[*English Translation*]

TOKIO MARINE HOLDINGS, INC.

Attachment to the "Notice of Convocation of the 11th Ordinary General Meeting of Shareholders"

Business Report for the Fiscal Year Ended March 31, 2013

(From April 1, 2012 to March 31, 2013)

1. Matters Concerning the Insurance Holding Company

(1) Business Developments and Results for Tokio Marine Group

During the fiscal year ended March 31, 2013, quantitative easing by the Federal Reserve supported a gradual recovery in the U.S. economy, while European economies generally remained in a downturn despite measures being taken to address the sovereign debt crisis. In many developing nations, economic growth slowed as a result of the decelerating world economy and other factors.

In Japan, the economy gradually improved amid the depreciation of the yen and rising share prices in the latter half of the fiscal year. In the property and casualty insurance sector, profitability showed signs of recovery due in part to effects of a revision of auto insurance rates. In the life insurance sector, factors such as Japan's demographics of a declining birthrate and an aging population led to a continued decline in the amount of life insurance-in-force.

Against this backdrop, Tokio Marine Group (the "Group") is actively developing its business to achieve the "Innovation and Execution 2014" medium-term business strategy with a vision of becoming a "global insurance group maintaining growth by offering quality that customers select." Under this strategy, the Group seeks to grow profit through continuous growth in each sector, especially by pursuing industry-leading growth in the Group's core business of domestic property and casualty insurance. The Group also engages in Enterprise Risk Management (ERM) by promoting investment in businesses with high capital efficiency and by promoting risk diversification on a global scale.

Factors such as increases in net premiums written and life insurance premiums due to improved insurance sales and a decrease of large-scale natural disasters compared with the previous fiscal year contributed to a significant increase of net income.

(Yen in billions, except for %)

	Year ended March 31, 2012	Year ended March 31, 2013	Difference (%)
Ordinary income	3,415.9	3,857.7	112.9
Net premiums written	2,324.4	2,558.0	110.0
Life insurance premiums	344.5	399.8	116.0
Ordinary profit	160.3	207.4	129.4
Net income	6.0	129.5	2,159.0

Ordinary income and ordinary profit for each business segment are as follows:

(Yen in billions)

Business segment	Ordinary income		Ordinary profit	
	Year ended March 31, 2012	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2013
Domestic property and casualty insurance	2,663.3	2,470.4	205.7	167.0
Domestic life insurance	430.2	689.5	7.5	20.0
Overseas insurance	530.2	807.0	-54.6	37.9
Financial and other	69.1	72.9	1.7	-17.5

Domestic Property and Casualty Insurance Business

The following is a discussion of Tokio Marine and Nichido Fire Insurance Co., Ltd.'s ("Tokio Marine & Nichido") operating results for the fiscal year ended March 31, 2013. Net premiums written were 1,869.6 billion yen, a year-on-year increase of 4.9 percent. Ordinary profit was 156.1 billion yen, a decrease of 55.9 billion yen as compared to the previous fiscal year, during which a reversal of catastrophe reserves was recorded in profits. Net income was 58.6 billion yen, an increase of 35.4 billion yen as compared to the previous fiscal year, when a reversal of deferred tax assets associated with the lowering of the corporate income tax rate was recorded.

Tokio Marine & Nichido continued to carry out the Business Renovation Project, streamlining its business processes and devoting more time to expanding sales bases and taking other measures to strengthen interactions with customers. Tokio Marine & Nichido achieved industry-leading growth by working to strengthen its sales base through measures such as the sale of auto insurance policies through Meiji Yasuda Life Insurance Company, and by further promoting sales of its Super Business Insurance which offers wider coverage packages to businesses tailored to their industrial characteristics.

Tokio Marine & Nichido continued its efforts to restore the profitability of auto insurance by revising premium rates in accordance with different risk profiles. In October 2012, it also revised its grade rating system for the purpose of ensuring fairness in premiums between policyholders with accident histories and those without.

Tokio Marine & Nichido introduced Raku Raku Tetsuzuki (Quick and Easy Online Procedures) in April 2012 to help customers complete contract procedures using tablet PCs and other such devices, which simplified and expedited contract procedures for customers. At the same time, this endeavor employs paperless methods, promoting resource conservation.

In relation to asset management, Tokio Marine & Nichido aimed to ensure stable earnings and asset liquidity as part of its efforts to maintain a sound financial base through risk management. To improve capital efficiency, Tokio Marine & Nichido continued its sale of equities held for business-relationship-related reasons.

With respect to the operating results of Nisshin Fire & Marine Insurance Co., Ltd. (“Nisshin Fire”) for the fiscal year ended March 31, 2013, net premiums written were 138.7 billion yen, representing an increase of 1.6 percent from the previous fiscal year. Ordinary profit was 4.5 billion yen, an increase of 0.3 billion yen as compared to the previous fiscal year, and net income was 2.6 billion yen.

Domestic Life Insurance Business

As of March 31, 2013, Tokio Marine & Nichido Life Insurance Co., Ltd. (“Tokio Marine & Nichido Life”) had 470.4 billion yen in annualized premiums of life insurance-in-force, a year-on-year increase of 12.2 percent, while the annualized premiums of newly signed life insurance were 80.6 billion yen, a year-on-year increase of 40.7 percent. We achieved these increases by launching new products, strengthening the integration of life and non-life insurance through sales of Super Insurance, and other efforts. Ordinary profit was 36.7 billion yen, an increase of 10.8 billion yen, and net income was 13.9 billion yen, an increase of 7.9 billion yen, each compared to the previous fiscal year.

Tokio Marine & Nichido Life began its new endeavor, Life Insurance Revolution to Protect One's Living, and in October 2012 it launched a new household income term insurance to guarantee living expenses for policyholders who became unable to work or require long-term care due to sickness. In January 2013, Tokio Marine & Nichido Life also started selling Medical Kit R, an epoch-making medical insurance product that returns to policyholders the remaining amounts of accumulated premiums paid up to the age of 70, less the aggregate benefits paid.

Tokio Marine & Nichido Financial Life Insurance Co., Ltd. (“Tokio Marine & Nichido Financial Life”) specialized in the sales of variable annuities insurance. After careful review of the business environment, however, it suspended new sales of all insurance products in July 2012. As of March 31, 2013, Tokio Marine & Nichido Financial Life had 2,613.7 billion yen in life insurance-in-force, ordinary loss of 0.7 billion yen, and net loss of 2.6 billion yen.

Overseas Insurance Business

The Group actively developed its overseas insurance business with the aim of global growth and risk diversification. As a result, both in developed and developing nations, the Group recorded significant increases in premium income and profit, with ordinary profit of 37.9 billion yen, an increase of 92.5 billion yen compared to the previous fiscal year.

PHLY, a U.S. property and casualty insurance group, was able to maintain its strong performance by the development of new products and an increase in premium rates and other efforts, as well as due to the steady development of the insurance lines which it started offering. As a result, PHLY’s amount of net premiums written was 2.23 billion U.S. dollars (193.6 billion yen), a 9.9 percent increase compared to the previous fiscal year. Delphi, a U.S. insurance group, for which the Group completed acquisition procedures in May 2012, promoted the sale of employee benefit-related insurance, a product segment in which it has a competitive edge. As a result, its combined premium income for life insurance and property and casualty insurance for the consolidated period between July 2012 and December 2012 was 0.80 billion U.S. dollars (69.2 billion yen). Kiln, a U.K. insurance group, increased its underwriting amid an upward trend in premium rates for natural catastrophe-related insurance, owing to an increased occurrence of natural disasters. As a result, Kiln’s net premiums written during the fiscal year 2012 were 0.51

billion British pounds (71.8 billion yen), an increase of 11.4 percent compared to the previous fiscal year. Tokio Millennium Re Limited, a reinsurance company, recorded a 35.3 percent year-on-year increase in net premiums written to 0.72 billion U.S. dollars (62.9 billion yen) for the fiscal year 2012, mainly due to expanded underwriting of risks excluding natural disasters.

In emerging markets, Tokio Marine Insurans (Malaysia) Berhad has expanded its operations by purchasing assets and liabilities in the property and casualty insurance business from a local property and casualty insurance company in September 2012 to capitalize on growth opportunities in Malaysia. In Indonesia, the Group acquired a local life insurance company which began operation as PT Tokio Marine Life Insurance Indonesia in October 2012. In Saudi Arabia, Alinma Tokio Marine Company, a joint venture established by Tokio Marine & Nichido, a major local bank, and other entities, was publicly listed and commenced operation in October 2012. In December 2012, in an effort to expand its business base and enhance customer services in the Chinese market, Tokio Marine & Nichido entered into a business collaboration agreement in which it took an equity stake in PICC, a major insurance group in China.

Financial and Other Business

The Group developed its financial services business steadily, with a focus on the fee-based asset management business, which offers a stable revenue base. Such fee-based business includes the management of pension funds and the management of investment trusts by Tokio Marine Asset Management Co., Ltd. Tokio Marine Financial Solutions Ltd. recorded a loss of 22.1 billion yen reflecting a reserve for guarantees it provided. As to its general business, the Group continued to engage in temporary staffing services, property management services and other business.

CSR

In view of the occurrence of large-scale natural disasters in recent years, the Group has been conducting studies on the risks of typhoons, floods, earthquakes, and tsunami in collaboration with the University of Tokyo, Nagoya University, Tohoku University, and Kyoto University, and is also engaged in refining insurance underwriting and risk consulting. To act on lessons of the Great East Japan Earthquake, the Group is promoting activities to help prevent and minimize damages from disasters, including Bosai-jugyo, an educational program on disaster prevention for elementary schoolchildren implemented as a volunteer effort by Group employees and others. The Group is also continuously promoting its Mangrove Planting Project.

Issues Facing the Group

In the fiscal year ending March 31, 2014, we expect the world economy to improve owing to recovery of the housing market, personal consumption, and other economic benchmarks in the U.S. and to cyclical improvements in emerging countries. We expect European economies, meanwhile, to remain weak due to fiscal austerity.

The Japanese economy is likely to continue to recover due to factors such as the improved export environment and the effects of financial and monetary policy measures so-called Abenomics. In the domestic insurance market, an increase in housing construction and other factors are expected to contribute to market expansion, but market prospects remain uncertain owing to the effects of the declining birthrate, aging population, and population decline.

In this challenging environment, Tokio Marine Group will focus on the issues described below.

In our core business of domestic property and casualty insurance, we will pursue industry-leading growth while striving to improve profitability. In the domestic life insurance business we will target sustainable growth by continuously introducing new attractive products, further advancing our integration of life and non-life insurance, and promoting other efforts. In the overseas insurance business, the Group will promote a well-balanced growth strategy between developed countries and emerging countries, direct insurance and reinsurance, property and casualty insurance and life insurance, and so forth.

The Group aims to further enhance Enterprise Risk Management (ERM) by promoting investment in businesses with high capital efficiency and by promoting risk diversification on a global scale. Through these efforts, we intend to maintain financial soundness, a key strength of the Group, while enhancing our efforts for sustained profit growth and improved capital efficiency.

The Group intends to improve shareholder returns by distributing steadily growing dividends and other measures and will seek to increase dividends by improving profitability.

Under our management philosophy to place “customer trust at the base of all its activities”, the entire Tokio Marine Group will endeavor to achieve further growth as a corporate group, seeking growth characterized by high profitability, sustainability and soundness. The management would like to express its sincere appreciation to all shareholders of Tokio Marine

Holdings for their continued guidance and support.

Note 1: Throughout this Business Report, all amounts (including numbers of shares) are truncated and all ratios are rounded to one decimal place.

Note 2: Numbers that appear as ordinary income and ordinary profit for each business segment are before adjustments made to record ordinary income and ordinary profit in the consolidated statement of income.

Note 3: The yen-denominated amounts of net premiums written of PHLY, Delphi, Kiln, and Tokio Millennium Re Limited are calculated at exchange rates in effect as of the end of December 2012.

Note 4: “PHLY” means the corporate group comprised of Philadelphia Consolidated Holding Corporation and its subsidiaries. “Delphi” means the corporate group comprised of Delphi Financial Group Inc. and its subsidiaries. In addition, “Kiln” means the corporate group comprised of Kiln Group Limited and its subsidiaries.

(2) Four Year Summary of Assets and Earnings of the Group and the Insurance Holding Company

a. The Group's summary of assets and earnings

(Yen in millions)
(Fiscal years ended March 31)

	2010	2011	2012	2013
Ordinary income	3,570,803	3,288,605	3,415,984	3,857,769
Ordinary profit	203,413	126,587	160,324	207,457
Net income	128,418	71,924	6,001	129,578
Comprehensive income	-	-196,554	-10,558	548,251
Net assets	2,184,795	1,904,477	1,857,465	2,363,183
Total assets	17,265,868	16,528,644	16,338,460	18,029,442

Note: As of the fiscal year ended March 31, 2011, the Company calculates comprehensive income pursuant to “Accounting Standard for Presentation of Comprehensive Income” (ASBJ Statement No. 25, June 30, 2010).

b. The Insurance Holding Company's summary of assets and earnings

(Yen in millions, except per share amounts)
(Fiscal years ended March 31)

	2010	2011	2012	2013
Operating income	32,324	127,806	83,955	48,718
Dividends received	25,617	120,892	77,872	42,798
Insurance subsidiaries	25,082	120,156	76,017	41,898
Other subsidiaries	535	735	1,854	900
Net income	44	80,226	62,110	41,860
Net income per share of common share	0.05 yen	103.16 yen	80.98 yen	54.57 yen
Total assets	2,492,379	2,482,926	2,506,933	2,509,192
Share of insurance subsidiaries	2,416,206	2,380,355	2,412,091	2,421,006
Share of other subsidiaries	61,436	62,457	71,558	75,081

(3) The Group's Principal Offices (As of March 31, 2013)

a. The Company

	Location	Established as of
Head Office	2-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan	April 2, 2002

Note: The date shown above is the date of incorporation.

b. Subsidiaries and affiliates

Business segment	Company name	Office name		Location	Established as of
Domestic property and casualty insurance	Tokio Marine & Nichido	Head Office		2-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan	March 20, 1944
		Hokkaido	Hokkaido Branch and 6 other branches		
		Tohoku	Sendai Branch and 9 other branches		
		Kanto	Tokyo Central Branch and 32 other branches		
		Tokai and Hokuriku	Aichi South Branch and 24 other branches		

		Kansai	Osaka South Branch and 24 other branches		
		Chugoku and Shikoku	Hiroshima Branch and 14 other branches		
		Kyushu	Fukuoka Central Branch and 13 other branches		
	Nisshin Fire	Head Office (Tokyo Head Office), Saitama Head Office		3, Kandasurugadai 2-chome, Chiyoda-ku, Tokyo	June 10, 1908
Domestic life insurance	Tokio Marine & Nichido Life	Head Office		3-16, Ginza 5-chome, Chuo-ku, Tokyo	August 6, 1996
	Tokio Marine & Nichido Financial Life	Head Office		2-1, Kamiogi 1-chome, Suginami-ku, Tokyo	August 13, 1996
Overseas insurance	Philadelphia Consolidated Holding Corp.	Head Office		Bala Cynwyd, Pennsylvania, U.S.A.	July 6, 1981
	Delphi Financial Group, Inc.	Head Office		Wilmington, Delaware, U.S.A.	May 27, 1987
	Kiln Group Limited	Head Office		London, U.K.	July 11, 1994
Financial and other	Tokio Marine Financial Solutions Ltd.	Head Office		George Town, Cayman Islands	December 4, 1997

Notes: 1. This table sets forth major subsidiaries and affiliates accounted for by the equity method.

2. "Office name" is the name of the principal office.

3. "Location" is the location of the head office.

4. The dates shown above are the date of incorporation.

(4) The Group's Employees

Business segment	As of March 31, 2012	As of March 31, 2013	Increase (decrease)
Domestic property and casualty insurance	20,381	20,159	(222)
Domestic life insurance	2,358	2,284	(74)
Overseas insurance	6,573	9,075	2,502
Financial and other	1,519	1,488	(31)
Total	30,831	33,006	2,175

Note: The Group's employees in the overseas insurance segment as of March 31, 2013 increased from those as of March 31, 2012 due to the acquisition of Delphi Financial Group, Inc. and its subsidiary life insurance companies, property and casualty insurance companies and other businesses, and other factors.

(5) The Group's Principal Lenders (As of March 31, 2013)

Business segment	Company name	Lender	Balance of loan
Domestic property and casualty insurance	Tokio Marine & Nichido	Syndicated loan	170,000 million yen
		The Bank of Tokyo-Mitsubishi UFJ, Ltd.	122,265 million yen

Note: The arranger of the syndicated loan is The Bank of Tokyo-Mitsubishi UFJ, Ltd.

(6) The Group's Financing Activities

Tokio Marine & Nichido borrowed 1,300 million U.S. dollars (122,265 million yen) from The Bank of Tokyo-Mitsubishi UFJ, Ltd. in order to partially finance the acquisition of Delphi Financial Group, Inc. and its subsidiary life insurance companies, property and casualty insurance companies and other businesses.

(7) The Group's Capital Investment Activities

a. Total investment in facilities

Business segment	Amount
Domestic property and casualty insurance	19,472 million yen
Domestic life insurance	453 million yen
Overseas insurance	2,571 million yen
Financial and other	195 million yen
Total	22,693 million yen

Notes: 1. "Amount" is the aggregate amount of investment in facilities for the fiscal year ended March 31, 2013.

2. Yen amounts include certain capital expenditures in other currencies which were converted into yen based on exchange rates as of the closing date of the fiscal year of the Company.

b. New construction of major facilities and other
None.

(8) Parent Company and Major Subsidiaries (As of March 31, 2013)

a. Parent company
None.

b. Major subsidiaries and affiliates accounted for by the equity method

Company name	Location	Major business	Date of incorporation	Paid-in capital (Yen in millions)	Ratio of Tokio Marine Holdings' voting rights	Notes
Tokio Marine & Nichido Fire Insurance Co., Ltd.	Tokyo, Japan	Property and casualty insurance	Mar. 20, 1944	101,994	100.0%	-

Nisshin Fire & Marine Insurance Co., Ltd.	Tokyo, Japan	Property and casualty insurance	June 10, 1908	20,389	100.0%	-
E. design Insurance Co., Ltd.	Tokyo, Japan	Property and casualty insurance	Jan. 26, 2009	18,153	85.0%	-
Tokio Marine & Nichido Life Insurance Co., Ltd.	Tokyo, Japan	Life insurance	Aug. 6, 1996	55,000	100.0%	-
Tokio Marine & Nichido Financial Life Insurance Co., Ltd.	Tokyo, Japan	Life insurance	Aug. 13, 1996	68,000	100.0%	-
Tokio Marine Millea SAST Insurance Co., Ltd.	Kanagawa, Japan	Small-amount short-term insurance	Sept. 1, 2003	1,595	100.0%	-
Tokio Marine North America, Inc.	Wilmington, Delaware, U.S.A.	Holding company	June 29, 2011	0	100.0% (100.0)	-
Philadelphia Consolidated Holding Corp.	Bala Cynwyd, Pennsylvania, U.S.A.	Holding company	July 6, 1981	0	100.0% (100.0)	-
Philadelphia Indemnity Insurance Company	Bala Cynwyd, Pennsylvania, U.S.A.	Property and casualty insurance	Feb. 4, 1927	338	100.0% (100.0)	-
First Insurance Company of Hawaii, Ltd.	Honolulu, Hawaii, U.S.A.	Property and casualty insurance	Aug. 6, 1982	401	100.0% (100.0)	-
Delphi Financial Group, Inc.	Wilmington, Delaware, U.S.A.	Holding company	May 27, 1987	0	100.0% (100.0)	-
SIG Holdings, Inc.	Wilmington, Delaware, U.S.A.	Holding company	Oct. 3, 1995	0	100.0% (100.0)	-
Safety National Casualty Corporation	St. Louis, Missouri, U.S.A.	Property and casualty insurance	Nov. 28, 1942	2,821	100.0% (100.0)	-
Reliance Standard Life Insurance Company	Chicago, Illinois, U.S.A.	Life insurance	Apr. 2, 1907	5,267	100.0% (100.0)	-

Reliance Standard Life Insurance Company of Texas	Houston, Texas, U.S.A.	Life insurance	Aug. 16, 1983	65	100.0% (100.0)	-
Kiln Group Limited	London, U.K.	Holding company	July 11, 1994	143	100.0% (100.0)	-
Kiln Underwriting Limited	London, U.K.	Property and casualty insurance	June 13, 1994	0	100.0% (100.0)	-
Tokio Millennium Re (UK) Limited	London, U.K.	Property and casualty insurance	Oct. 30, 1990	17,895	100.0% (100.0)	-
Tokio Marine Underwriting Limited	London, U.K.	Property and casualty insurance	Oct. 27, 2008	0	100.0% (100.0)	-
Tokio Marine Bluebell Re Limited	Douglas, Isle of Man	Life insurance	Mar. 8, 2007	14,000	100.0%	-
Tokio Marine Asia Pte. Ltd.	Singapore, Singapore	Holding company	Mar. 12, 1992	48,300	100.0%	-
Asia General Holdings Limited	Singapore, Singapore	Holding company	Feb. 24, 1971	5,684	92.4% (92.4)	-
Tokio Marine Insurance Singapore Ltd.	Singapore, Singapore	Property and casualty insurance	July 11, 1923	7,579	100.0% (100.0)	-
Tokio Marine Life Insurance Singapore Ltd.	Singapore, Singapore	Life insurance	May 21, 1948	2,728	85.7% (85.7)	-
Tokio Marine Life Insurance Malaysia Bhd.	Kuala Lumpur, Malaysia	Life insurance	Feb. 11, 1998	3,039	100.0% (100.0)	-
Edelweiss Tokio Life Insurance Company Limited	Mumbai, India	Life insurance	Nov. 25, 2009	2,599	26.0% (26.0)	-
Tokio Marine Seguradora S.A.	Sao Paulo, Brazil	Property and casualty insurance	June 23, 1937	12,670	100.0%	-
Tokio Millennium Re Ltd.	Hamilton, Bermuda	Property and casualty insurance	Mar. 15, 2000	23,512	100.0% (100.0)	-

Tokio Marine Financial Solutions Ltd.	George Town, Cayman Islands	Derivatives business	Dec. 4, 1997	1,884	100.0% (100.0)	-

Notes: 1. This table sets forth major subsidiaries and affiliates accounted for by the equity method.

2. E. design Insurance Co., Ltd. is included in the table due to an increase in importance.

3. Delphi Financial Group, Inc., SIG Holdings, Inc., Safety National Casualty Corporation, Reliance Standard Life Insurance Company, and Reliance Standard Life Insurance Company of Texas are included in the table because they became subsidiaries of the Company as of May 15, 2012.

4. The yen amounts of paid-in capital of subsidiaries and affiliates located outside Japan have been translated at the currency exchange rate as of the closing date of the fiscal year of the Company.

5. Figures in brackets shown under Tokio Marine Holdings's voting rights reflect Tokio Marine Holdings's indirectly held ownership ratio in the respective subsidiary.

(9) The Group's acquisition and transfer of business

Date of the transactions	Outline of transaction
May 15, 2012	On May 15, 2012, Tokio Marine & Nichido, a domestic property and casualty insurance company, completed procedures for acquiring Delphi Financial Group, Inc., a U.S. life insurance and property and casualty insurance group, and its subsidiary life insurance companies, property and casualty insurance companies and other businesses. The acquisition cost was 215,054 million yen. Details of the company acquired and the purpose of the acquisition are as follows. - Company acquired Company name: Delphi Financial Group, Inc. Head office: Wilmington, Delaware, U.S.A. Business lines: Financial holding company with life insurance companies, property and casualty insurance companies, and other businesses as subsidiaries - Purpose of the acquisition The Company mainly seeks to further increase the scale of its business and earnings in the overseas insurance market through the acquisition of quality insurance companies in the U.S.A. and to further diversify risk in its overseas insurance business portfolio.
Sept. 1, 2012	On September 1, 2012, Tokio Marine Insurans (Malaysia) Berhad, an overseas insurance company, acquired a property and casualty insurance business from MUI Continental Insurance Berhad, a property and casualty insurance company in Malaysia, through business transfer. The acquisition cost of the transferred business was 4,571 million yen. The purpose of the business transfer is as follows. - Purpose of the business transfer The Company mainly seeks to reinforce the base of its property and casualty insurance business in Malaysia, to improve business efficiency by increasing the scale of business, and to obtain growth opportunities.

(10) Other Important Matters Concerning the Current State of the Group

None.

2. Matters Concerning Directors and Audit & Supervisory Board Members

(1) Directors and Audit & Supervisory Board Members (As of March 31, 2013)

Name	Position and assigned duties	Other major occupations and other matters
Kunio Ishihara	Director and Chairman of the Board	Chairman of the Board of Tokio Marine & Nichido Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (outside director) Director of Daiichi Sankyo Company, Limited (outside director) Corporate Auditor of Tokyu Corporation (outside audit & supervisory board member) Vice Chairman of Japan Business Federation
Shuzo Sumi	Representative Director and President	Representative Director and President of Tokio Marine & Nichido
Takaaki Tamai	Representative Director and Executive Vice President In charge of Domestic Business Development Dept., Corporate Planning Dept., Personnel Planning Dept. and Legal Dept.	
Tsuyoshi Nagano	Representative Director and Executive Vice President Overall supervision of overseas insurance business; in charge of International Business Development Dept. (management of North America, Latin America and European regions and reinsurance operations)	Executive Vice President of Tokio Marine & Nichido
Masashi Oba	Representative Director and Managing Director In charge of Financial Planning Dept. and IT Planning Dept.	Managing Director of Tokio Marine & Nichido
Hirokazu Fujita	Managing Director In charge of Corporate Accounting Dept., Internal	Managing Director of Tokio Marine & Nichido

	Control Dept., Risk Management Dept. and Internal Audit Dept.	
Kunio Ito	Director (outside director)	Professor, Graduate School of Commerce and Management, Hitotsubashi University Director of Sharp Corporation (outside director) Director of Mitsubishi Corporation (outside director) Director of Sumitomo Chemical Company, Limited (outside director) Director of Akebono Brake Industry Co., Ltd. (outside director)
Akio Mimura	Director (outside director)	Director, Member of the Board and Senior Advisor of Nippon Steel & Sumitomo Metal Corporation Director of Development Bank of Japan Inc. (outside director) Director of the Innovation Network Corporation of Japan (outside director) Director of Nisshin Seifun Group Inc. (outside director)
Toshifumi Kitazawa	Director	Representative Director and President of Tokio Marine & Nichido Life
Mikio Sasaki	Director (outside director)	Senior Corporate Advisor of Mitsubishi Corporation Director of Mitsubishi Motors Corporation (outside director) Director of Mitsubishi Electric Corporation (outside director) Director of Mitsubishi Research Institute, Inc. (outside director)
Toshiro Yagi	Audit & Supervisory Board Member (Full-time)	
Toshiki Ohashi	Audit & Supervisory Board Member (Full-time)	Mr. Ohashi, as a director of Tokio Marine & Nichido Life, was in charge of accounting department and has expertise in finance and accounting.
Hiroshi Fukuda	Audit & Supervisory Board Member (outside audit & supervisory board member)	Attorney-at-law
Yuko Kawamoto	Audit & Supervisory Board Member (outside audit & supervisory board member)	Professor, Waseda Graduate School of Finance, Accounting and Law Director of ITOCHU Corporation (outside director) Director of Japan Exchange Group, Inc. (outside director) Director of Monex Group, Inc. (outside director)
Akinari Horii	Audit & Supervisory Board Member (outside audit & supervisory board member)	Director and Special Advisor of The Canon Institute for Global Studies

Notes: 1. Outside directors and outside audit & supervisory board members qualify as outside directors and outside company auditors defined by Article 2, paragraph 3, item 5 of the Enforcement Regulations of the Companies Act of Japan.

2. Dr. Kunio Ito, Mr. Akio Mimura, Mr. Mikio Sasaki, Mr. Hiroshi Fukuda, Ms. Yuko Kawamoto and Mr. Akinari Horii are "independent directors/auditors" as specified by the Tokyo Stock Exchange, Inc. and other stock exchanges in Japan.

(2) Remuneration and Other Compensation to Directors and Audit & Supervisory Board Members

	Number of persons to receive remuneration and other compensation	Remuneration and other compensation
Directors	12 persons	237 million yen
Audit & Supervisory Board Members	5 persons	101 million yen
Total	17 persons	339 million yen

Notes: 1. "Number of persons to receive remuneration and other compensation" includes two directors who retired from office at the close of the 10th ordinary general meeting of shareholders held on June 25, 2012.

2. "Remuneration and other compensation" includes the amounts paid to the two directors referred to in "Note 1" above.

3. Remuneration in connection with share acquisition rights granted to directors is 41 million yen.

4. Maximum amount of remuneration as determined by the resolution of the general meeting of shareholders is described below.

	Maximum amount of remuneration as determined by the resolution of the general meeting of shareholders
Directors	Monthly remuneration: 25 million yen per month Remuneration in connection with share acquisition rights: 70 million yen per year
Audit & Supervisory Board Members	Monthly remuneration: 12 million yen per month
Total	Monthly remuneration: 37 million yen per month Remuneration in connection with share acquisition rights: 70 million yen per year

3. Matters Concerning Outside Directors and Outside Audit & Supervisory Board Members

(1) Other Assignments (As of March 31, 2013)

Other occupations of outside directors and outside audit & supervisory board members are as described above in "2. Matters Concerning Directors and Audit & Supervisory Board Members (1) Directors and Audit & Supervisory Board Members (As of March 31, 2013)." From among the entities where outside directors and outside audit & supervisory board members have other occupations, the Company has listed its shares on Tokyo Stock Exchange Inc. and Osaka Securities Exchange Co., Ltd., subsidiaries of Japan Exchange Group, Inc. Insurance subsidiaries of the Company conduct considerable amounts of insurance-related transactions with Sharp Corporation, Mitsubishi Corporation, Nippon Steel & Sumitomo Metal Corporation, Nisshin Seifun Group Inc., Mitsubishi Motors Corporation, Mitsubishi Electric Corporation, ITOCHU Corporation, and their respective subsidiaries.

(2) Principal Activities

Name	Current term in office	Attendance of board meetings etc.	Major activities including the remarks made at board meetings etc.
Kunio Ito (outside director)	3 years and 9 months	Attended 9 of the 11 board of directors' meetings held during the fiscal year ended March 31, 2013.	He has fulfilled his supervisory functions by asking for detailed explanations and making remarks on a timely basis, based on his insight as a specialist in business administration which has been acquired through many years of involvement in academic activities.
Akio Mimura (outside director)	2 years and 9 months	Attended 10 of the 11 board of directors' meetings held during the fiscal year ended March 31, 2013.	He has fulfilled his supervisory functions by asking for detailed explanations and making remarks on a timely basis, based on his insight as a company manager which has been acquired through many years of experience in a management role.
Mikio Sasaki (outside director)	1 year and 9 months	Attended all 11 board of directors' meetings held during the fiscal year ended March 31, 2013.	He has fulfilled his supervisory functions by asking for detailed explanations and making remarks on a timely basis, based on his insight as a company manager which has been acquired through many years of experience in a management role.
Hiroshi Fukuda (outside audit & supervisory board member)	6 years and 9 months	Attended all 11 board of directors' meetings and all 11 audit & supervisory board meetings held during the fiscal year ended March 31, 2013.	He has fulfilled his audit functions by asking for detailed explanations and making remarks on a timely basis, based on his insight acquired through many years of experience as a diplomat and as a Justice of the Supreme Court of Japan.
Yuko Kawamoto (outside audit & supervisory board member)	6 years and 9 months	Attended 9 of the 11 board of directors' meetings and 9 of the 11 audit & supervisory board meetings held during the fiscal year ended March 31, 2013.	She has fulfilled her audit functions by asking for detailed explanations and making remarks on a timely basis, based on her insight on business management which has been acquired through many years of experience as a consultant and involvement in academic activities.
Akinari Horii (outside audit & supervisory board member)	1 year and 9 months	Attended all 11 board of directors' meetings and all 11 audit & supervisory board meetings held during the fiscal year ended March 31, 2013.	He has fulfilled his audit functions by asking for detailed explanations and making remarks on a timely basis, based on his insight acquired through many years of experience in his role as an executive or a regular employee of Bank of Japan.

Notes: 1. Outside directors and outside audit & supervisory board members qualify as outside directors and outside company auditors defined by Article 2, paragraph 3, item 5 of the Enforcement Regulations of the Companies Act of Japan.

2. Current term in office is the length of the term held as of March 31, 2013.

3. Description in the "Attendance of board meetings etc." and "Major activities including the remarks made at board meetings etc." includes matters in connection with the audit & supervisory board meetings as well as the board of directors' meetings.

4. All of the 11 board of directors' meetings held during the fiscal year ended March 31, 2013 were ordinary meetings. All of the 11 audit & supervisory board meetings held during the fiscal year ended March 31, 2013 were ordinary meetings.

(3) Limitation of Liability

Name	Outline of the contract to limit liability
Kunio Ito (outside director) Akio Mimura (outside director) Mikio Sasaki (outside director) Hiroshi Fukuda (outside audit & supervisory board member) Yuko Kawamoto (outside audit & supervisory board member) Akinari Horii (outside audit & supervisory board member)	In accordance with the provisions of Article 427, paragraph 1 of the Companies Act of Japan, the Company has entered into an agreement with the persons listed in this table to limit their liability provided for in Article 423, paragraph 1 of the Companies Act of Japan. The limitation of liability under the agreement is the higher of either 10 million yen or the amount provided in Article 425, paragraph 1 of the Companies Act of Japan.

Note: Outside directors and outside audit & supervisory board members qualify as outside directors and outside company auditors defined by Article 2, paragraph 3, item 5 of the Enforcement Regulations of the Companies Act of Japan.

(4) Remuneration and Other Compensation

	Number of persons to receive remuneration and other compensation	Remuneration received from the insurance holding company	Remuneration received from the parent company, etc. of the insurance holding company
Total amount of remuneration and other compensation	6 persons	57 million yen	-

Notes: 1. Of the "Remuneration received from the insurance holding company," remuneration in connection with share acquisition rights was 4 million yen.

2. The breakdown of the remuneration is as follows.
- Outside directors: 3 persons, 28 million yen
- Outside audit & supervisory board members: 3 persons, 29 million yen

(5) Comments of Outside Directors and Outside Audit & Supervisory Board Members

None.

4. Matters Concerning Common Share

(1) Number of Shares (As of March 31, 2013)

Total number of shares authorized to be issued: 3,300,000 thousand shares
Total number of the issued shares: 769,524 thousand shares (including 2,490 thousand treasury shares)

(2) Total Number of Shareholders (As of March 31, 2013)
92,440

(3) Major shareholders (As of March 31, 2013)

Shareholders	Capital contribution to the Company	
	Number of shares held	Ratio of shares held
	thousand shares	%
The Master Trust Bank of Japan, Ltd. (Trust Account)	43,161	5.6
Japan Trustee Services Bank, Ltd. (Trust Account)	42,677	5.6
SSBT OD05 OMNIBUS ACCOUNT-TREATY CLIENTS	15,984	2.1
Meiji Yasuda Life Insurance Company	15,779	2.1
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	15,695	2.0
State Street Bank and Trust Company 505225	14,724	1.9
Trust & Custody Services Bank, Ltd. as a trustee for Mizuho Trust Retirement Benefits Trust Account for Mitsubishi Heavy Industries, Ltd.	14,074	1.8
Tokai Nichido Employee Stock Ownership Plan	11,899	1.6
Mellon Bank, N.A. as Agent for its Client Mellon Omnibus US Pension	10,843	1.4
The Master Trust Bank of Japan, Ltd. Retirement Benefits Trust Account for Mitsubishi Corporation	10,832	1.4

Notes: 1. The 14,074 thousand shares held by Trust & Custody Services Bank, Ltd. as a trustee for Mizuho Trust Retirement Benefits Trust Account for Mitsubishi Heavy Industries Ltd. are an asset entrusted by Mitsubishi Heavy Industries, Ltd. for its retirement benefits trust.

2. The 10,832 thousand shares held by The Master Trust Bank of Japan, Ltd. Retirement Benefits Trust Account for Mitsubishi Corporation are an asset entrusted by Mitsubishi Corporation for its retirement benefits trust.

3. The ratio of shares held is calculated after deducting 2,490 thousand treasury shares held by the Company.

(Composition ratio by type of shareholders)

Financial institutions:	38.5%
Financial instruments firms:	1.4%
Other domestic companies:	7.9%
Foreign companies:	37.9%
Individuals and others:	14.3%

(The number of outstanding shares as of March 31, 2013: 769,524 thousand shares)

5. Matters Concerning Share Acquisition Rights

The following table sets forth the status and outlines of the share acquisition rights issued by the Company to directors, audit & supervisory board members, and executive officers of Tokio Marine Holdings and its major subsidiaries as remuneration for the performance of their respective duties as of March 31, 2013:

	Number of share acquisition rights (as of March 31, 2013)	Class and number of shares underlying share acquisition rights (as of March 31, 2013)	Amount payable at issuance	Amount to be paid upon exercise of share acquisition rights	Exercise period
July 2005 Share Acquisition Rights	30	15,000 common shares	-	1 yen per share	30 years from the allotment of the share acquisition rights
July 2006 Share Acquisition Rights	29	14,500 common shares	2,013,506 yen		
July 2007 Share Acquisition Rights	210	21,000 common shares	491,700 yen		
August 2008 Share Acquisition Rights	476	47,600 common shares	353,300 yen		
July 2009 Share Acquisition Rights	1,175	117,500 common shares	237,600 yen		
July 2010 Share Acquisition Rights	1,596	159,600 common shares	234,400 yen		
July 2011 Share Acquisition Rights	1,899	189,900 common shares	219,500 yen		
July 2012 Share Acquisition Rights	2,625	262,500 common shares	181,900 yen		

Notes: 1. All share acquisition rights are issued by the Company pursuant to a stock-linked compensation plan.

2. The July 2005 Share Acquisition Rights were issued with especially favorable terms to directors, audit & supervisory board members, and executive officers, pursuant to Articles 280-20 and 280-21 of the former Commercial Code.

3. Share acquisition rights issued from July 2006 through July 2012 were allotted to directors, audit & supervisory board members, and executive officers to settle their cash remuneration claims against their respective companies, pursuant to Article 238, paragraphs 1 and 2 and Article 240 of the Companies Act of Japan.

4. Share acquisition rights held by any of directors, audit & supervisory board members, and executive officers that he/she received in his/her capacity as a director, audit & supervisory board member, or executive officer of the relevant entity may only be exercised after he/she has retired from any position as a director, audit & supervisory board member, or executive officer of such entity.

(1) Share Acquisition Rights held by Directors and Audit & Supervisory Board Members of the Insurance Holding Company as of the End of the Fiscal Year

	Number of share acquisition rights	Class and number of shares underlying share acquisition rights	Directors (except outside directors)		Outside Directors		Audit & Supervisory Board Members	
			Number of persons holding share acquisition rights	Number of share acquisition rights	Number of persons holding share acquisition rights	Number of share acquisition rights	Number of persons holding share acquisition rights	Number of share acquisition rights
July 2005 Share Acquisition Rights	7	3,500 common shares	1 person	6	-	-	1 person	1
July 2006 Share Acquisition Rights	8	4,000 common shares	1 person	4	-	-	1 person	4
July 2007 Share Acquisition Rights	61	6,100 common shares	2 persons	32	-	-	3 persons	29
August 2008 Share Acquisition Rights	59	5,900 common shares	2 persons	26	-	-	3 persons	33
July 2009 Share Acquisition Rights	114	11,400 common shares	3 persons	51	1 person	6	3 persons	57
July 2010 Share Acquisition Rights	118	11,800 common shares	4 persons	62	2 persons	14	3 persons	42
July 2011 Share Acquisition Rights	151	15,100 common shares	7 persons	130	3 persons	21	-	-
July 2012 Share Acquisition Rights	232	23,200 common shares	7 persons	205	3 persons	27	-	-

Note: Directors and audit & supervisory board members of the Company who were also directors or executive officers of the Company's major subsidiaries at the time of the issuance of the share acquisition rights have been allotted share acquisition rights in their capacity as directors or executive officers of these companies. The number of such share acquisition rights held by directors and audit & supervisory board members of the Company as of March 31, 2013 is as follows.

The July 2005 Share Acquisition Rights: 23
The July 2006 Share Acquisition Rights: 15
The July 2007 Share Acquisition Rights: 75
The August 2008 Share Acquisition Rights: 117
The July 2009 Share Acquisition Rights: 231
The July 2010 Share Acquisition Rights: 282
The July 2011 Share Acquisition Rights: 221
The July 2012 Share Acquisition Rights: 240

(2) Share Acquisition Rights Allotted to Employees, etc. during the Fiscal Year

	Number of share acquisition rights	Class and number of shares underlying share acquisition rights	Employees		Directors and employees of subsidiaries	
			Number of persons allotted share acquisition rights	Number of share acquisition rights	Number of persons allotted share acquisition rights	Number of share acquisition rights
July 2012 Share Acquisition Rights	2,153	215,300 common shares	4 persons	149	54 persons	2,004

Note: "Employees" in the above table are executive officers who are not directors of the Company.

6. Matters Concerning the Independent Auditor

(1) Independent Auditor (PricewaterhouseCoopers Aarata)

Name	Remuneration for the fiscal year ended March 31, 2013	Other matters
Designated Partners: Takashi Sasaki Takaaki Ino Masahiko Nara	114 million yen	Non-audit services (i.e., services other than those stipulated in Article 2, paragraph 1 of the Certified Public Accountants Law) provided to the Company by the independent auditor for a fee: accounting advisory service related to International Financial Reporting Standards (IFRS).

Notes: 1.The audit engagement letter entered into between the Company and the independent auditor does not clearly distinguish between the remuneration for audit services required by the Companies Act of Japan and the remuneration for a part of audit services required by the Financial Instruments and Exchange Act of Japan for these services are practically inseparable.

2. The total amount of cash and other financial benefits payable to the independent auditor by the Company and its subsidiaries is 784 million yen.

(2) Limitation of Liability

None.

(3) Other matters Concerning the Independent Auditor

a. Policy regarding dismissals or decisions not to reappoint an independent auditor

The Company has adopted a policy regarding decisions on dismissing or not reappointing an independent auditor as described below.

The Audit & Supervisory Board shall consider dismissing or not reappointing an independent auditor if the independent auditor falls under any of the items of Article 340, paragraph 1 of the Companies Act of Japan or if there are any issues that question the suitability of the independent auditor. If the Audit & Supervisory Board concludes that the independent auditor should be dismissed or not be reappointed, the Board shall either dismiss the independent auditor by itself, or shall request the Board of Directors to submit a proposal to the General Meeting of Shareholders to dismiss or not to reappoint the independent auditor.

b. Audit of financial statements of major subsidiaries of the insurance holding company conducted by audit firms other than the independent auditor of the insurance holding company

The financial statements of overseas subsidiaries and affiliates are audited by audit firms overseas, including the member firms of PricewaterhouseCoopers which is affiliated with PricewaterhouseCoopers Aarata.

7. Basic Policy Regarding Persons Who Control the Company's Decisions on Financial Matters and Business Policies

None.

8. System to assure appropriate business operations

(1) Establishment and implementation of the internal control system

The Company’s “Basic Policies for Internal Control” guide the development of the group companies’ business administration, compliance, risk management, internal audit and other systems which comprise Tokio Marine Group’s internal controls. Through these initiatives, the Company aims to ensure appropriate operations and improve corporate value. The Company also monitors the establishment and implementation of internal controls on an annual basis, and the Board of Directors verifies these results based on the findings of the Internal Control Committee. Through this process, the Company continues to improve and strengthen our internal control systems.

(2) Basic Policies for Internal Control

1. System for ensuring proper operations within the Tokio Marine Group (the “Group”)

(1) Based upon the "Tokio Marine Group Corporate Philosophy", the Company, as the holding company presiding over the businesses of the Group, by establishing both the Group's basic policies for the administration of Group companies and a system of reporting to the Board of Directors, shall implement the Company's management system for all the Group companies.

- a. The Company shall administer the business of Group companies under its direct management (“Subsidiaries and Others”) by concluding business management agreements with them and through other means.
  - (a) The Company shall provide Subsidiaries and Others with the Group's basic policies that form the fundamentals of the Group's management strategies and the Company's management.
  - (b) Business strategies, business projects and other important plans by Subsidiaries and Others shall be subject to the Company's prior approval.
  - (c) Subsidiaries and Others shall report to the Company their initiatives based on the Group's basic policies and the progress of their business plans.
- b. The business management of Group companies other than Subsidiaries and Others shall, in principle, be made through Subsidiaries and Others.

(2) The Company shall establish the Group's basic policies for accounting, grasp its

consolidated financial position and the Group companies’ financial positions, and implement systems for obtaining approval from, and submitting reports to, shareholders and supervisory organizations and submitting tax returns to authorities in a proper manner.

(3) The Company shall establish the Group's basic policies for internal controls over financial reporting and implement systems for ensuring the appropriateness and reliability of financial reporting.

(4) The Company shall establish the Group’s basic policies for disclosure, and implement systems for disclosing information on corporate activities in a timely and proper manner.

(5) The Company shall establish the Group's basic policies for management of intragroup transactions and implement systems for such transactions.

2. System for ensuring the execution of professional duties in accordance with applicable laws, regulations and the Articles of Incorporation

(1) The Company shall establish the Group's basic policies for compliance and implement compliance systems.

a. The Company shall establish a department supervising compliance.

b. The Company shall formulate the "Group Code of Conduct" and ensure that all directors and employees of the Group respect such code of conduct and give top priority to compliance in all phases of the Group's business activities.

c. The Company shall have Subsidiaries and Others prepare compliance manuals and widely promote compliance within the Group by means of training on laws, regulations, internal rules and other matters which all directors and employees of the Group must respect.

d. The Company shall establish reporting rules in the event of a violation of laws, regulations or internal rules within any of the Subsidiaries and Others and, in addition to usual reporting routes, set up hotlines (an internal whistle-blower system) to an internal and external organization and while keeping all directors and employees of the Group well informed as to the use of the system.

(2) The Company shall establish the Group's basic policies for the protection of customers' interests and maintain a customer-oriented policy in all phases of business in order to implement a system for the protection of customers' interests.

(3) The Company shall establish the Group's basic policies for information security management and implement such systems.

(4) The Company shall establish the Group's basic policies against antisocial factions and groups, and in association with lawyers, police and other professionals, implement its systems against such antisocial factions and groups, and respond to them in an organized and uncompromising manner by severing relationships with them and refusing unfair demands.

(5) The Company shall establish an internal audit department separate and independent of other departments, establish the Group's basic policies for internal audits of the Group and implement systems for efficient and effective internal audits within the Company and Group companies.

3. System for risk management

(1) The Company shall establish the Group's basic policies for risk management and implement risk management systems.

a. The Company shall establish a department supervising risk management.
b. The Company shall perform risk management by following the basic processes of risk identification, evaluation and control, contingency planning and assessment of outcomes through risk monitoring and reporting.
c. The Company shall have each of the Subsidiaries and Others perform risk management appropriate to its types of business and its risk characteristics.

(2) The Company shall establish the Group's basic policies for integrated risk management and perform quantitative risk management across the entire Group to maintain credit ratings and prevent bankruptcies.

(3) The Company shall establish the Group's basic policies for crisis management and implement systems for crisis management.

4. System for ensuring efficient execution of professional duties

(1) The Company shall formulate a medium-term management plan and an annual plan (including numerical targets, etc.) for the Group.

(2) The Company shall establish rules regarding the exercise of authority and construct an appropriate organizational structure for achieving its business purposes in order to realize efficient execution of operations through a proper division of responsibilities and a chain of command.

(3) The Company shall formulate rules for and establish a "Management Meeting", composed of directors, executive officers and other relevant persons, that shall discuss and report on important management issues.

(4) The Company shall establish an Internal Control Committee that shall formulate various basic policies and other measures concerning the Group's internal control systems, evaluate their progress, discuss how to improve them, and promote their implementation.

(5) The Company shall establish the Group’s basic policies for IT governance, and implement systems for achieving IT governance.

(6) The Company shall establish the Group's basic policies for personnel matters with a view to enhancing productivity and corporate value through comprehensive efforts to enhance employees' satisfaction and pride in their work and promoting fair and transparent personnel management linked with proper performance evaluation.

5. System for preserving and managing information concerning the execution of directors' duties

The Company shall establish rules for the preservation of documents and other materials. The minutes of important meetings and documents containing material information regarding the execution of duties by the directors and the executive officers shall be preserved and managed appropriately in accordance with such rules.

6. Matters concerning support personnel to the Audit & Supervisory Board Members and their independence from the directors

(1) The Company shall establish the Office of Audit & Supervisory Board under the direct control of the Audit & Supervisory Board Members for the purpose of supporting them in the performance of their duties. Upon request of the Audit & Supervisory Board Members, the Company shall assign full-time employees having sufficient knowledge and ability to support the Members in the performance of their duties.

(2) Employees assigned to the Office of Audit & Supervisory Board shall perform duties ordered by the Audit & Supervisory Board Members and other work necessary for proceeding with audits, and such employees shall have the right to collect information necessary for audit purposes.
(3) Performance evaluations, personnel transfers and disciplinary action concerning such employees shall be made with the approval of the Audit & Supervisory Board Members (Full-time).

7. System of reporting to the Audit & Supervisory Board Members
(1) Directors and employees shall regularly report to the Audit & Supervisory Board Members on management, financial condition, compliance, risk management, internal audits and other matters, and in the event that they detect a material violation of laws, regulations or internal rules, or a fact likely to cause considerable damage to the Company, they shall immediately report thereof to the Audit & Supervisory Board Members.
(2) Directors and employees shall regularly report to the Audit & Supervisory Board Members on matters such as how the hot lines (the internal whistle-blower system) are used and important reports and consultations made.

8. Other systems for ensuring effective audits by the Audit & Supervisory Board Members
(1) The Audit & Supervisory Board Members shall attend meetings of the Board of Directors, have the right to attend "Management Meetings" and other important meetings and committees, and express their opinions.
(2) The Audit & Supervisory Board Members shall have the right to inspect at any time the minutes of important meetings and other important documents relating to decisions approved by directors and executive officers.
(3) Directors and employees shall, at any time upon the request of the Audit & Supervisory Board Members, explain matters concerning the execution of their duties.
(4) The Internal Audit Department shall strengthen its coordination with the Audit & Supervisory Board Members by assisting in the audit process and through other means.

9. Matters Concerning Accounting Advisers (*Kaikei Sanyo*)

None.

10. Other Matters

None.

Consolidated Balance Sheet as of March 31, 2013

(Yen in millions)

	As of March 31, 2013
Assets	
Cash and bank deposits	436,113
Call loans	211,216
Receivables under resale agreements	299,917
Receivables under security borrowing transactions	28,366
Monetary receivables bought	796,195
Money trusts	5,399
Securities	13,845,820
Loans	380,884
Tangible fixed assets	306,965
Land	143,651
Buildings	131,906
Construction in progress	11,125
Other tangible fixed assets	20,282
Intangible fixed assets	428,196
Software	13,196
Goodwill	270,291
Other intangible fixed assets	144,708
Other assets	1,207,109
Deferred tax assets	50,119
Customers' liabilities under acceptances and guarantees	71,766
Allowance for doubtful accounts	(38,631)
Total assets	18,029,442
Liabilities	
Insurance liabilities	12,784,044
Outstanding claims	1,685,114
Underwriting reserves	11,098,930
Corporate bonds	139,304
Other liabilities	2,167,815
Payables under security lending transactions	1,113,960
Other liabilities	1,053,854
Retirement benefit obligations	186,395
Retirement benefit obligations for directors	31
Provision for employees' bonus	36,794
Reserve under the special law	74,491
Price fluctuation reserve	74,491
Deferred tax liabilities	105,099
Negative goodwill	100,515
Acceptances and guarantees	71,766
Total liabilities	15,666,258
Net assets	
Shareholders' equity	
Share capital	150,000
Retained earnings	1,088,315
Treasury shares	(7,237)
Total shareholders' equity	1,231,078
Accumulated other comprehensive income	
Unrealized gains on securities, net of taxes	1,172,896
Deferred gains (losses) on hedge transactions	21,921
Foreign currency translation adjustments	(85,226)
Total accumulated other comprehensive income	1,109,592
Share acquisition rights	1,763
Non-controlling interests	20,749
Total net assets	2,363,183
Total liabilities and net assets	18,029,442

Consolidated Statement of Income for the fiscal year ended March 31, 2013

(Yen in millions)

	Year ended March 31, 2013 (April 1, 2012 to March 31, 2013)
Ordinary income	3,857,769
Underwriting income	3,149,378
Net premiums written	2,558,010
Deposit premiums from policyholders	116,599
Investment income on deposit premiums	56,330
Life insurance premiums	399,845
Reversal of outstanding claims	13,034
Other underwriting income	5,557
Investment income	636,425
Interest and dividends	261,898
Gains on money trusts	737
Gains on trading securities	3,619
Gains on sales of securities	112,218
Gains on redemption of securities	1,068
Investment gains on separate accounts	290,296
Other investment income	22,916
Transfer of investment income on deposit premiums	(56,330)
Other ordinary income	71,965
Amortization of negative goodwill	10,450
Other ordinary income	61,514
Ordinary expenses	3,650,311
Underwriting expenses	3,013,696
Net claims paid	1,585,558
Loss adjustment expenses	114,886
Agency commissions and brokerage	495,765
Maturity refunds to policyholders	262,189
Dividends to policyholders	380
Life insurance claims	246,755
Provision for underwriting reserves	303,420
Other underwriting expenses	4,740
Investment expenses	48,344
Losses on money trusts	198
Losses on sales of securities	6,568
Impairment losses on securities	7,324
Losses on redemption of securities	1,311
Losses on derivatives	29,847
Other investment expenses	3,094
Operating and general administrative expenses	560,648
Other ordinary expenses	33,307
Interest expenses	5,190
Increase in allowance for doubtful accounts	19,799
Losses on bad debts	182
Equity in losses of affiliates	1,526
Amortization of deferred assets under Article 113 of the Insurance Business Act	2,502
Other ordinary expenses	4,105
Deferred expenses under Article 113 of the Insurance Business Act	(5,685)
Ordinary profit	207,457

(Yen in millions)

	Year ended March 31, 2013 (April 1, 2012 to March 31, 2013)
Extraordinary gains	11,202
Gains on disposal of fixed assets	9,822
Gains on negative goodwill	9
Other extraordinary gains	1,370
Extraordinary losses	16,095
Losses on disposal of fixed assets	1,467
Impairment losses on fixed assets	2,395
Provision under the special law	4,353
Provision for price fluctuation reserve	4,353
Other extraordinary losses	7,880
Income before income taxes and non-controlling interests	202,564
Income taxes - current	65,865
Income taxes - deferred	5,963
Total income taxes	71,829
Income before non-controlling interests	130,735
Non-controlling interests	1,156
Net income	129,578

Consolidated Statement of Changes in Shareholders' Equity for the fiscal year ended March 31, 2013

(Yen in millions)

	Year ended March 31, 2013 (April 1, 2012 to March 31, 2013)
Shareholders' equity	
Share capital	
Beginning balance	150,000
Changes during the year	
Total changes during the year	-
Ending balance	150,000
Retained earnings	
Beginning balance	1,104,810
Changes during the year	
Dividends	(40,266)
Net income	129,578
Disposition of treasury shares	(49)
Retirement of treasury shares	(101,860)
Changes in the scope of consolidation	(110)
Others (Note)	(3,785)
Total changes during the year	(16,494)
Ending balance	1,088,315
Treasury shares	
Beginning balance	(109,418)
Changes during the year	
Repurchase of treasury shares	(43)
Disposition of treasury shares	364
Retirement of treasury shares	101,860
Total changes during the year	102,181
Ending balance	(7,237)
Total shareholders' equity	
Beginning balance	1,145,391
Changes during the year	
Dividends	(40,266)
Net income	129,578
Repurchase of treasury shares	(43)
Disposition of treasury shares	314
Changes in the scope of consolidation	(110)
Others (Note)	(3,785)
Total changes during the year	85,686
Ending balance	1,231,078

(Yen in millions)

	Year ended March 31, 2013 (April 1, 2012 to March 31, 2013)
Accumulated other comprehensive income	
Unrealized gains on securities, net of tax	
Beginning balance	828,245
Changes during the year	
Net changes in items other than shareholders' equity	344,651
Total changes during the year	344,651
Ending balance	1,172,896
Deferred gains (losses) on hedge transactions	
Beginning balance	22,780
Changes during the year	
Net changes in items other than shareholders' equity	(859)
Total changes during the year	(859)
Ending balance	21,921
Foreign currency translation adjustments	
Beginning balance	(156,812)
Changes during the year	
Net changes in items other than shareholders' equity	71,586
Total changes during the year	71,586
Ending balance	(85,226)
Share acquisition rights	
Beginning balance	1,598
Changes during the year	
Net changes in items other than shareholders' equity	164
Total changes during the year	164
Ending balance	1,763
Non-controlling interests	
Beginning balance	16,261
Changes during the year	
Net changes in items other than shareholders' equity	4,487
Total changes during the year	4,487
Ending balance	20,749
Total net assets	
Beginning balance	1,857,465
Changes during the year	
Dividends	(40,266)
Net income	129,578
Repurchase of treasury shares	(43)
Disposition of treasury shares	314
Changes in the scope of consolidation	(110)
Others (Note)	(3,785)
Net changes in items other than shareholders' equity	420,031
Total changes during the year	505,718
Ending balance	2,363,183

(Note) "Others" consisted mainly of reclassification adjustments of deferred tax in accordance with accounting standards adopted by foreign consolidated subsidiaries, etc.

Notes to Consolidated Financial Statements

Significant matters related to consolidated financial statements

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 84 companies
Names of major consolidated subsidiaries:
Tokio Marine & Nichido Fire Insurance Co., Ltd.
Nisshin Fire & Marine Insurance Co., Ltd.
E.design Insurance Co., Ltd.
Tokio Marine & Nichido Life Insurance Co., Ltd.
Tokio Marine & Nichido Financial Life Insurance Co., Ltd.
Tokio Marine Millea SAST Insurance Co., Ltd.
Tokio Marine North America, Inc.
Philadelphia Consolidated Holding Corp.
Philadelphia Indemnity Insurance Company
First Insurance Company of Hawaii, Ltd.
Delphi Financial Group, Inc.
SIG Holdings, Inc.
Safety National Casualty Corporation
Reliance Standard Life Insurance Company
Reliance Standard Life Insurance Company of Texas
Kiln Group Limited
Kiln Underwriting Limited
Tokio Millennium Re (UK) Limited
Tokio Marine Underwriting Limited
Tokio Marine Bluebell Re Limited
Tokio Marine Asia Pte. Ltd.
Asia General Holdings Limited
Tokio Marine Insurance Singapore Ltd.
Tokio Marine Life Insurance Singapore Ltd.
Tokio Marine Life Insurance Malaysia Bhd.
Tokio Marine Seguradora S.A.
Tokio Millennium Re Ltd.
Tokio Marine Financial Solutions Ltd.

Delphi Financial Group, Inc., SIG Holdings, Inc., Safety National Casualty Corporation, Reliance Standard Life Insurance Company, Reliance Standard Life Insurance Company of Texas and 17 other companies are included in the consolidation from the fiscal year ended March 31, 2013 because these entities became subsidiaries of the Company through the acquisition of shares or formation as new companies.
Beginning with the fiscal year ended March 31, 2013, TMNA Services, LLC is included in the consolidation due to an increase in materiality.
Tersk LLC and one other company are excluded from the consolidation because it has been dissolved or for other reasons.

(2) Names of major non-consolidated subsidiaries

Major subsidiaries:

Tokio Marine & Nichido Adjusting Service Co., Ltd.

Tokio Marine Capital Co., Ltd.

Reason the subsidiaries were excluded from the consolidation:

Each of these non-consolidated subsidiaries is small in scale in terms of total assets, sales, net income or loss for the period and retained earnings. As such non-consolidated subsidiaries are not considered to materially affect any reasonable determination as to the Group's financial condition and results of operations and are excluded from the consolidation.

2. Application of the equity method

(1) Number of affiliates accounted for by the equity method: 10 companies

Names of major affiliates accounted for by the equity method:

Edelweiss Tokio Life Insurance Company Limited

WNC Acquisition, Inc. is no longer an affiliate accounted for by the equity method because it merged with WNC Insurance Holding Corp., an affiliate of the Company accounted for by the equity method.

(2) The non-consolidated subsidiaries (Tokio Marine & Nichido Adjusting Service Co., Ltd., Tokio Marine Capital Co., Ltd., etc.) and other affiliates (IFFCO-TOKIO General Insurance Co., Ltd., etc.) have not been accounted for by the equity method because these companies have had a minor effect on the Company's consolidated net income or loss for the period and retained earnings and are not considered material as a whole.

(3) The Company owns 30.1% of the total voting rights of Japan Earthquake Reinsurance Co., Ltd. through Tokio Marine & Nichido and Nisshin Fire. The Company does not consider Japan Earthquake Reinsurance Co., Ltd. to be its affiliate since it believes that it can not exert a significant influence on any policy making decisions of Japan Earthquake Reinsurance Co., Ltd.'s operations given the highly public nature of the company.

(4) With regard to any company accounted for by the equity method that has a different closing date from that of the consolidated financial statements, the financial statements of that company for its fiscal year are used for presentation in the consolidated financial results.

3. Closing date of consolidated subsidiaries

The closing date of the fiscal year for one of the domestic consolidated subsidiaries and 74 overseas consolidated subsidiaries is December 31. Since the differences in the closing dates do not exceed three months, the financial statements of the consolidated subsidiaries as of December 31 are used for presentation in the accompanying consolidated financial statements. As for any significant transactions taking place during the period between the subsidiaries' closing dates and the consolidated closing date, necessary adjustments are made for consolidation purposes.

4. Accounting policies

(1) Valuation of securities

a. Trading securities are valued by the mark-to-market method, with the costs of their sales being calculated on the moving-average method.

b. Bonds held to maturity are recorded by using the amortized cost method (straight-line method) based on the moving-average method.

c. Bonds earmarked for underwriting reserves are recorded by using amortized cost method (straight-line method) based on the moving-average method, in accordance with the Industry Audit Committee Report No. 21 “Temporary Treatment of Accounting and Auditing Concerning Securities Earmarked for Underwriting Reserve in Insurance Industry” issued by the Japanese Institute of Certified Public Accountants (the “JICPA”), November 16, 2000.

Following is a summary of the risk management policy concerning bonds earmarked for underwriting reserves.

In order to control interest rate fluctuation risks relating to assets and liabilities, Tokio Marine & Nichido Life divides their underwriting reserves into following subgroups: "dollar-denominated underwriting reserve for deferment period of individual annuity insurance (denominated in U.S. dollars) with floating cancellation refund linked with market interest rates", "underwriting reserve for deferment period of individual annuity insurance with floating interest rates", "underwriting reserve for lump sum deposit-type whole-life insurance denominated in U.S. dollars with floating interest rates", "underwriting reserve for lump sum deposit-type whole-life insurance with floating interest rates" and "underwriting reserve for lump sum deposit-type individual annuity insurance". Tokio Marine & Nichido Life maintains the policy to match the duration of underwriting reserves of each subgroup and bonds earmarked for the underwriting reserve within certain time range.

d. Other securities with fair value are recorded by the mark-to-market method based upon the market price on the closing date.

The total amount of unrealized gains/losses on such securities is directly added to net assets with costs of sales being calculated on the moving-average method.

e. Other securities for which the fair value cannot be measured reliably are recorded at cost determined by the moving-average method.

f. Investment in non-consolidated subsidiaries and affiliates that are not accounted for by the equity method are recorded at cost determined by the moving-average method.

g. Securities held in individually managed money trusts that are invested as trusted assets are recorded by the mark-to-market method.

(2) Valuation of derivative transactions

Derivative financial instruments are accounted for by the mark-to-market method.

(3) Depreciation method for tangible fixed assets

Depreciation of tangible fixed assets owned by the Company and its domestic consolidated subsidiaries is computed using the declining balance method. However, depreciation of buildings (excluding fixtures attached to such buildings, etc.) that were acquired on or after April 1, 1998 is computed using the straight-line method.

(Changes in accounting policies which are difficult to distinguish from changes in accounting estimates)
Starting from the first quarter of the fiscal year ended March 31, 2013, the Company and its major consolidated domestic subsidiaries have revised their depreciation method for tangible fixed assets acquired on or after April 1, 2012, in accordance with the revision of the Corporation Tax Act. The changes had immaterial impact on ordinary profit and income before income taxes for the year ended March 31, 2013.

(4) Depreciation method for intangible fixed assets

Depreciation of intangible fixed assets procured through acquisitions of overseas subsidiaries is recorded over the period of time for which the Company expects such subsidiaries contribute to the Company, and in accordance with the form of such contribution.

(5) Accounting policies for significant reserves and allowances

a. Allowance for doubtful accounts
In order to provide for losses from defaults, domestic consolidated subsidiaries of the Company establish allowance for doubtful accounts in accordance with internal asset self-assessment and asset write-off rules as detailed below.

For claims against any debtor who has legally, technically, or substantially become insolvent (due to bankruptcy, special liquidation or suspension of transactions at draft clearinghouses, etc.), allowance is calculated based on the amount of any such claim minus the amount expected to be collectible from disposal of collateral or performance of applicable guarantees.

For claims against any debtor who is likely to become insolvent in the foreseeable future, allowance is calculated based on the amount of any such claim minus the amount expected to be collectible from disposal of collateral, performance of applicable guarantees or the relevant debtor himself, taking into consideration the overall solvency assessment of the relevant debtor.

For claims other than those described above, allowance is provided based on the amount of claims multiplied by the expected default rate, which is computed based on historical loan loss experience in certain previous periods.

In addition, all claims are assessed by the asset accounting department and the asset management department in accordance with the internal rules of asset self-assessment. Subsequently, the asset auditing department, which is independent from other asset-related departments, audits the results of assessment by the other asset-related departments. Allowance for doubtful accounts is recorded based on such assessment results and audits stated above.

b. Retirement benefit obligations
To provide for employees' retirement benefits, the Company and its domestic consolidated subsidiaries have recorded the amount deemed to be incurred at the end of the fiscal year ended March 31, 2013 based on the projected retirement benefit obligations and related pension assets at the end of the fiscal year ended March 31, 2013.

Prior service costs are charged to expenses in each subsequent consolidated fiscal year by using the straight-line method over a certain term (7-14 years) within the average remaining service years of the employees when such costs were incurred.

Actuarial differences are charged to expenses in the subsequent consolidated fiscal year by using the straight-line method over a certain term (5-14 years) within the average remaining service years of the employees.

c. Retirement benefit obligations for directors
Some domestic consolidated subsidiaries set aside a reserve for retirement benefits for their directors in the amount considered to be accrued as of the end of the fiscal year ended March 31, 2013, which is calculated in accordance with their internal remuneration regulations.

d. Provision for employees' bonus
To provide for payment of bonuses to employees, the Company and its major consolidated domestic subsidiaries maintain reserves for employees' bonuses based on the expected amount to be paid.

e. Price fluctuation reserve
Domestic consolidated insurance subsidiaries maintain reserves under Article 115 of the Insurance Business Act in order to provide for possible losses or damages arising from fluctuation of share prices.

(6) Accounting for consumption tax, etc.

The Company and its domestic consolidated subsidiaries account for consumption tax, etc. by the tax-excluded method. However, domestic consolidated insurance subsidiaries account for expenses such as operating and general administrative expenses by the tax-included method.

In addition, any non-deductible consumption tax, etc. incurred in connection with assets is included in other assets (as suspense payments) and is amortized over 5 years using the straight-line method.

(7) Accounting for significant lease transactions

Non-transferrable finance leases of the Company's domestic consolidated subsidiaries commencing prior to April 1, 2008 are accounted for as operating lease transaction.

(8) Hedge accounting

a. Interest rate

To mitigate interest rate fluctuation risks associated with long-term insurance policies, Tokio Marine & Nichido and Tokio Marine & Nichido Life conduct Asset Liability Management ("ALM") to control such risks by evaluating and analyzing financial assets and insurance liabilities simultaneously.

As for interest rate swap transactions that are used to manage such risks, Tokio Marine & Nichido and Tokio Marine & Nichido Life apply deferred hedge accounting to the swap transactions based upon the Industry Audit Committee Report No. 26, "Accounting and Auditing Treatments related to Adoption of Accounting for Financial Instruments in the Insurance Industry" (issued by the JICPA, September 3, 2002 - hereinafter called "Report No. 26").
Effectiveness is not evaluated for hedge treatments that are believed to have high hedge effectiveness, because the Company groups hedged insurance liabilities with the interest rate swaps that are the

hedge instruments, based on the period remaining for the instruments.

Any deferred gains as of the end of March 2003 that were calculated based on the Industry Audit Committee's Report No.16, "Accounting and Auditing Treatments related to Adoption of Accounting for Financial Instruments in the Insurance Industry" (issued by the JICPA, March 31, 2000), which was applicable prior to the application of Report No. 26, are accounted for by Tokio Marine & Nichido using the straight-line method over the remaining hedging period (1-17 years). The accounting treatments for such deferred gains are based on the transitional measures in Report No. 26. Deferred gains under this treatment as of March 31, 2013 were 18,638 million yen and the amount accounted for in the consolidated financial statements for the fiscal year ended March 31, 2013 was 4,054 million yen.

b. Foreign exchange

With regard to some of Tokio Marine & Nichido's currency swap transactions and currency forward transactions, which have been entered into for the purpose of hedging foreign exchange risk associated with assets denominated in foreign currencies, (a) fair value hedge accounting and/or (b) matching treatment are applied. The hedge effectiveness is not evaluated for hedging treatments that are believed to have high hedge effectiveness, such as in cases where hedging tools and hedged instruments share the same important characteristics.

Tokio Marine & Nichido applies deferred hedge accounting to foreign currency loans which hedge foreign exchange risk associated with equity in overseas subsidiaries. Hedge effectiveness is evaluated based on a comparison of the aggregate market fluctuation of the hedged instruments and hedging tools during the period from when the hedge was entered and ending at the time of the evaluation.

(9) Matters concerning amortization of goodwill and negative goodwill

Goodwill recognized as an asset on the consolidated balance sheet is amortized in the following manner. The goodwill in connection with Philadelphia Consolidated Holding Corp. ("PHLY"), Kiln Group Limited, and Delphi Financial Group, Inc. is amortized over 20 years, 10 years, and 5 years, respectively, using the straight-line method. Other goodwill is amortized over 2 to 15 years using the straight-line method. Other goodwill in small amounts are amortized at one time.

Negative goodwill that arose on or before March 31, 2010 is recognized as a liability on the consolidated balance sheet and amortized over 20 years using the straight-line method.

(10) Accounting for deferred assets under Article 113 of the Insurance Business Act

The Company evaluated the amount of provisions for and amortization of deferred assets under Article 113 of the Insurance Business Act for E.design Insurance Co., Ltd. in accordance with applicable laws and regulations and the Articles of Incorporation of E.design Insurance Co., Ltd.

Notes to consolidated balance sheet

1. Accumulated depreciation of tangible fixed assets is 353,920 million yen, and deferred capital gain for tax purpose is 20,438 million yen.

2. Of all loans, the total amount of loans to borrowers in bankruptcy, past due loans, loans past due for three months or more, and restructured loans is 9,871 million yen. The breakdown is set forth below.

(1) The amount of loans to borrowers in bankruptcy is 414 million yen.

Loans that are past due for a certain period, or for other reasons, are generally placed on non-accrual status when substantial doubt is considered to exist as to the ultimate collectibility either of principal or interest ("Non-accrual status loans"; however, any part of bad debt written-off is excluded.). Loans to borrowers in bankruptcy represent non-accrual status loans that fall within the definitions provided in Article 96, paragraph 1, subparagraph 3 (a) to (e) (maximum amount transferable to allowance for doubtful accounts) and subparagraph 4 of the Enforcement Ordinance of the Corporation Tax Law (Ordinance No. 97, 1965).

(2) The amount of past due loans is 3,594 million yen.

Past due loans are non-accrual status loans, other than those to borrowers in bankruptcy, and those on which interest payments are deferred in order to assist business restructuring of the borrowers.

(3) The amount of loans past due for three months or more is 3 million yen.

Loans past due for three months or more are defined as loans on which any principal or interests payments are delayed for three months or more from the date following the due date. Loans classified as loans to borrowers in bankruptcy and past due loans are excluded from this category.

(4) The amount of restructured loans is 5,859 million yen.

Restructured loans are loans on which concessions (e.g., reduction of the stated interest rate, deferral of interest payment, extension of the maturity date, forgiveness of debt) are granted to borrowers in financial difficulties to assist them in their corporate restructuring by improving their ability to repay creditors. Restructured loans do not include loans classified as loans to borrowers in bankruptcy, past due loans or loans past due for three months or more.

3. The value of assets pledged as collateral totals 361,180 million yen in securities and 24,242 million yen in savings deposits. Collateralized debt obligations are held to the value of 112,691 million yen in outstanding claims, 64,925 million yen in underwriting reserve and 29,510 million yen in other debts (including foreign reinsurance related debts, etc.).

4. Of the commercial paper, etc. received in connection with repurchase agreements and others, those with the right to dispose by sale or rehypothecation have a fair value of 225,967 million yen and are wholly held by the Company.

5. Securities include securities lent under loan agreements of 1,230,013 million yen.

6. The outstanding balance of undrawn committed loans is as follows.

	(Yen in millions)
Total loan commitments	70,918
Balance of drawn committed loans	9,565
Undrawn loan commitments	61,352

7. The amount of both assets and liabilities for special account as prescribed in Article 118 of the Insurance Business Act totals 2,240,042 million yen.

8. Total investment in non-consolidated subsidiaries and affiliates is 81,913 million yen.

9. Tokio Marine & Nichido guarantees the liabilities of some of its subsidiaries. The balance of the guarantee to its subsidiaries as of March 31, 2013 is as follows:

	(Yen in millions)
Tokio Marine Compańía de Seguros, S.A. de C.V.	4,670
Tokio Marine Pacific Insurance Limited	3,418
Tokio Marine Insurance (Thailand) Public Company Limited	27,200
Total	35,289

10. Other assets include 17,929 million yen of deferred assets under Article 113 of the Insurance Business Act.

Notes to consolidated statement of income

1. Major components of business expenses

	(Yen in millions)
Agency commissions, etc.	430,258
Salaries	231,249

Business expenses consist of "Loss adjustment expenses", "Operating and general administrative expenses" and "Agency commissions and brokerage" as shown in the accompanying consolidated statement of income.

2. Other extraordinary gains are gain on liquidation of subsidiaries and affiliates amounting to 1,370 million yen.

3. The Group recognized impairment losses on the following properties.

Purpose of use	Category	Location	Impairment loss (Yen in millions)			
			Land	Building	Others	Total
Properties for business use (insurance and nursing care services)	Buildings and others	4 properties including equipment attached to buildings in Suginami-ku, Tokyo	-	95	90	186
Properties for rent	Land and buildings	A building in Akashi-shi, Hyogo	169	187	-	356
Idle or potential disposal properties	Land, buildings and others	13 properties including a training center in Aso-gun, Kumamoto	897	953	0	1,851
Total			1,066	1,236	91	2,395

Classification of properties: (a) properties used for the insurance business and other businesses are grouped by each company in consolidation; and (b) other properties including properties for rent and idle or potential disposal properties and properties used for nursing care services are grouped based on their primary uses on an individual basis.

For certain consolidated subsidiaries, the total amount of projected future cash flows from properties for business use in their insurance and nursing care businesses fell below the book values of these properties. Consequently, the Company wrote off the excess of the book values of such properties over the recoverable values and recognized any such write off as impairment losses in extraordinary losses. The Company has recorded the recoverable value of the relevant assets as a net sales price in the insurance business. However, such net sales price is a memorandum price because of the difficulty in making a reasonable estimate of the amount. The Company calculates the recoverable value of the relevant property in the nursing care services by discounting projected future cash flows at a rate of 6.0 percent.

Due mainly to decline in the real estate market, book values of some properties for rent and idle or potential disposal properties fell below the recoverable values. Consequently, the Company wrote off the excess of the book values of such properties over the recoverable values and recognized any such write off as impairment losses in extraordinary losses. Recoverable values are either the higher of the net sales price or the utility values of each property. Net sales price is the market value assessed by real estate appraisers minus anticipated expenses for disposal of the relevant properties. The Company calculated the utility values of the relevant properties by discounting projected future cash flows at a rate of 9.1 percent.

An impairment loss of 1,433 million yen, equivalent to the entire goodwill related to Edelweiss Tokio Life Insurance Company Limited ("Edelweiss") , was recognized and recorded as "equity in losses of affiliates" under ordinary expenses at the end of the fiscal year ended March 31, 2013 because the Company concluded that Edelweiss would not achieve the income initially expected in the business plan developed at the time of the Company's investment.

4. The main components of other extraordinary losses are 5,634 million yen of impairment losses on investment in subsidiaries and affiliates and 2,005 million yen of early retirement bonus and others.

Notes to consolidated statement of changes in shareholders' equity

1. Class and number of issued shares and treasury share

(Thousand shares)

	Number of shares as of April 1, 2012	Increase during the fiscal year ended March 31, 2013	Decrease during the fiscal year ended March 31, 2013	Number of shares as of March 31, 2013
Issued shares				
Common share	804,524	-	35,000	769,524
Total	804,524	-	35,000	769,524
Treasury share				
Common share	37,596	19	35,125	2,490
Total	37,596	19	35,125	2,490

Notes: 1. The decrease of 35,000 thousand issued shares is attributable to retirement of treasury shares.

2. The increase of 19 thousand treasury shares is attributable to acquisition of shares constituting less than one unit of common share.

3. The decrease of 35,125 thousand treasury shares is primarily attributable to retirement of treasury shares which decreased treasury share by 35,000 thousand.

2. Share acquisition rights (including those owned by the Company)

Category	Nature of share acquisition rights	Amount as of March 31, 2013 (Yen in millions)
The Company (parent company)	Share acquisition rights as share options	1,763

3. Dividends

(1) Amount of dividends

Resolution	Class of share	Total amount of dividends paid (Yen in millions)	Amount of dividends per share (Yen)	Record date	Effective date
Ordinary general meeting of shareholders held on June 25, 2012	Common share	19,173	25.00	March 31, 2012	June 26, 2012
Meeting of the board of directors held on November 19, 2012	Common share	21,093	27.50	September 30, 2012	December 4, 2012

(2) Dividends of which the record date falls within the fiscal year ended March 31, 2013, and of which the effective date falls on or after April 1, 2013.

The Company intends to obtain approval for the following dividend payment at the 11th Ordinary General Meeting of Shareholders to be held on June 24, 2013.

Resolution	Class of share	Total amount of dividends paid (Yen in millions)	Source of dividends	Amount of dividends per share (Yen)	Record date	Effective date
Ordinary general meeting of shareholders to be held on June 24, 2013	Common share	21,093	Retained earnings	27.50	March 31, 2013	June 25, 2013

Information on financial instruments

1. Qualitative information on financial instruments

The Group's core operation is its insurance business and it generally makes investments based on cash inflows mainly arising from insurance premiums. Investment assets are managed in two categories, which are "Assets backing insurance liabilities" corresponding to long-term insurance contracts such as deposit type insurance and annuity, and "Other".

With regard to "Assets backing insurance liabilities", ALM is applied in order to ensure future payments for maturity-refunds and claims. Through ALM, the Group aims to steadily maximize the value of surplus ("Investment assets" minus "Insurance liabilities") by controlling the interest rate risks to which insurance liabilities are exposed and by investing in instruments with some credit risks, mostly bonds with high credit ratings.

With regard to "Other", the Group works toward diversification of investments and improvement of investment efficiency in order to generate sustainable investment income, while maintaining liquidity for future claims payments.

In major consolidated subsidiaries, the risk management department, which is independent of trading departments, quantitatively and qualitatively controls risks in order to deal with such investment risks.

Through these approaches, the Group aims to minimize fluctuations in short-term gains and losses, increase investment income in order to maximize net asset value in the mid-to-long-term, and maintain financial soundness.

2. Fair value of financial instruments

The table below shows the fair value of financial instruments excluding unlisted shares and others without reasonably measured fair value as of March 31, 2013.

(Yen in millions)

		Carrying amount shown on balance sheet	Fair value	Difference
(1)	Cash and bank deposits	436,113	436,207	93
(2)	Call loans	211,216	211,216	-
(3)	Receivables under resale agreements	299,917	299,917	-
(4)	Receivables under security borrowing transactions	28,366	28,366	-
(5)	Monetary receivables bought	796,022	796,022	-
(6)	Money trusts	5,399	5,399	-
(7)	Securities			
	Trading securities	2,443,824	2,443,824	-
	Bonds held to maturity	2,615,786	2,898,517	282,730
	Bonds earmarked for underwriting reserves	184,135	196,305	12,170
	Available for sale securities	8,319,673	8,319,673	-
(8)	Loans	279,144		
	Allowance for doubtful accounts (*1)	-7,795		
		271,349	283,457	12,108
(9)	Corporate bonds (*2)	(139,304)	(142,157)	(2,852)
(10)	Payables under security lending transactions (*2)	(1,113,960)	(1,113,960)	-
(11)	Derivative assets and liabilities (*3)	21,077	21,077	-

(*1) Allowance for doubtful accounts earmarked for loans are deducted from the carrying amount.
(*2) Items in liabilities are shown with ( ).
(*3) Derivative assets and liabilities are presented on a net basis. Debits and credits arising from derivative transactions are netted.

Notes: 1. Valuation method for financial instruments

With regard to (1) Cash and bank deposits (excluding those defined as securities in "Accounting Standard for Financial Instruments" (ASBJ Statement No.10)), (2) Call loans, (3) Receivables under resale agreements, and (4) Receivables under security borrowing transactions, the book value is deemed as the fair value since it is scheduled to be settled in a short period of time and the book value approximates the fair value.

Regarding (5) Monetary receivables bought and (7) Securities (including those in (1) Cash and bank deposits that are defined to be securities in "Accounting Standard for Financial Instruments" (ASBJ Statement No.10) and securities in (6) Money trusts that are invested as trust funds) with quoted market price, the quoted closing price is used for listed shares and the price of the over-the-counter transactions is used for bonds. For securities with no quoted market price, the net present value of the estimated future cash flows is applied as the fair value.

With regard to floating rate loans in (8) Loans, the book value is deemed as the fair value unless the borrower's credit standing has materially changed since the execution of the loan because interest rate changes will be timely reflected in the future cash flows and the book value approximates the fair value. For fixed rate loans, the fair value is measured as the net present value of estimated future cash flows. For loans where borrowers are insolvent or in bankruptcy proceedings, the estimated uncollectible debts are deducted from the carrying amount to get the fair value.

With regard to (9) Corporate bonds, the price of the over-the-counter transactions is the fair value.

With regard to (10) Payables under security lending transactions, the book value is deemed as the fair value because it is scheduled to be settled in a short period of time and the book value approximates the fair value.

With regard to (11) Derivative assets and liabilities with quoted market price, the quoted closing price is used as the fair value. For derivative assets and liabilities with no quoted market price, the net present value of the estimated future cash flows or the calculated price based on an option pricing model is applied as the fair value.

2. Unlisted shares and partnership investments comprised of unlisted shares (Carrying amount on the consolidated balance sheet: 281,342 million yen) are not included in (7) Securities because the fair value cannot be determined as they have no quoted market price and the future cash flow cannot be estimated.

   Policy loans (Carrying amount on the consolidated balance sheet: 101,740 million yen) are not included in (8) Loans because future cash flows cannot be estimated since it is arranged under insurance policy and the amount is limited within repayment fund for cancellation with no contractual maturity.

Information on investment property

1. Some of the consolidated subsidiaries hold office buildings and land mainly in Tokyo, Osaka and Nagoya, some of which are leased out.

2. Fair value of investment property

(Yen in millions)

Carrying amount shown on balance sheet as of March 31, 2013	Fair value as of March 31, 2013
78,795	123,833

Notes: 1. Carrying amount is the amount that the accumulated depreciation and the accumulated impairment losses are deducted from the acquisition cost.

2. Fair value as of March 31, 2013 is primarily based on appraisals by qualified external valuers.

Per share information

Net assets per share	3,051.58 yen
Net income per share	168.93 yen

Others

1. Business combination by acquisition

On May 15, 2012, through Tokio Marine & Nichido, a subsidiary of the Company, the Company acquired 100% of the issued shares of Delphi Financial Group, Inc. ("Delphi"), a U.S. life and property and casualty insurance group.

(1) Outline of the business combination

a. Name of the acquiree
Delphi Financial Group, Inc.

b. Business
Insurance group holding company

c. Business combination objectives
Tokio Marine Group is: (1) seeking further growth in both the earnings and scale of its overseas businesses; (2) creating a more diverse business portfolio; and (3) establishing new business opportunities through synergies with PHLY and other current U.S. operations.

d. Date of the business combination
May 15, 2012

e. Form of the business combination
Reverse triangular merger under Delaware business combination laws

f. Voting rights acquired through the business combination
100%

(2) Period for which the acquiree's operating results are included in the consolidated statements of income of the Company
From July 1, 2012 to December 31, 2012

(3) Acquisition cost and its detail

Consideration for Delphi shares acquired	213,570	million yen
Direct costs of the acquisition	1,484	million yen
Acquisition cost	215,054	million yen

(4) Amount, reason for recognition, method and period of amortization of goodwill

a. Amount of goodwill
41,355 million yen

b. Reason for recognition of goodwill
The acquisition cost of the aquiree, which was calculated by taking into account projections of the acquiree's future revenue as of the valuation date, exceeded the net amounts of assets acquired and liabilities assumed.

c. Period and method of amortization of goodwill
5 years using the straight line method

(5) Assets and liabilities assumed on the date of the business combination and the main components

Item	Amount (Yen in millions)	Item	Amount (Yen in millions)
Total assets	770,550	Total liabilities	597,525
Securities included in total assets	433,488	Insurance liabilities included in total liabilities	462,969

(6) Approximate impact on the consolidated statements of income, assuming that the business combination took place on the first day of the fiscal year ended March 31, 2013

The ordinary income, ordinary profit and net income would have increased by approximately 91,275 million yen, 2,966 million yen and 1,900 million yen, respectively.

These amounts represent the difference between the actual figures on consolidated statements of income of the Company for the fiscal year ended March 31, 2013 and the hypothetical amount of consolidated ordinary income, ordinary profit and net income, including Delphi's figures, calculated assuming that the business combination was completed at the beginning of the fiscal year ended March 31, 2013. The amortized amount of goodwill was calculated assuming that the entire goodwill for the acquisition recognized at the time of the business combination had arisen at the beginning of the fiscal year ended March 31, 2013.

The above amounts are un-audited.

2. Business combination by business transfer

On September 1, 2012, Tokio Marine Insurans (Malaysia) Berhad, a subsidiary of the Company, acquired the property and casualty insurance business from MUI Continental Insurance Berhad ("MUI") under the laws pertaining to insurance business in Malaysia.

(1) Outline of the business combination

a. Name of the acquiree
MUI Continental Insurance Berhad

b. Business acquired
Property and casualty insurance business

c. Business combination objectives
Tokio Marine Group mainly seeks to reinforce the base of its property and casualty insurance business in Malaysia, to improve business efficiency by increasing the scale of business to obtain growth opportunities, and also to provide more customer-oriented products and services in Malaysia.

d. Date of the business combination
September 1, 2012

e. Form of the business combination
Business transfer

(2) Period for which the operating results of the business transferred are included in the consolidated statements of income of the Company

From October 1, 2012 to December 31, 2012

(3) Acquisition cost and its detail

Consideration for the business transferred	4,571 million yen
Acquisition cost	4,571 million yen

(4) Amount, reason for recognition, method and period of amortization of goodwill

a. Amount of goodwill

3,748 million yen

b. Reason for recognition of goodwill

The acquisition cost of the business, which was calculated by taking into account projections of the acquiree's future revenue as of the valuation date, exceeded the net amounts of assets acquired and liabilities assumed.

c. Period and method of amortization of goodwill

5 years using the straight line method

(5) Assets and liabilities assumed on the date of the business combination and the main components

Item	Amount (Yen in millions)	Item	Amount (Yen in millions)
Total assets	8,165	Total liabilities	7,342
Cash and bank deposits in total assets	6,517	Insurance liabilities included in total liabilities	4,956

Non-consolidated Balance Sheet as of March 31, 2013

(Yen in millions)

	As of March 31, 2013
Assets	
Current assets:	
Cash and bank deposits	2,678
Prepaid expense	0
Accounts receivable	10,105
Others	4
Total current assets	12,788
Fixed assets:	
Tangible fixed assets	
Buildings	176
Motor vehicles and transport equipment	6
Office equipment	47
Total tangible fixed assets	230
Intangible fixed assets	
Telephone right	0
Total intangible fixed assets	0
Investments and other assets	
Investments in subsidiaries and affiliates	2,496,088
Others	84
Total investments and other assets	2,496,172
Total fixed assets	2,496,404
Total assets	2,509,192
Liabilities	
Current liabilities:	
Accounts payable	386
Accrued expenses	260
Accrued income taxes	69
Accrued business office taxes	9
Accrued consumption taxes	57
Deposits received	14
Provision for employees' bonus	478
Total current liabilities	1,276
Fixed liabilities:	
Long-term accounts payable	16
Reserve for retirement benefit	179
Total fixed liabilities	195
Total liabilities	1,472
Net assets	
Shareholders' equity:	
Share capital	150,000
Capital surplus	
Additional paid-in capital	1,511,485
Total capital surplus	1,511,485
Retained earnings	
Other retained earnings	851,708
General reserve	332,275
Retained earnings carried forward	519,432
Total retained earnings	851,708
Treasury shares	-7,237
Total shareholders' equity	2,505,956
Share acquisition rights	1,763
Total net assets	2,507,720
Total liabilities and net assets	2,509,192

Non-consolidated Statement of Income for the fiscal year ended March 31, 2013

(Yen in millions)

	Year ended March 31, 2013 (April 1, 2012 to March 31, 2013)
Operating income:	
Dividends received from subsidiaries and affiliates	42,798
Fees received from subsidiaries and affiliates	5,919
Total operating income	48,718
Operating expenses:	
Operating and general administrative expenses	6,773
Total operating expenses	6,773
Operating profit	41,944
Non-operating income:	
Interest income	1
Interest on securities	5
Gain on forfeiture of unclaimed dividends	33
Gain on forfeiture of unclaimed payables for clearing fractional shares	27
Other non-operating income	0
Total non-operating income	68
Non-operating expenses:	
Miscellaneous expenses	146
Total non-operating expenses	146
Ordinary profit	41,866
Extraordinary losses:	
Losses on disposal of fixed assets	0
Total extraordinary losses	0
Income before income taxes	41,866
Income taxes-current	5
Total income taxes	5
Net income	41,860

Non-consolidated Statement of Changes in Shareholders' Equity for the fiscal year ended March 31, 2013

(Yen in millions)

	Shareholders' equity						
		Capital surplus		Retained earnings			
				Other retained earnings			
	Share capital	Additional paid-in capital	Others	General reserve	Retained earnings carried forward	Treasury shares	Total shareholders' equity
Beginning balance as of April 1, 2012	150,000	1,511,485	86,457	732,275	133,292	-109,418	2,504,091
Changes during the year							
General reserve				-400,000	400,000		-
Dividends					-40,266		-40,266
Net income					41,860		41,860
Repurchase of treasury shares						-43	-43
Disposition of treasury shares			-49			364	314
Retirement of treasury shares			-101,860			101,860	-
Transfer from retained earnings to capital surplus			15,453		-15,453		-
Net changes in items other than shareholders' equity							
Total changes during the year	-	-	-86,457	-400,000	386,140	102,181	1,865
Ending balance as of March 31, 2013	150,000	1,511,485	-	332,275	519,432	-7,237	2,505,956

	Share acquisition rights	Total net assets
Beginning balance as of April 1, 2012	1,598	2,505,690
Changes during the year		
General reserve		-
Dividends		-40,266
Net income		41,860
Repurchase of treasury shares		-43
Disposition of treasury shares		314
Retirement of treasury shares		-
Transfer from retained earnings to capital surplus		-
Net changes in items other than shareholders' equity	164	164
Total changes during the year	164	2,029
Ending balance as of March 31, 2013	1,763	2,507,720

Notes to Non-consolidated Financial Statements

Significant accounting policies

1. Valuation of securities

Investments in subsidiaries and affiliates are stated at cost determined by the moving-average method.

2. Depreciation for fixed assets

Depreciation of tangible fixed assets other than buildings (excluding fixtures attached to buildings) is computed using the declining-balance method principally over the following useful lives. Depreciation of buildings (fixtures facilities attached to buildings) is computed using the straight-line method.

Fixtures attached to buildings	8 to 18 years
Equipment and furniture	3 to 15 years

(Changes in accounting policies which are difficult to distinguish from changes in accounting estimates)
Starting from the fiscal year ended March 31, 2013, the Company has revised its depreciation method for tangible fixed assets acquired on or after April 1, 2012, in accordance with the revision of the Corporation Tax Act.
The changes had immaterial impact on ordinary profit or income before income taxes for the year ended March 31, 2013.

3. Reserve

(1) To provide for payment of bonus to employees, the Company maintains a reserve for employees' bonus based on the expected amount to be paid.

(2) To provide for employees' retirement benefit payment, the Company maintains a reserve for employee's retirement benefits equal to the amount deemed to have incurred as of the end of the fiscal year ended March 31, 2013.

4. Consumption taxes

Consumption taxes and local consumption taxes are accounted for by the tax-excluded method.

Notes to the non-consolidated balance sheet

1. Accumulated depreciation of tangible fixed assets: 182 million yen

2. Monetary claims against and debts owed to affiliates:

Monetary claims receivables	1,530 million yen
Debts payable	263 million yen

3. Debts payable to directors and audit & supervisory board members:

Long-term debts payable	16 million yen

Notes to the non-consolidated statement of income

Transactions with affiliates:

Operating transactions	
Operating income	48,718 million yen
Operating expenses	1,164 million yen
Transactions other than operating transactions	0 million yen

Notes to the statement of changes in shareholders' equity

Class and number of treasury share held by the Company as of March 31, 2013:

Common share	2,490,205 shares

Deferred tax accounting

Major components of deferred tax assets:

Deferred tax assets	
Impairment losses on investment in subsidiaries and affiliates	33,641 million yen
Others	744 million yen
Subtotal	34,385 million yen
Valuation allowance	-34,385 million yen
Total deferred tax assets	- million yen
Net deferred tax assets	- million yen

Per share information

Net assets per share	3,267.07 yen
Net income per share	54.57 yen

Notes on subsequent events

The Company resolved at the Board of Directors’ Meeting held on April 26, 2013 to transfer all of the Company’s shares of Tokio Marine Seguradora S.A., a subsidiary of the Company, to Tokio Marine & Nichido, another subsidiary of the Company, as contributions in kind.

(1) Objectives:

The Group has been operating two entities in Brazil: one subsidiary of the Company and one subsidiary of Tokio Marine & Nichido. The Company seeks to streamline the operations and improve the Group's capital efficiency through the contributions in kind and plans to consolidate the two entities in Brazil thereafter.

(2) Overview of the subsidiary:
Name of the company: Tokio Marine Seguradora S.A.
Business: Property and casualty insurance and life insurance

(3) Book value of the shares of the subsidiary:
47,717 million yen

(4) Shareholding ratio after contributions in kind:
None

(5) Date for contributions in kind:
Late June, 2013 (Scheduled)

Copy of Independent Auditor's Report on Consolidated Financial Statements

[English Translation]

Independent Auditor's Report

May 16, 2013

To the Board of Directors
Tokio Marine Holdings, Inc.

PricewaterhouseCoopers Aarata

Takashi Sasaki, CPA
Designated Partner and Engagement Partner
Takaaki Ino, CPA
Designated Partner and Engagement Partner
Masahiko Nara, CPA
Designated Partner and Engagement Partner

We have audited, in accordance with Article 444, paragraph 4 of the Companies Act of Japan, the consolidated financial statements of Tokio Marine Holdings, Inc. (the "Company") for the fiscal year that began on April 1, 2012 and ended on March 31, 2013. These financial statements consist of a consolidated balance sheet, a consolidated statement of income, a consolidated statement of changes in shareholders' equity and notes to consolidated financial statements.

Management's responsibility for the financial statements:
It is the Management's responsibility to prepare consolidated financial statements based on accounting principles generally accepted in Japan and to present these statements appropriately. This includes establishing and implementing internal control systems that Management deems necessary to prepare and present the consolidated financial statements without material misstatement resulting from fraud or error.

Auditor's responsibility:
It is our responsibility to express an opinion on the consolidated financial statements based on our audit as an independent auditor. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that, in order to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, we formulate an audit plan and conduct an audit in accordance therewith.

An audit includes procedures to obtain audit evidence in relation to the amounts and disclosures in the consolidated financial statements. We select and apply audit procedures based on our judgment and in accordance with a risk evaluation for material misstatement in the consolidated financial statements resulting from fraud or error. Although the purpose of our audit is not to express an opinion on the effectiveness of internal control systems, when conducting the risk evaluation to determine the proper audit procedures we do review the internal control systems for the preparation and appropriate presentation of the consolidated financial statements. An audit includes assessing the accounting principles used by management, including how they are applied, and the estimates made by management, as well as examining the overall presentation of the consolidated financial statements. We believe that our audit provides a sufficient and appropriate basis for our opinion.

Audit opinion:
In our opinion, the foregoing consolidated financial statements present fairly, in all material respects, the financial position and the results of operations of the Company and its consolidated subsidiaries for the period covered by the aforementioned financial statements in conformity with accounting principles generally accepted in Japan.

Conflict of interest:
Our firm and engagement partners do not have any interest in the Company that is required to be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

Copy of Independent Auditor's Report on Non-consolidated Financial Statements

[English Translation]

Independent Auditor's Report

May 16, 2013

To the Board of Directors
Tokio Marine Holdings, Inc.

PricewaterhouseCoopers Aarata

Takashi Sasaki, CPA
Designated Partner and Engagement Partner
Takaaki Ino, CPA
Designated Partner and Engagement Partner
Masahiko Nara, CPA
Designated Partner and Engagement Partner

We have audited, in accordance with Article 436, paragraph 2, item 1 of the Companies Act of Japan, the non-consolidated financial statements of Tokio Marine Holdings, Inc. (the "Company") for its 11th fiscal year that began on April 1, 2012 and ended on March 31, 2013. These financial statements consist of a non-consolidated balance sheet, a non-consolidated statement of income, a non-consolidated statement of changes in shareholders' equity, notes to non-consolidated financial statements, and supplementary schedules.

Management's responsibility for the financial statements:
It is the Management's responsibility to prepare non-consolidated financial statements and supplementary schedules based on accounting principles generally accepted in Japan and to present these statements and supplemental schedules appropriately. This includes establishing and implementing internal control systems that Management deems necessary to prepare and present the non-consolidated financial statements and supplementary schedules without material misstatement resulting from fraud or error.

Auditor's responsibility:
It is our responsibility to express an opinion on the non-consolidated financial statements and supplementary schedules based on our audit as an independent auditor. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that, in order to obtain reasonable assurance about whether the non-consolidated financial statements and supplementary schedules are free of material misstatement, we formulate an audit plan and conduct an audit in accordance therewith.

An audit includes procedures to obtain audit evidence in relation to the amounts and disclosures in the non-consolidated financial statements and supplementary schedules. We select and apply audit procedures based on our judgment and in accordance with a risk evaluation for material misstatement in the non-consolidated financial statements and supplementary schedules resulting from fraud or error. Although the purpose of our audit is not to express an opinion on the effectiveness of internal control systems, when conducting the risk evaluation to determine the proper audit procedures we do review the internal control systems for the preparation and appropriate presentation of the non-consolidated financial statements and supplementary schedules. An audit includes assessing the accounting principles used by management, including how they are applied, and the estimates made by management, as well as examining the overall presentation of the non-consolidated financial statements and supplementary schedules. We believe that our audit provides a sufficient and appropriate basis for our opinion.

Audit opinion:
In our opinion, the foregoing non-consolidated financial statements and supplementary schedules present fairly, in all material respects, the financial position and the results of operations of the Company for the period covered by the aforementioned financial statements and supplementary schedules in conformity with accounting principles generally accepted in Japan.

Conflict of interest:
Our firm and engagement partners do not have any interest in the Company that is required to be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

Copy of the Audit Report of the Audit & Supervisory Board

Audit Report

Based on the audit reports received from each audit & supervisory board member relating to the performance by the Company's directors of their duties during the fiscal year that began on April 1, 2012 and ended on March 31, 2013 and after consultations amongst our members, we, the undersigned Audit & Supervisory Board, report as follows:

1. Details of the Methodology of the Audit Performed by Audit & Supervisory Board Members

The Audit & Supervisory Board who has set the auditing policies, the auditing schedules and related matters, received from each audit & supervisory board member audit reports detailing the performance of each audit & supervisory board member in audits and the results thereof. The Audit & Supervisory Board also received from each of the Company's directors and the Company's independent auditor reports detailing the performance of their duties and asked for further explanation whenever necessary.

Each audit & supervisory board member, pursuant to the auditing standards, the auditing policies and the auditing schedules set by the Audit & Supervisory Board, maintained good communications with directors, the internal audit department and other employees; committed themselves to gathering information and improving the circumstances of the audit; attended meetings of the Board of Directors and other important meetings; received reports detailing the performance of their duties from directors and other employees; asked for further explanations whenever necessary and inspected important decision-making documents and thereby investigated the Company's business activities and financial position.

In addition, pursuant to the auditing standards set by the Audit & Supervisory Board for an audit of the internal control system, each audit & supervisory board member examined the details of the resolution of the meeting of the Board of Directors concerning (a) a governance framework to ensure that the directors' performance of their duties are carried out in conformity with the laws and the Articles of Incorporation; and (b) any other governance framework to ensure appropriate business operations, as set forth in Article 100, paragraphs 1 and 3 of the Enforcement Regulations of the Companies Act of Japan. Each of the audit & supervisory board members also monitored and examined the governance framework (internal control system) which was implemented by the Board of Directors based on the aforementioned resolution. Concerning the internal control over financial reporting, each audit & supervisory board member received from directors and PricewaterhouseCoopers Aarata reports regarding the results of the assessment and audit on the internal control over financial reporting and asked for further explanations whenever necessary.

As for subsidiaries of the Company, each audit & supervisory board member maintained good communications and facilitated information sharing with directors, audit & supervisory board members, the internal audit department and other employees of the subsidiaries and received reports regarding the business activities of the subsidiaries whenever necessary.

We examined the business report included in this notice of convocation as well as the supplementary schedules thereto for the fiscal year ended March 31, 2013 based on the aforesaid methods of audit.

Furthermore, each audit & supervisory board member monitored and examined whether the Company's independent auditor maintained independence from the Company and performed the audit adequately, received from the Company's independent auditor a report concerning the performance of that auditor's duties and asked for further explanations whenever necessary.

Additionally, each audit & supervisory board member received a notice from the Company's independent auditor stating that "a framework to ensure that independent auditors' performance of duties are carried out properly" (consisting of matters enumerated in the items of Article 131 of the Regulations for Financial Statements of Corporations) is established pursuant to "Quality Management Standards Regarding Audits" (Corporate Accounting Council, October 28, 2005) and addressing other standards concerned, and asked for further explanations whenever necessary.

Based on the methodology of the audit described above, we examined the non-consolidated financial statements (balance sheet, statement of income, statement of changes in shareholders' equity and notes thereto) and the supplementary schedules thereto, and the consolidated financial statements (balance sheet, statement of income, statement of changes in shareholders' equity and notes thereto) for the fiscal year ended March 31, 2013.

2. Results of Audit

(1) Results of the audit of the business report and others

(a) We found the business report and the supplementary schedules to present fairly the state of the Company in accordance with applicable laws and regulations and the Articles of Incorporation of the Company.

(b) In connection with the performance by directors of their duties, we found no dishonest act or violation of applicable laws, regulations or the Articles of Incorporation of the Company.

(c) We found the resolution of the meeting of the Board of Directors with respect to the internal control system to be appropriate. In addition, we have nothing to report on the directors' performance of their duties in connection with the internal control system, including the internal control over the financial reporting.

(2) Results of the audit of the non-consolidated financial statements and the supplementary schedules thereto

We found the methodologies and the results of the audit conducted by the independent auditors, PricewaterhouseCoopers Aarata, to be appropriate.

(3) Results of the audit of the consolidated financial statement

We found the methodologies and the results of the audit conducted by the independent auditors, PricewaterhouseCoopers Aarata, to be appropriate.

May 17, 2013

Audit & Supervisory Board,
Tokio Marine Holdings, Inc.

Toshiro Yagi, Audit & Supervisory Board Member (Full-time)
Toshiki Ohashi, Audit & Supervisory Board Member (Full-time)
Hiroshi Fukuda, Audit & Supervisory Board Member
Yuko Kawamoto, Audit & Supervisory Board Member
Akinari Horii, Audit & Supervisory Board Member

Note: Mr. Hiroshi Fukuda, Ms. Yuko Kawamoto and Mr. Akinari Horii are the outside audit & supervisory board members, fulfilling the position prescribed by Article 2, item 16 of the Companies Act of Japan.