



TOKIO MARINE

**Information of major subsidiaries' business results  
for the fiscal year ended March 31, 2018**

May 18, 2018

**TOKIO MARINE HOLDINGS, INC.**

(Securities Code Number 8766)

*To Be a **Good Company***



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## 1. Key figures of consolidated results

### (1) Tokio Marine Holdings, Inc. (consolidated)

(Yen in millions)

	Fiscal year 2016	Fiscal year 2017	Increase (Decrease)	Rate of change
Ordinary income	5,232,602	5,399,115	166,512	3.2 %
Ordinary profit	387,659	344,939	(42,719)	(11.0)
Net income attributable to owners of the parent	273,856	284,183	10,326	3.8

### (2) Insurance premiums

(Yen in millions)

	Fiscal year 2016	Fiscal year 2017	Increase (Decrease)	Rate of change
Insurance premiums	4,384,896	4,517,754	132,857	3.0 %
Net premiums written (non-life)	3,480,478	3,564,747	84,268	2.4
Tokio Marine & Nichido	2,116,121	2,144,780	28,658	1.4
Nisshin Fire	140,118	141,820	1,701	1.2
Overseas subsidiaries	1,198,818	1,250,217	51,398	4.3
Others	25,419	27,928	2,509	9.9
Life insurance premiums	904,418	953,006	48,588	5.4
Tokio Marine & Nichido Life	582,020	641,190	59,169	10.2
Overseas subsidiaries	319,475	311,991	(7,483)	(2.3)

### (3) Net income attributable to owners of the parent

(Yen in millions)

	Fiscal year 2016	Fiscal year 2017	Increase (Decrease)	Rate of change
Net income attributable to owners of the parent	273,856	284,183	10,326	3.8 %
Tokio Marine & Nichido	248,632	253,895	5,262	2.1
Nisshin Fire	6,579	5,346	(1,233)	(18.7)
Tokio Marine & Nichido Life	8,796	15,582	6,785	77.1
Overseas subsidiaries	135,654	145,392	9,738	7.2
Impact of U.S. Tax Reform	-	57,856	57,856	—
Financial and other business subsidiaries	4,078	5,089	1,010	24.8
Consolidation adjustment, etc.	(129,885)	(141,122)	(11,237)	—

## 2. Key figures of the domestic property and casualty insurance business

### (1) Tokio Marine & Nichido Fire Insurance Co., Ltd. (non-consolidated)

(Yen in millions)

	Fiscal year 2016	Fiscal year 2017	Increase (Decrease)	
Key components of ordinary profit				
Underwriting	(+) Net premiums written	2,116,121	2,144,780	28,658
	(-) Net claims paid	1,179,147	1,225,285	46,137
	(-) Loss adjustment expenses	105,711	105,356	(355)
	(-) Agency commissions and brokerage	376,322	383,063	6,740
	(-) Operating and general administrative expenses on underwriting	275,252	275,192	(60)
	(-) Provision for (reversal of) outstanding claims	4,959	33,239	28,279
	(-) Provision for (reversal of) underwriting reserves	21,428	(12,899)	(34,327)
	Underwriting profit	116,131	86,638	(29,492)
Investment and other	(+) Interest and dividends	177,832	209,783	31,950
	(+) Gains (losses) on sales of securities	89,105	94,190	5,085
	(-) Impairment losses on securities	925	1,022	96
	(+) Gains (losses) on derivatives	1,406	5,818	4,412
	Net investment income and other	197,430	237,973	40,542
Ordinary profit	312,436	325,847	13,411	
(+) Extraordinary gains	9,267	1,445	(7,822)	
(-) Extraordinary losses	7,241	13,934	6,692	
Net income	248,632	253,895	5,262	
Loss ratio (W/P basis)	60.7 %	62.0 %	1.3	
Fire and allied lines	53.0	60.8	7.8	
Voluntary automobile	58.7	59.3	0.7	
Expense ratio (W/P basis)	30.8	30.7	(0.1)	
Combined ratio (W/P basis)	91.5	92.7	1.2	
Loss ratio (private sector, E/I basis)	57.7 %	61.4 %	3.7	
Fire and allied lines	54.1	68.7	14.6	
Voluntary automobile	60.2	60.8	0.6	
Expense ratio (private sector)	32.7	32.5	(0.2)	
Combined ratio (private sector)	90.4	93.9	3.5	
Net incurred losses related to natural catastrophe	53,554	82,211	28,657	
Fire and allied lines	46,002	69,404	23,402	
Voluntary automobile	2,564	7,036	4,471	
Increase (decrease) in catastrophe loss reserve	42,974	31,145	(11,829)	
Fire and allied lines	15,874	10,637	(5,236)	
Voluntary automobile	10,498	3,161	(7,336)	
Balance of catastrophe loss reserve	1,067,012	1,098,157	31,145	
Reservation ratio of catastrophe loss reserve	58.2 %	59.0 %	0.7	
Solvency margin ratio (non-consolidated)	860.9 %	827.3 %	(33.6)	

## (2) Nisshin Fire &amp; Marine Insurance Co., Ltd. (non-consolidated)

(Yen in millions)

		Fiscal year 2016	Fiscal year 2017	Increase (Decrease)
Key components of ordinary profit				
Underwriting	(+) Net premiums written	140,118	141,820	1,701
	(-) Net claims paid	72,937	75,185	2,247
	(-) Loss adjustment expenses	9,786	9,484	(301)
	(-) Agency commissions and brokerage	23,205	24,041	835
	(-) Operating and general administrative expenses on underwriting	23,140	23,492	352
	(-) Provision for (reversal of) outstanding claims	568	1,958	1,390
	(-) Provision for (reversal of) underwriting reserves	(2,392)	(458)	1,933
	Underwriting profit	8,121	5,314	(2,806)
Investment and other	(+) Interest and dividends	4,322	4,526	204
	(+) Gains (losses) on sales of securities	(86)	367	453
	(-) Impairment losses on securities	30	-	(30)
	(+) Gains (losses) on derivatives	(67)	(262)	(195)
	Net investment income and other	1,242	2,673	1,431
Ordinary profit	9,019	7,574	(1,445)	
(+) Extraordinary gains	274	16	(258)	
(-) Extraordinary losses	77	286	209	
Net income	6,579	5,346	(1,233)	
Loss ratio (W/P basis)	59.0 %	59.7 %	0.7	
Fire and allied lines	57.5	64.0	6.6	
Voluntary automobile	56.9	56.4	(0.6)	
Expense ratio (W/P basis)	33.1	33.5	0.4	
Combined ratio (W/P basis)	92.1	93.2	1.1	
Loss ratio (private sector, E/I basis)	54.8 %	57.8 %	3.0	
Fire and allied lines	51.9	73.4	21.5	
Voluntary automobile	57.1	55.6	(1.5)	
Expense ratio (private sector)	34.7	34.9	0.2	
Combined ratio (private sector)	89.5	92.7	3.2	
Net incurred losses related to natural catastrophe	1,776	4,011	2,234	
Fire and allied lines	1,502	3,527	2,025	
Voluntary automobile	182	368	186	
Increase (decrease) in catastrophe loss reserve	5,846	4,409	(1,437)	
Fire and allied lines	845	(626)	(1,471)	
Voluntary automobile	4,139	4,093	(46)	
Balance of catastrophe loss reserve	59,730	64,139	4,409	
Reservation ratio of catastrophe loss reserve	49.7 %	52.1 %	2.4	
Solvency margin ratio (non-consolidated)	1,325.5 %	1,321.2 %	(4.3)	

## (3) E.design Insurance Co., Ltd. (non-consolidated)

(Yen in millions)

		Fiscal year 2016	Fiscal year 2017	Increase (Decrease)
Key components of ordinary profit				
Underwriting	(+) Net premiums written	25,723	28,280	2,557
	(-) Net claims paid	13,897	15,590	1,693
	(-) Loss adjustment expenses	1,679	1,934	254
	(-) Agency commissions and brokerage	20	39	18
	(-) Operating and general administrative expenses on underwriting	7,401	7,351	(50)
	(-) Provision for (reversal of) outstanding claims	3,944	3,775	(168)
	(-) Provision for (reversal of) underwriting reserves	2,522	1,275	(1,247)
	Underwriting profit (loss)	(3,731)	(1,672)	2,058
Investment and other	(+) Interest and dividends	5	2	(2)
	(+) Gains (losses) on sales of securities	-	-	-
	(-) Impairment losses on securities	-	-	-
	(+) Gains (losses) on derivatives	-	-	-
	Net investment income and other	2	(7)	(9)
Ordinary profit (loss)		(7,555)	(5,506)	2,048
(+) Extraordinary gains		-	-	-
(-) Extraordinary losses		0	0	0
Net income (loss)		(7,568)	(5,519)	2,049
Loss ratio (W/P basis)		60.6 %	62.0 %	1.4
	Fire and allied lines	-	-	-
	Voluntary automobile	60.4	61.8	1.4
Expense ratio (W/P basis)		28.9	26.1	(2.7)
Combined ratio (W/P basis)		89.4	88.1	(1.3)
Loss ratio (private sector, E/I basis)		83.8 %	78.4 %	(5.4)
	Fire and allied lines	-	-	-
	Voluntary automobile	83.8	78.4	(5.4)
Expense ratio (private sector)		29.2	26.4	(2.8)
Combined ratio (private sector)		113.0	104.8	(8.1)
Net incurred losses related to natural catastrophe		38	146	107
	Fire and allied lines	-	-	-
	Voluntary automobile	38	146	107
Increase (decrease) in catastrophe loss reserve		47	81	33
	Fire and allied lines	-	-	-
	Voluntary automobile	47	81	33
Balance of catastrophe loss reserve		816	897	81
Reservation ratio of catastrophe loss reserve		3.2 %	3.2 %	0.0
Solvency margin ratio (non-consolidated)		345.6 %	282.4 %	(63.2)

### 3. Key figures of the domestic life insurance business

Tokio Marine & Nichido Life Insurance Co., Ltd. (non-consolidated)

(Yen in millions)

	Fiscal year 2016	Fiscal year 2017	Increase (Decrease)	Rate of change
Annualized premiums				
Policies in force	831,328	852,774	21,446	2.6 %
Individual insurance	636,917	690,810	53,893	8.5
Medical coverage, accelerated death benefits, etc.	163,261	177,355	14,093	8.6
Medical and cancer	140,188	151,744	11,556	8.2
Individual annuities	194,411	161,963	(32,447)	(16.7)
New policies	120,787	102,108	(18,679)	(15.5)
Individual insurance	116,693	102,108	(14,585)	(12.5)
Medical coverage, accelerated death benefits, etc.	25,776	22,772	(3,003)	(11.7)
Medical and cancer	21,512	18,804	(2,707)	(12.6)
Individual annuities	4,094	-	(4,094)	(100.0)
Net income	8,796	15,582	6,785	77.1



#### 4. Business forecasts for the fiscal year 2018 (April 1, 2018 to March 31, 2019)

##### (1) Tokio Marine Holdings, Inc. (consolidated)

(Yen in millions)

	Fiscal year 2017	Fiscal year 2018 (Forecast)	Increase (Decrease)	Rate of change
Insurance premiums	4,517,754	4,480,000	(37,754)	(0.8)%
Ordinary profit	344,939	450,000	105,060	30.5
Net income attributable to owners of the parent	284,183	320,000	35,816	12.6

##### (2) Insurance premiums

(Yen in millions)

	Fiscal year 2017	Fiscal year 2018 (Forecast)	Increase (Decrease)	Rate of change
Insurance premiums	4,517,754	4,480,000	(37,754)	(0.8)%
Net premiums written (non-life)	3,564,747	3,530,000	(34,747)	(1.0)
Tokio Marine & Nichido	2,144,780	2,146,000	1,219	0.1
Nisshin Fire	141,820	142,500	679	0.5
Overseas subsidiaries	1,250,217	1,212,000	(38,217)	(3.1)
Others	27,928	29,500	1,571	5.6
Life insurance premiums	953,006	950,000	(3,006)	(0.3)
Tokio Marine & Nichido Life	641,190	636,000	(5,190)	(0.8)
Overseas subsidiaries	311,991	311,000	(991)	(0.3)

##### (3) Net income attributable to owners of the parent

(Yen in millions)

	Fiscal year 2017	Fiscal year 2018 (Forecast)	Increase (Decrease)	Rate of change
Net income attributable to owners of the parent	284,183	320,000	35,816	12.6 %
Tokio Marine & Nichido	253,895	242,000	(11,895)	(4.7)
Nisshin Fire	5,346	5,600	253	4.7
Tokio Marine & Nichido Life	15,582	21,000	5,417	34.8
Overseas subsidiaries	145,392	138,000	(7,392)	(5.1)
Impact of U.S. Tax Reform	57,856	12,000	(45,856)	(79.3)
Financial and other business subsidiaries	5,089	3,900	(1,189)	(23.4)
Consolidation adjustment, etc.	(141,122)	(90,500)	50,622	—

##### (4) Tokio Marine & Nichido Fire Insurance Co., Ltd. (non-consolidated)

(Yen in millions)

	Fiscal year 2017	Fiscal year 2018 (Forecast)	Increase (Decrease)	Rate of change
Net premiums written (non-life)	2,144,780	2,146,000	1,219	0.1 %
Ordinary profit	325,847	328,000	2,152	0.7
Net income	253,895	242,000	(11,895)	(4.7)

#### 5. Dividends forecast (Tokio Marine Holdings, Inc.)

(Yen)

	Fiscal year 2017	Fiscal year 2018 (Forecast)
Annual dividends per share	160.00	180.00
Interim dividends	80.00	90.00
Year-end dividends	80.00	90.00

## Financial statements

## 1. Tokio Marine &amp; Nichido Fire Insurance Co., Ltd. (non-consolidated)

## (1) Balance sheet

(Yen in millions)

	As of March 31, 2017		As of March 31, 2018		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Assets</b>		%		%	
Cash and bank deposits	179,160	1.88	243,440	2.52	64,280
Cash	43		47		3
Bank deposits	179,116		243,393		64,276
Call loans	220,800	2.32	135,000	1.40	(85,800)
Receivables under resale agreements	34,999	0.37	4,999	0.05	(29,999)
Receivables under securities borrowing transactions	-	-	89,599	0.93	89,599
Monetary receivables bought	44,271	0.46	69,087	0.71	24,816
Money trusts	101,650	1.07	214,101	2.21	112,450
Securities	7,441,093	78.13	7,791,008	80.57	349,914
Domestic government bonds	1,674,703		1,662,107		(12,596)
Domestic municipal bonds	85,819		115,274		29,455
Domestic corporate bonds	616,350		601,394		(14,955)
Domestic equity securities	2,413,247		2,632,359		219,111
Foreign securities	2,626,542		2,749,804		123,262
Others	24,430		30,066		5,636
Loans	606,487	6.37	257,253	2.66	(349,234)
Policy loans	10,920		9,796		(1,123)
Ordinary loans	595,567		247,456		(348,110)
Tangible fixed assets	207,908	2.18	208,308	2.15	400
Land	100,345		100,224		(120)
Buildings	88,557		89,176		619
Construction in progress	614		545		(68)
Other tangible fixed assets	18,391		18,361		(29)
Intangible fixed assets	523	0.01	523	0.01	(0)
Other assets	682,206	7.16	650,033	6.72	(32,173)
Uncollected premiums	2,668		3,975		1,307
Agency accounts receivable	197,963		195,876		(2,086)
Foreign agency accounts receivable	13,307		13,396		89
Coinsurance accounts receivable	31,109		33,408		2,299
Reinsurance accounts receivable	74,737		71,602		(3,135)
Foreign reinsurance accounts receivable	69,566		59,364		(10,201)
Proxy service receivable	18		7		(10)
Accounts receivable	56,791		36,869		(19,921)
Accrued income	8,004		7,837		(166)
Deposits	11,192		10,889		(302)
Deposits for earthquake insurance	13,011		13,897		885
Suspense payments	57,973		59,057		1,084
Initial margins for future transactions	16,130		6,472		(9,657)
Variation margins for future transactions	130		114		(16)
Derivative assets	98,145		92,343		(5,802)
Cash collateral paid for financial instruments	31,455		44,918		13,462
Prepaid pension costs	6,303	0.07	7,222	0.07	918
Customers' liabilities under acceptances and guarantees	2,465	0.03	2,345	0.02	(119)
Allowance for doubtful accounts	(3,405)	(0.04)	(3,089)	(0.03)	315
<b>Total assets</b>	<b>9,524,466</b>	<b>100.00</b>	<b>9,669,833</b>	<b>100.00</b>	<b>145,367</b>

(Yen in millions)

	As of March 31, 2017		As of March 31, 2018		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Liabilities</b>		%		%	
Insurance liabilities	5,389,029	56.58	5,408,287	55.93	19,258
Outstanding claims	899,652		931,809		32,157
Underwriting reserves	4,489,376		4,476,477		(12,899)
Corporate bonds	15,190	0.16	10,900	0.11	(4,290)
Other liabilities	865,852	9.09	687,644	7.11	(178,208)
Coinsurance accounts payable	19,421		19,939		518
Reinsurance accounts payable	80,425		69,408		(11,016)
Foreign reinsurance accounts payable	54,944		64,690		9,745
Borrowings	415,103		254,976		(160,127)
Income taxes payable	38,198		29,391		(8,806)
Deposits received	15,911		16,024		112
Unearned revenue	19		18		(0)
Accounts payable	42,894		44,110		1,215
Suspense receipts	81,531		80,360		(1,171)
Variation margins for future transactions	5		-		(5)
Derivative liabilities	78,939		66,405		(12,534)
Cash collateral received for financial instruments	32,596		36,160		3,563
Lease obligations	2,510		2,761		250
Asset retirement obligations	3,345		3,393		48
Other liabilities	4		4		-
Provision for retirement benefits	203,252	2.13	205,939	2.13	2,686
Provision for employees' bonus	21,266	0.22	18,702	0.19	(2,563)
Reserves under special laws	86,090	0.90	91,437	0.95	5,346
Price fluctuation reserve	86,090		91,437		5,346
Deferred tax liabilities	147,475	1.55	209,025	2.16	61,549
Acceptances and guarantees	2,465	0.03	2,345	0.02	(119)
<b>Total liabilities</b>	<b>6,730,622</b>	<b>70.67</b>	<b>6,634,281</b>	<b>68.61</b>	<b>(96,341)</b>
<b>Net assets</b>					
Share capital	101,994	1.07	101,994	1.05	-
Capital surplus	133,625	1.40	133,625	1.38	0
Additional paid-in capital	123,521		123,521		-
Other capital surplus	10,104		10,104		0
Retained earnings	1,111,511	11.67	1,178,018	12.18	66,506
Surplus reserve	81,099		81,099		-
Other retained earnings	1,030,411		1,096,918		66,506
Reserve for special depreciation	20		15		(5)
Reserve for advanced depreciation of fixed assets	25,409		24,655		(753)
Special reserves	235,426		235,426		-
Retained earnings carried forward	769,556		836,822		67,265
Total shareholders' equity	1,347,131	14.14	1,413,638	14.62	66,506
Unrealized gains (losses) on available-for-sale securities	1,456,974	15.30	1,623,584	16.79	166,609
Deferred gains (losses) on hedge transactions	(10,262)	(0.11)	(1,670)	(0.02)	8,591
Total valuation and translation adjustments	1,446,712	15.19	1,621,913	16.77	175,201
<b>Total net assets</b>	<b>2,793,844</b>	<b>29.33</b>	<b>3,035,552</b>	<b>31.39</b>	<b>241,708</b>
<b>Total liabilities and net assets</b>	<b>9,524,466</b>	<b>100.00</b>	<b>9,669,833</b>	<b>100.00</b>	<b>145,367</b>

## (2) Statement of income

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )	Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )	Increase (Decrease)
<b>Ordinary income</b>	2,522,932	2,588,685	65,753
<b>Underwriting income</b>	2,274,098	2,292,523	18,424
Net premiums written	2,116,121	2,144,780	28,658
Deposit premiums from policyholders	112,442	91,885	(20,557)
Investment income on deposit premiums	45,303	42,769	(2,533)
Reversal of underwriting reserves	-	12,899	12,899
Other underwriting income	230	188	(42)
<b>Investment income</b>	234,494	284,934	50,439
Interest and dividends	177,832	209,783	31,950
Gains on money trusts	957	6,892	5,934
Gains on sales of securities	97,753	103,825	6,072
Gains on redemption of securities	242	461	218
Gains on derivatives	1,406	5,818	4,412
Foreign exchange gains	804	255	(549)
Other investment income	800	667	(132)
Transfer of investment income on deposit premiums	(45,303)	(42,769)	2,533
<b>Other ordinary income</b>	14,338	11,227	(3,111)
<b>Ordinary expenses</b>	2,210,495	2,262,838	52,342
<b>Underwriting expenses</b>	1,883,839	1,929,456	45,617
Net claims paid	1,179,147	1,225,285	46,137
Loss adjustment expenses	105,711	105,356	(355)
Agency commissions and brokerage	376,322	383,063	6,740
Maturity refunds to policyholders	192,759	180,730	(12,029)
Dividends to policyholders	59	11	(48)
Provision for outstanding claims	4,959	33,239	28,279
Provision for underwriting reserves	21,428	-	(21,428)
Foreign exchange losses	2,936	1,356	(1,580)
Other underwriting expenses	513	414	(98)
<b>Investment expenses</b>	16,850	18,150	1,299
Losses on money trusts	2,654	7,168	4,513
Losses on sales of securities	8,648	9,635	986
Impairment losses on securities	925	1,022	96
Losses on redemption of securities	1,039	322	(716)
Other investment expenses	3,582	1	(3,581)
<b>Operating and general administrative expenses</b>	303,423	308,752	5,328
<b>Other ordinary expenses</b>	6,382	6,478	96
Interest expenses	5,816	6,048	232
Losses on bad debts	1	4	2
Other ordinary expenses	563	425	(138)
<b>Ordinary profit</b>	312,436	325,847	13,411
<b>Extraordinary gains</b>	9,267	1,445	(7,822)
Gains on disposal of fixed assets	7,771	51	(7,720)
Gains on liquidation of subsidiaries and affiliates	1,496	1,394	(102)
<b>Extraordinary losses</b>	7,241	13,934	6,692
Losses on disposal of fixed assets	1,585	1,294	(291)
Impairment losses on fixed assets	625	152	(472)
Provision for reserves under special laws	5,030	5,346	316
Provision for price fluctuation reserve	5,030	5,346	316
Losses on advanced depreciation of real estates	-	7	7
Impairment losses on investment in subsidiaries and affiliates	-	7,133	7,133
Losses on liquidation of subsidiaries and affiliates	0	-	(0)
<b>Income before income taxes</b>	314,462	313,358	(1,103)
<b>Income taxes - current</b>	66,887	66,148	(739)
<b>Income taxes - deferred</b>	(1,057)	(6,685)	(5,627)
<b>Total income taxes</b>	65,829	59,463	(6,366)
<b>Net income</b>	248,632	253,895	5,262

## (3) Underwriting

Direct premiums written excluding deposit premiums from policyholders

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )			Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	342,421	14.7	(6.2)	344,574	14.6	0.6
Hull and cargo	62,678	2.7	(12.3)	65,461	2.8	4.4
Personal accident	177,890	7.7	(1.5)	174,213	7.4	(2.1)
Voluntary automobile	1,054,701	45.4	2.0	1,067,431	45.3	1.2
Compulsory automobile liability	280,750	12.1	4.2	263,342	11.2	(6.2)
Others	403,756	17.4	7.1	442,031	18.8	9.5
Total	2,322,198	100.0	1.1	2,357,053	100.0	1.5
Deposit premiums from policyholders	112,442	-	(8.4)	91,885	-	(18.3)

Net premiums written

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )			Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	272,294	12.9	(10.3)	274,697	12.8	0.9
Hull and cargo	58,978	2.8	(10.9)	59,917	2.8	1.6
Personal accident	172,203	8.1	(1.8)	168,627	7.9	(2.1)
Voluntary automobile	1,051,339	49.7	2.0	1,064,407	49.6	1.2
Compulsory automobile liability	282,700	13.4	0.0	282,212	13.2	(0.2)
Others	278,605	13.2	3.2	294,918	13.8	5.9
Total	2,116,121	100.0	(0.6)	2,144,780	100.0	1.4

Net claims paid

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )			Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )		
	Amount	Rate of change	Loss ratio	Amount	Rate of change	Loss ratio
		%	%		%	%
Fire and allied lines	138,582	(10.7)	53.0	161,113	16.3	60.8
Hull and cargo	36,231	(2.3)	65.4	35,137	(3.0)	62.2
Personal accident	79,215	(2.4)	51.3	80,618	1.8	53.3
Voluntary automobile	557,331	0.5	58.7	571,591	2.6	59.3
Compulsory automobile liability	210,588	(1.2)	81.6	205,084	(2.6)	79.4
Others	157,197	17.5	59.6	171,740	9.3	61.4
Total	1,179,147	0.3	60.7	1,225,285	3.9	62.0

(Note) Loss ratio is calculated on W/P basis.

## (4) Investment

## Income yield

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )			Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )		
	Interest and dividends	Average balance	Annual yield	Interest and dividends	Average balance	Annual yield
Bank deposits	354	255,594	0.14 %	310	290,266	0.11 %
Call loans	0	38,750	0.00	-	21,758	-
Receivables under resale agreements	0	12,635	0.00	0	10,528	0.00
Receivables under securities borrowing transactions	85	85,412	0.10	84	84,086	0.10
Monetary receivables bought	18	29,126	0.06	22	46,958	0.05
Money trusts	2,524	82,839	3.05	5,224	143,582	3.64
Securities	166,640	5,452,424	3.06	198,801	5,540,327	3.59
Domestic debt securities	25,636	2,236,434	1.15	24,389	2,283,686	1.07
Domestic equity securities	54,910	596,344	9.21	59,980	575,781	10.42
Foreign securities	86,088	2,588,255	3.33	113,021	2,653,517	4.26
Others	5	31,389	0.02	1,409	27,342	5.15
Loans	1,749	623,884	0.28	1,338	456,493	0.29
Land and buildings	8,430	187,823	4.49	8,640	189,510	4.56
Total	179,804	6,768,491	2.66	214,423	6,783,514	3.16

(Reference)

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )			Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )		
	Net investment income	Average balance	Annual yield	Net investment income	Average balance	Annual yield
Realized yield	262,947	6,768,491	3.88 %	309,554	6,783,514	4.56 %
Fair value yield	360,747	8,674,983	4.16	552,990	8,801,394	6.28

Gains (losses) on sales of securities, impairment losses on securities

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )		Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )		Increase (Decrease)	
	Gains (losses) on sales	Impairment losses on securities	Gains (losses) on sales	Impairment losses on securities	Gains (losses) on sales	Impairment losses on securities
Domestic debt securities	6,172	-	582	-	(5,590)	-
Domestic equity securities	87,553	820	90,624	12	3,071	(807)
Foreign securities	(4,693)	104	2,971	-	7,665	(104)
Others	73	0	12	1,009	(61)	1,009
Total	89,105	925	94,190	1,022	5,085	96

Available-for-sale securities

(Yen in millions)

	As of March 31, 2017			As of March 31, 2018		
	Cost	Fair value shown on balance sheet	Difference	Cost	Fair value shown on balance sheet	Difference
Domestic debt securities	2,107,218	2,237,478	130,259	2,110,533	2,239,521	128,988
Domestic equity securities	545,226	2,368,289	1,823,062	524,559	2,585,952	2,061,393
Foreign securities	503,375	549,996	46,621	495,377	545,779	50,401
Others	79,347	79,247	(99)	94,013	94,603	590
Total	3,235,167	5,235,012	1,999,845	3,224,483	5,465,857	2,241,373

(Note) The table shows Available-for-sale securities with fair value, which includes Monetary receivables bought, etc. on the balance sheet.

## (5) Solvency margin ratio (non-consolidated)

(Yen in millions)

	As of March 31, 2017	As of March 31, 2018
(A) Total amount of solvency margin	4,898,941	5,142,318
Shareholders' equity less adjusting items	1,331,170	1,307,717
Price fluctuation reserve	86,090	91,437
Contingency reserve	3,178	4,139
Catastrophe loss reserve	1,084,279	1,116,234
General allowance for doubtful accounts	263	232
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions	1,811,890	2,020,068
Unrealized gains (losses) on land	190,461	209,758
Excess of policyholders' contract deposits	-	-
Subordinated debt, etc.	-	-
Amounts within "Excess of policyholders' contract deposits" and "Subordinated debt, etc." not calculated into the margin	-	-
Deductions	10,014	-
Others	401,622	392,731
(B) Total amount of risks $\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2 + R_5 + R_6}$	1,138,044	1,243,144
General insurance risk (R <sub>1</sub> )	173,456	180,982
Third sector insurance risk (R <sub>2</sub> )	-	-
Assumed interest rate risk (R <sub>3</sub> )	23,020	21,491
Asset management risk (R <sub>4</sub> )	915,169	1,009,717
Business administration risk (R <sub>5</sub> )	25,403	27,615
Catastrophe risk (R <sub>6</sub> )	158,550	168,559
(C) Solvency margin ratio $[(A)/\{(B) \times 1/2\}] \times 100$	860.9%	827.3%

2. Nisshin Fire & Marine Insurance Co., Ltd. (non-consolidated)  
(1) Balance sheet

(Yen in millions)

	As of March 31, 2017		As of March 31, 2018		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Assets</b>		%		%	
Cash and bank deposits	39,852	9.54	59,544	14.35	19,692
Cash	5		4		(0)
Bank deposits	39,846		59,540		19,693
Securities	310,291	74.25	285,985	68.93	(24,306)
Domestic government bonds	128,698		127,344		(1,353)
Domestic municipal bonds	8,694		5,140		(3,553)
Domestic corporate bonds	95,355		76,139		(19,216)
Domestic equity securities	51,060		54,915		3,855
Foreign securities	23,110		19,078		(4,031)
Others	3,372		3,366		(6)
Loans	275	0.07	234	0.06	(40)
Policy loans	275		234		(40)
Tangible fixed assets	28,960	6.93	29,029	7.00	68
Land	18,791		18,727		(63)
Buildings	9,190		9,064		(126)
Lease assets	1		-		(1)
Other tangible fixed assets	976		1,237		260
Intangible fixed assets	91	0.02	91	0.02	-
Other assets	24,084	5.76	26,104	6.29	2,020
Uncollected premiums	50		58		7
Agency accounts receivable	6,013		9,892		3,878
Coinsurance accounts receivable	166		222		56
Reinsurance accounts receivable	5,838		5,425		(413)
Foreign reinsurance accounts receivable	672		283		(389)
Accounts receivable	3,300		3,073		(226)
Accrued income	617		525		(91)
Deposits	885		875		(9)
Deposits for earthquake insurance	937		987		49
Suspense payments	5,143		4,729		(413)
Derivative assets	458		30		(428)
Prepaid pension costs	1,569	0.38	1,510	0.36	(58)
Deferred tax assets	12,902	3.09	12,478	3.01	(424)
Allowance for doubtful accounts	(109)	(0.03)	(107)	(0.03)	1
<b>Total assets</b>	<b>417,919</b>	<b>100.00</b>	<b>414,872</b>	<b>100.00</b>	<b>(3,047)</b>



(Yen in millions)

	As of March 31, 2017		As of March 31, 2018		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Liabilities</b>		%		%	
Insurance liabilities	293,812	70.30	293,963	70.86	151
Outstanding claims	48,262		48,873		610
Underwriting reserves	245,549		245,090		(458)
Other liabilities	16,497	3.95	15,696	3.78	(801)
Coinsurance accounts payable	332		287		(45)
Reinsurance accounts payable	5,503		4,768		(735)
Foreign reinsurance accounts payable	106		45		(61)
Income taxes payable	1,632		1,322		(309)
Deposits received	241		243		1
Unearned revenue	7		7		0
Accounts payable	1,965		2,252		286
Suspense receipts	6,692		6,754		62
Derivative liabilities	-		1		1
Lease obligations	1		-		(1)
Asset retirement obligations	11		11		(0)
Other liabilities	2		2		-
Provision for retirement benefits	2,156	0.52	2,339	0.56	183
Provision for employees' bonus	540	0.13	559	0.13	18
Reserves under special laws	1,104	0.26	1,292	0.31	188
Price fluctuation reserve	1,104		1,292		188
<b>Total liabilities</b>	<b>314,110</b>	<b>75.16</b>	<b>313,851</b>	<b>75.65</b>	<b>(258)</b>
<b>Net assets</b>					
Share capital	20,389	4.88	20,389	4.91	-
Capital surplus	15,518	3.71	15,518	3.74	-
Additional paid-in capital	12,620		12,620		-
Other capital surplus	2,898		2,898		-
Retained earnings	32,077	7.68	26,522	6.39	(5,554)
Surplus reserves	7,769		7,769		-
Other retained earnings	24,307		18,753		(5,554)
Special reserves	8,840		8,840		-
Reserve for advanced depreciation of fixed assets	1,778		1,745		(32)
Retained earnings carried forward	13,689		8,167		(5,521)
Total shareholders' equity	67,985	16.27	62,430	15.05	(5,554)
Unrealized gains (losses) on available-for-sale securities	35,823	8.57	38,589	9.30	2,766
Total valuation and translation adjustments	35,823	8.57	38,589	9.30	2,766
<b>Total net assets</b>	<b>103,808</b>	<b>24.84</b>	<b>101,020</b>	<b>24.35</b>	<b>(2,788)</b>
<b>Total liabilities and net assets</b>	<b>417,919</b>	<b>100.00</b>	<b>414,872</b>	<b>100.00</b>	<b>(3,047)</b>

(2) Statement of income

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )	Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )	Increase (Decrease)
<b>Ordinary income</b>	149,163	149,452	289
<b>Underwriting income</b>	146,418	145,945	(472)
Net premiums written	140,118	141,820	1,701
Deposit premiums from policyholders	2,034	1,866	(168)
Investment income on deposit premiums	1,856	1,790	(66)
Reversal of underwriting reserves	2,392	458	(1,933)
Other underwriting income	14	9	(5)
<b>Investment income</b>	2,671	3,418	747
Interest and dividends	4,322	4,526	204
Gains on sales of securities	195	464	269
Gains on redemption of securities	-	201	201
Foreign exchange gains	-	4	4
Other investment income	10	10	0
Transfer of investment income on deposit premiums	(1,856)	(1,790)	66
<b>Other ordinary income</b>	73	87	14
<b>Ordinary expenses</b>	140,143	141,877	1,734
<b>Underwriting expenses</b>	115,500	117,552	2,052
Net claims paid	72,937	75,185	2,247
Loss adjustment expenses	9,786	9,484	(301)
Agency commissions and brokerage	23,205	24,041	835
Maturity refunds to policyholders	8,809	6,705	(2,104)
Dividends to policyholders	23	36	13
Provision for outstanding claims	568	1,958	1,390
Foreign exchange losses	59	1	(57)
Other underwriting expenses	111	139	28
<b>Investment expenses</b>	668	393	(275)
Losses on sales of securities	281	97	(184)
Impairment losses on securities	30	-	(30)
Losses on redemption of securities	36	21	(14)
Losses on derivatives	67	262	195
Foreign exchange losses	202	-	(202)
Other investment expenses	49	11	(37)
<b>Operating and general administrative expenses</b>	23,488	23,841	353
<b>Other ordinary expenses</b>	486	90	(395)
Other ordinary expenses	486	90	(395)
<b>Ordinary profit</b>	9,019	7,574	(1,445)
<b>Extraordinary gains</b>	274	16	(258)
Gains on disposal of fixed assets	4	16	11
Reversal of reserves under special laws	270	-	(270)
Reversal of price fluctuation reserve	270	-	(270)
<b>Extraordinary losses</b>	77	286	209
Losses on disposal of fixed assets	77	8	(69)
Impairment losses on fixed assets	-	89	89
Provision of reserves under special laws	-	188	188
Provision of price fluctuation reserve	-	188	188
<b>Income before income taxes</b>	9,216	7,303	(1,912)
<b>Income taxes - current</b>	2,955	2,742	(213)
<b>Income taxes - deferred</b>	(318)	(784)	(465)
<b>Total income taxes</b>	2,636	1,957	(679)
<b>Net income</b>	6,579	5,346	(1,233)

### (3) Underwriting

Direct premiums written excluding deposit premiums from policyholders

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )			Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	25,252	16.9	(3.0)	27,398	18.2	8.5
Hull and cargo	-	-	-	-	-	-
Personal accident	8,836	5.9	(4.6)	7,428	4.9	(15.9)
Voluntary automobile	85,537	57.1	(0.1)	85,329	56.6	(0.2)
Compulsory automobile liability	20,295	13.6	(4.6)	18,625	12.4	(8.2)
Others	9,836	6.6	4.9	11,998	8.0	22.0
Total	149,758	100.0	(1.2)	150,780	100.0	0.7
Deposit premiums from policyholders	2,034	-	(11.6)	1,866	-	(8.3)

Net premiums written

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )			Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	16,742	11.9	15.3	18,907	13.3	12.9
Hull and cargo	4	0.0	(74.1)	2	0.0	(48.5)
Personal accident	8,752	6.2	(4.4)	7,346	5.2	(16.1)
Voluntary automobile	85,367	60.9	(0.1)	85,141	60.0	(0.3)
Compulsory automobile liability	19,727	14.1	(3.8)	18,723	13.2	(5.1)
Others	9,523	6.8	5.2	11,698	8.2	22.8
Total	140,118	100.0	1.0	141,820	100.0	1.2

Net claims paid

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )			Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )		
	Amount	Rate of change	Loss ratio	Amount	Rate of change	Loss ratio
		%	%		%	%
Fire and allied lines	9,074	(16.6)	57.5	11,541	27.2	64.0
Hull and cargo	10	(56.6)	227.4	10	(1.4)	433.5
Personal accident	3,767	(13.5)	46.9	3,794	0.7	56.2
Voluntary automobile	41,515	0.3	56.9	41,088	(1.0)	56.4
Compulsory automobile liability	14,842	(2.2)	82.2	14,236	(4.1)	82.5
Others	3,727	(4.9)	43.8	4,515	21.1	42.5
Total	72,937	(3.7)	59.0	75,185	3.1	59.7

(Note) Loss ratio is calculated on W/P basis.

(4) Investment

Income yield

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )			Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )		
	Interest and dividends	Average balance	Annual yield	Interest and dividends	Average balance	Annual yield
Bank deposits	4	31,159	0.02 %	2	44,691	0.01 %
Securities	4,074	269,045	1.51	4,253	251,288	1.69
Domestic debt securities	2,569	215,408	1.19	2,396	204,931	1.17
Domestic equity securities	781	27,524	2.84	881	26,925	3.27
Foreign securities	653	24,233	2.69	820	17,886	4.59
Others	70	1,879	3.77	155	1,544	10.08
Loans	12	293	4.30	11	253	4.37
Land and buildings	223	28,083	0.80	256	28,034	0.91
Total	4,315	328,582	1.31	4,523	324,268	1.39

(Reference)

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )			Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )		
	Net investment income	Average balance	Annual yield	Net investment income	Average balance	Annual yield
Realized yield	3,859	328,582	1.17 %	4,815	324,268	1.49 %
Fair value yield	3,850	377,055	1.02	8,790	372,731	2.36

Gains (losses) on sales of securities, impairment losses on securities

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )		Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )		Increase (Decrease)	
	Gains (losses) on sales	Impairment losses on securities	Gains (losses) on sales	Impairment losses on securities	Gains (losses) on sales	Impairment losses on securities
Domestic debt securities	161	-	92	-	(69)	-
Domestic equity securities	31	30	274	-	243	(30)
Foreign securities	(278)	-	0	-	279	-
Others	-	-	-	-	-	-
Total	(86)	30	367	-	453	(30)

Available-for-sale securities

(Yen in millions)

	As of March 31, 2017			As of March 31, 2018		
	Cost	Fair value shown on balance sheet	Difference	Cost	Fair value shown on balance sheet	Difference
Domestic debt securities	211,548	231,535	19,987	188,360	207,412	19,052
Domestic equity securities	24,744	48,314	23,569	23,623	52,200	28,577
Foreign securities	19,089	22,230	3,140	16,272	18,336	2,063
Others	2,560	4,318	1,757	1,413	3,342	1,928
Total	257,943	306,398	48,455	229,670	281,292	51,622

(Note) The table shows Available-for-sale securities with fair value, which includes part of Cash and bank deposits on the balance sheet.

(5) Solvency margin ratio (non-consolidated)

(Yen in millions)

	As of March 31, 2017	As of March 31, 2018
(A) Total amount of solvency margin	168,146	170,887
Shareholders' equity less adjusting items	57,084	52,528
Price fluctuation reserve	1,104	1,292
Contingency reserve	-	-
Catastrophe loss reserve	60,938	65,396
General allowance for doubtful accounts	5	2
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions	43,617	47,195
Unrealized gains (losses) on land	40	900
Excess of policyholders' contract deposits	-	-
Subordinated debt, etc.	-	-
Amounts within "Excess of policyholders' contract deposits" and "Subordinated debt, etc." not calculated into the margin	-	-
Deductions	-	-
Others	5,356	3,571
(B) Total amount of risks $\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$	25,370	25,867
General insurance risk (R <sub>1</sub> )	12,180	12,484
Third sector insurance risk (R <sub>2</sub> )	-	-
Assumed interest rate risk (R <sub>3</sub> )	1,045	983
Asset management risk (R <sub>4</sub> )	13,476	13,941
Business administration risk (R <sub>5</sub> )	649	663
Catastrophe risk (R <sub>6</sub> )	5,766	5,746
(C) Solvency margin ratio $[(A)/\{(B) \times 1/2\}] \times 100$	1,325.5%	1,321.2%

3. E.design Insurance Co., Ltd. (non-consolidated)  
(1) Balance sheet

(Yen in millions)

	As of March 31, 2017		As of March 31, 2018		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Assets</b>		%		%	
Cash and bank deposits	32,622	73.30	37,406	81.26	4,783
Bank deposits	32,622		37,406		4,783
Tangible fixed assets	138	0.31	120	0.26	(18)
Buildings	74		69		(4)
Other tangible fixed assets	64		50		(13)
Intangible fixed assets	0	0.00	0	0.00	-
Other assets	11,743	26.39	8,508	18.48	(3,234)
Uncollected premiums	2,515		2,644		128
Accounts receivable	2		1		(1)
Accrued income	1		1		0
Deposits	110		110		0
Suspense payments	1,460		1,924		464
Deferred assets under Article 113 of the Insurance Business Act	7,653		3,826		(3,826)
<b>Total assets</b>	44,505	100.00	46,035	100.00	1,530
<b>Liabilities</b>					
Insurance liabilities	27,097	60.89	32,148	69.84	5,051
Outstanding claims	11,604		15,380		3,775
Underwriting reserves	15,492		16,768		1,275
Other liabilities	4,214	9.47	4,648	10.10	434
Income taxes payable	35		36		0
Deposits received	2		3		0
Accounts payable	1,120		1,175		54
Suspense receipts	2,971		3,359		388
Lease obligations	34		24		(9)
Asset retirement obligations	49		49		0
Provision for retirement benefits	132	0.30	177	0.39	45
Provision for employees' bonus	152	0.34	171	0.37	18
Deferred tax liabilities	1	0.00	1	0.00	(0)
<b>Total liabilities</b>	31,597	71.00	37,147	80.69	5,549
<b>Net assets</b>					
Share capital	25,903	58.20	26,653	57.90	749
Capital surplus	25,903	58.20	26,653	57.90	749
Additional paid-in capital	25,903		26,653		749
Retained earnings	(38,899)	(87.40)	(44,419)	(96.49)	(5,519)
Other retained earnings	(38,899)		(44,419)		(5,519)
Retained earnings carried forward	(38,899)		(44,419)		(5,519)
Total shareholders' equity	12,907	29.00	8,888	19.31	(4,019)
<b>Total net assets</b>	12,907	29.00	8,888	19.31	(4,019)
<b>Total liabilities and net assets</b>	44,505	100.00	46,035	100.00	1,530

(2) Statement of income

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )	Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )	Increase (Decrease)
<b>Ordinary income</b>	25,741	28,289	2,547
<b>Underwriting income</b>	25,735	28,294	2,559
Net premiums written	25,723	28,280	2,557
Investment income on deposit premiums	11	13	2
<b>Investment income</b>	(6)	(11)	(5)
Interest and dividends	5	2	(2)
Transfer of investment income on deposit premiums	(11)	(13)	(2)
<b>Other ordinary income</b>	12	5	(6)
<b>Ordinary expenses</b>	33,296	33,796	499
<b>Underwriting expenses</b>	22,065	22,616	551
Net claims paid	13,897	15,590	1,693
Loss adjustment expenses	1,679	1,934	254
Agency commissions and brokerage	20	39	18
Provision for outstanding claims	3,944	3,775	(168)
Provision for underwriting reserves	2,522	1,275	(1,247)
<b>Operating and general administrative expenses</b>	7,401	7,351	(50)
<b>Other ordinary expenses</b>	3,830	3,828	(1)
Interest expenses	0	0	(0)
Amortization of deferred assets under Article 113 of the Insurance Business Act	3,826	3,826	-
Other ordinary expenses	2	0	(1)
<b>Ordinary profit (loss)</b>	(7,555)	(5,506)	2,048
<b>Extraordinary losses</b>	0	0	0
Losses on disposal of fixed assets	0	0	0
<b>Income (loss) before income taxes</b>	(7,555)	(5,507)	2,048
<b>Income taxes - current</b>	12	12	-
<b>Income taxes - deferred</b>	0	(0)	(1)
<b>Total income taxes</b>	12	11	(1)
<b>Net income (loss)</b>	(7,568)	(5,519)	2,049

4. Tokio Marine & Nichido Life Insurance Co., Ltd. (non-consolidated)  
(1) Balance sheet

(Yen in millions)

	As of March 31, 2017		As of March 31, 2018		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Assets</b>		%		%	
Cash and bank deposits	152,726	2.08	89,089	1.23	(63,637)
Bank deposits	152,726		89,089		(63,637)
Receivables under securities borrowing transactions	21,809	0.30	30,880	0.43	9,071
Monetary receivables bought	160,996	2.20	146,997	2.04	(13,999)
Securities	6,765,267	92.24	6,712,287	93.05	(52,979)
Domestic government bonds	5,747,646		5,924,046		176,399
Domestic municipal bonds	11,593		17,269		5,675
Domestic corporate bonds	97,734		193,565		95,830
Domestic equity securities	258		235		(22)
Foreign securities	479,769		399,140		(80,629)
Others	428,265		178,031		(250,233)
Loans	84,666	1.15	90,512	1.25	5,846
Policy loans	84,666		90,512		5,846
Tangible fixed assets	1,352	0.02	1,183	0.02	(169)
Buildings	572		518		(54)
Other tangible fixed assets	779		664		(115)
Intangible fixed assets	27	0.00	27	0.00	-
Agency accounts receivable	268	0.00	344	0.00	76
Reinsurance accounts receivable	3,356	0.05	1,861	0.03	(1,495)
Other assets	144,943	1.98	141,623	1.96	(3,320)
Accounts receivable	76,898		73,498		(3,399)
Prepaid expenses	10,769		10,177		(591)
Accrued income	17,868		16,686		(1,181)
Deposits	740		723		(16)
Derivative assets	35,202		37,042		1,839
Suspense payments	3,464		3,493		29
Allowance for doubtful accounts	(780)	(0.01)	(832)	(0.01)	(51)
<b>Total assets</b>	<b>7,334,636</b>	<b>100.00</b>	<b>7,213,975</b>	<b>100.00</b>	<b>(120,661)</b>



(Yen in millions)

	As of March 31, 2017		As of March 31, 2018		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Liabilities</b>		%		%	
Insurance liabilities	5,905,770	80.52	6,224,983	86.29	319,213
Outstanding claims	48,736		59,041		10,305
Underwriting reserves	5,753,886		6,066,723		312,836
Reserve for dividends to policyholders	103,147		99,218		(3,929)
Agency accounts payable	8,728	0.12	7,407	0.10	(1,320)
Reinsurance accounts payable	3,046	0.04	2,440	0.03	(605)
Other liabilities	1,103,516	15.05	624,857	8.66	(478,658)
Payables under securities lending transactions	951,334		473,452		(477,881)
Borrowings	100,000		100,000		-
Income taxes payable	838		947		109
Accounts payable	2,813		586		(2,226)
Accrued expenses	12,821		12,025		(796)
Unearned revenue	-		0		0
Deposits received	169		236		67
Guarantee deposits received	-		2		2
Derivative liabilities	19,890		24,923		5,032
Cash collateral received for financial instruments	12,759		10,810		(1,949)
Lease obligations	212		135		(77)
Suspense receipts	2,676		1,737		(939)
Provision for retirement benefits	5,560	0.08	6,292	0.09	732
Reserves under special laws	6,451	0.09	7,781	0.11	1,330
Price fluctuation reserve	6,451		7,781		1,330
Deferred tax liabilities	4,158	0.06	14,230	0.20	10,072
<b>Total liabilities</b>	7,037,231	95.95	6,887,994	95.48	(149,236)
<b>Net assets</b>					
Share capital	55,000	0.75	55,000	0.76	-
Capital surplus	55,095	0.75	55,095	0.76	-
Additional paid-in capital	41,860		41,860		-
Other capital surplus	13,235		13,235		-
Retained earnings	32,390	0.44	34,473	0.48	2,082
Surplus reserve	10,300		13,000		2,700
Other retained earnings	22,090		21,473		(617)
Retained earnings carried forward	22,090		21,473		(617)
Total shareholders' equity	142,486	1.94	144,568	2.00	2,082
Unrealized gains (losses) on available-for-sale securities	148,180	2.02	172,494	2.39	24,313
Deferred gains (losses) on hedge transactions	6,738	0.09	8,917	0.12	2,179
Total valuation and translation adjustments	154,918	2.11	181,411	2.51	26,492
<b>Total net assets</b>	297,405	4.05	325,980	4.52	28,575
<b>Total liabilities and net assets</b>	7,334,636	100.00	7,213,975	100.00	(120,661)

## (2) Statement of income

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )	Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )	Increase (Decrease)
<b>Ordinary income</b>	1,005,607	1,085,446	79,838
<b>Insurance premiums and other</b>	866,753	908,192	41,438
Insurance premiums	848,448	896,500	48,052
Reinsurance income	18,305	11,691	(6,614)
<b>Investment income</b>	132,398	171,297	38,899
Interest and dividends	94,586	97,260	2,673
Interest on bank deposits	13	2	(10)
Interest and dividends on securities	90,087	93,381	3,293
Interest on loans	2,374	2,546	172
Other interest and dividends	2,110	1,329	(781)
Gains on sales of securities	3,924	7,765	3,840
Gains on derivatives	2,152	-	(2,152)
Foreign exchange gains	4,486	35,709	31,223
Other investment income	47	54	6
Investment gains on separate accounts	27,200	30,508	3,307
<b>Other ordinary income</b>	6,455	5,956	(498)
Income from annuity riders	568	243	(325)
Deferred insurance amount	5,678	5,539	(138)
Other ordinary income	207	172	(34)
<b>Ordinary expenses</b>	988,130	1,062,385	74,254
<b>Insurance claims and other</b>	679,099	556,463	(122,636)
Insurance claims	51,845	48,359	(3,486)
Annuity payments	63,362	62,766	(596)
Benefits	288,476	185,644	(102,831)
Surrender benefits	237,681	224,115	(13,566)
Other refunds	14,347	21,248	6,900
Reinsurance premiums	23,386	14,329	(9,057)
<b>Provision for underwriting reserves and other</b>	159,005	323,143	164,138
Provision for outstanding claims	9,935	10,305	369
Provision for underwriting reserves	149,068	312,836	163,768
Interest on reserve for dividends to policyholders	0	1	0
<b>Investment expenses</b>	12,466	47,610	35,144
Interest expenses	910	1,370	459
Losses on sales of securities	11,489	10,897	(591)
Impairment losses on securities	-	22	22
Losses on derivatives	-	35,259	35,259
Increase in allowance for doubtful accounts	63	56	(7)
Other investment expenses	2	3	0
<b>Operating expenses</b>	127,628	124,789	(2,839)
<b>Other ordinary expenses</b>	9,929	10,377	448
Deferred annuity payments	5,126	4,986	(140)
Taxes	2,939	3,089	150
Depreciation	291	332	41
Provision for retirement benefits	683	732	48
Other ordinary expenses	888	1,236	348
<b>Ordinary profit</b>	17,477	23,061	5,584
<b>Extraordinary losses</b>	786	1,334	547
Losses on disposal of fixed assets	45	3	(41)
Provision for reserves under special laws	741	1,330	589
Provision for price fluctuation reserve	741	1,330	589
<b>Provision for (Reversal of) reserve for dividends to policyholders</b>	4,226	(476)	(4,702)
<b>Income before income taxes</b>	12,464	22,202	9,738
<b>Income taxes - current</b>	5,891	6,850	959
<b>Income taxes - deferred</b>	(2,223)	(230)	1,993
<b>Total income taxes</b>	3,667	6,620	2,952
<b>Net income</b>	8,796	15,582	6,785

## Breakdown of Ordinary profit (Core operating profit)

(Yen in millions)

		Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )	Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )	Increase (Decrease)
Core operating profit	A	22,310	30,509	8,199
Capital gains		8,959	44,526	35,567
Gains on sales of securities		3,924	7,765	3,840
Gains on derivatives		171	-	(171)
Foreign exchange gains		4,486	35,709	31,223
Other capital gains		376	1,051	674
Capital losses		11,489	48,150	36,660
Losses on sales of securities		11,489	10,897	(591)
Impairment losses on securities		-	22	22
Losses on derivatives		-	37,229	37,229
Net capital gains (losses)	B	(2,530)	(3,623)	(1,093)
Core operating profit including net capital gains (losses)	A+B	19,779	26,885	7,105
Non-recurring losses		2,302	3,824	1,521
Provision of contingency reserves		2,256	3,743	1,486
Increase in specific allowance for doubtful accounts		45	81	35
Net non-recurring income (losses)	C	(2,302)	(3,824)	(1,521)
Ordinary profit	A+B+C	17,477	23,061	5,584

(Note) 1. Net amount of interest received (paid) on interest rate swaps of 1,981 million yen and 1,969 million yen presented as Gains (Losses) on derivatives on the statement of income are included in Core operating profit for the fiscal year 2016 and 2017, respectively.

2. Other capital gains (losses) is a decrease (increase) in underwriting reserves for foreign-currency denominated insurance contracts due to exchange rate fluctuations, and it is included in Provision for underwriting reserves and Reversal of underwriting reserves on the statement of income.

## (3) Underwriting (life)

## Amount of policies

## Policies in force

(Number in thousands, yen in 100 millions)

	As of March 31, 2017				As of March 31, 2018			
	Number of policies		Amount		Number of policies		Amount	
		% to March 31, 2016		% to March 31, 2016		% to March 31, 2017		% to March 31, 2017
Individual insurance	4,917	106.9	266,187	108.2	5,138	104.5	285,025	107.1
Individual annuities	638	90.5	28,138	87.9	568	89.0	24,848	88.3
Group insurance	-	-	25,482	97.8	-	-	23,830	93.5
Group annuities	-	-	33	98.0	-	-	32	96.4

## New policies

(Number in thousands, yen in 100 millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )				Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )			
	Number of policies		Amount		Number of policies		Amount	
		% to Fiscal year 2015		% to Fiscal year 2015		% to Fiscal year 2016		% to Fiscal year 2016
Individual insurance	559	95.1	41,259	135.8	453	81.2	39,375	95.4
Individual annuities	13	22.0	734	24.2	-	-	-	-
Group insurance	-	-	316	16.5	-	-	176	55.6
Group annuities	-	-	-	-	-	-	-	-

## Annualized premiums

## Policies in force

(Yen in 100 millions)

	As of March 31, 2017		As of March 31, 2018	
		% to March 31, 2016		% to March 31, 2017
Individual insurance	6,369	112.7	6,908	108.5
Individual annuities	1,944	83.9	1,619	83.3
Total	8,313	104.4	8,527	102.6
Medical coverage, accelerated death benefits, etc.	1,632	111.7	1,773	108.6
Medical and cancer	1,401	111.3	1,517	108.2

## New policies

(Yen in 100 millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )		Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )	
		% to Fiscal year 2015		% to Fiscal year 2016
Individual insurance	1,166	110.4	1,021	87.5
Individual annuities	40	29.2	-	-
Total	1,207	100.9	1,021	84.5
Medical coverage, accelerated death benefits, etc.	257	95.9	227	88.3
Medical and cancer	215	88.0	188	87.4

## (4) Separate account

## Separate account asset balance

(Yen in 100 millions)

	As of March 31, 2017	As of March 31, 2018
Individual variable insurance	647	717
Individual variable annuities	4,184	1,479
Group annuities	-	-
Separate account total	4,831	2,197

## Separate account policies in force

## Individual variable insurance

(Number in thousands, yen in 100 millions)

	As of March 31, 2017		As of March 31, 2018	
	Number of policies	Amount	Number of policies	Amount
Variable insurance (defined term type)	1	105	11	902
Variable insurance (whole life type)	28	2,278	28	2,314
Total	30	2,383	39	3,216

## Individual variable annuities

(Number in thousands, yen in 100 millions)

	As of March 31, 2017		As of March 31, 2018	
	Number of policies	Amount	Number of policies	Amount
Individual variable annuities	77	4,226	21	1,448
Total	77	4,226	21	1,448

## (5) Investment (General account)

Realized yield

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )			Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )		
	Net investment income	Average balance	Annual yield	Net investment income	Average balance	Annual yield
Bank deposits	(23)	98,638	(0.02)%	(60)	77,840	(0.08)%
Call loans	0	316	0.00	0	86	0.03
Receivables under resale agreements	-	-	-	-	-	-
Receivables under securities borrowing transactions	3	19,757	0.02	5	27,075	0.02
Monetary receivables bought	32	223,663	0.01	17	163,156	0.01
Money trusts	-	-	-	-	-	-
Securities	89,168	5,859,167	1.52	127,352	6,268,228	2.03
Domestic debt securities	87,944	5,348,796	1.64	87,598	5,756,464	1.52
Domestic equity securities	19	237	8.20	6	258	2.49
Foreign securities	1,204	510,132	0.24	39,747	511,505	7.77
Others	-	-	-	-	-	-
Loans	2,374	81,454	2.91	2,546	87,153	2.92
Land and buildings	-	596	-	-	580	-
General account total	92,731	6,404,369	1.45 %	93,178	6,752,987	1.38 %
Overseas investment	1,187	510,133	0.23	39,707	511,508	7.76

Gains (losses) on sales of securities, impairment losses on securities

(Yen in millions)

	Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )		Fiscal year 2017 ( April 1, 2017 to March 31, 2018 )		Increase (Decrease)	
	Gains (losses) on sales	Impairment losses on securities	Gains (losses) on sales	Impairment losses on securities	Gains (losses) on sales	Impairment losses on securities
Domestic debt securities	3,316	-	2,145	-	(1,171)	-
Domestic equity securities	-	-	-	22	-	22
Foreign securities	(10,881)	-	(5,277)	-	5,603	-
Others	-	-	-	-	-	-
Total	(7,564)	-	(3,132)	22	4,431	22

Fair value information on securities (Securities with fair value other than trading securities)

(Yen in millions)

	As of March 31, 2017			As of March 31, 2018		
	Carrying amount	Fair value	Unrealized gains (losses)	Carrying amount	Fair value	Unrealized gains (losses)
Bonds held to maturity	4,347,954	4,933,380	585,426	4,618,275	5,284,967	666,691
Bonds earmarked for underwriting reserves	52,911	54,888	1,976	38,180	39,227	1,046
Available-for-sale securities	1,896,894	2,102,196	205,301	1,740,408	1,974,437	234,029
Domestic debt securities	1,240,136	1,475,568	235,432	1,245,561	1,493,580	248,019
Domestic equity securities	-	-	-	-	-	-
Foreign securities	465,761	435,630	(30,130)	327,849	313,859	(13,989)
Others	190,996	190,996	-	166,997	166,997	-
Total	6,297,760	7,090,465	792,704	6,396,864	7,298,632	901,768
Domestic debt securities	5,608,564	6,433,775	825,211	5,874,140	6,790,409	916,268
Domestic equity securities	-	-	-	-	-	-
Foreign securities	498,199	465,692	(32,506)	355,726	341,225	(14,500)
Others	190,996	190,996	-	166,997	166,997	-

(Note) "Others" includes Monetary receivables bought, etc. on the balance sheet.

(Reference) Maturity schedule of securities

(Yen in millions)

	As of March 31, 2018						
	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years (Including no fixed maturity)	Total
Domestic government bonds	122,441	54,471	18,711	4,236	479,530	5,231,934	5,911,326
Domestic municipal bonds	-	-	-	-	-	17,269	17,269
Domestic corporate bonds	-	-	7,446	-	-	186,118	193,565
Domestic equity securities	-	-	-	-	-	235	235
Foreign securities	2,843	6,003	5,590	1,611	704	370,049	386,802
Others	166,997	-	-	-	-	-	166,997
Total	292,282	60,474	31,748	5,848	480,234	5,805,608	6,676,196

(Note) "Others" includes Monetary receivables bought, etc. on the balance sheet.

## (6) Solvency margin ratio (non-consolidated)

(Yen in millions)

	As of March 31, 2017	As of March 31, 2018
(A) Total amount of solvency margin	747,165	782,623
Shareholders' equity less adjusting items	128,986	130,468
Price fluctuation reserve	6,451	7,781
Contingency reserve	47,350	51,093
General allowance for doubtful accounts	488	463
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions × 90%	185,225	215,617
Unrealized gains (losses) on land × 85%	-	-
Excess of continued Zillmerized reserve	310,471	319,252
Subordinated debt, etc.	100,000	100,000
Amounts within "Excess of continued Zillmerized reserve" and "Subordinated debt, etc." not calculated into the margin	(130,891)	(137,387)
Deductions	-	-
Others	99,082	95,333
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	52,072	66,658
Insurance risk (R <sub>1</sub> )	15,965	16,464
Third sector insurance risk (R <sub>8</sub> )	5,284	5,763
Assumed interest rate risk (R <sub>2</sub> )	4,969	4,985
Minimum guarantee risk (R <sub>7</sub> )	3,008	2,833
Asset management risk (R <sub>3</sub> )	38,082	53,253
Business administration risk (R <sub>4</sub> )	1,346	1,666
(C) Solvency margin ratio $[(A)/\{(B) \times 1/2\}] \times 100$	2,869.7%	2,348.1%

## Glossary of terminology

### 【2. Key figures of the domestic property and casualty insurance business】

- Underwriting profit

Underwriting profit = Underwriting income - (Underwriting expenses + Operating and general administrative expenses on underwriting) ± other miscellaneous income and expenses (\*)

\* Mainly consist of income taxes related to compulsory automobile liability insurance.

- Net investment income and other

Net investment income and other = (Investment income - Investment expenses) + (Other ordinary income - Other ordinary expenses (\*)) - Operating and general administrative expenses other than underwriting

\* Excluding Amortization of deferred assets under Article 113 of the Insurance Business Act on the Statement of income of E.design Insurance Co., Ltd.

- Loss ratio (W/P basis)

Loss ratio (W/P basis) = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100

- Expense ratio (W/P basis)

Expense ratio (W/P basis) = (Agency commissions and brokerage + Operating and general administrative expenses on underwriting) / Net premiums written × 100

- Combined ratio (W/P basis)

Combined ratio (W/P basis) = Loss ratio (W/P basis) + Expense ratio (W/P basis)

- Loss ratio (private sector (\*1), E/I basis)

Loss ratio (private sector, E/I basis) = (Net claims paid + Outstanding claims as of the end of current fiscal year - Outstanding claims as of the end of previous fiscal year + Loss adjustment expenses) / Earned premiums (\*2) × 100

\*1 Excluding earthquake insurance under the Law concerning Earthquake Insurance and compulsory automobile liability insurance.

\*2 Earned premiums = Net premiums written - Unearned premiums as of the end of current fiscal year (\*3) + Unearned premiums as of the end of previous fiscal year (\*3)

\*3 Unearned premiums are premiums corresponding to the remaining duration of insurance policies at the end of the fiscal year.

- Expense ratio (private sector)

Expense ratio (private sector) = (Agency commissions and brokerage + Operating and general administrative expenses on underwriting) / Net premiums written × 100

- Combined ratio (private sector)

Combined ratio (private sector) = Loss ratio (private sector, E/I basis) + Expense ratio (private sector)



- Net incurred losses related to natural catastrophe (\*1)

Sum of net claims paid and outstanding claims (\*2) related to natural catastrophe that occurred during the period.

\*1 Excluding the net incurred losses related to earthquake insurance under the Law concerning Earthquake Insurance.

\*2 Outstanding claims are net of reinsurance recoverable.

- Reservation ratio of catastrophe loss reserve

Reservation ratio of catastrophe loss reserve = Balance of catastrophe loss reserve / Net premiums written (\*) × 100

\* Excluding earthquake insurance under the Law concerning Earthquake Insurance and compulsory automobile liability insurance.

### 【3. Key figures of the domestic life insurance business】

- Annualized premiums

Annualized premiums are amount of premiums per year calculated by dividing aggregate amount of premiums by the duration of insurance policies.

- Medical coverage, accelerated death benefits, etc.

Medical coverage, accelerated death benefits, etc. includes coverage for medical expense (e.g. hospitalization and operation), accelerated death benefits (e.g. specific diseases and nursing care) and exemption of obligation to pay insurance premiums excluding those caused by disability but including those caused by specific diseases, nursing care, etc.

### 【Investment】

- Income yield

Income yield is an indicator that shows the investment performance based on interest income.

Numerator: Interest and dividends + Interest and dividends included in Gains/losses on money trusts

Denominator: Average balance of investment assets based on original cost or amortized cost

- Realized yield

Realized yield is an indicator that shows the investment performance based on net investment income.

[Property and casualty insurance business]

Numerator: Investment income + Investment income on deposit premiums - Investment expenses

Denominator: Average balance of investment assets based on original cost or amortized cost

[Life insurance business]

Numerator: Investment income - Investment expenses

Denominator: Average balance of investment assets based on original cost or amortized cost

"General account total" includes non-investment assets. Overseas investment is the total of assets denominated in foreign currencies and yen.

- Fair value yield

Fair value yield is an indicator of investment performance on fair value basis.

Numerator: Investment income + Investment income on deposit premiums - Investment expenses + change in Unrealized gains (losses) on available-for-sale securities (\*1) for the fiscal year + change in Deferred gains (losses) on hedge transactions (\*1)

Denominator: Average balance of investment assets based on original cost or amortized cost + Unrealized gains (losses) on available-for-sale securities at the beginning of the year (\*1) + Unrealized gains (losses) on trading securities at the beginning of the year (\*2)

\*1 Before tax effect deductions.

\*2 Trading securities includes money trusts held for trading purposes.

### 【Solvency margin ratio】

- Solvency margin ratio

- In addition to reserves to cover claim payments, payments for maturity refunds of saving type insurance policies, etc., it is necessary for insurance companies to maintain sufficient solvency in order to cover risks that exceed normal estimates, e.g. occurrences of a major catastrophe, a significant decline in value of assets held by insurance companies.
- (C) Solvency margin ratio is the ratio of (A) Total amount of solvency margin (i.e. solvency of insurance companies in terms of their capital, reserves, etc.) to (B) Total amount of risks (i.e. risks that exceed normal estimates) which is calculated in accordance with the Insurance Business Act.
- "Risks that exceed normal estimates" is composed of risks described below.
  - ① (General) insurance risk, third sector insurance risk: risk that insurance claims occur in excess of normal estimates excluding catastrophe risk.
  - ② Assumed interest rate risk: risk that invested assets fail to yield assumed interest rates due to factors such as downturn of investment conditions.
  - ③ Minimum guarantee risk: risk that value of assets related to the minimum guarantee for benefits of insurance contracts which are managed as a separate account fluctuates in excess of normal estimates and falls below the minimum guaranteed benefits when they are to be paid.
  - ④ Asset management risk: risk that prices of retained securities and other assets fluctuate in excess of normal estimates.
  - ⑤ Business administration risk: risk that occurs in excess of normal estimates and does not fall under other categories.
  - ⑥ Catastrophe risk: risk that a major catastrophe in excess of normal estimates which is equivalent to the Great Kanto Earthquake or Isewan typhoon occurs.
- Solvency of insurance companies in terms of their capital, reserves, etc. ((A) Total amount of solvency margin) is the total amount of net assets excluding planned outflows, certain reserves (e.g. price fluctuation reserve, contingency reserve, catastrophe loss reserve, etc.) and part of unrealized gains (losses) on land.

- Solvency margin ratio is one of the objective indicators used by the regulatory authority to supervise insurance companies. A ratio exceeding 200% indicates sufficient solvency to fulfill payment obligations such as insurance claims.

#### 【Underwriting (life)】

- Amount of Policies in force
  - Individual insurance and group insurance
    - Total amount of death benefits under policies in force at the end of the period.
  - Individual annuities
    - ① Individual annuities whose payments have not yet commenced: amount of funds for annuity payments that is expected to have accrued at the commencement of annuity payments.
    - ② Individual annuities whose payments have already commenced: amount of underwriting reserves.
  - Group annuities
    - Amount of underwriting reserves.
- Amounts of New policies
  - Individual insurance and group insurance
    - Total amount of death benefits under new policies issued during the current period.
  - Individual annuities
    - Amount of funds for annuity payments that is expected to have accrued at the commencement of annuity payments for new policies issued during the period.
  - Group annuities
    - First installment of premium payments.

#### 【Separate account】

- Separate account
 

Separate account is an account held for insurance policies of which insurance benefits change based on investment performance, and its assets and liabilities are maintained separately from those of general account.

**Supplementary information of business results for the fiscal year 2017**

## 1. Key figures

(Yen in 100 millions)

	Fiscal year 2016 (A)	Six months ended September 30, 2017 (B)	Fiscal year 2017 (C)	Increase (Decrease)	
				(C) - (A)	(C) - (B)
① Net premiums written	21,161	10,850	21,447	286	-
Rate of change	(0.6%)	2.5%	1.4%	1.9%	(1.1%)
② Total assets	95,244	97,118	96,698	1,453	(419)
③ Loss ratio	60.7%	60.1%	62.0%	1.3%	2.0%
④ Expense ratio	30.8%	30.4%	30.7%	(0.1%)	0.3%
⑤ Combined ratio	91.5%	90.5%	92.7%	1.2%	2.2%
Underwriting profit margin	8.5%	9.5%	7.3%	(1.2%)	(2.2%)
⑥ Voluntary automobile					
• Net premiums written	10,513	5,310	10,644	130	-
Rate of change	2.0%	1.5%	1.2%	(0.8%)	(0.3%)
• Underwriting profit margin	10.6%	11.9%	9.7%	(0.8%)	(2.1%)
• Loss ratio	58.7%	58.0%	59.3%	0.7%	1.3%
• Expense ratio	30.8%	30.1%	31.0%	0.2%	0.8%
⑦ Fire and allied lines					
• Net premiums written	2,722	1,296	2,746	24	-
Rate of change	(10.3%)	4.2%	0.9%	11.2%	(3.3%)
• Underwriting profit margin	8.2%	6.2%	1.7%	(6.5%)	(4.5%)
• Loss ratio	53.0%	54.4%	60.8%	7.8%	6.4%
• Expense ratio	38.7%	39.4%	37.5%	(1.2%)	(1.8%)
⑧ Number of employees	17,368	17,702	17,483	115	(219)
⑨ Number of agencies	51,302	50,974	50,616	(686)	(358)

(Note) 1. Loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100

2. Expense ratio = (Agency commissions and brokerage + Operating and general administrative expenses on underwriting) / Net premiums written × 100

3. Combined ratio = Loss ratio + Expense ratio

4. Underwriting profit margin = 100 - Combined ratio

&lt;Reference&gt; Key figures from consolidated statement of income of Tokio Marine Holdings

(Yen in 100 millions)

	Fiscal year 2016 (A)	Six months ended September 30, 2017 (B)	Fiscal year 2017 (C)	Increase (Decrease)	
				(C) - (A)	(C) - (B)
① Ordinary income	52,326	27,323	53,991	1,665	-
② Net premiums written	34,804	18,064	35,647	842	-
Rate of change	6.6%	6.2%	2.4%	(4.2%)	(3.8%)
③ Life insurance premiums	9,044	4,559	9,530	485	-
Rate of change	91.7%	4.9%	5.4%	(86.4%)	0.4%
④ Ordinary profit	3,876	1,198	3,449	(427)	-
⑤ Net income attributable to owners of the parent	2,738	767	2,841	103	-

## 2. Other information

## ① Non-performing assets

## Status of risk monitored loans

(Yen in 100 millions)

	As of March 31, 2017	As of September 30, 2017	As of March 31, 2018
Loans to borrowers in bankruptcy	0	-	-
Past due loans	2	0	0
Loans past due for three months or more	-	-	-
Restructured loans	0	-	0
Total	3	0	0
Percentage to total loans	0.1%	0.0%	0.0%
(Reference) Total loans	6,064	4,539	2,572

## Status of self-assessment

(Yen in 100 millions)

	As of March 31, 2017	As of September 30, 2017	As of March 31, 2018
Non-categorized	90,507	92,311	91,528
Category II	4,705	4,777	5,141
Category III	28	26	25
Category IV	10	74	3
Subtotal (II-IV)	4,744	4,877	5,170
Total	95,252	97,189	96,698

## ② Impairment losses on securities

(Yen in 100 millions)

	Fiscal year 2016	Six months ended September 30, 2017	Fiscal year 2017
Domestic debt securities	-	-	-
Domestic equity securities	8	0	0
Foreign securities	1	71	71
Others	0	-	10
Total	9	71	81

## • Rules for recognition of impairment

In principle, impairment loss on a security with fair value is recognized when the fair value is below its cost by 30% or more.

## ③ Impairment losses on fixed assets

(Yen in 100 millions)

	Fiscal year 2016	Six months ended September 30, 2017	Fiscal year 2017
Land	0	0	1
Buildings	6	-	0
Others	-	-	-
Total	6	0	1

## ④ Unrealized gains (losses) on securities

(Yen in 100 millions)

	As of March 31, 2017	As of September 30, 2017	As of March 31, 2018
Domestic debt securities	1,302	1,245	1,289
Domestic equity securities	18,230	20,193	20,613
Foreign securities	466	627	504
Others	(0)	(4)	5
Total	19,998	22,062	22,413

## ⑤ Losses related to natural catastrophe

(Yen in 100 millions)

	Fiscal year 2016	Six months ended September 30, 2017	Fiscal year 2017
Direct claims paid	379	79	515
Net claims paid	358	79	507
Net outstanding claims (*)	176	339	314

(Note) Figures above represent losses caused by natural catastrophe occurred during the period, excluding losses related to earthquake insurance under the Law concerning Earthquake Insurance.

\* Net of reinsurance recoverable ceded.

## ⑥ Catastrophe loss reserve

(Yen in 100 millions)

	As of March 31, 2017			As of September 30, 2017			As of March 31, 2018		
	Balance	Reservation ratio	Provision	Balance	Reservation ratio	Provision	Balance	Reservation ratio	Provision
Fire and allied lines	3,522	130.1%	158	3,599	139.4%	76	3,629	132.6%	161
Hull and cargo	1,261	214.0%	-	1,265	213.5%	3	1,261	210.6%	-
Personal accident	1,209	70.3%	54	1,240	63.9%	30	1,263	74.9%	53
Voluntary automobile	1,803	17.2%	337	1,960	18.5%	170	1,835	17.2%	341
Others	2,871	103.1%	149	2,946	99.0%	76	2,992	101.5%	155
Total	10,670	58.2%	699	11,012	58.8%	358	10,981	59.0%	712

(Note) 1. Reservation ratio = Balance of catastrophe loss reserve / Net premiums written (\*) × 100

\* For the six months ended September 30, the amount of Net premiums written (excluding earthquake insurance under the Law concerning Earthquake Insurance and compulsory automobile liability insurance) is doubled in this calculation.

2. Provision is gross amount without reversal.

## ⑦ Reinsurance assumed

(Yen in 100 millions)

	Fiscal year 2016		Fiscal year 2017	
	Premiums written	Claims paid	Premiums written	Claims paid
Fire and allied lines	491	263	518	184
Hull and cargo	231	160	225	159
Personal accident	1	0	1	0
Voluntary automobile	6	3	6	4
Compulsory automobile liability	2,145	2,105	2,095	2,050
Others	302	160	262	438
Total	3,179	2,693	3,109	2,837

## ⑧ Reinsurance ceded

(Yen in 100 millions)

	Fiscal year 2016		Fiscal year 2017	
	Ceded premiums	Claims recovered	Ceded premiums	Claims recovered
Fire and allied lines	1,192	1,482	1,216	234
Hull and cargo	268	246	280	147
Personal accident	58	16	57	15
Voluntary automobile	40	14	37	12
Compulsory automobile liability	2,125	2,011	1,906	1,980
Others	1,554	1,164	1,733	704
Total	5,239	4,936	5,232	3,096

**Supplementary information of business results for the fiscal year 2017**

1. Key figures

(Yen in 100 millions)

	Fiscal year 2016 (A)	Six months ended September 30, 2017 (B)	Fiscal year 2017 (C)	Increase (Decrease)	
				(C) - (A)	(C) - (B)
① Net premiums written	1,401	720	1,418	17	-
Rate of change	1.0%	1.6%	1.2%	0.2%	(0.4%)
② Total assets	4,179	4,163	4,148	(30)	(14)
③ Loss ratio	59.0%	56.8%	59.7%	0.7%	2.9%
④ Expense ratio	33.1%	32.7%	33.5%	0.4%	0.8%
⑤ Combined ratio	92.1%	89.6%	93.2%	1.1%	3.6%
Underwriting profit margin	7.9%	10.4%	6.8%	(1.1%)	(3.6%)
⑥ Voluntary automobile					
• Net premiums written	853	427	851	(2)	-
Rate of change	(0.1%)	(0.5%)	(0.3%)	(0.2%)	0.2%
• Underwriting profit margin	12.5%	14.8%	12.9%	0.4%	(1.9%)
• Loss ratio	56.9%	55.2%	56.4%	(0.6%)	1.2%
• Expense ratio	30.5%	30.0%	30.7%	0.2%	0.7%
⑦ Fire and allied lines					
• Net premiums written	167	90	189	21	-
Rate of change	15.3%	11.9%	12.9%	(2.3%)	1.0%
• Underwriting profit margin	2.5%	6.4%	(3.5%)	(6.1%)	(10.0%)
• Loss ratio	57.5%	54.5%	64.0%	6.6%	9.5%
• Expense ratio	40.0%	39.1%	39.5%	(0.5%)	0.4%
⑧ Number of employees	2,292	2,281	2,260	(32)	(21)
⑨ Number of agencies	13,715	13,694	13,607	(108)	(87)

(Note) 1. Loss ratio = (Net claims paid + Loss adjustment expenses) / Net premiums written × 100

2. Expense ratio = (Agency commissions and brokerage + Operating and general administrative expenses on underwriting) / Net premiums written × 100

3. Combined ratio = Loss ratio + Expense ratio

4. Underwriting profit margin = 100 - Combined ratio

## 2. Other information

### ① Non-performing assets

#### Status of risk monitored loans

(Yen in 100 millions)

	As of March 31, 2017	As of September 30, 2017	As of March 31, 2018
Loans to borrowers in bankruptcy	-	-	-
Past due loans	-	-	-
Loans past due for three months or more	-	-	-
Restructured loans	-	-	-
Total	-	-	-
Percentage to total loans	0.0%	0.0%	0.0%

(Reference) Total loans	2	2	2
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#### Status of self-assessment

(Yen in 100 millions)

	As of March 31, 2017	As of September 30, 2017	As of March 31, 2018
Non-categorized	4,167	4,159	4,145
Category II	11	3	3
Category III	1	1	1
Category IV	0	0	0
Subtotal (II-IV)	12	4	4
Total	4,180	4,164	4,149

### ② Impairment losses on securities

(Yen in 100 millions)

	Fiscal year 2016	Six months ended September 30, 2017	Fiscal year 2017
Domestic debt securities	-	-	-
Domestic equity securities	0	-	-
Foreign securities	-	-	-
Others	-	-	-
Total	0	-	-

#### Rules for recognition of impairment

In principle, impairment loss on a security with fair value is recognized when the fair value is below its cost by 30% or more.

### ③ Impairment losses on fixed assets

(Yen in 100 millions)

	Fiscal year 2016	Six months ended September 30, 2017	Fiscal year 2017
Land	-	-	0
Buildings	-	-	0
Others	-	-	-
Total	-	-	0

### ④ Unrealized gains (losses) on securities

(Yen in 100 millions)

	As of March 31, 2017	As of September 30, 2017	As of March 31, 2018
Domestic debt securities	199	193	190
Domestic equity securities	235	289	285
Foreign securities	31	32	20
Others	17	20	19
Total	484	535	516



⑤ Losses related to natural catastrophe

(Yen in 100 millions)

	Fiscal year 2016	Six months ended September 30, 2017	Fiscal year 2017
Direct claims paid	19	2	35
Net claims paid	17	2	34
Net outstanding claims (*)	0	9	6

(Note) Figures above represent losses caused by natural catastrophe occurred during the period, excluding losses related to earthquake insurance under the Law concerning Earthquake Insurance.

\* Net of reinsurance recoverable ceded.

⑥ Catastrophe loss reserve

(Yen in 100 millions)

	As of March 31, 2017			As of September 30, 2017			As of March 31, 2018		
	Balance	Reservation ratio	Provision	Balance	Reservation ratio	Provision	Balance	Reservation ratio	Provision
Fire and allied lines	208	125.4%	8	213	118.7%	4	202	107.4%	9
Hull and cargo	24	48,922.7%	-	24	49,151.2%	-	24	94,956.6%	-
Personal accident	59	67.5%	4	61	72.6%	2	62	85.2%	3
Voluntary automobile	186	21.8%	41	206	24.2%	20	227	26.7%	40
Others	119	125.3%	4	122	101.3%	3	125	107.1%	5
Total	597	49.7%	58	627	50.6%	30	641	52.1%	59

(Note) 1. Reservation ratio = Balance of catastrophe loss reserve / Net premiums written (\*) × 100

\* For the six months ended September 30, the amount of Net premiums written (excluding earthquake insurance under the Law concerning Earthquake Insurance and compulsory automobile liability insurance) is doubled in this calculation.

2. Provision is gross amount without reversal.

⑦ Reinsurance assumed

(Yen in 100 millions)

	Fiscal year 2016		Fiscal year 2017	
	Premiums written	Claims paid	Premiums written	Claims paid
Fire and allied lines	1	9	0	0
Hull and cargo	0	0	0	0
Personal accident	-	0	-	0
Voluntary automobile	0	0	0	0
Compulsory automobile liability	145	148	133	142
Others	1	0	1	2
Total	148	159	136	145

⑧ Reinsurance ceded

(Yen in 100 millions)

	Fiscal year 2016		Fiscal year 2017	
	Ceded premiums	Claims recovered	Ceded premiums	Claims recovered
Fire and allied lines	86	114	85	11
Hull and cargo	0	0	0	0
Personal accident	0	0	0	0
Voluntary automobile	2	0	2	1
Compulsory automobile liability	151	165	132	152
Others	4	0	4	0
Total	244	280	225	165