



TOKIO MARINE

**Information about major subsidiaries' business results  
for the fiscal year ended March 31, 2017**

May 19, 2017

**TOKIO MARINE HOLDINGS, INC.**

(Securities Code Number 8766)

*To Be a Good Company*



	Page
1. Key figures of consolidated results	
(1) Tokio Marine Holdings, Inc. (consolidated)	1
(2) Insurance premiums	1
(3) Net income attributable to owners of the parent	1
2. Key figures of the domestic property and casualty insurance business	
(1) Tokio Marine & Nichido Fire Insurance Co., Ltd. (non-consolidated)	2
(2) Nisshin Fire & Marine Insurance Co., Ltd. (non-consolidated)	3
(3) E.design Insurance Co., Ltd. (non-consolidated)	4
3. Key figures of the domestic life insurance business	5
4. Business forecasts for the fiscal year 2017 (April 1, 2017 to March 31, 2018)	
(1) Tokio Marine Holdings, Inc. (consolidated)	6
(2) Insurance premiums	6
(3) Net income attributable to owners of the parent	6
(4) Tokio Marine & Nichido Fire Insurance Co., Ltd. (non-consolidated)	6
5. Dividends forecast (Tokio Marine Holdings, Inc.)	6
 Financial statements	
1. Tokio Marine & Nichido Fire Insurance Co., Ltd. (non-consolidated)	
(1) Balance sheet	7
(2) Statement of income	9
(3) Underwriting	10
Direct premiums written excluding deposit premiums from policyholders	
Net premiums written	
Net claims paid	
(4) Investment	11
Yield on investments (interest income basis)	
Gains (losses) on sales of securities, impairment losses on securities	
Available-for-sale securities	
(5) Solvency margin ratio (non-consolidated)	12
2. Nisshin Fire & Marine Insurance Co., Ltd. (non-consolidated)	
(1) Balance sheet	13
(2) Statement of income	15
(3) Underwriting	16
Direct premiums written excluding deposit premiums from policyholders	
Net premiums written	
Net claims paid	
(4) Investment	17
Yield on investments (interest income basis)	
Gains (losses) on sales of securities, impairment losses on securities	
Available-for-sale securities	
(5) Solvency margin ratio (non-consolidated)	18
3. E.design Insurance Co., Ltd. (non-consolidated)	
(1) Balance sheet	19
(2) Statement of income	20

	Page
4. Tokio Marine & Nichido Life Insurance Co., Ltd. (non-consolidated)	
(1) Balance sheet	21
(2) Statement of income	23
Breakdown of ordinary profit (Core operating profit)	
(3) Underwriting (life)	25
Amount of policies	
Annualized premiums	
(4) Separate account	26
Separate account asset balance	
Separate account policies in force	
(5) Investment (General account)	27
Yield on investments (interest income basis)	
Gains (losses) on sales of securities, impairment losses on securities	
Fair value information on securities	
(6) Solvency margin ratio (non-consolidated)	28
Glossary of terminology	29
Supplementary information about business results for the fiscal year 2016	
(1) Tokio Marine & Nichido Fire Insurance Co., Ltd. (non-consolidated)	33
(2) Nisshin Fire & Marine Insurance Co., Ltd. (non-consolidated)	36

## 1. Key figures of consolidated results

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

(Yen in millions)

	Fiscal year 2015	Fiscal year 2016	Increase (Decrease)	Rate of change
Ordinary income	4,579,076	5,232,602	653,526	14.3 %
Ordinary profit	385,825	387,659	1,833	0.5
Net income attributable to owners of the parent	254,540	273,856	19,315	7.6

### (2) Insurance premiums

(Yen in millions)

	Fiscal year 2015	Fiscal year 2016	Increase (Decrease)	Rate of change
Insurance premiums	3,737,245	4,384,896	647,651	17.3 %
Net premiums written (non-life)	3,265,578	3,480,478	214,899	6.6
Tokio Marine & Nichido	2,128,312	2,116,121	(12,191)	(0.6)
Nisshin Fire	138,671	140,118	1,447	1.0
Overseas subsidiaries	977,866	1,198,818	220,952	22.6
Others	20,728	25,419	4,690	22.6
Life insurance premiums	471,666	904,418	432,751	91.7
Tokio Marine & Nichido Life	253,481	582,020	328,539	129.6
Overseas subsidiaries	213,882	319,475	105,593	49.4

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

(Yen in millions)

	Fiscal year 2015	Fiscal year 2016	Increase (Decrease)	Rate of change
Net income attributable to owners of the parent	254,540	273,856	19,315	7.6 %
Tokio Marine & Nichido	301,610	248,632	(52,977)	(17.6)
Nisshin Fire	6,147	6,579	432	7.0
Tokio Marine & Nichido Life	14,758	8,796	(5,961)	(40.4)
Overseas subsidiaries	111,562	135,654	24,091	21.6
Financial and other business subsidiaries	3,495	4,078	582	16.7
Consolidation adjustment, etc.	(183,032)	(129,885)	53,147	

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

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

(Yen in millions)

	Fiscal year 2015	Fiscal year 2016	Increase (Decrease)	
Key components of ordinary profit				
Underwriting	(+) Net premiums written	2,128,312	2,116,121	(12,191)
	(-) Net claims paid	1,175,089	1,179,147	4,057
	(-) Loss adjustment expenses	102,080	105,711	3,631
	(-) Agency commissions and brokerage	378,262	376,322	(1,940)
	(-) Operating and general administrative expenses on underwriting	273,716	275,252	1,536
	(-) Provision for (reversal of) outstanding claims	27,460	4,959	(22,500)
	(-) Provision for (reversal of) underwriting reserves	112,583	21,428	(91,155)
	Underwriting profit	13,886	116,131	102,244
Investment and other	(+) Interest and dividends	278,965	177,832	(101,132)
	(+) Gains (losses) on sales of securities	116,694	89,105	(27,589)
	(-) Impairment losses on securities	1,319	925	(393)
	(+) Gains (losses) on derivatives	31,580	1,406	(30,173)
		Net investment income and other	362,046	197,430
Ordinary profit		377,258	312,436	(64,822)
(+) Extraordinary gains		259	9,267	9,007
(-) Extraordinary losses		12,555	7,241	(5,313)
Net income		301,610	248,632	(52,977)
Loss ratio (W/P basis)		60.0 %	60.7 %	0.7
Fire and allied lines		52.9	53.0	0.1
Voluntary automobile		59.3	58.7	(0.6)
Expense ratio (W/P basis)		30.6	30.8	0.2
Combined ratio (W/P basis)		90.6	91.5	0.9
Loss ratio (private sector, E/I basis)		60.1 %	57.7 %	(2.4)
Fire and allied lines		60.4	54.1	(6.3)
Voluntary automobile		60.5	60.2	(0.3)
Expense ratio (private sector)		32.6	32.7	0.1
Combined ratio (private sector)		92.7	90.4	(2.2)
Net incurred losses relating to natural catastrophe		73,169	53,554	(19,615)
Fire and allied lines		64,228	46,002	(18,226)
Voluntary automobile		6,180	2,564	(3,616)
Increase (decrease) in catastrophe loss reserve		93,606	42,974	(50,631)
Fire and allied lines		15,342	15,874	531
Voluntary automobile		57,112	10,498	(46,614)
Balance of catastrophe loss reserve		1,024,037	1,067,012	42,974
Reservation ratio of catastrophe loss reserve		55.5 %	58.2 %	2.7
Solvency margin ratio (non-consolidated)		746.3 %	860.9 %	114.6

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

(Yen in millions)

		Fiscal year 2015	Fiscal year 2016	Increase (Decrease)
Key components of ordinary profit				
Underwriting	(+) Net premiums written	138,671	140,118	1,447
	(-) Net claims paid	75,731	72,937	(2,793)
	(-) Loss adjustment expenses	9,747	9,786	38
	(-) Agency commissions and brokerage	22,251	23,205	954
	(-) Operating and general administrative expenses on underwriting	23,123	23,140	16
	(-) Provision for (reversal of) outstanding claims	(1,256)	568	1,824
	(-) Provision for (reversal of) underwriting reserves	(4,437)	(2,392)	2,045
	Underwriting profit	7,875	8,121	245
Investment and other	(+) Interest and dividends	4,787	4,322	(464)
	(+) Gains (losses) on sales of securities	172	(86)	(258)
	(-) Impairment losses on securities	590	30	(560)
	(+) Gains (losses) on derivatives	80	(67)	(147)
	Net investment income and other	1,966	1,242	(723)
Ordinary profit		9,715	9,019	(695)
(+) Extraordinary gains		501	274	(226)
(-) Extraordinary losses		225	77	(147)
Net income		6,147	6,579	432
Loss ratio (W/P basis)		61.6 %	59.0 %	(2.6)
	Fire and allied lines	79.4	57.5	(21.9)
	Voluntary automobile	56.5	56.9	0.4
Expense ratio (W/P basis)		32.7	33.1	0.4
Combined ratio (W/P basis)		94.4	92.1	(2.2)
Loss ratio (private sector, E/I basis)		56.3 %	54.8 %	(1.5)
	Fire and allied lines	64.8	51.9	(12.9)
	Voluntary automobile	56.2	57.1	0.9
Expense ratio (private sector)		34.4	34.7	0.3
Combined ratio (private sector)		90.7	89.5	(1.2)
Net incurred losses relating to natural catastrophe		4,157	1,776	(2,380)
	Fire and allied lines	3,640	1,502	(2,138)
	Voluntary automobile	444	182	(262)
Increase (decrease) in catastrophe loss reserve		2,780	5,846	3,065
	Fire and allied lines	(2,197)	845	3,042
	Voluntary automobile	4,135	4,139	4
Balance of catastrophe loss reserve		53,883	59,730	5,846
Reservation ratio of catastrophe loss reserve		45.6 %	49.7 %	4.0
Solvency margin ratio (non-consolidated)		1,127.7 %	1,325.5 %	197.8

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

(Yen in millions)

		Fiscal year 2015	Fiscal year 2016	Increase (Decrease)
Key components of ordinary profit				
Underwriting	(+) Net premiums written	21,032	25,723	4,690
	(-) Net claims paid	10,924	13,897	2,972
	(-) Loss adjustment expenses	1,526	1,679	153
	(-) Agency commissions and brokerage	12	20	8
	(-) Operating and general administrative expenses on underwriting	6,850	7,401	551
	(-) Provision for (reversal of) outstanding claims	2,255	3,944	1,689
	(-) Provision for (reversal of) underwriting reserves	2,769	2,522	(246)
	Underwriting profit (loss)	(3,294)	(3,731)	(436)
Investment and other	(+) Interest and dividends	9	5	(4)
	(+) Gains (losses) on sales of securities	-	-	-
	(-) Impairment losses on securities	-	-	-
	(+) Gains (losses) on derivatives	-	-	-
		Net investment income and other	4	2
Ordinary profit (loss)		(7,116)	(7,555)	(439)
(+) Extraordinary gains		-	-	-
(-) Extraordinary losses		1	0	(1)
Net income (loss)		(7,127)	(7,568)	(440)
Loss ratio (W/P basis)		59.2 %	60.6 %	1.4
	Fire and allied lines	-	-	-
	Voluntary automobile	59.2	60.4	1.3
Expense ratio (W/P basis)		32.6	28.9	(3.8)
Combined ratio (W/P basis)		91.8	89.4	(2.4)
Loss ratio (private sector, E/I basis)		79.3 %	83.8 %	4.5
	Fire and allied lines	-	-	-
	Voluntary automobile	79.3	83.8	4.5
Expense ratio (private sector)		33.1	29.2	(3.9)
Combined ratio (private sector)		112.3	113.0	0.6
Net incurred losses relating to natural catastrophe		82	38	(43)
	Fire and allied lines	-	-	-
	Voluntary automobile	82	38	(43)
Increase (decrease) in catastrophe loss reserve		231	47	(183)
	Fire and allied lines	-	-	-
	Voluntary automobile	231	47	(183)
Balance of catastrophe loss reserve		768	816	47
Reservation ratio of catastrophe loss reserve		3.7 %	3.2 %	(0.5)
Solvency margin ratio (non-consolidated)		541.5 %	345.6 %	(195.9)

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

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

(Yen in millions)

	Fiscal year 2015	Fiscal year 2016	Increase (Decrease)	Rate of change
Annualized premiums				
Policies in force	796,586	831,328	34,742	4.4 %
Individual insurance	565,000	636,917	71,917	12.7
Medical coverage, accelerated death benefits, etc.	146,172	163,261	17,089	11.7
Medical and cancer	125,946	140,188	14,242	11.3
Individual annuities	231,586	194,411	(37,174)	(16.1)
New policies	119,706	120,787	1,081	0.9
Individual insurance	105,662	116,693	11,031	10.4
Medical coverage, accelerated death benefits, etc.	26,886	25,776	(1,110)	(4.1)
Medical and cancer	24,458	21,512	(2,945)	(12.0)
Individual annuities	14,044	4,094	(9,950)	(70.8)
Net income	14,758	8,796	(5,961)	(40.4)



#### 4. Business forecasts for the fiscal year 2017 (April 1, 2017 to March 31, 2018)

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

(Yen in millions)

	Fiscal year 2016	Fiscal year 2017 (Forecast)	Increase (Decrease)	Rate of change
Insurance premiums	4,384,896	4,380,000	(4,896)	(0.1) %
Ordinary profit	387,659	405,000	17,340	4.5
Net income attributable to owners of the parent	273,856	280,000	6,143	2.2

##### (2) Insurance premiums

(Yen in millions)

	Fiscal year 2016	Fiscal year 2017 (Forecast)	Increase (Decrease)	Rate of change
Insurance premiums	4,384,896	4,380,000	(4,896)	(0.1) %
Net premiums written (non-life)	3,480,478	3,490,000	9,521	0.3
Tokio Marine & Nichido	2,116,121	2,140,000	23,878	1.1
Nisshin Fire	140,118	141,500	1,381	1.0
Overseas subsidiaries	1,198,818	1,181,000	(17,818)	(1.5)
Others	25,419	27,500	2,080	8.2
Life insurance premiums	904,418	890,000	(14,418)	(1.6)
Tokio Marine & Nichido Life	582,020	588,400	6,379	1.1
Overseas subsidiaries	319,475	303,000	(16,475)	(5.2)

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

(Yen in millions)

	Fiscal year 2016	Fiscal year 2017 (Forecast)	Increase (Decrease)	Rate of change
Net income attributable to owners of the parent	273,856	280,000	6,143	2.2 %
Tokio Marine & Nichido	248,632	270,000	21,367	8.6
Nisshin Fire	6,579	4,500	(2,079)	(31.6)
Tokio Marine & Nichido Life	8,796	23,900	15,103	171.7
Overseas subsidiaries	135,654	127,000	(8,654)	(6.4)
Financial and other business subsidiaries	4,078	3,800	(278)	(6.8)
Consolidation adjustment, etc.	(129,885)	(149,200)	(19,314)	

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

(Yen in millions)

	Fiscal year 2016	Fiscal year 2017 (Forecast)	Increase (Decrease)	Rate of change
Net premiums written (non-life)	2,116,121	2,140,000	23,878	1.1 %
Ordinary profit	312,436	339,000	26,563	8.5
Net income	248,632	270,000	21,367	8.6

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

(Yen)

	Fiscal year 2016	Fiscal year 2017 (Forecast)
Annual dividends per share	140.00	160.00
Interim dividends	67.50	80.00
Year-end dividends	72.50	80.00

**Financial statements**

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

## (1) Balance sheet

(Yen in millions)

	As of March 31, 2016		As of March 31, 2017		Increase (Decrease)
	Amount	Composition ratio %	Amount	Composition ratio %	
<b>Assets</b>					
Cash and bank deposits	359,401	3.89	179,160	1.88	(180,241)
Cash	54		43		(11)
Bank deposits	359,347		179,116		(180,230)
Call loans	21,000	0.23	220,800	2.32	199,800
Receivables under resale agreements	4,999	0.05	34,999	0.37	30,000
Monetary receivables bought	42,127	0.46	44,271	0.46	2,143
Money trusts	63,049	0.68	101,650	1.07	38,601
Securities	7,309,716	79.09	7,441,093	78.13	131,377
Domestic government bonds	1,779,721		1,674,703		(105,018)
Domestic municipal bonds	92,548		85,819		(6,728)
Domestic corporate bonds	543,195		616,350		73,154
Domestic equity securities	2,258,752		2,413,247		154,495
Foreign securities	2,602,629		2,626,542		23,912
Others	32,868		24,430		(8,438)
Loans	527,229	5.70	606,487	6.37	79,258
Policy loans	12,136		10,920		(1,215)
Ordinary loans	515,092		595,567		80,474
Tangible fixed assets	196,461	2.13	207,908	2.18	11,446
Land	93,161		100,345		7,184
Buildings	89,389		88,557		(832)
Construction in progress	48		614		565
Other tangible fixed assets	13,861		18,391		4,529
Intangible fixed assets	523	0.01	523	0.01	(0)
Other assets	707,066	7.65	682,206	7.16	(24,860)
Uncollected premiums	2,623		2,668		45
Agency accounts receivable	189,902		197,963		8,060
Foreign agency accounts receivable	11,711		13,307		1,595
Coinsurance accounts receivable	28,114		31,109		2,994
Reinsurance accounts receivable	77,682		74,737		(2,945)
Foreign reinsurance accounts receivable	59,809		69,566		9,756
Proxy service receivable	22		18		(3)
Accounts receivable	47,369		56,791		9,421
Accrued income	8,428		8,004		(424)
Deposits	11,255		11,192		(62)
Deposits for earthquake insurance	23,035		13,011		(10,023)
Suspense payment	58,535		57,973		(561)
Initial margins for future transactions	15,845		16,130		285
Variation margins for future transactions	32		130		97
Derivative assets	163,855		98,145		(65,710)
Cash collateral paid for financial instruments	8,840		31,455		22,614
Prepaid pension costs	3,595	0.04	6,303	0.07	2,707
Customers' liabilities under acceptances and guarantees	15,087	0.16	2,465	0.03	(12,621)
Allowance for doubtful accounts	(7,713)	(0.08)	(3,405)	(0.04)	4,308
<b>Total assets</b>	<b>9,242,545</b>	<b>100.00</b>	<b>9,524,466</b>	<b>100.00</b>	<b>281,920</b>

(Yen in millions)

	As of March 31, 2016		As of March 31, 2017		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Liabilities</b>		%		%	
Insurance liabilities	5,362,641	58.02	5,389,029	56.58	26,387
Outstanding claims	894,692		899,652		4,959
Underwriting reserves	4,467,948		4,489,376		21,428
Corporate bonds	20,760	0.22	15,190	0.16	(5,570)
Other liabilities	908,502	9.83	865,852	9.09	(42,649)
Coinsurance accounts payable	19,535		19,421		(114)
Reinsurance accounts payable	71,808		80,425		8,617
Foreign reinsurance accounts payable	52,185		54,944		2,758
Borrowings	416,923		415,103		(1,820)
Income taxes payable	37,609		38,198		588
Deposits received	18,180		15,911		(2,268)
Unearned revenue	31		19		(12)
Accounts payable	38,359		42,894		4,535
Suspense receipt	76,372		81,531		5,159
Variation margins for future transactions	-		5		5
Derivative liabilities	111,440		78,939		(32,500)
Cash collateral received for financial instruments	61,273		32,596		(28,677)
Lease obligations	1,451		2,510		1,059
Asset retirement obligations	3,325		3,345		19
Other liabilities	4		4		-
Provision for retirement benefits	196,882	2.13	203,252	2.13	6,369
Provision for employees' bonus	18,801	0.20	21,266	0.22	2,464
Reserves under special laws	81,060	0.88	86,090	0.90	5,030
Price fluctuation reserve	81,060		86,090		5,030
Deferred tax liabilities	121,871	1.32	147,475	1.55	25,604
Acceptances and guarantees	15,087	0.16	2,465	0.03	(12,621)
<b>Total liabilities</b>	<b>6,725,606</b>	<b>72.77</b>	<b>6,730,622</b>	<b>70.67</b>	<b>5,016</b>
<b>Net assets</b>					
Share capital	101,994	1.10	101,994	1.07	-
Capital surplus	123,521	1.34	133,625	1.40	10,104
Additional paid-in capital	123,521		123,521		-
Other capital surplus	-		10,104		10,104
Retained earnings	915,848	9.91	1,111,511	11.67	195,662
Surplus reserve	81,099		81,099		-
Other retained earnings	834,749		1,030,411		195,662
Reserve for special depreciation	25		20		(5)
Advanced depreciation reserve for fixed assets	22,785		25,409		2,623
Special reserves	235,426		235,426		-
Retained earnings carried forward	576,512		769,556		193,044
Total shareholders' equity	1,141,364	12.35	1,347,131	14.14	205,767
Unrealized gains (losses) on available-for-sale securities	1,379,502	14.93	1,456,974	15.30	77,472
Deferred gains (losses) on hedge transactions	(3,927)	(0.04)	(10,262)	(0.11)	(6,335)
Total valuation and translation adjustments	1,375,574	14.88	1,446,712	15.19	71,137
<b>Total net assets</b>	<b>2,516,939</b>	<b>27.23</b>	<b>2,793,844</b>	<b>29.33</b>	<b>276,904</b>
<b>Total liabilities and net assets</b>	<b>9,242,545</b>	<b>100.00</b>	<b>9,524,466</b>	<b>100.00</b>	<b>281,920</b>

## (2) Statement of income

(Yen in millions)

	Fiscal year 2015 (April 1, 2015 to March 31, 2016)	Fiscal year 2016 (April 1, 2016 to March 31, 2017)	Increase (Decrease)
<b>Ordinary income</b>	2,710,882	2,522,932	(187,950)
<b>Underwriting income</b>	2,301,050	2,274,098	(26,951)
Net premiums written	2,128,312	2,116,121	(12,191)
Deposit premiums from policyholders	122,790	112,442	(10,347)
Investment income on deposit premiums	49,688	45,303	(4,384)
Other underwriting income	259	230	(28)
<b>Investment income</b>	389,318	234,494	(154,823)
Interest and dividends	278,965	177,832	(101,132)
Gains on money trusts	345	957	612
Gains on sales of securities	124,535	97,753	(26,782)
Gains on redemption of securities	182	242	60
Gains on derivatives	31,580	1,406	(30,173)
Foreign exchange gains	1,576	804	(771)
Other investment income	1,822	800	(1,021)
Transfer of investment income on deposit premiums	(49,688)	(45,303)	4,384
<b>Other ordinary income</b>	20,513	14,338	(6,174)
<b>Ordinary expenses</b>	2,333,623	2,210,495	(123,128)
<b>Underwriting expenses</b>	2,012,121	1,883,839	(128,281)
Net claims paid	1,175,089	1,179,147	4,057
Loss adjustment expenses	102,080	105,711	3,631
Agency commissions and brokerage	378,262	376,322	(1,940)
Maturity refunds to policyholders	211,953	192,759	(19,194)
Dividends to policyholders	136	59	(77)
Provision for outstanding claims	27,460	4,959	(22,500)
Provision for underwriting reserves	112,583	21,428	(91,155)
Foreign exchange losses	3,970	2,936	(1,034)
Other underwriting expenses	582	513	(68)
<b>Investment expenses</b>	17,848	16,850	(997)
Losses on money trusts	-	2,654	2,654
Losses on sales of securities	7,841	8,648	806
Impairment losses on securities	1,319	925	(393)
Losses on redemption of securities	542	1,039	496
Other investment expenses	8,145	3,582	(4,563)
<b>Operating and general administrative expenses</b>	298,967	303,423	4,456
<b>Other ordinary expenses</b>	4,686	6,382	1,695
Interest expenses	2,755	5,816	3,061
Losses on bad debts	5	1	(3)
Other ordinary expenses	1,925	563	(1,361)
<b>Ordinary profit</b>	377,258	312,436	(64,822)
<b>Extraordinary gains</b>	259	9,267	9,007
Gains on disposal of fixed assets	100	7,771	7,671
Gains on liquidation of subsidiaries and affiliates	159	1,496	1,336
<b>Extraordinary losses</b>	12,555	7,241	(5,313)
Losses on disposal of fixed assets	825	1,585	759
Impairment losses on fixed assets	1,799	625	(1,174)
Provision for reserves under special laws	4,925	5,030	104
Provision for price fluctuation reserve	4,925	5,030	104
Losses on liquidation of subsidiaries and affiliates	-	0	0
Impairment losses on investment in subsidiaries and affiliates	5,004	-	(5,004)
<b>Income before income taxes</b>	364,963	314,462	(50,501)
<b>Income taxes - current</b>	57,309	66,887	9,578
<b>Income taxes - deferred</b>	6,044	(1,057)	(7,102)
<b>Total income taxes</b>	63,353	65,829	2,476
<b>Net income</b>	301,610	248,632	(52,977)

## (3) Underwriting

Direct premiums written excluding deposit premiums from policyholders

(Yen in millions)

	Fiscal year 2015 ( April 1, 2015 to March 31, 2016 )			Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	365,096	15.9	8.1	342,421	14.7	(6.2)
Hull and cargo	71,450	3.1	(2.0)	62,678	2.7	(12.3)
Personal accident	180,677	7.9	3.8	177,890	7.7	(1.5)
Voluntary automobile	1,034,317	45.0	4.0	1,054,701	45.4	2.0
Compulsory automobile liability	269,458	11.7	0.3	280,750	12.1	4.2
Others	376,970	16.4	9.3	403,756	17.4	7.1
Total	2,297,972	100.0	4.8	2,322,198	100.0	1.1
Deposit premiums from policyholders	122,790	-	10.3	112,442	-	(8.4)

Net premiums written

(Yen in millions)

	Fiscal year 2015 ( April 1, 2015 to March 31, 2016 )			Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	303,483	14.3	11.9	272,294	12.9	(10.3)
Hull and cargo	66,215	3.1	0.1	58,978	2.8	(10.9)
Personal accident	175,293	8.2	3.6	172,203	8.1	(1.8)
Voluntary automobile	1,030,737	48.4	4.1	1,051,339	49.7	2.0
Compulsory automobile liability	282,644	13.3	2.2	282,700	13.4	0.0
Others	269,937	12.7	2.5	278,605	13.2	3.2
Total	2,128,312	100.0	4.5	2,116,121	100.0	(0.6)

Net claims paid

(Yen in millions)

	Fiscal year 2015 ( April 1, 2015 to March 31, 2016 )			Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )		
	Amount	Rate of change	Loss ratio	Amount	Rate of change	Loss ratio
		%	%		%	%
Fire and allied lines	155,258	2.9	52.9	138,582	(10.7)	53.0
Hull and cargo	37,088	7.6	60.0	36,231	(2.3)	65.4
Personal accident	81,168	0.7	51.1	79,215	(2.4)	51.3
Voluntary automobile	554,552	1.0	59.3	557,331	0.5	58.7
Compulsory automobile liability	213,192	(0.6)	82.6	210,588	(1.2)	81.6
Others	133,830	12.5	52.9	157,197	17.5	59.6
Total	1,175,089	2.3	60.0	1,179,147	0.3	60.7

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

## (4) Investment

## Yield on investments (interest income basis)

(Yen in millions)

	Fiscal year 2015 (April 1, 2015 to March 31, 2016)			Fiscal year 2016 (April 1, 2016 to March 31, 2017)		
	Interest and dividends	Average balance	Annual yield	Interest and dividends	Average balance	Annual yield
Bank deposits	193	135,258	0.14 %	354	255,594	0.14 %
Call loans	237	257,924	0.09	0	38,750	0.00
Receivables under resale agreements	329	339,994	0.10	0	12,635	0.00
Receivables under securities borrowing transactions	7	10,873	0.07	85	85,412	0.10
Monetary receivables bought	69	49,577	0.14	18	29,126	0.06
Money trusts	97	13,410	0.72	2,524	82,839	3.05
Securities	266,410	4,961,755	5.37	166,640	5,452,424	3.06
Domestic debt securities	27,618	2,223,381	1.24	25,636	2,236,434	1.15
Domestic equity securities	65,452	620,408	10.55	54,910	596,344	9.21
Foreign securities	172,177	2,073,661	8.30	86,088	2,588,255	3.33
Others	1,162	44,303	2.62	5	31,389	0.02
Loans	2,459	356,345	0.69	1,749	623,884	0.28
Land and buildings	8,585	188,367	4.56	8,430	187,823	4.49
Total	278,389	6,313,507	4.41	179,804	6,768,491	2.66

## (Reference)

(Yen in millions)

	Fiscal year 2015 (April 1, 2015 to March 31, 2016)			Fiscal year 2016 (April 1, 2016 to March 31, 2017)		
	Net investment income	Average balance	Annual yield	Net investment income	Average balance	Annual yield
Investment yield (accrual basis)	421,158	6,313,507	6.67 %	262,947	6,768,491	3.88 %
Investment yield (fair value basis)	(33,534)	8,700,906	(0.39)	360,747	8,674,983	4.16

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

(Yen in millions)

	Fiscal year 2015 (April 1, 2015 to March 31, 2016)		Fiscal year 2016 (April 1, 2016 to March 31, 2017)		Increase (Decrease)	
	Gains (losses) on sales	Impairment losses on securities	Gains (losses) on sales	Impairment losses on securities	Gains (losses) on sales	Impairment losses on securities
Domestic debt securities	8,709	-	6,172	-	(2,537)	-
Domestic equity securities	79,746	1,306	87,553	820	7,806	(485)
Foreign securities	30,354	12	(4,693)	104	(35,048)	92
Others	(2,115)	-	73	0	2,189	0
Total	116,694	1,319	89,105	925	(27,589)	(393)

## Available-for-sale securities

(Yen in millions)

	As of March 31, 2016			As of March 31, 2017		
	Cost	Fair value shown on balance sheet	Difference	Cost	Fair value shown on balance sheet	Difference
Domestic debt securities	2,087,350	2,275,931	188,580	2,107,218	2,237,478	130,259
Domestic equity securities	573,531	2,225,501	1,651,970	545,226	2,368,289	1,823,062
Foreign securities	495,744	548,163	52,418	503,375	549,996	46,621
Others	73,102	73,632	529	79,347	79,247	(99)
Total	3,229,729	5,123,229	1,893,499	3,235,167	5,235,012	1,999,845

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

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

(Yen in millions)

	As of March 31, 2016	As of March 31, 2017
(A) Total amount of solvency margin	4,493,086	4,898,941
Shareholders' equity less adjusting items	1,139,177	1,331,170
Price fluctuation reserve	81,060	86,090
Contingency reserve	2,956	3,178
Catastrophe loss reserve	1,051,399	1,084,279
General allowance for doubtful accounts	321	263
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions (prior to tax effect deductions)	1,715,688	1,811,890
Unrealized gains (losses) on land	181,477	190,461
Excess of policyholders' contract deposits	-	-
Subordinated debt, etc.	-	-
Amounts within "Excess of policyholders' contract deposits" and "Subordinated debt, etc." not calculated into the margin	-	-
Deductions	10,089	10,014
Others	331,094	401,622
(B) Total amount of risks $\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$	1,204,068	1,138,044
General insurance risk (R <sub>1</sub> )	169,165	173,456
Third sector insurance risk (R <sub>2</sub> )	-	-
Assumed interest rate risk (R <sub>3</sub> )	24,447	23,020
Asset management risk (R <sub>4</sub> )	880,811	915,169
Business administration risk (R <sub>5</sub> )	26,618	25,403
Catastrophe risk (R <sub>6</sub> )	256,519	158,550
(C) Solvency margin ratio $[(A)/\{(B) \times 1/2\}] \times 100$	746.3%	860.9%

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

(1) Balance sheet

(Yen in millions)

	As of March 31, 2016		As of March 31, 2017		Increase (Decrease)
	Amount	Composition ratio %	Amount	Composition ratio %	
<b>Assets</b>					
Cash and bank deposits	29,586	7.02	39,852	9.54	10,266
Cash	13		5		(8)
Bank deposits	29,572		39,846		10,274
Securities	324,135	76.87	310,291	74.25	(13,844)
Domestic government bonds	135,871		128,698		(7,173)
Domestic municipal bonds	13,525		8,694		(4,831)
Domestic corporate bonds	97,968		95,355		(2,613)
Domestic equity securities	46,591		51,060		4,468
Foreign securities	26,577		23,110		(3,466)
Others	3,600		3,372		(228)
Loans	317	0.08	275	0.07	(41)
Policy loans	317		275		(41)
Tangible fixed assets	28,770	6.82	28,960	6.93	189
Land	18,791		18,791		-
Buildings	9,241		9,190		(50)
Lease assets	4		1		(2)
Other tangible fixed assets	733		976		243
Intangible fixed assets	91	0.02	91	0.02	-
Other assets	24,961	5.92	24,084	5.76	(877)
Uncollected premiums	19		50		30
Agency accounts receivable	5,789		6,013		224
Coinsurance accounts receivable	221		166		(55)
Reinsurance accounts receivable	6,383		5,838		(544)
Foreign reinsurance accounts receivable	597		672		75
Accounts receivable	3,578		3,300		(278)
Accrued income	688		617		(71)
Deposits	1,143		885		(257)
Deposits for earthquake insurance	1,725		937		(788)
Suspense payment	4,730		5,143		413
Derivative assets	83		458		374
Prepaid pension costs	1,543	0.37	1,569	0.38	25
Deferred tax assets	12,398	2.94	12,902	3.09	504
Allowance for doubtful accounts	(115)	(0.03)	(109)	(0.03)	6
<b>Total assets</b>	<b>421,690</b>	<b>100.00</b>	<b>417,919</b>	<b>100.00</b>	<b>(3,771)</b>



(Yen in millions)

	As of March 31, 2016		As of March 31, 2017		Increase (Decrease)
	Amount	Composition ratio %	Amount	Composition ratio %	
<b>Liabilities</b>					
Insurance liabilities	293,636	70.11	293,812	70.30	(1,824)
Outstanding claims	47,694		48,262		568
Underwriting reserves	247,941		245,549		(2,392)
Other liabilities	16,824	3.99	16,497	3.95	(327)
Coinsurance accounts payable	348		332		(15)
Reinsurance accounts payable	5,792		5,503		(289)
Foreign reinsurance accounts payable	224		106		(118)
Income taxes payable	1,606		1,632		25
Deposits received	239		241		2
Unearned revenue	4		7		3
Accounts payable	1,992		1,965		(26)
Suspense receipt	6,532		6,692		159
Derivative liabilities	42		-		(42)
Lease obligations	3		1		(1)
Asset retirement obligations	34		11		(23)
Other liabilities	2		2		-
Provision for retirement benefits	1,982	0.47	2,156	0.52	174
Provision for employees' bonus	609	0.14	540	0.13	(68)
Reserves under special laws	1,374	0.33	1,104	0.26	(270)
Price fluctuation reserve	1,374		1,104		(270)
<b>Total liabilities</b>	<b>316,427</b>	<b>75.04</b>	<b>314,110</b>	<b>75.16</b>	<b>(2,316)</b>
<b>Net assets</b>					
Share capital	20,389	4.84	20,389	4.88	-
Capital surplus	15,518	3.68	15,518	3.71	-
Additional paid-in capital	12,620		12,620		-
Other capital surplus	2,898		2,898		-
Retained earnings	33,708	7.99	32,077	7.68	(1,631)
Surplus reserves	7,769		7,769		-
Other retained earnings	25,938		24,307		(1,631)
Special reserves	8,840		8,840		-
Advanced depreciation reserve for fixed assets	1,790		1,778		(12)
Retained earnings carried forward	15,308		13,689		(1,619)
Total shareholders' equity	69,616	16.51	67,985	16.27	(1,631)
Unrealized gains (losses) on available-for-sale securities	35,646	8.45	35,823	8.57	176
Total valuation and translation adjustments	35,646	8.45	35,823	8.57	176
<b>Total net assets</b>	<b>105,263</b>	<b>24.96</b>	<b>103,808</b>	<b>24.84</b>	<b>(1,454)</b>
<b>Total liabilities and net assets</b>	<b>421,690</b>	<b>100.00</b>	<b>417,919</b>	<b>100.00</b>	<b>(3,771)</b>

(2) Statement of income

(Yen in millions)

	Fiscal year 2015 (April 1, 2015 to March 31, 2016)	Fiscal year 2016 (April 1, 2016 to March 31, 2017)	Increase (Decrease)
<b>Ordinary income</b>	152,255	149,163	(3,092)
<b>Underwriting income</b>	148,811	146,418	(2,393)
Net premiums written	138,671	140,118	1,447
Deposit premiums from policyholders	2,302	2,034	(267)
Investment income on deposit premiums	2,115	1,856	(258)
Reversal of outstanding claims	1,256	-	(1,256)
Reversal of underwriting reserves	4,437	2,392	(2,045)
Other underwriting income	29	14	(14)
<b>Investment income</b>	3,141	2,671	(470)
Interest and dividends	4,787	4,322	(464)
Gains on sales of securities	363	195	(168)
Gains on derivatives	80	-	(80)
Other investment income	25	10	(15)
Transfer of investment income on deposit premiums	(2,115)	(1,856)	258
<b>Other ordinary income</b>	301	73	(228)
<b>Ordinary expenses</b>	142,539	140,143	(2,396)
<b>Underwriting expenses</b>	117,938	115,500	(2,438)
Net claims paid	75,731	72,937	(2,793)
Loss adjustment expenses	9,747	9,786	38
Agency commissions and brokerage	22,251	23,205	954
Maturity refunds to policyholders	10,093	8,809	(1,283)
Dividends to policyholders	18	23	4
Provision for outstanding claims	-	568	568
Foreign exchange losses	4	59	54
Other underwriting expenses	92	111	19
<b>Investment expenses</b>	960	668	(291)
Losses on sales of securities	191	281	90
Impairment losses on securities	590	30	(560)
Losses on redemption of securities	1	36	34
Losses on derivatives	-	67	67
Foreign exchange losses	149	202	53
Other investment expenses	26	49	23
<b>Operating and general administrative expenses</b>	23,552	23,488	(64)
<b>Other ordinary expenses</b>	87	486	398
Other ordinary expenses	87	486	398
<b>Ordinary profit</b>	9,715	9,019	(695)
<b>Extraordinary gains</b>	501	274	(226)
Gains on disposal of fixed assets	215	4	(211)
Reversal of reserves under special laws	286	270	(15)
Reversal of price fluctuation reserve	286	270	(15)
<b>Extraordinary losses</b>	225	77	(147)
Losses on disposal of fixed assets	116	77	(38)
Impairment losses on fixed assets	108	-	(108)
<b>Income before income taxes</b>	9,991	9,216	(775)
<b>Income taxes - current</b>	3,194	2,955	(239)
<b>Income taxes - deferred</b>	649	(318)	(968)
<b>Total income taxes</b>	3,844	2,636	(1,207)
<b>Net income</b>	6,147	6,579	432

(3) Underwriting

Direct premiums written excluding deposit premiums from policyholders

(Yen in millions)

	Fiscal year 2015 ( April 1, 2015 to March 31, 2016 )			Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
Fire and allied lines	26,031	17.2%	1.2%	25,252	16.9%	(3.0)%
Hull and cargo	-	-	-	-	-	-
Personal accident	9,264	6.1	(4.1)	8,836	5.9	(4.6)
Voluntary automobile	85,619	56.5	2.4	85,537	57.1	(0.1)
Compulsory automobile liability	21,282	14.0	(1.9)	20,295	13.6	(4.6)
Others	9,373	6.2	3.5	9,836	6.6	4.9
Total	151,570	100.0	1.2	149,758	100.0	(1.2)
Deposit premiums from policyholders	2,302	-	(11.6)	2,034	-	(11.6)

Net premiums written

(Yen in millions)

	Fiscal year 2015 ( April 1, 2015 to March 31, 2016 )			Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
Fire and allied lines	14,524	10.5%	(0.3)%	16,742	11.9%	15.3%
Hull and cargo	19	0.0	(64.2)	4	0.0	(74.1)
Personal accident	9,158	6.6	(4.1)	8,752	6.2	(4.4)
Voluntary automobile	85,417	61.6	2.5	85,367	60.9	(0.1)
Compulsory automobile liability	20,500	14.8	0.6	19,727	14.1	(3.8)
Others	9,051	6.5	4.0	9,523	6.8	5.2
Total	138,671	100.0	1.5	140,118	100.0	1.0

Net claims paid

(Yen in millions)

	Fiscal year 2015 ( April 1, 2015 to March 31, 2016 )			Fiscal year 2016 ( April 1, 2016 to March 31, 2017 )		
	Amount	Rate of change	Loss ratio	Amount	Rate of change	Loss ratio
Fire and allied lines	10,879	(12.6)%	79.4%	9,074	(16.6)%	57.5%
Hull and cargo	24	(49.8)	125.7	10	(56.6)	227.4
Personal accident	4,356	(5.4)	51.5	3,767	(13.5)	46.9
Voluntary automobile	41,381	0.9	56.5	41,515	0.3	56.9
Compulsory automobile liability	15,168	(1.0)	80.8	14,842	(2.2)	82.2
Others	3,920	(3.6)	48.2	3,727	(4.9)	43.8
Total	75,731	(2.3)	61.6	72,937	(3.7)	59.0

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

(4) Investment

Yield on investments (interest income basis)

(Yen in millions)

	Fiscal year 2015 (April 1, 2015 to March 31, 2016)			Fiscal year 2016 (April 1, 2016 to March 31, 2017)		
	Interest and dividends	Average balance	Annual yield	Interest and dividends	Average balance	Annual yield
Bank deposits	2	23,994	0.01 %	4	31,159	0.02 %
Securities	4,515	282,477	1.60	4,074	269,045	1.51
Domestic debt securities	2,717	224,462	1.21	2,569	215,408	1.19
Domestic equity securities	827	28,104	2.94	781	27,524	2.84
Foreign securities	909	27,620	3.29	653	24,233	2.69
Others	61	2,290	2.67	70	1,879	3.77
Loans	17	619	2.86	12	293	4.30
Land and buildings	207	28,795	0.72	223	28,083	0.80
Total	4,742	335,886	1.41	4,315	328,582	1.31

(Reference)

(Yen in millions)

	Fiscal year 2015 (April 1, 2015 to March 31, 2016)			Fiscal year 2016 (April 1, 2016 to March 31, 2017)		
	Net investment income	Average balance	Annual yield	Net investment income	Average balance	Annual yield
Investment yield (accrual basis)	4,296	335,886	1.28 %	3,859	328,582	1.17 %
Investment yield (fair value basis)	4,764	383,892	1.24	3,850	377,055	1.02

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

(Yen in millions)

	Fiscal year 2015 (April 1, 2015 to March 31, 2016)		Fiscal year 2016 (April 1, 2016 to March 31, 2017)		Increase (Decrease)	
	Gains (losses) on sales	Impairment losses on securities	Gains (losses) on sales	Impairment losses on securities	Gains (losses) on sales	Impairment losses on securities
Domestic debt securities	45	-	161	-	115	-
Domestic equity securities	59	590	31	30	(28)	(560)
Foreign securities	67	-	(278)	-	(346)	-
Others	-	-	-	-	-	-
Total	172	590	(86)	30	(258)	(560)

Available-for-sale securities

(Yen in millions)

	As of March 31, 2016			As of March 31, 2017		
	Cost	Fair value shown on balance sheet	Difference	Cost	Fair value shown on balance sheet	Difference
Domestic debt securities	222,010	246,153	24,142	211,548	231,535	19,987
Domestic equity securities	24,775	43,813	19,037	24,744	48,314	23,569
Foreign securities	21,820	25,680	3,859	19,089	22,230	3,140
Others	3,057	4,440	1,383	2,560	4,318	1,757
Total	271,665	320,088	48,422	257,943	306,398	48,455

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

(5) Solvency margin ratio (non-consolidated)

(Yen in millions)

	As of March 31, 2016	As of March 31, 2017
(A) Total amount of solvency margin	168,628	168,146
Shareholders' equity less adjusting items	61,405	57,084
Price fluctuation reserve	1,374	1,104
Contingency reserve	-	-
Catastrophe loss reserve	55,905	60,938
General allowance for doubtful accounts	5	5
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions (prior to tax effect deductions)	43,625	43,617
Unrealized gains (losses) on land	(732)	40
Excess of policyholders' contract deposits	-	-
Subordinated debt, etc.	-	-
Amounts within "Excess of policyholders' contract deposits" and "Subordinated debt, etc." not calculated into the margin	-	-
Deductions	-	-
Others	7,045	5,356
(B) Total amount of risks $\sqrt{(R_1 + R_2)^2 + (R_3 + R_4)^2} + R_5 + R_6$	29,904	25,370
General insurance risk (R <sub>1</sub> )	12,289	12,180
Third sector insurance risk (R <sub>2</sub> )	-	-
Assumed interest rate risk (R <sub>3</sub> )	1,110	1,045
Asset management risk (R <sub>4</sub> )	12,934	13,476
Business administration risk (R <sub>5</sub> )	736	649
Catastrophe risk (R <sub>6</sub> )	10,504	5,766
(C) Solvency margin ratio $[(A)/\{(B) \times 1/2\}] \times 100$	1,127.7%	1,325.5%

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

## (1) Balance sheet

(Yen in millions)

	As of March 31, 2016		As of March 31, 2017		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Assets</b>		%		%	
Cash and bank deposits	27,324	64.24	32,622	73.30	5,298
Bank deposits	27,324		32,622		5,298
Tangible fixed assets	115	0.27	138	0.31	23
Buildings	58		74		15
Other tangible fixed assets	56		64		7
Intangible fixed assets	0	0.00	0	0.00	-
Other assets	15,096	35.49	11,743	26.39	(3,352)
Uncollected premiums	2,164		2,515		350
Accounts receivable	1		2		1
Accrued income	5		1		(4)
Deposits	84		110		25
Suspense payment	1,360		1,460		100
Deferred assets under Article 113 of the Insurance Business Act	11,480		7,653		(3,826)
<b>Total assets</b>	<b>42,536</b>	<b>100.00</b>	<b>44,505</b>	<b>100.00</b>	<b>1,969</b>
<b>Liabilities</b>					
Insurance liabilities	20,629	48.50	27,097	60.89	6,467
Outstanding claims	7,659		11,604		3,944
Underwriting reserves	12,970		15,492		2,522
Other liabilities	3,406	8.01	4,214	9.47	807
Income taxes payable	29		35		6
Deposits received	1		2		1
Accounts payable	961		1,120		158
Suspense receipt	2,342		2,971		629
Lease obligations	36		34		(1)
Asset retirement obligations	35		49		13
Provision for retirement benefits	97	0.23	132	0.30	35
Provision for employees' bonus	125	0.30	152	0.34	26
Deferred tax liabilities	0	0.00	1	0.00	0
<b>Total liabilities</b>	<b>24,259</b>	<b>57.03</b>	<b>31,597</b>	<b>71.00</b>	<b>7,337</b>
<b>Net assets</b>					
Share capital	24,803	58.31	25,903	58.20	1,099
Capital surplus	24,803	58.31	25,903	58.20	1,099
Additional paid-in capital	24,803		25,903		1,099
Retained earnings	(31,331)	(73.66)	(38,899)	(87.40)	(7,568)
Other retained earnings	(31,331)		(38,899)		(7,568)
Retained earnings carried forward	(31,331)		(38,899)		(7,568)
Total shareholders' equity	18,276	42.97	12,907	29.00	(5,368)
<b>Total net assets</b>	<b>18,276</b>	<b>42.97</b>	<b>12,907</b>	<b>29.00</b>	<b>(5,368)</b>
<b>Total liabilities and net assets</b>	<b>42,536</b>	<b>100.00</b>	<b>44,505</b>	<b>100.00</b>	<b>1,969</b>

## (2) Statement of income

(Yen in millions)

	Fiscal year 2015 (April 1, 2015 to March 31, 2016)	Fiscal year 2016 (April 1, 2016 to March 31, 2017)	Increase (Decrease)
<b>Ordinary income</b>	21,050	25,741	4,690
<b>Underwriting income</b>	21,044	25,735	4,691
Net premiums written	21,032	25,723	4,690
Investment income on deposit premiums	11	11	0
Other underwriting income	0	-	(0)
<b>Investment income</b>	(1)	(6)	(4)
Interest and dividends	9	5	(4)
Transfer of investment income on deposit premiums	(11)	(11)	(0)
<b>Other ordinary income</b>	8	12	3
<b>Ordinary expenses</b>	28,166	33,296	5,129
<b>Underwriting expenses</b>	17,488	22,065	4,576
Net claims paid	10,924	13,897	2,972
Loss adjustment expenses	1,526	1,679	153
Agency commissions and brokerage	12	20	8
Provision for outstanding claims	2,255	3,944	1,689
Provision for underwriting reserves	2,769	2,522	(246)
Other underwriting expenses	0	-	(0)
<b>Operating and general administrative expenses</b>	6,850	7,401	551
<b>Other ordinary expenses</b>	3,828	3,830	1
Interest expenses	0	0	(0)
Amortization of deferred assets under Article 113 of the Insurance Business Act	3,826	3,826	-
Other ordinary expenses	0	2	1
<b>Ordinary profit (loss)</b>	<b>(7,116)</b>	<b>(7,555)</b>	<b>(439)</b>
<b>Extraordinary losses</b>	1	0	(1)
Losses on disposal of fixed assets	1	0	(1)
<b>Income (loss) before income taxes</b>	<b>(7,118)</b>	<b>(7,555)</b>	<b>(437)</b>
<b>Income taxes - current</b>	9	12	2
<b>Income taxes - deferred</b>	(0)	0	0
<b>Total income taxes</b>	9	12	3
<b>Net income (loss)</b>	<b>(7,127)</b>	<b>(7,568)</b>	<b>(440)</b>

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

## (1) Balance sheet

(Yen in millions)

	As of March 31, 2016		As of March 31, 2017		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Assets</b>		%		%	
Cash and bank deposits	239,071	3.44	152,726	2.08	(86,345)
Cash	0		-		(0)
Bank deposits	239,071		152,726		(86,344)
Receivables under securities borrowing transactions	21,597	0.31	21,809	0.30	211
Monetary receivables bought	252,985	3.64	160,996	2.20	(91,988)
Securities	6,217,055	89.47	6,765,267	92.24	548,212
Domestic government bonds	4,927,407		5,747,646		820,238
Domestic municipal bonds	-		11,593		11,593
Domestic corporate bonds	35,431		97,734		62,303
Domestic equity securities	234		258		24
Foreign securities	332,226		479,769		147,543
Others	921,756		428,265		(493,490)
Loans	79,717	1.15	84,666	1.15	4,948
Policy loans	79,717		84,666		4,948
Tangible fixed assets	1,129	0.02	1,352	0.02	222
Buildings	564		572		8
Other tangible fixed assets	565		779		214
Intangible fixed assets	27	0.00	27	0.00	-
Agency accounts receivable	225	0.00	268	0.00	42
Reinsurance accounts receivable	4,678	0.07	3,356	0.05	(1,321)
Other assets	133,189	1.92	144,943	1.98	11,754
Accounts receivable	79,536		76,898		(2,637)
Prepaid expenses	323		10,769		10,446
Accrued income	14,286		17,868		3,581
Deposits	659		740		81
Derivative assets	37,776		35,202		(2,573)
Suspense payment	607		3,464		2,857
Allowance for doubtful accounts	(754)	(0.01)	(780)	(0.01)	(26)
<b>Total assets</b>	<b>6,948,924</b>	<b>100.00</b>	<b>7,334,636</b>	<b>100.00</b>	<b>385,711</b>



(Yen in millions)

	As of March 31, 2016		As of March 31, 2017		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
<b>Liabilities</b>		%		%	
Insurance liabilities	5,745,926	82.69	5,905,770	80.52	159,844
Outstanding claims	38,800		48,736		9,935
Underwriting reserves	5,604,817		5,753,886		149,068
Reserve for dividends to policyholders	102,307		103,147		839
Agency accounts payable	7,263	0.10	8,728	0.12	1,464
Reinsurance accounts payable	3,527	0.05	3,046	0.04	(481)
Other liabilities	745,965	10.73	1,103,516	15.05	357,550
Payables under securities lending transactions	704,077		951,334		247,256
Borrowings	-		100,000		100,000
Income taxes payable	1,210		838		(372)
Accounts payable	1,337		2,813		1,475
Accrued expenses	12,395		12,821		426
Deposits received	177		169		(7)
Derivative liabilities	23,079		19,890		(3,189)
Cash collateral received for financial instruments	1,934		12,759		10,825
Lease obligations	157		212		55
Suspense receipt	1,595		2,676		1,080
Provision for retirement benefits	4,877	0.07	5,560	0.08	683
Reserves under special laws	5,709	0.08	6,451	0.09	741
Price fluctuation reserve	5,709		6,451		741
Deferred tax liabilities	39,607	0.57	4,158	0.06	(35,449)
<b>Total liabilities</b>	<b>6,552,877</b>	<b>94.30</b>	<b>7,037,231</b>	<b>95.95</b>	<b>484,353</b>
<b>Net assets</b>					
Share capital	55,000	0.79	55,000	0.75	-
Capital surplus	67,095	0.97	55,095	0.75	(12,000)
Additional paid-in capital	39,460		41,860		2,400
Other capital surplus	27,635		13,235		(14,400)
Retained earnings	33,594	0.48	32,390	0.44	(1,203)
Surplus reserve	8,300		10,300		2,000
Other retained earnings	25,294		22,090		(3,203)
Retained earnings carried forward	25,294		22,090		(3,203)
Total shareholders' equity	155,689	2.24	142,486	1.94	(13,203)
Unrealized gains (losses) on available-for-sale securities	232,489	3.35	148,180	2.02	(84,309)
Deferred gains (losses) on hedge transactions	7,867	0.11	6,738	0.09	(1,129)
Total valuation and translation adjustments	240,357	3.46	154,918	2.11	(85,438)
<b>Total net assets</b>	<b>396,047</b>	<b>5.70</b>	<b>297,405</b>	<b>4.05</b>	<b>(98,641)</b>
<b>Total liabilities and net assets</b>	<b>6,948,924</b>	<b>100.00</b>	<b>7,334,636</b>	<b>100.00</b>	<b>385,711</b>

## (2) Statement of income

(Yen in millions)

	Fiscal year 2015 (April 1, 2015 to March 31, 2016)	Fiscal year 2016 (April 1, 2016 to March 31, 2017)	Increase (Decrease)
<b>Ordinary income</b>	1,054,514	1,005,607	(48,907)
<b>Insurance premiums and other</b>	819,484	866,753	47,269
Insurance premiums	802,851	848,448	45,597
Reinsurance income	16,632	18,305	1,672
<b>Investment income</b>	112,984	132,398	19,414
Interest and dividends	87,064	94,586	7,521
Interest on bank deposits	27	13	(14)
Interest and dividends on securities	83,947	90,087	6,140
Interest on loans	2,256	2,374	117
Other interest and dividends	832	2,110	1,278
Gains on sales of securities	6,571	3,924	(2,646)
Gains on derivatives	19,281	2,152	(17,128)
Foreign exchange gains	-	4,486	4,486
Decrease in allowance for doubtful accounts	26	-	(26)
Other investment income	40	47	7
Investment gains on separate accounts	-	27,200	27,200
<b>Other ordinary income</b>	122,045	6,455	(115,590)
Income from annuity riders	1,104	568	(535)
Deferred insurance amount	5,824	5,678	(145)
Reversal of underwriting reserves	114,980	-	(114,980)
Other ordinary income	136	207	71
<b>Ordinary expenses</b>	1,021,461	988,130	(33,331)
<b>Insurance claims and other</b>	829,200	679,099	(150,100)
Insurance claims	57,578	51,845	(5,733)
Annuity payments	44,180	63,362	19,181
Benefits	166,817	288,476	121,658
Surrender benefits	432,711	237,681	(195,029)
Other refunds	96,683	14,347	(82,335)
Reinsurance premiums	31,228	23,386	(7,842)
<b>Provision for underwriting reserves and other</b>	4,607	159,005	154,397
Provision for outstanding claims	4,606	9,935	5,328
Provision for underwriting reserves	-	149,068	149,068
Interest on reserve for dividends to policyholders	0	0	0
<b>Investment expenses</b>	56,590	12,466	(44,124)
Interest expenses	543	910	367
Losses on sales of securities	456	11,489	11,033
Impairment losses on securities	22	-	(22)
Foreign exchange losses	20,178	-	(20,178)
Increase in allowance for doubtful accounts	-	63	63
Other investment expenses	2	2	0
Investment losses on separate account	35,387	-	(35,387)
<b>Operating expenses</b>	121,495	127,628	6,133
<b>Other ordinary expenses</b>	9,567	9,929	361
Deferred annuity payments	5,116	5,126	9
Taxes	2,803	2,939	135
Depreciation	351	291	(59)
Provision for retirement benefits	543	683	140
Other ordinary expenses	752	888	135
<b>Ordinary profit</b>	33,052	17,477	(15,575)
<b>Extraordinary losses</b>	568	786	218
Losses on disposal of fixed assets	8	45	37
Provision for reserves under special laws	559	741	181
Provision for price fluctuation reserve	559	741	181
<b>Provision for reserve for dividends to policyholders</b>	4,035	4,226	190
<b>Income before income taxes</b>	28,449	12,464	(15,985)
<b>Income taxes - current</b>	8,329	5,891	(2,438)
<b>Income taxes - deferred</b>	5,361	(2,223)	(7,584)
<b>Total income taxes</b>	13,691	3,667	(10,023)
<b>Net income</b>	14,758	8,796	(5,961)

## Breakdown of ordinary profit (Core operating profit)

(Yen in millions)

		Fiscal year 2015 (April 1, 2015 to March 31, 2016)	Fiscal year 2016 (April 1, 2016 to March 31, 2017)	Increase (Decrease)
Core operating profit	A	25,013	22,310	(2,703)
Capital gains		26,208	8,959	(17,249)
Gains on sales of securities		6,571	3,924	(2,646)
Gains on derivatives		17,631	171	(17,460)
Foreign exchange gains		-	4,486	4,486
Other capital gains		2,005	376	(1,629)
Capital losses		20,657	11,489	(9,168)
Losses on sales of securities		456	11,489	11,033
Impairment losses on securities		22	-	(22)
Foreign exchange losses		20,178	-	(20,178)
Net capital gains (losses)	B	5,551	(2,530)	(8,081)
Core operating profit including net capital gains (losses)	A+B	30,564	19,779	(10,784)
Non-recurring income		2,512	-	(2,512)
Reversal of contingency reserves		2,512	-	(2,512)
Non-recurring losses		24	2,302	2,278
Provision for contingency reserves		-	2,256	2,256
Increase in specific allowance for doubtful accounts		24	45	21
Net non-recurring income (losses)	C	2,487	(2,302)	(4,790)
Ordinary profit	A+B+C	33,052	17,477	(15,575)

(Note) 1. Net gains of interest received/paid on interest swaps of 1,649 million yen and 1,981 million yen presented as Gains on derivatives on statement of income are included in Core operating profit for the fiscal year 2015 and 2016, respectively.

2. Other capital gains represents decrease in underwriting reserves for foreign-currency insurance contracts due to exchange rate fluctuations, and it is included in Provision for underwriting reserves and Reversal of underwriting reserves on statement of income.

## (3) Underwriting (life)

## Amount of policies

## Policies in force

(Number in thousands, yen in 100 millions)

	As of March 31, 2016				As of March 31, 2017			
	Number of policies		Amount		Number of policies		Amount	
		% to March 31, 2015		% to March 31, 2015		% to March 31, 2016		% to March 31, 2016
Individual insurance	4,601	107.9	246,086	105.8	4,917	106.9	266,187	108.2
Individual annuities	705	95.2	32,015	89.8	638	90.5	28,138	87.9
Group insurance	-	-	26,068	101.8	-	-	25,482	97.8
Group annuities	-	-	34	98.2	-	-	33	98.0

## New policies

(Number in thousands, yen in 100 millions)

	Fiscal year 2015 (April 1, 2015 to March 31, 2016)				Fiscal year 2016 (April 1, 2016 to March 31, 2017)			
	Number of policies		Amount		Number of policies		Amount	
		% to Fiscal year 2014		% to Fiscal year 2014		% to Fiscal year 2015		% to Fiscal year 2015
Individual insurance	588	110.1	30,379	98.2	559	95.1	41,259	135.8
Individual annuities	63	59.1	3,035	59.7	13	22.0	734	24.2
Group insurance	-	-	1,921	1,544.8	-	-	316	16.5
Group annuities	-	-	-	-	-	-	-	-

## Annualized premiums

## Policies in force

(Yen in 100 millions)

	As of March 31, 2016		As of March 31, 2017	
		% to March 31, 2015		% to March 31, 2016
Individual insurance	5,650	113.3	6,369	112.7
Individual annuities	2,315	87.1	1,944	83.9
Total	7,965	104.2	8,313	104.4
Medical coverage, accelerated death benefits, etc.	1,461	113.6	1,632	111.7
Medical and cancer	1,259	115.3	1,401	111.3

## New policies

(Yen in 100 millions)

	Fiscal year 2015 (April 1, 2015 to March 31, 2016)		Fiscal year 2016 (April 1, 2016 to March 31, 2017)	
		% to Fiscal year 2014		% to Fiscal year 2015
Individual insurance	1,056	115.5	1,166	110.4
Individual annuities	140	61.9	40	29.2
Total	1,197	104.9	1,207	100.9
Medical coverage, accelerated death benefits, etc.	268	122.3	257	95.9
Medical and cancer	244	125.9	215	88.0

## (4) Separate account

## Separate account asset balance

(Yen in 100 millions)

	As of March 31, 2016	As of March 31, 2017
Individual variable insurance	589	647
Individual variable annuities	9,442	4,184
Group annuities	-	-
Separate account total	10,031	4,831

## Separate account policies in force

## Individual variable insurance

(Number in thousands, yen in 100 millions)

	As of March 31, 2016		As of March 31, 2017	
	Number of policies	Amount	Number of policies	Amount
Variable insurance (defined term type)	1	112	1	105
Variable insurance (whole life type)	29	2,273	28	2,278
Total	30	2,385	30	2,383

## Individual variable annuities

(Number in thousands, yen in 100 millions)

	As of March 31, 2016		As of March 31, 2017	
	Number of policies	Amount	Number of policies	Amount
Individual variable annuities	179	9,480	77	4,226
Total	179	9,480	77	4,226

## (5) Investment (General account)

Yield on investments (interest income basis)

(Yen in millions)

	Fiscal year 2015 (April 1, 2015 to March 31, 2016)			Fiscal year 2016 (April 1, 2016 to March 31, 2017)		
	Net investment income	Average balance	Annual yield	Net investment income	Average balance	Annual yield
Bank deposits	40	74,581	0.05 %	(23)	98,638	(0.02) %
Call loans	21	29,827	0.07	0	316	0.00
Receivables under resale agreements	-	-	-	-	-	-
Receivables under securities borrowing transactions	18	21,580	0.09	3	19,757	0.02
Monetary receivables bought	387	435,833	0.09	32	223,663	0.01
Money trusts	-	-	-	-	-	-
Securities	70,290	4,681,909	1.50	89,168	5,859,167	1.52
Domestic debt securities	83,533	4,387,300	1.90	87,944	5,348,796	1.64
Domestic equity securities	(15)	253	(5.94)	19	237	8.20
Foreign securities	(13,228)	294,355	(4.49)	1,204	510,132	0.24
Others	-	-	-	-	-	-
Loans	2,256	77,602	2.91	2,374	81,454	2.91
Land and buildings	-	627	-	-	596	-
General account total	91,781	5,438,407	1.69 %	92,731	6,404,369	1.45 %
Overseas investment	(13,176)	294,355	(4.48)	1,187	510,133	0.23

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

(Yen in millions)

	Fiscal year 2015 (April 1, 2015 to March 31, 2016)		Fiscal year 2016 (April 1, 2016 to March 31, 2017)		Increase (Decrease)	
	Gains (losses) on sales	Impairment losses on securities	Gains (losses) on sales	Impairment losses on securities	Gains (losses) on sales	Impairment losses on securities
Domestic debt securities	4,309	-	3,316	-	(992)	-
Domestic equity securities	-	22	-	-	-	(22)
Foreign securities	1,805	-	(10,881)	-	(12,687)	-
Others	-	-	-	-	-	-
Total	6,115	22	(7,564)	-	(13,679)	(22)

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

(Yen in millions)

	As of March 31, 2016			As of March 31, 2017		
	Carrying amount	Fair value	Unrealized gains (losses)	Carrying amount	Fair value	Unrealized gains (losses)
Bonds held to maturity	3,370,727	4,284,000	913,272	4,347,954	4,933,380	585,426
Bonds earmarked for underwriting reserves	77,076	81,315	4,239	52,911	54,888	1,976
Available-for-sale securities	1,792,920	2,115,823	322,902	1,896,894	2,102,196	205,301
Domestic debt securities	1,222,601	1,528,675	306,074	1,240,136	1,475,568	235,432
Domestic equity securities	-	-	-	-	-	-
Foreign securities	277,333	294,161	16,827	465,761	435,630	(30,130)
Others	292,985	292,985	-	190,996	190,996	-
Total	5,240,724	6,481,139	1,240,414	6,297,760	7,090,465	792,704
Domestic debt securities	4,643,456	5,865,673	1,222,216	5,608,564	6,433,775	825,211
Domestic equity securities	-	-	-	-	-	-
Foreign securities	304,282	322,480	18,198	498,199	465,692	(32,506)
Others	292,985	292,985	-	190,996	190,996	-

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

(Reference) Maturity schedule of securities

(Yen in millions)

	As of March 31, 2017						Total
	Within 1 year	1-3 years	3-5 years	5-7 years	7-10 years	Over 10 years (Including no fixed maturity)	
Domestic government bonds	77,709	158,152	35,059	9,848	314,953	5,138,943	5,734,667
Domestic municipal bonds	-	-	-	-	-	11,593	11,593
Domestic corporate bonds	-	-	7,590	-	-	90,144	97,734
Domestic equity securities	-	-	-	-	-	258	258
Foreign securities	4,988	6,337	6,907	2,997	94,564	352,273	468,069
Others	190,996	-	-	-	-	-	190,996
Total	273,695	164,490	49,557	12,846	409,518	5,593,213	6,503,320

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

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

(Yen in millions)

	As of March 31, 2016	As of March 31, 2017
(A) Total amount of solvency margin	858,471	747,165
Shareholders' equity less adjusting items	133,689	128,986
Price fluctuation reserve	5,709	6,451
Contingency reserve	45,094	47,350
General allowance for doubtful accounts	471	488
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions (prior to tax effect deductions) × 90%	290,612	185,225
Unrealized gains (losses) on land × 85%	-	-
Excess of continued Zillmerized reserve	286,376	310,471
Subordinated debt, etc.	-	100,000
Amounts within "Excess of continued Zillmerized reserve" and "Subordinated debt, etc." not calculated into the margin	(5,266)	(130,891)
Deductions	-	-
Others	101,785	99,082
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	50,825	52,072
Insurance risk (R <sub>1</sub> )	14,891	15,965
Third sector insurance risk (R <sub>8</sub> )	4,655	5,284
Assumed interest rate risk (R <sub>2</sub> )	4,988	4,969
Minimum guarantee risk (R <sub>7</sub> )	3,018	3,008
Asset management risk (R <sub>3</sub> )	37,496	38,082
Business administration risk (R <sub>4</sub> )	1,301	1,346
(C) Solvency margin ratio $[(A)/\{(B) \times 1/2\}] \times 100$	3,378.1%	2,869.7%

## Glossary of terminology

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

- Underwriting profit

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

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

- Net investment income and other

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

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

- Loss ratio (W/P basis)

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

- Expense ratio (W/P basis)

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

- Combined ratio (W/P basis)

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

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

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

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

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

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

- Expense ratio (private sector)

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

- Combined ratio (private sector)

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



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

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

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

\*2 Outstanding claims are net of reinsurance recoverable.

- Reservation ratio of catastrophe loss reserve

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

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

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

- Annualized premiums

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

- Medical coverage, accelerated death benefits, etc.

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

### 【Investment】

- Yield on investments (interest income basis)

Yield on investments (interest income basis) is an indicator of investment performance from the viewpoint of interest income.

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

Denominator: Average balance based on original cost or amortized cost

- Yield on investments (accrual income basis)

Yield on investments (accrual income basis) is an indicator of investment performance from the viewpoint of accrual income (income statements) for the period.

[For property and casualty insurance business]

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

Denominator: Average balance based on original cost or amortized cost

[For life insurance business]

Numerator: Investment income - Investment expenses

Denominator: Average balance based on original cost or amortized cost

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

- Yield on investments (fair value basis)

Yield on investments (fair value basis) is an indicator of investment performance on fair value basis.

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

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

\*1 Before tax effect deductions.

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

### 【Solvency margin ratio】

- Solvency margin ratio

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

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

#### 【Underwriting (life)】

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

#### 【Separate account】

- Separate account
  - Separate account is an account for insurance policies of which insurance benefits change based on investment performance. Therefore, assets and liabilities of separate account are segregated from those of general account.

**Supplementary information about business results for the fiscal year 2016**

## 1. Key figures

(Yen in 100 millions)

	Fiscal year 2015 (A)	Six months ended September 30, 2016 (B)	Fiscal year 2016 (C)	Increase (Decrease)	
				(C) - (A)	(C) - (B)
①Net premiums written	21,283	10,586	21,161	(121)	-
Rate of change	4.5%	(2.3%)	(0.6%)	(5.1%)	1.7%
②Total assets	92,425	92,958	95,244	2,819	2,286
③Loss ratio	60.0%	59.7%	60.7%	0.7%	1.0%
④Expense ratio	30.6%	30.6%	30.8%	0.2%	0.2%
⑤Combined ratio	90.6%	90.4%	91.5%	0.9%	1.1%
Underwriting profit margin	9.4%	9.6%	8.5%	(0.9%)	(1.1%)
⑥Voluntary automobile					
• Net premiums written	10,307	5,229	10,513	206	-
Rate of change	4.1%	2.3%	2.0%	(2.1%)	(0.3%)
• Underwriting profit margin	9.9%	12.6%	10.6%	0.7%	(2.0%)
• Loss ratio	59.3%	57.2%	58.7%	(0.6%)	1.5%
• Expense ratio	30.9%	30.3%	30.8%	(0.1%)	0.5%
⑦Fire and allied lines					
• Net premiums written	3,034	1,244	2,722	(311)	-
Rate of change	11.9%	(18.5%)	(10.3%)	(22.2%)	8.2%
• Underwriting profit margin	8.9%	(4.1%)	8.2%	(0.6%)	12.3%
• Loss ratio	52.9%	62.6%	53.0%	0.1%	(9.6%)
• Expense ratio	38.2%	41.5%	38.7%	0.5%	(2.7%)
⑧Number of employees	17,148	17,687	17,368	220	(319)
⑨Number of agencies	51,853	51,665	51,302	(551)	(363)

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

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

3. Combined ratio = Loss ratio + Expense ratio

4. Underwriting profit margin = 100 - Combined ratio

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

(Yen in 100 millions)

	Fiscal year 2015 (A)	Six months ended September 30, 2016 (B)	Fiscal year 2016 (C)	Increase (Decrease)	
				(C) - (A)	(C) - (B)
①Ordinary income	45,790	25,870	52,326	6,535	-
②Net premiums written	32,655	17,008	34,804	2,148	-
Rate of change	4.4%	(2.0%)	6.6%	2.2%	8.6%
③Life insurance premiums	4,716	4,344	9,044	4,327	-
Rate of change	114.0%	271.4%	91.7%	(22.2%)	(179.7%)
④Ordinary profit	3,858	2,134	3,876	18	-
⑤Net income attributable to owners of the parent	2,545	1,552	2,738	193	-

## 2. Other information

## ① Non-performing assets

## Status of risk monitored loans

(Yen in 100 millions)

	As of March 31, 2016	As of September 30, 2016	As of March 31, 2017
Loans to borrowers in bankruptcy	-	-	0
Past due loans	5	5	2
Loans past due for three months or more	-	-	-
Restructured loans	2	1	0
Total	7	6	3
Percentage to total loans	0.1%	0.1%	0.1%
(Reference) Total loans	5,272	6,551	6,064

## Status of self-assessment

(Yen in 100 millions)

	As of March 31, 2016	As of September 30, 2016	As of March 31, 2017
Non-categorized	87,579	87,856	90,507
II categorized	4,772	5,032	4,705
III categorized	70	65	28
IV categorized	54	12	10
Subtotal (II-IV)	4,896	5,109	4,744
Total	92,475	92,966	95,252

## ② Impairment losses on securities

(Yen in 100 millions)

	Fiscal year 2015	Six months ended September 30, 2016	Fiscal year 2016
Domestic debt securities	-	-	-
Domestic equity securities	13	17	8
Foreign securities	50	-	1
Others	-	-	0
Total	63	17	9

## • Criteria for impairment loss recognition

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

## ③ Impairment losses on fixed assets

(Yen in 100 millions)

	Fiscal year 2015	Six months ended September 30, 2016	Fiscal year 2016
Land	15	0	0
Buildings	2	6	6
Others	-	-	-
Total	17	6	6

## ④ Unrealized gains (losses) on securities

(Yen in 100 millions)

	As of March 31, 2016	As of September 30, 2016	As of March 31, 2017
Domestic debt securities	1,885	1,736	1,302
Domestic equity securities	16,519	15,674	18,230
Foreign securities	524	206	466
Others	5	(4)	(0)
Total	18,934	17,613	19,998

## ⑤ Losses relating to natural catastrophe

(Yen in 100 millions)

	Fiscal year 2015	Six months ended September 30, 2016	Fiscal year 2016
Direct claims paid	642	152	379
Net claims paid	637	140	358
Net outstanding claims (*)	94	236	176

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

\* Net of reinsurance recoverable ceded.

## ⑥ Catastrophe loss reserve

(Yen in 100 millions)

	As of March 31, 2016			As of September 30, 2016			As of March 31, 2017		
	Balance	Reservation ratio	Provision	Balance	Reservation ratio	Provision	Balance	Reservation ratio	Provision
Fire and allied lines	3,364	111.4%	153	3,435	138.9%	73	3,522	130.1%	158
Hull and cargo	1,261	190.6%	30	1,265	208.6%	3	1,261	214.0%	-
Personal accident	1,155	65.9%	55	1,187	57.9%	32	1,209	70.3%	54
Voluntary automobile	1,698	16.5%	854	1,868	17.9%	169	1,803	17.2%	337
Others	2,760	102.3%	160	2,825	101.9%	69	2,871	103.1%	149
Total	10,240	55.5%	1,254	10,582	57.6%	348	10,670	58.2%	699

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

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

Provision is gross amount (without reversal).

## ⑦ Reinsurance assumed

(Yen in 100 millions)

	Fiscal year 2015		Fiscal year 2016	
	Premiums written	Claims paid	Premiums written	Claims paid
Fire and allied lines	527	234	491	263
Hull and cargo	270	213	231	160
Personal accident	2	0	1	0
Voluntary automobile	6	4	6	3
Compulsory automobile liability	2,170	2,131	2,145	2,105
Others	349	130	302	160
Total	3,325	2,715	3,179	2,693

## ⑧ Reinsurance ceded

(Yen in 100 millions)

	Fiscal year 2015		Fiscal year 2016	
	Ceded premiums	Claims recovered	Ceded premiums	Claims recovered
Fire and allied lines	1,143	225	1,192	1,482
Hull and cargo	322	219	268	246
Personal accident	56	13	58	16
Voluntary automobile	42	19	40	14
Compulsory automobile liability	2,038	2,060	2,125	2,011
Others	1,419	866	1,554	1,164
Total	5,022	3,405	5,239	4,936

**Supplementary information about business results for the fiscal year 2016**

1. Key figures

(Yen in 100 millions)

	Fiscal year 2015 (A)	Six months ended September 30, 2016 (B)	Fiscal year 2016 (C)	Increase (Decrease)	
				(C) - (A)	(C) - (B)
①Net premiums written	1,386	709	1,401	14	-
Rate of change	1.5%	(0.9%)	1.0%	(0.4%)	1.9%
②Total assets	4,216	4,154	4,179	(37)	24
③Loss ratio	61.6%	57.2%	59.0%	(2.6%)	1.9%
④Expense ratio	32.7%	32.8%	33.1%	0.4%	0.3%
⑤Combined ratio	94.4%	90.0%	92.1%	(2.2%)	2.1%
Underwriting profit margin	5.6%	10.0%	7.9%	2.2%	(2.1%)
⑥Voluntary automobile					
• Net premiums written	854	429	853	(0)	-
Rate of change	2.5%	0.6%	(0.1%)	(2.5%)	(0.7%)
• Underwriting profit margin	13.4%	15.0%	12.5%	(0.8%)	(2.5%)
• Loss ratio	56.5%	54.8%	56.9%	0.4%	2.1%
• Expense ratio	30.1%	30.2%	30.5%	0.4%	0.3%
⑦Fire and allied lines					
• Net premiums written	145	80	167	22	-
Rate of change	(0.3%)	(1.8%)	15.3%	15.6%	17.1%
• Underwriting profit margin	(19.9%)	0.5%	2.5%	22.4%	2.0%
• Loss ratio	79.4%	59.4%	57.5%	(21.9%)	(2.0%)
• Expense ratio	40.5%	40.1%	40.0%	(0.5%)	(0.1%)
⑧Number of employees	2,333	2,324	2,292	(41)	(32)
⑨Number of agencies	13,870	13,831	13,715	(155)	(116)

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

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

3. Combined ratio = Loss ratio + Expense ratio

4. Underwriting profit margin = 100 - Combined ratio

## 2. Other information

### ① Non-performing assets

#### Status of risk monitored loans

(Yen in 100 millions)

	As of March 31, 2016	As of September 30, 2016	As of March 31, 2017
Loans to borrowers in bankruptcy	-	-	-
Past due loans	-	-	-
Loans past due for three months or more	-	-	-
Restructured loans	-	-	-
Total	-	-	-
Percentage to total loans	0.0%	0.0%	0.0%

(Reference) Total loans	3	2	2
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#### Status of self-assessment

(Yen in 100 millions)

	As of March 31, 2016	As of September 30, 2016	As of March 31, 2017
Non-categorized	4,204	4,141	4,167
II categorized	11	13	11
III categorized	1	1	1
IV categorized	0	0	0
Subtotal (II-IV)	13	14	12
Total	4,218	4,155	4,180

### ② Impairment losses on securities

(Yen in 100 millions)

	Fiscal year 2015	Six months ended September 30, 2016	Fiscal year 2016
Domestic debt securities	-	-	-
Domestic equity securities	5	0	0
Foreign securities	-	-	-
Others	-	-	-
Total	5	0	0

#### • Criteria for impairment loss recognition

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

### ③ Impairment losses on fixed assets

(Yen in 100 millions)

	Fiscal year 2015	Six months ended September 30, 2016	Fiscal year 2016
Land	-	-	-
Buildings	1	-	-
Others	-	-	-
Total	1	-	-

### ④ Unrealized gains (losses) on securities

(Yen in 100 millions)

	As of March 31, 2016	As of September 30, 2016	As of March 31, 2017
Domestic debt securities	241	243	199
Domestic equity securities	190	184	235
Foreign securities	38	19	31
Others	13	13	17
Total	484	460	484



⑤ Losses relating to natural catastrophe

(Yen in 100 millions)

	Fiscal year 2015	Six months ended September 30, 2016	Fiscal year 2016
Direct claims paid	47	6	19
Net claims paid	40	5	17
Net outstanding claims (*)	0	11	0

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

\* Net of reinsurance recoverable ceded.

⑥ Catastrophe loss reserve

(Yen in 100 millions)

	As of March 31, 2016			As of September 30, 2016			As of March 31, 2017		
	Balance	Reservation ratio	Provision	Balance	Reservation ratio	Provision	Balance	Reservation ratio	Provision
Fire and allied lines	200	138.8%	7	204	127.7%	4	208	125.4%	8
Hull and cargo	24	12651.0%	-	24	25354.8%	-	24	48922.7%	-
Personal accident	54	59.9%	4	57	58.4%	2	59	67.5%	4
Voluntary automobile	144	16.9%	41	165	19.3%	20	186	21.8%	41
Others	114	127.0%	5	117	114.0%	3	119	125.3%	4
Total	538	45.6%	59	568	46.6%	30	597	49.7%	58

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

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

Provision is gross amount (without reversal).

⑦ Reinsurance assumed

(Yen in 100 millions)

	Fiscal year 2015		Fiscal year 2016	
	Premiums written	Claims paid	Premiums written	Claims paid
Fire and allied lines	2	6	1	9
Hull and cargo	0	0	0	0
Personal accident	-	0	-	0
Voluntary automobile	0	0	0	0
Compulsory automobile liability	151	151	145	148
Others	1	1	1	0
Total	155	160	148	159

⑧ Reinsurance ceded

(Yen in 100 millions)

	Fiscal year 2015		Fiscal year 2016	
	Ceded premiums	Claims recovered	Ceded premiums	Claims recovered
Fire and allied lines	117	30	86	114
Hull and cargo	0	0	0	0
Personal accident	1	0	0	0
Voluntary automobile	2	0	2	0
Compulsory automobile liability	158	169	151	165
Others	5	0	4	0
Total	284	201	244	280