

## Outlooks On Three Japanese Insurers To Negative Following Sovereign Outlook Revision

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- The outlook on Japan's 'AA' sovereign rating was revised to negative from stable.
- We revised our outlooks to negative from stable on the ratings on three Japanese insurance companies and many of their overseas subsidiaries.
- The ratings on the Japanese insurers are constrained by the long-term sovereign rating as their business franchises and assets are highly concentrated in Japan.

TOKYO (Standard & Poor's) Jan. 26, 2010--Standard & Poor's Ratings Services today revised its outlooks on three Japanese insurance companies to negative from stable, following the revision to negative from stable of the outlook on the long-term sovereign credit ratings on Japan (AA/Negative/A-1+; please see today's press release "Outlook On Japan Revised To Negative On Diminishing Economic Policy Flexibility; Ratings Affirmed At 'AA/A-1+' for further details). The three insurance companies are: Tokio Marine & Nichido Fire Insurance Co. Ltd., Tokio Marine & Nichido Life Insurance Co. Ltd., and MassMutual Life Insurance Co. The outlooks on Tokio Marine & Nichido Fire Insurance's branches were also revised to negative. At the same time, we affirmed our 'AA' counterparty credit and financial strength ratings on these companies. We also affirmed all of the issue ratings on Tokio Marine & Nichido Fire Insurance. In addition, we revised the outlooks on the ratings on many of Tokio Marine & Nichido Fire Insurance's overseas subsidiaries to negative from stable (see ratings list below), and affirmed our ratings on these companies.

The ratings on Tokio Marine & Nichido Fire and Tokio Marine & Nichido Life are constrained by the long-term sovereign rating on Japan as both insurers hold a high percentage of domestic assets in their portfolios and because their business are concentrated in the domestic market. The ratings on MassMutual

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Life Insurance have also been constrained by the long-term sovereign rating on Japan despite the explicit support in the form of a net worth maintenance agreement from its U.S.-based parent, Massachusetts Mutual Life Insurance Co. (AA+/Stable/A-1+), as its business franchise and asset composition are highly concentrated in Japan.

There is little likelihood that Standard & Poor's will raise the outlooks and ratings on the insurers even if the insurers greatly enhance their financial profiles from their current levels, as long as the ratings and outlook on Japan remain unchanged. Conversely, if the ratings on Japan were lowered, the ratings on the insurers are also likely to be lowered.

RATINGS LIST

Outlook Revised

	To	From
MassMutual Life Insurance Co.		
Counterparty Credit Rating		
Local Currency	AA/Negative/--	AA/Stable/--
Financial Strength Rating		
Local Currency	AA/Negative/--	AA/Stable/--

	To	From
Tokio Marine & Nichido Fire Insurance Co. Ltd.		
Tokio Marine & Nichido Fire Insurance Co. Ltd. (New Zealand Branch)		
Tokio Marine & Nichido Fire Insurance Co. Ltd. (U.S. Branch)		
Tokio Marine Compania de Seguros, S.A. de C.V.		
Tokio Marine Europe Insurance Ltd.		
Tokio Marine Global Ltd.		
Tokio Marine Global Re Ltd.		
Tokio Millennium Re Ltd.		
Tokio Marine Retakaful Pte. Ltd.		
Financial Strength Rating		
Local Currency	AA/Negative/--	AA/Stable/--

Tokio Marine Insurance Singapore Ltd.		
Philadelphia Indemnity Insurance Co.		
Philadelphia Insurance Co.		
Counterparty Credit Rating		
Local Currency	AA-/Negative/--	AA-/Stable/--
Financial Strength Rating		
Local Currency	AA-/Negative/--	AA-/Stable/--

Tokio Marine & Nichido Life Insurance Co. Ltd.		
Counterparty Credit Rating		

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Local Currency                      AA/Negative/--                      AA/Stable/--

Financial Strength Rating

Local Currency                      AA/Negative/--                      AA/Stable/--

Tokio Marine & Nichido Fire Insurance Co. Ltd.

Tokio Marine Financial Solutions Ltd.

Counterparty Credit Rating

Local Currency                      AA/Negative/A-1+                      AA/Stable/A-1+

Ratings Affirmed

Tokio Marine & Nichido Fire Insurance Co. Ltd.

Senior Unsecured                      AA

Commercial Paper                      A-1+

RELATED RESEARCH

"Group Methodology," published on April 22, 2009.

"Interactive Ratings Methodology," published on April 22, 2009.

A Japanese-language version of this media release is available on Standard & Poor's Research Online at [www.researchonline.jp](http://www.researchonline.jp), or via CreditWire Japan on Bloomberg Professional at SPCJ <GO>. Complete ratings information is available to RatingsDirect on the Global Credit Portal subscribers at [www.globalcreditportal.com](http://www.globalcreditportal.com) and RatingsDirect subscribers at [www.ratingsdirect.com](http://www.ratingsdirect.com). All ratings affected by this rating action can be found on Standard & Poor's public Web site at [www.standardandpoors.com](http://www.standardandpoors.com). Use the Ratings search box located in the left column.

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