

Summary of Consolidated Business Results of Tokio Marine Holdings, Inc. under Japanese GAAP for the three months ended June 30, 2018



MEMBERSHIP
August 10, 2018

Company Name: Tokio Marine Holdings, Inc. (the "Company")
Securities Code Number: 8766
(URL: <http://www.tokiomarinehd.com/en/>)
Representative: Tsuyoshi Nagano, President
Contact: Tetsuya Hirano, Corporate Planning Dept. (Tel: 03-5223-3212)
Scheduled date to file Quarterly Securities Report: August 10, 2018
Scheduled date to commence dividend payments: Not applicable
Supplementary information for quarterly financial statements: Available
Quarterly IR Conference Call: None

Stock Exchange Listing: Tokyo

(Note) All amounts are rounded down and all percentages are rounded.

1. Consolidated Business Results for the three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)

(1) Consolidated Results of Operations

(Note) Percentages represent changes from the same period in the previous fiscal year.

	Ordinary income		Ordinary profit		Net income attributable to owners of the parent	
	million yen	%	million yen	%	million yen	%
Three months ended June 30, 2018	1,397,538	(0.1)	138,056	11.7	101,742	15.5
Three months ended June 30, 2017	1,399,605	1.5	123,641	(3.4)	88,110	(9.4)

(Note) Comprehensive income:

Three months ended June 30, 2018	(62,056) million yen	- %
Three months ended June 30, 2017	88,497 million yen	- %

	Net income per share - Basic	Net income per share - Diluted
	yen	yen
Three months ended June 30, 2018	140.35	140.24
Three months ended June 30, 2017	117.54	117.44

(2) Consolidated Financial Conditions

	Total assets	Net assets	Ratio of equity capital to total assets
	million yen	million yen	%
As of June 30, 2018	22,813,758	3,703,309	16.1
As of March 31, 2018	22,929,935	3,835,536	16.6

(Reference) Equity capital:

As of June 30, 2018	3,674,675 million yen
As of March 31, 2018	3,805,194 million yen

2. Dividends

	Cash dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Annual total
	yen	yen	yen	yen	yen
Fiscal year 2017	-	80.00	-	80.00	160.00
Fiscal year 2018	-				
Fiscal year 2018 (Forecast)		90.00	-	90.00	180.00

(Note) Revision to the latest dividend forecast: None

3. Consolidated Business Forecasts for the fiscal year 2018 (April 1, 2018 to March 31, 2019)

(Note) Percentages represent changes from the previous fiscal year.

	Ordinary profit		Net income attributable to owners of the parent		Net income per share - Basic
	million yen	%	million yen	%	yen
Fiscal year 2018	450,000	30.5	320,000	12.6	442.09

(Note) Revision to the latest Consolidated Business Forecasts: None

*** Notes**

(1) Changes in significant subsidiaries during the three months ended June 30, 2018

(Changes in specified subsidiaries that resulted in a change in the scope of consolidation): None

(2) Adoption of accounting methods that are specific to quarterly consolidated financial reports: None

(3) Changes in accounting policies, changes in accounting estimates, and retrospective restatements

(a) Changes in accounting policies to reflect amendments of accounting standards: None

(b) Changes in accounting policies other than (a): None

(c) Changes in accounting estimates: None

(d) Retrospective restatements: None

(4) Number of shares issued (common stock)

(a) Total number of shares issued including treasury stock

As of June 30, 2018 748,024,375 shares

As of March 31, 2018 748,024,375 shares

(b) Number of treasury stock held

As of June 30, 2018 24,559,155 shares

As of March 31, 2018 22,591,149 shares

(c) Average number of shares outstanding

During the three months ended June 30, 2018 724,899,831 shares

During the three months ended June 30, 2017 749,622,312 shares

*** "Summary of Consolidated Business Results" is outside the scope of external auditor's quarterly review.**

*** Notes concerning the business forecasts and other items**

Business forecasts are prepared based on certain assumptions and information available to the Company as of the release date of this document, and actual results may significantly differ depending on various factors.

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1. Qualitative information concerning Consolidated Business Results for the three months ended June 30, 2018

(1) Qualitative information concerning Consolidated Results of Operations

During the three months ended June 30, 2018, despite uncertainty over certain emerging countries and trade frictions between the U.S. and other countries, the world economy as a whole made steady progress due to continued economic expansion in the U.S. and China.

In Japan, the economy gradually improved due to recovery in consumer spending in addition to steady exports and production.

Under these circumstances, as a result of our efforts to expand our business, which is centered on property and casualty insurance and life insurance, our consolidated results of operations for the three months ended June 30, 2018 were as follows:

Ordinary income decreased by 2.0 billion yen to 1,397.5 billion yen from the same period in the previous fiscal year, the main components of which were Underwriting income of 1,191.9 billion yen and Investment income of 176.8 billion yen. Ordinary expenses decreased by 16.4 billion yen to 1,259.4 billion yen from the same period in the previous fiscal year, the main components of which were Underwriting expenses of 1,024.5 billion yen, Investment expenses of 16.5 billion yen, and Operating and general administrative expenses of 211.2 billion yen.

As a result, Ordinary profit increased by 14.4 billion yen to 138.0 billion yen from the same period in the previous fiscal year.

Net income attributable to owners of the parent, composed of Ordinary profit plus Extraordinary gains minus Extraordinary losses and Total income taxes, increased by 13.6 billion yen to 101.7 billion yen from the same period in the previous fiscal year.

(2) Qualitative information concerning Consolidated Financial Conditions

As of June 30, 2018, consolidated total assets decreased by 116.1 billion yen to 22,813.7 billion yen from that as of March 31, 2018. Despite the increase in assets led by the expansion of our insurance businesses, total assets decreased due to the decline in assets of overseas consolidated subsidiaries caused by the fluctuation of exchange rates.

(3) Qualitative information concerning Consolidated Business Forecasts

The Company's consolidated business forecasts for the fiscal year 2018 are 450.0 billion yen for Ordinary profit and 320.0 billion yen for Net income attributable to owners of the parent. The Company has not revised its forecasts announced on May 18, 2018, when Summary of Consolidated Business Results was disclosed.

2. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheet

(Yen in millions)

	As of March 31, 2018	As of June 30, 2018
Assets		
Cash and bank deposits	733,832	826,364
Call loans	135,000	50,003
Receivables under resale agreements	4,999	4,999
Receivables under securities borrowing transactions	30,880	11,254
Monetary receivables bought	1,252,343	1,285,693
Money trusts	214,101	9,377
Securities	16,629,902	16,768,786
Loans	1,011,880	974,164
Tangible fixed assets	289,116	285,960
Intangible fixed assets	798,003	751,533
Other assets	1,801,286	1,818,036
Net defined benefit assets	8,019	8,077
Deferred tax assets	30,889	29,429
Customers' liabilities under acceptances and guarantees	2,345	2,345
Allowance for doubtful accounts	(12,667)	(12,267)
Total assets	22,929,935	22,813,758
Liabilities		
Insurance liabilities	16,266,467	16,250,259
Outstanding claims	2,973,350	2,891,476
Underwriting reserves	13,293,117	13,358,782
Corporate bonds	59,766	56,202
Other liabilities	1,927,760	2,022,470
Net defined benefit liabilities	255,588	256,253
Provision for employees' bonus	65,752	32,607
Reserves under special laws	100,511	102,400
Price fluctuation reserve	100,511	102,400
Deferred tax liabilities	366,835	341,095
Negative goodwill	49,369	46,812
Acceptances and guarantees	2,345	2,345
Total liabilities	19,094,398	19,110,448
Net assets		
Shareholders' equity		
Share capital	150,000	150,000
Retained earnings	1,837,908	1,881,157
Treasury stock	(114,446)	(125,264)
Total shareholders' equity	1,873,461	1,905,892
Accumulated other comprehensive income		
Unrealized gains (losses) on available-for-sale securities	1,864,865	1,829,516
Deferred gains (losses) on hedge transactions	10,829	8,608
Foreign currency translation adjustments	76,081	(49,885)
Remeasurements of defined benefit plans	(20,044)	(19,457)
Total accumulated other comprehensive income	1,931,732	1,768,782
Stock acquisition rights	2,552	1,928
Non-controlling interests	27,789	26,706
Total net assets	3,835,536	3,703,309
Total liabilities and net assets	22,929,935	22,813,758

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income**(Consolidated Statement of Income)**

(Yen in millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)
Ordinary income	1,399,605	1,397,538
Underwriting income	1,178,504	1,191,999
Net premiums written	919,342	920,890
Deposit premiums from policyholders	27,613	23,866
Investment income on deposit premiums	11,323	10,638
Life insurance premiums	219,040	235,719
Investment income	193,815	176,859
Interest and dividends	121,503	126,883
Gains on money trusts	1,289	36
Gains on trading securities	2,106	-
Gains on sales of securities	38,531	53,117
Gains on redemption of securities	77	56
Gains on derivatives	-	3,273
Investment gains on separate accounts	14,647	1,656
Transfer of investment income on deposit premiums	(11,323)	(10,638)
Other ordinary income	27,285	28,678
Amortization of negative goodwill	2,557	2,557
Ordinary expenses	1,275,964	1,259,481
Underwriting expenses	1,027,302	1,024,589
Net claims paid	440,039	461,935
Loss adjustment expenses	33,679	34,704
Agency commissions and brokerage	174,251	177,709
Maturity refunds to policyholders	39,725	31,769
Dividends to policyholders	17	9
Life insurance claims	167,256	134,731
Provision for outstanding claims	39,688	23,651
Provision for underwriting reserves	130,734	156,703
Investment expenses	32,567	16,553
Losses on money trusts	2,372	1,820
Losses on trading securities	-	5,659
Losses on sales of securities	2,571	2,152
Impairment losses on securities	2,089	810
Losses on redemption of securities	292	40
Losses on derivatives	22,311	-
Operating and general administrative expenses	210,528	211,269
Other ordinary expenses	5,565	7,069
Interest expenses	3,429	3,869
Increase in allowance for doubtful accounts	-	21
Losses on bad debts	29	20
Equity in losses of affiliates	448	1,288
Amortization of deferred assets under Article 113 of the Insurance Business Act	956	956
Ordinary profit	123,641	138,056

(Yen in millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)
Extraordinary gains	1,629	103
Gains on disposal of fixed assets	26	17
Other extraordinary gains	1,603	86
Extraordinary losses	2,184	2,011
Losses on disposal of fixed assets	524	122
Impairment losses on fixed assets	0	0
Provision for reserves under special laws	1,659	1,889
Provision for price fluctuation reserve	1,659	1,889
Income before income taxes and non-controlling interests	123,086	136,147
Income taxes - current	38,501	43,662
Income taxes - deferred	(4,191)	(9,665)
Total income taxes	34,309	33,997
Net income	88,776	102,150
Net income attributable to non-controlling interests	665	407
Net income attributable to owners of the parent	88,110	101,742

(Consolidated Statement of Comprehensive Income)

(Yen in millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)
Net income	88,776	102,150
Other comprehensive income		
Unrealized gains (losses) on available-for-sale securities	68,870	(35,499)
Deferred gains (losses) on hedge transactions	(374)	(2,221)
Foreign currency translation adjustments	(70,294)	(124,850)
Remeasurements of defined benefit plans	877	588
Share of other comprehensive income of affiliates accounted for by the equity method	640	(2,224)
Total other comprehensive income	(279)	(164,206)
Total comprehensive income	88,497	(62,056)
Comprehensive income attributable to:		
Owners of the parent	87,731	(61,265)
Non-controlling interests	765	(791)

(3) Notes regarding going concern assumption

Not applicable.

(4) Notes regarding significant changes in shareholders' equity

Not applicable.

3. Others

(1) Summary of Consolidated Business Results

(Yen in millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)	Increase (Decrease)	Rate of change
Ordinary income and expenses				%
Underwriting income	1,178,504	1,191,999	13,495	1.1
Net premiums written	919,342	920,890	1,547	0.2
Deposit premiums from policyholders	27,613	23,866	(3,746)	(13.6)
Life insurance premiums	219,040	235,719	16,679	7.6
Underwriting expenses	1,027,302	1,024,589	(2,713)	(0.3)
Net claims paid	440,039	461,935	21,895	5.0
Loss adjustment expenses	33,679	34,704	1,024	3.0
Agency commissions and brokerage	174,251	177,709	3,458	2.0
Maturity refunds to policyholders	39,725	31,769	(7,956)	(20.0)
Life insurance claims	167,256	134,731	(32,524)	(19.4)
Provision for outstanding claims	39,688	23,651	(16,037)	(40.4)
Provision for underwriting reserves	130,734	156,703	25,968	19.9
Investment income	193,815	176,859	(16,955)	(8.7)
Interest and dividends	121,503	126,883	5,380	4.4
Gains on trading securities	2,106	-	(2,106)	(100.0)
Gains on sales of securities	38,531	53,117	14,586	37.9
Gains on derivatives	-	3,273	3,273	-
Investment gains on separate accounts	14,647	1,656	(12,990)	(88.7)
Investment expenses	32,567	16,553	(16,013)	(49.2)
Losses on trading securities	-	5,659	5,659	-
Losses on sales of securities	2,571	2,152	(418)	(16.3)
Impairment losses on securities	2,089	810	(1,279)	(61.2)
Losses on derivatives	22,311	-	(22,311)	(100.0)
Operating and general administrative expenses	210,528	211,269	740	0.4
Other ordinary income and expenses	21,720	21,608	(111)	(0.5)
Equity in earnings (losses) of affiliates	(448)	(1,288)	(839)	-
Ordinary profit	123,641	138,056	14,414	11.7
Extraordinary gains and losses				
Extraordinary gains	1,629	103	(1,526)	(93.7)
Extraordinary losses	2,184	2,011	(173)	(7.9)
Extraordinary gains (losses)	(554)	(1,908)	(1,353)	-
Income before income taxes and non-controlling interests	123,086	136,147	13,061	10.6
Income taxes - current	38,501	43,662	5,161	13.4
Income taxes - deferred	(4,191)	(9,665)	(5,473)	-
Total income taxes	34,309	33,997	(312)	(0.9)
Net income	88,776	102,150	13,373	15.1
Net income attributable to non-controlling interests	665	407	(258)	(38.8)
Net income attributable to owners of the parent	88,110	101,742	13,631	15.5

(2) Premiums written and claims paid by lines of business

Direct premiums written including deposit premiums from policyholders

(Yen in millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)			Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	145,991	15.1	0.6	146,261	15.1	0.2
Hull and cargo	27,890	2.9	(0.6)	28,796	3.0	3.2
Personal accident	95,949	9.9	(5.7)	92,943	9.6	(3.1)
Voluntary automobile	351,433	36.3	3.6	354,607	36.6	0.9
Compulsory automobile liability	74,167	7.7	1.9	70,115	7.2	(5.5)
Others	271,385	28.1	9.7	276,637	28.5	1.9
Total	966,818	100.0	3.5	969,361	100.0	0.3
Deposit premiums from policyholders	27,613	2.9	(9.7)	23,866	2.5	(13.6)

Net premiums written

(Yen in millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)			Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	127,370	13.9	(1.4)	136,210	14.8	6.9
Hull and cargo	28,978	3.2	7.6	30,108	3.3	3.9
Personal accident	70,399	7.7	(2.1)	70,914	7.7	0.7
Voluntary automobile	367,990	40.0	0.9	363,116	39.4	(1.3)
Compulsory automobile liability	74,797	8.1	11.4	65,111	7.1	(12.9)
Others	249,806	27.2	6.6	255,429	27.7	2.3
Total	919,342	100.0	2.8	920,890	100.0	0.2

Net claims paid

(Yen in millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)			Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	64,945	14.8	9.0	79,611	17.2	22.6
Hull and cargo	13,649	3.1	2.9	13,070	2.8	(4.2)
Personal accident	22,636	5.1	(8.8)	26,573	5.8	17.4
Voluntary automobile	190,390	43.3	5.6	194,871	42.2	2.4
Compulsory automobile liability	52,996	12.0	(6.7)	53,329	11.5	0.6
Others	95,422	21.7	6.2	94,478	20.5	(1.0)
Total	440,039	100.0	3.6	461,935	100.0	5.0

(3) Securities

1. Bonds held to maturity

(Yen in millions)

	As of March 31, 2018			As of June 30, 2018		
	Carrying amount shown on balance sheet	Fair value	Unrealized gains (losses)	Carrying amount shown on balance sheet	Fair value	Unrealized gains (losses)
Domestic debt securities	4,746,427	5,434,341	687,914	4,745,073	5,449,111	704,038
Foreign securities	38,751	38,570	(180)	38,037	37,928	(109)
Total	4,785,178	5,472,911	687,733	4,783,110	5,487,040	703,929

2. Bonds earmarked for underwriting reserves

(Yen in millions)

	As of March 31, 2018			As of June 30, 2018		
	Carrying amount shown on balance sheet	Fair value	Unrealized gains (losses)	Carrying amount shown on balance sheet	Fair value	Unrealized gains (losses)
Domestic debt securities	22,619	23,664	1,044	164,973	166,362	1,388
Foreign securities	15,560	15,562	2	15,437	15,343	(94)
Total	38,180	39,227	1,046	180,411	181,705	1,294

3. Available-for-sale securities

(Yen in millions)

	As of March 31, 2018			As of June 30, 2018		
	Cost	Fair value shown on balance sheet	Unrealized gains (losses)	Cost	Fair value shown on balance sheet	Unrealized gains (losses)
Domestic debt securities	3,545,314	3,941,269	395,954	3,502,913	3,901,481	398,567
Domestic equity securities	628,126	2,638,653	2,010,527	613,053	2,640,451	2,027,398
Foreign securities	4,208,288	4,387,326	179,037	4,313,134	4,431,926	118,792
Others	1,278,523	1,308,633	30,109	1,320,377	1,338,779	18,402
Total	9,660,253	12,275,882	2,615,629	9,749,478	12,312,639	2,563,160

(Note) 1. Available-for-sale securities whose fair value cannot be measured reliably are not included in the table above.

2. As of March 31, 2018, "Others" includes negotiable certificates of deposit (cost 36,032 million yen, fair value 36,032 million yen) which are presented as Cash and bank deposits on the consolidated balance sheet, and foreign mortgage securities, etc. (cost 1,223,941 million yen, fair value 1,250,676 million yen, unrealized gains 26,734 million yen) which are presented as Monetary receivables bought on the consolidated balance sheet.

As of June 30, 2018, "Others" includes negotiable certificates of deposit (cost 32,950 million yen, fair value 32,950 million yen) which are presented as Cash and bank deposits on the consolidated balance sheet, and foreign mortgage securities, etc. (cost 1,268,006 million yen, fair value 1,282,979 million yen, unrealized gains 14,973 million yen) which are presented as Monetary receivables bought on the consolidated balance sheet.

3. For the fiscal year 2017, impairment losses of 7,121 million yen (Domestic equity securities 296 million yen, Foreign securities 4,321 million yen, Others 2,502 million yen) were recognized for Available-for-sale securities with fair value.

For the three months ended June 30, 2018, impairment losses of 1,224 million yen (Domestic equity securities 476 million yen, Foreign securities 283 million yen, Others 464 million yen) were recognized for Available-for-sale securities with fair value.

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

(4) Derivative transactions

(Yen in millions)

	As of March 31, 2018			As of June 30, 2018		
	Principal amount	Fair value	Unrealized gains (losses)	Principal amount	Fair value	Unrealized gains (losses)
Foreign currency-related instruments						
Currency futures						
Short	1,960	-	-	1,948	-	-
Long	659	-	-	432	-	-
Foreign exchange forwards						
Short	662,431	2,227	2,227	541,063	4,462	4,462
Long	137,817	(1,782)	(1,782)	41,377	6	6
Currency swaps	12,045	-	-	3,961	-	-
Interest rate-related instruments						
Interest rate futures						
Short	183,507	133	133	356,506	385	385
Long	574	-	-	601	-	-
Interest rate swaps	2,944,185	21,642	21,642	2,788,303	18,540	18,540
Equity-related instruments						
Equity index futures						
Short	12,294	(180)	(180)	15,644	244	244
Long	2,704	(11)	(11)	1,988	(24)	(24)
Equity forwards						
Short	392	38	38	392	51	51
Equity index options						
Short	117,884			112,180		
	[3,084]	8,343	(5,259)	[3,075]	5,004	(1,928)
Long	158,032			158,489		
	[10,677]	16,078	5,401	[11,032]	11,037	5
Bond-related instruments						
Bond futures						
Short	24,119	60	60	129,460	(990)	(990)
Long	122,590	1,237	1,237	33,181	11	11
Bond future options						
Short	11			31		
	[2]	0	1	[3]	1	2
Bond over-the-counter options						
Short	20,950			20,908		
	[14]	13	0	[7]	8	(1)
Long	20,950			20,908		
	[64]	40	(23)	[59]	36	(22)
Commodity-related instruments						
Commodity futures						
Short	786	-	-	339	-	-
Long	322	-	-	543	-	-
Commodity swaps	934	(86)	(86)	518	(86)	(86)
Others						
Natural catastrophe derivatives						
Short	60,029			51,581		
	[7,278]	5,502	1,775	[7,284]	5,482	1,802
Long	73,274			63,872		
	[9,651]	7,879	(1,772)	[9,120]	7,012	(2,107)
Weather derivatives						
Short	13			18		
	[1]	0	0	[1]	0	0
Others						
Short	22,600			21,248		
	[2,599]	2,147	452	[2,443]	1,859	583
Long	12,016			11,266		
	[1,169]	1,289	120	[1,099]	1,168	68
Total	—	64,574	23,974	—	54,213	21,005

(Note) 1. For option contracts, option premiums are denoted with [].

2. Transactions to which hedge accounting is applied are not included in the table above.

(5) Financial results of major consolidated subsidiaries**Reference : Tokio Marine & Nichido Fire Insurance Co., Ltd. (non-consolidated)**

Balance sheet

(Yen in millions)

	As of March 31, 2018		As of June 30, 2018		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
Assets		%		%	
Cash and bank deposits	243,440	2.52	310,159	3.21	66,719
Call loans	135,000	1.40	50,000	0.52	(85,000)
Receivables under resale agreements	4,999	0.05	4,999	0.05	0
Receivables under securities borrowing transactions	89,599	0.93	61,283	0.63	(28,315)
Monetary receivables bought	69,087	0.71	92,430	0.96	23,343
Money trusts	214,101	2.21	9,377	0.10	(204,723)
Securities	7,791,008	80.57	8,036,196	83.12	245,188
Loans	257,253	2.66	253,730	2.62	(3,522)
Tangible fixed assets	208,308	2.15	207,030	2.14	(1,278)
Intangible fixed assets	523	0.01	523	0.01	(0)
Other assets	650,033	6.72	635,453	6.57	(14,580)
Prepaid pension costs	7,222	0.07	7,305	0.08	83
Customers' liabilities under acceptances and guarantees	2,345	0.02	2,345	0.02	-
Allowance for doubtful accounts	(3,089)	(0.03)	(3,134)	(0.03)	(44)
Total assets	9,669,833	100.00	9,667,702	100.00	(2,131)
Liabilities					
Insurance liabilities	5,408,287	55.93	5,444,689	56.32	36,402
Outstanding claims	931,809		929,594		(2,214)
Underwriting reserves	4,476,477		4,515,094		38,617
Corporate bonds	10,900	0.11	10,400	0.11	(500)
Other liabilities	687,644	7.11	691,075	7.15	3,430
Income taxes payable	29,391		27,865		(1,526)
Lease obligations	2,761		2,753		(7)
Asset retirement obligations	3,393		3,420		27
Other liabilities	652,097		657,035		4,937
Provision for retirement benefits	205,939	2.13	207,802	2.15	1,863
Provision for employees' bonus	18,702	0.19	9,132	0.09	(9,569)
Reserves under special laws	91,437	0.95	92,786	0.96	1,349
Price fluctuation reserve	91,437		92,786		1,349
Deferred tax liabilities	209,025	2.16	200,315	2.07	(8,709)
Acceptances and guarantees	2,345	0.02	2,345	0.02	-
Total liabilities	6,634,281	68.61	6,658,548	68.87	24,267
Net assets					
Share capital	101,994	1.05	101,994	1.06	-
Capital surplus	133,625	1.38	133,625	1.38	-
Additional paid-in capital	123,521		123,521		-
Other capital surplus	10,104		10,104		-
Retained earnings	1,178,018	12.18	1,149,600	11.89	(28,417)
Surplus reserve	81,099		81,099		-
Other retained earnings	1,096,918		1,068,501		(28,417)
Reserve for special depreciation	15		15		-
Reserve for advanced depreciation of fixed assets	24,655		24,655		-
Special reserves	235,426		235,426		-
Retained earnings carried forward	836,822		808,404		(28,417)
Total shareholders' equity	1,413,638	14.62	1,385,221	14.33	(28,417)
Unrealized gains (losses) on available-for-sale securities	1,623,584	16.79	1,633,840	16.90	10,256
Deferred gains (losses) on hedge transactions	(1,670)	(0.02)	(9,907)	(0.10)	(8,237)
Total valuation and translation adjustments	1,621,913	16.77	1,623,932	16.80	2,018
Total net assets	3,035,552	31.39	3,009,153	31.13	(26,398)
Total liabilities and net assets	9,669,833	100.00	9,667,702	100.00	(2,131)

Reference : Tokio Marine & Nichido Fire Insurance Co., Ltd. (non-consolidated)

Statement of income

(Yen in millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)	Increase (Decrease)
Ordinary income	712,887	678,277	(34,610)
Underwriting income	589,863	586,992	(2,871)
Net premiums written	551,528	551,203	(324)
Deposit premiums from policyholders	27,153	23,402	(3,751)
Investment income on deposit premiums	10,878	10,212	(666)
Reversal of outstanding claims	-	2,155	2,155
Investment income	119,948	88,836	(31,112)
Interest and dividends	94,166	51,928	(42,238)
Gains on money trusts	1,289	36	(1,253)
Gains on sales of securities	34,273	44,902	10,629
Transfer of investment income on deposit premiums	(10,878)	(10,212)	666
Other ordinary income	3,075	2,448	(627)
Ordinary expenses	568,879	576,750	7,871
Underwriting expenses	486,805	490,801	3,995
Net claims paid	282,577	293,216	10,639
Loss adjustment expenses	26,286	27,297	1,011
Agency commissions and brokerage	99,126	101,093	1,966
Maturity refunds to policyholders	38,064	30,370	(7,694)
Provision for outstanding claims	1,045	-	(1,045)
Provision for underwriting reserves	39,535	38,617	(918)
Investment expenses	3,791	5,868	2,076
Losses on money trusts	2,372	1,820	(552)
Losses on sales of securities	27	127	100
Impairment losses on securities	13	268	254
Operating and general administrative expenses	76,444	77,954	1,510
Other ordinary expenses	1,837	2,126	289
Interest expenses	1,604	1,999	394
Ordinary profit	144,008	101,526	(42,482)
Extraordinary gains	1,395	13	(1,382)
Gains on disposal of fixed assets	12	6	(5)
Gains on liquidation of subsidiaries and affiliates	1,383	6	(1,376)
Extraordinary losses	1,393	1,469	76
Losses on disposal of fixed assets	138	120	(18)
Impairment losses on fixed assets	0	-	(0)
Provision for reserves under special laws	1,254	1,349	95
Provision for price fluctuation reserve	1,254	1,349	95
Income before income taxes	144,010	100,069	(43,940)
Income taxes - current	28,558	32,154	3,595
Income taxes - deferred	(4,654)	(9,588)	(4,934)
Total income taxes	23,904	22,566	(1,338)
Net income	120,105	77,503	(42,602)

Underwriting profit	34,549	25,878	(8,671)
Loss ratio (W/P basis)	56.0 %	58.1 %	2.1 %
Expense ratio (W/P basis)	30.3	30.8	0.5
Combined ratio (W/P basis)	86.3	89.0	2.6
Loss ratio (private sector, E/I basis)	55.7	56.4	0.7
Expense ratio (private sector)	32.0	32.0	0.0
Combined ratio (private sector)	87.6	88.4	0.7

Reference : Tokio Marine & Nichido Fire Insurance Co., Ltd. (non-consolidated)

Underwriting

Direct premiums written excluding deposit premiums from policyholders

(Yen in millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)			Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	80,309	13.3	2.1	79,149	13.0	(1.4)
Hull and cargo	15,810	2.6	0.0	17,097	2.8	8.1
Personal accident	57,318	9.5	(4.7)	58,901	9.7	2.8
Voluntary automobile	270,093	44.7	1.5	271,168	44.5	0.4
Compulsory automobile liability	69,141	11.4	2.5	65,321	10.7	(5.5)
Others	111,344	18.4	13.9	117,571	19.3	5.6
Total	604,017	100.0	3.1	609,211	100.0	0.9
Deposit premiums from policyholders	27,153	-	(9.6)	23,402	-	(13.8)

Net premiums written

(Yen in millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)			Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	63,570	11.5	5.4	64,978	11.8	2.2
Hull and cargo	14,941	2.7	(3.0)	16,119	2.9	7.9
Personal accident	56,004	10.2	(4.9)	57,603	10.5	2.9
Voluntary automobile	269,356	48.8	1.5	270,561	49.1	0.4
Compulsory automobile liability	69,854	12.7	11.7	60,988	11.1	(12.7)
Others	77,800	14.1	12.8	80,950	14.7	4.0
Total	551,528	100.0	3.8	551,203	100.0	(0.1)

Net claims paid

(Yen in millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)			Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)		
	Amount	Rate of change	Loss ratio	Amount	Rate of change	Loss ratio
		%	%		%	%
Fire and allied lines	33,170	3.9	54.5	40,349	21.6	64.7
Hull and cargo	7,681	2.7	55.0	7,576	(1.4)	50.2
Personal accident	20,274	0.3	40.2	19,989	(1.4)	39.2
Voluntary automobile	139,057	3.1	57.2	141,987	2.1	58.1
Compulsory automobile liability	49,480	(6.7)	77.6	49,859	0.8	89.5
Others	32,912	(1.2)	45.3	33,454	1.6	44.5
Total	282,577	0.6	56.0	293,216	3.8	58.1

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

Reference : Tokio Marine & Nichido Fire Insurance Co., Ltd. (non-consolidated)

Solvency margin ratio (non-consolidated)

(Yen in millions)

	As of March 31, 2018	As of June 30, 2018
(A) Total amount of solvency margin	5,142,318	5,280,009
Shareholders' equity less adjusting items	1,307,717	1,385,221
Price fluctuation reserve	91,437	92,786
Contingency reserve	4,139	4,379
Catastrophe loss reserve	1,116,234	1,132,135
General allowance for doubtful accounts	232	208
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions	2,020,068	2,032,764
Unrealized gains (losses) on land	209,758	209,708
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	392,731	422,804
(B) Total amount of risks $\sqrt{(R_1+R_2)^2+(R_3+R_4)^2+R_5+R_6}$	1,243,144	1,248,338
General insurance risk (R ₁)	180,982	181,700
Third sector insurance risk (R ₂)	-	-
Assumed interest rate risk (R ₃)	21,491	21,109
Asset management risk (R ₄)	1,009,717	1,015,968
Business administration risk (R ₅)	27,615	27,730
Catastrophe risk (R ₆)	168,559	167,732
(C) Solvency margin ratio $[(A)/\{(B)\times 1/2\}]\times 100$	827.3%	845.9%

(Note) Solvency margin ratio as of June 30, 2018 is calculated by methods which the company regards as reasonable in accordance with the Insurance Business Act and other related regulations. Simplified methods are applied; for example, the Catastrophe risk is calculated partially based on data as of March 31, 2018.

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

Balance sheet

(Yen in millions)

	As of March 31, 2018		As of June 30, 2018		Increase (Decrease)
	Amount	Composition ratio %	Amount	Composition ratio %	
Assets					
Cash and bank deposits	59,544	14.35	52,889	12.95	(6,655)
Securities	285,985	68.93	282,853	69.23	(3,132)
Loans	234	0.06	226	0.06	(8)
Tangible fixed assets	29,029	7.00	28,901	7.07	(127)
Intangible fixed assets	91	0.02	91	0.02	-
Other assets	26,104	6.29	29,589	7.24	3,484
Prepaid pension costs	1,510	0.36	1,478	0.36	(31)
Deferred tax assets	12,478	3.01	12,625	3.09	146
Allowance for doubtful accounts	(107)	(0.03)	(109)	(0.03)	(2)
Total assets	414,872	100.00	408,546	100.00	(6,325)
Liabilities					
Insurance liabilities	293,963	70.86	292,492	71.59	(1,471)
Outstanding claims	48,873		47,357		(1,516)
Underwriting reserves	245,090		245,134		44
Other liabilities	15,696	3.78	17,210	4.21	1,514
Income taxes payable	1,322		2,983		1,660
Asset retirement obligations	11		11		-
Other liabilities	14,362		14,215		(146)
Provision for retirement benefits	2,339	0.56	2,585	0.63	245
Provision for employees' bonus	559	0.13	-	-	(559)
Reserves under special laws	1,292	0.31	1,290	0.32	(1)
Price fluctuation reserve	1,292		1,290		(1)
Total liabilities	313,851	75.65	313,578	76.75	(273)
Net assets					
Share capital	20,389	4.91	20,389	4.99	-
Capital surplus	15,518	3.74	15,518	3.80	-
Additional paid-in capital	12,620		12,620		-
Other capital surplus	2,898		2,898		-
Retained earnings	26,522	6.39	19,515	4.78	(7,006)
Surplus reserve	7,769		7,769		-
Other retained earnings	18,753		11,746		(7,006)
Special reserves	8,840		-		(8,840)
Reserve for advanced depreciation of fixed assets	1,745		1,745		-
Retained earnings carried forward	8,167		10,000		1,833
Total shareholders' equity	62,430	15.05	55,423	13.57	(7,006)
Unrealized gains (losses) on available-for-sale securities	38,589	9.30	39,543	9.68	953
Total valuation and translation adjustments	38,589	9.30	39,543	9.68	953
Total net assets	101,020	24.35	94,967	23.25	(6,052)
Total liabilities and net assets	414,872	100.00	408,546	100.00	(6,325)

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

Statement of income

(Yen in millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)	Increase (Decrease)
Ordinary income	38,414	39,788	1,374
Underwriting income	37,895	39,264	1,368
Net premiums written	36,778	36,857	78
Deposit premiums from policyholders	459	464	4
Investment income on deposit premiums	441	422	(19)
Reversal of outstanding claims	175	1,516	1,341
Investment income	493	503	9
Interest and dividends	900	923	22
Gains on sales of securities	30	0	(30)
Transfer of investment income on deposit premiums	(441)	(422)	19
Other ordinary income	24	21	(3)
Ordinary expenses	36,465	35,997	(467)
Underwriting expenses	30,534	29,968	(565)
Net claims paid	18,227	19,540	1,312
Loss adjustment expenses	2,420	2,403	(17)
Agency commissions and brokerage	6,251	6,459	207
Maturity refunds to policyholders	1,661	1,399	(261)
Provision for underwriting reserves	1,890	44	(1,846)
Investment expenses	78	65	(12)
Losses on sales of securities	0	0	0
Operating and general administrative expenses	5,824	5,950	126
Other ordinary expenses	27	12	(15)
Ordinary profit	1,949	3,791	1,842
Extraordinary gains	1	206	205
Gains on disposal of fixed assets	1	0	(0)
Reversal of reserves under special laws	-	1	1
Reversal of price fluctuation reserve	-	1	1
Other extraordinary gains	-	204	204
Extraordinary losses	6	16	9
Losses on disposal of fixed assets	0	16	15
Provision for reserves under special laws	6	-	(6)
Provision for price fluctuation reserve	6	-	(6)
Income before income taxes	1,944	3,981	2,037
Income taxes - current	1,360	1,586	226
Income taxes - deferred	(803)	(499)	304
Total income taxes	556	1,086	530
Net income	1,388	2,894	1,506
Underwriting profit	2,051	3,805	1,754
Loss ratio (W/P basis)	56.1 %	59.5 %	3.4 %
Expense ratio (W/P basis)	32.6	33.4	0.8
Combined ratio (W/P basis)	88.8	92.9	4.2
Loss ratio (private sector, E/I basis)	54.5	53.2	(1.3)
Expense ratio (private sector)	34.0	34.1	0.1
Combined ratio (private sector)	88.5	87.3	(1.2)

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

Underwriting

Direct premiums written excluding deposit premiums from policyholders

(Yen in millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)			Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	6,277	16.1	6.0	6,736	17.0	7.3
Hull and cargo	-	-	-	-	-	-
Personal accident	2,404	6.2	(10.4)	2,234	5.6	(7.1)
Voluntary automobile	22,106	56.6	(0.6)	22,140	55.7	0.2
Compulsory automobile liability	5,025	12.9	(5.4)	4,794	12.1	(4.6)
Others	3,255	8.3	12.6	3,816	9.6	17.2
Total	39,069	100.0	0.1	39,723	100.0	1.7
Deposit premiums from policyholders	459	-	(11.9)	464	-	1.1

Net premiums written

(Yen in millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)			Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	4,283	11.6	11.1	4,760	12.9	11.1
Hull and cargo	0	0.0	(91.7)	(0)	(0.0)	(217.1)
Personal accident	2,383	6.5	(10.5)	2,218	6.0	(6.9)
Voluntary automobile	22,059	60.0	(0.6)	22,096	60.0	0.2
Compulsory automobile liability	4,871	13.2	7.1	4,055	11.0	(16.8)
Others	3,179	8.6	13.1	3,726	10.1	17.2
Total	36,778	100.0	1.9	36,857	100.0	0.2

Net claims paid

(Yen in millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)			Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)		
	Amount	Rate of change	Loss ratio	Amount	Rate of change	Loss ratio
		%	%		%	%
Fire and allied lines	2,524	34.6	62.1	3,576	41.7	78.2
Hull and cargo	4	3.2	4,716.8	0	(97.7)	-
Personal accident	957	8.3	43.7	964	0.7	47.4
Voluntary automobile	10,215	4.1	54.4	10,185	(0.3)	54.1
Compulsory automobile liability	3,459	(7.8)	77.3	3,404	(1.6)	91.1
Others	1,065	14.7	37.0	1,408	32.3	40.9
Total	18,227	5.6	56.1	19,540	7.2	59.5

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

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

Solvency margin ratio (non-consolidated)

(Yen in millions)

	As of March 31, 2018	As of June 30, 2018
(A) Total amount of solvency margin	170,887	176,521
Shareholders' equity less adjusting items	52,528	55,423
Price fluctuation reserve	1,292	1,290
Contingency reserve	-	-
Catastrophe loss reserve	65,396	65,774
General allowance for doubtful accounts	2	2
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions	47,195	48,371
Unrealized gains (losses) on land	900	961
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	3,571	4,696
(B) Total amount of risks $\sqrt{(R_1+R_2)^2+(R_3+R_4)^2+R_5+R_6}$	25,867	26,577
General insurance risk (R ₁)	12,484	12,533
Third sector insurance risk (R ₂)	-	-
Assumed interest rate risk (R ₃)	983	968
Asset management risk (R ₄)	13,941	14,112
Business administration risk (R ₅)	663	678
Catastrophe risk (R ₆)	5,746	6,290
(C) Solvency margin ratio $[(A)/\{(B)\times 1/2\}]\times 100$	1,321.2%	1,328.3%

(Note) Solvency margin ratio as of June 30, 2018 is calculated by methods which the company regards as reasonable in accordance with the Insurance Business Act and other related regulations. Simplified methods are applied; for example, the Catastrophe risk is calculated partially based on data as of March 31, 2018.

Reference : E.design Insurance Co., Ltd. (non-consolidated)

Balance sheet

(Yen in millions)

	As of March 31, 2018		As of June 30, 2018		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
Assets		%		%	
Cash and bank deposits	37,406	81.26	43,803	86.53	6,397
Tangible fixed assets	120	0.26	113	0.22	(6)
Intangible fixed assets	0	0.00	0	0.00	-
Other assets	8,508	18.48	6,707	13.25	(1,801)
Deferred assets under Article 113 of the Insurance Business Act	3,826		2,870		(956)
Other assets	4,682		3,837		(844)
Total assets	46,035	100.00	50,624	100.00	4,589
Liabilities					
Insurance liabilities	32,148	69.84	32,626	64.45	477
Outstanding claims	15,380		15,203		(176)
Underwriting reserves	16,768		17,422		653
Other liabilities	4,648	10.10	3,777	7.46	(870)
Income taxes payable	36		52		16
Suspense receipts	3,359		2,763		(596)
Lease obligations	24		21		(3)
Asset retirement obligations	49		49		0
Other liabilities	1,178		891		(287)
Provision for retirement benefits	177	0.39	187	0.37	9
Provision for employees' bonus	171	0.37	71	0.14	(99)
Deferred tax liabilities	1	0.00	0	0.00	(0)
Total liabilities	37,147	80.69	36,663	72.42	(484)
Net assets					
Share capital	26,653	57.90	29,303	57.88	2,649
Capital surplus	26,653	57.90	29,303	57.88	2,649
Additional paid-in capital	26,653		29,303		2,649
Retained earnings	(44,419)	(96.49)	(44,645)	(88.19)	(226)
Other retained earnings	(44,419)		(44,645)		(226)
Retained earnings carried forward	(44,419)		(44,645)		(226)
Total shareholders' equity	8,888	19.31	13,961	27.58	5,073
Total net assets	8,888	19.31	13,961	27.58	5,073
Total liabilities and net assets	46,035	100.00	50,624	100.00	4,589

Reference : E.design Insurance Co., Ltd. (non-consolidated)

Statement of income

(Yen in millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)	Increase (Decrease)
Ordinary income	7,281	7,831	549
Underwriting income	7,282	7,831	549
Net premiums written	7,279	7,651	372
Investment income on deposit premiums	3	3	0
Reversal of outstanding claims	-	176	176
Investment income	(2)	(3)	(0)
Interest and dividends	0	0	0
Transfer of investment income on deposit premiums	(3)	(3)	(0)
Other ordinary income	1	2	0
Ordinary expenses	8,475	8,018	(457)
Underwriting expenses	5,699	5,110	(589)
Net claims paid	3,702	3,950	247
Loss adjustment expenses	464	492	27
Agency commissions and brokerage	8	13	4
Provision for outstanding claims	577	-	(577)
Provision for underwriting reserves	946	653	(292)
Operating and general administrative expenses	1,818	1,950	132
Other ordinary expenses	956	957	0
Interest expenses	0	0	(0)
Amortization of deferred assets under Article 113 of the Insurance Business Act	956	956	-
Ordinary profit (loss)	(1,193)	(186)	1,007
Extraordinary losses	-	0	0
Income (loss) before income taxes	(1,193)	(186)	1,007
Income taxes - current	3	40	37
Income taxes - deferred	(0)	(0)	0
Total income taxes	2	39	37
Net income (loss)	(1,196)	(226)	970
Underwriting profit (loss)	(236)	771	1,007
Loss ratio (W/P basis)	57.3 %	58.1 %	0.8 %
Expense ratio (W/P basis)	25.1	25.7	0.6
Combined ratio (W/P basis)	82.4	83.7	1.4
Loss ratio (private sector, E/I basis)	72.7	59.8	(12.9)
Expense ratio (private sector)	25.4	25.9	0.5
Combined ratio (private sector)	98.1	85.7	(12.4)

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

Balance sheet

(Yen in millions)

	As of March 31, 2018		As of June 30, 2018		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
Assets		%		%	
Cash and bank deposits	89,089	1.23	85,256	1.17	(3,832)
Call loans	-	-	3	0.00	3
Receivables under securities borrowing transactions	30,880	0.43	11,254	0.15	(19,626)
Monetary receivables bought	146,997	2.04	138,998	1.90	(7,999)
Securities	6,712,287	93.05	6,850,364	93.76	138,076
Domestic government bonds	5,924,046		6,038,772		114,726
Domestic municipal bonds	17,269		20,405		3,136
Domestic corporate bonds	193,565		214,783		21,218
Domestic equity securities	235		39		(196)
Foreign securities	399,140		427,667		28,527
Others	178,031		148,695		(29,335)
Loans	90,512	1.25	91,358	1.25	845
Policy loans	90,512		91,358		845
Tangible fixed assets	1,183	0.02	1,155	0.02	(27)
Intangible fixed assets	27	0.00	27	0.00	-
Agency accounts receivable	344	0.00	298	0.00	(46)
Reinsurance accounts receivable	1,861	0.03	1,738	0.02	(122)
Other assets	141,623	1.96	126,678	1.73	(14,945)
Allowance for doubtful accounts	(832)	(0.01)	(762)	(0.01)	70
Total assets	7,213,975	100.00	7,306,370	100.00	92,395
Liabilities					
Insurance liabilities	6,224,983	86.29	6,299,286	86.22	74,303
Outstanding claims	59,041		63,042		4,000
Underwriting reserves	6,066,723		6,138,496		71,772
Reserve for dividends to policyholders	99,218		97,748		(1,469)
Agency accounts payable	7,407	0.10	4,787	0.07	(2,620)
Reinsurance accounts payable	2,440	0.03	2,166	0.03	(274)
Other liabilities	624,857	8.66	650,959	8.91	26,102
Payables under securities lending transactions	473,452		505,156		31,704
Income taxes payable	947		86		(861)
Lease obligations	135		116		(19)
Other liabilities	150,321		145,599		(4,721)
Provision for retirement benefits	6,292	0.09	6,484	0.09	191
Reserves under special laws	7,781	0.11	8,323	0.11	541
Price fluctuation reserve	7,781		8,323		541
Deferred tax liabilities	14,230	0.20	16,151	0.22	1,920
Total liabilities	6,887,994	95.48	6,988,159	95.64	100,164
Net assets					
Share capital	55,000	0.76	55,000	0.75	-
Capital surplus	55,095	0.76	55,095	0.75	-
Additional paid-in capital	41,860		41,860		-
Other capital surplus	13,235		13,235		-
Retained earnings	34,473	0.48	24,928	0.34	(9,544)
Surplus reserve	13,000		13,140		140
Other retained earnings	21,473		11,788		(9,684)
Retained earnings carried forward	21,473		11,788		(9,684)
Total shareholders' equity	144,568	2.00	135,024	1.85	(9,544)
Unrealized gains (losses) on available-for-sale securities	172,494	2.39	175,693	2.40	3,199
Deferred gains (losses) on hedge transactions	8,917	0.12	7,493	0.10	(1,424)
Total valuation and translation adjustments	181,411	2.51	183,186	2.51	1,775
Total net assets	325,980	4.52	318,210	4.36	(7,769)
Total liabilities and net assets	7,213,975	100.00	7,306,370	100.00	92,395

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

Statement of income

(Yen in millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)	Increase (Decrease)
Ordinary income	276,834	243,724	(33,110)
Insurance premiums and other	211,681	213,567	1,885
Insurance premiums	206,245	210,998	4,752
Investment income	63,959	29,250	(34,709)
Interest and dividends	23,747	22,765	(982)
Gains on sales of securities	85	1,308	1,223
Gains on derivatives	-	3,440	3,440
Foreign exchange gains	25,458	-	(25,458)
Investment gains on separate accounts	14,647	1,656	(12,990)
Other ordinary income	1,194	907	(287)
Ordinary expenses	272,124	236,923	(35,201)
Insurance claims and other	160,460	124,007	(36,452)
Insurance claims	12,460	11,171	(1,288)
Annuity payments	18,527	16,143	(2,384)
Benefits	62,898	40,078	(22,820)
Surrender benefits	58,966	50,296	(8,669)
Other refunds	3,334	3,547	213
Provision for underwriting reserves and other	53,192	75,773	22,580
Provision for outstanding claims	6,889	4,000	(2,889)
Provision for underwriting reserves	46,302	71,772	25,470
Interest on reserve for dividends to policyholders	0	0	0
Investment expenses	26,380	5,882	(20,497)
Interest expenses	375	306	(68)
Losses on sales of securities	13	30	17
Losses on derivatives	25,990	-	(25,990)
Foreign exchange losses	-	5,544	5,544
Operating expenses	29,577	28,847	(730)
Other ordinary expenses	2,512	2,411	(101)
Ordinary profit	4,710	6,800	2,090
Extraordinary losses	399	542	142
Provision for (Reversal of) reserve for dividends to policyholders	703	(242)	(946)
Income before income taxes	3,606	6,501	2,894
Income taxes - current	353	715	361
Income taxes - deferred	735	1,230	495
Total income taxes	1,089	1,945	856
Net income	2,517	4,555	2,037

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

Breakdown of ordinary profit (Core operating profit)

(Yen in millions)

		Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)	Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)	Increase (Decrease)
Core operating profit	A	7,042	9,107	2,064
Capital gains		25,592	4,258	(21,334)
Gains on sales of securities		85	1,308	1,223
Gains on derivatives		-	2,949	2,949
Foreign exchange gains		25,458	-	(25,458)
Other capital gains		48	-	(48)
Capital losses		26,485	6,280	(20,205)
Losses on sales of securities		13	30	17
Losses on derivatives		26,471	-	(26,471)
Foreign exchange losses		-	5,544	5,544
Other capital losses		-	704	704
Net capital gains (losses)	B	(892)	(2,021)	(1,129)
Core operating profit including net capital gains (losses)	A+B	6,149	7,085	935
Non-recurring losses		1,439	284	(1,155)
Provision of contingency reserves		1,381	272	(1,108)
Increase in specific allowance for doubtful accounts		58	11	(46)
Net non-recurring income (losses)	C	(1,439)	(284)	1,155
Ordinary profit	A+B+C	4,710	6,800	2,090

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

Amount of policies

Policies in force

(Number in thousands, yen in 100 millions)

	As of March 31, 2018				As of June 30, 2018			
	Number of policies		Amount		Number of policies		Amount	
		% to March 31, 2017		% to March 31, 2017		% to March 31, 2018		% to March 31, 2018
Individual insurance	5,138	104.5	285,025	107.1	5,176	100.8	288,189	101.1
Individual annuities	568	89.0	24,848	88.3	551	97.1	24,205	97.4
Group insurance	-	-	23,830	93.5	-	-	23,591	99.0
Group annuities	-	-	32	96.4	-	-	31	98.3

New policies

(Number in thousands, yen in 100 millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)				Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)			
	Number of policies		Amount		Number of policies		Amount	
		% to June 30, 2016		% to June 30, 2016		% to June 30, 2017		% to June 30, 2017
Individual insurance	100	77.6	7,154	100.9	101	100.9	9,380	131.1
Individual annuities	-	-	-	-	-	-	-	-
Group insurance	-	-	48	205.1	-	-	21	43.9
Group annuities	-	-	-	-	-	-	-	-

Annualized premiums

Policies in force

(Yen in 100 millions)

	As of March 31, 2018		As of June 30, 2018	
		% to March 31, 2017		% to March 31, 2018
Individual insurance	6,908	108.5	6,964	100.8
Individual annuities	1,619	83.3	1,547	95.5
Total	8,527	102.6	8,511	99.8
Medical coverage, accelerated death benefits, etc.	1,773	108.6	1,800	101.5
Medical and cancer	1,517	108.2	1,539	101.5

New policies

(Yen in 100 millions)

	Three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)		Three months ended June 30, 2018 (April 1, 2018 to June 30, 2018)	
		% to June 30, 2016		% to June 30, 2017
Individual insurance	213	91.4	203	95.5
Individual annuities	-	-	-	-
Total	213	86.3	203	95.5
Medical coverage, accelerated death benefits, etc.	49	87.4	49	99.1
Medical and cancer	41	81.2	40	98.4

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

Solvency margin ratio (non-consolidated)

(Yen in millions)

	As of March 31, 2018	As of June 30, 2018
(A) Total amount of solvency margin	782,623	796,606
Shareholders' equity less adjusting items	130,468	134,900
Price fluctuation reserve	7,781	8,323
Contingency reserve	51,093	51,366
General allowance for doubtful accounts	463	383
(Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions) × 90%	215,617	219,617
Unrealized gains (losses) on land × 85%	-	-
Excess of continued Zillmerized reserve	319,252	319,631
Subordinated debt, etc.	100,000	100,000
Amounts within "Excess of continued Zillmerized reserve" and "Subordinated debt, etc." not calculated into the margin	(137,387)	(133,620)
Deductions	-	-
Others	95,333	96,004
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	66,658	73,022
Insurance risk (R ₁)	16,464	16,473
Third sector insurance risk (R ₈)	5,763	5,860
Assumed interest rate risk (R ₂)	4,985	5,007
Minimum guarantee risk (R ₇)	2,833	2,779
Asset management risk (R ₃)	53,253	59,844
Business administration risk (R ₄)	1,666	1,799
(C) Solvency margin ratio $[(A)/\{(B) \times 1/2\}] \times 100$	2,348.1%	2,181.7%

Glossary of terminology

- Underwriting profit

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

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

- 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 period - 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 period (*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 period.

- 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)

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

- Amount of New policies
 - Individual insurance and group insurance
 - Total amount of death benefits under new policies issued during the current period.
 - Individual annuities
 - Amount of funds for annuity payments that is expected to have accrued at the commencement of annuity payments for new policies issued during the current period.
 - Group annuities
 - First installment of premium payments.

- Annualized premiums

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

- Medical coverage, accelerated death benefits, etc.

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

- Solvency margin ratio
 - In addition to reserves to cover claim payments, payments for maturity refunds of saving type insurance policies, etc., it is necessary for insurance companies to maintain sufficient solvency in order to cover risks that exceed normal estimates, e. g. occurrences of a major catastrophe, a significant decline in value of assets held by insurance companies.
 - (C) Solvency margin ratio is the ratio of (A) Total amount of solvency margin (i.e. solvency of insurance companies in terms of their capital, reserves, etc.) to (B) Total amount of risks (i.e. risks that exceed normal estimates), which is calculated in accordance with the Insurance Business Act.

- "Risks that exceed normal estimates" is composed of risks described below.
 - ① (General) insurance risk, third sector insurance risk: risk that insurance claims occur in excess of normal estimates excluding catastrophe risk.
 - ② Assumed interest rate risk: risk that invested assets fail to yield assumed interest rates due to factors such as downturn of investment conditions.
 - ③ Minimum guarantee risk: risk that value of assets related to the minimum guarantee for benefits of insurance contracts which are managed as a separate account fluctuates in excess of normal estimates and falls below the minimum guaranteed benefits when they are to be paid.
 - ④ Asset management risk: risk that prices of retained securities and other assets fluctuate in excess of normal estimates.
 - ⑤ Business administration risk: risk that occurs in excess of normal estimates and does not fall under other categories.
 - ⑥ Catastrophe risk: risk that a major catastrophe in excess of normal estimates which is equivalent to the Great Kanto Earthquake or Isewan typhoon occurs.
- Solvency of insurance companies in terms of their capital, reserves, etc. ((A) Total amount of solvency margin) is the total amount of net assets excluding planned outflows, certain reserves (e. g. price fluctuation reserve, contingency reserve, catastrophe loss reserve, etc.) and part of unrealized gains (losses) on land.
- Solvency margin ratio is one of the objective indicators used by the regulatory authority to supervise insurance companies. A ratio exceeding 200% indicates sufficient solvency to fulfill payment obligations such as insurance claims.