

August 21, 2006

Mitsui Sumitomo Insurance Co., Ltd.

Updates on Follow-up Services concerning Inappropriately Denied Claims,  
under Whole Life Medical Insurance and other Third Sector Products

Mitsui Sumitomo Insurance Co., Ltd. (“the Company”) (President & CEO Toshiaki Egashira) has compiled the progress report on follow-up services concerning its past denial of whole life medical insurance and other third sector product claims that have been concluded as inappropriate.

The Company has reexamined the appropriateness of its denial decisions concerning third sector product claims which had been made during April 2002 through March 2006. The Company hereby updates on the follow-up payment services concerning the 927 cases of inappropriate denial now known, along with the particulars of some of those cases.

The Company deeply regrets causing such a situation as the claims payment operation is one of the fundamental functions in insurance business, and would like to express our sincere apologies to our customers and other stakeholders for the significant inconveniences it has caused.

The Company has been contacting and making payments to relevant customers, and, of those 927 cases, 655 claims have now been settled as of August 18, 2006.

The Company is working rigorously to complete, by the end of August, payment of all the claims yet unsettled, except for such impracticable cases as where the customer is unavailable for contact, the customer's account for wire transfer is yet to be confirmed, or preliminary discussion with the customer is needed in respect of restoring the relevant policy that has once been released, terminated or cancelled.

Number of claims inappropriately denied: (A)	927 claims
Number of claims now settled: (B)	655 claims
(B) / (A)	70.7%

Furthermore, the Company is conducting thorough reexamination of third sector product claims, covering claims as old as ones made during fiscal year 2001. The Company will announce the results of the reexamination as they become available.