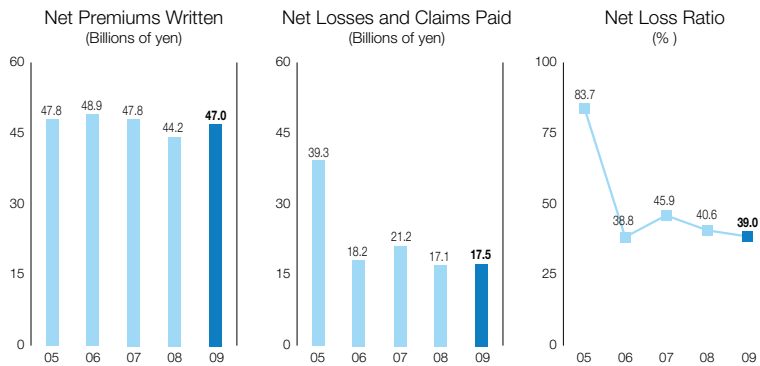


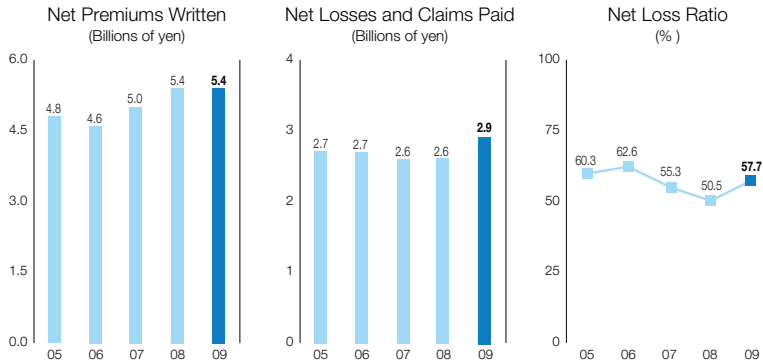
Review of Operations

Fire Insurance



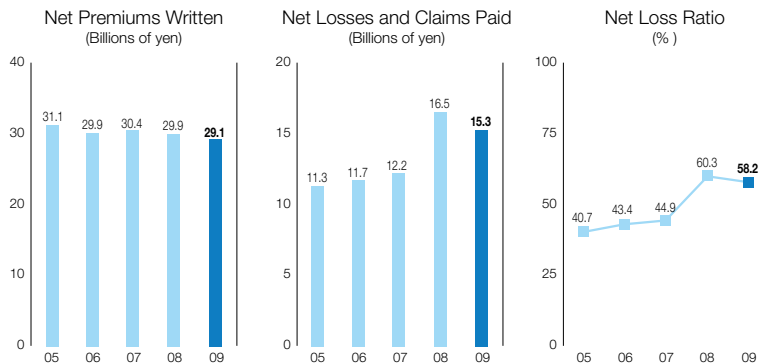
Net premiums written for fire insurance increased by 6.5% from the previous year, primarily as a result of increased premiums written under corporate contracts. The net loss ratio decreased by 1.6 points to 39.0%. The decrease was due primarily to a decrease in claims arising from typhoons and other natural disasters, more than offsetting an increase in claim payments for large-value contracts.

Marine Insurance



Net premiums written for marine insurance were down 1.3% from the previous year. This decrease was due primarily to a decline in freight insurance, which in turn was caused by lower freight volumes resulting from the sudden deterioration of the global economy, more than offsetting an increase in vessel insurance. The net loss ratio rose 7.2 points to 57.7% due mainly to an increase in claim payments for freight insurance.

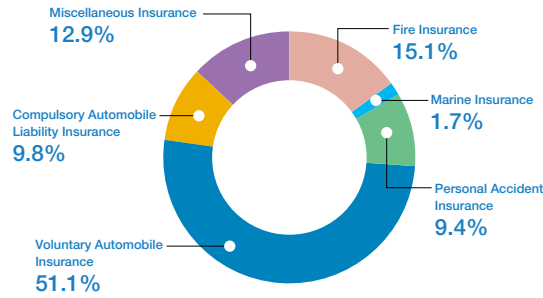
Personal Accident Insurance



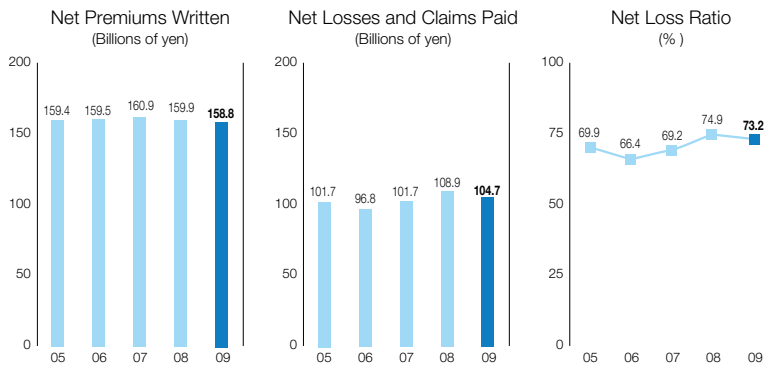
Net premiums written for personal accident insurance were down 2.7% from the previous year primarily due to a decrease in savings-type insurance contracts sold. The net loss ratio fell by 2.1 points from the previous year to 58.2% owing mainly to a decrease in additional claim payments.

Breakdown of Net Premiums Written

Total ¥310.9 billion

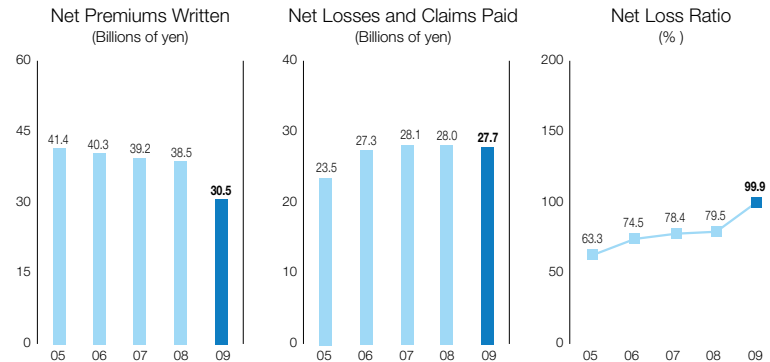


Voluntary Automobile Insurance



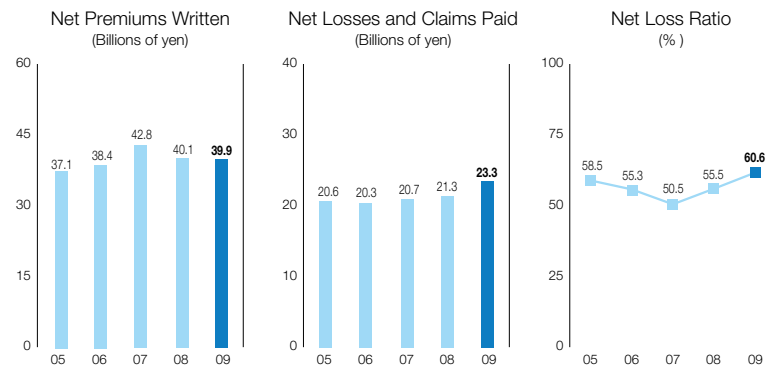
Net premiums written for voluntary automobile insurance decreased by 0.7% from the previous year. Despite a year-on-year increase in the number of vehicles covered by our voluntary automobile insurance policies, this decrease was due mainly to a decline in the applicable premium rates. The net loss ratio declined by 1.7 points to 73.2% due mainly to a decrease in the number of major accidents.

Compulsory Automobile Liability Insurance



Net premiums written for compulsory automobile liability insurance declined by 21.0% from the previous year due primarily to a reduction in the premium rates. The net loss ratio rose by 20.4 points to 99.9%.

Miscellaneous Insurance



Our products in the miscellaneous insurance category include general liability, aviation, workers' accident comprehensive, movables comprehensive and transport insurance. Net premiums written for all miscellaneous insurance declined by 0.3% from the previous year. The net loss ratio rose by 5.1 points to 60.6%.