

To our Investors and Analysts



IOI

あいおい損保

Company Presentation

**(including FY2005 Interim
Earnings)**

1st December 2005

あいおい損害保険株式会社

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Data Attachments: FY2005 Interim Earnings Data

I. FY2005 Interim Earnings Summary

I. FY2005 Interim Earnings Summary

1. Key Points

(Billion yen, %)

	2004	2005	Change	Change %
	30 Sep	30 Sep		
Net premiums	416.3	418.8	2.5	0.6
	382.2	385.5	3.3	0.9
Net claims	230.4	226.5	3.8	1.7
	213.8	201.4	12.3	5.8
Net operating expenses	134.2	136.8	2.5	1.9
	134.2	136.8	2.5	1.9
Underwriting profit	9.2	4.2	5.0	-
Asset management profit (loss)	19.2	16.1	3.1	16.2
Ordinary profit	7.2	8.9	1.7	23.5
Extraordinary profit/loss	0.0	5.8	5.9	-
Extraordinary profit	9.4	11.5	2.0	21.6
Extraordinary loss	9.5	5.6	3.8	40.6
1H net profit	5.1	9.2	4.1	80.3
Net loss ratio	59.6	58.3	1.3P	
	60.6	56.9	3.7P	
Net expense ratio	32.2	32.7	0.5P	
	35.1	35.5	0.4P	
Combined ratio	91.9	91.0	0.9P	
	95.7	92.4	3.3P	

NB: The net loss Ratio includes loss adjusting expenses

NB: The lower line excludes the effect of abolition of the state CALI reinsurance scheme

Net premium income up 0.9% due to increase in direct net premiums

Net claims payments down substantially (-5.8%) due to a decrease in major natural disasters and overseas inwards reinsurance claims

Underwriting profit down ¥4.2bn, due to an increase in cat reserves to guard against natural disaster risks, etc.

Extraordinary profits of ¥11.5bn posted on proceeds from Fortress Re-related litigation, etc.

Interim net profits of ¥9.2bn

2. Premium Income (1) Net Premiums

Net Premiums by Class

(Billion yen, %)

Class	30-Sep-04		30-Sep-05		
	Amount	Change %	Amount	Change	Change %
Fire	41.7	6.0	44.7	3.0	7.2
Marine	2.5	2.8	2.8	0.2	8.9
Casualty	25.2	1.1	25.3	0.0	0.3
Motor	231.4	3.0	233.2	1.8	0.8
CALI	44.4	1.0	43.4	1.0	2.3
Other	36.7	2.9	35.9	0.7	2.2
Total	382.2	0.8	385.5	3.3	0.9

NB: Excludes the impact of abolition of the state CALI reinsurance scheme

Main Factors of changes

(Billion yen)

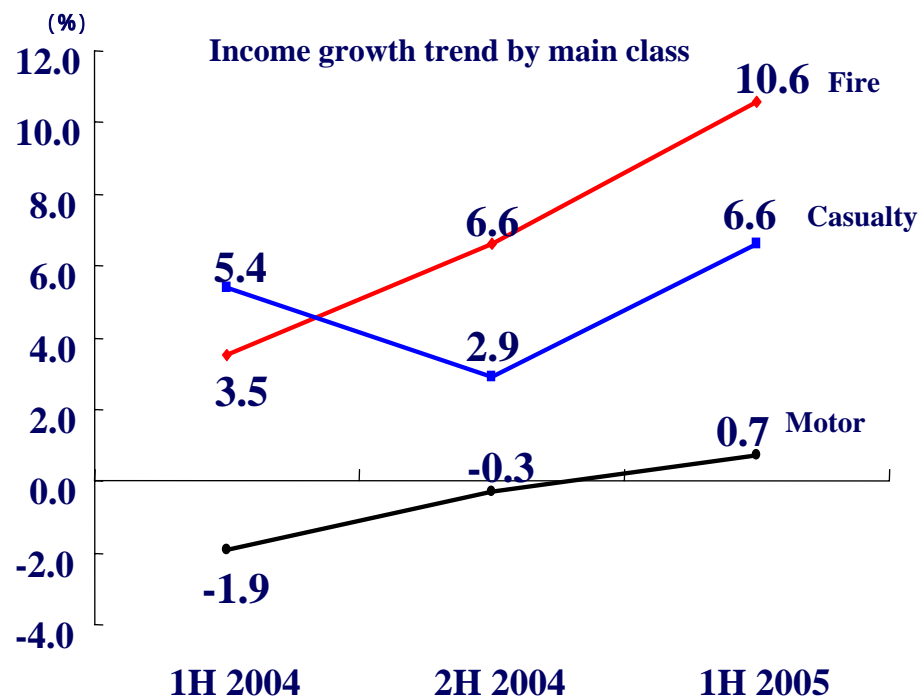
Fire	Direct net long-term fire	+4.8
	Overseas inwards R/I premiums	-2.0
Motor	Increase in direct net income	+1.5

2. Premium Income (2) Premium result (1)

Operating Result by Class

(Billion yen, %)

Class	30-Sep-04		30-Sep-05		
	Amount	Change %	Amount	Change	Change %
Fire	46.1	3.5	51.0	4.9	10.6
Marine	4.4	0.2	4.5	0.1	3.0
Casualty	22.0	5.4	23.4	1.5	6.6
Motor	233.3	1.9	235.0	1.7	0.7
CALI	70.6	0.6	78.1	7.4	10.5
Other	34.5	4.3	35.0	0.6	1.6
Total	410.8	0.0	427.0	16.2	3.9



Significant increase in fire due to higher long-term fire premiums

Motor insurance income turns upward thanks to unit price improvement

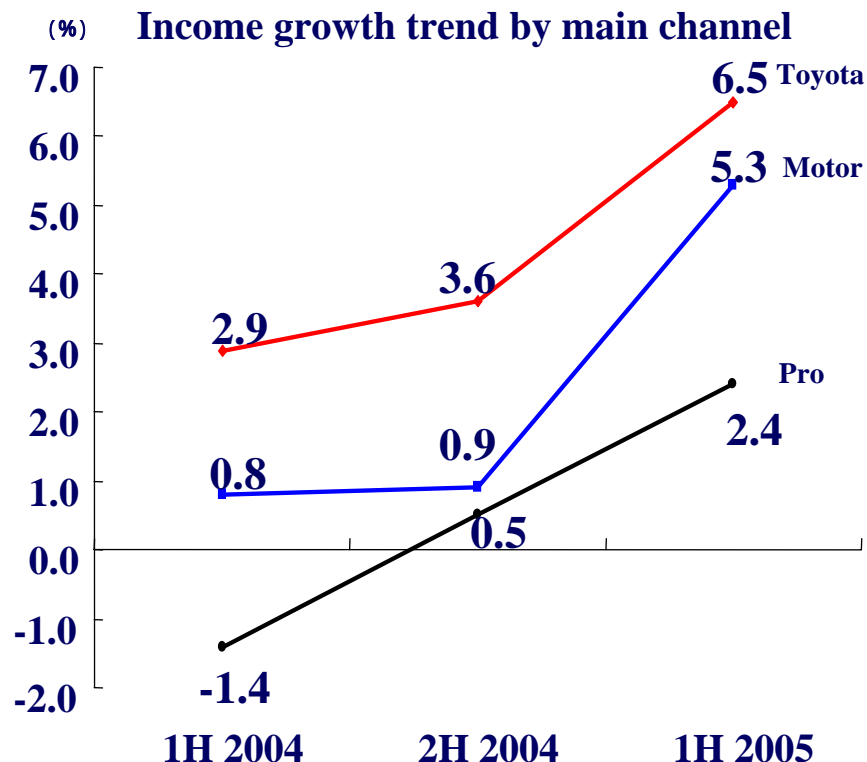
3.9% increase in total combined income, due to higher revenues in all categories

2. Premium Income (2) Premium result (2)

Operating Result by Channel

(Billion yen, %)

Channel	30-Sep-04		30-Sep-05		
	Amount	Change %	Amount	Change	Change %
Pro	145.9	1.4	149.4	3.6	2.4
Motor	81.9	0.8	86.2	4.3	5.3
Toyota Group	86.7	2.9	92.3	5.7	6.5
Toyota Gp outlets	74.6	0.8	79.9	5.4	7.2
Toyota Gp cos.	12.1	19.9	12.4	0.3	2.3
Other dealers	13.8	8.2	13.7	0.0	0.4
Corporates	42.9	0.1	45.2	2.3	5.3
Financial	14.1	0.5	13.5	0.6	4.6
bancassurance	2.1	11.7	1.8	0.3	16.0
Other	25.5	1.8	26.6	1.1	4.4
Total	410.8	0.0	427.0	16.2	3.9



Income climbs 2.4% in the heaviest-weighted Pro channel, due to higher fire/casualty premiums

5.3% increase in Motor, thanks to higher CALI premium income

6.5% increase in Toyota Group business, thanks to higher motor and CALI premiums

3. Claims

Net Claims / Loss Ratio Trend

(Billion yen, %)

	30-Sep-04		30-Sep-05		
	Claims paid	Loss ratio	Claims paid	Loss ratio	Loss ratio +/-
Fire	16.8	42.4	15.9	37.4	5.0P
Marine	1.2	50.9	1.4	52.4	1.5P
Casualty	8.0	35.5	7.9	34.8	0.7P
Motor	126.2	59.2	123.4	57.4	1.8P
CALI	23.6	61.8	22.7	61.6	0.2P
Other	37.7	106.6	30.1	87.9	18.7P
Total	213.8	60.6	201.4	56.9	3.7P

NB: Excludes the impact of abolition of the state CALI reinsurance scheme

Main Factors of changes

(Billion yen)

Fire	Nat cat impact	-1.5
	(Impact last FY)	(+1.4)
	(Impact this FY)	(-2.9)
Motor	Nat cat impact	-2.1
	(Impact last FY)	(+0.1)
	(Impact this FY)	(-2.2)
Other	Overseas inwards R/I	-7.9

4. Operating Expenses

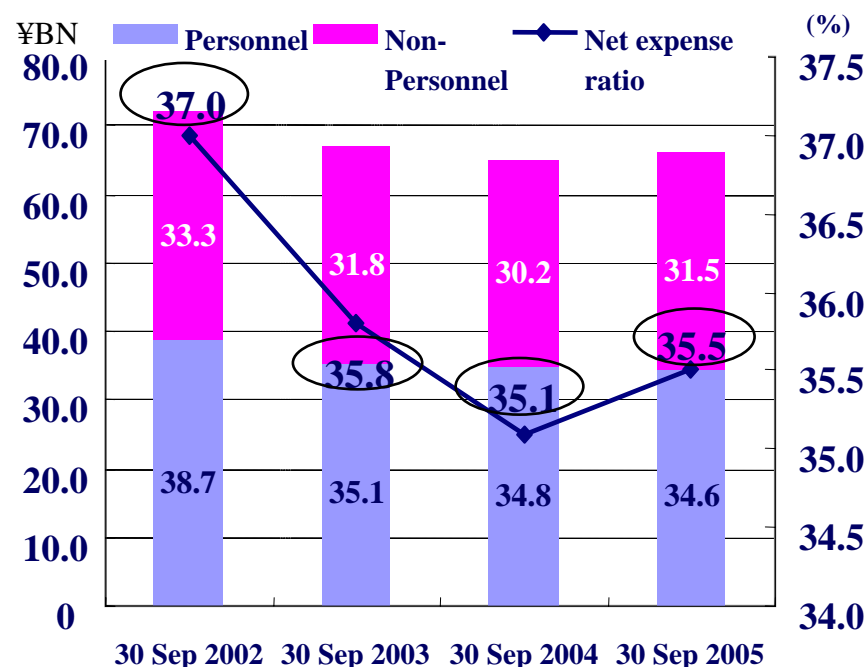
Operating Expense Trend

(Billion yen, %)

	2004	2005		
	30 Sep	30 Sep	Change	Change %
Personnel	34.8	34.6	0.2	0.7
Non-Personnel	30.2	31.5	1.3	4.4
U/W-related operating expenses and SG&A expenses	65.1	66.1	1.0	1.7
Fees & collection expenses	69.1	70.6	1.5	2.2
Net operating expenses	134.2	136.8	2.5	1.9
Net expense ratio	35.1	35.5	0.4P	

Note 1: Non-personnel expenses include donations/burden charges/taxes

Note 2: Excludes the impact of abolition of the state CALI reinsurance scheme



¥2.5bn increase in net operating expenses due to higher fees and collection costs associated with the increase in premiums

0.4P rise in the net expense ratio, in spite of a higher net premium denominator

5. Asset Management

Asset Management Profit/Loss

(Billion yen)

	2004	2005	Change
	30 Sep	30 Sep	
Asset management profit (loss)	19.2	16.1	3.1
Interest and dividend income	21.5	21.7	0.1
Gain on sale of marketable securities	9.9	4.4	5.5
Valuation loss (-) on marketable securities	1.3	0.9	0.3
Other profit/loss on assets managed	0.5	1.1	1.6
Profit/loss on money in trust	0.1	0.0	0.1
Profit/loss on financial derivatives	1.0	0.6	0.4
Profit/loss on securities held for trading	0.4	1.5	1.0
Gain on redemption of securities	-	0.0	0.0
Forex gain/loss	0.0	0.1	0.0
Other profit/loss on assets managed	0.0	0.0	0.0
Transfer to profit, incl. reserve premiums	10.3	10.1	0.2

Flat interest/dividend income, due to ongoing low interest rates

¥5.5bn fall in profit on the sale of securities, due to lower profits from the sale of strategic shares

¥1.6bn increase in other profit/loss on assets managed, due to improved profits on securities held for trading

6. Capital

Solvency Margin

(Billion yen)

	2004 30 Sep	2005 31 Mar	2005 30 Sep	YoY change
Total solvency margin	769.0	805.5	942.8	137.2
Catastrophe reserves (incl. EQ loss reserve)	240.8	228.8	260.6	31.8
90% of valuation difference on other securities (before tax effect deduction)	151.6	189.6	285.1	95.5
Other	376.5	387.0	396.9	9.8
Total risk	172.3	169.2	196.3	27.0
Solvency margin %	892.3%	951.9%	960.6%	8.7P

8.7P rise in the solvency margin

Solvency margin rises due to increased CAT reserves and other factors, at the same time total risk increased due to the enhancement in the risk computation criteria

Unrealized gains/losses on securities

(Billion yen)

	2004 30 Sep	2005 31 Mar	2005 30 Sep	YoY change
Gvt/corp bonds	2.2	7.7	5.3	2.4
Shares	172.3	206.1	290.8	84.7
Foreign securities	7.4	7.2	8.7	15.9
Other	1.3	4.1	11.9	7.8
TOTAL	168.5	210.6	316.8	106.1

¥84.7bn increase in unrealized stock gains due to rising equity prices

¥8.7bn unrealized gain on overseas securities holdings, due to yen depreciation and other factors

NB: Monetary receivables purchased are included under 'Other'

Reduction of strategic shareholdings (book value basis)

	2004 30 Sep	2005 31 Mar	2005 30 Sep	YoY change
Reduction	3.8	32.8	0.5	32.3
Balance	299.7	270.8	270.3	0.5

NB: Reduction and Balance figures are after adjustment for impairment

Balance of strategic shareholdings unchanged

7. Catastrophe Reserves

Reserves by Class

Note: reserve ratio in 1H = net premiums (excl. dwelling EQ / CALI) × 2

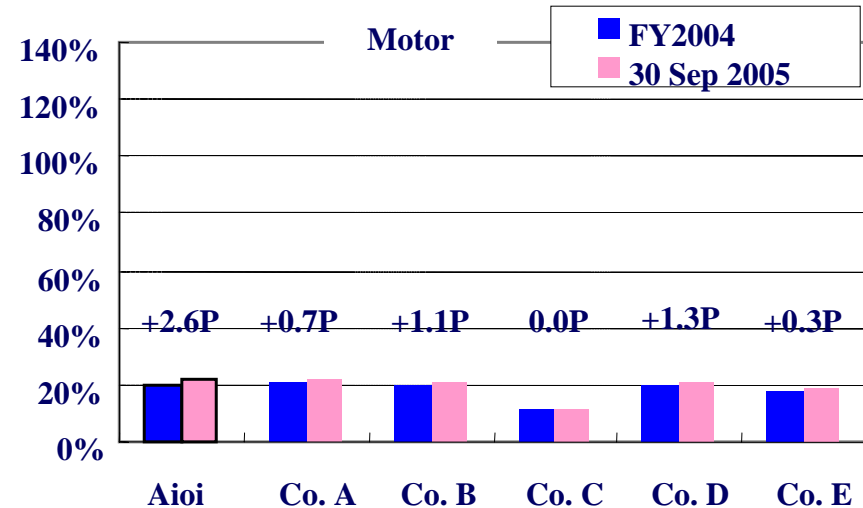
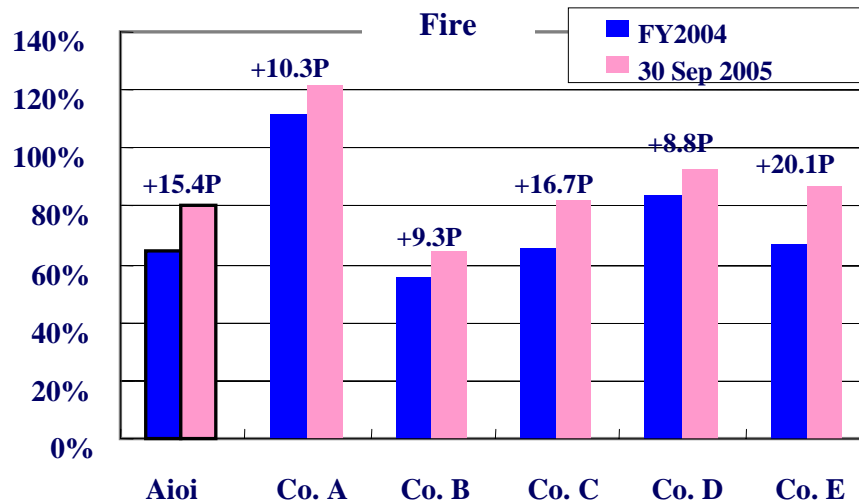
(Billion yen, %)

	FY2004		30-Sep-05		
	Amount	Reserve ratio	Amount	Reserve ratio	Change %
Fire	56.3	64.7	70.3	80.1	15.4P
Marine	3.5	65.4	3.6	64.8	0.6P
Casualty	28.4	57.7	29.1	57.6	0.1P
Motor	89.3	19.4	102.5	22.0	2.6P
Other	17.1	24.7	19.9	27.8	3.1P

¥14.0bn increase in fire insurance reserves, and 15.4P rise in reserve ratio to 80.1%

Fire premium transfer ratio raised to 8.0% from 5.8% and furthermore ¥10.6bn reserve increase implemented to strengthen natural cat risk preparedness

Reserve Ratios by Class: comparison with competitors



By class, Aioi compares favourably on fire reserve ratio, and comes top in motor

8. Aioi Life: Key Earnings Points

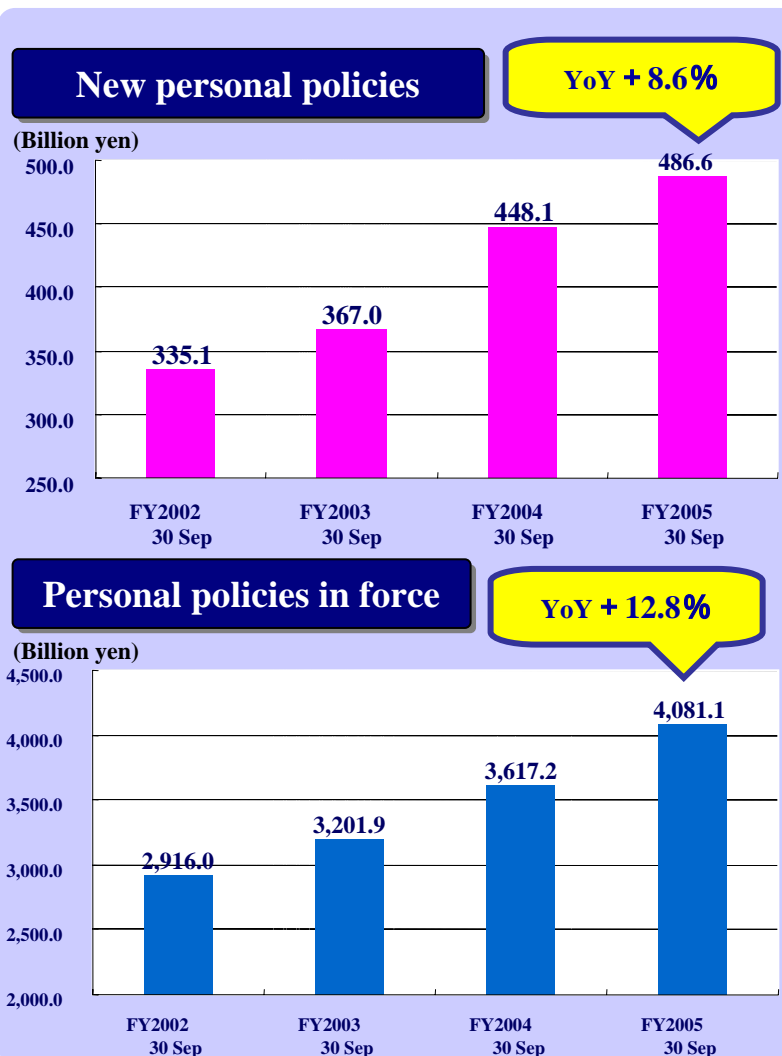
(Billion yen, %)

	2004	2005		
	30 Sep	30 Sep	Change	Change %
New policy total	515.3	520.4	5.0	1.0
Personal/pensions	448.1	486.6	38.4	8.6
Group/gp pensions	67.1	33.7	33.4	49.7
Policies in force	4,493.7	5,113.6	619.9	13.8
Personal/pensions	3,617.2	4,081.1	463.8	12.8
Group/gp pensions	876.5	1,032.5	156.0	17.8

(Unit: Mil yen, %)

Premium and other income	29,740	33,725	3,985	13.4
Asset management profit	1,892	2,203	311	16.4
Claims and other payments	9,961	10,589	627	6.3
Asset management costs	73	0	72	99.3
Total assets	210,846	246,448	35,602	16.9
Solvency Margin	1,891.7	1,788.2	103.5P	

Reserves increased by ¥970mil in order to achieve statutory level (¥950mil increase in same period last year)
 NB: If no increase had been made, 1H net pretax profit would have been ¥1.01bn in real terms



II. FY2005 Earnings Forecast

1. Key Points of Forecast

(Billion yen, %)

	FY2004	FY2005 forecast		
		Change	Change %	
Net premiums	827.8	834.0	6.2	0.7
	760.9	769.0	8.1	1.1
Net claims	498.9	483.1	15.8	2.3
	460.5	429.0	31.5	4.7
Net operating expenses	274.4	277.9	3.5	1.3
	274.4	277.9	3.5	1.3
Underwriting profit	9.9	6.0	15.9	-
Asset management profit (loss)	38.0	22.7	15.3	40.3
Ordinary profit	22.3	23.0	0.7	3.2
Net profit	16.1	18.0	1.9	11.8
Adj. ROE	5.2	5.6	0.4P	
Net loss ratio	64.6	62.3	2.3P	NB: The net loss ratio includes loss adjusting expenses
	65.2	60.5	4.7P	
Net expense ratio	33.2	33.3	0.1P	
	36.1	36.1	0.0P	
Combined ratio	97.7	95.6	2.1P	
	101.3	96.6	4.7P	

Net premiums up 1.1% due to increase in direct net premiums

Net claims payments down substantially (-4.7%) due to a decrease in major natural disasters and overseas inwards reinsurance claims

Asset management profit/loss down ¥15.3bn due to decrease in gain on sale of strategic shares

Profit for the period up 11.8% to ¥18.0bn

0.4P rise in ROE to 5.6%

Note 1: The lower line excludes the effect of abolition of the state CALI reinsurance scheme

Note 2: Adj. ROE = net profits ÷ (assets - valuation difference on other marketable securities)

III. 2H Initiatives in Key Areas

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1. Business Strategy (1) Establishing a revenue growth capability

Regional retail market strategy

		1H Initiatives				2H Initiatives in Key Areas	
Channel Cooperation Sales cooperation	Pro	Income increase in general classes	+¥3.6bn (+ 2.4%)	Income increase in fire/personal	+¥2.2bn	<p>Expand long-term fire sales through tie-ups with housing sector Boost fire/third sector product sales growth through platform strategy Cultivate housing sector channel and strengthen cooperation with Pro and other channels Make effective use of 'Flat 35' and expand sales of loan products</p> <p>Launch of new product 'Doru Stage' (savings-type traffic accident cover denominated in US\$) </p> <p>Expand non-life product sales to CCI members by strengthening tie-up Due to develop 4 new regions Strengthen development of company offices, as well as providing services</p>	
	Housing Sector	Income increase in general classes	+¥3.5bn (+ 21.4%)	Income increase in fire	+¥3.1bn		
	Financial	Bancassurance	15 new partners (incl. unofficial) ¥300mn in income				
	Sales tie-up	Sales cooperation with AXA Life on a local basis					
	Regional IOI Club	Developed in Miyagi/Fukushima/Saitama/Chiba/Kanagawa/Hiroshima					
Tie-up on features Strengthen features	Financial services business	Developed 401k business (Jul 2005)				<p>Capture small-midsize businesses through 401k Capture small-midsize businesses through finance intermediary operation (tie-up with Shinginko Tokyo)</p>	
		Entered finance intermediary business (agent/servicer)					

1. Business Strategy (1) Establishing a revenue growth capability

Toyota market strategy

Income up 6.5% in 1H

Accelerate income growth in the Toyota market by leveraging Lexus retailer initiatives

	30-Sep-04	30-Sep-05	Increase %
Group sales outlets	¥ 74.6BN	¥ 79.9BN	7.2%
Group cos.	¥ 12.1BN	¥ 12.4BN	2.3%
TOTAL	¥ 86.7BN	¥ 92.3BN	6.5%

Lexus owners' motor insurance plan

Tie-up with Lexus Owners' Desk

Build/support insurance negotiations operation

Strong start for Lexus owners' motor insurance plan

Maximize Aioi's strengths, i.e. integrated provision of products, services and training

Target premium share of Lexus retailers in excess of 50%

Product development together with Toyota

	30-Sep-04		30-Sep-05		Increase %
	Policies	Premiums	Policies	Premiums	
Convini Plan	25,000	¥ 2.6BN	27,000	¥ 2.8BN	7.8%
Nagaraku Plan	10,000	¥ 1.0BN	12,000	¥ 1.0BN	7.4%

Develop products allied to Toyota's advanced technology, financing operations

Support to sales outlets to raise income

	FY2001	FY2002	FY2003	FY2004	30-Sep-05
New partner outlets	98	80	96	73	134

Accelerate insurance business enhancement activities
Make use of follow-up program

Expand business with Group companies

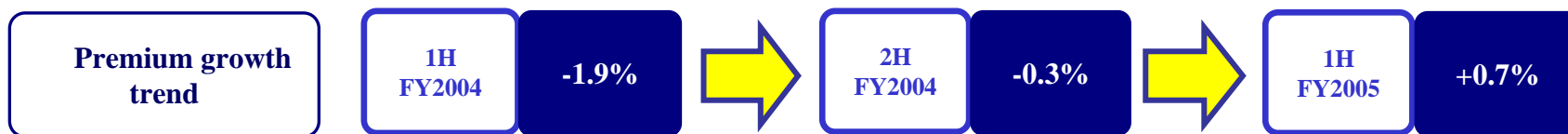
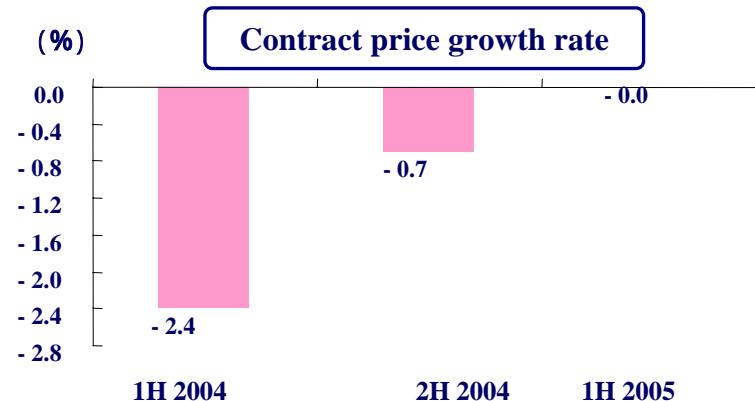
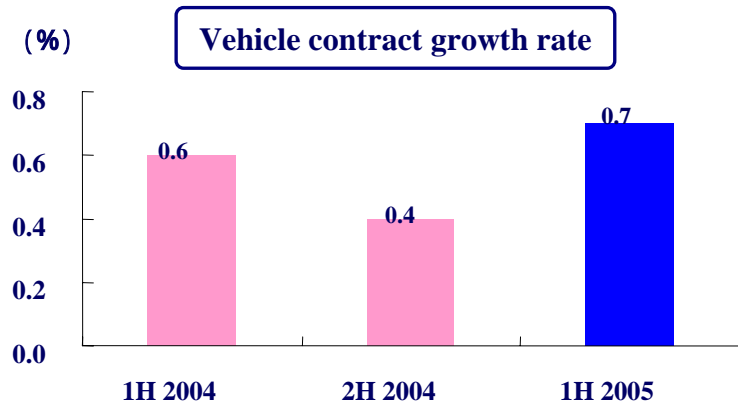
- Build share in Toyota Group property/group insurance markets
- Capture the expanding Toyota market

Strengthen alliance with housing providers

1. Business Strategy (1) Establishing a revenue growth capability

Motor insurance strategy

(Figures are operating result basis)



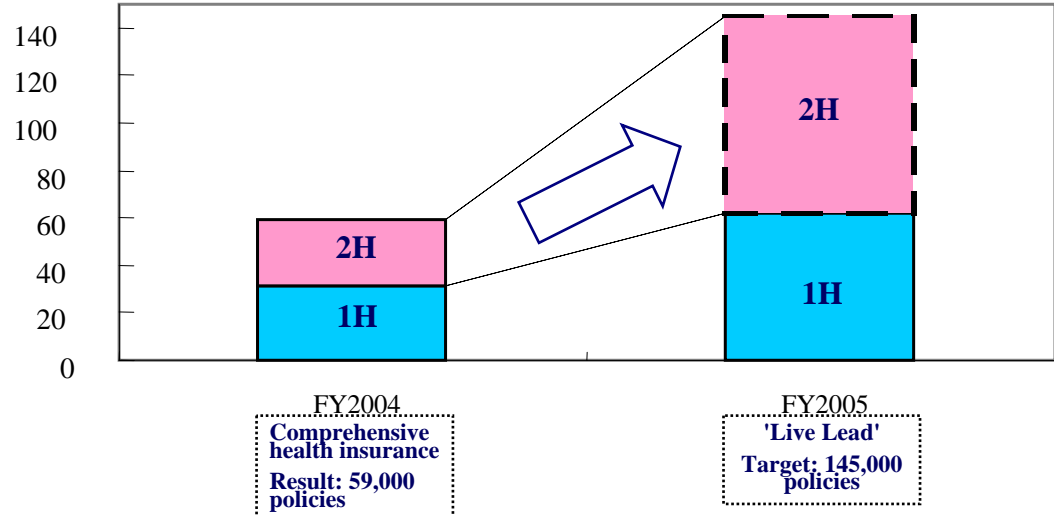
1. Business Strategy (1) Establishing a revenue growth capability

Platform strategy (cross-selling strategy based around motor customers)



Launch platform products in the third sector from this FY

(1,000 policies) New policy sales / targets



		Sales in 1H	FY2005 target
Personal market	Home Comprehensive	41,000 policies	82,000 policies
Small-midsize company market	Traders Comp. Construction Comp. Transportation Comp.	5,000 policies	14,000 policies
	Distributors Comp.		(10,000 policies/year)

Launched Nov 2005

III. 2H Initiatives in Key Areas

1. Business Strategy (2) Enhancing productivity/efficiency

Reform of the sales structure

Through reform of the sales structure, aim to eliminate overlapping operations and streamline the business. Also overhaul the functions and activities of sales outlets and sales reps in order to raise productivity and boost revenues.

		1H Initiatives			2H Initiatives in Key Areas																						
Agents	Reform agency operations	Direct Entry of Contracts 64.7%	Direct Debit from first payment 52.2%	Daily settlement 28.4%	Direct Entry of Contracts Target 80%	Direct Debit from first payment Target 60%	Daily settlement Target 60%																				
	Reform channel structure	A certain level of progress made			<table border="1"> <thead> <tr> <th></th> <th>FY2004</th> <th>30-Sep-05</th> <th>FY2005 target</th> </tr> </thead> <tbody> <tr> <td>Contracting</td> <td>1,717</td> <td>1,801</td> <td>2,150</td> </tr> <tr> <td>Cooperating</td> <td>124</td> <td>141</td> <td>200</td> </tr> <tr> <td>Umbrella</td> <td>27</td> <td>29</td> <td>50</td> </tr> </tbody> </table>					FY2004	30-Sep-05	FY2005 target	Contracting	1,717	1,801	2,150	Cooperating	124	141	200	Umbrella	27	29	50			
	FY2004	30-Sep-05	FY2005 target																								
Contracting	1,717	1,801	2,150																								
Cooperating	124	141	200																								
Umbrella	27	29	50																								
Sales outlets	Transfer/bring in non-independent agents	Progress made transferring to sales centres/umbrella agents			Increase transfers to sales centres Strengthen the shift to umbrella agents/cooperating agents																						
	Build a 'Three in One' sales structure	Sales centres have advanced, but dedicated sales sections/administrative promotion centres are issues for 2H			<table border="1"> <thead> <tr> <th></th> <th>FY2004</th> <th>30-Sep-05</th> <th>FY2005 target</th> </tr> </thead> <tbody> <tr> <td>Pro sales section</td> <td>11</td> <td>11</td> <td>23</td> </tr> <tr> <td>Admin. promotion centre</td> <td>16</td> <td>16</td> <td>30</td> </tr> <tr> <td>Sales centre</td> <td>39</td> <td>42</td> <td>60</td> </tr> <tr> <td>* Other sales team</td> <td>28</td> <td>26</td> <td></td> </tr> </tbody> </table>					FY2004	30-Sep-05	FY2005 target	Pro sales section	11	11	23	Admin. promotion centre	16	16	30	Sales centre	39	42	60	* Other sales team	28	26
	FY2004	30-Sep-05	FY2005 target																								
Pro sales section	11	11	23																								
Admin. promotion centre	16	16	30																								
Sales centre	39	42	60																								
* Other sales team	28	26																									

Streamline by eliminating overlap
 Boost revenues by enhancing productivity

1. Business Strategy (3) Strengthening profitability

Loss improvement

	Result of 1H initiatives	2H Initiatives in Key Areas										
Loss improvement in motor insurance	<p>E/I loss ratio is low and stable</p> <table border="1"> <caption>E/I loss ratio (%)</caption> <tr><th>Date</th><th>Ratio (%)</th></tr> <tr><td>31 Mar 2004</td><td>54.4</td></tr> <tr><td>30 Sep 2004</td><td>55.8</td></tr> <tr><td>31 Mar 2005</td><td>56.9</td></tr> <tr><td>30 Sep 2005</td><td>56.3</td></tr> </table>	Date	Ratio (%)	31 Mar 2004	54.4	30 Sep 2004	55.8	31 Mar 2005	56.9	30 Sep 2005	56.3	<p>Continually strengthen loss improvement initiatives</p> <p>Promote loss improvement overseas</p> <p>Maintain top-class loss ratio in the sector</p>
Date	Ratio (%)											
31 Mar 2004	54.4											
30 Sep 2004	55.8											
31 Mar 2005	56.9											
30 Sep 2005	56.3											
Transform the product portfolio	<p>Transform the product portfolio by continually strengthening fire and personal insurance products</p>											

Motor E/I loss ratio in the past year

Improve the net loss ratio

NB: Excludes the impact of abolition of the state CALI reinsurance scheme

Fiscal Year	Ratio (%)
FY2004	65.2
FY2005 Est	60.5
FY2006 Est	59.4

1. Business Strategy (3) Strengthening profitability

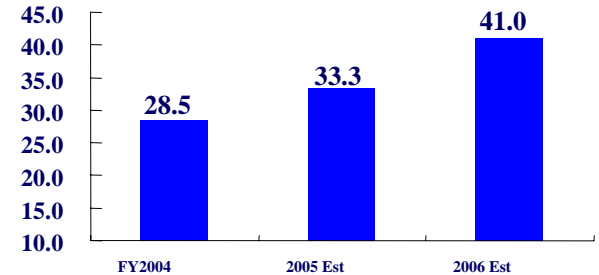
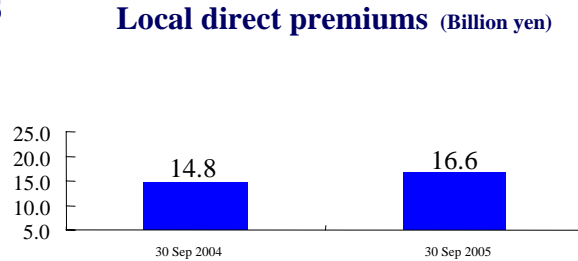
Strengthening asset management capability

		1H Initiatives	2H Initiatives in Key Areas
Strengthen functions for each investment style	ALM	<ul style="list-style-type: none"> Develop liability matching Expand investment, including in CDOs Expand personal loans 	<ul style="list-style-type: none"> Flexible promotion of liability matching Expand ABS/CDS/CDO investments Enter housing loan business and expand apartment loans Further expand the environmental forecasting structure and consolidate the strategy of earnings source diversification Improve investment returns through fund-switching
	Strategic allocation	<ul style="list-style-type: none"> Make capital gains, primarily from domestic stocks/foreign bonds 	
	Alternative	<ul style="list-style-type: none"> Sell poorly performing funds in response to market slump 	
Promote asset soundness	Cut strategic shareholdings	<ul style="list-style-type: none"> Holdings of strategic shares are flat 	<ul style="list-style-type: none"> Continue to reduce strategic shareholdings Reduce short-term funds to increase allocation to yen bonds/foreign bonds, etc.
	Cut back on low-yield assets	<ul style="list-style-type: none"> Adjust allocation amongst investment styles based on past performance and mid-term outlook 	
Grow income sources	Diversify investment	<ul style="list-style-type: none"> New investment in securitized real estate, etc. 	<ul style="list-style-type: none"> Expand private equity investment and consider investing in emerging markets Improve the precision of credit risk forecasting
	Tie-up with Toyota Asset Management, etc.	<ul style="list-style-type: none"> Enhance credit risk analysis 	

III. 2H Initiatives in Key Areas

1. Business Strategy (4) Diversifying sources of earnings

Overseas operations



	1H Initiatives	2H Initiatives in Key Areas
Europe	<p>F&I Income up ¥1.3bn (+18.8%)</p>	<p>Stabilize earnings through scale expansion Expand F&I country presence, consider new businesses</p> <p>Strengthen the function of Aioi Motor & General Insurance Co. of Europe</p>
Australia/ Asia China	<p>F&I Income up ¥300mn (+43.8%)</p> <p>Application to set up a branch in China</p>	<p>Prepare structure for expansion of F&I country presence</p> <p>Develop/provide specialized products</p> <p>Consider how to strengthen the direct business structure</p>
N. America Russia	<p>Promote business with Japanese firms</p> <p>Promote business with Toyota Group firms</p>	<p>Consider how to strengthen the direct business structure</p> <p>Consider how to expand the regional presence (Open a representative office in Russia)</p>

1. Business Strategy (4) Diversifying sources of earnings (2)

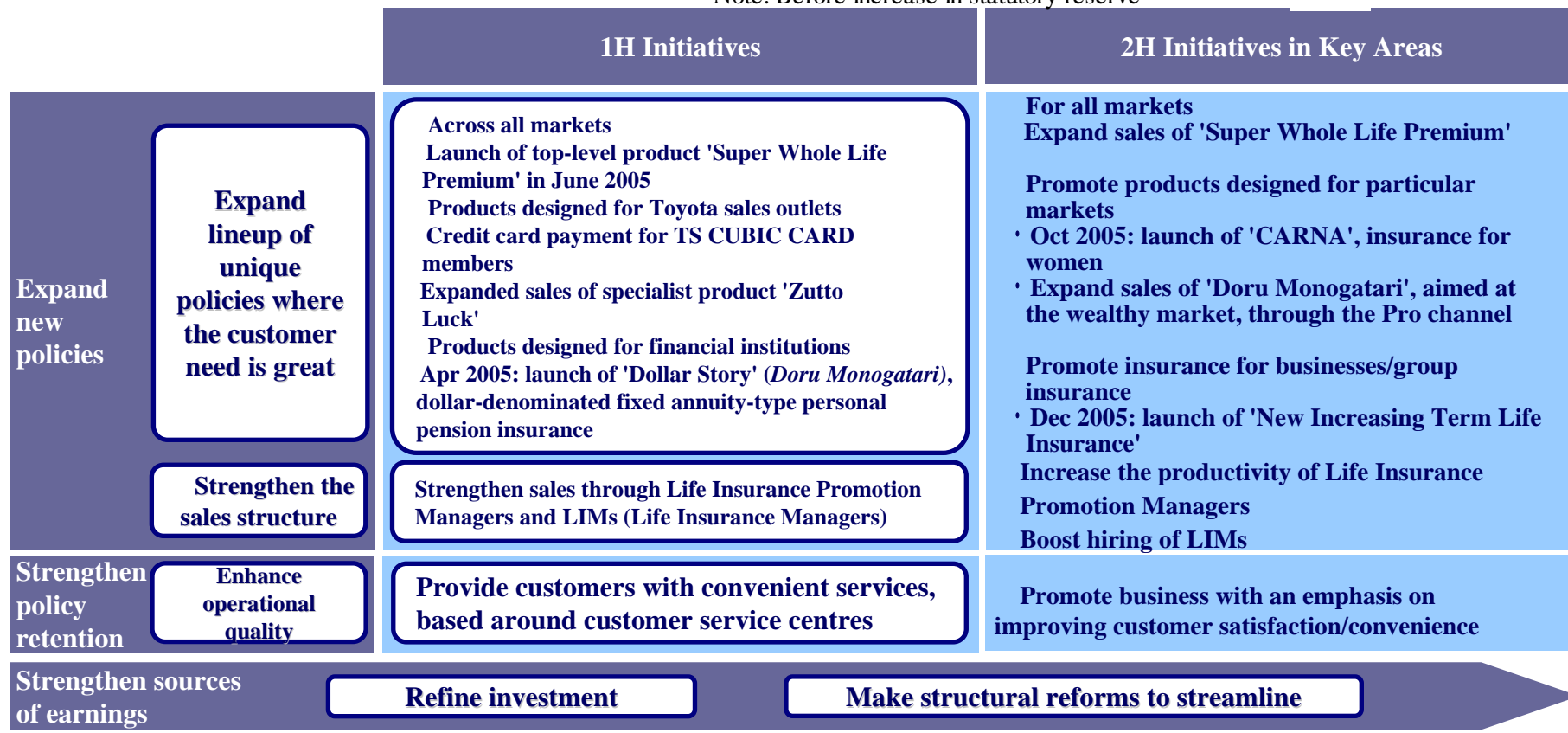
Life operation

Solid progress made in 1H towards achieving FY2005 targets

In 2H, aiming to accelerate new policy growth, as well as to enhance operational quality

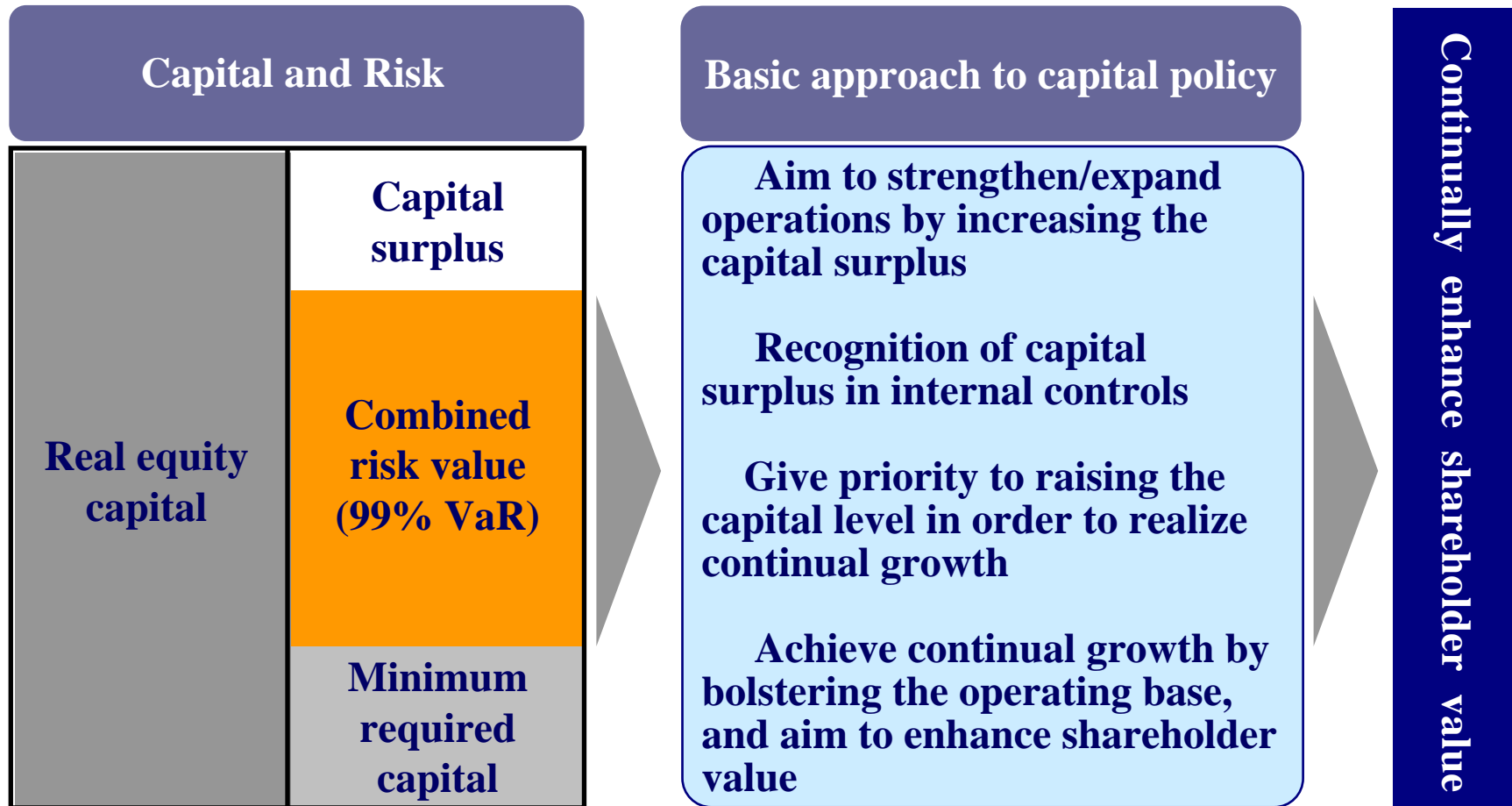
	1H FY2005	FY2005 Est
New personal policies/pensions	¥ 486.6BN	¥ 1,060.0BN
Policies in force	¥ 5,113.6BN	¥ 5,620.0BN
Personal/pensions	¥ 4,081.1BN	¥ 4,500.0BN
Effective ordinary profit	¥ 1.3BN	¥ 4.0BN

Note: Before increase in statutory reserve



2. Capital Policy

Basis of capital policy



<Reference>

(1) Mid-term management targets

Non-life operations

	FY2004	FY2006	2004-2006 change
Net premiums	¥ 760.9BN	¥ 798.0BN	¥ 37.1BN
YoY income growth	1.2%	3.4%	4.9%
Net loss ratio	65.2%	59.4%	5.8P
Net expense ratio	36.1%	35.4%	0.7P
Combined ratio	101.3%	94.8%	6.5P
Ordinary profit	¥ 22.3BN	¥ 29.0BN	¥ 6.7BN
Net profit	¥ 16.1BN	¥ 18.0BN	¥ 1.9BN
Adj. ROE	5.2%	5.4%	0.2P
Overseas premiums (local direct)	¥ 28.5BN	¥ 41.0BN	¥ 12.5BN

Note 1: Excludes the impact of abolition of the state CALI reinsurance scheme

Note 2: Adj. ROE = net profits ÷ (assets - valuation difference on other marketable securities)

Life operation

	FY2004	FY2006	2004-2006 change
New personal policies/pensions	¥ 970.2BN	¥ 1,350.0BN	¥ 379.8BN
Policies in force	¥ 4,829.0BN	¥ 6,500.0BN	¥ 1,671.0BN
Personal/pensions	¥ 3,878.1BN	¥ 5,200.0BN	¥ 1,321.9BN
Effective ordinary profit	¥ 3.3BN	¥ 5.0BN	¥ 1.7BN

Note: Before increase in statutory reserve

(2) Fortress Re aviation reinsurance data

	FY2001	FY2002	FY2003	FY2004	30-Sep-05
Net claims	¥ 32.2BN	¥ 36.2BN	¥ 38.9BN	¥ 29.0BN	¥ 8.3BN
Outstanding reserve	¥ 116.7BN	¥ 88.4BN	¥ 61.6BN	¥ 45.9BN	¥ 42.3BN

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