

Summary of Consolidated Business Results of Tokio Marine Holdings, Inc. under Japanese GAAP for the nine months ended December 31, 2018



MEMBERSHIP
February 14, 2019

Company Name: Tokio Marine Holdings, Inc. (the "Company")
Securities Code Number: 8766
(URL: <https://www.tokiomarinehd.com/en/>)
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Scheduled date to file Quarterly Securities Report: February 14, 2019
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 nine months ended December 31, 2018 (April 1, 2018 to December 31, 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	%
Nine months ended December 31, 2018	4,109,611	0.4	309,239	30.3	221,654	39.1
Nine months ended December 31, 2017	4,094,112	7.4	237,290	(24.9)	159,333	(30.2)

(Note) Comprehensive income:

Nine months ended December 31, 2018	(108,483) million yen	- %
Nine months ended December 31, 2017	504,937 million yen	32,289.8 %

	Net income per share - Basic	Net income per share - Diluted
	yen	yen
Nine months ended December 31, 2018	308.03	307.79
Nine months ended December 31, 2017	213.52	213.34

(2) Consolidated Financial Conditions

	Total assets	Net assets	Ratio of equity capital to total assets
	million yen	million yen	%
As of December 31, 2018	23,274,523	3,492,588	14.9
As of March 31, 2018	22,929,935	3,835,536	16.6

(Reference) Equity capital:

As of December 31, 2018	3,462,844 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	-	160.00	-		
Fiscal year 2018 (Forecast)				90.00	250.00

(Note) 1.Revision to the latest dividend forecast: None

2.Breakdown of interim dividend Ordinary dividend 90yen
One-time dividend for the capital level adjustment 70yen(*)

*The Company resolved additional shareholder return of around 100.0 billion yen, which consists of one-time dividend for the capital level adjustment (total amount of 50.1 billion yen) and share repurchases (up to 50.0 billion yen).

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	455,000	31.9	320,000	12.6	445.56

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

*** Notes**

(1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 2018 719,700,000 shares

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

(b) Number of treasury stock held

As of December 31, 2018 5,635,724 shares

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

(c) Average number of shares outstanding

During the nine months ended December 31, 2018 719,570,754 shares

During the nine months ended December 31, 2017 746,197,598 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 nine months ended December 31, 2018

(1) Qualitative information concerning Consolidated Results of Operations

During the nine months ended December 31, 2018, the world economy as a whole made steady progress due to the economic expansion in the U.S. which mainly came from strong consumer spending. In contrast, concerns about the outlook for the world economy escalated along with the global stock plunge, reflecting the intensifying trade friction between the U.S. and China and the political deterioration in Europe.

In Japan, despite the downturn caused by natural disasters, the economy gradually improved due to recovery in consumer spending and exports in addition to steady capital expenditures.

Under these circumstances, as a result of our efforts to expand our business, which is centered on non-life insurance and life insurance, our consolidated results of operations for the nine months ended December 31, 2018 were as follows:

Ordinary income increased by 15.4 billion yen to 4,109.6 billion yen from the same period in the previous fiscal year, the main components of which were Underwriting income of 3,567.9 billion yen and Investment income of 452.8 billion yen. Ordinary expenses decreased by 56.4 billion yen to 3,800.3 billion yen from the same period in the previous fiscal year, the main components of which were Underwriting expenses of 3,081.7 billion yen, Investment expenses of 55.0 billion yen, and Operating and general administrative expenses of 642.1 billion yen.

As a result, Ordinary profit increased by 71.9 billion yen to 309.2 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 62.3 billion yen to 221.6 billion yen from the same period in the previous fiscal year.

(2) Qualitative information concerning Consolidated Financial Conditions

As of December 31, 2018, consolidated total assets increased by 344.5 billion yen to 23,274.5 billion yen from that as of March 31, 2018, mainly due to the expansion of our domestic and international insurance businesses.

(3) Qualitative information concerning Consolidated Business Forecasts

The Company's consolidated business forecasts for the fiscal year 2018 are 455.0 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 disclosed in the Summary of Consolidated Business Results on November 19, 2018.

2. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheet

(Yen in millions)

	As of March 31, 2018	As of December 31, 2018
Assets		
Cash and bank deposits	733,832	858,319
Call loans	135,000	2
Receivables under resale agreements	4,999	999
Receivables under securities borrowing transactions	30,880	13,339
Monetary receivables bought	1,252,343	1,545,747
Money trusts	214,101	2,073
Securities	16,629,902	16,690,642
Loans	1,011,880	1,044,858
Tangible fixed assets	289,116	290,185
Intangible fixed assets	798,003	786,609
Other assets	1,801,286	2,011,791
Net defined benefit assets	8,019	8,476
Deferred tax assets	30,889	31,648
Customers' liabilities under acceptances and guarantees	2,345	2,230
Allowance for doubtful accounts	(12,667)	(12,402)
Total assets	22,929,935	23,274,523
Liabilities		
Insurance liabilities	16,266,467	16,792,781
Outstanding claims	2,973,350	3,164,809
Underwriting reserves	13,293,117	13,627,972
Corporate bonds	59,766	58,762
Other liabilities	1,927,760	2,220,847
Net defined benefit liabilities	255,588	259,219
Provision for employees' bonus	65,752	47,491
Reserves under special laws	100,511	106,567
Reserve for price fluctuation	100,511	106,567
Deferred tax liabilities	366,835	252,335
Negative goodwill	49,369	41,697
Acceptances and guarantees	2,345	2,230
Total liabilities	19,094,398	19,781,934
Net assets		
Shareholders' equity		
Share capital	150,000	150,000
Retained earnings	1,837,908	1,740,825
Treasury stock	(114,446)	(29,603)
Total shareholders' equity	1,873,461	1,861,222
Accumulated other comprehensive income		
Unrealized gains (losses) on available-for-sale securities	1,864,865	1,547,611
Deferred gains (losses) on hedge transactions	10,829	8,347
Foreign currency translation adjustments	76,081	63,889
Remeasurements of defined benefit plans	(20,044)	(18,226)
Total accumulated other comprehensive income	1,931,732	1,601,622
Stock acquisition rights	2,552	2,275
Non-controlling interests	27,789	27,469
Total net assets	3,835,536	3,492,588
Total liabilities and net assets	22,929,935	23,274,523

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

(Yen in millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)	Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)
Ordinary income	4,094,112	4,109,611
Underwriting income	3,505,824	3,567,976
Net premiums written	2,715,787	2,748,087
Deposit premiums from policyholders	76,627	64,515
Investment income on deposit premiums	33,739	31,433
Life insurance premiums	676,444	720,690
Investment income	506,412	452,879
Interest and dividends	343,241	376,216
Gains on money trusts	4,856	12
Gains on trading securities	-	5,823
Gains on sales of securities	100,528	94,455
Gains on redemption of securities	910	1,247
Investment gains on separate accounts	37,411	-
Transfer of investment income on deposit premiums	(33,739)	(31,433)
Other ordinary income	81,875	88,756
Amortization of negative goodwill	7,671	7,671
Ordinary expenses	3,856,822	3,800,372
Underwriting expenses	3,142,212	3,081,719
Net claims paid	1,412,063	1,595,331
Loss adjustment expenses	101,093	105,644
Agency commissions and brokerage	524,399	532,743
Maturity refunds to policyholders	132,496	113,360
Dividends to policyholders	39	26
Life insurance claims	424,005	379,870
Provision for outstanding claims	231,795	192,468
Provision for underwriting reserves	310,171	158,968
Investment expenses	65,658	55,068
Losses on money trusts	6,145	1,540
Losses on trading securities	388	-
Losses on sales of securities	8,620	12,029
Impairment losses on securities	5,630	5,317
Losses on redemption of securities	906	527
Losses on derivatives	38,234	4,518
Investment losses on separate accounts	-	15,112
Operating and general administrative expenses	632,109	642,107
Other ordinary expenses	16,842	21,476
Interest expenses	9,974	12,680
Increase in allowance for doubtful accounts	474	345
Losses on bad debts	97	214
Equity in losses of affiliates	1,323	2,093
Amortization of deferred assets under Article 113 of the Insurance Business Act	2,870	2,870
Ordinary profit	237,290	309,239

(Yen in millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)	Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)
Extraordinary gains	1,735	4,286
Gains on disposal of fixed assets	120	911
Gains on step acquisitions	-	2,976
Other extraordinary gains	1,615	398
Extraordinary losses	6,715	8,230
Losses on disposal of fixed assets	1,356	802
Impairment losses on fixed assets	97	1,372
Provision for reserves under special laws	5,257	6,056
Provision for reserve for price fluctuation	5,257	6,056
Other extraordinary losses	4	-
Income before income taxes and non-controlling interests	232,310	305,295
Income taxes - current	82,194	81,047
Income taxes - deferred	(10,773)	1,382
Total income taxes	71,420	82,430
Net income	160,889	222,865
Net income attributable to non-controlling interests	1,555	1,211
Net income attributable to owners of the parent	159,333	221,654

(Consolidated Statement of Comprehensive Income)

(Yen in millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)	Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)
Net income	160,889	222,865
Other comprehensive income		
Unrealized gains (losses) on available-for-sale securities	393,330	(317,668)
Deferred gains (losses) on hedge transactions	(2,164)	(2,481)
Foreign currency translation adjustments	(51,451)	(9,943)
Remeasurements of defined benefit plans	2,631	1,822
Share of other comprehensive income of affiliates accounted for by the equity method	1,701	(3,078)
Total other comprehensive income	344,048	(331,348)
Total comprehensive income	504,937	(108,483)
Comprehensive income attributable to:		
Owners of the parent	502,393	(108,514)
Non-controlling interests	2,543	30

(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)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)	Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)	Increase (Decrease)	Rate of change
Ordinary income and expenses				%
Underwriting income	3,505,824	3,567,976	62,152	1.8
Net premiums written	2,715,787	2,748,087	32,299	1.2
Deposit premiums from policyholders	76,627	64,515	(12,111)	(15.8)
Life insurance premiums	676,444	720,690	44,245	6.5
Underwriting expenses	3,142,212	3,081,719	(60,492)	(1.9)
Net claims paid	1,412,063	1,595,331	183,268	13.0
Loss adjustment expenses	101,093	105,644	4,551	4.5
Agency commissions and brokerage	524,399	532,743	8,344	1.6
Maturity refunds to policyholders	132,496	113,360	(19,136)	(14.4)
Life insurance claims	424,005	379,870	(44,135)	(10.4)
Provision for outstanding claims	231,795	192,468	(39,327)	(17.0)
Provision for underwriting reserves	310,171	158,968	(151,203)	(48.7)
Investment income	506,412	452,879	(53,533)	(10.6)
Interest and dividends	343,241	376,216	32,975	9.6
Gains on sales of securities	100,528	94,455	(6,072)	(6.0)
Investment gains on separate accounts	37,411	-	(37,411)	(100.0)
Investment expenses	65,658	55,068	(10,590)	(16.1)
Losses on sales of securities	8,620	12,029	3,408	39.5
Impairment losses on securities	5,630	5,317	(312)	(5.6)
Losses on derivatives	38,234	4,518	(33,715)	(88.2)
Investment losses on separate accounts	-	15,112	15,112	-
Operating and general administrative expenses	632,109	642,107	9,998	1.6
Other ordinary income and expenses	65,032	67,279	2,246	3.5
Equity in earnings (losses) of affiliates	(1,323)	(2,093)	(769)	-
Ordinary profit	237,290	309,239	71,949	30.3
Extraordinary gains and losses				
Extraordinary gains	1,735	4,286	2,550	146.9
Extraordinary losses	6,715	8,230	1,514	22.6
Extraordinary gains (losses)	(4,979)	(3,943)	1,036	-
Income before income taxes and non-controlling interests	232,310	305,295	72,985	31.4
Income taxes - current	82,194	81,047	(1,146)	(1.4)
Income taxes - deferred	(10,773)	1,382	12,156	-
Total income taxes	71,420	82,430	11,009	15.4
Net income	160,889	222,865	61,976	38.5
Net income attributable to non-controlling interests	1,555	1,211	(343)	(22.1)
Net income attributable to owners of the parent	159,333	221,654	62,320	39.1

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

Direct premiums written including deposit premiums from policyholders

(Yen in millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)			Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	467,340	16.0	7.3	484,489	16.3	3.7
Hull and cargo	93,096	3.2	10.5	92,614	3.1	(0.5)
Personal accident	243,497	8.3	(6.3)	231,071	7.8	(5.1)
Voluntary automobile	1,057,204	36.1	5.2	1,051,513	35.3	(0.5)
Compulsory automobile liability	211,770	7.2	(3.7)	208,550	7.0	(1.5)
Others	852,323	29.1	16.1	910,537	30.6	6.8
Total	2,925,233	100.0	6.8	2,978,776	100.0	1.8
Deposit premiums from policyholders	76,627	2.6	(16.5)	64,515	2.2	(15.8)

Net premiums written

(Yen in millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)			Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	395,035	14.5	4.2	417,521	15.2	5.7
Hull and cargo	82,023	3.0	13.9	81,786	3.0	(0.3)
Personal accident	169,643	6.2	0.6	168,761	6.1	(0.5)
Voluntary automobile	1,087,810	40.1	4.2	1,069,057	38.9	(1.7)
Compulsory automobile liability	230,977	8.5	3.1	214,366	7.8	(7.2)
Others	750,297	27.6	15.3	796,594	29.0	6.2
Total	2,715,787	100.0	7.0	2,748,087	100.0	1.2

Net claims paid

(Yen in millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)			Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	219,269	15.5	15.1	377,411	23.7	72.1
Hull and cargo	44,333	3.1	11.6	46,443	2.9	4.8
Personal accident	77,237	5.5	6.4	76,964	4.8	(0.4)
Voluntary automobile	589,101	41.7	7.0	611,316	38.3	3.8
Compulsory automobile liability	167,053	11.8	(3.1)	165,145	10.4	(1.1)
Others	315,068	22.3	16.6	318,049	19.9	0.9
Total	1,412,063	100.0	8.9	1,595,331	100.0	13.0

(3) Securities

1. Bonds held to maturity

(Yen in millions)

	As of March 31, 2018			As of December 31, 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	4,720,588	5,418,702	698,113
Foreign securities	38,751	38,570	(180)	40,452	40,138	(314)
Total	4,785,178	5,472,911	687,733	4,761,041	5,458,840	697,798

2. Bonds earmarked for underwriting reserves

(Yen in millions)

	As of March 31, 2018			As of December 31, 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	264,773	267,760	2,986
Foreign securities	15,560	15,562	2	13,903	13,885	(18)
Total	38,180	39,227	1,046	278,677	281,645	2,967

3. Available-for-sale securities

(Yen in millions)

	As of March 31, 2018			As of December 31, 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	3,458,320	3,851,321	393,001
Domestic equity securities	628,126	2,638,653	2,010,527	603,081	2,294,927	1,691,845
Foreign securities	4,208,288	4,387,326	179,037	4,556,346	4,618,897	62,550
Others	1,278,523	1,308,633	30,109	1,561,416	1,572,593	11,176
Total	9,660,253	12,275,882	2,615,629	10,179,165	12,337,739	2,158,573

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

2. "Others" includes items as follows:

-Negotiable certificates of deposit which are presented as Cash and bank deposits on the consolidated balance sheet

As of March 31, 2018: cost 36,032 million yen, fair value 36,032 million yen

As of December 31, 2018: cost 7,374 million yen, fair value 7,374 million yen

-Foreign mortgage securities, etc. which are presented as Monetary receivables bought on the consolidated balance sheet

As of March 31, 2018: cost 1,223,941 million yen, fair value 1,250,676 million yen, unrealized gains 26,734 million yen

As of December 31, 2018: cost 1,534,911 million yen, fair value 1,544,012 million yen, unrealized gains 9,101 million yen

3. Impairment losses were recognized for Available-for-sale securities with fair value as follows:

-Fiscal year 2017: 7,121 million yen (Domestic equity securities 296 million yen, Foreign securities 4,321 million yen, Others 2,502 million yen)

-Nine months ended December 31, 2018: 6,353 million yen (Domestic equity securities 3,310 million yen, Foreign securities 1,917 million yen,

Others 1,124 million yen)

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 December 31, 2018		
	Principal amount	Fair value	Unrealized gains (losses)	Principal amount	Fair value	Unrealized gains (losses)
Foreign currency-related instruments						
Currency futures						
Short	1,960	-	-	3,262	-	-
Long	659	-	-	192	-	-
Foreign exchange forwards						
Short	662,431	2,227	2,227	718,726	2,800	2,800
Long	137,817	(1,782)	(1,782)	73,108	(336)	(336)
Currency swaps	12,045	-	-	17,986	(6)	(6)
Interest rate-related instruments						
Interest rate futures						
Short	183,507	133	133	277,617	(565)	(565)
Long	574	-	-	1,235	-	-
Interest rate swaps	2,944,185	21,642	21,642	2,712,425	17,066	17,066
Equity-related instruments						
Equity index futures						
Short	12,294	(180)	(180)	42,360	395	395
Long	2,704	(11)	(11)	2,512	(16)	(16)
Equity forwards						
Short	392	38	38	392	103	103
Equity index options						
Short	117,884			139,536		
	[3,084]	8,343	(5,259)	[4,277]	6,977	(2,699)
Long	158,032			205,007		
	[10,677]	16,078	5,401	[14,559]	17,658	3,099
Bond-related instruments						
Bond futures						
Short	24,119	60	60	138,089	(614)	(614)
Long	122,590	1,237	1,237	29,709	185	185
Bond future options						
Short	11			-		
	[2]	0	1	[-]	-	-
Bond over-the-counter options						
Short	20,950			81,453		
	[14]	13	0	[101]	39	61
Long	20,950			81,453		
	[64]	40	(23)	[130]	247	117
Commodity-related instruments						
Commodity futures						
Short	786	-	-	812	-	-
Long	322	-	-	618	-	-
Commodity swaps	934	(86)	(86)	-	-	-
Others						
Natural catastrophe derivatives						
Short	60,029			53,635		
	[7,278]	5,502	1,775	[6,931]	4,650	2,281
Long	73,274			63,836		
	[9,651]	7,879	(1,772)	[9,077]	6,057	(3,020)
Weather derivatives						
Short	13			24		
	[1]	0	0	[3]	3	0
Others						
Short	22,600			22,714		
	[2,599]	2,147	452	[2,612]	1,648	963
Long	12,016			11,725		
	[1,169]	1,289	120	[1,175]	1,096	(78)
Total	—	64,574	23,974	—	57,391	19,735

(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 December 31, 2018		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
Assets		%		%	
Cash and bank deposits	243,440	2.52	308,208	3.28	64,768
Call loans	135,000	1.40	-	-	(135,000)
Receivables under resale agreements	4,999	0.05	999	0.01	(3,999)
Receivables under securities borrowing transactions	89,599	0.93	-	-	(89,599)
Monetary receivables bought	69,087	0.71	87,462	0.93	18,375
Money trusts	214,101	2.21	2,073	0.02	(212,027)
Securities	7,791,008	80.57	7,805,800	83.14	14,792
Loans	257,253	2.66	256,643	2.73	(609)
Tangible fixed assets	208,308	2.15	206,202	2.20	(2,105)
Intangible fixed assets	523	0.01	523	0.01	(0)
Other assets	650,033	6.72	714,600	7.61	64,567
Prepaid pension costs	7,222	0.07	7,483	0.08	261
Customers' liabilities under acceptances and guarantees	2,345	0.02	2,230	0.02	(115)
Allowance for doubtful accounts	(3,089)	(0.03)	(3,166)	(0.03)	(76)
Total assets	9,669,833	100.00	9,389,064	100.00	(280,769)
Liabilities					
Insurance liabilities	5,408,287	55.93	5,350,548	56.99	(57,738)
Outstanding claims	931,809		1,007,814		76,005
Underwriting reserves	4,476,477		4,342,734		(133,743)
Corporate bonds	10,900	0.11	10,100	0.11	(800)
Other liabilities	687,644	7.11	917,666	9.77	230,021
Income taxes payable	29,391		2,660		(26,731)
Lease obligations	2,761		2,560		(200)
Asset retirement obligations	3,393		3,442		48
Other liabilities	652,097		909,002		256,904
Provision for retirement benefits	205,939	2.13	211,166	2.25	5,227
Provision for employees' bonus	18,702	0.19	5,415	0.06	(13,287)
Reserves under special laws	91,437	0.95	95,624	1.02	4,187
Reserve for price fluctuation	91,437		95,624		4,187
Deferred tax liabilities	209,025	2.16	108,388	1.15	(100,636)
Acceptances and guarantees	2,345	0.02	2,230	0.02	(115)
Total liabilities	6,634,281	68.61	6,701,140	71.37	66,859
Net assets					
Share capital	101,994	1.05	101,994	1.09	-
Capital surplus	133,625	1.38	133,625	1.42	-
Additional paid-in capital	123,521		123,521		-
Other capital surplus	10,104		10,104		-
Retained earnings	1,178,018	12.18	1,077,005	11.47	(101,012)
Surplus reserve	81,099		81,099		-
Other retained earnings	1,096,918		995,906		(101,012)
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		735,809		(101,012)
Total shareholders' equity	1,413,638	14.62	1,312,626	13.98	(101,012)
Unrealized gains (losses) on available-for-sale securities	1,623,584	16.79	1,386,673	14.77	(236,910)
Deferred gains (losses) on hedge transactions	(1,670)	(0.02)	(11,376)	(0.12)	(9,705)
Total valuation and translation adjustments	1,621,913	16.77	1,375,297	14.65	(246,616)
Total net assets	3,035,552	31.39	2,687,923	28.63	(347,629)
Total liabilities and net assets	9,669,833	100.00	9,389,064	100.00	(280,769)

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

Statement of income

(Yen in millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)	Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)	Increase (Decrease)
Ordinary income	1,970,174	2,054,309	84,134
Underwriting income	1,720,960	1,848,621	127,660
Net premiums written	1,613,099	1,621,450	8,351
Deposit premiums from policyholders	75,231	63,187	(12,044)
Investment income on deposit premiums	32,393	30,156	(2,237)
Reversal of underwriting reserves	-	133,743	133,743
Investment income	241,680	198,400	(43,279)
Interest and dividends	185,102	150,469	(34,633)
Gains on money trusts	4,856	12	(4,843)
Gains on sales of securities	79,018	74,736	(4,281)
Transfer of investment income on deposit premiums	(32,393)	(30,156)	2,237
Other ordinary income	7,533	7,286	(246)
Ordinary expenses	1,719,154	1,863,932	144,778
Underwriting expenses	1,476,293	1,618,666	142,373
Net claims paid	921,425	1,056,297	134,871
Loss adjustment expenses	78,412	82,313	3,900
Agency commissions and brokerage	286,451	293,957	7,506
Maturity refunds to policyholders	127,161	108,809	(18,352)
Provision for outstanding claims	41,466	76,152	34,685
Provision for underwriting reserves	21,025	-	(21,025)
Investment expenses	10,111	11,756	1,644
Losses on money trusts	6,145	1,540	(4,605)
Losses on sales of securities	230	1,263	1,032
Impairment losses on securities	1,188	3,610	2,422
Operating and general administrative expenses	227,858	226,776	(1,082)
Other ordinary expenses	4,891	6,733	1,841
Interest expenses	4,510	6,261	1,750
Ordinary profit (loss)	251,020	190,376	(60,643)
Extraordinary gains	1,423	998	(425)
Gains on disposal of fixed assets	29	888	859
Gains on sales of investment in subsidiaries and affiliates	-	103	103
Gains on liquidation of subsidiaries and affiliates	1,394	6	(1,387)
Extraordinary losses	11,837	5,749	(6,087)
Losses on disposal of fixed assets	709	691	(17)
Impairment losses on fixed assets	0	871	870
Provision for reserves under special laws	3,994	4,187	192
Provision for reserve for price fluctuation	3,994	4,187	192
Impairment losses on investment in subsidiaries and affiliates	7,133	-	(7,133)
Income (loss) before income taxes	240,606	185,625	(54,981)
Income taxes - current	43,299	39,527	(3,772)
Income taxes - deferred	(4,249)	(6,511)	(2,261)
Total income taxes	39,050	33,015	(6,034)
Net income (loss)	201,556	152,609	(48,946)
Underwriting profit	40,811	28,463	(12,347)
Loss ratio (W/P basis)	62.0 %	70.2 %	8.2 %
Expense ratio (W/P basis)	30.3	30.4	0.1
Combined ratio (W/P basis)	92.3	100.6	8.3
Loss ratio (private sector, E/I basis)	62.5	73.7	11.3
Expense ratio (private sector)	32.0	31.9	(0.1)
Combined ratio (private sector)	94.4	105.6	11.2

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

Underwriting

Direct premiums written excluding deposit premiums from policyholders

(Yen in millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)			Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	256,748	14.5	2.9	271,264	15.1	5.7
Hull and cargo	47,593	2.7	4.6	49,564	2.8	4.1
Personal accident	135,832	7.7	(3.2)	138,956	7.7	2.3
Voluntary automobile	799,520	45.2	1.3	799,643	44.6	0.0
Compulsory automobile liability	197,526	11.2	(3.5)	194,848	10.9	(1.4)
Others	330,660	18.7	10.8	339,765	18.9	2.8
Total	1,767,882	100.0	2.3	1,794,041	100.0	1.5
Deposit premiums from policyholders	75,231	-	(16.7)	63,187	-	(16.0)

Net premiums written

(Yen in millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)			Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
		%	%		%	%
Fire and allied lines	205,119	12.7	3.4	209,593	12.9	2.2
Hull and cargo	43,203	2.7	(0.3)	46,923	2.9	8.6
Personal accident	131,646	8.2	(3.3)	134,857	8.3	2.4
Voluntary automobile	797,277	49.4	1.3	796,638	49.1	(0.1)
Compulsory automobile liability	216,240	13.4	3.4	201,139	12.4	(7.0)
Others	219,611	13.6	5.4	232,297	14.3	5.8
Total	1,613,099	100.0	2.0	1,621,450	100.0	0.5

Net claims paid

(Yen in millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)			Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)		
	Amount	Rate of change	Loss ratio	Amount	Rate of change	Loss ratio
		%	%		%	%
Fire and allied lines	118,442	7.4	59.9	251,121	112.0	122.3
Hull and cargo	25,649	1.9	62.9	29,077	13.4	65.3
Personal accident	60,522	1.2	51.2	60,797	0.5	50.9
Voluntary automobile	428,559	3.4	59.4	450,671	5.2	62.4
Compulsory automobile liability	156,012	(3.1)	78.6	154,498	(1.0)	83.8
Others	132,238	18.8	63.4	110,130	(16.7)	50.6
Total	921,425	4.5	62.0	1,056,297	14.6	70.2

(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 December 31, 2018
(A) Total amount of solvency margin	5,142,318	4,732,633
Shareholders' equity less adjusting items	1,307,717	1,312,626
Reserve for price fluctuation	91,437	95,624
Contingency reserve	4,139	4,937
Catastrophe loss reserve	1,116,234	982,419
General allowance for doubtful accounts	232	249
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions	2,020,068	1,725,314
Unrealized gains (losses) on land	209,758	216,842
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	394,619
(B) Total amount of risks $\sqrt{(R_1+R_2)^2+(R_3+R_4)^2+R_5+R_6}$	1,243,144	1,201,197
General insurance risk (R ₁)	180,982	182,553
Third sector insurance risk (R ₂)	-	-
Assumed interest rate risk (R ₃)	21,491	20,880
Asset management risk (R ₄)	1,009,717	987,571
Business administration risk (R ₅)	27,615	26,811
Catastrophe risk (R ₆)	168,559	149,545
(C) Solvency margin ratio $[(A)/\{(B)\times 1/2\}]\times 100$	827.3%	787.9%

(Note) Solvency margin ratio as of December 31, 2018 is calculated partially based on the data as of September 30, 2018.

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

Balance sheet

(Yen in millions)

	As of March 31, 2018		As of December 31, 2018		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
Assets		%		%	
Cash and bank deposits	59,544	14.35	28,616	7.30	(30,928)
Securities	285,985	68.93	277,145	70.67	(8,839)
Loans	234	0.06	222	0.06	(12)
Tangible fixed assets	29,029	7.00	28,823	7.35	(205)
Intangible fixed assets	91	0.02	91	0.02	-
Other assets	26,104	6.29	41,668	10.63	15,563
Prepaid pension costs	1,510	0.36	1,494	0.38	(16)
Deferred tax assets	12,478	3.01	14,331	3.65	1,852
Allowance for doubtful accounts	(107)	(0.03)	(229)	(0.06)	(121)
Total assets	414,872	100.00	392,163	100.00	(22,708)
Liabilities					
Insurance liabilities	293,963	70.86	287,319	73.27	(6,644)
Outstanding claims	48,873		52,722		3,848
Underwriting reserves	245,090		234,597		(10,493)
Other liabilities	15,696	3.78	13,856	3.53	(1,840)
Income taxes payable	1,322		210		(1,112)
Asset retirement obligations	11		11		(0)
Other liabilities	14,362		13,634		(728)
Provision for retirement benefits	2,339	0.56	3,077	0.78	737
Provision for employees' bonus	559	0.13	-	-	(559)
Reserves under special laws	1,292	0.31	1,467	0.37	175
Reserve for price fluctuation	1,292		1,467		175
Total liabilities	313,851	75.65	305,720	77.96	(8,131)
Net assets					
Share capital	20,389	4.91	20,389	5.20	-
Capital surplus	15,518	3.74	15,518	3.96	-
Additional paid-in capital	12,620		12,620		-
Other capital surplus	2,898		2,898		-
Retained earnings	26,522	6.39	17,878	4.56	(8,644)
Surplus reserve	7,769		7,769		-
Other retained earnings	18,753		10,108		(8,644)
Special reserves	8,840		-		(8,840)
Reserve for advanced depreciation of fixed assets	1,745		1,745		-
Retained earnings carried forward	8,167		8,363		195
Total shareholders' equity	62,430	15.05	53,786	13.72	(8,644)
Unrealized gains (losses) on available-for-sale securities	38,589	9.30	32,656	8.33	(5,932)
Total valuation and translation adjustments	38,589	9.30	32,656	8.33	(5,932)
Total net assets	101,020	24.35	86,443	22.04	(14,576)
Total liabilities and net assets	414,872	100.00	392,163	100.00	(22,708)

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

Statement of income

(Yen in millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)	Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)	Increase (Decrease)
Ordinary income	112,395	125,055	12,660
Underwriting income	110,226	121,988	11,762
Net premiums written	107,485	108,894	1,409
Deposit premiums from policyholders	1,395	1,328	(67)
Investment income on deposit premiums	1,335	1,264	(70)
Reversal of underwriting reserves	-	10,493	10,493
Investment income	2,098	3,011	913
Interest and dividends	2,945	3,139	193
Gains on sales of securities	312	864	551
Gains on redemption of securities	134	268	134
Transfer of investment income on deposit premiums	(1,335)	(1,264)	70
Other ordinary income	70	55	(15)
Ordinary expenses	108,608	123,531	14,922
Underwriting expenses	90,633	104,958	14,325
Net claims paid	56,143	69,803	13,659
Loss adjustment expenses	7,249	7,553	304
Agency commissions and brokerage	18,165	18,976	811
Maturity refunds to policyholders	5,334	4,550	(784)
Provision for outstanding claims	1,924	3,848	1,924
Provision for underwriting reserves	1,658	-	(1,658)
Investment expenses	321	520	198
Losses on sales of securities	97	14	(82)
Impairment losses on securities	-	66	66
Losses on redemption of securities	12	-	(12)
Operating and general administrative expenses	17,576	17,880	303
Other ordinary expenses	77	172	94
Ordinary profit	3,786	1,524	(2,262)
Extraordinary gains	16	207	190
Gains on disposal of fixed assets	16	2	(14)
Other extraordinary gains	-	204	204
Extraordinary losses	242	275	32
Losses on disposal of fixed assets	6	100	93
Impairment losses on fixed assets	87	-	(87)
Provision for reserves under special laws	148	175	26
Provision for reserve for price fluctuation	148	175	26
Income before income taxes	3,560	1,455	(2,104)
Income taxes - current	1,935	70	(1,865)
Income taxes - deferred	(1,070)	128	1,198
Total income taxes	865	198	(666)
Net income	2,695	1,257	(1,437)
Underwriting profit (loss)	2,700	(279)	(2,979)
Loss ratio (W/P basis)	59.0 %	71.0 %	12.1 %
Expense ratio (W/P basis)	33.0	33.6	0.6
Combined ratio (W/P basis)	92.0	104.7	12.7
Loss ratio (private sector, E/I basis)	57.9	73.8	15.9
Expense ratio (private sector)	34.4	34.6	0.2
Combined ratio (private sector)	92.3	108.4	16.1

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

Underwriting

Direct premiums written excluding deposit premiums from policyholders

(Yen in millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)			Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
Fire and allied lines	20,687	18.1	8.9	23,663	20.1	14.4
Hull and cargo	-	-	-	-	-	-
Personal accident	5,871	5.1	(16.7)	5,510	4.7	(6.1)
Voluntary automobile	64,098	56.2	(0.4)	64,004	54.5	(0.1)
Compulsory automobile liability	14,244	12.5	(6.3)	13,701	11.7	(3.8)
Others	9,138	8.0	20.5	10,551	9.0	15.5
Total	114,040	100.0	0.7	117,432	100.0	3.0
Deposit premiums from policyholders	1,395	-	(8.7)	1,328	-	(4.8)

Net premiums written

(Yen in millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)			Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)		
	Amount	Composition ratio	Rate of change	Amount	Composition ratio	Rate of change
Fire and allied lines	14,312	13.3	13.2	16,351	15.0	14.2
Hull and cargo	2	0.0	(48.2)	0	0.0	(71.3)
Personal accident	5,809	5.4	(16.8)	5,460	5.0	(6.0)
Voluntary automobile	63,955	59.5	(0.5)	63,838	58.7	(0.2)
Compulsory automobile liability	14,493	13.5	(1.5)	12,980	11.9	(10.4)
Others	8,910	8.3	21.2	10,262	9.4	15.2
Total	107,485	100.0	1.5	108,894	100.0	1.3

Net claims paid

(Yen in millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)			Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)		
	Amount	Rate of change	Loss ratio	Amount	Rate of change	Loss ratio
Fire and allied lines	8,465	22.3	61.9	20,550	142.8	128.5
Hull and cargo	8	(8.7)	370.8	1	(82.0)	841.5
Personal accident	2,940	3.2	55.3	2,679	(8.9)	55.2
Voluntary automobile	30,540	(0.4)	56.1	31,454	3.0	57.8
Compulsory automobile liability	10,856	(4.4)	81.3	10,440	(3.8)	87.4
Others	3,332	21.5	41.3	4,677	40.3	49.3
Total	56,143	2.9	59.0	69,803	24.3	71.0

(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 December 31, 2018
(A) Total amount of solvency margin	170,887	156,881
Shareholders' equity less adjusting items	52,528	53,786
Reserve for price fluctuation	1,292	1,467
Contingency reserve	-	-
Catastrophe loss reserve	65,396	56,510
General allowance for doubtful accounts	2	3
Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions	47,195	40,073
Unrealized gains (losses) on land	900	981
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	4,058
(B) Total amount of risks $\sqrt{(R_1+R_2)^2+(R_3+R_4)^2+R_5+R_6}$	25,867	24,947
General insurance risk (R ₁)	12,484	12,609
Third sector insurance risk (R ₂)	-	-
Assumed interest rate risk (R ₃)	983	943
Asset management risk (R ₄)	13,941	12,585
Business administration risk (R ₅)	663	639
Catastrophe risk (R ₆)	5,746	5,813
(C) Solvency margin ratio $[(A)/\{(B)\times 1/2\}]\times 100$	1,321.2%	1,257.6%

(Note) Solvency margin ratio as of December 31, 2018 is calculated partially based on the data as of September 30, 2018.

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

Balance sheet

(Yen in millions)

	As of March 31, 2018		As of December 31, 2018		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
Assets		%		%	
Cash and bank deposits	37,406	81.26	43,356	88.81	5,949
Tangible fixed assets	120	0.26	100	0.21	(19)
Intangible fixed assets	0	0.00	0	0.00	-
Other assets	8,508	18.48	5,360	10.98	(3,148)
Deferred assets under Article 113 of the Insurance Business Act	3,826		956		(2,870)
Other assets	4,682		4,404		(278)
Total assets	46,035	100.00	48,817	100.00	2,781
Liabilities					
Insurance liabilities	32,148	69.84	33,915	69.47	1,766
Outstanding claims	15,380		16,646		1,266
Underwriting reserves	16,768		17,268		499
Other liabilities	4,648	10.10	3,621	7.42	(1,027)
Income taxes payable	36		21		(14)
Lease obligations	24		14		(9)
Asset retirement obligations	49		49		0
Other liabilities	4,538		3,534		(1,003)
Provision for retirement benefits	177	0.39	202	0.41	24
Provision for employees' bonus	171	0.37	71	0.15	(99)
Deferred tax liabilities	1	0.00	0	0.00	(0)
Total liabilities	37,147	80.69	37,811	77.46	664
Net assets					
Share capital	26,653	57.90	29,303	60.03	2,649
Capital surplus	26,653	57.90	29,303	60.03	2,649
Additional paid-in capital	26,653		29,303		2,649
Retained earnings	(44,419)	(96.49)	(47,601)	(97.51)	(3,182)
Other retained earnings	(44,419)		(47,601)		(3,182)
Retained earnings carried forward	(44,419)		(47,601)		(3,182)
Total shareholders' equity	8,888	19.31	11,005	22.54	2,117
Total net assets	8,888	19.31	11,005	22.54	2,117
Total liabilities and net assets	46,035	100.00	48,817	100.00	2,781

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

Statement of income

(Yen in millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)	Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)	Increase (Decrease)
Ordinary income	20,863	22,204	1,340
Underwriting income	20,868	22,202	1,333
Net premiums written	20,858	22,190	1,332
Investment income on deposit premiums	10	11	1
Investment income	(8)	(9)	(1)
Interest and dividends	1	1	0
Transfer of investment income on deposit premiums	(10)	(11)	(1)
Other ordinary income	3	11	7
Ordinary expenses	24,176	25,378	1,201
Underwriting expenses	16,132	16,336	204
Net claims paid	11,645	12,900	1,254
Loss adjustment expenses	1,440	1,530	89
Agency commissions and brokerage	28	139	111
Provision for outstanding claims	2,402	1,266	(1,136)
Provision for underwriting reserves	615	499	(115)
Operating and general administrative expenses	5,173	6,168	995
Other ordinary expenses	2,871	2,872	0
Interest expenses	0	0	(0)
Amortization of deferred assets under Article 113 of the Insurance Business Act	2,870	2,870	-
Ordinary profit (loss)	(3,312)	(3,173)	139
Extraordinary losses	0	0	(0)
Losses on disposal of fixed assets	0	0	(0)
Income (loss) before income taxes	(3,313)	(3,173)	140
Income taxes - current	9	9	-
Income taxes - deferred	(0)	(0)	0
Total income taxes	8	8	0
Net income (loss)	(3,322)	(3,182)	140
Underwriting profit (loss)	(437)	(303)	133
Loss ratio (W/P basis)	62.7 %	65.0 %	2.3 %
Expense ratio (W/P basis)	24.9	28.4	3.5
Combined ratio (W/P basis)	87.7	93.5	5.8
Loss ratio (private sector, E/I basis)	76.8	72.7	(4.1)
Expense ratio (private sector)	25.2	28.7	3.5
Combined ratio (private sector)	102.1	101.5	(0.6)

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

Balance sheet

(Yen in millions)

	As of March 31, 2018		As of December 31, 2018		Increase (Decrease)
	Amount	Composition ratio	Amount	Composition ratio	
Assets		%		%	
Cash and bank deposits	89,089	1.23	83,703	1.14	(5,385)
Call loans	-	-	2	0.00	2
Receivables under securities borrowing transactions	30,880	0.43	13,339	0.18	(17,540)
Monetary receivables bought	146,997	2.04	144,998	1.98	(1,999)
Securities	6,712,287	93.05	6,875,438	93.70	163,150
Domestic government bonds	5,924,046		6,080,008		155,962
Domestic municipal bonds	17,269		23,881		6,612
Domestic corporate bonds	193,565		227,947		34,382
Domestic equity securities	235		93		(141)
Foreign securities	399,140		432,384		33,243
Others	178,031		111,122		(66,908)
Loans	90,512	1.25	93,735	1.28	3,222
Policy loans	90,512		93,735		3,222
Tangible fixed assets	1,183	0.02	1,122	0.02	(61)
Intangible fixed assets	27	0.00	27	0.00	-
Agency accounts receivable	344	0.00	284	0.00	(60)
Reinsurance accounts receivable	1,861	0.03	1,511	0.02	(350)
Other assets	141,623	1.96	124,508	1.70	(17,114)
Allowance for doubtful accounts	(832)	(0.01)	(783)	(0.01)	49
Total assets	7,213,975	100.00	7,337,887	100.00	123,912
Liabilities					
Insurance liabilities	6,224,983	86.29	6,459,176	88.03	234,193
Outstanding claims	59,041		64,851		5,810
Underwriting reserves	6,066,723		6,300,601		233,878
Reserve for dividends to policyholders	99,218		93,723		(5,495)
Agency accounts payable	7,407	0.10	4,850	0.07	(2,557)
Reinsurance accounts payable	2,440	0.03	1,834	0.02	(606)
Other liabilities	624,857	8.66	511,084	6.97	(113,772)
Payables under securities lending transactions	473,452		364,316		(109,136)
Income taxes payable	947		1,293		345
Lease obligations	135		109		(25)
Other liabilities	150,321		145,364		(4,957)
Provision for retirement benefits	6,292	0.09	6,919	0.09	626
Reserves under special laws	7,781	0.11	9,475	0.13	1,693
Reserve for price fluctuation	7,781		9,475		1,693
Deferred tax liabilities	14,230	0.20	15,328	0.21	1,097
Total liabilities	6,887,994	95.48	7,008,669	95.51	120,674
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	39,317	0.54	4,844
Surplus reserve	13,000		13,140		140
Other retained earnings	21,473		26,177		4,704
Retained earnings carried forward	21,473		26,177		4,704
Total shareholders' equity	144,568	2.00	149,413	2.04	4,844
Unrealized gains (losses) on available-for-sale securities	172,494	2.39	171,900	2.34	(593)
Deferred gains (losses) on hedge transactions	8,917	0.12	7,904	0.11	(1,012)
Total valuation and translation adjustments	181,411	2.51	179,805	2.45	(1,606)
Total net assets	325,980	4.52	329,218	4.49	3,238
Total liabilities and net assets	7,213,975	100.00	7,337,887	100.00	123,912

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

Statement of income

(Yen in millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)	Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)	Increase (Decrease)
Ordinary income	805,132	726,581	(78,551)
Insurance premiums and other	645,490	647,825	2,335
Insurance premiums	635,805	641,867	6,062
Investment income	156,399	75,886	(80,513)
Interest and dividends	72,561	71,999	(562)
Gains on sales of securities	5,524	2,937	(2,587)
Gains on derivatives	-	869	869
Foreign exchange gains	40,862	-	(40,862)
Investment gains on separate accounts	37,411	-	(37,411)
Other ordinary income	3,242	2,869	(373)
Ordinary expenses	786,947	700,995	(85,952)
Insurance claims and other	418,518	342,136	(76,381)
Insurance claims	35,680	32,000	(3,679)
Annuity payments	46,908	46,855	(53)
Benefits	143,770	94,374	(49,396)
Surrender benefits	168,711	152,579	(16,131)
Other refunds	12,411	9,627	(2,784)
Provision for underwriting reserves and other	222,923	239,689	16,766
Provision for outstanding claims	9,845	5,810	(4,035)
Provision for underwriting reserves	213,076	233,878	20,801
Interest on reserve for dividends to policyholders	0	1	0
Investment expenses	48,049	24,892	(23,157)
Interest expenses	1,060	910	(150)
Losses on sales of securities	1,296	884	(411)
Losses on derivatives	45,690	-	(45,690)
Foreign exchange losses	-	7,983	7,983
Investment losses on separate accounts	-	15,112	15,112
Operating expenses	90,380	86,612	(3,767)
Other ordinary expenses	7,076	7,664	587
Ordinary profit	18,184	25,585	7,401
Extraordinary losses	1,117	1,703	586
Provision for (Reversal of) reserve for dividends to policyholders	682	(2,669)	(3,351)
Income before income taxes	16,384	26,551	10,166
Income taxes - current	4,033	5,884	1,851
Income taxes - deferred	866	1,722	855
Total income taxes	4,900	7,606	2,706
Net income	11,484	18,944	7,460

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

Breakdown of ordinary profit (Core operating profit)

(Yen in millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)	Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)	Increase (Decrease)
Core operating profit A	23,845	32,368	8,523
Capital gains	46,387	2,937	(43,450)
Gains on sales of securities	5,524	2,937	(2,587)
Foreign exchange gains	40,862	-	(40,862)
Capital losses	48,578	10,297	(38,280)
Losses on sales of securities	1,296	884	(411)
Losses on derivatives	47,166	614	(46,552)
Foreign exchange losses	-	7,983	7,983
Other capital losses	116	815	699
Net capital gains (losses) B	(2,191)	(7,360)	(5,169)
Core operating profit including net capital gains (losses) A+B	21,654	25,008	3,353
Non-recurring income	-	587	587
Reversal of contingency reserves	-	587	587
Non-recurring losses	3,469	9	(3,460)
Provision for contingency reserves	3,422	-	(3,422)
Increase in specific allowance for doubtful accounts	47	9	(37)
Net non-recurring income (losses) C	(3,469)	577	4,047
Ordinary profit A+B+C	18,184	25,585	7,401

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 December 31, 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	5,269	102.6	292,759	102.7
Individual annuities	568	89.0	24,848	88.3	538	94.7	23,120	93.0
Group insurance	-	-	23,830	93.5	-	-	23,449	98.4
Group annuities	-	-	32	96.4	-	-	32	98.8

New policies

(Number in thousands, yen in 100 millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)				Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)			
	Number of policies		Amount		Number of policies		Amount	
		% to December 31, 2016		% to December 31, 2016		% to December 31, 2017		% to December 31, 2017
Individual insurance	326	84.6	25,541	102.9	319	98.0	25,400	99.4
Individual annuities	-	-	-	-	-	-	-	-
Group insurance	-	-	163	61.6	-	-	63	39.0
Group annuities	-	-	-	-	-	-	-	-

Annualized premiums

Policies in force

(Yen in 100 millions)

	As of March 31, 2018		As of December 31, 2018	
		% to March 31, 2017		% to March 31, 2018
Individual insurance	6,908	108.5	7,046	102.0
Individual annuities	1,619	83.3	1,506	93.0
Total	8,527	102.6	8,552	100.3
Medical coverage, accelerated death benefits, etc.	1,773	108.6	1,874	105.7
Medical and cancer	1,517	108.2	1,602	105.6

New policies

(Yen in 100 millions)

	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)		Nine months ended December 31, 2018 (April 1, 2018 to December 31, 2018)	
		% to December 31, 2016		% to December 31, 2017
Individual insurance	699	96.5	558	79.8
Individual annuities	-	-	-	-
Total	699	91.3	558	79.8
Medical coverage, accelerated death benefits, etc.	163	91.8	170	104.2
Medical and cancer	136	88.5	142	104.6

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 December 31, 2018
(A) Total amount of solvency margin	782,623	818,078
Shareholders' equity less adjusting items	130,468	147,101
Reserve for price fluctuation	7,781	9,475
Contingency reserve	51,093	50,506
General allowance for doubtful accounts	463	413
(Unrealized gains (losses) on available-for-sale securities and deferred gains (losses) on hedge transactions before tax effect deductions) × 90%	215,617	214,875
Unrealized gains (losses) on land × 85%	-	-
Excess of continued Zillmerized reserve	319,252	320,250
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)	(123,945)
Deductions	-	-
Others	95,333	99,401
(B) Total amount of risks $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	66,658	76,901
Insurance risk (R ₁)	16,464	16,584
Third sector insurance risk (R ₈)	5,763	6,106
Assumed interest rate risk (R ₂)	4,985	5,044
Minimum guarantee risk (R ₇)	2,833	2,532
Asset management risk (R ₃)	53,253	63,925
Business administration risk (R ₄)	1,666	1,883
(C) Solvency margin ratio $[(A)/\{(B) \times 1/2\}] \times 100$	2,348.1%	2,127.6%

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 expenses (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. reserve for price fluctuation, 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 regulators to supervise insurance companies. A ratio exceeding 200% indicates sufficient solvency to fulfill payment obligations such as insurance claims.