

announces for and on behalf of



TOKIO MARINE & NICHIDO FIRE INSURANCE CO., LTD.
(Incorporated in Japan)

Possible Offers for

ASIA GENERAL HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 197100176E)

and

THE ASIA LIFE ASSURANCE SOCIETY LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 194800055D)



ASIA GENERAL HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 197100176E)



THE ASIA LIFE ASSURANCE SOCIETY LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 194800055D)

JOINT ANNOUNCEMENT

POSSIBLE OFFERS

by

TOKIO MARINE & NICHIDO FIRE INSURANCE CO., LTD.
(Incorporated in Japan)

to acquire all the issued ordinary shares in the capital of

ASIA GENERAL HOLDINGS LIMITED

and

THE ASIA LIFE ASSURANCE SOCIETY LIMITED

1. Introduction

The Boards of Directors of Asia General Holdings Limited ("AGH") and The Asia Life Assurance Society Limited ("AL(S)") (collectively, the "Companies") refer to the shareholders of the Companies to the announcement dated 19 April 2006 (the "Announcement") made by Morgan Stanley Dean Witter Asia (Singapore) Pte. ("Morgan Stanley") for and on behalf of Tokio Marine & Nichido Fire Insurance Co., Ltd. ("TMNF") about a possible offer by TMNF for each of:

- (1) AGH; and
- (2) AL(S).

The information in this announcement is extracted from the Announcement a copy of which is set out in full on this page. Shareholders are encouraged to refer to the full text of the Announcement. Neither AGH, AL(S) nor the respective Boards of Directors was involved in the preparation of the Announcement and they do not take any responsibility for the same.

2. SPA

2.1 SPA. TMNF has, on 19 April 2006, entered into a share purchase agreement ("SPA") with certain shareholders of AGH ("SPA Sellers"), pursuant to which TMNF agreed to purchase, and the SPA Sellers agreed to sell, an aggregate of 11,051,493 AGH shares ("SPA Shares"), representing approximately 14.74% of the issued share capital of AGH as at 11 April 2006, on the terms and conditions set out therein.

2.2 SPA Conditions. Closing of the sale and purchase of the SPA Shares ("SPA Closing") is conditional upon, *inter alia*, the parties having obtained the necessary regulatory approvals (the "Regulatory Approvals") for the proposed acquisition by TMNF of the issued share capital of AL (S), Asia Insurance Company Limited (a wholly-owned subsidiary of AGH) ("AI (S)"), Asia Life (Malaysia) Berhad (a subsidiary of AL (S)) ("AL (M)") and Asia Insurance (Malaysia) Berhad (a subsidiary of AI (S)) ("AI (M)"), whether through AGH directly or indirectly, by 18 June 2006 (or such other date as TMNF and the SPA Sellers may agree in writing), in such form and on such terms reasonably acceptable to TMNF and (if and to the extent such terms apply to the SPA Sellers) the SPA Sellers.

2.3 SPA Terms. Each SPA Share will be sold and purchased:

- (1) with all rights attached thereto as at SPA Closing and attaching thereto thereafter and free from all encumbrances; and
- (2) at a purchase price of S\$11.79 per SPA Share, subject to adjustment for, *inter alia*, any difference in the shareholders' equity of each of (a) AGH, (b) AI (S), (c) AL (S), (d) AI (M) and (e) AL (M), (each, an "AGH Group Company" and together, the "AGH Group") as derived from their respective unaudited and audited financial statements for the financial year ended 31 December 2005 ("SPA Purchase Price").

3. Option Agreement

3.1 Option Agreement. TMNF has also, on 19 April 2006, entered into an option agreement ("Option Agreement") with certain other shareholders of AGH ("Option Sellers"), pursuant to which and subject to SPA Closing:

- (1) TMNF agreed to grant the Option Sellers an option ("Put Option") to require TMNF to purchase from the Option Sellers; and
- (2) the Option Sellers agreed to grant TMNF an option ("Call Option") to require the Option Sellers to sell to TMNF,

each in relation to an aggregate of 29,248,263 AGH shares ("Option Shares"), representing approximately 39% of the issued share capital of AGH as at 11 April 2006, on the terms and conditions set out therein.

If SPA Closing does not take place in accordance with the terms of the SPA, the Option Agreement shall terminate.

3.2 Exercise Conditions. Exercise of the Put Option and the Call Option is conditional upon, *inter alia*:

- (1) the parties having obtained the Regulatory Approvals;
- (2) the disposal of certain non-insurance related assets held by the AGH Group;
- (3) TMNF having obtained the approval of the Financial Services Agency of Japan ("FSA") to acquire and hold 15% or more of the issued share capital of AGH; and
- (4) the return of capital by AGH to its shareholders of an aggregate cash amount of not less than the lower of:
 - (a) S\$400,000,000 (provided that this condition precedent shall be deemed fulfilled if the return of capital by AGH to its shareholders is not less than S\$300,000,000); and
 - (b) the sum of (i) all the retained earnings of each AGH Group Company as at 31 December 2005 and (ii) all the distributable profits of each AGH Group Company accruing after 31 December 2005 (pro-rated based on AGH's effective shareholding in each of AI (S), AI (M), and AL (M)), provided that (where applicable) such sum shall not exceed such maximum amount permitted by the relevant regulatory authorities,

within 9 months from SPA Closing (or such other date as TMNF and the Option Sellers may agree in writing).

3.3 Option Terms. Each Option Share will be sold and purchased:

- (1) with all rights attached thereto as at the closing of the sale and purchase of the Option Shares ("Option Closing") and attaching thereto thereafter and free from all encumbrances; and
- (2) at an exercise price ("Exercise Price") of:
 - (a) the SPA Purchase Price; less
 - (b) the aggregate amount of all dividends or other distributions, or return of capital, whether in cash or in kind and whether interim or final, paid in respect of that Option Share from 31 March 2006 to immediately prior to Option Closing (and where any such distribution is paid with any franking credit attached thereto, such credit shall be disregarded for the purpose of determining the amount of such distribution).

3.4 Other terms of the proposed transaction. TMNF has also separately undertaken as follows:

- (1) in the event that, *inter alia*, TMNF fails to complete the Option Agreement despite all the conditions precedent having been met or waived, TMNF will compensate the relevant AGH Group Company for costs and expenses and certain losses which may have been incurred in connection with the disposal of certain assets held by the AGH Group as contemplated under the terms of the Option Agreement; and
- (2) in the event that, *inter alia*, SPA Closing has taken place but the Option Agreement is terminated in certain circumstances, TMNF will dispose of the SPA Shares when certain conditions are met.

4. Possible Offer for AGH

4.1 Possible AGH Offer. If either the Put Option or the Call Option is exercised, TMNF will be obliged to make a mandatory takeover-offer ("AGH Offer") to acquire all the issued AGH shares not held, acquired or agreed to be acquired by TMNF or any of its related corporations (or their respective nominees) ("AGH Offer Shares") on the terms and conditions set out below.

4.2 AGH Offer Unconditional. If and when made, the AGH Offer will be unconditional in all respects since TMNF would hold more than 50% of the issued AGH shares at the time of such offer.

4.3 AGH Offer Price. If and when made, the AGH Offer will be at a price per AGH Offer Share ("AGH Offer Price") which shall be not less than the higher of:

- (1) the Exercise Price; and
- (2) the price paid by any of TMNF and its concert parties for any AGH share in the 6-month period immediately preceding the date of exercise of the Put Option or the Call Option (as the case may be), otherwise than pursuant to the SPA.

TMNF has undertaken that for the purposes of the AGH Offer, if and when made, TMNF will not offer to acquire any AGH Offer Shares at a price which is higher than the Exercise Price.

4.4 AGH Offer Terms. All AGH Offer Shares tendered in acceptance of the AGH Offer, if and when made, will be acquired with all rights attached thereto as at Option Closing and attaching thereto thereafter and free from all encumbrances.

4.5 AGH Offer Announcement. TMNF will announce further details relating to the AGH Offer upon the exercise of the Put Option or Call Option (as the case may be) (such announcement, "AGH Offer Announcement"). In the event of any inconsistency between this announcement and the AGH Offer Announcement relating to the AGH Offer, the AGH Offer Announcement shall prevail.

5. Possible Offer for AL (S)

5.1 Possible AL (S) Offer. If either the Put Option or the Call Option is exercised, TMNF will also be obliged to make a mandatory takeover-offer ("AL (S) Offer") to acquire all the issued AL (S) shares not held, acquired or agreed to be acquired by TMNF or any of its related corporations (which shall by such time include AGH and AI (S)) (or their respective nominees) ("AL (S) Offer Shares") on the terms and conditions set out below.

5.2 AL (S) Offer Unconditional. If and when made, the AL (S) Offer will be unconditional in all respects since TMNF and its concert parties (which shall by such time include AGH and AI (S)) would hold more than 50% of the issued AL (S) shares at the time of such offer.

5.3 AL (S) Offer Price. If and when made, the AL (S) Offer will be at a price per AL (S) Offer Share ("AL (S) Offer Price") which shall be not less than the higher of:

- (1) (a) S\$8.20 in cash; less
- (b) the aggregate amount of all dividends or other distributions, or return of capital, whether in cash or in kind and whether interim or final, paid in respect of that AL (S) Offer Share from 19 April 2006 to immediately prior to Option Closing (and where any such distribution is paid with any franking credit attached thereto, such credit shall be disregarded for the purpose of determining the amount of such distribution); and
- (2) the price paid by any of TMNF and its concert parties for any AL (S) share in the 6-month period immediately preceding the date of exercise of the Put Option or the Call Option (as the case may be).

5.4 AL (S) Offer Terms. All AL (S) Offer Shares tendered in acceptance of the AL (S) Offer, if and when made, will be acquired with all rights attached thereto as at Option Closing and attaching thereto thereafter and free from all encumbrances.

5.5 AL (S) Offer Announcement. TMNF will announce further details relating to the AL (S) Offer upon Option Closing (such announcement, "AL (S) Offer Announcement"). In the event of any inconsistency between this announcement and the AL (S) Offer Announcement relating to the AL (S) Offer, the AL (S) Offer Announcement shall prevail.

6. Possible Offer for AI (M)

If either the Put Option or the Call Option is exercised, TMNF will similarly be obliged to make a mandatory takeover-offer for AI (M), unless a waiver is obtained from the Malaysian Securities Commission.

7. TMNF

TMNF was formed on 1 October 2004 following a merger of The Tokio Marine and Fire Insurance Co., Ltd. and Nichido Fire and Marine Insurance Co., Ltd. TMNF is the largest general insurer in Japan, having total assets of 9.1 trillion Yen (approximately S\$125 billion) and net premiums written of 1.9 trillion Yen (approximately S\$26 billion) as at 31 March 2004. TMNF is headquartered in Tokyo, Japan and has a worldwide network of 35 subsidiaries and affiliated companies in 41 countries. TMNF is a subsidiary of Millea Holdings Inc, which is listed on the Tokyo Stock Exchange and Osaka Securities Exchange. The Millea group of companies is principally involved in property and casualty and life insurance operations and is located primarily in Japan, Singapore, Malaysia, China, Taiwan, Vietnam, Thailand and India.

8. Offer Documents

The Boards of Directors of the Companies wish to highlight that the satisfaction of the conditions precedent in the Option Agreement may take up to nine (9) months or more. Separate announcements will be made by TMNF if and when the AGH Offer and AL(S) Offer are triggered and when the offer documents prepared by TMNF are despatched to the respective shareholders.

In the meantime, shareholders of the Companies are advised to refrain from taking any action in relation to their shares in AGH and/or AL(S) (as the case may be) which may be prejudicial to their interests. If shareholders of the Companies are in doubt about the AGH Offer or the AL(S) Offer (as the case may be), they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

9. Responsibility Statement

The Directors of the Companies (including those who have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

By order of the respective Boards of Directors of

ASIA GENERAL HOLDINGS LIMITED
19 April 2006
Singapore

THE ASIA LIFE ASSURANCE SOCIETY LIMITED
19 April 2006
Singapore

1. Introduction

Morgan Stanley Dean Witter Asia (Singapore) Pte ("Morgan Stanley") announces, for and on behalf of Tokio Marine & Nichido Fire Insurance Co., Ltd. ("TMNF"), a possible offer by TMNF for each of:

- (1) Asia General Holdings Limited ("AGH"); and
- (2) The Asia Life Assurance Society Limited ("AL (S)").

2. SPA

2.1 SPA. TMNF has, on 19 April 2006, entered into a share purchase agreement ("SPA") with certain shareholders of AGH ("SPA Sellers"), pursuant to which TMNF agreed to purchase, and the SPA Sellers agreed to sell, an aggregate of 11,051,493 AGH shares ("SPA Shares"), representing approximately 14.74% of the issued share capital of AGH as at 11 April 2006, on the terms and conditions set out therein.

2.2 SPA Conditions. Closing of the sale and purchase of the SPA Shares ("SPA Closing") is conditional upon, *inter alia*, the parties having obtained the necessary regulatory approvals (the "Regulatory Approvals") for the proposed acquisition by TMNF of the issued share capital of AL (S), Asia Insurance Company Limited (a wholly-owned subsidiary of AGH) ("AI (S)"), Asia Life (Malaysia) Berhad (a subsidiary of AL (S)) ("AL (M)") and Asia Insurance (Malaysia) Berhad (a subsidiary of AI (S)) ("AI (M)"), whether through AGH directly or indirectly, by 18 June 2006 (or such other date as TMNF and the SPA Sellers may agree in writing), in such form and on such terms reasonably acceptable to TMNF and (if and to the extent such terms apply to the SPA Sellers) the SPA Sellers.

2.3 SPA Terms. Each SPA Share will be sold and purchased:

- (1) with all rights attached thereto as at SPA Closing and attaching thereto thereafter and free from all encumbrances; and
- (2) at a purchase price of S\$11.79 per SPA Share, subject to adjustment for, *inter alia*, any difference in the shareholders' equity of each of (a) AGH, (b) AI (S), (c) AL (S), (d) AI (M) and (e) AL (M), (each, an "AGH Group Company" and together, the "AGH Group") as derived from their respective unaudited and audited financial statements for the financial year ended 31 December 2005 ("SPA Purchase Price").

3. Option Agreement

3.1 Option Agreement. TMNF has also, on 19 April 2006, entered into an option agreement ("Option Agreement") with certain other shareholders of AGH ("Option Sellers"), pursuant to which and subject to SPA Closing:

- (1) TMNF agreed to grant the Option Sellers an option ("Put Option") to require TMNF to purchase from the Option Sellers; and
- (2) the Option Sellers agreed to grant TMNF an option ("Call Option") to require the Option Sellers to sell to TMNF,

each in relation to an aggregate of 29,248,263 AGH shares ("Option Shares"), representing approximately 39% of the issued share capital of AGH as at 11 April 2006, on the terms and conditions set out therein.

If SPA Closing does not take place in accordance with the terms of the SPA, the Option Agreement shall terminate.

3.2 Exercise Conditions. Exercise of the Put Option and the Call Option is conditional upon, *inter alia*:

- (1) the parties having obtained the Regulatory Approvals;
- (2) the disposal of certain non-insurance related assets held by the AGH Group;
- (3) TMNF having obtained the approval of the Financial Services Agency of Japan ("FSA") to acquire and hold 15% or more of the issued share capital of AGH; and
- (4) the return of capital by AGH to its shareholders of an aggregate cash amount of not less than the lower of:
 - (a) S\$400,000,000 (provided that this condition precedent shall be deemed fulfilled if the return of capital by AGH to its shareholders is not less than S\$300,000,000); and
 - (b) the sum of (i) all the retained earnings of each AGH Group Company as at 31 December 2005 and (ii) all the distributable profits of each AGH Group Company accruing after 31 December 2005 (pro-rated based on AGH's effective shareholding in each of AI (S), AI (M), and AL (M)), provided that (where applicable) such sum shall not exceed such maximum amount permitted by the relevant regulatory authorities,

within 9 months from SPA Closing (or such other date as TMNF and the Option Sellers may agree in writing).

3.3 Option Terms. Each Option Share will be sold and purchased:

- (1) with all rights attached thereto as at the closing of the sale and purchase of the Option Shares ("Option Closing") and attaching thereto thereafter and free from all encumbrances; and
- (2) at an exercise price ("Exercise Price") of:
 - (a) the SPA Purchase Price; less
 - (b) the aggregate amount of all dividends or other distributions, or return of capital, whether in cash or in kind and whether interim or final, paid in respect of that Option Share from 31 March 2006 to immediately prior to Option Closing (and where any such distribution is paid with any franking credit attached thereto, such credit shall be disregarded for the purpose of determining the amount of such distribution).

3.4 Other terms of the proposed transaction. TMNF has also separately undertaken as follows:

- (1) in the event that, *inter alia*, TMNF fails to complete the Option Agreement despite all the conditions precedent having been met or waived, TMNF will compensate the relevant AGH Group Company for costs and expenses and certain losses which may have been incurred in connection with the disposal of certain assets held by the AGH Group as contemplated under the terms of the Option Agreement; and
- (2) in the event that, *inter alia*, SPA Closing has taken place but the Option Agreement is terminated in certain circumstances, TMNF will dispose of the SPA Shares when certain conditions are met.

4. Possible Offer for AGH

4.1 Possible AGH Offer. If either the Put Option or the Call Option is exercised, TMNF will be obliged to make a mandatory takeover-offer ("AGH Offer") to acquire all the issued AGH shares not held, acquired or agreed to be acquired by TMNF or any of its related corporations (or their respective nominees) ("AGH Offer Shares") on the terms and conditions set out below.

4.2 AGH Offer Unconditional. If and when made, the AGH Offer will be unconditional in all respects since TMNF would hold more than 50% of the issued AGH shares at the time of such offer.

4.3 AGH Offer Price. If and when made, the AGH Offer will be at a price per AGH Offer Share ("AGH Offer Price") which shall be not less than the higher of:

- (1) the Exercise Price; and
- (2) the price paid by any of TMNF and its concert parties for any AGH share in the 6-month period immediately preceding the date of exercise of the Put Option or the Call Option (as the case may be), otherwise than pursuant to the SPA.

TMNF has undertaken that for the purposes of the AGH Offer, if and when made, TMNF will not offer to acquire any AGH Offer Shares at a price which is higher than the Exercise Price.

4.4 AGH Offer Terms. All AGH Offer Shares tendered in acceptance of the AGH Offer, if and when made, will be acquired with all rights attached thereto as at Option Closing and attaching thereto thereafter and free from all encumbrances.

4.5 AGH Offer Announcement. TMNF will announce further details relating to the AGH Offer upon the exercise of the Put Option or Call Option (as the case may be) (such announcement, "AGH Offer Announcement"). In the event of any inconsistency between this announcement and the AGH Offer Announcement relating to the AGH Offer, the AGH Offer Announcement shall prevail.

5. Possible Offer for AL (S)

5.1 Possible AL (S) Offer. If either the Put Option or the Call Option is exercised, TMNF will also be obliged to make a mandatory takeover-offer ("AL (S) Offer") to acquire all the issued AL (S) shares not held, acquired or agreed to be acquired by TMNF or any of its related corporations (which shall by such time include AGH and AI (S)) (or their respective nominees) ("AL (S) Offer Shares") on the terms and conditions set out below.

5.2 AL (S) Offer Unconditional. If and when made, the AL (S) Offer will be unconditional in all respects since TMNF and its concert parties (which shall by such time include AGH and AI (S)) would hold more than 50% of the issued AL (S) shares at the time of such offer.

5.3 AL (S) Offer Price. If and when made, the AL (S) Offer will be at a price per AL (S) Offer Share ("AL (S) Offer Price") which shall be not less than the higher of:

- (1) (a) S\$8.20 in cash; less
- (b) the aggregate amount of all dividends or other distributions, or return of capital, whether in cash or in kind and whether interim or final, paid in respect of that AL (S) Offer Share from 19 April 2006 to immediately prior to Option Closing (and where any such distribution is paid with any franking credit attached thereto, such credit shall be disregarded for the purpose of determining the amount of such distribution); and
- (2) the price paid by any of TMNF and its concert parties for any AL (S) share in the 6-month period immediately preceding the date of exercise of the Put Option or the Call Option (as the case may be).

5.4 AL (S) Offer Terms. All AL (S) Offer Shares tendered in acceptance of the AL (S) Offer, if and when made, will be acquired with all rights attached thereto as at Option Closing and attaching thereto thereafter and free from all encumbrances.

5.5 AL (S) Offer Announcement. TMNF will announce further details relating to the AL (S) Offer upon Option Closing (such announcement, "AL (S) Offer Announcement"). In the event of any inconsistency between this announcement and the AL (S) Offer Announcement relating to the AL (S) Offer, the AL (S) Offer Announcement shall prevail.

6. Possible Offer for AI (M)

If either the Put Option or the Call Option is exercised, TMNF will similarly be obliged to make a mandatory takeover-offer for AI (M), unless a waiver is obtained from the Malaysian Securities Commission.

7. TMNF

TMNF was formed on 1 October 2004 following a merger of The Tokio Marine and Fire Insurance Co., Ltd. and Nichido Fire and Marine Insurance Co., Ltd. TMNF is the largest general insurer in Japan, having total assets of 9.1 trillion Yen (approximately S\$125 billion) and net premiums written of 1.9 trillion Yen (approximately S\$26 billion) as at 31 March 2004. TMNF is headquartered in Tokyo, Japan and has a worldwide network of 35 subsidiaries and affiliated companies in 41 countries. TMNF is a subsidiary of Millea Holdings Inc, which is listed on the Tokyo Stock Exchange and Osaka Securities Exchange. The Millea group of companies is principally involved in property and casualty and life insurance operations and is located primarily in Japan, Singapore, Malaysia, China, Taiwan, Vietnam, Thailand and India.

8. AGH Group

8.1 AGH. AGH was incorporated on 24 February 1971 as a public company limited by shares and is a holding company with interests in life and general insurance, investment holdings, property and hotel developments and investment dealings both in Singapore and overseas. Its two key subsidiaries are AL (S) and AI (S), both Singapore-incorporated companies.

8.2 AL (S). AL (S) was incorporated on 21 May 1948 as a public company limited by shares and is 64.6% owned by AGH and 10% owned by AI (S). AL (S) carries out the life insurance business of the AGH Group and has developed a comprehensive range of products, such as whole life, endowment, term, health and accident insurance. AL (S) also operates regionally in Malaysia through AI (M), its wholly-owned subsidiary.

8.3 AI (S). AI (S) was incorporated on 11 July 1923 as a public company limited by shares. It is a wholly-owned subsidiary of AGH and carries out the general insurance business of the AGH Group. It operates regionally in Malaysia through AI (M), owning 81% of AI (M), and offers a wide range of general insurance products including motor, fire, marine, hull and aviation insurance.

9. Responsibility Statement

The directors of TMNF (including those who have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted from published or publicly available sources (including, without limitation, information relating to the AGH Group), the sole responsibility of the directors of TMNF has been to ensure through reasonable enquiries that such information has been accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

10. General

Other than in compliance with applicable United States securities laws, no solicitation relating to the possible AGH Offer and the possible AL (S) Offer, if made, including the solicitation of any acceptance of such offer, is being made or will be made, directly or indirectly, in the United States, and neither Morgan Stanley nor TMNF is soliciting any acceptance of the offer from any holder of AGH Offer Shares or AL (S) Offer Shares in the United States. Other than in compliance with applicable United States securities laws, copies of this announcement are not being mailed or otherwise distributed or sent in or into or made available in the United States. Persons receiving this announcement (including custodians, nominees and trustees) must not distribute or send such documents or any related documents in, into or from the United States.

Issued by
MORGAN STANLEY DEAN WITTER ASIA (SINGAPORE) PTE.

For and on behalf of
TOKIO MARINE & NICHIDO FIRE INSURANCE CO., LTD.

19 April 2006