

Tokio Marine Group's FY 2014 Business Plan on an Adjusted Earnings Basis

Tokio Marine Holdings, Inc. (the "Company") announced today its business plan based on an adjusted earnings basis (see Appendix 2 for details) for the fiscal year ending March 31, 2015 ("FY 2014").

In the fiscal year ended March 31, 2014 ("FY 2013"), the Tokio Marine Group recorded 278.1 billion yen in total adjusted earnings reflecting the improvement in its international insurance business despite the downturn in its domestic non-life insurance business caused by factors such as natural disasters.

In FY 2014, Tokio Marine Group targets 291.0 billion yen in total adjusted earnings. Details of the FY 2014 adjusted earnings targets under the business plan are as follows:

- 106 billion yen in adjusted earnings targeted for the domestic non-life insurance business;
- 75 billion yen in adjusted earnings targeted for the domestic life insurance business;
- 105 billion yen in adjusted earnings targeted for the international insurance business; and
- 5 billion yen in adjusted earnings targeted for financial services and other business.

(Hundred millions of Yen, except percentages)

Business Segment	FY2011 Actual Results	FY2012 Actual Results	FY2013 Revised Forecast	FY2013 Actual Results	FY2014 Initial Forecast
Domestic non-life insurance business	-261	483	590	340	1,060
Tokio Marine & Nichido	-187	546	600	350	1,070
Nisshin Fire	-16	-9	30	27	30
Others	-57	-54	-40	-37	-40
Domestic life insurance business(*1,2)	159	1,103	350	1,045	750
Tokio Marine & Nichido Life	764	897	300	909	750
Tokio Marine & Nichido Financial Life and others	-605	205	50	136	0
International insurance business (*3)	-119	692	1,150	1,369	1,050
Non-life insurance business (*4)	-397	660	1,150	1,369	1,030
Direct insurance	-364	558	1,020	1,219	940
Reinsurance	-33	102	130	149	90
Life insurance business	10	47	10	22	40
Adjustment relating to natural disasters (*5)	279	-	-	-	-
Financial /other businesses	26	-187	40	25	50
Tokio Marine Group Total	-195	2,091	2,130	2,781	2,910
Tokio Marine Group ROE	-0.7%	6.7%	6.0%	7.6%	7.4%

Notes:

In order to capture and enhance the corporate value of the Tokio Marine Group, "adjusted earnings" is used to determine earnings and ROE (see Appendix 2 for details). See Appendix 1 for business performance indices for major business segments.

*1 The FY 2014 Initial Forecast figures for Tokio Marine & Nichido Life and Tokio Marine & Nichido Financial Life are the individual company figures that do not reflect any impact of the merger that is expected to take place between the two companies in October 2014.

*2 The minimum unit applied in determining the risk discount rate, which is the reference rate for adjusted earnings, has been changed to 0.01% from 1%. The FY2013 Actual Results and FY2014 Initial Forecast in the above table are calculated based on the risk discount rate (7.53%) which was determined based on the risk-free interest rate as of the end of March 2014.

*3 Overhead costs for international operations are charged to the international insurance business.

*4 The figures under non-life insurance business include some amounts from the life insurance business undertaken by overseas subsidiaries that are composite life and non-life insurance companies.

*5 Losses from natural disasters which occurred in February and March of 2011 are included in the international insurance business segment's FY2010 Actual Results. An equivalent amount is reversed in the international insurance business segment's FY2011 Actual Results.

Appendix 1

Business Performance Indices for Major Business Segments

1. Domestic non-life insurance business

Indices for Tokio Marine & Nichido and Nisshin Fire are as follows:

(Hundred millions of Yen)

	FY2011 Actual Results	FY2012 Actual Results	FY2013 Revised Forecast	FY2013 Actual Results	FY2014 Initial Forecast
Net premiums written	19,196	20,083	20,849	21,035	21,519
Tokio Marine & Nichido	17,830	18,696	19,470	19,663	20,140
Nisshin Fire	1,366	1,387	1,379	1,372	1,379

2. Domestic life insurance business

Indices for Tokio Marine & Nichido Life are as follows:

(Hundred millions of Yen)

	FY2011 Actual Results	FY2012 Actual Results	FY2013 Revised Forecast	FY2013 Actual Results	FY2014 Initial Forecast
Annualized premiums for new policies	573	806	913	950	905
Annualized premiums for policies in force	4,194	4,704	5,275	5,333	5,843

* Annualized premiums are the aggregate amount of premiums divided by the duration of insurance policies to show the amount of premiums per year.

* The figures do not reflect the impact of the merger with Tokio Marine & Nichido Financial Life which is expected to take place in October 2014.

3. International insurance business

Indices for the international insurance business are as follows:

(Hundred millions of Yen)

	FY2011 Actual Results	FY2012 Actual Results	FY2013 Revised Forecast	FY2013 Actual Results	FY2014 Initial Forecast
Net premiums written	4,997	7,343	9,917	10,745	11,090
Non-life insurance business	4,667	6,830	9,248	9,937	10,220
Direct insurance	4,106	6,047	8,264	8,864	9,160
Reinsurance	561	783	984	1,073	1,060
Life insurance business	329	513	669	807	870

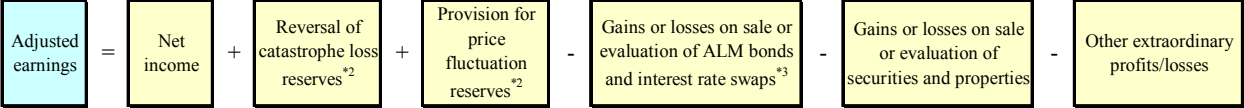
* Net premiums written are calculated taking into account the ratio of respective equity interest of the Tokio Marine Group in each local subsidiary.

The business plans described above are based on information available to the Company as of the date of this document. Actual results may materially differ from the plans.

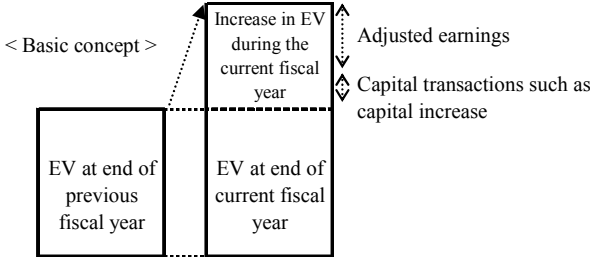
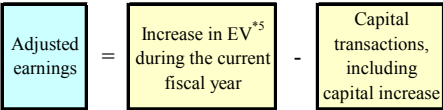
Adjusted earnings and adjusted ROE

1. Adjusted earnings^{*1}

(1) Non-life insurance business



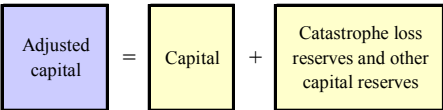
(2) Life insurance business^{*4}



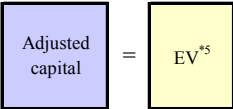
(3) Other businesses ... Net income determined following financial accounting principles

2. Adjusted capital^{*1} (average balance basis)

(1) Non-life insurance business



(2) Life insurance business^{*4}



(3) Other businesses ... Net assets determined following financial accounting principles

- *1 Each adjustment item is after tax
- *2 Reversals are subtracted
- *3 ALM: asset liability management
Excluded as compensation for fluctuations in the market value of liabilities of ALM
- *4 Calculations are based on (3) criteria for life insurance companies in certain regions

(Overhead costs incurred by the head office are deducted from profits)
- *5 EV: embedded value
An indexed value in which the net present value of profits to be gained from policies in-force is added to the net asset value

3. Adjusted ROE

