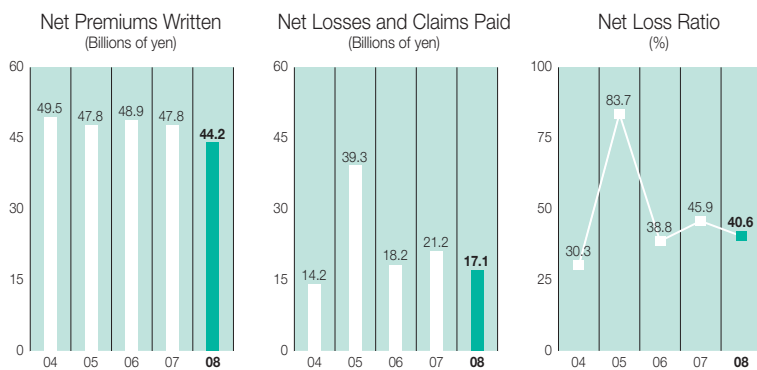


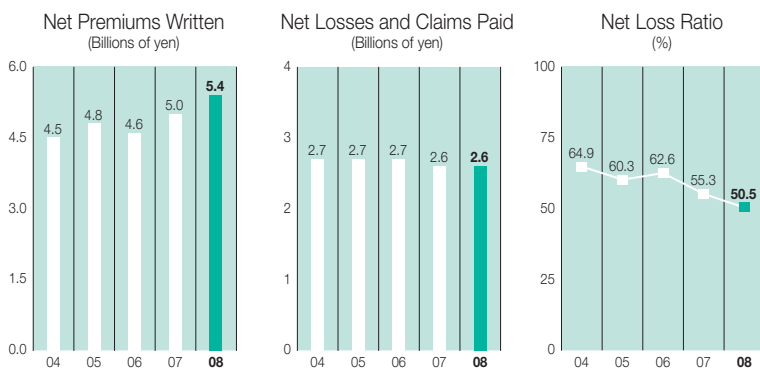
Review of Operations

Fire Insurance



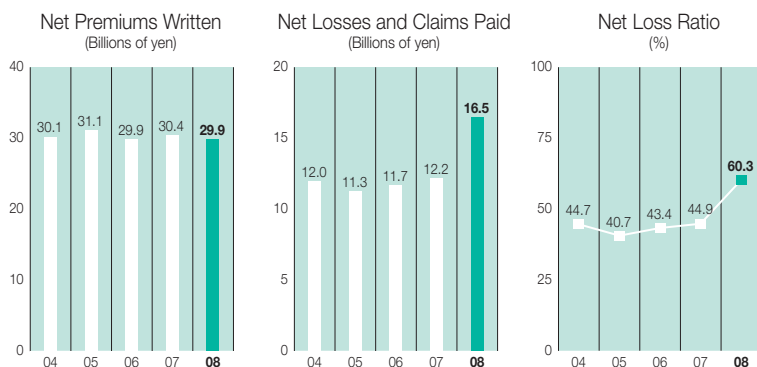
Net premiums for fire insurance declined 7.5% from the previous year, due to lower revenues from long-term policies. The net loss ratio for fire insurance fell 5.3 percentage points, to 40.6%, owing to a decrease in insurance claim payments stemming from typhoons and other natural disasters.

Marine Insurance



Net premiums written for marine insurance rose 9.5%, due to increases in both vessel insurance and freight insurance. The net loss ratio for marine insurance fell 4.9 percentage points, to 50.5%.

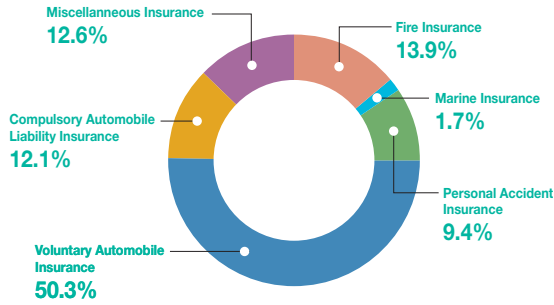
Personal Accident Insurance



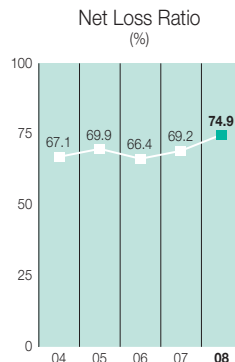
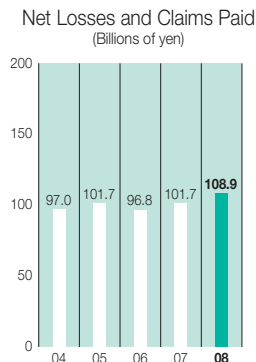
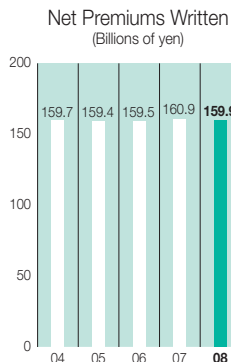
In our personal accident insurance business, net premiums written were down 1.7% from the previous year. The net loss ratio rose 15.4 percentage points, to 60.3%, due to additional insurance claim payments and an increase in claim payments stemming from a rise in the number of major accidents.

Breakdown of Net Premiums Written

Total ¥318.2 billion

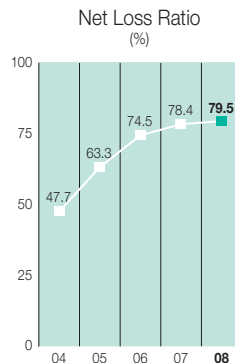
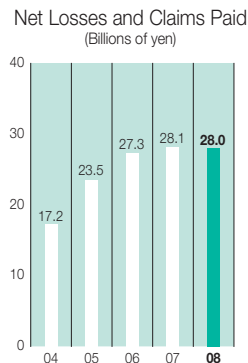
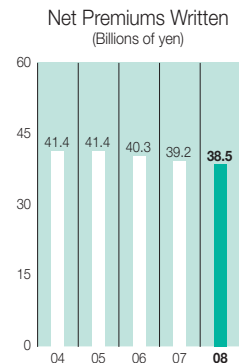


Voluntary Automobile Insurance



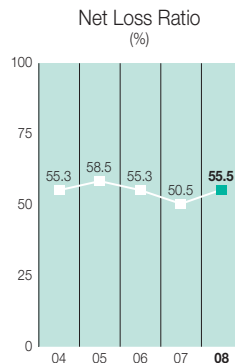
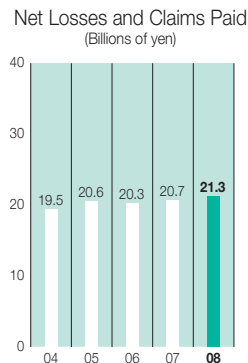
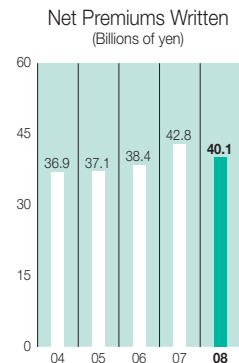
In the area of voluntary automobile insurance, net premiums written edged down 0.7%. The net loss ratio rose 5.7 percentage points, to 74.9%, due largely to additional payments of expense claims.

Compulsory Automobile Liability Insurance



Net premiums written for compulsory automobile liability insurance decreased 1.6%. The net loss ratio rose 1.1 percentage points, to 79.5%.

Miscellaneous Insurance



Nissay Dowa's products in the miscellaneous insurance category include general liability, aviation, movables comprehensive, workers' accident compensation and transit insurance. Despite efforts to cultivate demand for each of these products, net premiums written for this category slipped 6.4%. The net loss ratio increased 5.0 percentage points, to 55.5%.