

January 31, 2006

Tokio Marine & Nichido Fire Insurance Co., Ltd.

New Takaful License Granted in Malaysia

Tokio Marine & Nichido Fire Insurance Co., Ltd. (President: Kunio Ishihara, "TMNF"), a subsidiary of Millea Holdings, Inc. (President: Kunio Ishihara), has been granted a Takaful license by Bank Negara Malaysia (the Central Bank, "BNM") as the first case of a direct investment to a Takaful operator by a foreign insurer. The application was made as the strategic partner of Hong Leong Group ("HLG"), a well known and reputable banking group in Malaysia. In collaboration with HLG, we will establish a new joint venture operating company, which is expected to commence its operation in 2006.

In Malaysia, Millea Group has been operating in general insurance through Tokio Marine Insurans (Malaysia) Bhd. (TMIM). As to Takaful sector in Malaysia, the first Takaful company was established in 1984 and there are currently 5 local companies operating under BNM's regulations/guidelines. To strengthen the institutional infrastructure of the local Takaful industry toward the future, and to establish Malaysia's leading position in the world of Takaful business, BNM announced in May 2005 that 4 new Takaful licenses should be granted to qualified applicants. For Millea Group, this is the forth Takaful operation following Saudi Arabia (Direct), Indonesia (Direct) and Singapore (Retakaful).

We shall jointly form a new Takaful operator with HLG and it is our initial plan to market Group Credit Takaful and Long-term Fire Takaful to cover Islamic Housing Finance program through branch network of Islamic Bank within HLG. Detailed business plan shall be jointly made with HLG, and we envisage eventual expansion of product lines and distribution channels, and within 5th operating year, we expect to achieve contribution (equivalent of premium) revenue of approximately S\$57 million. Our Asian Regional Management Company, Millea Asia Pte. Ltd., headed by Takaaki Tamai, CEO, headquartered in Singapore, shall provide operation management support to the new company. Ltd.

Millea Group will continue to actively pursue both organic and strategic growth strategy in the overseas, which is stipulated in our group mid-term strategy. In Asia, we focus primarily on Malaysia, Thailand and Taiwan to develop both life and general insurance, and in Muslim countries, we will actively seek Takaful opportunities.

< About Hong Leong Group Malaysia >

A Chinese origin conglomerate in Malaysia led by Tan Sri Quek Leng Chan (郭令燦), which has diverse companies within the group such as construction materials, finance, real estate, etc. The family is related to Hong Leong Group in Singapore. The group has Hong Leong Bank (5th largest in terms of total asset), an Islamic Bank and a composite insurance company (7th largest for life and 8th largest for general in terms of direct premium income), etc.

< About Takaful >

Generally considered to have first appeared in 1979 in Sudan, Takaful is a financial system based on the teachings of Islam, which prohibits elements such as an excessive uncertainty, gambling and interest(or usury).