia (completed)

Non-life business in Taiwan

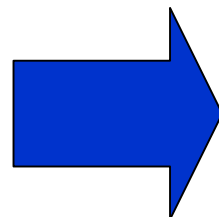
Foundation of Millea Asia

In growing markets, such as China, Taiwan, Thailand, Malaysia and India, strengthen retail non-life insurance and life insurance businesses

FY2001

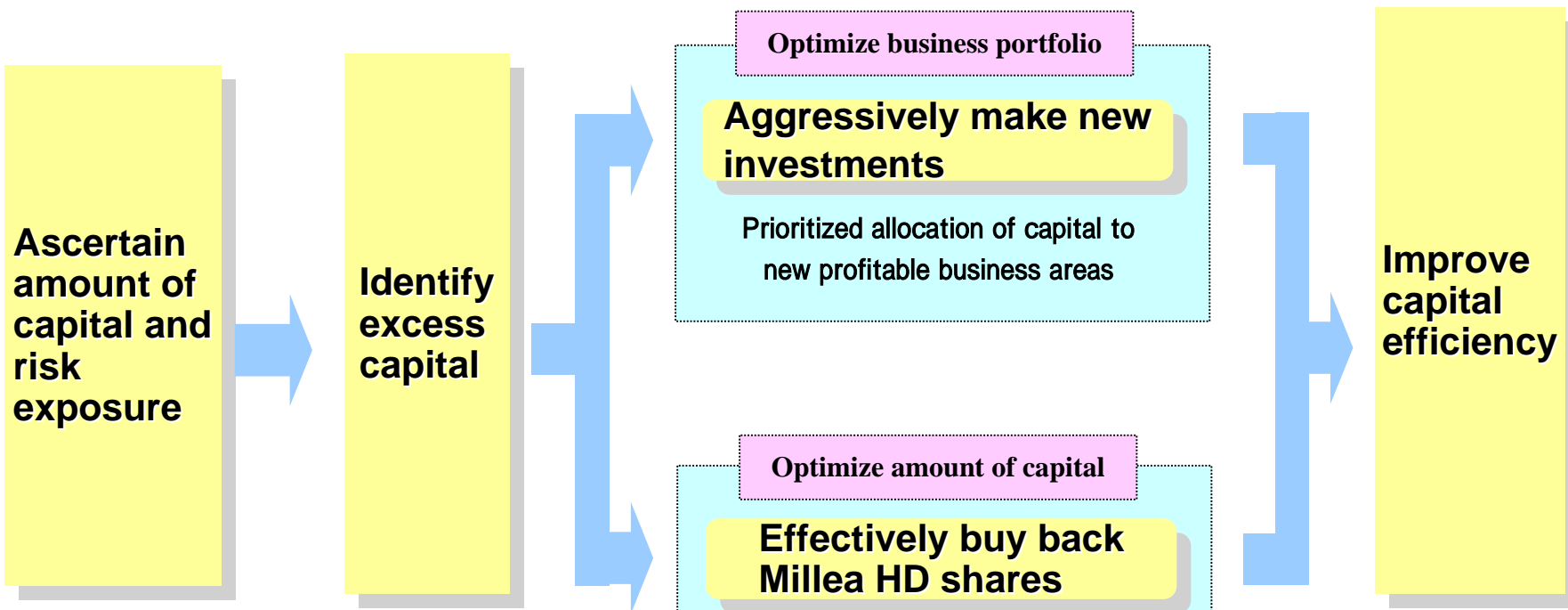
FY2005

- Net premiums written: ¥ 13 bn.
- Net income: ¥ 2 bn.
- ROE : 8.2 %



- Net premiums written: ¥ 57 bn.
- Net income: ¥ 5 bn.
- ROE : approx. 8%

Capital Management Policy



**Ascertain
amount of
capital and
risk
exposure**

**Identify
excess
capital**

Optimize business portfolio

**Aggressively make new
investments**

Prioritized allocation of capital to
new profitable business areas

Optimize amount of capital

**Effectively buy back
Millea HD shares**

Reduce cost of capital by effectively
buying back Millea HD shares
with excess capital

**Improve
capital
efficiency**

Quantitative , systematic
integrated risk
management

At present ,
excess capital of
several hundred
billion yen

* Millea HD cannot buy back
its own shares until end of June 2003 ,
due to Commercial Code regulations

Provide support to
increase ROE
by fully utilizing
excess capital

Agenda

1. Why Invest in Millea Holdings?

2. Overview of the Business by Sector

3. Corporate Strategy

4. Key Points of Interim Results of FY2002 & Forecasts for FY2002

Interim Results of FY2002 for Non - life Business (Tokio Marine + Nichido Fire)

Summary results for 1st half of FY2002

(Sum of non-life businesses, unit: ¥bn.)

	1st half of FY2001		1st half of FY2002		
		Change (%)		Y to Y change	Change (%)
Net premiums written	850.1	1.8%	904.2	+ 54.1	6.4%
Underwriting profit	12.5	-	16.1	+ 3.6	28.8%
Loss ratio	57.5%	/	52.6%	4.9%	/
Expense ratio	36.1%	/	34.2%	1.9%	/
Combined ratio	93.7%	/	86.8%	6.9%	/
Ordinary profit	55.2	27.3%	137.3	+ 82.1	148.5%
Net income	38.2	3.6%	88.8	+ 50.6	132.3%

(As of end of Mar. 2002) (As of end of Sep. 2002)

Solvency margin ratio	Tokio Marine	1332.60%	1132.40%
		Nichido Fire	1124.30%

Excluding the impact of revisions to Compulsory Automobile Liability Insurance regulations

Net premiums written: ¥869.6bn (+2.3%)
Loss ratio: 54.7% (2.8%)
Expense ratio: 35.5% (0.6%)

* The consolidated results to be released on December 3, 2002

Tokio Marine Results for the Interim Period of FY2002

Summary results for 1st half of FY2002

[Non-consolidated]

(unit : ¥ bn.)

	1st half of FY2001		1st half of FY2002		
		Change(%)		Y to Y change	Change(%)
Net premiums written	662.0	2.9%	713.5	+ 51.4	7.8%
Underwriting profit	9.9	-	8.0	18.0	18.9%
Loss ratio	57.6%		52.0%	5.6%	
Expense ratio	35.5%		33.5%	2.0%	
Combined ratio	93.1%		85.5%	7.6%	
Ordinary profit	49.0	28.4%	120.5	+ 71.5	145.8%
Net income	32.1	0.4%	78.6	+ 46.5	144.7%
Solvency margin ratio	1240.2%		1132.4%	107.8%	

Excluding the impact of revisions to CALI regulations

Net premiums written : ¥ 686.7 bn.(+3.7%)

Loss ratio : 54.0%(3.6%)

Expense ratio : 34.8%(0.7%)

Nichido Fire Results for the Interim Period for FY2002

Summary results for 1st half of FY2002

[Non-consolidated]

(unit : ¥ bn.)

	1st half of FY2001		1st half of FY2002		
		Change(%)		Y to Y change	Change(%)
Net premiums written	188.1	2.1%	190.7	+ 2.6	1.4%
Underwriting profit	2.5	65.5%	8	+ 5.5	214.8%
Loss ratio	57.3%	/	55.0%	2.4%	/
Expense ratio	38.1%	/	36.6%	1.5%	/
Combined ratio	95.4%	/	91.6%	3.8%	/
Ordinary profit	6.2	17.1%	16.8	+ 10.5	169.6%
Net income	6.0	24.5%	10.1	+ 4.0	66.8%
Solvency margin raio	1083.8%	/	1031.1%	52.7%	/

Excluding the impact of revisions to CALI regulations

Net premiums written : ¥ 182.8 bn. (-2.8%)

Loss ratio : 57.3% (+0%)

Expense ratio : 38.2% (+0.1%)

Interim Results of FY2002 for Life Insurance Business (Tokio Marine Life + Nichido Life)

Summary results for 1st half of FY2002

(Sum of life insurance businesses, unit: ¥ bn.)

	1st half of FY2001		1st half of FY2002		
		Change (%)		Y to Y change	Change (%)
New business (sum insured)	539.1	34.7%	711.5	172.3	32.0%
API on new policies	16.9	20.5%	21.8	4.9	29.0%
No. of new policies issued	103,329	28.9%	111,810	8,481	8.2%
In force business (sum insured)	7,458.6	18.7%	8,322.2	863.6	11.6%
No. of policies in force	927,515	50.9%	1,102,510	174,995	18.9%
Premium income	102.4	11.9%	148.3	45.8	44.8%
Operating expenses	21.1	17.6%	23.4	2.2	10.5%
Ordinary profit	6.1	47.6%	20.0	13.8	225.3%
Net income	3.8	-	12.7	8.8	228.6%
Core operating profit	7	-	6	0.9	13.9%

Note: Business volume and number of policies are the sum of individual life and annuity insurance

Solvency margin ratio		(As of the end of Mar. 2002)	(As of the end of Sep. 2002)
		Tokio Marine Life	1850.4%
Nichido Life	1867.8%	2004.5%	

Non-Life Business Forecasts (Tokio Marine + Nichido Fire)

Summary of forecasts of FY2002

(unit : bn yen)

	FY2001		FY2002		
		Change (%)		Y to Y change	Change (%)
Net premiums written	1,720.1	1.9%	1,851	+ 130.8	7.6%
Underwriting profit	42.4	233.6%	35	7.3	17.4%
Loss ratio	57.9%		54.9%	3.0%	
Expense ratio	35.2%		33.4%	1.8%	
Combined ratio	93.1%		88.3%	4.8%	
Ordinary profit	78.8	22.6%	160	+ 81.1	102.8%
Net income	47.3	11.1%	96	+ 48.6	102.6%
ROE	2.0%		4.5%	2.5%	

Excluding the impact of revisions to CALI

Net premiums written: ¥1,743.9 bn (+1.4%)

Loss ratio: 58.2%(+0.3%)

Expense ratio: 35.4%(+0.2%)

Forecast for Tokio Marine

Summary of forecasts of FY2002

[Non-consolidated]

(unit: ¥ bn)

	FY2001		FY2002		
		Change (%)		Y to Y change	Change (%)
Net premiums written	1349.0	2.9%	1452.0	+ 102.9	7.6%
Underwriting profit	29.1	242.0%	30.0	+ 0.8	2.9%
Loss ratio	57.6%		54.6%	3.0%	
Expense ratio	34.6%		32.6%	1.9%	
Combined ratio	92.2%		87.3%	5.0%	
Ordinary profit	70.2	18.7%	140.0	+ 69.7	99.3%
Net income	39.1	9.2%	85.0	+ 45.8	116.9%
ROE	2.1%		5.0%	2.9%	

Excluding the impact of revisions to CALI regulations

Net premiums written : ¥ 1370 bn.(+1.6%)

Loss ratio : 57.8%(+0.2%)

Expense ratio : 34.6%(+0%)

FY 2002 ROE forecasts are based on net assets at end of FY 2001 minus amounts projected to be appropriated from retained profits plus forecast net income for FY 2002.

Forecast for Nichido Fire

Summary of forecasts of FY2002

[Non-consolidated]

(unit : ¥ bn)

	FY2001		FY2002		
		Change (%)		Y to Y change	Change (%)
Net premiums written	3,711	1.5%	3,990	+ 278	7.5%
Underwriting profit	132	216.5%	50	82	61.9%
Loss ratio	58.9%	/	55.8%	3.1%	/
Expense ratio	37.6%	/	36.1%	1.5%	/
Combined ratio	96.6%	/	92.0%	4.6%	/
Ordinary profit	86	44.2%	200	+ 113	130.8%
Net income	81	19.3%	110	+ 28	34.3%
ROE	1.6%	/	2.4%	0.8%	/

Excluding the impact of revisions to CALI regulations

Net premiums written : ¥ 373.9 bn.(+0.7%)

Loss ratio : 59.6%(+0.6%)

Expense ratio : 38.5%(+0.9%)

FY 2002 ROE forecasts are based on net assets at end of FY 2001 minus amounts projected to be appropriated from retained profits plus forecast net income for FY 2002.

Adjusted ROE

$$\text{Adjusted ROE} = \text{Adjusted earnings} \div \text{Adjusted capital}$$

1 Earnings(after tax base)

(1) Non-life insurance business

$$\text{Adjusted earnings} = \text{Net income} + \text{Provision for extraordinary reserve * 1} + \text{Provision for reserve for price fluctuation} - \text{Gains(losses) from asset liability management * 2} - \text{Gains(losses) from stocks and properties * 3} - \text{Other extraordinary items * 4}$$

(2) Life insurance business

$$\text{Adjusted earnings} = \text{Increase in EV * 5}$$

< image >

(3) Overseas Insurance business, other businesses ... Net income shown in financial statements

2 . Capital (average capital of the beginning and the end of fiscal year, after tax base)

(1) Non - life insurance business

$$\text{Adjusted Capital} = \text{Capital} + \text{Extraordinary reserves, net of tax} + \text{Reserve for price fluctuation, net of tax} - \text{Increase(decrease) in capital from asset liability management * 6}$$

(2) Life insurance business

$$\text{Adjusted capital} = \text{Embedded Value}$$

(3) Overseas Insurance business, Other businesses ... Capital shown in financial statements

1 Put negative figures in case of reversal of extraordinary reserve or reserve for price fluctuation

2 Realized and unrealized gains(losses) arising from bond securities and interest rate swap transactions utilized in asset liability management

3 Realized and unrealized gains(losses) arising from sales or devaluation of stocks and properties

4 (1) Correction of an error in the calculation of reserve for retirement benefits in 2001

(2) Devaluation losses in unused properties in 2001

5 EV-Embedded Value
Sum of value of in-front business and shareholder equity of life insurance company

6 Increase(decrease) in capital related to transactions of bond securities and interest rate swaps utilized in asset liability management

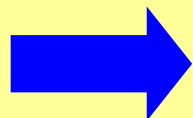
Appendix

Supporting Data and Information for Corporate Strategy

Estimated Size of Non-life Insurance Market

[Net premiums written]

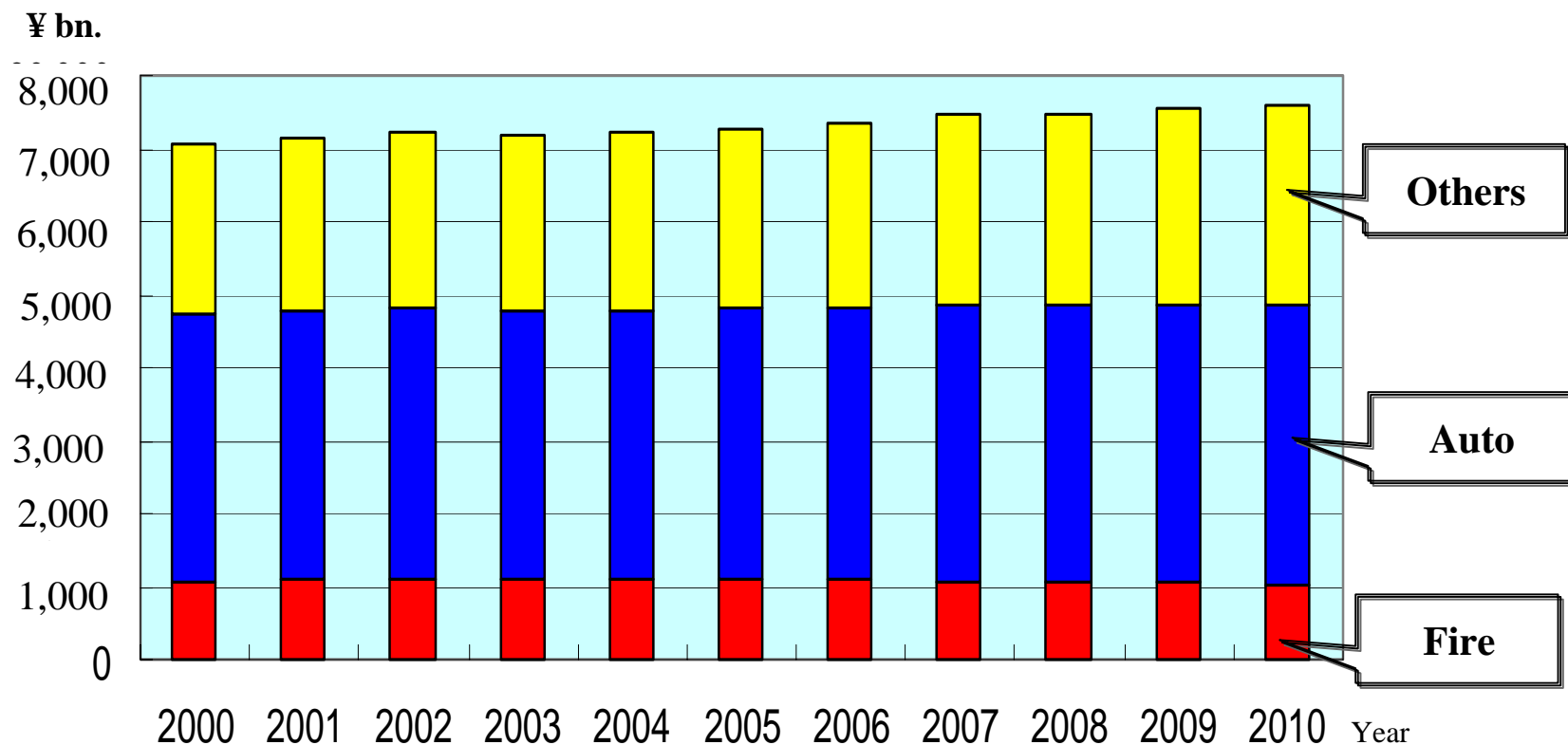
FY2000
¥7.1 trillion yen



FY2005
¥7.3 trillion yen



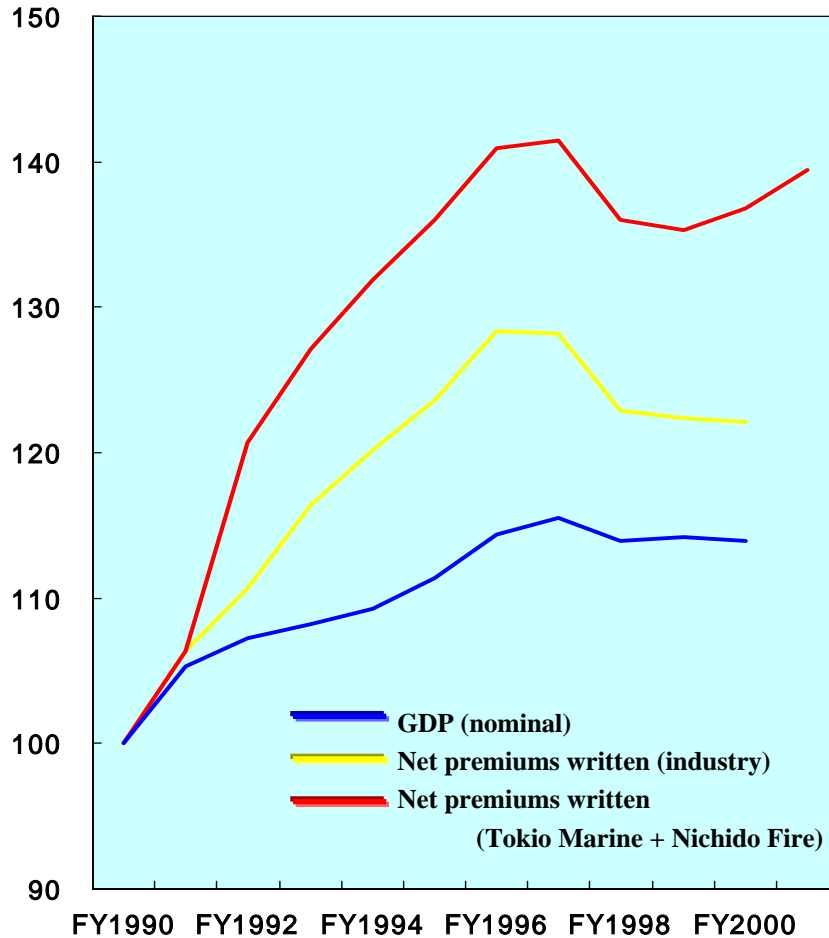
FY2010
¥7.6 trillion yen



Condition of Domestic Non-life Insurance Market

GDP and non-life insurance market in Japan

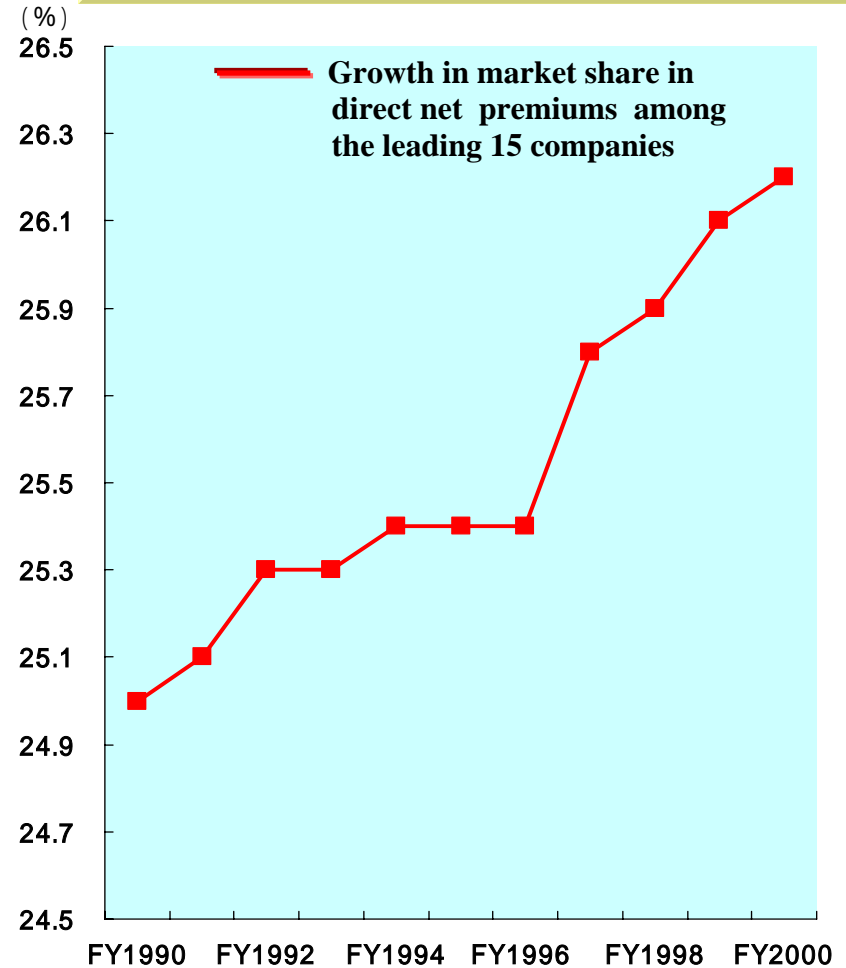
(Rebase: 1990=100)



Note: FY 2001 data for net premiums written is for the top ten companies

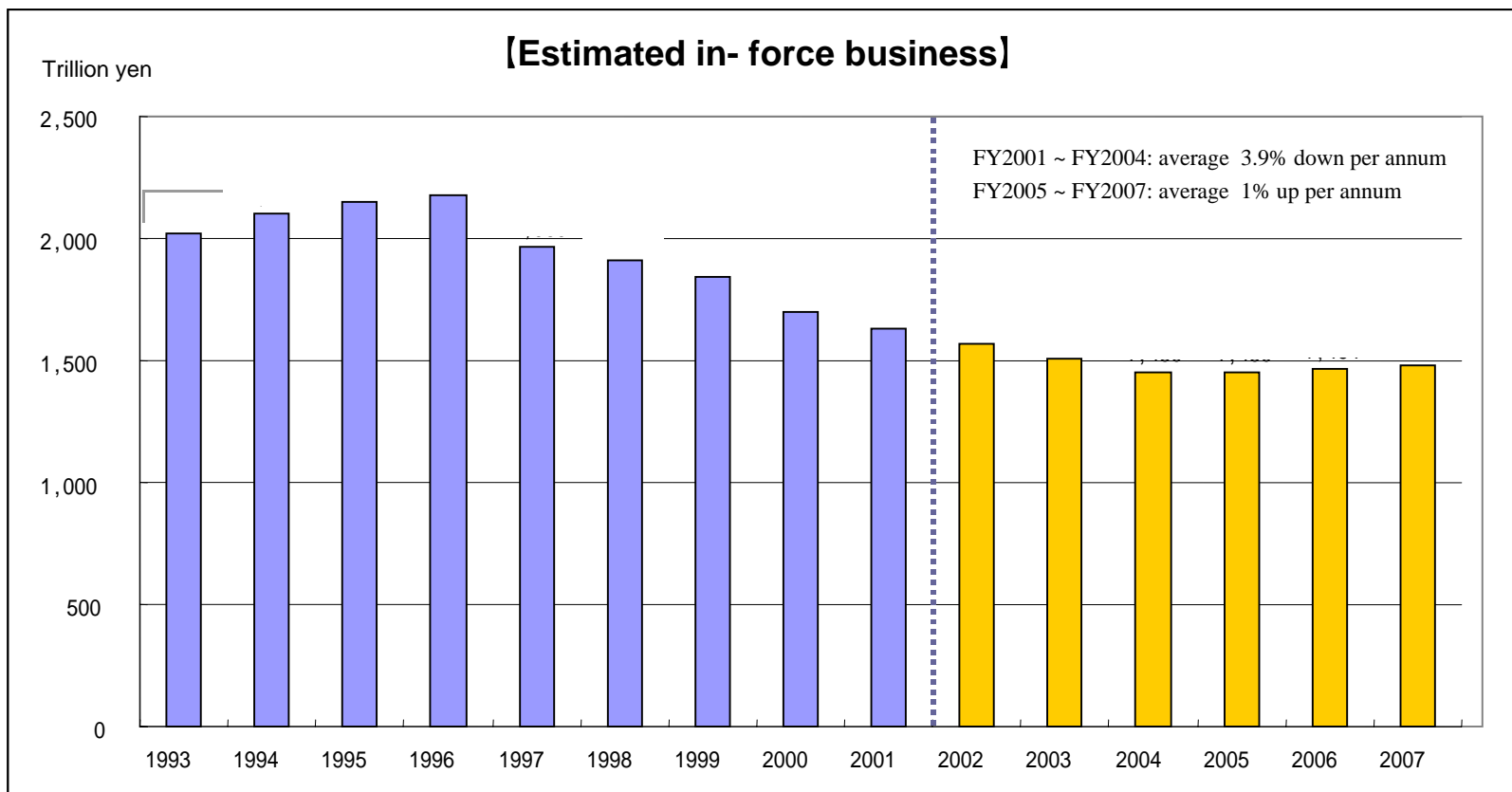
Growth in Millea HD's market share

(Tokio Marine + Nichido Fire)



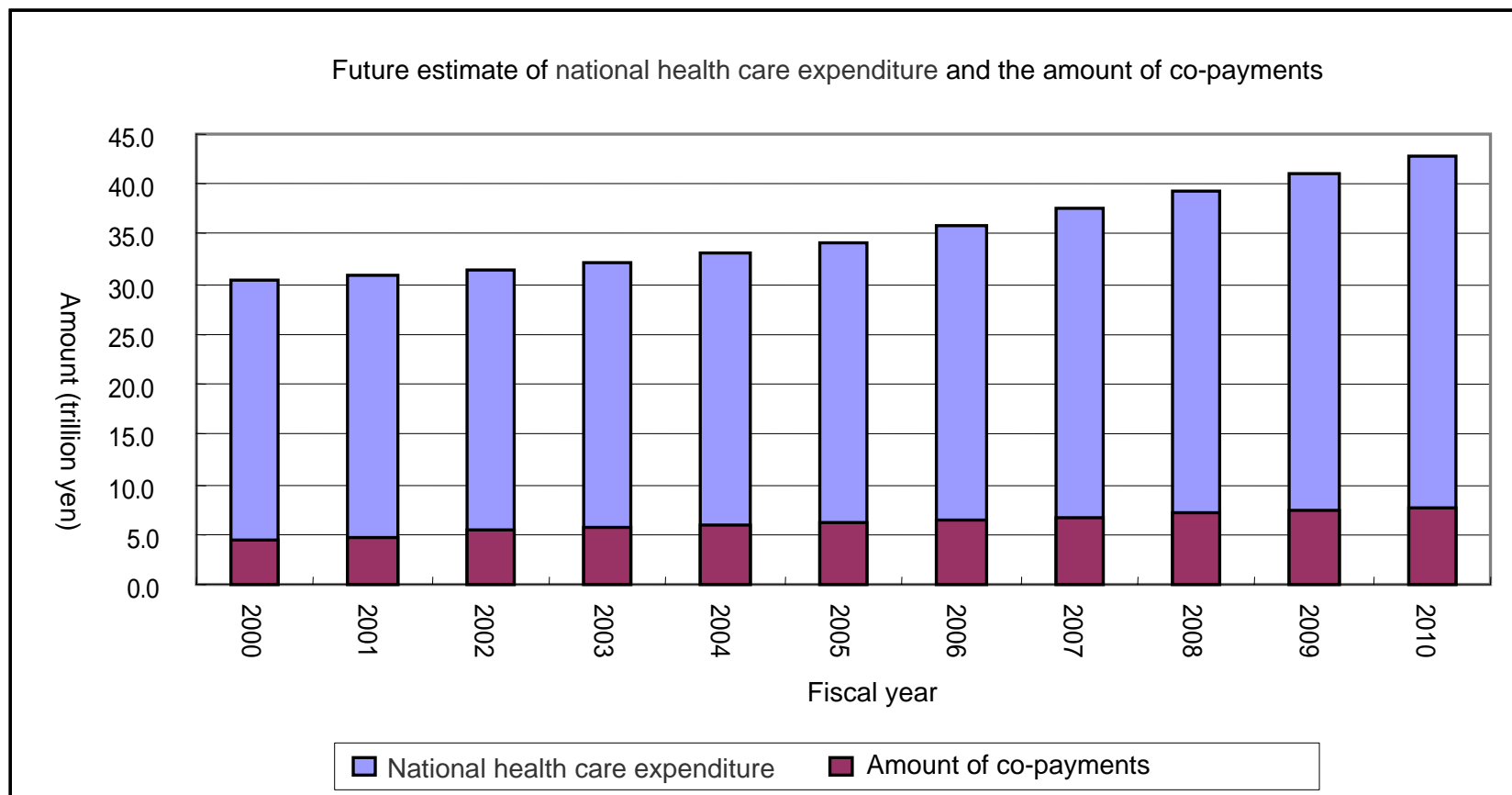
Estimated Size of Life Insurance Market

In terms of size, the life insurance market (death protection) has almost leveled off



Estimated Amount of Co-payments in the Future

- By FY2010, the amount of co-payments will reach 1.68 times the amount marked in FY2000 (average annual growth rate: 5.4%)
- The amount of co-payments as of FY2010 will be ¥7.7 trillion yen

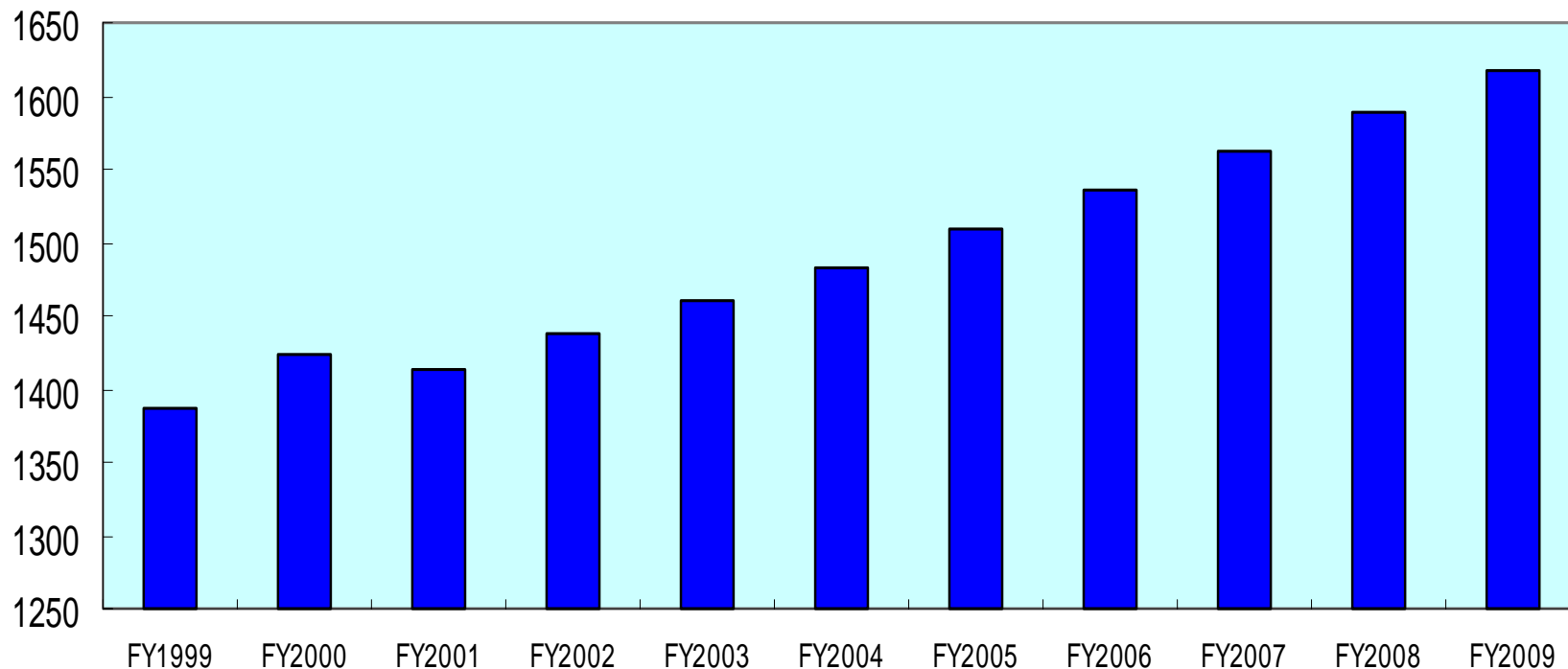


Personal Financial Assets

- Personal financial assets grow at 1.6%~1.7% per annum
- Concentration on the elderly will increase

(trillion yen)

[Forecast of changes in the balance of personal financial assets in Japan]



Growth Strategy

(Existing Lines of Business)

Retail

Auto

Diversified customer needs
Intensifying competition

- Increase competitiveness in pricing, coverages and services

Fire

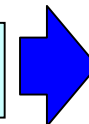
Mobilized market

- Develop new products matched with distribution channel

Wholesale

Risk management

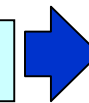
Corporate risk awareness increased



Various risk management products and services

Liability

Increased awareness about liability



Product liability and professional liability

Information risk

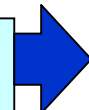
Development of e-business



e-risk insurance

Environmental risk

Increased awareness about environment



Pollution coverage

Growth Strategy

(Develop “Super Insurance” and “Super Business Insurance”)

- **“Super Insurance” (for individuals) (launched in June 2002)**
 - **Characteristics:** Innovative product integrating non-life and life insurance
 - **Sales:** Sales through 2,232 agents(at present) nationwide, focusing on consulting sales

Over the medium to long-term, this product will be the core product in the retail business

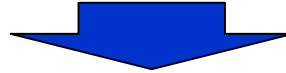
- **“Super Business Insurance” (for small to medium-sized companies) (launched in July 2002)**
 - **Characteristics:** Comprehensively cover property, business interruption, general liability and personal accident,etc.
 - **Expand market share in the small to medium-sized business sector from 20% today to 30%**

As of end of Oct. 2002

	Super Insurance	Super Business Insurance
No. of policies issued	2,772	1,159
Net premiums written (¥ million)	422	384
No. of agents selling the product	2,232	* * *

Growth Strategy (Promote Over-the-counter Sales at Banks)

Promote over-the-counter sales at banks as an approach to deal with diversified sales channels and customer demand for “one-stop shopping”

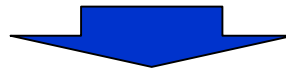


• Increased number of product types along with deregulation

- Immediately after the liberalization of sales in April 2001: Limited to three products, such as long-term fire insurance for housing loans and overseas travel accident insurance, etc.
- October 2002: The scope has expanded to include personal pensions (variable and fixed amount) and property accumulation insurance

• Expand sales network No. of banks representing Millea (Tokio or Nichido) in over-the-counter sales

		City banks(6), etc.	Regional banks(118), etc.	Shinkin banks(323), etc.
Non-life	Tokio Marine	5	98	323
	Nichido Fire	5	57	43
Life	Tokio Marine Life	1	61	152
	Nichido Life	-	6	3



• Centering on fire insurance, strengthen efforts as the most vital channel in the months to come

Condition of over-the-counter sales at banks (unit : bn. yen)

	1st half of FY2001		1st half of FY2002			
	Non-savings type insurance	Fire insurance	Non-savings type insurance	Change	Fire insurance	Change
Tokio Marine + Nichido Fire	30	16	31.7	4.6%	18.3	13.6%

Growth Strategy (Implement structural reform of distribution network)

Principal policy

- Realize an efficient distribution structure centering on agents

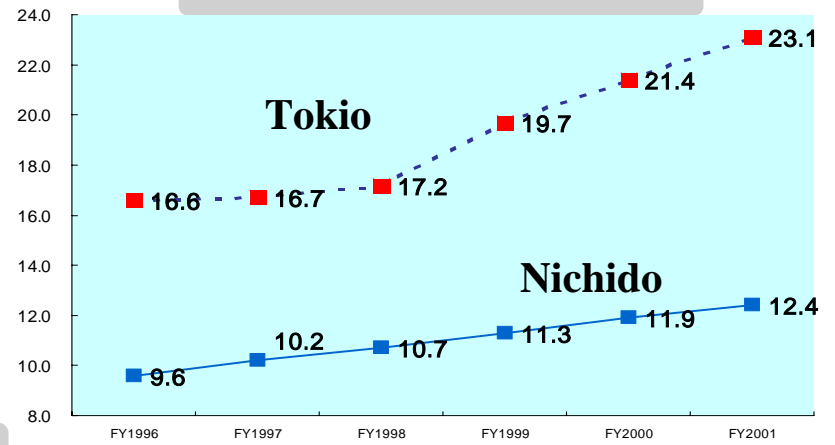
Policies for agents

- Introduce a new agent commission structure, putting greater focus on productivity
- Make agents more independent and larger in size

[Total no. of agents]

Tokio Marine	81,796 (FY96)	55,683		
		As of end of Sep. 2002	change	32%
Nichido Fire	35,871 (FY96)	25,843		
		As of end of Sep. 2002	change	28%

(million yen) Premium income per agent



Strengthen distribution channel

Plan for “Core Agents”

Integrate small agents, such as personally-managed agents, and develop core agents in respective areas
 In the next two years, plan to establish 300 core agents (Tokio Marine). The introduction of large agents will help bolster sales, not only of non-life insurance but also of life insurance

Type (1) **Local capital type**: Existing large professional agents and new large agents created through the merger of several agents serve as core agents

(2) **Capital spending type**: With the spending of capital, Millea’s directly-operated agents with an infusion of management and workforce are rolled out

This initiative has been implemented since FY2001 and there are currently 22 of such agents. Millea Agency, founded as a capital subscription body, has been contributing capital

Relevant Information on Asset Management

JGB

(¥ bn.)

End of Sep. 2002	1,433.6
End of Mar. 2002	950.0
Increase/decrease	+483.6

Exposure to banks

Credit provided to domestic banks (as of end of Sep. 2002)

(¥ bn.)

	On B/S	% of total assets
Credit provided to domestic banks	510.3	5.7%
Stocks	428.6	4.8%
Bonds, loans, etc.	81.6	0.9%
Total assets (Tokio+Nichido)	8,893.8	100.0%

By asset class (end of Sep. 2002)

(¥ bn.)

	On B/S	%
Stocks of domestic banks	428.6	16.5%
Total of stocks	2,603.8	100.0%

	On B/S	%
Bonds, loans, etc. to domestic banks	81.6	5.1%
Assets with credit risk (*)	1,600.1	100.0%

(*) Domestic corporate bonds, foreign corporate bonds, loans, etc.)

Relevant Information on Asset Management

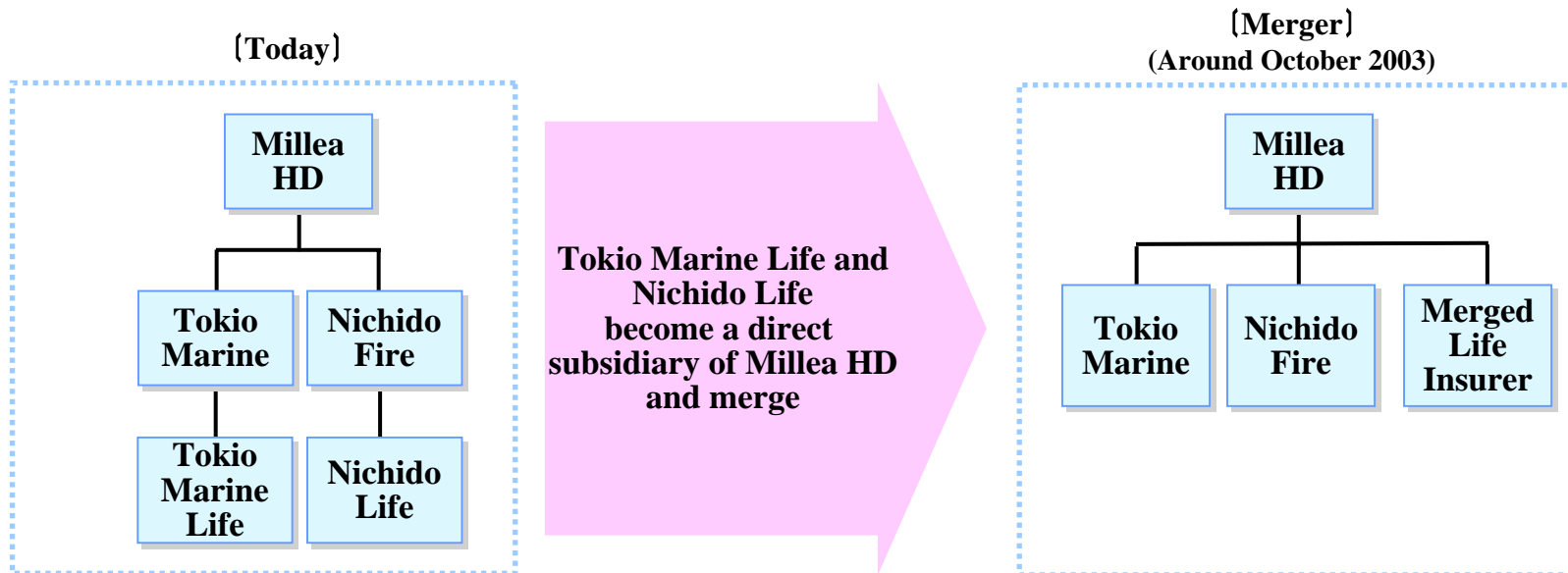
【Credit derivatives as of end of Sep. 2002】 (Unit: ¥ bn.)

		Tokio	Nichido	Millea
Notional amount	Sell	1,261.2	1.5	1,262.7
	Buy	376.9	0	376.9
	Total	1,638.1	1.5	1,639.6
By credit ratings (sell)	AA or above	817.2	1.0	818.2
	A	324.0	0.5	324.5
	BBB	108.0		108.0
	BB or below	12.0		12.0
Valuation	Sell	26.1	0	26.1
	Buy	7.6		7.6
	Total	18.5	0	18.5

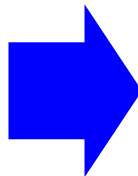
Merger of Life Insurance Subsidiaries

April 2003: Tokio Marine Life and Nichido Life become direct subsidiaries of Millea HD (plan)

Around October 2003: Tokio Marine Life and Nichido Life merge (plan)



1. Combined, Tokio Marine Life and Nichido Life have in force businesses in excess of 10 trillion yen, and more than one million policies in force
2. The core of sales channel of both companies is cross-selling through non-life agents, and the products are also similar
3. In many areas, the companies' systems are similar



1. Establish position as another core business
2. Achieve even more efficient operations and further improve productivity
3. Set the life insurance business as high ROE producing business and aggressively inject management resources

Business Strategy of the Merged Life Insurer

1. Strengthen cross-selling

- **Expand “Promoters” (employees exclusive to life insurance)**
Significantly increase the number of “Promoters” which is currently 52 at Tokio Marine Life (planned to be increased to around 500)
The productivity per Promoter is increased by a factor of 1.2.
- **Effect of the merger of the two life insurance subsidiaries**
Improve productivity at Nichido Life (the cross-selling ratio and unit price) through the merger of the two companies

2. Enhance professional life-insurance channel

Increase the number of LPs (life partners) and life professionals (those who were originally large, professional agents or the sales personnel of another insurer) through new hires/or having other insurers’ agents represent the merged company, and cultivate a dedicated channel that is unique to our life insurance business

The number of LPs is scheduled to increase from 243 at present, to around 500 in FY2005

3. Focus on over-the-counter sales at banks

- Pension products selling very well at a start-up stage, thanks to Tokio Marine Life’s financial strength and Tokio Marine’s support for sales personnel
- Making certain of the trend towards deregulation, set over-the-counter sales at banks as one of the major distribution channels in the life insurance business

Overseas Insurance Business (Direct)

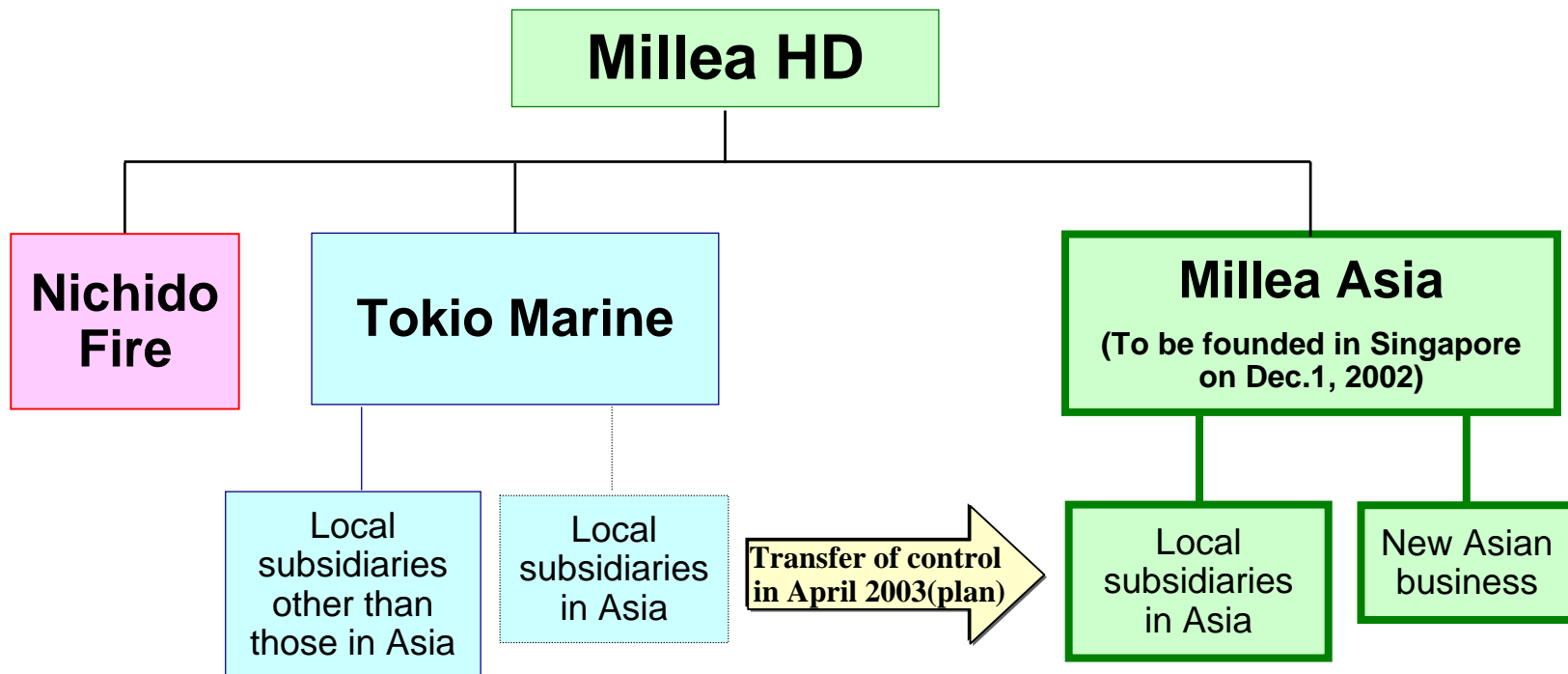
At present

- **Focus on non-life insurance business for Japanese companies overseas**
- **Global network : 102 cities in 41 countries regions**
- **No. of representatives overseas: 144 persons**

Future

- **Focus on life and non-life insurance in Asia**
- **Overseas reinsurance business**

Establish Asian Regional Headquarters



Overseas Reinsurance Business

Reinsurance Facilities

Tokio Millennium Re Ltd. (Bermuda)

Amount of capital injected: US\$500 million

**Outline of business : Diversify the risks of natural disasters to improve capital efficiency
Underwrite various kinds of risks using ART (Alternative Risk Transfer)**

	FY01(actual)	FY05 (projection)
NPW	US\$ 17 million	US\$ 53 million
Net income	US\$ 15 million	US\$ 44 million

Other Businesses

Business related to health care and senior citizens

Develop businesses related to health care and senior citizens, which has strong synergies with insurance business

- Develop a health care service using Tokio Marine Medical Service, which has a long track record in guidance concerning the management of clinics and medical data checking
- Develop a senior citizens business where Millea Better Life Service, with excellent results in areas , such as training of care managers, plays the core role

Risk consulting business

Develop a risk consulting business, such as risk management and loss prevention

- Develop a business that employs Tokio Marine Risk Consulting, which has built excellent data regarding the analysis of domestic and overseas natural disasters, etc. and the damages that resulted

Asset Management Companies Operating under Millea HD

〔 Asset management and mutual funds 〕

Tokio Marine
Asset Management

Founded in Dec.1985

Started as an investment advisory company. Entered into mutual funds in 1998. High reputation as an active manager of Japanese stocks

Amount of domestic pensions: ¥1.362 trillion
Ranks 10th in Japan

〔 Private equity 〕

Tokio Marine
Capital

Founded in Dec.1991

Managing private equity funds to invest in ventures and MBOs

Total amount of funds:
¥31.2 bn.

〔 Derivatives 〕

Tokio Marine
Financial
Solutions
Securities

Founded in Dec.1997

Former First Chicago Tokio Marine Securities

Made this JV a wholly owned subsidiary on Nov.2, 2002

〔 REITs 〕

Japan
Real Estate
Asset Management

Founded in Oct. 2000

REIT JV REIT company listed on TSE's REIT section

Value of real estate owned:
¥ 150 bn.
(as of Mar. 2002)

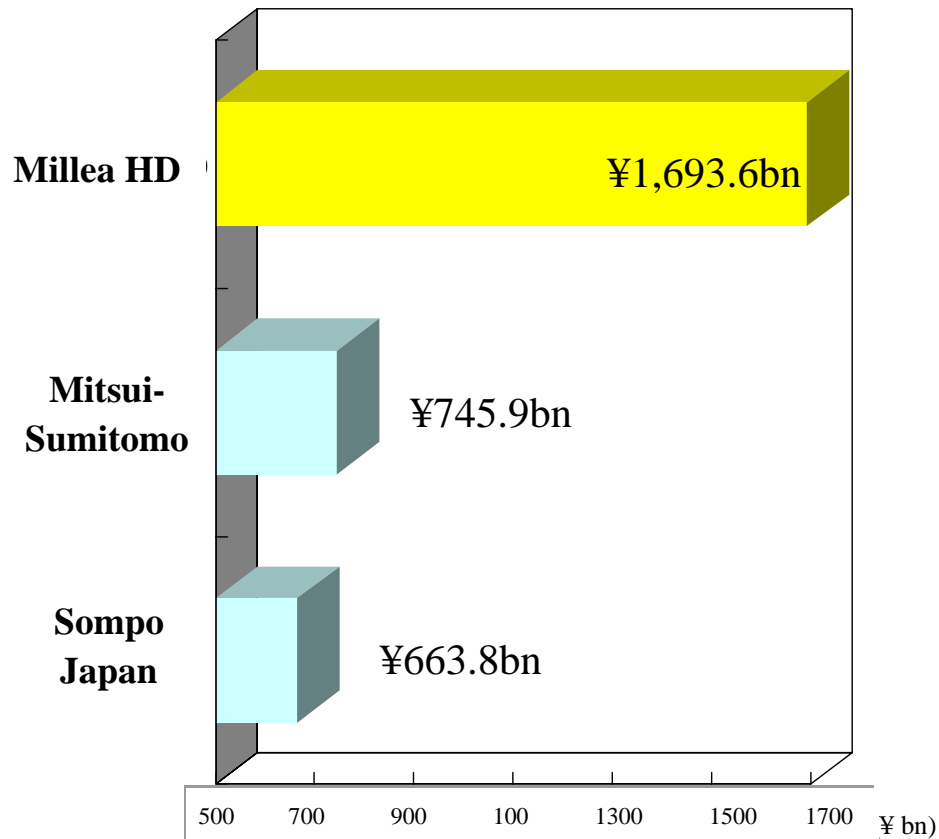
Appendix

Comparison of Three Non-life Insurance Groups

Corporate Value

(Calculated using closing prices on November 26, 2002)

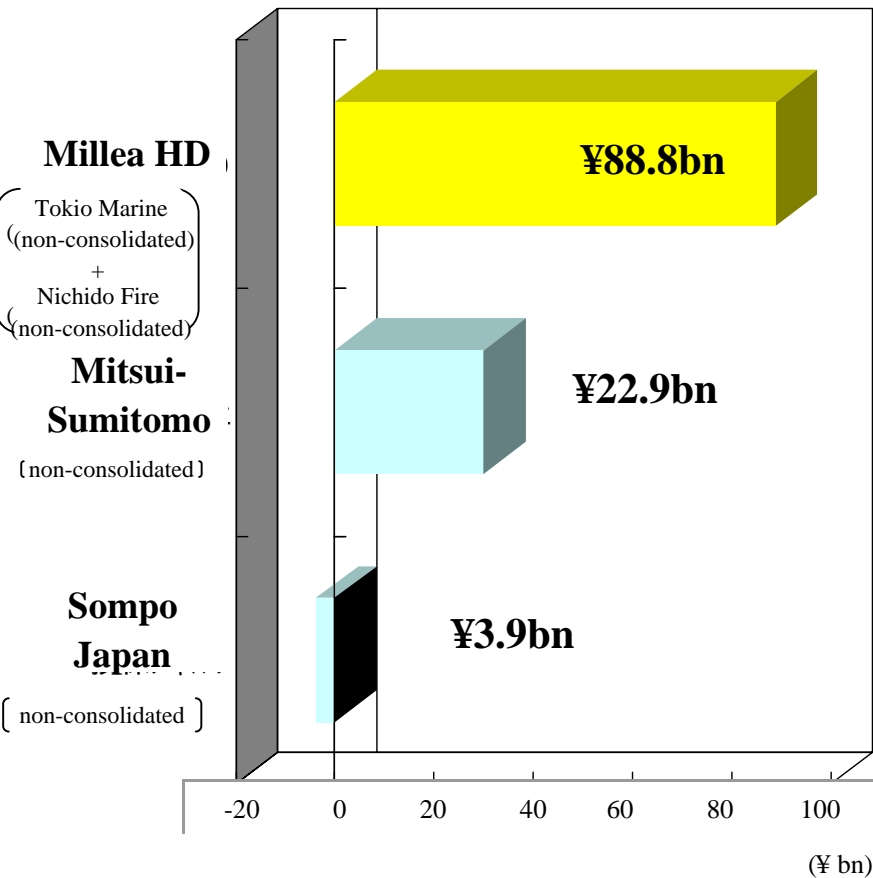
Market capitalization



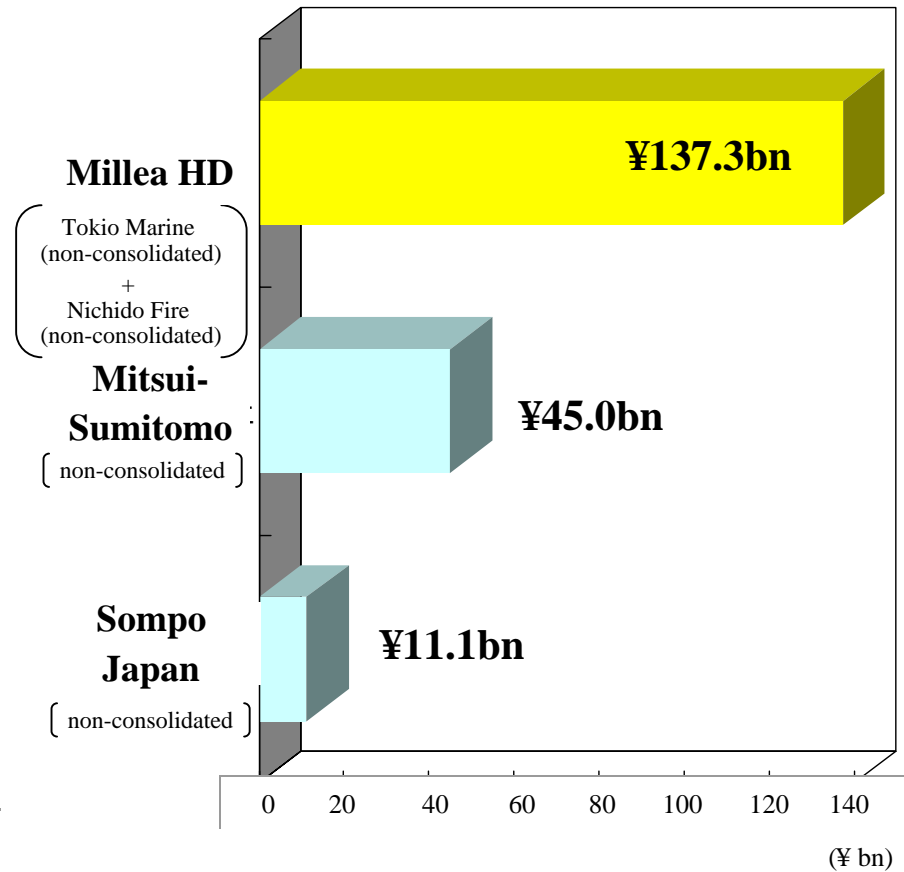
Profitability

(Data from financial results of 1st half of FY2002)

Net income



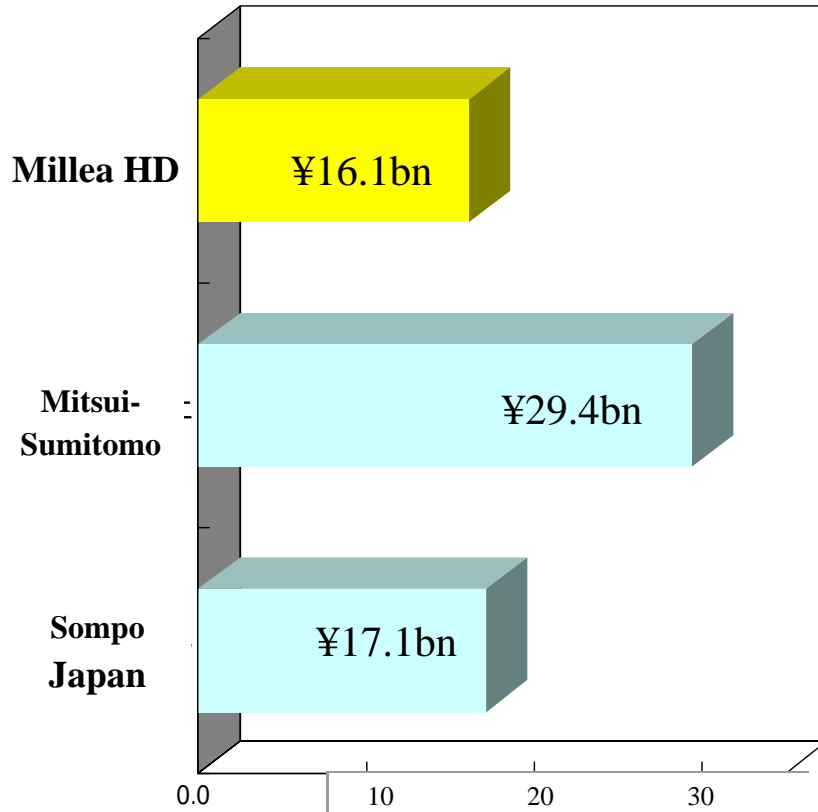
Ordinary profit



Profitability

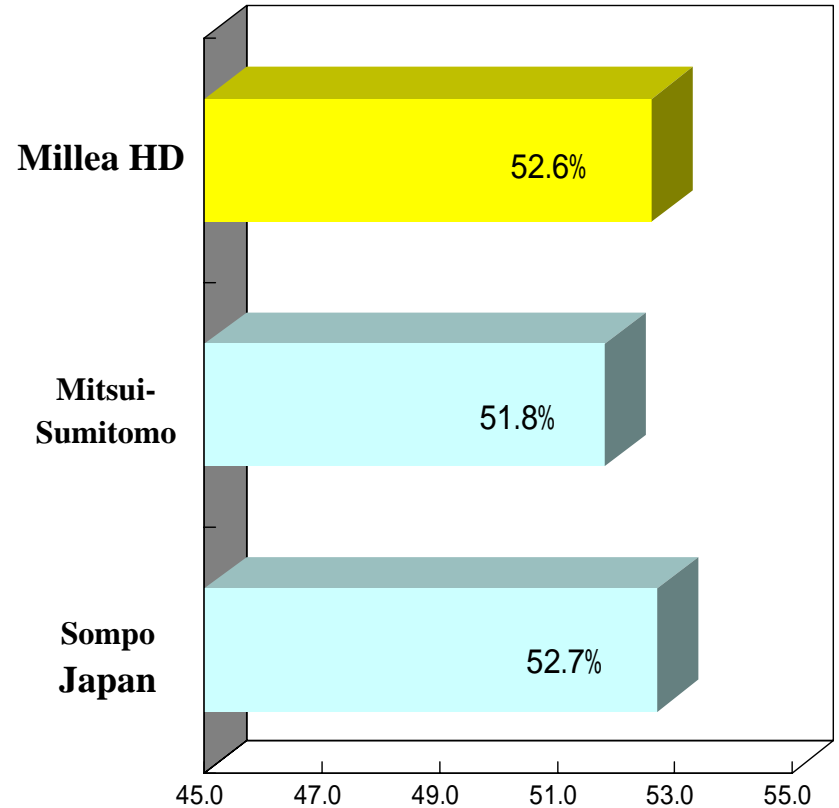
(Data from financial results of 1st half of FY2002)

Underwriting profit



(¥ bn)

Net loss ratio

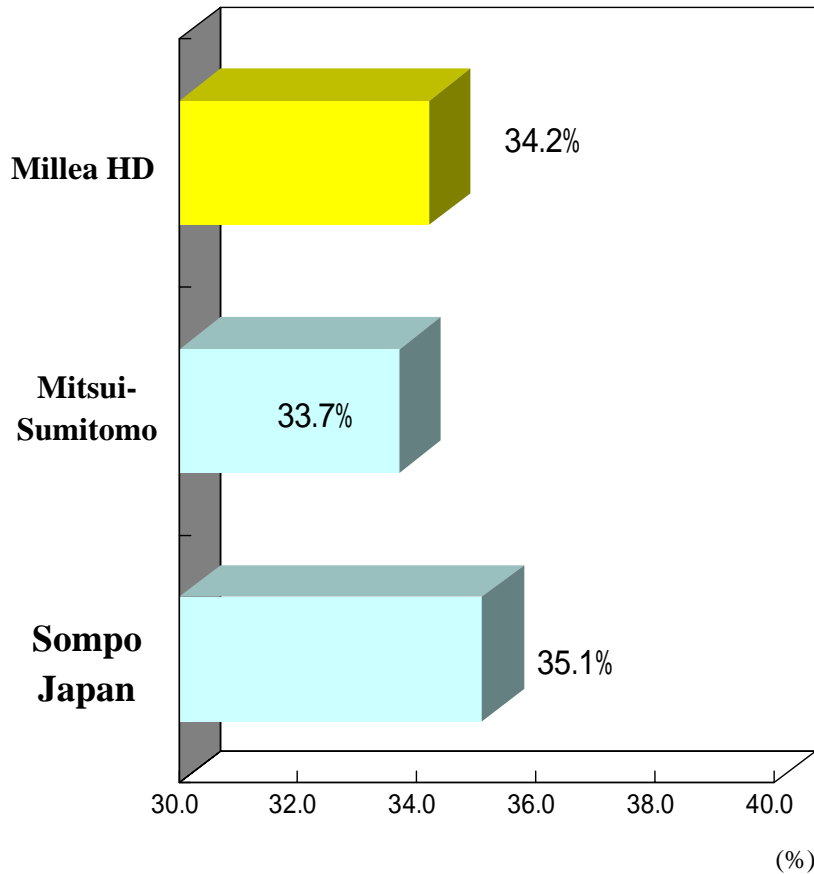


(%)

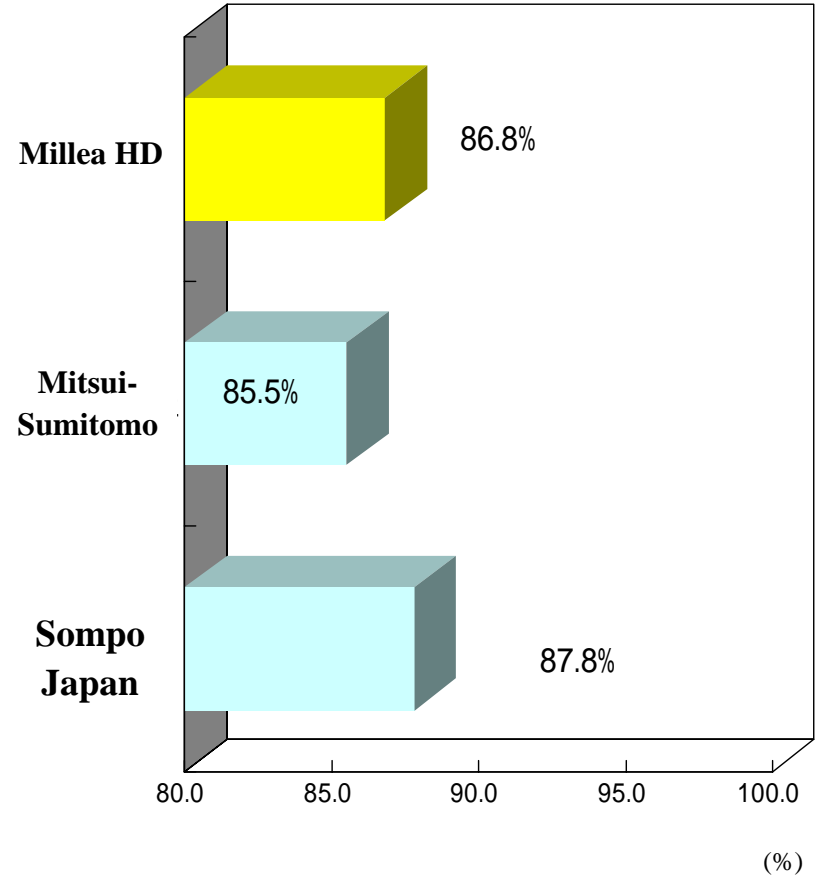
Profitability

(Data from financial results of 1st half of FY2002)

Net expense ratio



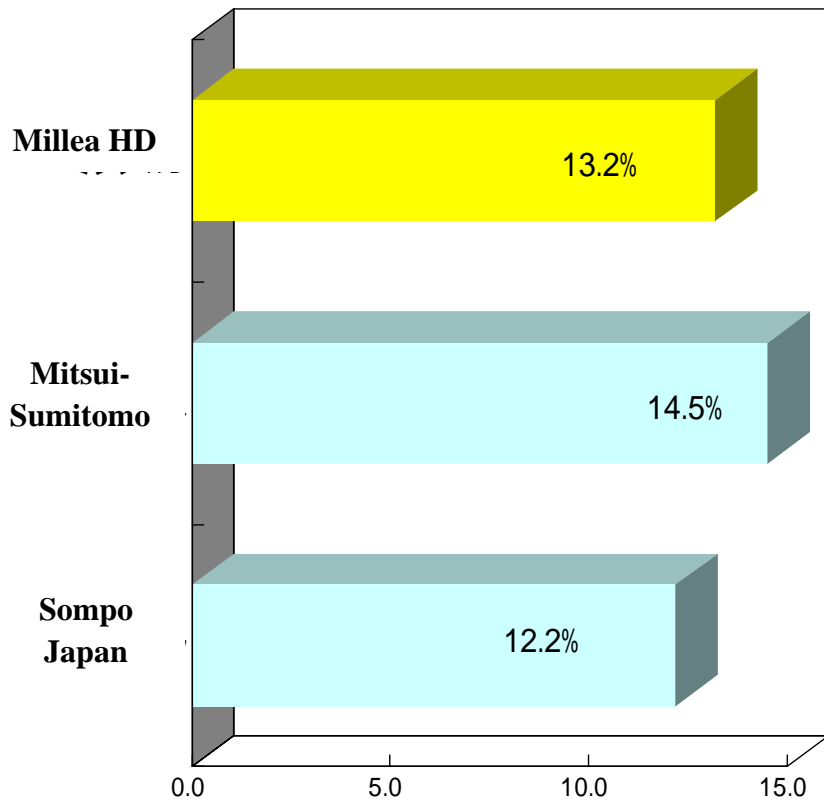
Combined ratio



Profitability

(Data from financial results of 1st half of FY2002)

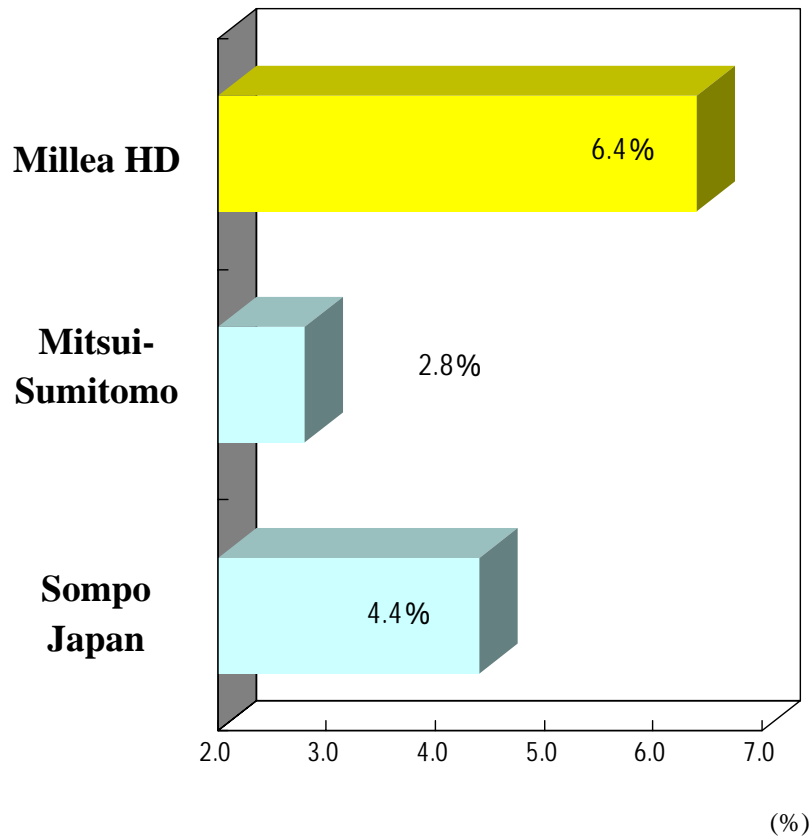
Underwriting balance ratio



Growth Potential

(Data from financial results of 1st half of FY2002)

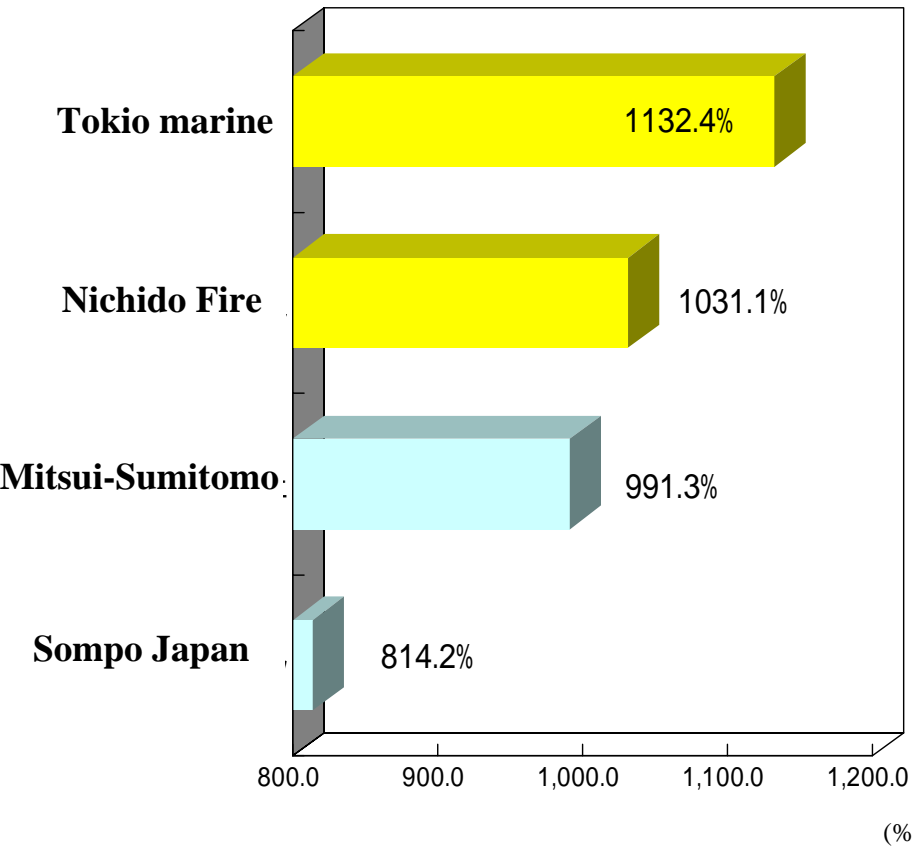
Increase in net premiums written



Financial Strength

(Data from financial results of 1st half of FY2002)

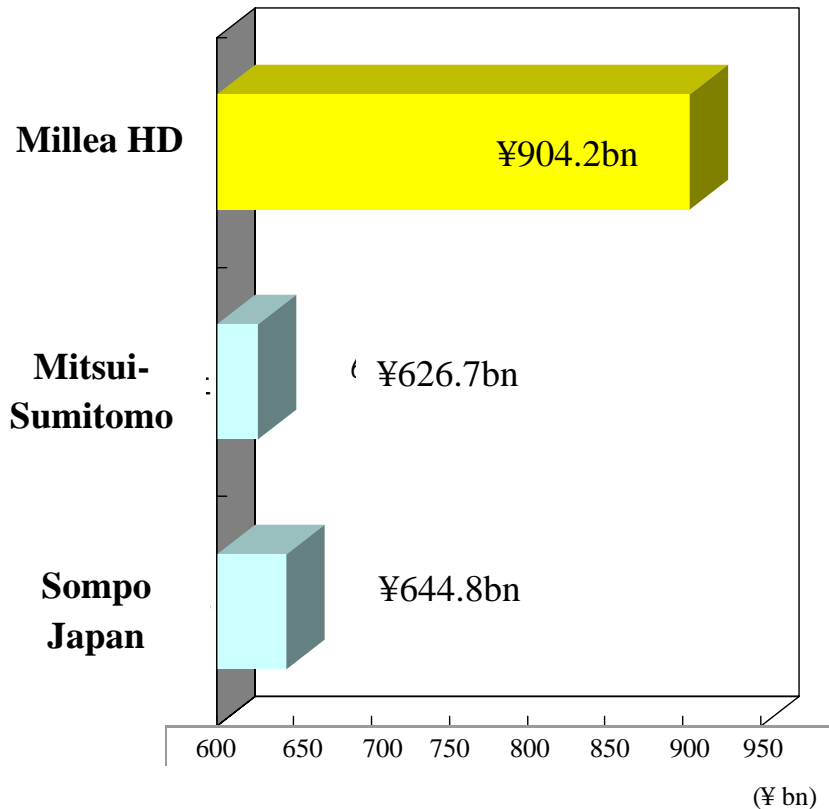
Solvency margin ratio



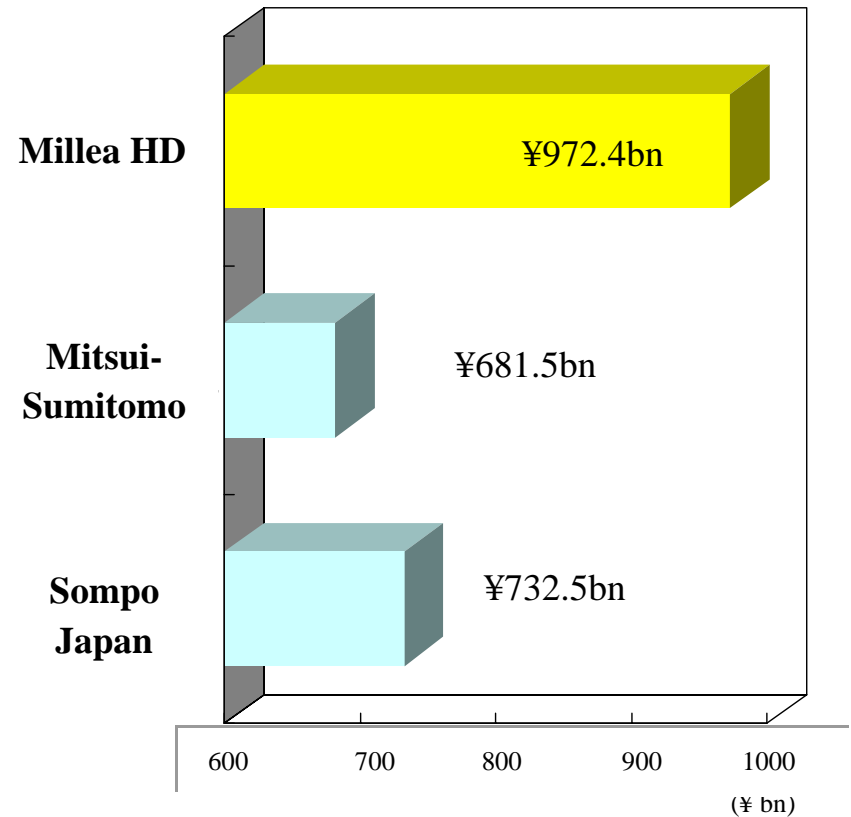
Scale (1)

(Data from financial results of 1st half of FY2002)

Net premiums written



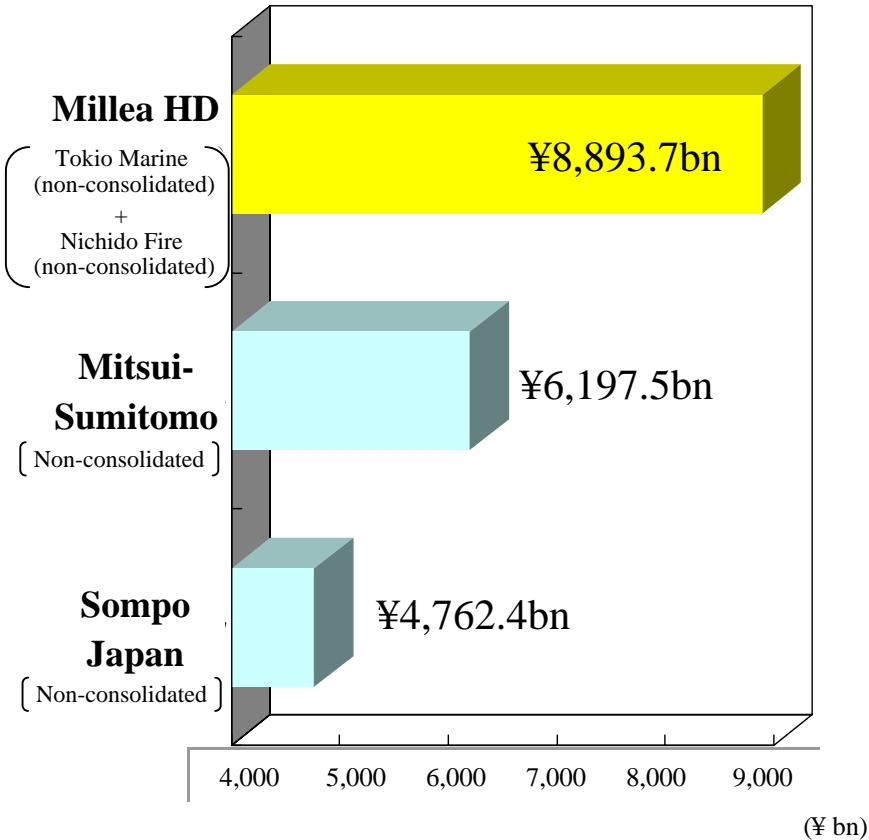
Gross premium income excluding savings insurance premium



Scale (2)

(Data from financial results of 1st half of FY2002)

Total assets



Appendix

Automobile Insurance, Third Sector Products, Operating Expenses and Agents

Automobile Insurance

Net premiums written

(unit : ¥ bn)

	Interim period for FY2001		Interim period for FY2002		
		Change (%)		Y to Y change	Change (%)
Total of Millea HD	451.0	2.4%	447.4	3.6	0.8%
Tokio Marine	344.9	2.9%	344.2	0.6	0.2%
Nichido Fire	106.1	0.6%	103.2	2.9	2.7%

No. of automobiles in force

(unit : 1,000 automobiles)

		End of FY2001		Interim period for FY2002		
			Change (%)		Change from the end of FY2001	Change (%)
Total of Millea HD	Total	13,239	0.4%	6,721	+ 18	0.3%
Tokio Marine	Total	10,310	0.6%	5,232	+ 18	0.3%
Nichido Fire	Total	2,929	0.4%	1,489	+ 0	±0.0%

Unit price of premium (on a direct net premium basis)

(unit : yen)

		End of FY2001		Interim period for FY2002	
			Change (%)		Change (%)
Tokio Marine	Average	67,317	0.3%	65,562	0.6%
Nichido Fire	Average	71,169	1.6%	69,478	1.3%

Third Sector Products

Non-life : Net premiums written Life insurance : Life insurance premium

(unit: ¥ million)

			Interim period for FY2001		Interim period for FY2002		
				Change (%)		Y to Y change	Change (%)
Total of Millea HD		Health insurance	954	-	3,336	+2382	250%
		Cancer insurance	2,788	-	5,241	+2453	88%
		Nursing-care insurance	14	-	120	+106	757%
Non-life	Tokio Marine	Health insurance	33	-	985	+952	2919%
		Cancer insurance	8	-	269	+261	3115%
		Nursing-care insurance	3	-	73	+70	2631%
	Nichido Fire	Health insurance	111	-	695	+584	525%
		Cancer insurance	253	-	1,116	+863	341%
		Nursing-care insurance	11	-	47	+37	338%
Life	Tokio Marine Life	Health insurance	810	-	1,656	+846	104%
		Cancer insurance	2,527	-	3,856	+1329	53%
		Nursing-care insurance	-	-	-	-	-

No. of policies in force

(unit : 1,000 policies)

			Interim period for FY2001		Interim period for FY2002		
				Change (%)		Y to Y change	Change (%)
Total of Millea HD		Health insurance	38.1	-	90.5	52.4	138%
		Cancer insurance	189.1	-	315.0	125.9	67%
		Nursing-care insurance	0.4	-	2.2	1.7	425%
Non-life	Tokio Marine	Health insurance	0.0	-	1.6	1.6	39775%
		Cancer insurance	6.6	-	55.9	49.3	744%
		Nursing-care insurance	0.2	-	1.2	1.0	550%
	Nichido Fire	Health insurance	8.0	-	33.4	25.4	316%
		Cancer insurance	24.2	-	51.2	27.0	112%
		Nursing-care insurance	0.2	-	1.0	0.7	306%
Life	Tokio Marine Life	Health insurance	30.1	-	55.5	25.4	84%
		Cancer insurance	158.3	-	207.9	49.6	31%
		Nursing-care insurance	-	-	-	-	-

Operating Expenses

Operating expenses

	Amount (unit: ¥ bn)				Ratio (unit : %)			
	Interim period for FY2001		Interim period for FY2002		Interim period for FY2001		Interim period for FY2002	
		Change		Change		Change		Change
Total of Millea HD	307.0	0.7	309.1	2	36.1	0.6	34.2	1.9
Tokio Marine	235.3	0.9	239.2	3.8	35.5	0.9	33.5	2.0
Nichido Fire	71.7	0.2	69.9	1.7	38.1	0.7	36.6	1.5

Breakdown of operating expenses

	Among (unit: ¥ bn)			Ratio (unit: %)				
	Interim period for FY2001		Interim period for FY2002		Interim period for FY2001		Interim period for FY2002	
				Change				Change
Personnel	78.9	78.9	+0.0	9.3	8.7	0.6		
Non-personel	66.3	67.1	+1.3	7.8	7.4	0.4		
Commissions	152.0	154.4	+1.6	17.9	17.1	0.8		

No. of workforces

(Unit: people)

	End of FY1998	End of FY1999	End of FY2000	End of FY2001	Interim period for FY2002 (unit:person)		
						Change from the end of FY2001	Change from the end of FY1998
Total of Millea HD	21,120	20,656	19,813	19,230	18,715	515	2,405
Tokio Marine	13,751	13,616	13,225	12,743	12,255	488	1,496
Nichido Fire	7,369	7,040	6,588	6,487	6,460	27	909

No. of agents

(unit : agents)

	End of FY1998	End of FY1999	End of FY2000	End of FY2001	Interim period for FY2002		
						Change from the end of FY2001	Change (%)
Total of Millea HD	108,180	98,228	92,654	80,783	77,146	3,637	4.5%
Tokio Marine	76,814	68,605	64,659	58,741	55,683	3,058	5.2%
Nichido Fire	31,366	29,623	27,995	26,810	25,843	1,212	4.5%

Appendix

Account Closing Data of Tokio Marine and Nichido Fire

[Profit/Loss]

(unit: ¥million)

Item	FY 2 0 0 0		FY 2 0 0 1		Interim period for FY2001		Interim period for 2002	
		change		change		change		change
Gross premium income	1,444,118	2.3%	1,481,293	2.6%	729,205	2.6%	760,000	4.2%
Underwriting income	1,714,693	4.0%	1,674,888	2.3%	796,707	4.8%	842,352	5.7%
(Net premiums written)	1,310,800	1.9%	1,349,010	2.9%	662,045	2.9%	713,526	7.8%
(Savings insurance premium)	274,658	10.8%	205,647	25.1%	102,828	24.1%	100,518	2.2%
Underwriting expenses	1,466,178	1.0%	1,413,866	3.6%	667,273	7.7%	715,675	7.3%
(Net loss)	739,002	1.1%	721,435	2.4%	352,853	0.2%	340,855	3.4%
(Loss investigation expense)	51,970	1.2%	56,173	8.1%	28,500	12.9%	30,128	5.7%
(Commissions and collection costs)	229,886	1.3%	235,609	2.5%	116,813	2.6%	120,101	2.8%
(Maturity repayments)	414,148	7.0%	384,225	7.2%	155,502	25.4%	157,238	1.1%
Asset management revenues	123,058	32.2%	139,535	13.4%	73,640	20.3%	154,355	109.6%
(Interest and dividend income)	134,562	13.8%	136,240	1.2%	70,119	3.4%	61,373	12.5%
(Gains on disposal of securities)	38,414	58.1%	49,682	29.3%	31,162	15.7%	115,394	270.3%
Asset management expenses	20,988	88.6%	70,208	234.5%	23,925	443.3%	36,136	51.0%
(Loss on disposal of securities)	1,945	98.8%	4,981	156.0%	757	42.7%	3,785	399.8%
(Valuation losses on securities)	5,491	11.8%	41,152	649.4%	21,171	852.4%	24,520	15.8%
SGA expenses	265,717	0.2%	253,948	4.4%	130,157	1.9%	133,037	2.2%
(Insurance underwriting SGA)	241,675	0.2%	230,753	4.5%	118,516	1.7%	119,102	0.5%
Other ordinary income/expenses	1,544	81.1%	6,172	499.6%	46	-	8,693	18757.7%
Ordinary profit	86,412	87.5%	70,228	18.7%	49,037	28.4%	120,552	145.8%
(Underwriting profit)	8,515	86.9%	29,120	242.0%	9,981	-	8,091	18.9%
Extraordinary income	4,399	54.0%	7,352	67.1%	7,082	297.3%	6,331	10.6%
Extraordinary losses	31,744	123.0%	25,774	18.8%	10,951	55.4%	7,162	34.6%
Extraordinary income/Loss	27,344	-	18,422	-	3,869	-	830	-
Net income	43,140	40.9%	39,181	9.2%	32,162	0.4%	78,693	144.7%
Net loss ratio	60.3%	-	57.6%	-	57.6%	-	52.0%	-
Net expense ratio	36.0%	-	34.6%	-	35.5%	-	33.5%	-

【 Interim period for FY2002 Data by insurance type 】

(unit : ¥ million)

	Fire	Marine	Injury	Automobile	CALI		Others	Total of all types
						(excluding the impact of revisions to CALI regulations)		
Gross premium income (excluding savings insurance premium)	87,951	29,581	70,287	384,634	118,389	118,389	105,156	760,000
Ceding reinsurance premium	23,361	9,574	2,459	5,325	91,953	91,953	24,584	157,259
Ceded reinsurance premium	14,301	7,231	178	908	62,989	36,249	25,174	110,784
Net premiums written (excluding savings insurance premium)	78,892	27,238	68,006	344,217	89,425	62,685	105,746	713,526
Change (%)	11.5	8.6	0.9	0.2	56.2	9.5	9.4	7.8
Net loss	28,432	12,961	26,145	185,456	37,296	37,296	50,565	340,855
Loss ratio (%)	37.6	51.0	41.7	58.4	50.0	71.4	50.6	52.0000
Net expense ratio (%)	42.7	22.9	60.1	30.6	24.7	35.2	29.5	33.5
Increase in policy reserves	7,222	269	3,143	15,230	23,906	2,834	19,552	48,591
(Ordinary policy reserves)	2,847	1,030	7,854	4,538	-	-	10,585	15,717
(Earthquake and CALI reserves)	1,455	-	-	-	23,906	2,834	-	25,361
(Catastrophe reserves)	5,117	1,300	2,309	19,446	-	-	9,863	38,035
Increase in outstanding claims reserve	3,968	762	972	3,487	711	711	15,949	15,969
Underwriting balance ratio	19.8	26.1	1.8	11.1	25.3	6.6	19.9	14.5
Underwriting profit	9,823	5,936	10,392	19,489	-	-	16,765	8,092
Catastrophe reserves	182,811	93,688	80,830	139,870	-	-	133,449	630,649
Outstanding claims reserves	39,667	19,057	28,575	225,783	27,473	27,473	187,291	527,849

[Effects of natural disasters]

1. Claims paid

Net basis

(unit : ¥ bn)

	Interim period for FY2001	Interim period for FY2002	Change
Fire	1.5	0.9	0.6
Automobile	0.1	0.2	0.0
Others	0.0	0.6	0.6
Total	1.8	1.8	0.0

2. Outstanding claims paid

Net basis

(unit : ¥ bn)

	Interim period for FY2001	Interim period for FY2002	Change
Fire	0.7	0.9	0.2
Automobile	0.0	0.0	0.0
Others	0.4	0.2	0.1
Total	1.1	1.2	0.0

[Automobile theft]

(unit : ¥ bn, cases)

	Interim period for FY2002	FY2001	Interim period for FY2001
No. of cases/claims paid	8,917	17,231	8,341
Claims paid	5.6	12.1	6.2
Outstanding claims paid	2.0	1.8	1.8

【Risk-monitored loans】 (unit: ¥ million)

	FY 2001	Interim period for FY2002
To those inbankruptcy	14,106	13,508
Beyond due	24,347	46,118
3 months+beyond due	16	416
Restructured loans	8,819	7,794
Total	47,290	67,836
Risk-managed%	7.2%	11.6%

【Asset self-assessment results】 (unit: ¥ million)

	FY 2001	Interim period for FY2002
Type I	7,761,604	6,947,606
Type II	106,807	86,450
Type III	16,432	20,575
Type IV	23,899	16,655
(Type ~ total)	147,138	123,680
Total	7,908,742	7,071,286

【Shareholding by business type】

	End of FY2001			Interim period for FY2002		
	No. of shares (1,000 shares)	Shareholding balance		No. of shares (1,000 shares)	Shareholding balance	
		Amount (¥ million)	Composition ratio		Amount (¥ million)	Composition ratio
Transportation equipment business	323,230	600,662	24.4	296,079	495,393	24.5
Finance/insurance business	689,213	390,730	15.9	869,360	380,639	18.8
Commercial business	349,621	192,110	7.8	327,548	165,247	8.2
Electric apparatus business	198,564	276,424	11.2	165,822	160,191	7.9
Chemical business	333,088	301,475	12.3	308,650	248,444	12.3
Land transportation business	183,797	94,534	3.8	164,979	81,274	4.0
Shipping business	152,904	39,080	1.6	146,389	36,007	1.8
Machinery business	148,660	59,407	2.4	136,850	45,507	2.2
Foods business	93,292	48,185	2.0	83,770	41,561	2.1
Steel business	260,891	36,677	1.5	149,424	32,277	1.6
Others	634,257	418,486	17.1	576,760	337,257	16.6
Total	3,367,517	2,457,770	100.0	3,225,631	2,023,797	100.0

[Outstanding balance of long-term assets]

(unit : ¥ bn, %)

	End of FY2001		Interim period for FY2002		
		Change (%)		Change from the end of FY2001	Change (%)
Long-term assets	2,040.0	4.6%	2,009.5	30.5	1.5%

[Composition of premiums income by channel (Interim period for FY2002, Operating statistics basis)]

(%)

	Total of general items
Exclusive business	26.5
Companies	24.9
Financial institutions	3.6
Automobile dealers	20.9
Maintenance plants/Used car sales, etc.	9.4
IP/LIP	0.8
Others	13.9

[Profit/Loss]

Item	FY2000		FY2001	
		Change (%)		Change (%)
Gross premium income	421,067	1.5%	417,576	0.8%
Underwriting income	530,200	1.3%	509,173	4.0%
- Net premiums written	376,731	1.6%	371,169	1.5%
- Savings insurance premium	83,025	12.4%	78,158	5.9%
Underwriting expenses	453,071	0.3%	424,080	6.4%
- Net loss	208,375	0.9%	202,632	2.8%
- Loss investigation expense	15,837	1.0%	16,134	1.9%
- Commissions and collection costs	70,413	0.1%	69,215	1.7%
- Maturity repayments	156,665	0.4%	135,858	13.3%
Asset management revenues	34,613	16.8%	57,454	66.0%
- Interest and dividend income	31,944	17.7%	29,497	7.7%
- Gains on disposal of securities	19,582	6.6%	42,422	116.6%
Asset management expenses	20,959	5.0%	58,761	180.4%
- Losses on disposal of securities	3,133	55.1%	4,791	52.9%
- Valuation losses on securities	8,356	13.7%	52,400	527.1%
SGA expenses	74,876	8.9%	74,189	0.9%
(Insurance underwriting SGA)	71,157	8.7%	70,386	1.1%
Other ordinary income/expenses	370	-	933	-
Ordinary profit	15,534	26.4%	8,663	44.2%
(Underwriting profit)	4,197	15.0%	13,285	216.5%
Extraordinary income	4,717	51.8%	9,313	97.4%
Extraordinary losses	6,181	62.5%	6,406	3.6%
Extraordinary income/Loss	1,463	-	2,907	-
Net income	10,154	3.9%	8,192	19.3%
Net loss ratio	59.5%	-	58.9%	-
Net expense ratio	37.6%	-	37.6%	-

(unit : ¥ million)

Interim period for FY2001	Change (%)	Interim period for FY2002	
			Change (%)
213,546	1.7%	212,469	0.5%
249,618	11.0%	241,272	3.3%
188,104	2.1%	190,770	1.4%
38,884	17.4%	29,230	24.8%
209,212	13.4%	196,164	6.2%
100,055	1.6%	96,808	3.2%
7,757	1.3%	8,021	3.4%
35,249	2.8%	34,385	2.5%
64,806	29.4%	56,717	12.5%
21,524	56.9%	12,861	40.2%
14,638	13.4%	12,675	13.4%
13,511	112.9%	6,952	48.5%
17,110	156.1%	4,906	71.3%
757	58.1%	749	1.1%
13,871	743.7%	2,331	83.2%
38,294	1.9%	37,622	1.8%
36,461	2.2%	35,531	2.6%
278	-	1,398	-
6,246	17.1%	16,839	169.6%
2,563	65.5%	8,070	214.8%
2,655	137561.1%	2	99.9%
287	50.4%	1,757	511.2%
2,368	-	1,754	174.1%
6,094	24.5%	10,165	66.8%
57.3%		55.0%	
		36.6%	



【Interim period for FY2002 Data by insurance type】

(unit : ¥ million)

	Fire	Marine	Injury	Automobile	CALI		Others	Total of all types
						(excluding the impact of revisions to CALI regulations)		
Gross premium income (excluding savings insurance premium)	42,223	1,078	15,388	105,142	37,023	37,023	11,613	212,469
Reinsurance premium - loss	10,946	642	258	3,435	28,657	28,657	4,160	48,100
Reinsurance premium - gain	2,764	463	213	1,567	18,666	10,786	2,726	26,402
Net premium income (excluding savings insurance premium)	34,041	899	15,343	103,274	27,032	19,152	10,179	190,770
Change (%)	6.0	3.7	2.1	2.7	42.7	1.1	0.3	1.4
Net insurance payment	11,758	581	8,252	58,412	12,019	12,019	5,783	96,808
Loss ratio (%)	35.5	65.3	59.9	61.2	50.7	71.6	59.1	55.0
Net expense ratio (%)	50.3	28.8	47.1	34.5	23.9	33.8	32.0	36.6
Growth in policy reserve	6402	33	15808	2854	5761	2119	240	13322
(Regular policy reserve)	1578	12	569	36	-	-	60	2111
(Compulsory earthquake liability reserve)	1098	-	-	-	5761	2119	-	6859
(Catastrophe reserve)	974	20	1087	3036	-	-	330	3274
Growth in outstanding claims reserve	753	10	168	942	106	106	815	616
Underwriting balance ratio	14.1	5.9	7.0	4.3	25.4	5.4	8.9	8.4
Underwriting profit	5289	38	552	2576	-	-	386	8070
Catastrophe reserve balance	97,761	4,181	19,645	46,826	-	-	24,716	193,129
Balance in outstanding claims reserve	11,763	627	9,449	77,153	8,819	8,819	11,535	119,347

1. Claims paid

Net basis

(unit : ¥ bn)

	Interim period for FY2001	Interim period for FY2002	Change
Fire	1.7	0.7	0.9
Automobile	0.1	0.1	0.0
Others	0.0	0.0	0.0
Total	1.8	0.9	0.8

Net basis

(unit : ¥ bn)

	Interim period for FY2001	Interim period for FY2002	Change
Fire	0.8	0.2	0.8
Automobile	0.0	0.0	0.0
Others	0.0	0.0	0.0
Total	0.8	0.2	0.5

[Automobile theft]

(unit : \bn.)

	Interim period for FY2001	End of FY2001	Interim period for FY2002
No. of payment	1,364	2,375	934
Payment	2.0	3.6	1.5
Outstanding claims	0.6	0.5	0.7



【Risk-monitored loans】 (unit: ¥ million)

	FY 2001	Interim period for FY2002
To those in bankruptcy	5,491	5,475
Beyond due	6,361	8,023
3 months+beyond due	33	-
Restructured loans	2,174	968
Total	14,061	14,476
Risk-managed%	8.1%	9.1%

【Asset self-assessment results】 (unit: ¥ million)

	FY 2001	Interim period for FY2002
Type I	1,872,222	1,781,070
Type II	35,577	34,349
Type III	4,853	3,682
Type IV	3,157	6,739
(Type ~ total)	43,587	44,771
Total	1,915,810	1,825,842

[Shareholding by business type]

Category	End of March 2002			End of September 2002		
	No. of shares (1,000 shares)	Amount posted in the balance sheet (¥ million)	Composition ratio	No. of shares (1,000 shares)	Amount posted in the balance sheet (¥ million)	Composition ratio
Transportation equipment business	129,501	220,252	33.4%	129,501	194,870	33.6%
Finance/insurance business	228,558	114,765	17.4%	222,829	110,702	19.1%
Electric apparatus business	46,520	129,005	19.6%	46,740	98,528	17.0%
Chemical business	57,936	45,430	6.9%	57,365	38,004	6.6%
Commercial business	52,970	23,976	3.6%	53,211	25,992	4.5%
Land transportation business	65,671	24,952	3.8%	65,678	22,680	3.9%
Electricity/Gas business	23,360	19,279	2.9%	23,360	18,556	3.2%
Precision instruments business	10,859	11,275	1.7%	11,095	10,464	1.8%
Machinery business	25,752	11,375	1.7%	25,752	9,687	1.7%
Other products	14,478	9,276	1.4%	14,478	8,698	1.5%
Others	127,468	49,916	7.6%	93,722	41,829	7.2%
Total	783,079	659,506	100.0%	743,737	580,015	100.0%

(Note) 1. The category of business types is in accordance with the classification of business types at the Stock Exchange.

2. The chemical business includes the pharmaceuticals business, and the land transportation business includes air transportation.

Further, the wholesale business and the retail business are listed as the commercial business and the banking business, the insurance business and other financial businesses are listed as the finance/insurance business.



[Outstanding balance of long-term assets]

(unit : ¥ bn, %)

	End of FY2001		Interim period for FY2002		
		Change (%)		Change from the end of FY2001	Change (%)
Long-term assets	561.6	7.3%	540.5	21.1	3.8%

[Composition of premiums income by channel (Interim period for FY2002, Operating statistics basis)]

(%)

	Total of general items
Exclusive business	35.1
Companies	7.6
Financial institutions	3.3
Automobile dealers	19.1
Maintenance plants/Used car sales, etc.	13.1
IP/LIP	15.9
Others	5.9

Tokio Marine Life and Nichido Life

[Profit/Loss]

(unit : ¥ million)

Item	FY2000		FY2001	
		Change (%)		Change (%)
Premium income	179,716	28.9%	230,668	28.4%
Investment income	12,489	52.0%	18,363	47.0%
- Interest & dividend income	7,086	6.9%	10,145	43.2%
- Gains on sales of securities	304	23.5%	394	29.3%
Policy benefits and other payments	35,273	127.5%	38,527	9.2%
Provision for policy reserves	117,258	23.4%	160,828	37.2%
Investment expense	49	97.2%	164	233.7%
- Losses on sales of securities	28	83.1%	148	417.9%
- Losses on valuation of securities	-	100.0%	-	-
Operating expenses	33,732	9.6%	40,062	18.8%
Deferred expenses under Article 113	-	-	-	-
Ordinary profit	5,696	33.6%	8,695	52.7%
(Core operating profit)	7,258	-	10,142	39.7%
Extraordinary profit	-	-	-	-
Extraordinary losses	101	93.7%	115	14.5%
Provision for policyholders dividend reserve	5,444	80.7%	8,395	54.2%
Net income	0	-	0	21.1%

Interim period for FY2001		Interim period for FY2002	
	Change (%)		Change (%)
88,479	14.1%	131,528	48.7%
8,287	44.2%	25,584	208.7%
4,676	18.5%	6,276	34.2%
8	4.2%	-	100.0%
16,855	12.5%	25,732	52.7%
55,037	24.1%	90,365	64.2%
262	12.8%	238	9.2%
3	88.8%	-	100.0%
252	-	228	9.5%
18,523	19.8%	20,548	10.9%
-	-	-	-
5,810	52.9%	19,699	239.0%
6,672	-	5,852	12.3%
111	-	167	50.1%
1	96.6%	4	181.8%
-	-	-	-
3,700	58.5%	12,592	240.3%

[Change in leading results]

(unit : ¥ bn)

Item	FY2000		FY2001		Interim period for FY2001		Interim period for FY2002	
		Change (%)		Change (%)		Change (%)		Change (%)
New business (sum insured) (note)								
Individual insurance	1,728.9	11.4 %	1,156.1	33.1 %	416.1	38.7 %	600.0	44.2 %
Individual annuity insurance	20.1	25.5 %	9.6	52.4 %	4.1	46.7 %	4.2	1.8 %
Surrenders & lapses (sum insured)								
Individual insurance	385.0	24.5 %	469.8	22.0 %	228.0	21.3 %	274.7	20.5 %
Individual annuity insurance	10.3	9.5 %	9.7	5.4 %	4.8	6.8 %	4.9	2.6 %
In force business (sum insured)								
Individual insurance	5,919.7	29.8 %	6,588.6	11.3 %	6,101.3	20.4 %	6,892.6	13.0 %
Individual annuity insurance	142.9	7.5 %	142.7	0.2 %	142.2	4.8 %	141.4	0.6 %
Group insurance	1,606.0	31.3 %	2,287.7	42.4 %	1,862.8	37.2 %	2,495.8	34.0 %

(Note) New business (sum insured) = New business + Growth by conversion - Reduction by conversion

[Profit/Loss]

(unit : ¥ million)

Item	FY2000		FY2001		Interim period for FY2001		Interim period for FY2002	
		Change (%)		Change (%)		Change (%)		Change (%)
Premium income	30,262	16.5%	30,023	0.8%	13,964	0.1%	16,795	20.3%
Investment income	1,426	33.9%	2,013	41.2%	743	2.7%	1,036	39.3%
- Interest & dividend income	1,188	38.0%	1,572	32.3%	743	34.4%	921	23.9%
- Gains on sales of securities	237	18.8%	440	85.7%	-	100.0%	114	-
Policy benefits and other payments	5,705	61.2%	7,792	36.6%	3,226	19.9%	4,440	37.6%
Provision for policy reserves	19,474	10.3%	17,496	10.2%	8,179	7.4%	10,002	22.3%
Investment expense	83	43.0%	314	278.3%	0	97.2%	4	7315.7%
- Losses on sales of securities	81	35.2%	192	137.6%	-	-	-	-
- Losses on valuation of securities	-	-	121	-	-	-	-	-
Operating expenses	5,015	0.4%	5,286	5.4%	2,652	4.0%	2,855	7.7%
Deferred expenses under Article 113	-	-	-	-	96	0.0%	96	0.0%
Ordinary profit	871	168.9%	831	4.6%	346	6.5%	331	4.2%
(Core operating profit)	880	-	833	5.4%	401	-	237	40.8
Extraordinary profit	-	-	0	-	-	-	-	-
Extraordinary losses	16	16.9%	595	3,541.3%	25	26.6%	10	59.7%
Provision for policyholders dividend reserve	116	59.7%	198	70.3%	-	-	-	-
Net income	436	-	0	99.9%	190	6.2%	192	0.9%

[Change in leading results]

(unit : ¥ bn)

Item	FY2000		FY2001		Interim period for FY2001		Interim period for FY2002	
		Change(%)		Change (%)		Change (%)		Change (%)
New business (sum insured) (note)								
Individual insurance	285.1	2.6 %	239.6	16.0 %	117.5	13.8 %	106.0	9.7 %
Individual annuity insurance	5.0	27.4 %	2.8	43.3 %	1.2	44.4 %	1.1	10.3 %
Surrenders & lapses (sum insured)								
Individual insurance	139.1	26.2 %	153.3	10.2 %	72.3	8.0 %	79.1	9.3 %
Individual annuity insurance	3.0	23.8 %	3.2	5.3 %	1.6	15.5 %	1.3	14.7 %
In force business (sum insured)								
Individual insurance	1,133.3	16.5 %	1,227.5	8.3 %	1,183.5	12.7 %	1,256.8	6.2 %
Individual annuity insurance	31.8	6.7 %	31.3	1.4 %	31.4	2.1 %	31.2	0.6 %
Group insurance	201.1	11.6 %	209.5	4.2 %	210.0	7.3 %	207.2	1.3 %

(Note) New business (sum insured) = New business + Growth by conversion - Reduction by conversion

Disclaimer

This material includes forward-looking statements relating to the future business performance of Millea Holdings, Inc. and its group companies.

Future performance is not guaranteed, and is subject to a number of risks and uncertainties including changes to the business environment.

For further information

Mitsuru Muraki, Group Leader Tel: 81 3 6212 - 3408

3409

Investor Relations Group, Corporate Planning Dept.

Millea Holdings, Inc.